

## **Internship Report on**

Financial Performance Analysis of IDLC Securities  
Limited



### **Submitted to,**

The Department of Business Administration  
Daffodil International University

### **Submitted by,**

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**Internship Report on**  
**Financial Performance Analysis of IDLC Securities Limited**

**Supervised by,**

MS Nusrat Nargis  
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Date of Submission: 5<sup>th</sup> March, 2023

## Letter of Transmittal

Date: 5<sup>th</sup> March, 2023

To  
Ms. Nusrat Nargis  
Assistant Professor  
Department of Business Administration  
Faculty of Business & Entrepreneurship  
Daffodil International University

**Subject: Submission of Internship Report on “Financial Performance Analysis of IDLC Securities Limited”.**

Dear Madam,

With due respect, I would like to inform you that I have accomplished my internship report on “**Financial Performance Analysis of IDLC Securities Limited**”. It is a great opportunity for me to present the report before you. I did my utmost effort to finish the paper. It is a tremendous encounter for me to deal with these issues. Within the allotted time and limited resources, I tried to create a remarkable and comprehensive report. It is my pleasure to work under your direction on the internship report.

I have attempted my best to include more insight in this report. If you need any more explanations, I would be delighted to provide them. I'm hoping that this report will live up to your expectations.

Thank you for your kind supervision.

Sincerely yours,



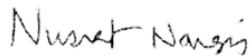
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## Letter of Acceptance

This is intended to certify that the internship report is completed under my supervision by Arnab Kumar Das, ID: 191-11-6217, a student of BBA program at Daffodil International University. In order to fulfill a requirement for his bachelor degree, he completed his internship with IDLC Securities Limited and prepare a report entitled "**Financial Performance Analysis of IDLC Securities Limited.**" He has been allowed to submit the report.

Arnab Kumar Das is incredibly responsible person who possesses significant areas of strength for an individual. Working with him has definitely been a wonderful experience. I wish him good luck in all aspects of his life.



Ms. Nusrat Nargis  
Assistant Professor  
Department of Business Administration  
Faculty of Business & Entrepreneurship  
Daffodil International University

## Declaration of the Student

I hereby state that the internship report I submitted, titled "**Financial Performance Analysis of IDLC Securities Limited**" is entirely my own effort and had not been previously submitted to another university, college, or institution for academic credential. I hereby confirmed that this report meets the required in part the necessities for the Daffodil International University Bachelor of Business Administration (BBA) degree.

This report is prepared by me after completing an internship at IDLC Securities Limited, DR Tower, Box Culvert Road, Purana Paltan, Dhaka, under the supervision of Ms. Nusrat Nargis, Assistant Professor, Department of Business Administration, Faculty of Business & Entrepreneurship, Daffodil International University.

And Mohammad Shafiqul Islam Azad, Deputy Manager, IDLC Securities Limited. The work I have introduced does not violate the rights on any existing copyright. I furthermore agree to compensate for any harm caused by a breach of the preceding commitments.



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## **Executive Summary**

IDLC Securities Limited is undoubtedly one of the largest financial institutions in Non-Banking Financial Company and brokerage industry of Bangladesh, relatively having one of the best portfolios of any other financial company in the country which is a sister concern of IDLC Group that started its journey from 1985 by the initiation of IFC of the World Bank. As the primary goal of this report, a detailed history has been included by me of IDLC Securities Limited and its various concerns in the report, as well as a relative and graphical presentation that explain its five-years of financial performance preview. The in-depth evaluation of the company for that I have worked is indicated as the first objective based on my own working experience and understanding gained from previous annual report and the workplace both. During internship program a lot of knowledge have gathered by me with the assistance of team operations, team finance and the other teams of IDLCSL that helped to meet my superiors' expectations.

Furthermore, this report is created based on the three months of my working experience at IDLC Securities Limited. Through this internship program, my brain is blessed with getting ideas about the real-world corporate environment, share market, IPO, Blue chip and CDBL. This report is based on financial performance analysis of IDLC Securities Limited which includes, Liquidity, Earnings, Trend analysis, Ratio analysis and Common Size analysis of last five years.

## Acknowledgement

At the very beginning, my heartiest praising the Almighty Creator for granting me the strength, confidence, and proficiency to fulfill the internship program and the internship report on time despite a number of challenges. It is my immense pleasure to express my gratitude to a large number of people for its kind assistance and motivation, that helped me to prepare my internship report. During this moment, my sincere gratitude to those whose encouragement and guidance is highly essential to make this report done. Let me share my warmest greetings to:

MS Nusrat Nargis madam, Assistant Professor in Department of Business Administration, Faculty of Business & Entrepreneurship, Daffodil International University. It is my great pleasure to have her kind instructions, guidance, supervising and suggestions which helps me a lot to finish this report.

Also, I want to show my gratitude to Sakhawat Hossain (Head of Finance and Operations and Assistant General Manager, IDLC Securities Limited) and Mohammad Shafiqul Islam Azad (Deputy Manager, IDLC Securities Limited) for keeping their faith in me. Farzana Akter Nipa, (Officer grade-III, IDLC Securities Limited) Md. Showrov Chowdhury, (Officer grade-II, IDLC Securities Limited), Tanjida Ahmed, (Officer grade-II, IDLC Securities Limited) for counselling me and providing me a standard knowledge of teamwork.

Last but not the least, sharing my cordial appreciation to all the members of IDLC Securities Limited who assisted me and made my experience at work unforgettable. I want to show the utmost respect for my family and friends. Their adoration, inspiration and assistance have been remarkable. Subsequently, it is important to note that this report took days of hard work to complete. I appreciate everyone who made a significant contribution to the report's completion. Without their assistance, this report would not have even been finished on time successfully.

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# *Chapter 1: Introduction*

## **1.1 Introduction of IDLCSL:**

IDLC Securities Limited is one of the leading securities companies that licensed by Bangladesh Securities and Exchange Commission. IDLCSL has more than 18,600 clients, including 436 institutional and foreign clients. In addition, the Company serves more than 4,500 customers as a panel broker of its enlisted merchant banks. In 2021, IDLCSL closed 358 inactive accounts. Overall, the total number of accounts in 2021 shows a growth of 14.4%. IDLCSL's turnover grew by 125% in 2021 compared to that of 2020. Therefore, brokerage commission income increased by 120% in 2021. Despite low deposit rate, interest income grew by 51% due to higher interest income from margin loan. Overall, income from interest and investment increased by 14%. So, higher brokerage and interest income from margin loan resulted in 108% NPAT growth in 2021 compared to 2020

## **1.2 Origin of the study:**

As a student of Business Administration Department, it is an obvious requirement to go through under the internship program for becoming a graduate. In my internship program I is assigned to the company IDLC Securities Limited. This report is made on the basis of my practical experience with daily organizational activities, theoretical literature and under the instruction of my internal support as well as my official supervisor.

## **1.3 Objectives of the study:**

- To analyze activities of IDLC Securities Limited.
- To evaluate the financial performance of the company for 2017 to 2021.
- To identify problems related to the financial performance of IDLC Securities limited
- To provide recommendations about the problems of the company regarding financial performance.

## **1.4 Scope of the study:**

In my report, the financial performance of IDLC Securities Limited from the year 2017 to 2021 have been highlighted by me where include ratio analysis, trend analysis and common size analysis that indicates the conditions IDLC Securities Limited's liquidity, profitability, net profit and so on. Information is collected from its income statement and balance sheet.

## **1.5. Methodology of the study:**

A step-by-step process followed by me to collect the data. The first step starts with selecting the topic then identifying the resources of data that familiar with the report. After that, data collection procedure starts in the third step where includes IDLCSL's previous report, cash flows, balance sheet and so on. Last but not the least, analyzing the data and proving Interpretation by making graphs according to its performance and prepare a final report.

### **1.5.1. Secondary Data Collection:**

- Collecting information by searching IDLCSL's websites on google
- Observing data on news, print media and different books related to the report
- Analyzing the annual report of IDLC Securities Limited

## **1.6. Limitations of the Study:**

Some limitations have been faced by me while doing the report. Those are;

- Here are some data and information that are collected with assumption by analyzing the historical data of IDLC Securities Limited because of some confidentiality issue.
- Time is not enough to collect all the information within internship period
- It is so difficult to collect all of the data from the primary resources within this short period.
- Capital market is getting unstable in the period of COVID-19
- Collecting data from secondary resources which are not that much reliable as primary resources



## *Chapter 2: Organizational Overview*

## **2.1 Historical Background:**

IDLC Securities Limited formed in 2006. IDLCSL has been serving both local and foreign investors with proven track record of quality customer services, research expertise, strict regulatory compliance and highest standard of corporate ethics. In these 16 years it has become one of the leading stock brokers of the country by continuously providing world class services to its customers. It is licensed by Bangladesh Securities and Exchange Commission (BSEC) to act as a stock broker as well as a stock dealer. Having seats in both Dhaka Stock Exchange Limited (TREC no. 058) and Chittagong Stock Exchange Limited (TREC no. 119), IDLC Securities Limited has become a trusted name to most of the foreign Institutional investors and local institutions & retail investors in Bangladesh.

## **2.2. Corporate Information:**

### **2.2.1. IDLC Securities Limited:**

IDLC Securities Limited (IDLCSL) is a stockbroking company with headquarters in Dhaka, Bangladesh. The company is a wholly owned subsidiary of IDLC Finance Limited (IDLC), which is created by a joint initiative of International Finance Corporation, German Investment Corporation, Korea Development Bank, Aga Khan Fund for Economic Development, and other local and international institutions.

#### **2.2.1.1. Services:**

- Brokerage- IDLCSL is an establishment of broker and offers execution brokerage, premium brokerage & international brokerage.
- Investment Options- Under investment options, IDLCSL offers Bangladesh Equities and bonds. On the basis of investment objective in earning returns, IDLCSL offers closed-end mutual funds and open-end mutual funds.
- Trading Tools- IDLCSL offers exclusive trading tools that can manage and trade clients' portfolios through online stock trading platform i-Trade, DSE-Mobile App/ DSE-Investor/ DSE-VIP and Trade Assisted Training.
- Value Added Features- IDLCSL offers value added features like Order Management System (OMS), Bangladesh Electronic Funds Transfer Network (BEFTN), and Margin Trading & Depository Services.
- Client Segments- Under client segments, IDLCSL has Resident Investors, NRB Investors and Foreign Institutional Investors.

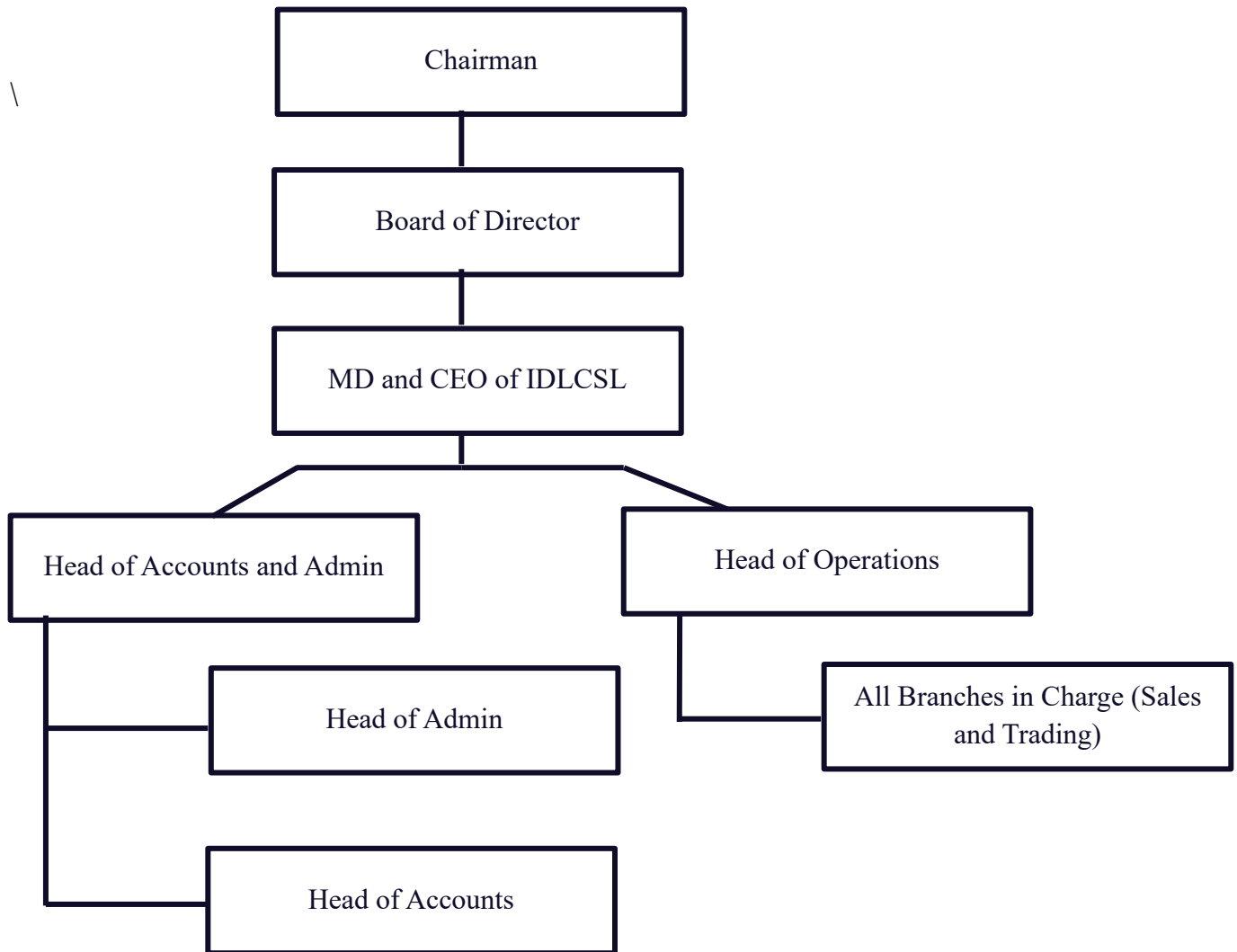
### **2.2.1.2. Product:**

- Cash Account: Customer can open cash account and make their transaction on cash also it can hire recommended member (RM) for ensuring their transactions.
- Easy IPO: One can also open their initial public offering account easily by using the mobile application of IDLC.
- Premium Brokerage: IDLC Securities Limited provides premium brokerage for High-Net-worth Individuals (HNIs)
- Institutions and Foreign: IDLC Securities Limited has a department to serve its foreign customers also.
- Internet based trading facilities: Customer can buy and sell their share through online
- Online based IPO application: People can apply for IPO by using the mobile app available on google play store.
- Custodial and CDBL services: Custodial and Capital Depository Bangladesh Service also available here. Here customer can set up, inquire and modify their BO account.
- Research and Advisory Services: IDLC Securities Limited has its own research and advisory team that provides information about IDLCSL's financial and overall performance compared with its competitor companies and also provide advice that helps to take investment decisions.


### **2.2.1.3. Branches of IDLCSL:**

- Dilkusha (Head Office)
- Gulshan
- Gazipur
- Dhamnondi
- DOHS
- Uttara
- Agrabad
- Narayanganj
- Sylhet
- Khatunganj
- Bogura

### **2.3. Organizational Hierarchy:**







*Chapter 3:*  
*Activities of IDLC Securities Limited*

### **3.1. Activities of IDLC Securities Limited:**

#### **3.1.1. Customers shares/Cash Limit & Risk Management:**

It basically drives CAT during trade which includes;

- Input Cash/Shares limit for CSE platform and DSE in CAT terminal
- Assigning client codes to DSE workstation and adjusting individual workstation limit
- Activation and Deactivation of codes
- Imposing or eliminating Buy and sell restrictions
- Hourly Trade Report

#### **3.1.2. IPO Operations:**

Initial Public Offerings of IDLCSL operation team and its dealer account are divided into a few steps. Those are;

##### **Step -1 (BO Setup)**

- Company Setup
- Declaration and update IPO subscription date
- IPO Notification through Email and SMS

##### **Step -2 (IPO)**

- IPO Application Approve
- Reject or Cancel IPO application (if)
- Fund Transfer to Exchange
- IPO data upload to ESS
- Result Verify
- IPO Data Allotment
- IPO Result send to Client and RM through

##### **Step -3 (SMS & Email)**

- Shares Allotment Approve
- Fund refund process
- Tradable at DSE & CSE trading system

##### **Step -4 (Dealer IPO)**

- Fixed Price Method & BID price method
- Fund Transfer to Exchange
- IPO Application
- Share Allocation
- Fund Refund
- Tradable at DSE & CSE Trading System
-

### **3.1.3. Shares Receive and Delivery:**

- Shares Collection of AMC and Foreign Accounts in Backoffice
- Increment quantity upload at Flex TP
- Shares Delivery of AMC and Foreign Accounts in Backoffice

### **3.1.4. Mobile Application:**

- DSE Mobile app Registration
- Notify Client
- Workstation Assign
- Ensure Purchase Power
- Ensure Activation Process
- Client Log Maintenance
- Other services (PW reset, Device Un- register)

### **3.1.5. CDBL Operations:**

CDBL or Central Depository Bangladesh Limited is basically a software o DSC where IDLCSL keep customers accounts information of capital market. It includes;

- Demat Setup
- Transfer & Transmission Setup and Approve
- Transfer & Transmission Change of Ownership Setup and Approve
- Pledge and Unpledged Setup and Approve
- Close Setup
- BO suspension Withdraw
- Request setup for DP reports
- BLUECHIP software
- Corporate Action-Transfer
- Dividend Receivable
- Cash Dividend Receivable
- Block Setup, release

### **3.1.6. Trade Data Process:**

- Trade data files upload in Backoffice
- Download all trades data every day. (File Zela and CAT-ADMIN)
- EOD ticker upload (Close price)
- DSE/CSE Trade data upload
- Trade Correction (if needed)
- After-trade client SMS
- EOD confirmation and portfolio

### **3.1.7. Foreign Trade Operations:**

In this sector, at first IDLC Securities Limited set up a foreign account documentation. Then start preparation and disbursement of all foreign trade confirmation. After ensuring trade matching report with local custodian and clients IDLCSL preparing trade certificate for shares and fund settlement with local custodian. Finally, it submits weekly foreign trade report to DSE & CSE and monthly MIS report.

### **3.1.8. Pay-In and Pay-out:**

Pay-In and Pay-out is a step-by-step process and the steps are;

- Export Pay-In and Pay-out from Backoffice
- Upload Pay-In and Pay-out at CDBL
- BO ISIN Checking at CDBL
- Shortage Checking at CDBL

### **3.1.9. Margin Operations:**

For opening a margin account first of all IDLCSL need to prepare margin agreement with customer. The process of collecting dividend through email and letter also dividend disbursement to client account. After that, the two parties can issue margin call letter. Last but not the least, conversation margin to cash and cash to margin.

### **3.1.10. Financial Documents:**

Financial documents are basically including;

- Tax Certificate
- Wealth Certificate
- Lock-in price update
- Financial ledger calculations

### **3.1.11. Charges and Fees:**

IDLCSL take charges and fees according to the service it provided. Some mentionable services are;

- BO Account Opening Fee (Monthly)
- BO Account Maintenance Fee (Monthly)
- CDBL Transaction Charges (Monthly)
- BO Account Annual Maintenance Fee.


### **3.1.12. Reconciliation of Shares:**

- Client wise Daily Basis
- Monthly Stock Reconciliation for
  1. ManCom
  2. ICC
  3. CDBL
  4. DSE
  5. CSE

### **3.1.13. Account Open:**

Account opening is a process that a person should follow who wants to open a BO account. The processes are;

- Receiving request through Walking Client/RM/Online Channel
- Customer should send his/her NID to Documentation for NID verification
- Create CIF (Client Information)
- Open in CDBL (Central Depository Bangladesh Limited)
- Update in Blue-chip
- Send BO Acknowledgement to Client from IDLCSL.
- Active Value-added service (Email & SMS)
- Collect CEO sign in Form
- Preserve BO Opening form to Volt



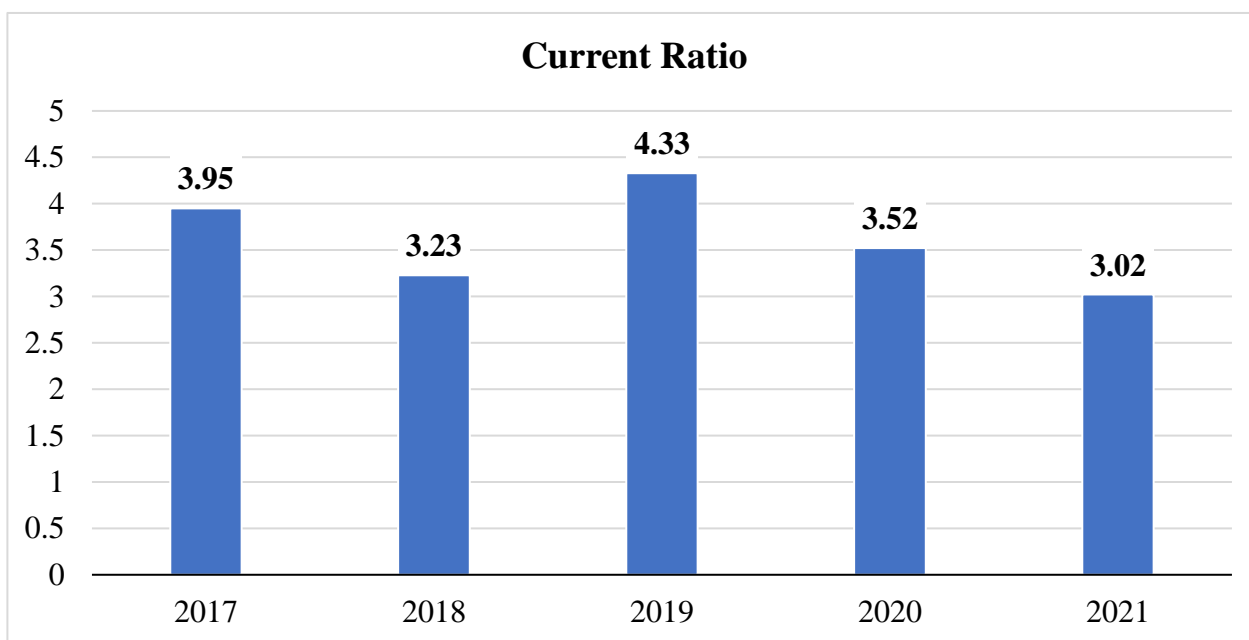
*Chapter 4:*  
*Financial Performance Analysis of IDLCSL*  
*(2017-2021)*

## 4.1. Ratio Analysis:

### 4.1.1. Liquidity Ratio:

The liquidity Ratio is used to determine a company's ability to pay the short-term debt. Basically, it depicts that either a company has sufficient liquidity to meet its short-term debt or it needs to raise additional funds to pay the debt. Less liquidity shows less possibility to pay the debt and more shows that the company is not able to generate profit according to its expectation.

**4.1.1.1. Current Ratio:** It helps to measure the capability of a particular business to meet its short-term obligations that are less than a year. This ratio compares with total current asset and total current liability.

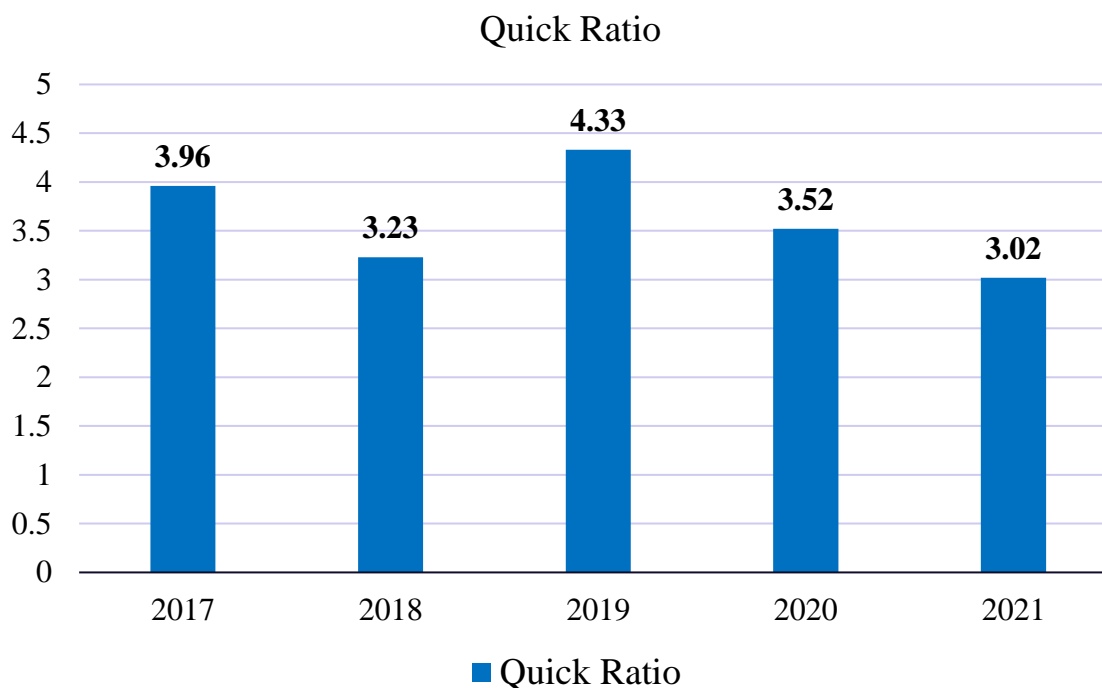


<b>Current Ratio (in MN BDT)</b>					
<u>Particulars</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total Current Asset	4,065	4,717	3,811	4,939	5,762
Total Current Liability	1,028	1,461	880	1,403	1,908
Total Current Asset/Total Current Liabilities	3.95	3.23	4.33	3.52	3.02

### Interpretation:

According to the chart, IDLCSL generated 3.95 current ratio in 2017, then 3.23 in 2018 after that the highest current ratio it gained in 2019 which is 4.33 and generated 3.52 and 3.02 in the other two years. We know that the score of a good current ratio for a company is between 1.5 to 2. Here all the ratio is greater than 3. So, it is in a good condition in terms of current ratio.

#### 4.1.1.2. Quick Ratio:



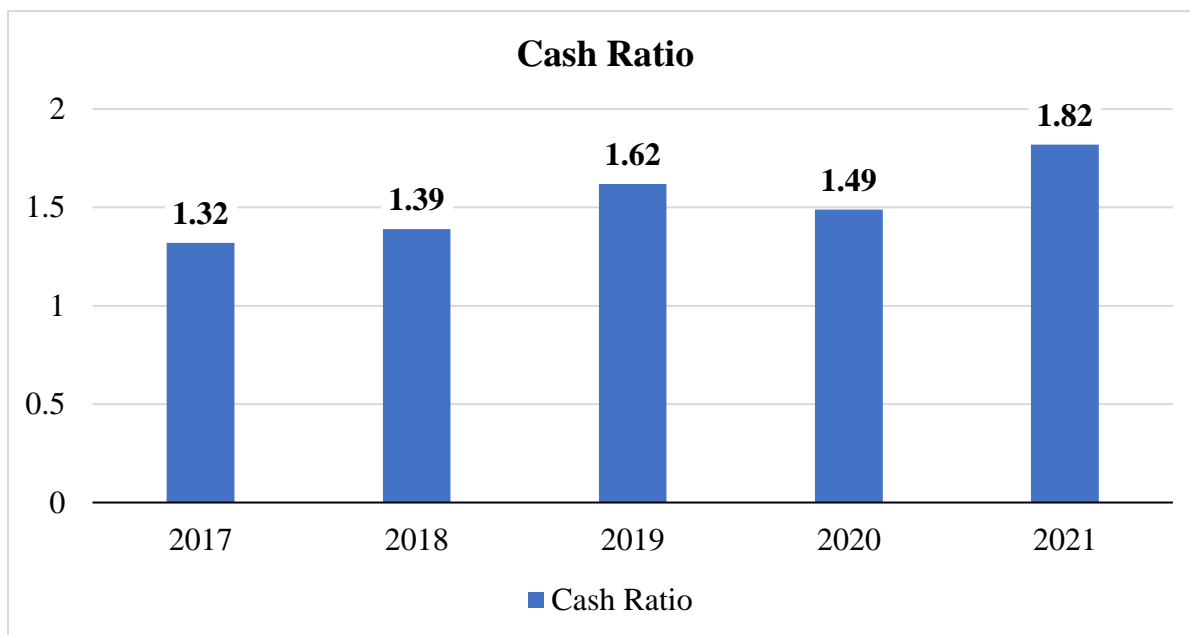
<u>Particulars</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total Current Asset	4,065,219,497	4,717,334,688	3,811,154,569	4,938,889,168	5,762,495,195
Total Current liabilities	1027850541	1461015739	880279173	1403081456	1907991568
CA/CL	3.96	3.23	4.33	3.52	3.02

### Interpretation:

We know the acceptable quick ratio of a company is 1:1. Here, IDLCSL generated highest quick ratio in 2019 and the last year of the chart it generated 3.02 and the other years also it generated quick ratio more than 3. So, its quick ratio condition is also good.



**4.1.1.3. Cash Ratio:** Cash ratio measures the ability to pay off the short-term debt obligations of a company with its cash and cash equivalents. By dividing cash and cash equivalents with total current asset a company can measure its ability to pay off the short-term debt.



<b>Cash Ratio (in MN BDT)</b>					
<u>Particulars</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Cash & Cash Equivalents	1,362	2,036	1,417	2,084	3,477
Total Current Liability	1,028	1,461	880	1,403	1,908
Total Current Asset/Total Current Liabilities	1.32	1.39	1.61	1.49	1.82

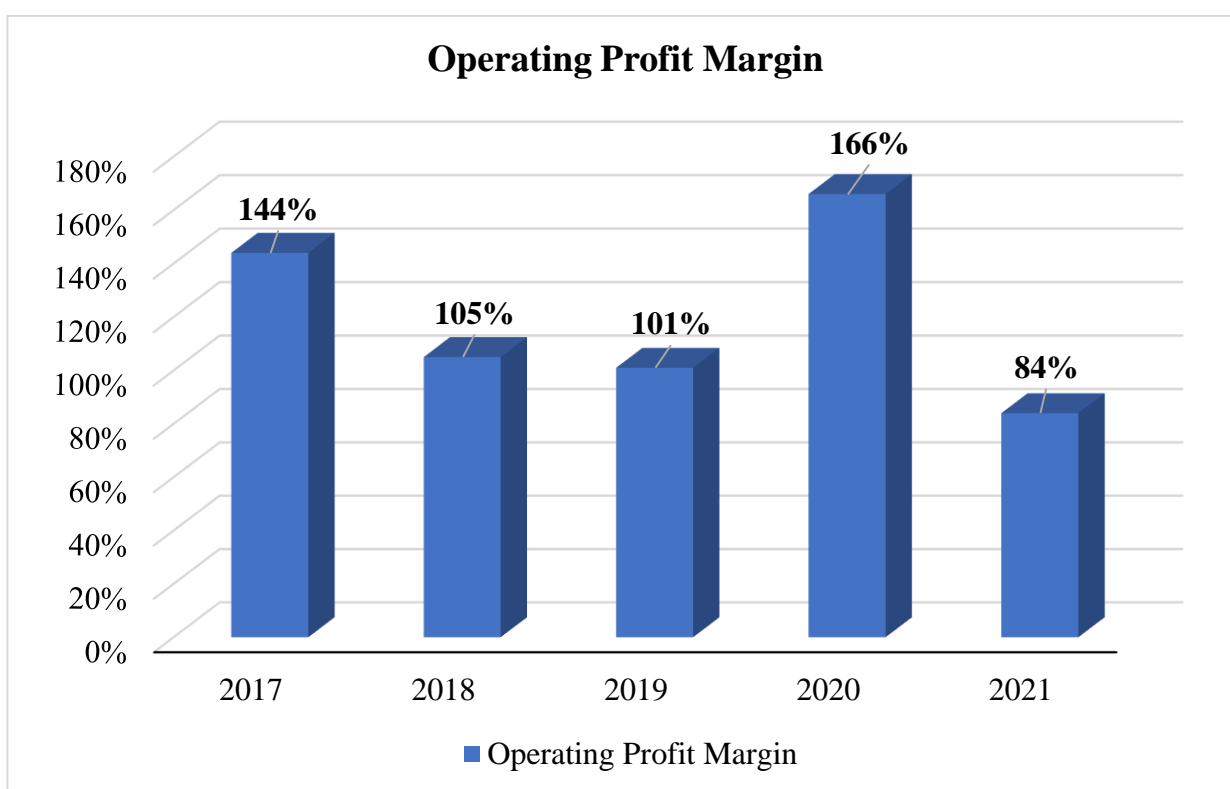
**Interpretation:**

We know that, 1 or more than 1 indicates the good condition of cash ratio for a company. Here IDLCSL generated its highest cash ratio in 2021 which is 1.82 and the second highest is 1.61 in 2019 and the other years its cash ratio remaining more than 1. So, IDLCSL has enough cash and cash equivalents to entirely pay off all short-term debts.

## 4.1.2. Profitability Ratio

Profitability Ratio is a kind of ratio analysis that used to evaluate the efficiency of a particular business to generated earning profit that are related with its sales or operations, balance sheet or shareholders' equity. It also helps a company by providing its historical data also comparing its performance with its competitors

**4.1.2.1. Operating Profit Margin:** It helps a company to measure IDLCSL's profitably from its operational sector. Operating profit margin express its value in percentages. By dividing operating profit from net brokerage commission income, a company can get its operating profit margin.



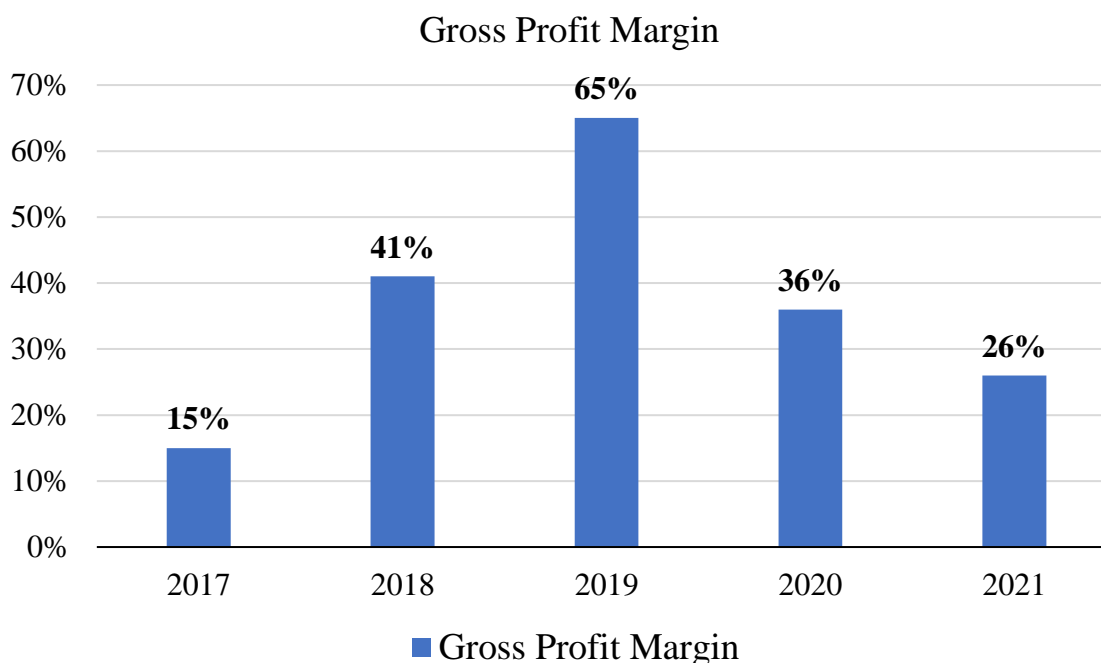
### Operating Profit Margin (in MN BDT)

<u>Particulars</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Operating Profit	691	351	219	516	574
Net brokerage commission income	480	333	217	310	682
Operating Profit/ Net brokerage commission income	144%	105%	101%	166%	84%

### Interpretation:

IDLCSL generated highest OPM in 2020 which is 166% the other years also it generated more than 100% of OPM except 2021 which is 84% and 15% of operating profit margin indicates good condition of a company and 60% to 70% of OPM would be considered healthy. So, according to the OPM range IDLCSL holds the good conditions of its operating profit margin.

#### 4.1.2.2. Gross Profit Margin:

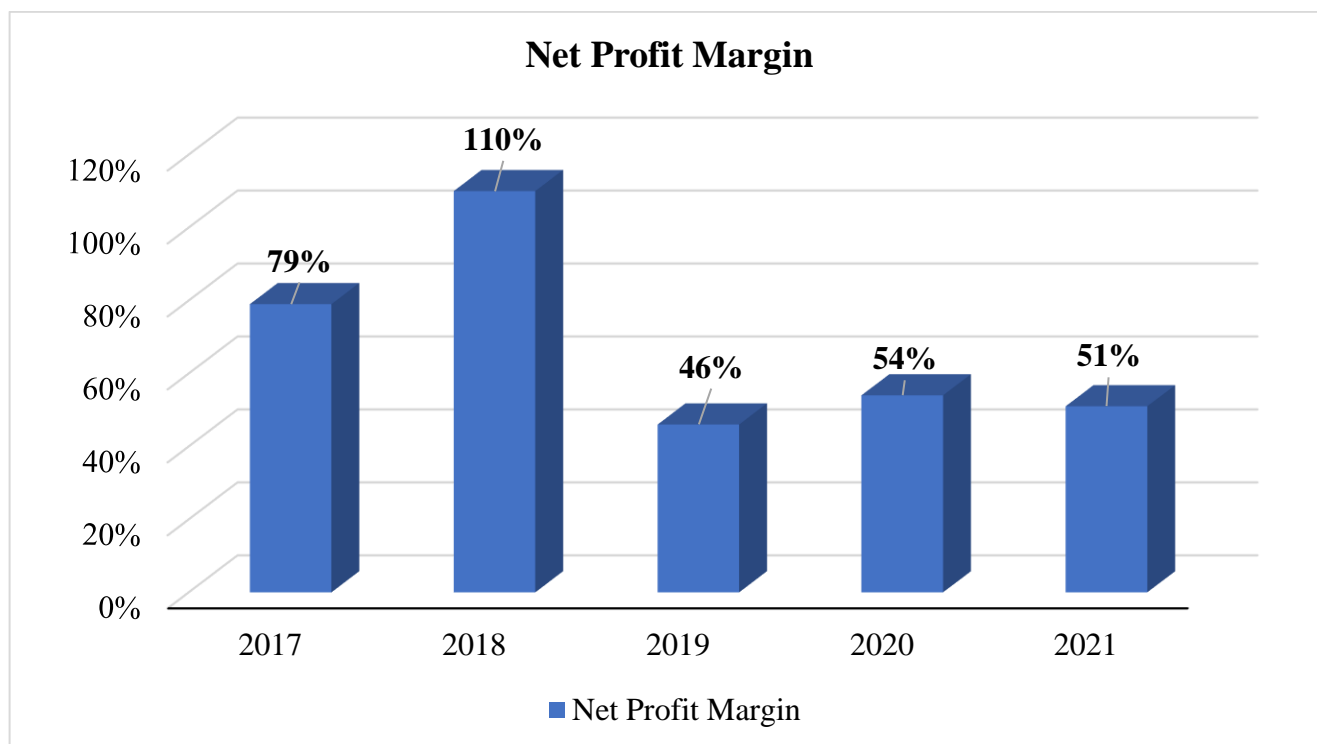


<u>Particular</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Brokerage commission income	542,457,255	365,529,301	257,683,274	357,927,414	757,226,593
Net interest income	81,930,215	149,261,503	167,686,963	128,891,486	194,878,364
Sales/ Gross Income	15%	41%	65%	36%	26%

### Interpretation:

50% to 70% of gross profit margin would be considered as healthy for a company. Here IDLCSL generated 15% of GPM in 2017 which is the lowest and the highest range of GPM is 65% in 2019. In 2020-21, the margin is decreased and became 36% and 26% respectively. So, the GPM condition is not so good for IDLCSL.

**4.1.2.3. Net Profit Margin:** It measures the percentages of total profit that a company generated from its revenue and by dividing net income with net brokerage commission income a company can get its net profit margin.

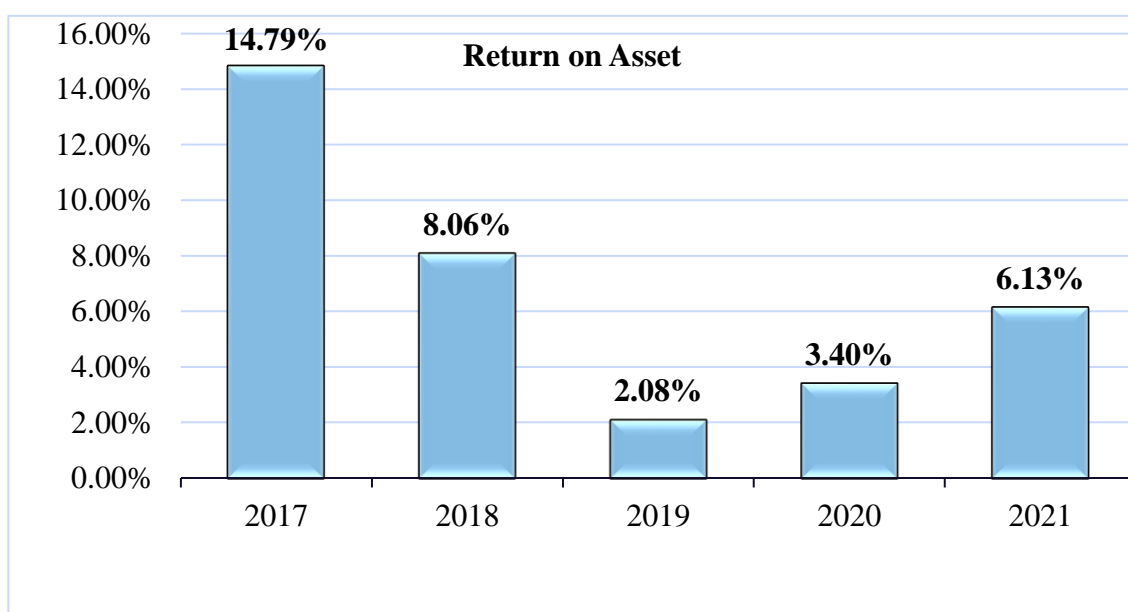


<b>Net Profit Margin (in MN BDT)</b>					
<u>Particulars</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Net Income	379	366	99	166	345
Net brokerage commission income	480	333	217	310	682
Net Profit/ Net brokerage commission income	79%	110%	46%	54%	51%

**Interpretation:**

From the charts above it is depicted that IDLC Security Limited gained its highest Net profit margin in 2018 which is 110% and 20% of NPT shows the good condition of a company where as 10% shows average and 5% shows low. Here, IDLCSL generated 51% of NPT in 2021. On the other hand, it generated 79% of NPT in 2017, 46% in 2019 which is the lowest gain of IDLCSL because of Covid-19 and 54% in 2020. So, according to the range of NPT, IDLCSL keeps its profit margin healthy.

**4.1.2.4. Return on Asset:** It is a process of deviation between “Net Income and Average Total Asset. A company uses ROA to measure its assets efficiency to generate profit.

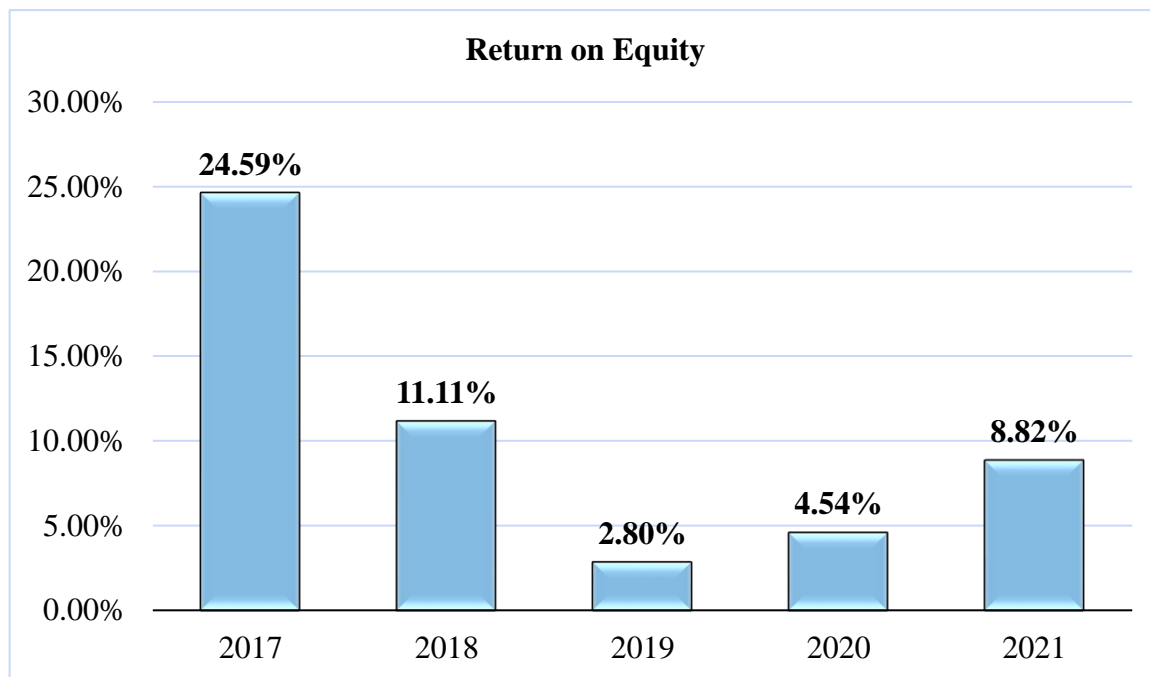


<u>Particulars</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Return on total assets	14.79%	8.06%	2.08%	3.40%	6.13%

**Interpretation:**

According to the chart IDLCSL generated highest ROA in 2017 which is 14.79% and 2019 it decreased by 2.08% because of Covid-19 pandemic and the last year 2021, it gained 6.13% of ROA and each year it generates positive ROA which is a good sign. So, IDLCSL is in good position according to 2021.

**4.1.2.5. Return on Equity:** Return on equity is a method of ratio analysis that measures a company's annual return by dividing net income with the value of shareholders' equity.

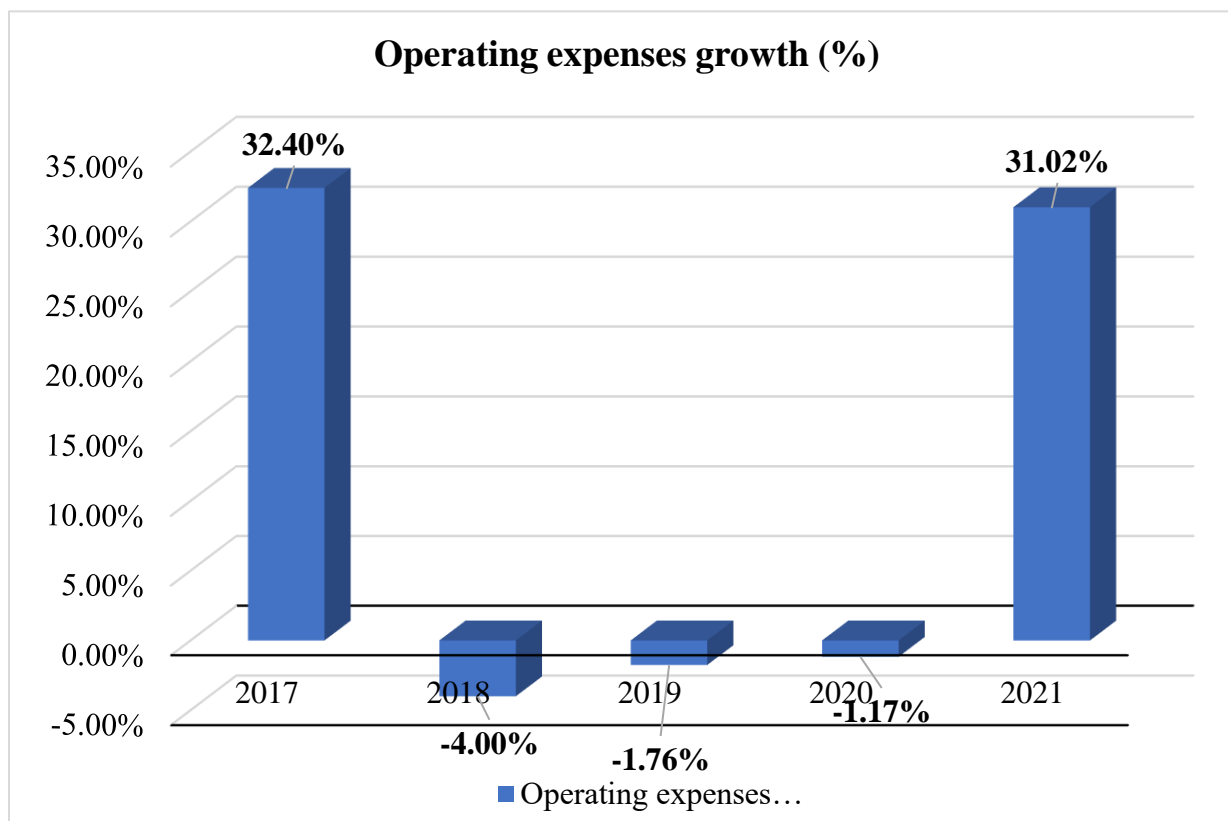


<u>Particulars</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Return on equity	24.59%	11.11%	2.80%	4.54%	8.82%

**Interpretation:**

The chart shows that IDLCSL generated its highest ROE in 2017 which is 24.59%. In 2019 it gained lowest 2.80% ROE because of Covid-19 pandemic. But after 2019 the result of ROE was getting increased in 2020 it became 4.54% and in 2021 it became 8.82%. So, IDLCSL is in good position according to its return on equity.

### 4.1.3. Operating expenses growth (%)



Particulars	2017	2018	2019	2020	2021
Operating expenses growth (%)	32.40%	-4.00%	-1.76%	-1.17%	31.02%

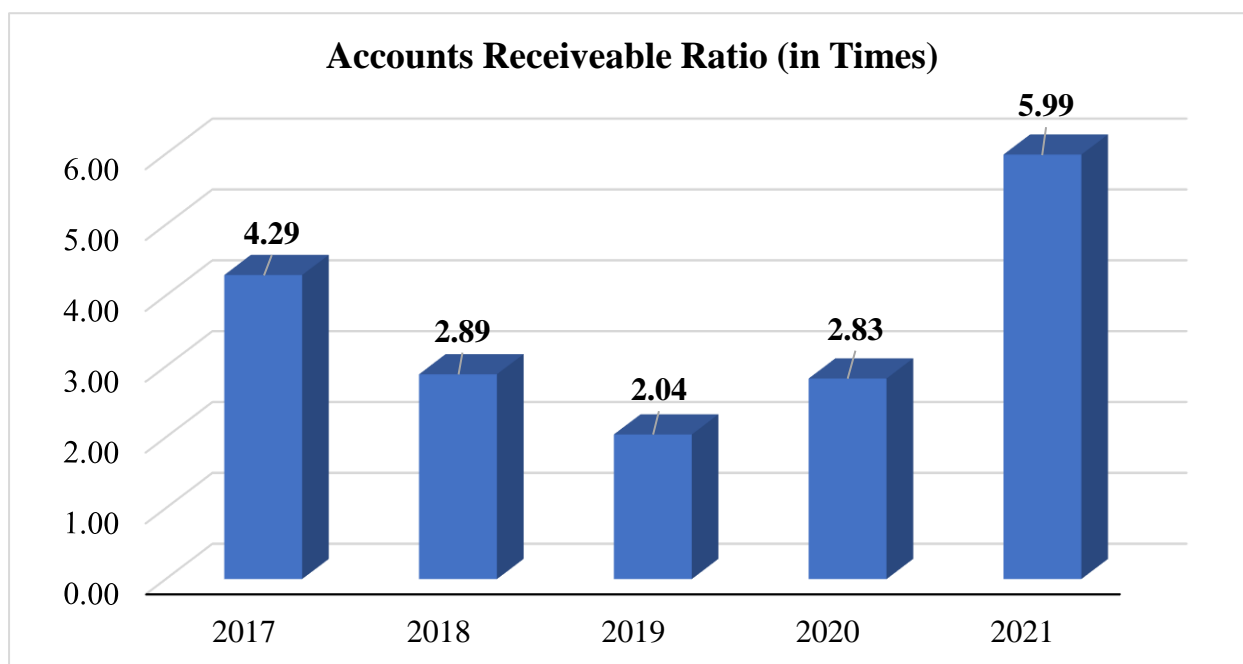
#### **Interpretation:**

The chart shows that, the highest operating expense growth is generated in 2017 which is 32.40%. But in next year in 2018 it is getting minus and IDLCSL generated the lowest growth according the chart. Also, in 2019 the percentage are not satisfactory because of Covid-19 and so on. But it can adopt with the situation and make the percentage upward and in 2021 it generated 31.02% of growth.

#### 4.1.4. Efficiency Ratio:

The efficiency ratio is frequently used to assess how effectively a company uses its internal assets and liabilities. An efficiency ratio can be used to calculate the rotation of receivables, the repayment of obligations, the amount and use of equity, and the overall use of inventories and machinery. The productiveness with which a business uses its resources is referred to as efficiency. Typically, efficiency is measured in terms of the amount of income generated from a given level of assets. Furthermore, inefficient asset utilization can lead to liquidity issues. A shortage of liquidity sometimes can precede lower returns and fewer opportunities. Short-term liquidity issues can also affect a company's clients and vendors.

**4.1.4.1. Accounts Receivable Turnover:** Accounts receivable turnover ratio basically determined by dividing the accounts receivable of a company with its revenue or sales.



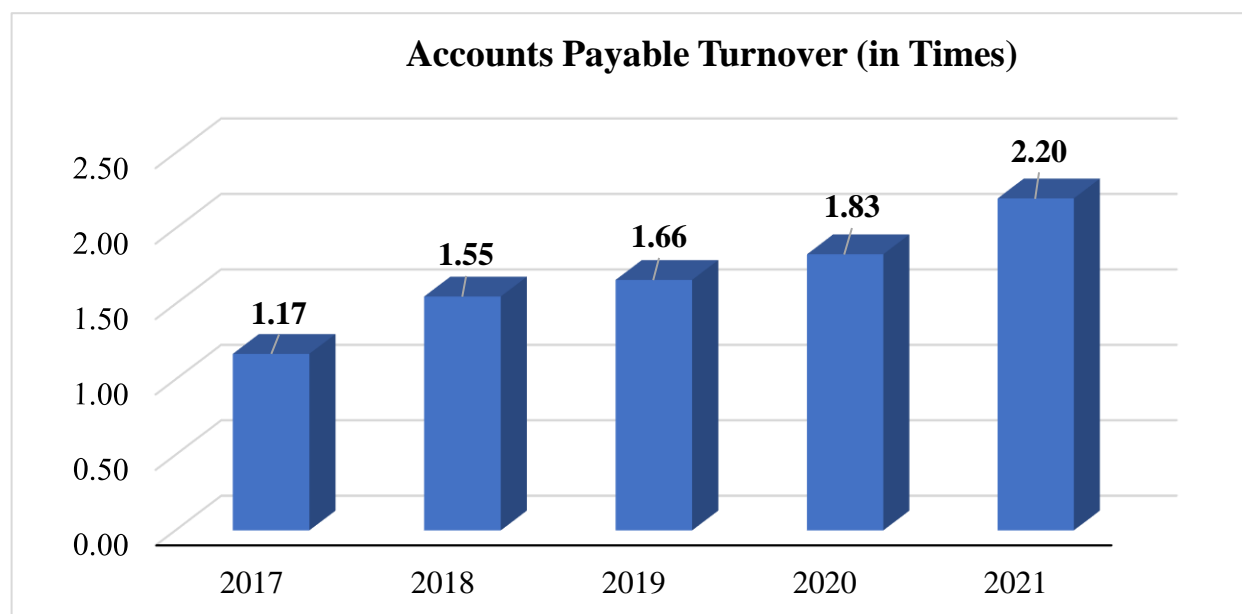
<b>Accounts Receivable Turnover (in Times)</b>					
<u>Particulars</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Brokerage commission income (Sales)	542,457,255	365,529,301	257,683,274	357,927,414	757,226,593
Average Accounts Receivable	126313694	126313694	126313694	126313694	126313694
Brokerage commission income (Sales)/ Average AR	4.29	2.89	2.04	2.83	5.99



### Interpretation:

The more AR turnover depicts the more effectiveness of a company's assets using. This chart shows that, IDLCSL generated 4.29 times AR turnover in 2017 but the next three years it is getting decreased and in 2019 it generated the lowest 2.04 times turnover. In 2021, it tried to fight back and collect approximately 6 times turnover which is the highest in this chart.

**4.1.4.2. Accounts Payable Turnover:** Accounts payable turnover ratio measures by dividing the accounts payable of a company with its sales or revenue.



Accounts Payable Turnover (in Times)					
<u>Particulars</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Accounts Payable Turnover	1.17	1.55	1.66	1.83	2.20

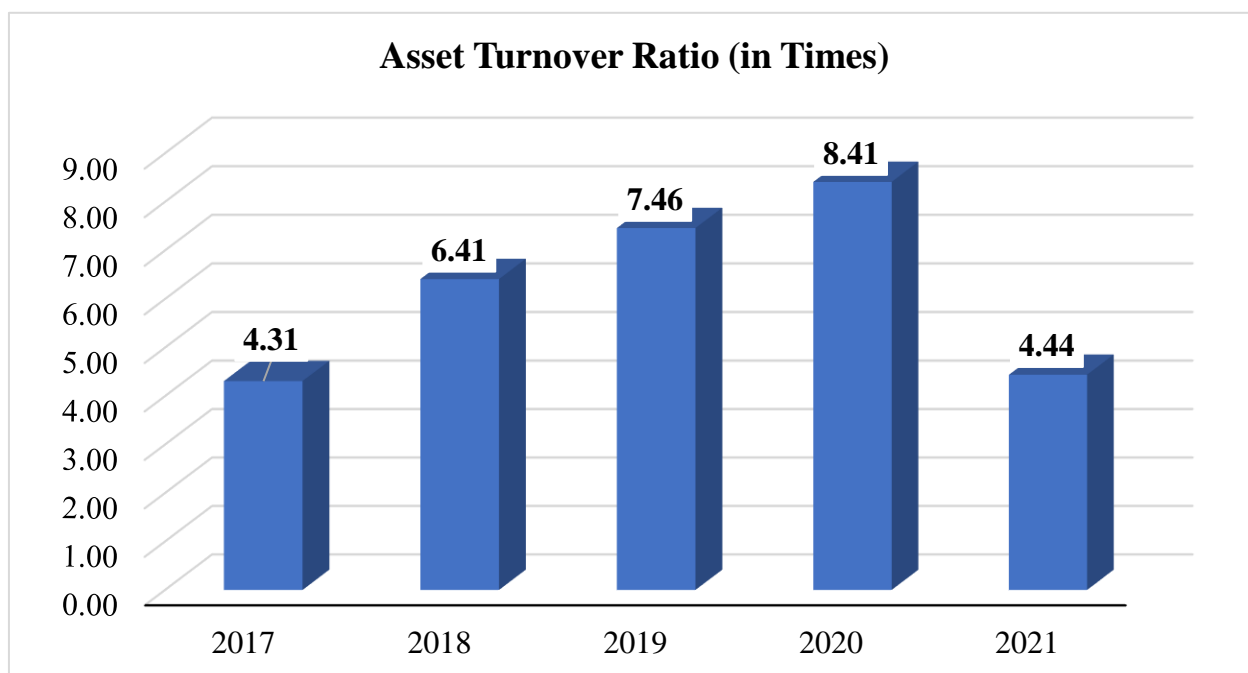
### Interpretation:

AP turnover measures how many times a company makes payments to its creditors and suppliers. In 2017 IDLCSL's AR turnover is 1.17 times. It gradually increased year to year and it gained highest turnover in 2021 which was 2.20 which is not a good sign for IDLCSL. So, IDLCSL should be very careful about its AR turnover.

#### **4.1.5. Operating Efficiency Ratio:**

The operating efficiency ratio depicts how efficiently an organization's management is performing by contrasting its total operating expense with its net commission income. The working ratio demonstrates an organization's management's ability to control costs while generating revenue It

**4.1.5.1. Asset Turnover Ratio:** It measures how efficiently a company generated its sales by using its assets. By dividing the revenue with the average amount of total asset company can calculate asset turnover ratio.

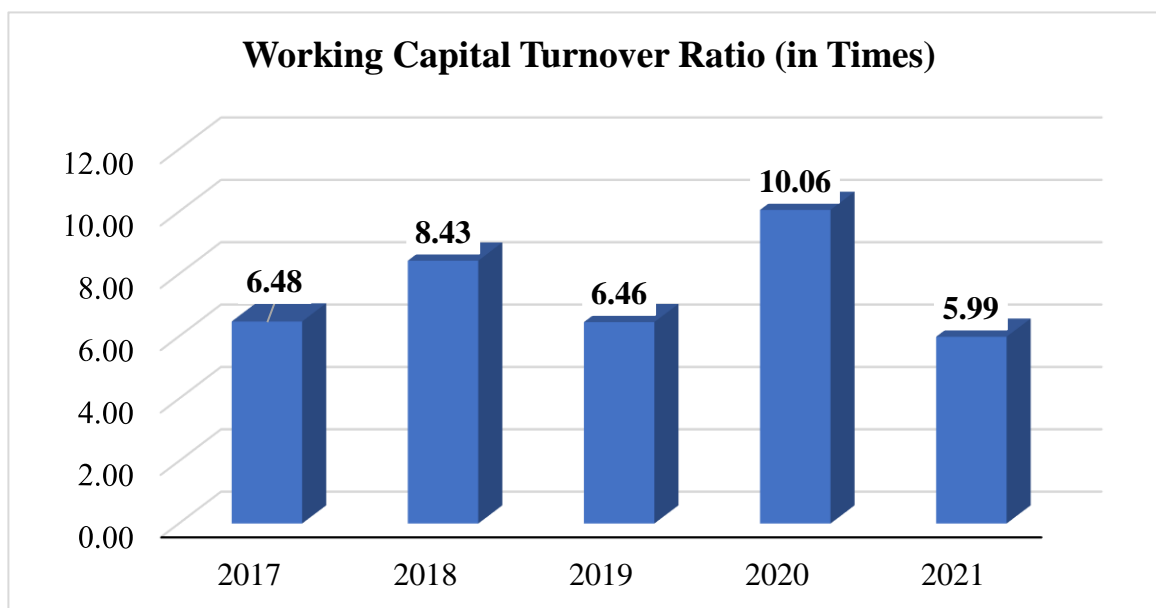


<b>Asset Turnover Ratio (in Times)</b>					
<b><u>Particulars</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>
Net brokerage commission income/ Average total asset	4.31	6.41	7.46	8.41	4.44

#### **Interpretation:**

The asset turnover ratio greater than 1 will be considered as safe for a company and 2.5 or more considered good health. Here the chart shows that IDLCSL generated the highest turnover in 2020 which is 8.41. Though it decreased and got 4.44 in 2021, IDLCSL still keeps itself in safe position.

**4.1.5.2. Working Capital Turnover Ratio:** Working Capital Turnover shows how efficiently a business can generate its sales for each unit of working capital put to use. Higher working capital turnover brings a positive result for a company.

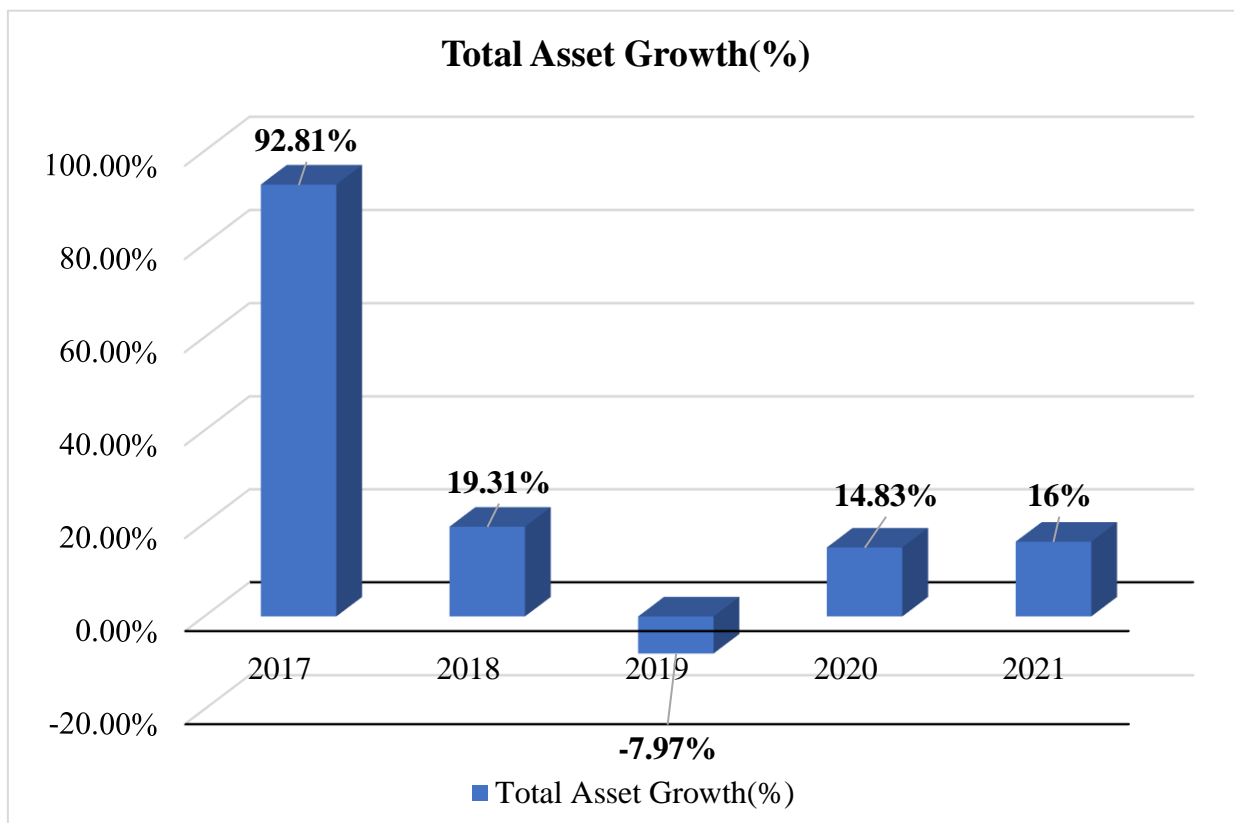


Working Capital Turnover Ratio (in Times)					
<u>Particulars</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Net brokerage commission income/ Working Capital	6.48	8.43	6.46	10.06	5.99

**Interpretation:**

The more WC turnover indicates the more efficiency of a company generating sales for every dollar of working capital put to use. Here it is shown that IDLCSL generated its highest turnover in 2020 which is 10 times. But in the next year, it decreased by 5.99 in 2021 and it is the lowest turnover of IDLCSL according to the chart.

## 4.2. Total Asset Growth (%)

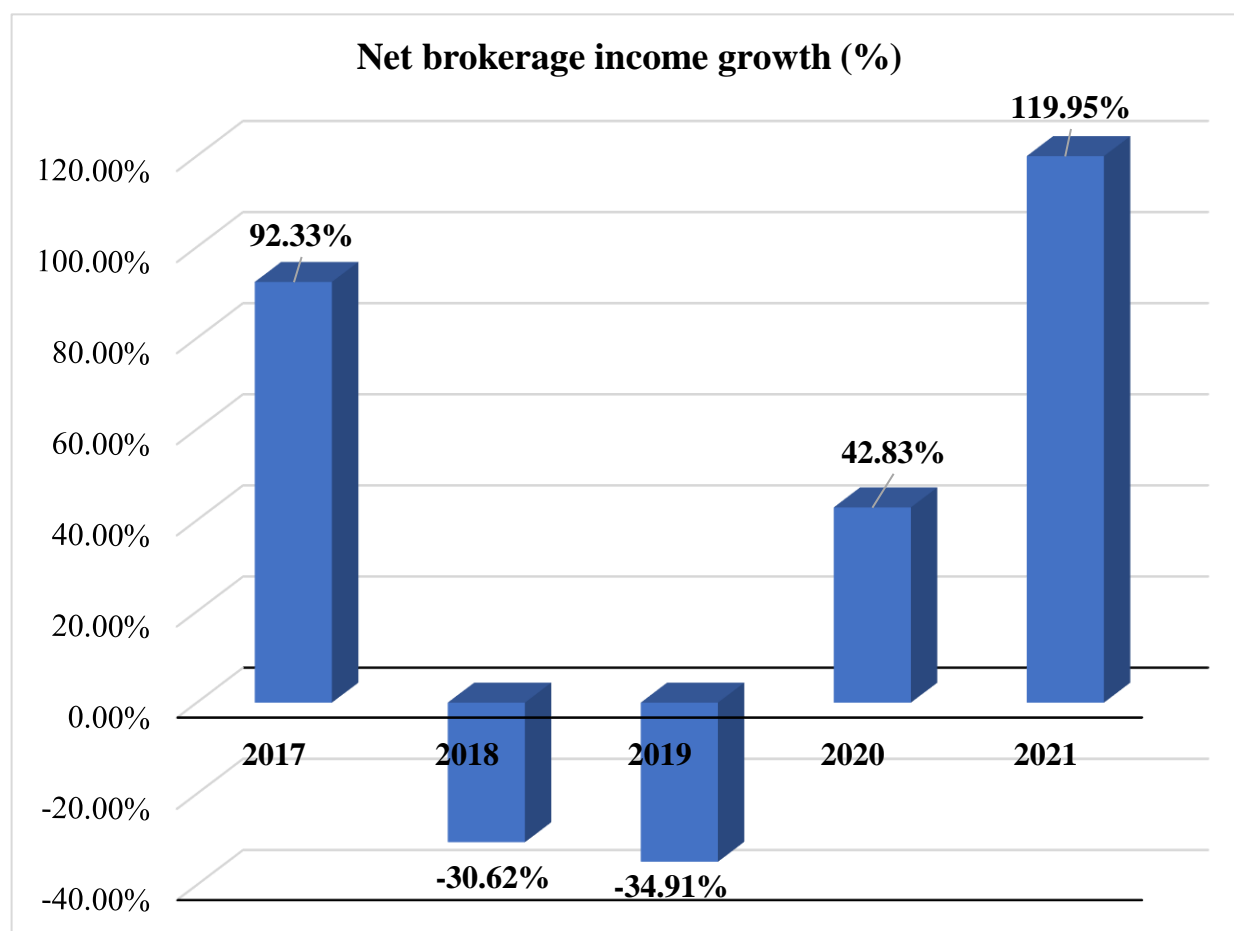


Particulars	2017	2018	2019	2020	2021
Total assets growth (%)	92.81%	19.31%	-7.97%	14.83%	16.08%

### **Interpretation:**

The bar chart shows that IDLC Securities Limited generated its highest growth in 2017 which is approximately 93%. The next four years it did not generate a good percentage of asset growth. In 2018 it is decreasing by 19%. Most mentionable, in 2019 it is getting in minus because of Covid-19 but it came back in its form within next 2 years and tried to fight back and generated 16% of growth in 2021.

### 4.3. Net Brokerage Income Growth (%)



Particulars	2017	2018	2019	2020	2021
Net brokerage income growth (%)	92.33%	-30.62%	-34.91%	42.83%	119.95%

#### **Interpretation:**

The chart shows that IDLC Securities Limited generated its highest almost 120% of growth revenue in the year 2021. In 2017 IDLCSL generated its second highest growth which is 92.33%. On the other hand, in 2018 and 2019, the sales percentage of IDLC Securities Limited is in minus figure. But it come back strong and generated highest sales in the last year of this chart.

#### **4.4. Common Size Analysis:**

**4.4.1. Common Size Income Statement:** Common size income statement shows us about the percentage of IDLC Securities Limited's net income. Higher percentage of net income indicates the positive outcome.

<b>IDLS Securities Limited Common Size Income Statement From 2017 to 2021</b>					
<b>Particulars</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Brokerage commission income (Sales)	100%	100%	100%	100%	100%
Brokerage commission expenses	11%	15%	16%	13%	10%
<b>Gross Profit</b>	<b>89%</b>	<b>91%</b>	<b>84%</b>	<b>87%</b>	<b>90%</b>
Operating Expenses					
Salaries, allowances and other benefits	28%	39%	58%	45%	30%
Rent, taxes, insurance, electricity etc.	9%	12%	10%	5%	3%
Legal and professional fees	1%	0%	1%	1%	0%
Postage, stamps, telecommunication etc.	1%	2%	3%	2%	1%
Printing, stationary, advertising	0%	0%	3%	0%	0%
Directors' fees and expenses	0%	0%	3%	0%	0%
Audit fees	0%	0%	0%	0%	0%
Depreciation, repair & maintenance expenses	2%	3%	12%	8%	4%
Other operating expense	3%	4%	4%	3%	1%
<b>Total operating expenses</b>	<b>46%</b>	<b>65%</b>	<b>91%</b>	<b>64%</b>	<b>40%</b>
Less: Interest expenses on deposits & borrowings	2%	5%	7%	3%	1%
Profit before provisions and tax	44%	60%	83%	62%	39%
Provision for income tax	7%	29%	37%	27%	10%
<b>Net Income</b>	<b>37%</b>	<b>31%</b>	<b>46%</b>	<b>35%</b>	<b>29%</b>

#### **Interpretation:**

According to common size income statement IDLC Securities Limited gained its top most percentage of net income in 2019 which is 46%. The other years it generated 37% in 2017, 31% in 2018, 35% in 2020 and in the last year the percentage is 29%. Also, in 2021, IDLCSL generated its second highest 90% of gross profit and operating expenses became 40%. It generated the highest gross profit in 2018 which is 91% and operating expenses became 65%. The other years it generated 89% of gross profit in 2017, 84% in 2019 which is the lowest GP of this chart and 87% in 2020, whereas its operating profit became 46% in 2017, 91% in 2019 and 64% in 2020.

#### 4.4.2. Common Size Balance Sheet:

<b>IDLC Securities Limited's Common Size Balance Sheet 31st December, 2017 to 2021</b>					
<u>Particulars</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Non-current assets</b>					
Property, plant and equipment	1%	1%	1%	0%	0%
Intangible assets	0%	0%	0%	0%	0%
Right-of-use-assets	0%	0%	2%	1%	1%
Investment in Stock Exchanges	1%	1%	1%	1%	0%
Investments in Bond	0%	3%	13%	3%	3%
Deferred tax assets	0%	0%	0%	1%	0%
<b>Total Non-Current Asset</b>	2%	4%	16%	5%	5%
<b>Current Asset</b>					
Advances, deposits and prepayments	0%	0%	0%	0%	0%
Investment in marketable securities	57%	43%	46%	36%	17%
Accounts receivable	1%	5%	3%	2%	2%
Margin loan to clients	5%	4%	0%	9%	14%
Short term investments	2%	3%	4%	8%	4%
Cash and cash equivalents	33%	41%	31%	40%	57%
<b>Total Current Asset</b>	98%	96%	84%	95%	95%
<b>Total assets</b>	100%	100%	100%	100%	100%
<b>Shareholders' equity and liabilities</b>					
<b>Shareholders' equity</b>					
Share capital	48%	41%	44%	38%	33%
Retained earnings	27%	30%	35%	33%	34%
<b>Total Shareholders' equity</b>	75%	70%	79%	72%	67%
<b>Liabilities</b>					
Lease liabilities	0%	0%	2%	1%	1%
<b>Total Non-current liabilities</b>					
<b>Current Liabilities</b>					
Accounts payable	16%	21%	11%	22%	24%
Short term loan	4%	5%	4%	0%	0%
Liabilities for expenses	1%	1%	1%	0%	1%
Provision for income tax	3%	2%	3%	3%	3%
Provision for diminution in value of investments	0%	1%	1%	2%	1%
Provision for operations	0%	0%	0%	0%	3%
<b>Total Current liabilities</b>	25%	30%	19%	27%	32%
<b>Total liabilities</b>	25%	30%	21%	28%	33%
<b>Total shareholders' equity and liabilities</b>	100%	100%	100%	100%	100%

## Interpretation:

According to the common size balance sheet of IDLCSL, it generated 98% of current asset in 2017 which is the highest gain. After that, in 2018 it generated 96% of current asset, in 2019 it is getting 84% which is the lowest because of Covid-19 effect and gain 95% in 2020 and 2021. On the other hand, its liabilities condition 25% in 2017, 30% in 2018, 19% in 2019, 27% in 2020 and in the last year of this chart 33% in 2021 whereas its shareholder equity is 75% in 2017, 70% in 2018, 79% in 2019, 72% in 2020 and 67% in 2021 which is the lowest. Though IDLCSL generated the highest liabilities in 2021, its performance percentages are very fluctuating.

## 4.5. Trend Analysis:

### 4.5.1. Trend Analysis Balance Sheet:

<b>IDLC Securities Limited's Trend Analysis Balance Sheet From 2017 to 2021</b>					
<b>Particulars</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Non-current assets</b>					
Property, plant and equipment's	100%	78%	78%	52%	48%
Intangible assets	100%	171%	83%	19%	0%
Right-of-use-assets	0%	0%	0%	0%	0%
Investment in Stock Exchanges	100%	1%	1%	80%	80%
Investments in Bond	0%	3%	13%	0%	0%
Deferred tax assets	100%	0%	0%	188%	155%
<b>Total Non-Current Asset</b>	100%	4%	16%	390%	100%
<b>Current Asset</b>					
Advances, deposits and prepayments	100%	0%	0%	20%	81%
Investment in marketable securities	100%	43%	46%	80%	55%
Accounts receivable	100%	5%	3%	231%	177%
Margin loan to clients	100%	4%	0%	230%	191%
Short term investments	100%	3%	4%	489%	54%
Cash and cash equivalents	100%	41%	31%	153%	167%
<b>Total Current Asset</b>	100%	96%	84%	121%	117%
<b>Total assets</b>	100%	100%	100%	100%	100%
<b>Shareholders' equity and liabilities</b>					
<b>Shareholders' equity</b>					
Share capital	100%	100%	100%	100%	100%
Retained earnings	100%	133%	142%	157%	120%
<b>Total Shareholders' equity</b>	100%	112%	115%	120%	109%



<b>Liabilities</b>					
Lease liabilities	0%	0%	0%	0%	0%
<b>Total Non-current liabilities</b>	0%	0%	0%	0%	0%
<b>Current Liabilities</b>					
Accounts payable	100%	152%	74%	169%	214%
Short term loan	100%	147%	118%	0%	0%
Liabilities for expenses	100%	69%	52%	49%	120%
Provision for income tax	100%	87%	82%	95%	127%
Provision for diminution in value of investments	0%	0%	0%	0%	0%
Provision for operations	0%	0%	0%	0%	0%
<b>Total Current liabilities</b>	100%	142%	86%	137%	186%
<b>Total liabilities</b>	100%	142%	94%	144%	192%
<b>Total shareholders' equity and liabilities</b>	100%	119%	110%	126%	146%

### **Interpretation:**

In trend analysis balance sheet, it is noticeable that the asset percentage is not very much convincing. In 2020, IDLCSL gained current asset 121% which is the highest and in 2021 it was 117% which was decreased by 4%. On the other hand, its lowest gain is 84% in 2019 because of Covid. In 2018 it generated 96% of current asset and 100% in 2017. Also, its current liabilities are getting increased in 2021 than the year 2020 (137% to 192%). In 2019 it was 86% and in 2018 it was 142%. Furthermore, the shareholder equity of IDLCSL was 109% in 2021, 120% in 2020, 115% in 2019 and 112% in 2018. So, IDLCSL should maintain a good balance to cover its short-term debt and keep its liquidity stable.

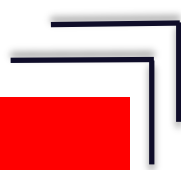
#### 4.5.2. Trend Analysis Income Statement:

<b>IDLC Securities Limited's Trend Analysis Income Statement From 2017 to 2021</b>					
<b>Particulars</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Operating Income</b>					
Brokerage commission income (Sales)	100%	67%	48%	66%	140%
Brokerage commission expenses	100%	88%	66%	77%	122%
Net brokerage commission income	100%	69%	45%	65%	142%
Interest income	100%	182%	202%	151%	216%
Less: Interest expenses on deposits & borrowings	100%	185%	182%	101%	40%
<b>Net interest income</b>	100%	182%	205%	157%	238%
Income from investments	100%	105%	25%	55%	44%
Commission, exchange and brokerage	100%	90%	97%	91%	130%
<b>Total operating income</b>	100%	92%	55%	71%	121%
Salaries, allowances and other benefits	100%	95%	98%	105%	152%
Rent, taxes, insurance, electricity etc.	100%	94%	52%	40%	41%
Legal and professional fees	100%	46%	73%	55%	53%
Postage, stamps, telecommunication etc.	100%	103%	100%	97%	85%
Printing, stationary, advertising	100%	140%	68%	38%	65%
Directors' fees and expenses	100%	104%	2465%	89%	59%
Audit fees	100%	100%	100%	100%	100%
Depreciation, repair & maintenance expenses of FI's assets	100%	114%	293%	293%	266%
Other operating expense	100%	82%	64%	56%	65%
<b>Total operating expenses</b>	100%	96%	94%	93%	122%
<b>Operating Profit</b>	100%	90%	38%	61%	120%
Non-Operating Income	100%	125%	147%	159%	100%
<b>Profit before provisions and tax</b>	100%	90%	38%	61%	120%
Provision for diminution in value of investments	0%	0%	0%	0%	0%
Provision for operations	0%	0%	0%	0%	0%
<b>Profit before provision for income tax</b>	100%	83%	37%	49%	99%
Current tax	100%	57%	60%	63%	111%

Deferred tax expense/(income)	100%	81%	113%	249%	-170%
<b>Provision for income tax</b>	100%	57%	59%	60%	115%
<b>Net profit</b>	100%	96%	26%	44%	91%
<b>Total comprehensive income</b>	100%	96%	26%	44%	91%
<b>EPS</b>	100%	94%	74%	110%	97%

### **Interpretation:**

According to IDLC Security Limited's trend income statement, it is noticeable that, IDLCSL's net interest income percentages is getting increased from 157% in 2020 to 238% in 2021 and in 2018, its interest income was 182% whereas it was 100% in 2017. So, it can be said that IDLCSL played a better performance and got positive result. Also, its net profit increased from 44% in 2020 to 91% in 2021. In the year 2017 its net profit was 100% and 96% in 2018. On the other hand, IDLCSL generated its highest operating profit in 2021 which was 120% whereas it was 61% in 2020, 38% in 2019 which was the lowest gain of IDLCSL, 90% in 2018 and 100% in 2017. The overall statement shows that, IDLCSL tried to generate a satisfied outcome for itself.



*Chapter 5:*  
*Findings, Recommendation and Conclusion*

## **5.1. Findings:**

- IDLC Securities Limited's Current Ratio is comparatively decreasing between 2017-2019 (3.95 to 3.23). In 2021 it gained the lowest current ratio which was 3.02.
- Covid-19 affected in the financial performances of IDLC Securities Limited. In 2021 its ROA is 6% where as it was 17% in 2017
- IDLCSL's ROE conditions are approximately same as its ROA. In 2019, it generated only 2.8% ROE. Though it was increased in 2021 which was 8.82% but it still far less than the percentages of 2017 which was 24.59%.
- IDLCSL's operating profit margin is decreasing approximately 50% in 2021 which was 84% from its previous year which was 166%.
- Its gross profit margin is not so good. It was also getting decreased in 2021 which was 26% the second lowest gain of IDLCSL. Which was 36% in 2020 and 65% in 2019.
- Net profit margin of IDLC Securities Limited was also decreased in 2021 which was 51% whereas in 2020 it was 54% and 79% in 2017.
- Though IDLCSL gained the highest 5.99 times accounts receivable turnover in 2021, its performance in 2018-2020 is not satisfactory which was 2.04 times in 2019, 2.89 times in 2018 and 2.83 times in 2020
- IDLCSL's account payable turnover is also increased year by year. In 2017 it was 1.17 times, in 2018 it was 1.55 times, in 2019 it was 1.66 times and in 2020 it was 2.20 times, which is not a good sign for IDLCSL
- IDLCSL's asset turnover ratio is not consistent, it generated lowest turnover in 2021 which was 4.44 times
- IDLCSL's Working Capital Turnover is also decreasing and it generated its lowest turnover in 2021 which was 5.99 times.
- IDLCSL's asset growth is also decreasing from 2018 to 2020 also its revenue falls down extremely in 2018-19. In 2017 the growth was 92.81% whereas in 2018 it was 19.31% and in 2021 it was 16.08%. In 2019, IDLCSL could not generate any asset growth and the percentage was -7.97%.
- Though IDLCSL generated highest gain operating expense growth in 2021 but in 2018-20 it shows negative figure.

## **5.2. Recommendation:**

- As other brokerage house IDLC Securities Limited is also depends on capital market specifically share market which is completely unpredictable. If any unexpected thing happens then it will face a huge amount of loss. So IDLC Securities Limited should keep its sight on multiple areas and sources for keep its peak position.
- The growth of IDLC Securities Limited is not satisfactory. For improving its current ratio, it should utilize its capital more efficiently and paying off liability also helps IDLCSL to improve its current ratio.
- IDLCSL's asset turnover ratio is not consistent, though it generated lowest turnover in 2021.
- IDLCSL's profitability ratios are also not up to the mark. In 2021, its operating profit percentage decreases almost 50% than 2020 also its net profit margin is also decreases. It indicates that it needs to focus on its investment decisions by investing in profitable sectors.
- IDLCSL can renegotiate with its suppliers for better deals also Increase efficiency and productivity to improve its gross profit margin.
- IDLCSL can improve its account receivable turnover more by building a good relationship with customer
- IDLCSL needs to be more proactive by maintaining good relationship with suppliers to improve its accounts payable turnover.
- IDLCSL can reduce bad debt and avoid financing on fixed asset with working capital to make its working capital turnover up to the mark.
- IDLCSL need to keep its close eyes in its asset management. Asset management Growth is decreasing rapidly. In 2021 the growth is 16% where as it was 93% in 2017.
- Most of its potential customers have a very little knowledge about share market. IDLC Securities Limited can organize training sessions or workshops to make people aware about the capital market.
- IDLC Securities Limited need to focus on its sales. Though it generated the highest profit in 2021 but it was not consistent in it. The management need to work more efficiently to cope up with the situation and attract the people by advertising or promoting.
- To increase Return on Equity of IDLCSL it must take advantage of profitable investment possibilities and be more effective in cost management

### 5.3. Conclusion:

This report is mainly based on the data from the year 2017 to 2021 that shows its financial performance. Here, the majority of its net profit depends on its net brokerage commission income. IDLC Securities Limited management work hard to keep themselves in zenith position. According to the analysis, IDLC Securities Limited shows very noticeable growth in its performance from 2017 to 2021. Though Covid-19 hampers its performance in some aspects but the experienced and hard-working management of IDLC Securities Limited tried its best to handle all the unexpected situation successfully.

### 5.4. Reference:

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2. [https://web.idlc.com/uploads/financial\\_report/annual-report-2020-862944.pdf](https://web.idlc.com/uploads/financial_report/annual-report-2020-862944.pdf)
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6. <https://think.design/user-design-research/trend-analysis/>
7. <https://www.idlc.com/financial-information-for-investors-and-shareholders>

### 5.5. Appendix:

#### 5.5.1. Income Statement:

<b>IDLC Securities Limited</b>					
<b>Income Statement</b>					
<b>From 2017 to 2021</b>					
<b>Particulars</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Operating Income</b>					
Brokerage commission income (Sales)	542,457,255	365,529,301	257,683,274	357,927,414	757,226,593
Brokerage commission expenses	-61,975,600	-54,476,277	-40,691,742	-47,999,319	-75,543,702
Net brokerage commission income	<b>480,481,655</b>	<b>333,369,171</b>	<b>216,991,532</b>	<b>309,928,095</b>	<b>681,682,891</b>
Interest income	92,092,622	168,031,595	186,176,694	139,107,800	198,984,021
Less: Interest expenses	-10,162,407	-18,770,091	-18,489,731	-10,216,314	-4,105,657
<b>Net interest income</b>	<b>81,930,215</b>	<b>149,261,503</b>	<b>167,686,963</b>	<b>128,891,486</b>	<b>194,878,364</b>
Income from investments	255,817,500	268,001,158	64,116,975	140,212,976	112,380,648
Commission, exchange and brokerage	3,414,862	3,066,040	3,323,369	3,110,011	4,434,430
<b>Total operating income</b>	<b>821,644,232</b>	<b>753,697,872</b>	<b>452,118,840</b>	<b>582,142,568</b>	<b>993,376,333</b>
Salaries, allowances and other benefits	151,203,907	143,487,798	148,890,050	159,433,558	229,551,801
Rent, taxes, insurance, electricity etc.	47,912,751	45,012,512	24,868,281	19,108,608	19,877,631
Legal and professional fees	3,492,603	1,610,635	2,533,782	1,924,083	1,841,015

Non-Operating Income	1,549,481	1,937,921	2,277,122	2,468,946	1,556,099
<b>Profit before provisions and tax</b>	<b>575,660,889</b>	<b>518,001,918</b>	<b>220,944,138</b>	<b>353,886,839</b>	<b>692,646,081</b>
Provision in value of investments	0	-40,466,147	-3,891,947	-66,154,717	49,703,161
Provision for operations	0	0	-2,378,758	-4,479,337	-
<b>Profit before provision for income tax</b>	<b>575,660,889</b>	<b>477,535,771</b>	<b>214,673,434</b>	<b>283,252,785</b>	<b>571,253,119</b>
Current tax	199,391,506	114,599,583	119,725,004	125,179,132	220,702,625
Deferred tax expense/(income)	-3,204,525	-2,593,113	-3,635,116	-7,984,760	5,454,222
<b>Provision for income tax</b>	<b>196,186,981</b>	<b>112,006,470</b>	<b>116,089,888</b>	<b>117,194,372</b>	<b>226,156,847</b>
<b>Net profit</b>	<b>379,473,908</b>	<b>365,529,301</b>	<b>98,583,546</b>	<b>166,058,413</b>	<b>345,096,272</b>
<b>Other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income</b>	<b><u>379,473,908</u></b>	<b><u>365,529,301</u></b>	<b><u>98,583,546</u></b>	<b><u>166,058,413</u></b>	<b><u>345,096,272</u></b>
<b>EPS</b>	<b>6.13</b>	<b>5.76</b>	<b>4.51</b>	<b>6.74</b>	<b>5.93</b>

### 5.5.2. Balance Sheet:

<b>IDLC Securities Limited</b>					
<b>Balance Sheet</b>					
<b>From 2017 to 2021</b>					
<b>Particulars</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Non-current assets</b>					
Property, plant and equipment	35,535,541	27,620,781	27,864,713	18,553,641	16,980,645
Intangible assets	482,658	823,508	402,254	90,571	385
Right-of-use-assets	0	0	89,634,883	67,345,508	52,799,026
Investment in Stock Exchanges	18,676,000	14,869,750	14,869,750	14,869,750	14,869,750
Investments in Bond	0	155,366,353	575,031,466	144,761,645	181,557,679
Deferred tax assets	16,060,943	18,654,056	22,289,172	30,273,932	24,819,710
<b>Total Non-Current Asset</b>	<b>70,755,142</b>	<b>217,334,448</b>	<b>730,092,238</b>	<b>275,895,047</b>	<b>291,027,195</b>
<b>Current Asset</b>					
Deposits and prepayments	17,771,694	13,060,061	3,337,686	3,513,482	2,843,525
Investment in securities	2,365,849,893	2,126,037,264	2,085,402,765	1,894,069,565	1,037,843,949
Accounts receivable	34,554,226	237,482,931	138,505,730	79,650,535	141,375,047
Margin loan to clients	200,000,000	178,400,000	0	459,933,748	877,009,519
Short term investments	85,310,055	126,049,423	167,287,246	417,500,000	226,087,863
Cash and cash equivalents	1,361,733,629	2,036,305,009	1,416,621,142	2,084,221,838	3,477,335,292
<b>Total Current Asset</b>	<b>4,065,219,497</b>	<b>4,717,334,688</b>	<b>3,811,154,569</b>	<b>4,938,889,168</b>	<b>5,762,495,195</b>
<b>Total assets</b>	<b><u>4,135,974,639</u></b>	<b><u>4,934,669,136</u></b>	<b><u>4,541,246,807</u></b>	<b><u>5,214,784,215</u></b>	<b><u>6,053,522,390</u></b>



<b>Shareholders' equity and liabilities</b>					
<b>Shareholders' equity</b>					
Share capital	2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000
Retained earnings	1,108,124,097	1,473,653,398	1,572,236,944	1,738,295,357	2,083,391,629
<b>Total Shareholders' equity</b>	<b>3,108,124,097</b>	<b>3,473,653,398</b>	<b>3,572,236,944</b>	<b>3,738,295,357</b>	<b>4,083,391,629</b>
<b>Liabilities</b>					
Lease liabilities	0	0	88,730,692	73,407,402	62,139,193
<b>Total Non-current liabilities</b>	<b>0</b>	<b>0</b>	<b>88,730,692</b>	<b>73,407,402</b>	<b>62,139,193</b>
<b>Current Liabilities</b>					
Accounts payable	669,743,510	1,015,781,251	493,038,398	1,128,912,400	1,433,108,994
Short term loan	170,000,000	250,000,000	200,000,000	0	0
Liabilities for expenses	47,843,563	32,909,342	25,040,277	23,493,467	57,522,722
Provision for income tax	140,263,468	121,858,999	115,463,646	133,304,683	178,595,985
Provision for investments	0	40,466,147	44,358,094	110,512,811	60,809,649
Provision for operations	0	0	2,378,758	6,858,095	177,954,218
<b>Total Current liabilities</b>	<b>1,027,850,541</b>	<b>1,461,015,739</b>	<b>880,279,173</b>	<b>1,403,081,456</b>	<b>1,907,991,568</b>
<b>Total liabilities</b>	<b>1,027,850,541</b>	<b>1,461,015,739</b>	<b>969,009,865</b>	<b>1,476,488,858</b>	<b>1,970,130,761</b>
<b>Total shareholders' equity and liabilities</b>	<b>4,135,974,638</b>	<b>4,934,669,137</b>	<b>4,541,246,809</b>	<b>5,214,784,215</b>	<b>6,053,522,390</b>

### 5.5.3. Financial Highlights of IDLCSL:

<b>Financial Highlights of IDLCSL (in MN BDT) From 2017 to 2021</b>					
<b>Particulars</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Total turnover of IDLCSL	174,274	125,934	80,529	108,112	242,704
Total turnover of IDLCSL growth (%)	110.09%	-27.74%	-36.05%	34.25%	124.49%
Total assets	4,136	4,935	4,541	5,215	6,054
Total assets growth (%)	92.81%	19.31%	-7.97%	14.83%	16.08%
Total shareholders' equity	3,108	3,474	3,572	3,738	4,083
Total shareholders' equity growth (%)	175.38%	11.76%	2.84%	4.65%	9.23%
Net brokerage commission income	480	333	217	310	682
Net brokerage income growth (%)	92.33%	-30.62%	-34.91%	42.83%	119.95%
Net interest income	82	149	168	129	195
Net interest income growth (%)	54.64%	82.18%	12.34%	-23.14%	51.20%
Income from investment	256	268	64	140	112
Investment income growth (%)	261.60%	4.76%	-76.08%	118.68%	-19.85%
Total interest and investment income	338	417	232	269	307
Total interest and investment income growth	172.98%	23.54%	-44.45%	16.09%	14.18%
Operating expenses	248	238	233	231	302
Operating expenses growth (%)	32.40%	-4.00%	-1.76%	-1.17%	31.02%
Net profit before tax & provision	576	518	221	354	693
Net profit before tax & provision growth (%)	200.18%	-10.02%	-57.35%	60.17%	95.73%
Net profit after tax	379	366	99	166	345
Net profit after tax growth (%)	267.07%	-3.67%	-73.03%	68.44%	107.82%
Return on total assets*	14.79%	8.06%	2.08%	3.40%	6.13%
Return on equity*	21.44%	11.11%	2.80%	4.54%	8.82%