

Report On

**The Client Evaluation Process for Corporate Lending: A Study on
IDLC Finance PLC.**

By

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20204018

An internship report submitted to the BRAC Business School in partial fulfillment of the
requirements for the degree of
Bachelor of Business Administration

BRAC Business School

BRAC University

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Declaration

It is hereby declared that

1. The internship report submitted is my/our own original work while completing degree at BRAC University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I/We have acknowledged all main sources of help.

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Letter of Transmittal

Saif Hossain

Assistant Professor,

BBS

BRAC University

66 Mohakhali, Dhaka-1212

Subject: Submission of Internship report “**The client evaluation process for corporate lending - A study on IDLC Finance PLC.**”

Dear Sir,

My internship report for Summer 2024, titled “**The client evaluation process for corporate lending - A study on IDLC Finance PLC.**” is being submitted. The report contains the analysis of how the corporate team evaluates businesses which are adequate to sell financing products and could be presented to CRM for further analysis. Thank you for providing me the time and guidance for the completion of the report.

Sincerely yours,

Audrie Leonard Baroi

20204018

BRAC Business School

BRAC University

Date: November, 2024

Non-Disclosure Agreement

This agreement is between IDLC and Audrie Leonard Baroi. As an intern I agree to not disclose any confidential information, client information, or organization data. Subsequent to the internship period the information will remain confidential.

Audrie Leonard Baroi
20204018

Mr. Shafiqul Islam
Relationship Manager
Corporate Division
IDLC Finance PLC

Acknowledgement:

I would express my deepest gratitude to my parents, who supported my education throughout my life. I am grateful for the guidance I received throughout my internship, by my academic supervisor Mr. Saif Hossain and my work supervisor Mr. Shafiqul Islam.

I also want to express gratitude towards the corporate teams of IDLC for their warm welcome and patience, for the exposure to the work environment.

Executive Summary

This report focuses on the processes of evaluating businesses as client for corporate lending. The main purpose of this report is to evaluate the process of client evaluation and scrutinize different key factors accordingly. The relevant data is collected from face-to-face interviews from respective employees of IDLC Finance PLC. Corporate financial products are different from individual and SME loans, as banks and NBFIs usually approach the large-scale business to provide financing products. The report discusses the methods used to shortlist businesses which can be potential clients from a vast number organization across various industries.

Key words: Client evaluation: Corporate lending: Refinancing scheme: Portfolio diversification: Credit risk assessment

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List of Acronyms

BOD: Board of Directors

CFO: Chief Finance Executive

CIB: Credit Information Bureau

CRM: Credit Risk Management

ESG: Environmental, Social and Governance

GM: General Manager

IDLC: Industrial Development Leasing Company

NBFI: Non-Banking Financial Institution

OCAS- Online Credit Approval System

OSP: Online Service platform

SMA: Special Mentioned Accounts

SS: Substandard

SQL: Structured Query Language

SRO: Statutory Regulatory Order

Chapter 1: Internship Information

1.1 Student information

Audrie Leonard Baroi

ID:20204018

Program: Bachelor of Business Administration

Major Specialization: Accounting

Minor Specialization: Finance

1.2 Internship Information:

1.2.1. Company Information

Period: 12/5/2024 – 12/8/2024

Company Name: IDLC Finance PLC

Department/Function: Corporate Department

65/2/2 Culvert Rd, Dhaka 1000, Bangladesh

Bay's Galleria (1st Floor), 57 Gulshan Avenue, 1212 Dhaka, Dhaka Division, Gulshan, Dhaka

1.2.2 Internship Company Supervisor's Information

Name: Mr. Shafiqul Islam

Position: Relationship Manager, Corporate Division

1.2.3 Job Scope – Job Description/Duties/Responsibilities

- Summarization of CIB of clients
- Conducting ratio analysis of clients
- Calculation of credit status of client for directorship change reports
- Updating and managing the loan documents of clients
- Handing over cheques to clients and retrieving necessary paper works.

1.3 Internship outcome

1.3.1 Student's contribution to the company

During my internship in the corporate department, I was tasked to make a report on the current industries of Bangladesh, to aid in finding possible leads to new clients. Assessing the industries which are affiliated with manufacturing on their growth and GDP contribution to the economy. Finding the top performing companies, and gathering information such as achievements, revenue, export destinations and CFO information. Constructing the report resulted in saving long hours of research for the corporate team and focusing on dealing with the current clients with their document work and meetings.

1.3.2 Benefits to the student

By working on the summarization of Comprehensive Information Briefs (CIB) for clients, I was able to gain the comprehension into how detailed credit information of an individual or company is compiled and presented. This experience aided me to develop the ability to evaluate the credit data to concise summaries. After summarizing the data, it serves a purpose. The CIB report can be used for various purposes however during my internship it was mainly used for two things. For assessing the credit worthiness of clients and important for creating a document crucial for clients when they are changing their members for the Board of Directors. Therefore, I was able to learn how to create the proper format for creating the Directorship report. I was able to apply the ratio analysis which I learned in university to assess clients' financial health. This real-world application of previously gained knowledge deepened my understanding of how financial ratios influence decision-making in the context of evaluating a business for credit purposes, which led to going beyond the theoretical knowledge gained in class.

The opportunity to work with a team who have years of experience, as our corporate team shifted from Dilkusha to the head office in Gulshan I was able to work in both offices. This gave me the opportunity to work in different environments which made me adaptable to changes, and also gave me the opportunity to network with a vast number of people.

1.3.3 Problems/Difficulties

A problem which I faced during my internship was the restriction of internet access on my pc which slowed some of the work. Due to security issues IDLC Finance PLC uses a PAN (Private Area Network) thus, reducing the chances of cyber-attacks. When creating documents the numbers and formatting needed to be accurate as the documents as when the documents are signed by clients

and senior managers it is a hassle to correct and may not be possible to correct the error in some cases. Thus, after the creation of documents multiple revision was necessary.

1.3.4 Recommendations

A briefing session to the interns before their internship to give them an idea of the organizations work culture, the dos and don'ts. The internship for a person is a new surrounding which different from the academic environment, thus briefing can lead to the interns having a better idea about the professional word.

Chapter 2: IDLC Finance PLC.

2.1 Introduction:

IDLC is the country's leading non-banking financial institution which has been serving since 1985. It is known for its diversified loan services along with the service portfolio such as lease financing, term loan, corporate financing and investment banking etc. It has its presence in both corporate and consumer financing. Being a consumer centric institution, it has proved its worth to crores of people to achieve their financial goals. Hence all the departments of this organization undergo gold standard practices. IDLC consists of eight departments such as HR and management, corporate finance, SME, Consumer finance, Operations, Legal, Islamic Finance, Marketing etc. In this chapter of the report the practices and key activities of all the departments will be scrutinized.

2.2 Overview of the Company

Starting its journey almost four decades ago IDLC Finance being a dominant NBFIs achieved lots of milestones. It is a financial institution that provides loans to individuals and organizations. It is known for its diversified loan services along with the service portfolio such as lease financing, term loan, corporate financing and investment banking etc. With 19 districts with 40 branches, IDLC served more than four million customers in SME, corporate, consumer and Islamic divisions. In these 40 branches it has 1600 employees. These employees with their supervision and specialization always succeeded to help their respective customers. In their 39 years of success apart from recognizing other companies by IDLC Prothom Alo SME award (IDLC Finance PLC - Loans, Deposits, SME and Corporate Finance, n.d.-b), it has won numerous awards. It got excellence by both international and national level awards. For instance, in the year 2024 IDLC has awarded the best corporate award form ICMAB for keeping transparency and consistency in

their financial performance (IDLC Finance PLC - Loans, Deposits, SME and Corporate Finance, n.d.). IDLC has also been recognized by the South African Federation of Accounts for maintaining high standards in their financial reporting. Our central bank, Bangladesh Bank has awarded IDLC for maintaining its consistency towards green financing and environmental practices by the Sustainable Finance Award. It has also been recognized by Asia money award for its CSR activities along with financial performance. So, with the strong customer base it can be considered as a prominent player of the non-banking financial institutions.

2.2.1 Mission and Vision

The mission of IDLC Finance PLC to grow sustainably adhering to ethical business practices while providing great customer experiences. The vision is to be the best financial brand, both the statements communicate to the direction and values of IDLC.

Vision

“We will be the best financial brand in the country” (IDLC Finance PLC - Loans, Deposits, SME and Corporate Finance, n.d.-h)

Mission

“We will focus on quality growth, superior customer experience, and sustainable business practices.” (IDLC Finance PLC - Loans, Deposits, SME and Corporate Finance, n.d.-h)

2.3 Management Practices

2.3.1 Leadership Practices

IDLC does not follow a specific leadership practice, it is an amalgamation for leadership styles which varies across the departments, teams and Board of Directors. During the internship period by observations and inquiring about the practices I was able to learn, it differs in different levels (IDLC Finance PLC - Loans, Deposits, SME and Corporate Finance, n.d.-c).

Most common practice in the BOD (Board of directors) consists of a Democratic leadership style where the members of the BOD discuss the issues and the opportunities which potentially can have an effect on the following quarter, through meetings they conclude to possible solutions and methods of implementation. The department heads inform their following department about their objectives for the following quarter, the department heads use laissez-faire where they assign the teams under him/her with targets and they do not specify the methods of how the targets will be met, it depends on the team to decide how they will complete their task within their respective time limit.

Within the teams the leadership styles also vary throughout the departments as some teams prefer autocratic leadership style such as the teams in the operations department, where the manager instructs their immediate juniors about the method which is to be used to do the following tasks. Whereas the teams of other departments such as corporate use laissez-faire.

Overall, the leadership style depends on the type of goals of the teams, departments etc. using flexible leadership styles enables the managers/team leaders to adjust to the situation leading to a favorable outcome.

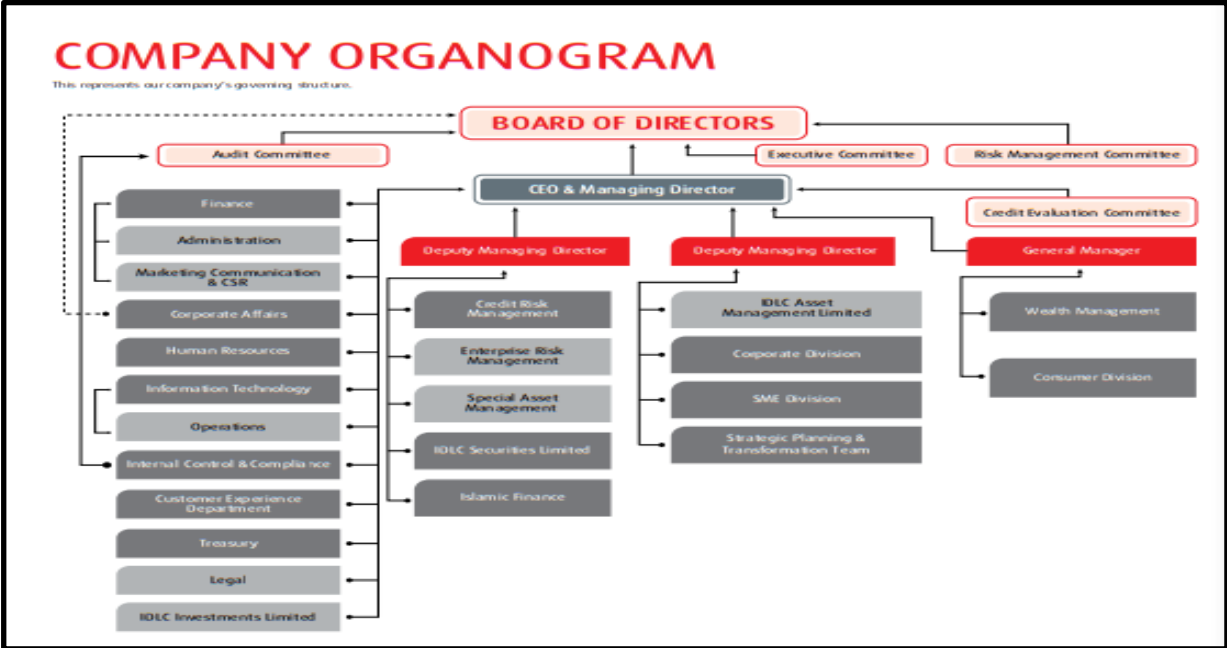


Figure 1: Organogram of IDLC Finance PLC. (“IDLC Finance PLC Integrated Annual Report,” 2024)

2.3.2 The Recruitment Process

1) Collection of Necessary Data

If the company requires additional employees, the HR department collects necessary data according to the post and also consultation of the team and department is taken into account as the new employee needs to be able to synergize with the existing team. Identifying the skills and requirements for the position is integral as there are a wide range of positions in the organization and finding the right candidates are important, as they may be tasked to work with a wide range of stakeholders such as the central bank, vendors, corporate clients and other departments depending on their job.

2) Job Description

Preparing a proper job description, as it will mention the necessary skills for roles of the position and which candidates will be able to fulfill the roles in this position, what will be the minimum level of education. After preparing the job description the HR team will present it to the DGM or the senior manager of the respective department for approval.

3) Circulation of Job Description

After receiving the authorization, the HR team circulates the job description through various channels to disburse the information regarding the vacancy. Most common platforms include LinkedIn and BD jobs other platforms include Facebook and university job portals, these platforms lead the applicants to IDLCs website for the completion of the application and gain further information about the vacancy.

4) Sorting the Applicant

Creating a database for analyzing the applicants as the number of applications is vast, creating a database will enable the HR team to filter out the desired candidates for the vacancy. The filter may be the education level, age, skills, etc. software such as excel is commonly used for CV sorting.

5) Assessment

Throughout the assessment process there is constant communication between the applicants and the HR team, for proper guidance and knowledge of the assessment to mitigate confusion among the applicants.

2.3.2.1 The Assessment Procedures

- General-English, Math and Analytical

The candidates who are shortlisted from the applicants are communicated by the HR department for the instructions for the first round of assessment which consists of testing their English, Analytical and mathematical capabilities. The threshold to advance to the next round is 70%.

- Case Study

The second round of the assessment usually consists of a case study where the candidate has to find a solution for the issue in the case, and create a solution for the particular scenario which is quick, efficient and feasible to apply. Candidates might be asked to present it for evaluation to a panel which consists of managers of the respective department and need to go through a question-and-answer session.

- Preliminary Interview

After the case study round candidates with acceptable answers will go through a preliminary interview which will be used to further shortlist through asking technical questions and assessing whether they will suit the work environment of IDLC.

- Final Interview

Finally, the remaining candidates will have to attend a final interview where a discussion between the candidate and the panel. After choosing the desired candidates the salary is negotiated if it's negotiable. Later an offer letter is given and necessary paperwork is done.

2.4. Marketing Practices

2.4.1 Marketing Operation:

IDLC finance believes in spreading financial literacy and suitable investment vehicles in order to maximize peoples' wealth. To ensure this IDLC employs multiple marketing strategies. As a non-banking financial institution, IDLC follows strong marketing strategies in order to compete with other commercial banks and financial institutions. Some of their core marketing operation includes:

- Direct Marketing Strategy: Direct marketing services enable the customers to reach their potential customers directly to know the features of its desirable financial products. IDLC's official website serves as a key player. The website has a separate "Contact Us" subpage where customers can find all the branch managers official contact number to contact. Along with that customers can satisfy their query through contacting with respective head office contact information such as telephone and email ids. Rather than customers to contact IDLC's sales team themselves provide the updated details of their financial products through phone calls and SMS (IDLC Finance PLC - Loans, Deposits, SME and Corporate Finance, n.d.-g). Also, if they want to talk directly in person, they are encouraged to visit their nearest IDLC branch office.

- Digital Marketing Strategies: In this digitalized era IDLC proved its worth to be promoted in digital marketing channels. Along with television advertisements it has promoted their financial products in Facebook, YouTube and LinkedIn. It has active social media pages. Every week they post about their services, job posts and achievements. To ensure this, educational short videos, reels, quizzes, dramas etc. are shared (Plc, 2024).
- Content and Influence Marketing Strategy: Nowadays, customers' buying patterns have been changed. It is no longer the same and easy. Now customers, especially gen Zs are most likely to be influenced by their admirers. Now it has become a trend to influence to buy. IDLC also fits here perfectly. IDLC finance makes videos featuring its mission to know. For instance, it uploaded on its official social media pages videos of 15-20 minutes long where it highlights the benefits of financial planning, savings, taking loans and personal finance etc. These videos and the highlights are done by the influencers. Influencers like Ayman Sadiq and Sakib bin Rashid (Plc, 2019). Along with that when IDLC launched its Islamic finance services it took Yousef Sultan to talk about the importance and availability of Islamic financing.
- Promotional Marketing Strategy: IDLC does not just advertise for their own benefit. It does other promotional activities which includes sponsorship, recognition and arranging fest. To begin with, it organized a finance Olympic competition in the year 2023 for the third time. The name of the Olympic was “IDLC Finance Olympiad 3.0” (Report, 2023). It collaborated with 10 Minute School to work and promote accordingly. The objective of this Olympiad was to award the meritorious students who know about finance and its features so that in future they can become the potential customers of IDLC. This not only helped IDLC to promote but also ensured its CSR. Secondly, to reward the outstanding

performances it arranges the IDLC Prothom Alo SME award (IDLC Finance PLC - Loans, Deposits, SME and Corporate Finance, n.d.-g). This award is given to those who have proved its worth in small and medium enterprises. Here it features how excellently SME can turn their life around by promoting SME loans. Lastly, IDLC became title sponsor of the national drama fest held in Shilpokola academy (Report, 2019). It helped to create a strong brand image for NBFIs like IDLC finance who's supporting countries cultural development.

2.4.2 STP Marketing:

Segmentation: IDLC has a variety of services segmented for its customers. It basically segregates its services based on demographic and geographic features. In case of demographic segmentations, the factors include age, gender, income, education, occupation etc. Firstly, as an NBFIs they segment customers aged between 24-76 for their different financial scheme which includes car, home, construction, apartment, business working capital loan etc. Segmenting the young and adults are lucrative for IDLC because they are either employed or retired and both are potential savers. Moreover, it targets both male and female for their potential and actual financing needs. But it designs the services based on income level which includes mid and upper income class. Also, some of its financial services are designed for those who are in an early stage of their education. Recently it partnered with bKash for monthly and weekly DPS which is designed for parents whose children are primary or secondary level students (The Daily Star, 2024). Also, professional degree holders, on the other hand, are those who aim to store their money in financial institutions through term deposits. They also seek to maximize their wealth through property loans

to purchase homes, making them a crucial target for IDLC Finance. Last but not least it took occupation as a segment for those who are doing a job as well as those who want to start their own business they can take SME loan.

Now talking about its geographical segmentation, it has focused on all major cities and the commercial sector which includes the country's largest port city, land port, manufacturing facilities, and significant apparel retailers. Further it wants to expand in the southwest region of Bangladesh focusing on areas like Gopalganj, Khulna and Barisal.

2.4.3 Targeting and Positioning:

After successfully segmenting the customers, it then focuses on targeting the specific group of customers to encourage. For example, if its financial service is for students then they would target elderly customers as their parents. Also, for their corporate loans it targets blue chip companies as such. Moreover, when it comes to SME loans young entrepreneurs are being targeted.

For a product to be accepted and become the market dominant a good positioning is a must. Same goes for services as well. Firstly, to avail its services to all the desirables, IDLC accomplished its presence with 40 branches to serve its high-quality monetary support to all its actual and potential customers. With the tagline Financing Happiness, IDLC proved its worth to spread happiness to all its customers through digital media and marketing strategies as explained above. To attain this positioning, IDLC Finance has invested in growing a strong brand photograph and customer support level in, which it believes will help differentiate it from its competitors. Overall, its positioning strategy is updated, technologically advanced and purchase centric.

2.4.4 Products:

Business Loan

Name of the loans	Tenure	Loan amount
Working capital loan	1 year	Up to 1 crore
SME loan	13-26 months	Up to 5 crore
Purnota women entrepreneurship loan	1 year	2-35 lakhs
Seasonal loan	1 year	Up to 1 crore
Abhashon commercial loan	20 years	80% of 1tc
Commercial vehicle	13-60 months	80% of the vehicle
SME shomvhobona	13-60 months	25 Lakhs
IDLC udvhabon	13-60 months	Up to 1 cr & 35 lakhs without collateral.
Udvhabon startup loan	60 lakhs	Up to 25 lakhs

Table 1: List of business loans by IDLC (IDLC Finance PLC - Loans, Deposits, SME and Corporate Finance, n.d.-d)

- Car Loan: the tenure is maximum 6 years and financing would be done for 85% of total value. This loan requires one year job experience or three years work experience for the borrower.
- Personal Loan: Minimum Loan amount 1 lakh taka and the loan tenure is 5 years. It also needs two years of employment record of current employer
- Corporate Loan: under corporate loan the available financing options are term Loan, project financing, working capital loan, lease financing, term loan for vehicles, term loan for commercial space, preferred stock, bridge loan etc.

2.4.5 Marketing Channels:

- Social media is now the most followed to promote any product and services. Social media channels like Facebook, YouTube and LinkedIn are used by IDLC. These sites are actively used by IDLC to attract the consumers and to make them learn about its products and features.
- There exists its own official website for the customers. Here they can easily contact the branch officials to know about the available services and talk with the respective sales team.
- IDLC also does paid advertisements too. Along with the TV advertisement it does google ad boost to reach out the customers. It also targets mostly watched channels like Somoy tv, Channel I etc.
- It also does referral programs and events to promote.

2.5 Financial Performance and Accounting Practices

2.5.1 IDLC Ratio analysis

Profitability ratios

Details	2019	2020	2021	2022	2023
Net interest income as percentage of (%) workings funds	4.94	4.6	5.14	4.73	4.1
Operating profit as percentage (%) of fund	3.23	3.78	4.03	3.2	2.59

Table 2: Net and operating profit as a percentage of fund from the year 2019-2023 (“IDLC Finance PLC Integrated Annual Report,” 2024)

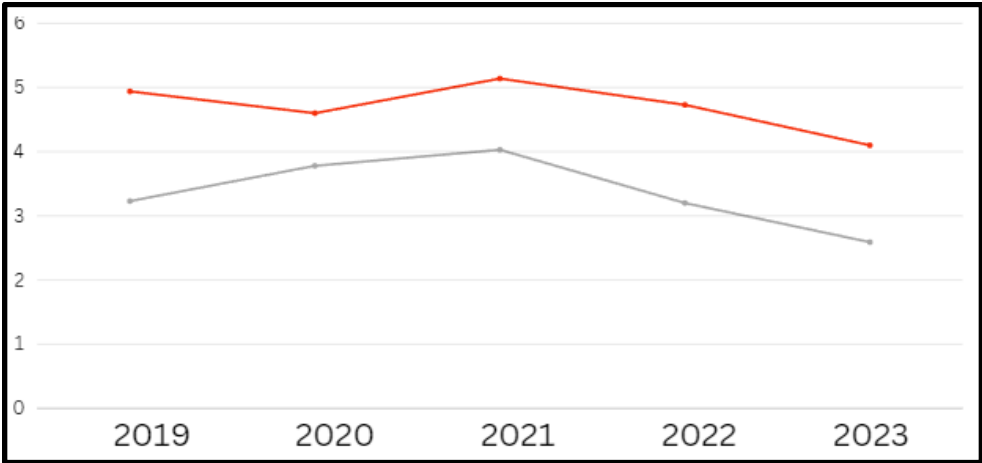


Figure 2: Net and operating profit as a percentage of fund from the year 2019-2023 (“IDLC Finance PLC Integrated Annual Report,” 2024).

Both the net interest income and the operational profit was at its highest in 2021 however, the later years reveal in the decline in these profitability metrics this may be the effect of covid 19 as the businesses were using less financing products. And with the recent political instability there might be a chance to have a lower net interest income and operational profit.

Details	2019	2020	2021	2022	2023
Return on total assets (%)	1.38	1.85	1.21	1.15	0.76
Return on shareholders' equity (%)	13.68	18.89	12.49	11.87	7.6

Table 3: ROA and ROE of IDLC from year 2019-2023(“IDLC Finance PLC Integrated Annual Report,” 2024).

Both the ROA and ROE were at its highest points in 2020 however, it declined over the years which is quite alarming, this indicates that the return on the assets and equity is lower. The reasons might be the profitability ratios where the external factors have affected the business environment significantly.

Details	2019	2020	2021	2022	2023
Debt Equity ratio (Times)	9.21	9.19	9.42	9.17	8.77

Table 4: Debt to equity ratio of IDLC from 2019-2023(“IDLC Finance PLC Integrated Annual Report,” 2024).

The debt-to-equity ratio has declined over the years which indicates the dependency on the debt is lower than previous years and IDLC is trying to rely more on its equity for the investment and financial operations.

Details	2019	2020	2021	2022	2023
Current ratio (Times)	1.06	1.18	1.24	1.15	1.14

Table 5: current ratio of IDLC from 2019-2023 (“IDLC Finance PLC Integrated Annual Report,” 2024).

The liquidity ratio has increased over the years and remained stable which shows that there may not be issues in short term liquidity crisis.

2.5.2 Dupont analysis

Details	2023	2022	2021	2020	2019
Net Profit margin	12%	17%	20%	21%	13%
Asset turnover ratio	0.085	0.076	0.074	0.095	0.112
Financial Leverage	7.757	8.183	8.512	8.326	8.374
ROE	8%	11%	13%	17%	12%

Table 6: Dupont break down of IDLC from 2019-2023 (“IDLC Finance PLC Integrated Annual Report,” 2024).

The ROE has been on the decline after 2020, it was at its peak in 2020 with a ROE of 17% and has declined to 8% in 2023. Similar to ROE the net profit margin is on the decline from 21% in 2020 to 12% in 2023. The leverage is relatively high however it has dropped recently, this shows that IDLC relies heavily on debt to finance its assets. The asset turnover has decreased over the past five years, however with a further inspection its seen that the interest revenue has remained relatively the same, which shows the assets has increased.

2.5.3 Competitor analysis

Details	IDLC	BDFINANCE	DBH	IPDC	LANKABAF IN
Net Profit margin	12%	-89%	17%	5%	6%
Asset turnover ratio	0.085	0.058	0.088	0.081	0.073
Financial Leverage	7.757	7.582	7.782	24.774	8.661
ROE	8%	-39%	11%	9%	4%

Table 7: Comparison of IDLC with its competitors (IPDC Annual Report 2023, 2023), (DBH Annual Report 2023, 2023b), (“IDLC Finance PLC Integrated Annual Report,” 2024), (FINANCIAL & ANNUAL REPORTS – Bd.Finance, n.d.), (LankaBangla Finance PLC Annual Report 2023, 2023)

IDLC is performing well in terms of net profit margin being second to DBH, at 12%, it can be observed that BDFINANCE is facing a net loss of 89%. It is also same for the asset turnover having a competitive metric, similarly BDFINANCE is facing low sales resulting to a lower asset turnover ratio compared to competitors. IPDC has a high dependency in DEBT as seen in the financial

leverage ratio which is more than 3 times the competitor making their strategy riskier than the competitors. However, IDLC is performing average in the sample in terms of ROE.

2.5.4 Accounting Practices:

IDLC finance is a prominent non-banking financial institution of Bangladesh. It is a public limited company that offers shares that are publicly traded. It is listed in both Dhaka Stock Exchange and Chittagong Stock Exchange. Following that, its financial statements truly reflect the accounting practices it follows. Since the financial statements are the key player to attract and to inform the existing stakeholders as well as the potential investors. It follows the accounting standards set by Bangladesh Security and Exchange Commission (BSEC) and Institute of Chartered Accountants (ICMAB). Being a publicly listed finance company, IDLC Finance must be very transparent towards all the financial figures. As the annual report and financial statement is the key player to attract and to inform its financial performance, IDLC follows all the accounting principles reflected in the statements. To maintain the transparency IDLC follows the International Financial Reporting Standard and Bangladesh Financial Reporting Standard. Following the reporting process, it gives the investor a clear image of its financial performance (“IDLC Finance PLC Integrated Annual Report,” 2024).

IDLC Finance and Accounts team maintains strong internal control and hierarchy to report each and every account. Apart from maintaining internal audits, the team also hires external auditors to ensure the accuracy of the reporting work. The internal auditing team focuses on the quarter performances whereas the external auditors scrutinize the annual financial performances. Besides the reporting entity, IDLC Finance being an NBFIs follows the accrual basis of revenue recognition

and expenses. In the financial statement the team classified all the assets and liabilities. Along with this the income statement is allocated for expenses and income it generates which also describes their loan loss, advances and incomes too. The financial statements also provide detailed classification of all the components in the financial notes. Also, IDLC maintains their reputation of being a consistent tax payer and following the tax paying principle. IDLC Finance proved its worth to be a top choice of investors by following all the national and international accounting standards and principles.

2.6 Operations Management and Information System Practices

2.6.1 Operational Practices:

IDLC has a separate operations department situated at the Dilkusha tower, Purana Palton. It is called the center of SME, corporate and consumer function. Because they keep track of all the agreements which include loan processing, payment processing, verification of legality and other transactions. Their main task is to arrange the deed agreement and provide them when necessary. For instance, if a consumer takes a car loan, he/she must keep a fixed asset as a mortgage. As a result, legal deeds are collected from them through vendors. After getting the deed agreement the information of the consumers asset is stored in one system software named OCAS. Ocas then gives each of the deeds two different numbers. One is the four digit SROS tracker and another is the eleven digit identification number. After mentioning these two numbers manually on the top sheet of the deed, they further scanned the deeds and kept a record in their respective computer desktop. After every installment payment the operation is being updated for all the consumers. Additionally, they cross check the deeds whether it follows all the necessary pages, signatures and thumbs signs

are there or not. Moreover, they ensure any update for core banking software like flex cube is maintained and supported with the aid of a central operations department. One of the key strengths of this department is the operation team of IDLC Finance is able to provide consumers with quick and effective services by centralizing these processes. Because all departments are located under one roof and perform the same functions, such as disbursement, post facto checking and legal. They may communicate with one another and find a quicker solution to any problems that may develop. Also, they get help from the legal team as well. But their greatest weakness is that they still practice manual work to accomplish their task. For instance, as mentioned above the scanning and tracking the SROS tracker they hire an intern. An intern of the operations department mainly does scan manually and renaming them with its identification number. Similarly, they find the SROS tracker manually for legal or litigation purposes.

2.6.2 IT Practices:

IDLC Finance ensures various technological advancement due to accomplishing a task faster. These include their software systematic practices and communication related practices. These practices are listed below.

- LYNC: This system is used for communication. If any needs to join any video or audio call they can join through Lync from anywhere in Bangladesh. IDLC uses it for talking to the vendors, inter and intra department and even to talk with department heads.
- OSP: Online service platform is another system designed for the consumers. If any consumer needs to get insights about their loan process, account opening, loan applications,

and payment processing etc. without physically visiting a store, they may consider OSP as an option.

- OCAS: Online credit approval system is another dimension of their IT practices. As mentioned earlier they keep track of loans given to consumers and updates after installment followed by further assistance.
- Flex cube- it's a core banking software for IDLC finance, that supports banking activities such as customer account management, loan processing, payment transactions etc (Finextra, 2012).
- Microsoft Office Tools: Microsoft office tools include MS Word, MS Excel, MS PowerPoint for documentation, calculation and presentation. Also, they use Microsoft Outlook for formal email communication.

2.7 Industry and Competitive Analysis

2.7.1 Porters five forces

Threats of new entrants

To open a banking institution is attainable as it is 400 crores as capital which a significant number of organizations have in Bangladesh, the other requirements can be easy if the scale of the organization is huge. MFS, such Bkash and Nagad have the aspect of making payments simple in their grasp, and also have the necessary resources that can be used in the banking sector. As NBFIs use checks for transactions, people might prefer and shift towards organizations which offer convenience (Rahman, 2021).

Bargaining power of suppliers

The bargaining power of the suppliers are high, this is due to the fact that there are options of the consumers to keep their funds or lend form such as first-generation banks such as Brac bank, City bank and Eastern Banks, there are also foreign banks like Standard Chartered Bank and HSBC. These institutions also have a similar legacy as IDLC and are more known to the general public, however, IDLC has maintained loyal customers and retained them.

Bargaining power of buyers

The bargaining power of buyers is medium, for financial products such as loans NBFIs are not the first choice of business and individuals, people tend to choose banks as the cost of debt is lower there. However, banks usually take weeks to process the loan this can cause businesses and individuals to not have access to necessary funds when there is time constrain. IDLC offer fast processing of loans which are 5-7 days including disbursement giving them an advantage over the buyers.

Threat of substitute financial services

The financial products which revolve around Bangladesh's banking sector are mainly cash and check based, however as technological changes the use of crypto is becoming popular which is a decentralized system for making and receiving payments (McWhinney, 2024).

Competitive rivalry

The competitive rivalry is high for IDLC as there are a significant number of Banks and financial institutions which are also trying to innovate and bring new financial products to meet the

consumers' needs. For example, BRAC bank is offering loans to students to study abroad, financing for these aspects which is common for the general people creates a loyal customer base which is tough to acquire later on.

2.7.2 SWOT Analysis

Strength

The strength of IDLC includes the strong brand image and availability of their services in most of the commercial areas compared to its competitors. For instance, the first non-banking financial institution in Bangladesh is IPDC finance which has 17 branches all over the country. Whereas IDLC has 40 branches to serve its customers (“IDLC Finance PLC Integrated Annual Report,” 2024). Also, IDLC has diversified product range such as consumer finance, corporate finance, SME and Islamic Financing etc. Along with this IDLC has a strong financial base to attract the investors. Overall IDLC being an NBFIs doing well to generate profit and goodwill.

Weakness

Although IDLC is doing its performance satisfactory, it may not be the first choice of companies and consumers as there are lots of listed commercial banks in Bangladesh. Even if it is getting valuable clients its main earning source is interest income. So, if the credit risk gets increased it may collapse. Also, they keep deposits in minimal amounts as a regulatory policy which may be a concern for them. As a result, it may face its weaknesses as credit risk and less deposit authorization.

Opportunity

Times are changing and so are the practices. With the passage of time the technological practices are emerging too. IDLC may use this changing behavioral pattern as an opportunity to implement. For instance, the practice of crypto currency, decentralized financing, predictive analytics, Block chain technology, Kiosk etc. can be used for smooth financing of an NBF (McWhinney, 2024). Also targeting the rural people can be a game changer for them. For instance, bKash firstly targeted the rural people for mobile financing and then targeted the urban people and launched the bKash app. Similarly, IDLC can target the rural people and design its product accordingly.

There is also geographical expansion which can be made by IDLC reaching to the rural areas of Bangladesh where their branches do not exist, thus they will introduce new markets for individual and SME loans.

Threats

A series of disruptive events are occurring in the business environment in Bangladesh where Covid 19 was detrimental as it slowed down the economic progress of the industry's leading to lower profit and exports (COVID-19's Impact on Bangladesh Economy - BRAC Institute of Governance and Development, 2023). Thus, causing the business to take a more conservative approach and refrain from expansion strategies, as a result causing a lower dependency on the financial products. And the recent political turmoil has created an uncertainty of the political environment in Bangladesh.

2.8 Summary and Conclusions

IDLC has managed to operate for almost 4 decades, creating a reputation among the business environment for being stable, quick and efficient. Through managing their assets efficiently, with a strong CRM has led IDLC to make profits while also benefiting the clients in the process. Despite the pandemic such as covid 19 and political instabilities IDLC has managed to remain stable. With a strong work force and adapting to the changes, the company's management and strategy are excellent. However, new technologies such as MFS might become a threat that can sway the consumer to choosing an easier alternative. IDLC finance PLC has adapted in the past and needs to do so to cope with the evolving changes in the technology for financial products.

2.9 Recommendations/Implications

Using social media so that the existence of the company is known to the new generation. Posting advertisements in platforms such as Instagram and Snapchat can lead to engagement with younger audiences which can lead them to use IDLCs financial products. The main content which should be portrayed to the audience in personal finance and finance literacy, as these aspects are not widely discussed academically. Bangladesh's people have an issue with trusting financial organizations such as banks and NBFIs, teaching them about the importance of interest, circular flow of money and the multiplier effect which the banks have can persuade them to keep their funds with banks that can mutually benefit banks, individuals and the economy.

Chapter 3: The Client Evaluation Process for Corporate Lending: A Study on IDLC Finance PLC.

3.1 Introduction

3.1.1 Background

The acquisition of corporate clients requires a systematic approach to identify and evaluate the businesses which meet the requirements of the financial institution, resulting in strategic goals which benefit both parties. The process of evaluating, or acquiring corporate clients are not discussed academically or available in secondary sources such as research papers, or articles. Unlike individual and SME loans the corporate loans account for a huge sum of money, therefore the complexity and specialized knowledge are lacking to the general people. Only through working in organizations which deal with corporate clients leads to the information about the corporate lending process. Therefore, the absence of this knowledge can lead to mistakes.

3.1.2 Objectives

- The first research specific objective would be to explore how the corporate department of IDLC evaluates targeted industries for client evaluation process.
- The second objective is to understand what factors the corporate team uses to shortlist the businesses in the targeted industries to become potential clients in the evaluation process.
- After shortlisting these businesses, what are the further assessment methods used by the corporate team to narrow down to a few clients and complete the client evaluation process?

3.1.3 Significances

There are two ways IDLC acquires corporate clients, where businesses approach the financial institution and another way is when the financial institution approaches the business to sell the financial products. In most scenarios the businesses which apply for loan are not in the proper scale or may not have transparency with their financial information resulting in ambiguity with the risks involved of lending, therefore it is preferred to acquire clients through client evaluation. The workforce of corporate departments is significantly smaller than the other departments such as SME and individual departments. And they are tasked to manage a portfolio of around 26% of the company, when new recruitment is made in the department the existing employees are required to train the new comers thus leading to a significant time being used to train the employee, this creates a constraint on the existing employees as they have managed both the clients and teach the activities of the position.

3.2 Methodology

Since the topic of this report is to evaluate the clients which are corporations or large-scale businesses, the best way to gather the necessary data is to consult the respective employees of IDLC corporate division. Hence, the methodology is the primary data collection method, the medium was through interviews with the members of the corporate department of IDLC Finance PLC. The interview was taken face to face during my internship period. Along with 3 team leaders there are a total 12 members in the corporate department in IDLC head office situated at Gulshan. Out of these 12 members 3 of them were taken as samples of data collection. They were Shafiqul Islam, Toufikul Islam and Chowdhury Mohammad Muin respectively who have higher

experiences, higher achievements and have client evaluation as a core job responsibility. For this reason, they are considered as the best sample to collect the data.

The questions were asked to Shafiqul Islam, the Relationship Manager of IDLC Finance for 20 minutes. in the interview to answer objective 1.

1. What are the methods and indicators used to evaluate the industries for acquiring potential clients?
2. What are the reasons for the inclusion of industries which are performing poorly in the portfolio?
3. Which industries or categories which are usually avoided in the portfolio?

The questions asked in the interview to Toufikul Islam, Assistant Relationship manager of IDLC Finance PLC to answer objective 2 for 20 minutes.

1. What are the factors used to shortlist the businesses in the industries?
2. What qualitative factors are favorable and unfavorable for the business?
3. What quantitative factors are favorable and unfavorable for the business?

The questions asked in the interview to Chowdhury Mohammad Muin, Assistant Relationship manager of IDLC Finance PLC to collect data for objective 3.

1. What are the financial metrics which are taken into account when assessing the business from the financials?
2. How is the credit worthiness of potential clients judged?

3.3 Findings

After interviewing the corporate department members, the information can be used to create a framework of funnel. The process of the client evaluation in IDLC is following a set step which filters out the ineligible organization for becoming clients. It is a funnel down method which discards the businesses in each of the segments of the funnel depending on the criteria and factors that are used to assess the clients. After the list of businesses are assessed through this process, the handful of organizations which are left can become potential clients (Team, 2023).

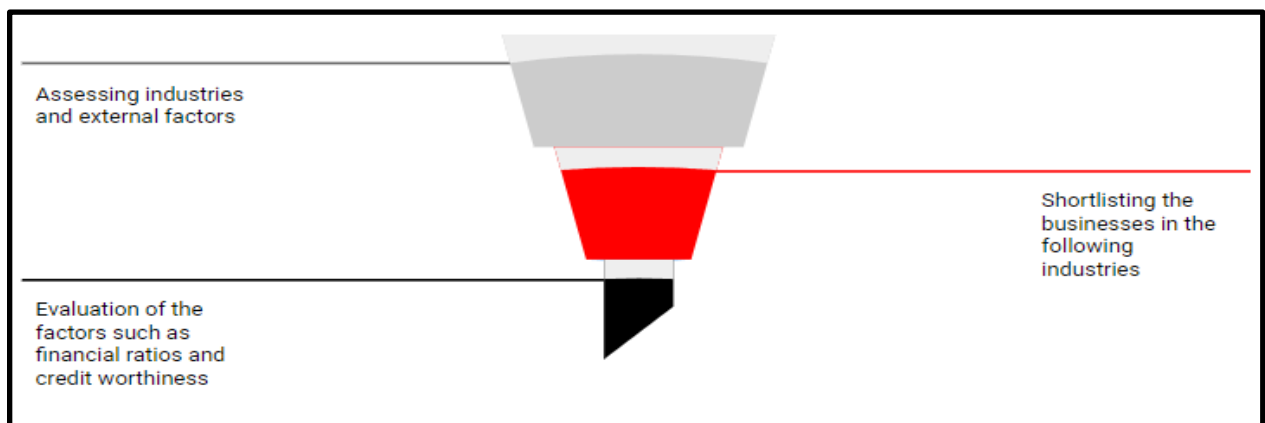


Figure 3: Client evaluation steps of IDLC Finance PLC (Team, 2023)

3.3.1 The Evaluation of the Current State of the Industries

This section covers the quires in objective 1. As there are a vast number of businesses in Bangladesh, it is not feasible to assess them individually to find clients due to limitation of time

and missing opportunities. Thus, a faster approach would be to evaluate the industries of Bangladesh to give an idea which sectors are performing well and lean on those which can have a better chance of having optimum clients. When evaluating the industries there are some factors which are taken into account. Those are depicted below.

3.3.1.1. A pestle analysis to for an overview of the current external factors of Bangladesh.

It is not necessary to create the whole pestle analysis with all the factors, which accounts for the factors of political, economic, social, technological, legal and environmental factors. And only take the factors which affect lending operations and the industries which are sought for the financial services. The loan portfolio will lean on to the industries which benefit from these external changes.

An analysis on the external factors plays an important role in determining the industries in which the financial products will be provided. Policy changes are one the most important aspects when assessing industries, as it can hinder or enhance industries across Bangladesh. For example, the ETP plants for sustainable production is a notable policy change which has affected the industries which are mainly dealing with production. ETP plants are used to treat the waste which derives from production of goods, prior to discharging it.

With the change in government policies for sustainability, the government provides refinancing options to the business with ETP plants through banks and NBFIs. When the business with ETP plant is given a loan for 12% interest through a NBFIs for example IDLC, the financial institution can apply for the refinancing scheme where the institution can get funds for 5% interest

(“REFINANCING SCHEME FOR GREEN PRODUCTS/INITIATIVES/PROJECTS,” n.d.).

This allows them to charge lower interest rates to the business than the prior 12%. As a result, being an incentive to both the business and financial institutions.

Such changes can create an opportunity or threat; thus, a rough analysis can lead to taking actions which are appropriate in that current scenario.

3.3.1.2 The growth of the industry compared to previous year:

Millions in USD				
Items	2021-22	2022-23	% Changes	Share of Manufacture and export
1	2	3	4	5
Manufactured products				
1. Petroleum bi-products	33.53	17.98	-46.38	0.03%
2. Chemical products	364.07	303.01	-16.77	0.56%
3. Plastic products	166.25	209.86	26.23	0.39%

4. Leather & Leather Products	1245.18	1223.62	-1.73	2.25%
5. Cotton & cotton products	244.92	411.12	67.86	0.76%
6. Jute & Jute goods	1127.63	912.25	-19.1	1.68%
7. Specialized textiles	314.82	284.65	-9.58	0.52%
8. Knitwear	23214.32	25738.2	10.87	47.41%
9. Woven garments	19398.84	21253.41	9.56	39.15%
10. Home textile	1621.93	1095.29	-32.47	2.02%
11. Footwear	449.15	478.86	6.61	0.88%
12. Engineering products	795.63	585.85	-26.37	1.08%
13. Ships, boats & floating structures	0.24	5.33	2120.83	0.01%
14. Others	1410.96	1774.03	25.73	3.27%
Total	50387.47	54293.46	6.67	100.00%

Table 8: Comparison of export growth of multiple industries in Bangladesh from 2021-2023

The table gives an overview of the manufacturing industries of Bangladesh, and accounts for the changes in the recent years. Column 2 and 3 shows the volume of the exports of the industries that have contributed to the economy. The third column shows the changes in the export of the

industries in the past 2 years. A common trend is that the industries related to garments account for the bulk of the export in Bangladesh, however there are other industries which are performing well such as the plastic industry and the footwear industry.

The growth rates of the industries are an important information as it can point which industries are performing better or worse. This allows the portfolio to adjust by increasing the weight of the industries which are experiencing growth and reduce the ones facing a decline.

Similarly, the weight of the industries on the GDP is an indicator for identifying potential industries to target. The table shows the industries in the manufacturing sectors, and the garment industry has been the dominant industry, however there are other industries such as footwear and leather that have potential to be a contributor to GDP.

3.3.1.3 Whether the industries are primary, secondary or tertiary sector.

The sector which the business operates is an important factor when considering the industry to be selected. The preferred industries fall under the secondary sector, which is mostly related to manufacturing. The inventory of manufacturing businesses is countable thus, which can be used to find the comparison with the actual sales to actually find the conversion of inventory to finished goods. The reason for this is due to the widespread malpractice of window dressing in Bangladesh (Prince, 2024). In the primary sector and tertiary sector there is a possibility of poor yield from harvest or a low number of services provided in a year, such claims made by the businesses may not be true and untraceable. Thus, making these sectors ambiguous and risky, therefore the industries in these sectors are typically avoided.

3.3.1.4 Exceptions

The prior factors which are discussed are the usual protocol used to shortlist industries, however there may be exceptions to this. Reasons such as portfolio diversification or a few businesses performing better in the declining industry can lead them to being taken as potential clients. Such scenarios are rare, however possible.

3.3.2 Short listing the companies of the selected industries.

The following content covers the data to satisfy objective 2, discussing the quantitative and qualitative factors used to short list business in the selected industries.

3.3.2.1 Finding the special achievements of the businesses in the industry.

Special achievements of a business in the industry signifies its performance to greater than their competitors. Certain achievements such as being a top exporter in their respective industry are indicators that their exporting may be to certain regions which are beneficial in adding to the portfolio Today (2024).

3.3.2.2 The years of legacy of the business

The number of years the business has been operating can be an indicator to its stability through economic instability. The number of years also serve as its experience and ability to perform better and have a lower chance of defaulting.

3.3.2.3 Production capacity

The production capacity gives the scale of the business, which allows to rank the businesses. It is also a measure of how technologically advanced they are. The production capacity should be

greater than their actual production to act as a buffer capacity when there will be an influx of demand. The businesses which have higher capacity are preferred.

3.3.2.4 The notable sister concerns of the business

The sister concerns are an important factor to consider when assessing the business, assessing the concerns can give an external perspective of how the group performs with their debt. It also gives leverage to the bank and financial institutions when there are issues with the business repayments. The bank or financial institution can inquire about the repayment issues to resolve the matter, the concerns have separate identities from each other.

3.3.2.5 The Export region of the business if any for refinancing with JICA

Similar to the refinancing offered on ETP plants there is a policy which has a refinancing scheme on a specific country. Exporting to Japan allows the ability to get JICA refinancing which allows the financial institutions to get funds at a lower cost and can adjust the interest rate later so the clients have to pay less interest. This results in the mutual benefit of both the client and financial institution.

3.3.2.6 Assessing BOD (Board of Directors)

Analyzing the BOD allows understanding the direction the business is taking. A few key features to look out for when assessing the BOD are the number of years the director has been working in the organization, were there any achievements of the company under their management, what other business do the directors work for and if the director has recently joined do they have previous experience in the industry. Also assessing the corporate governance for the transparency and accountability of the business will allow a better understanding of the top management.

3.3.2.7 Gathering necessary information of the CFO/Accounts or finance GM/ Finance director of the company.

After the assessment there is a need to contact the business for discussing and negotiating for the financing products which are going to be provided. Contacting the finance team or the individual managing the department can lead to further information which was not available prior to the contact. There are 657 listed companies in Bangladesh (Exchange, n.d.-b), this is an issue for a significant number of large companies which are not listed. So, they are not required to publish annual or quarterly reports, therefore contacting unlisted companies are integral for information for assessment.

3.3.3 Criteria for selecting potential clients from the shortlisted companies

Answer the objective 3 this section discusses the final selection, from the shortlisted businesses in the previous section 3.3.2 narrowing them down with two aspects, which assesses the financial details and the creditworthiness of the business.

3.3.3.1 Financial analysis

The approach to the business leads to an influx of information which might not be available publicly, and financial information can be used to assess their performance of the organization. The financial information gives an outlook of the company's performance, whether it will be able to make the repayments and afford the interest.

A few ratios which are checked are the profitability ratios, mainly the Net and Gross Profit ratios, comparing the past ratios to the present to find any trends or any discrepancies. Trends can give the direction the company is headed, and any inconsistency can be inquired with the client for

further information resulting in further vital information of the company. Interest coverage ratios show the company’s ability to pay the current interest of the acquired debt of the company and possibility to pay for the new interest of possible loans. The sales volume is used to assess the scale of business, as if the business does not fall under the large category, then it won't be eligible for the corporate loans. It is not a strict standard which is followed for all the industries, as some industries have higher revenue to be required for them to be viewed as a large business.

3.3.3.2 Credit worthiness

CIB (Credit Information Bureau) report is a document which is provided by the Bangladesh Bank to the banks and NBFIs of Bangladesh which provides detailed lending information of the business. A business has a specific ID number assigned to them which is used for finding the necessary credit information from the website of Bangladesh Bank.

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WARNING:

1) In providing any credit information to any Bank or Financial Institution, Bangladesh Bank expressly disclaims any liability in respect of any claims, loss and damages, charges, expenses, costs howsoever, caused by wrong information by any Bank or Financial Institution or by disclosing CIB report to the Borrower after receiving credit information from the Bangladesh Bank.

2) The CIB report is strictly confidential and not to be disclosed to the Borrower or any other party. The report is to be used only by the concerned Bank/Financial Institution requesting for CIB report. Any violation of this will involve penalty of Tk. 1 (one) lakh as per Bangladesh Bank order 1972, chapter -IV, article - 48.

Credit Information Bureau - Bangladesh Bank

Date of Inquiry 10-Apr-2016 12:43:11 PM	User ID OO P25952	FI Code 239	Branch Code 0001	FI Name BANGLADESH FIN.CO LTD.
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INQUIRED

Trade name District Address	GP SOLUTION LIMITED NA RAYANGANJ 65, AMRABAD ROAD, BANDOR	TIN Postal code	64066957590 1412
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Remarks found: CIB Contact code : K4934004489

SUBJECT INFORMATION
(BORROWER HAVING OUTSTANDING AMOUNT OF TK. 1 AND ABOVE ARE INCLUDED IN THE CIB DATABASE)

CIB Subject code:	H2044672516	Type of subject:	Company
Trade Name:	GP Solution Limited	Reference number (Ref.):	1(CIB Subject H2044672516)
TIN:	64066957590	Telephone number:	
Sector type:	Private	Sector code:	902145
Legal form:	Private Ltd. Co	Remarks:	

ADDRESS

Address Type FAC TO RY	Address 65, Amrabad Road, Bandor	Postal code: 1412	District Narayanganj	Country BD
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1. SUMMARY OF FACILITY(S) AS BORROWER & CO-BORROWER

No of reporting Institutes:	0	Total Overdue Amount:	0
No of Living Contracts:	0	No of Stay order contracts:	0
Total Outstanding Amount:	0	Total Outstanding amount for Stay Order Contracts:	0

1.(A) SUMMARY OF THE FUNDED FACILITIES AS BORROWER & CO-BORROWER

Total Outstanding Amount:		0															
---------------------------	--	---	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Contract Category	LC		SMA		SS		DF		BL		BLW		Terminated		Requested		Stay Order		
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	
Installments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Installments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Credit Cards	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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Figure 4: Sample CIB report (“CIB Online User Guide,” 2015)

The information is portrayed in the CIB report where the first page shows the sum amount of the loans, the amount which is overdue, the SMA and SS amount. The breakdown of the amounts is provided in the following pages based on the types of loans in boxed with details such as duration, amount, rates etc.

Having an overdue amount is natural as it's quite normal to miss payments, and a business might repay both the amount in the following amount; however, when the amount is large and exceeds 20% of loan amount, it becomes concerning and needs further analysis. SMA amounts are undesirable when assessing the amount as there is weakness in repayment for loans, however it depends on the scenario of the business and the reasoning for the SMA, if the SMA is low and a negligible amount then they might be eligible for the finalized list and any business with SS should be avoided.

3.4 Conclusion

Overall, the process of client evaluation has led to IDLC performing well as it has been working for them and has maintained steady revenue and position as a NBFIs in Bangladesh. Even though it has been working for the past years however, it may not be the future proof as one of the major drawbacks is that most of the documents are in the medium of paper which leads to the possibility of them being lost and destroyed. Creating a database which shows previous loans of similar industries can lead to a better assessment by analyzing previous loans. IDLC has been evolving from their early days as they change from a leasing company to NBFIs changing with the needs of financial products. Therefore, IDLC may be able to adapt their methods in the future.

3.5 Recommendation

- Digitized data base

Even though most of the documents have a digitized version in the database of IDLC there are still previous documents which are not in the digital format which makes it a hassle to find the necessary document in the heaps of paper. The database of the corporate clients is not presented in an interactive dashboard. They have the data of previous corporate clients however it is not convenient when needed. Having an interactive dashboard with the aid of coding languages such as SQL can make the task simpler. Therefore, previous information can be easily used to compare with business in the short list to assess them.

- Predictive and alternative data sources

The company has the data base for previous loans such as repayments history, default rates of different types of company, this information can be used to predict how future clients might behave with the loans. Creating a predictive software with the aid of machine learning which breaks down the reasons for the analysis could aid in time consuming tasks, this could be an addition with the digitized data.

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Appendix

Financial Ratios	2019	2020	2021	2022	2023	Growth rate
Debt Equity ratio (Times)	9.21	9.19	9.42	9.17	8.77	(0.39)
Average effective tax rate (%)	36.32	32.20	42.41	48.78	54.11	5.33
Financial expenses coverage ratio(times)	1.28	1.43	1.50	1.34	1.23	(0.10)
Current ratio (Times)	1.06	1.18	1.24	1.15	1.14	(0.01)
Return on total assets (%)	1.38	1.85	1.21	1.15	0.76	(0.39)
Nonperforming loan ratio (%)	3.07	1.79	3.05	3.81	4.46	0.65

Return on shareholders' equity (%)	13.68	18.89	12.49	11.87	7.60	(4.27)
Earnings per share	3.66	5.30	3.79	3.90	2.63	(1.27)
Dividend per share	3.50	2.00	2.00	1.50	1.50	0
Dividend yield (%)	7.71	3.15	3.2	3.23	3.23	0
Dividend payout ratio (%)	95.58	37.71	52.75	38.50	57.02	18.52
Shareholders' equity	11,231	12,116	13,126	14,152	14,622	470
Net interest income as percentage of workings funds (%)	4.94	4.60	5.14	4.73	4.10	(0.63)
Operating profit as percentage (%) of fund	3.23	3.78	4.03	3.20	2.59	(0.61)

Details amount in millions BDT	2023	2022	2021	2020	2019
Net income	1,513	1,914	2,116	2,540	1,699
Interest income	12,551	11,228	10,541	12,100	13,183
Operation income	6,351	6,588	7,600	6,667	5,618
Total assets	147,378	148,184	142,912	126,873	117,385
Total Liabilities	128,379	130,075	126,123	111,635	103,367
Equity	18,999	18,109	16,788	15,238	14,017

Details amount in millions BDT	IDLC	BDFINANCE	DBH	IPDC	LANKABAFIN
Net income	1,513,563,359	- 1,042,471,493.00	984,454,322.00	342,955,864.00	392,762,447.00
Interest income	12,551,039,972	1,166,744,018.00	5,924,247,334.00	7,433,716,178.00	6,971,828,107.00
Operating income	6,351,747,737	294,062,515.00	2,168,506,907.00	2,902,451,401.00	4,237,858,002.00

	147,378,69	20,250,103,6	67,537,281,6	91,933,996,9	94,855,440,586.
Total assets	0,088	07.00	93.00	39.00	00
	128,379,06	17,579,411,9	58,858,836,6	85,182,483,4	83,903,881,646.
Total Liabilities	1,853	66.00	38.00	10.00	00
	18,999,628,	2,670,691,64	8,678,445,05	3,710,915,47	
Equity	235	1	6.00	0.00	10,951,558,940