An Internship Report On

A Comprehensive Study on the Procedures and Analysis Employed by IDLC Finance PLC. in Determining the Eligibility and Loan Approval for Corporate Clients

By

Awsaf Hossain Chowdhury
ID: 21304034

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
May 2025

© 2025. BRAC University
All rights reserved.

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.

Student's Full Name & Signature:

Awsaf Hossain Chowdhury
21304034

Supervisor's Full Name & Signature:

Mohammad Mujibul Haque, PhD
Professor & Dean
BRAC Business School
BRAC University

Letter of Transmittal

Mohammad Mujibul Haque, PhD

Professor & Dean,

BRAC Business School

BRAC University

Kha 224 Pragati Sarani, Merul Badda , Dhaka 1212

Subject: Submission of Internship report on **“A Comprehensive Study on the Procedures and Analysis Employed by IDLC in Determining the Eligibility and Loan Approval for Corporate Clients**”

Dear Sir,

I am utterly delighted to present you my internship report, which satisfies the requirements for the Bachelor of Business Administration degree at BRAC Business School, BRAC University.

During this period, I had the opportunity to incorporate both my academic and internship experience to curate the report. I am extremely grateful to have your guidance and advice which provided me the support I needed to complete the paper. The submitted report focuses on determining eligibility of the corporate client and explores the approval process of the loan provided. I hope this work is satisfactory and complete as per your discretion.

Thank you for your time and consideration.

Sincerely yours,

____

Awsaf Hossain Chowdhury

21304034

BRAC Business School

BRAC University

Date: 29 May 2025

Non-Disclosure Agreement

This agreement is made between IDLC Finance PLC. and the undersigned student Awsaf Hossain Chowdhury at BRAC University that the report does not contain any confidential information from the organization.

____

Awsaf Hossain Chowdhury

ID: 21304034

BRAC Business School

BRAC University

____

M.M Junaid Alam

Associate Relationship Manager, Corporate Division

IDLC Finance PLC.

Acknowledgement

I would like to express my sincere gratitude to all those who supported and guided me throughout the course of my internship and in the completion of this report.

First and foremost, I am deeply indebted to both of my internship supervisors at IDLC Finance PLC., M.M Junaid Alam and Mahfuzul Islam, for their mentorship, continuous support, and encouragement throughout my tenure. The guidance they gave me enriched my corporate culture understanding and insights about the financial sector but also helped me with invaluable advice that I will value both in my personal and professional life.

I would also like to extend my appreciation to my academic supervisor, Mohammad Mujibul Haque, PhD and my co-supervisor Dr. Abu Saad Md. Masnun Al Mahi whose cooperation and willingness to share knowledge contributed significantly towards my preparation of the internship report.

Last but not least, I would not have been her without my family and friends who always showed their unwavering support and encouraged me throughout my university life. I would like to especially thank my mother, Nasima Akhter and my father, Md. Akram Hossain Chowdhury for being the main reason behind my accomplishments.

This internship has a notable addition to my academic journey, and I am utterly thankful for the opportunity use my theoretical knowledge in a practical setting while also gaining skills that will help me further my career.

Executive Summary

This internship report has been written as part of my degree requirements for the Bachelor of Business Administration (BBA) program at BRAC Business School, BRAC University. As mandatory component of the degree completion, students are required to fulfill a three-month internship at a legitimate institution to gather experience, knowledge and expertise that can help provide insight to prepare the report presented.

This internship report is organized into three sections. The first section provides an overview of the internship period, outlining the responsibilities and day-to-day activities of an intern under corporate division, and challenges encountered. It also includes constructive suggestions aimed towards improving the practices of IDLC Finance PLC's internship program.

The second section offers a detailed organizational analysis of IDLC Finance PLC as a leading non-banking financial institution in Bangladesh. It begins by discussing the company's primary ethos along with the vision, and mission statements followed by an in-depth examination of its departmental functions. The management practices are assessed with a focus on leadership practices and recruitment planning done by the human resource department, while the marketing function is analyzed using the STP (Segmentation, Targeting, Positioning) framework and the marketing mix (Four Ps). To examine the financial aspect of the company, a thorough five-year analysis where done based on their annual report along with ratio analysis. At the conclusion of the section, an assessment of IDLC's competitive stance conducted within the financial sector through Porter's Five Forces, SWOT analysis, and GAP analysis.

The third and last section is the project which explores the procedures of corporate client acquisition and the loan approval process used within IDLC Finance PLC. It examines the responsibilities of relationship managers and associate relationship managers in acquiring clients. Also expands on the structured procedures required to get loan approval. The section includes a case study approach of a hypothetical corporate client, using altered data based on actual financial data to provide legitimacy to assess the financial and operational activities a company. Key elements such as CIB (Credit Information Bureau) reports, liability exposure with other financial institutions, and the DSCR (Debt Service Coverage Ratio) are analyzed to showcase the credit assessment process employed by IDLC Finance PLC. Lastly, the loan approval process is explained through its three-tier structure, involving the Credit Risk Management department, the Credit Evaluation Committee, and the Board of Directors. The report concludes by identifying process limitations and providing detailed improvement alternatives. It presents two projects to develop a database system and revamp the existing loan approval service (OCAS). A cost-benefit analysis is done reflect the beneficial outcome of implementing the projects. Thus offering quantified recommendations that can make the processes more efficient and effective.

Table of Contents

Chapter 1

Overview of Internship

1.1 Student Information

Name: Awsaf Hossain Chowdhury
ID: 21304034
Program: Bachelor of Business Administration (B.B.A)
Major: Finance

1.2 Internship Information

1.2.1 Period, Company Name, Department/Division, Address

As indicative of my major, I wanted to pursue an internship that is related to finance. I developed a rudimentary understanding on how financial institutions operate from my academic studies, which made me eager to learn more about the sector. Hence, I joined IDLC Finance PLC., a non-banking financial institution (NBFI), as a corporate division intern. My internship tenure was for 3 months from February 10th, 2025 to May 10th, 2025. I was under a corporate division which worked with large company loans. My workplace was situated at Bay's Galleria (1st Floor), 57 Gulshan Avenue, Dhaka-1212, Bangladesh.

1.2.2 Internship Company Supervisor’s Information

My company supervisor during my internship at IDLC Finance PLC. was M.M Junaid Alam, Assistant Relationship Manager, Large Corporate, Corporate Division. He started his tenure at the organization in 2022 as a management trainee. He finished his BBA from North South University and is currently doing his MBA from Dhaka University. Alongside him, I simultaneously worked under Mahfuzul Islam, Associate Relationship Manager, Large Corporate, Corporate Division.

1.2.3 Job Responsibilities

My responsibility was to assist and aid my supervisors with their work regarding their corporate clients. My initial work under the corporate division was to go through CIB reports provided by Bangladesh Bank of the corporations, such as PRAN RFL Ltd., ACME Group, Dekko Designs Ltd., Smart Technologies, Babylon Casual Wear Ltd. etc. The confidential report included loan information and details, the history of the loan and overdue amount. I was tasked with investigating whether companies have overdue payments and under which loans. This specific activity I had to do throughout my tenure. Alongside that I provided assistance to curate and organize loan proposal reports to my supervisors. This work entailed going through various companies’ financial statements, leasing agreements, vehicle information, disbursement memos and many more. Additionally, I also contributed to accept and input loan payments, create detailed spreadsheets on company information, provide macro-economic research and summary for aforementioned proposal reports etc.

1.3 Internship Outcomes

1.3.1 My contribution to IDLC Finance PLC.

I was brought onto the corporate division team to assist and work alongside them in creating a more efficient flow of activities. As when it comes to providing loans to large corporations, there tends to be a lot of research that needs to be done on the finances of the client companies. From investigating their overdue to creating proposals for their loan requirements, it is an extensive process that requires multiple departments to work together in order to achieve a successful outcome. I was able to contribute in making those processes swift. I helped in creating financial tables and charts for the client and their concerns. My work contributed to getting loan approvals quickly and efficiently. I also provided assistance to my supervisors by giving them prior notice of loan payments and if there's any late payment interest incurred by their clients.

1.3.2 Benefits

Internship opens up a lot of opportunities for students in their professional career. As for being an intern at IDLC Finance PLC., I was granted a lot of benefits from getting a healthy remuneration to learning more about the financial world. I was able to harbor knowledge about how companies service on loans and simultaneously learned how to cooperate inside the workplace. I have had the privilege to work alongside and communicate with very qualified individuals which definitely provided me with helpful knowledge. Similarly, being in a flagship internship program helped me also have professional relationships with interns from different universities. That has also opened me up towards learning their experiences from university to work life. I also had the luxury to talk to heads of different departments and gain important insights on how NBFIs like IDLC Finance PLC. help a country like Bangladesh on both micro and macro level. I am extremely appreciative of the opportunity that led me towards acquiring so many benefits that I believe will definitely help me in my professional life.

1.3.3 Problems

From my experience, I did not come across many problems or irregularities that hindered my work process. I was able to function well with my co-workers in a safe and comfortable corporate culture. Although there are some areas where there can be felt a gap in the activities. First of which is the way CIB report analysis is done. As I have previously mentioned, one of the first work I needed to do entailed finding overdue from CIB reports. This was not done individually previously. IDLC Finance PLC. provided the corporate division with a software called Dharapat which was used to inquire overdue details. But due to Bangladesh Bank changing the layouts of CIB reports quite frequently for which the software needs to be manually reconfigured, hence the company has stopped using it. Although they have not provided any alternatives hence making it a tedious and time consuming work. I had to go through thousands of pages manually to find overdue details which is definitely not a productive use of my time when it could be done more efficiently. Similarly such IT related issues can be seen throughout the organization making processes less efficient. Another issue that concerns most employees is that lunch is not company subsidized alongside company does not provide transportation support to get to the office, which makes it difficult for me and other employees who are required to spend extra expenditure for both.

1.3.4 Recommendations

I am deeply appreciative of the work culture fostered within IDLC Finance PLC. Everyone is very cooperative and competent when it comes to treating other employees fairly and in a friendly manner. My recommendation would be to build a better IT infrastructure for daily operations. They mostly outsource their software needs, which leads towards irregularities. If they could invest more on their own IT department to create software and provide holistic solutions to the technological needs then I believe their work would be more efficient and would create an even better environment for upcoming interns and employees alike. Similarly, It would be an important addition if their administration and human resources management provided subsidized lunch and transportation facilities to its employees. It will drive up the productivity of the workplace and would provide necessary benefits to the employees.

Chapter 2

Organization Part

2.1 Introduction

The report is concerned with providing a comprehensive analysis of IDLC Finance PLC. and its various departments. As one of the largest NBFIs in Bangladesh, IDLC Finance PLC. holds a coveted spot in the country where it showcases its vast reach towards helping individuals and big businesses by satisfying their financial needs. A company is the sum of all the departments working cohesively and cooperatively with each other towards achieving what is best for the organization. IDLC Finance PLC. is no different, all departments from management to marketing to finance and accounting departments are integral in keeping the organization at the place where it is now. An analysis of the company is only done to bring the focus on to what ideals and goals IDLC Finance PLC. holds to further their journey in the world of finance. The study aims to provide all information available regarding the inner workings of the organization that are used in order to survive and thrive in the dominating sector.

2.1.1 Objective

This section aims to highlight the practices of the organization and give an overview on how IDLC Finance PLC. operates as an institution. The study conducted here focuses on analyzing the strengths and weaknesses of a financial institution while simultaneously providing adequate recommendations for the areas which require improvement. This balanced assessment extends beyond mere identification of operations to include contextualized actions calibrated to address specific improvements. The study delves deeply into departmental workflows, decision-making processes, resource allocation frameworks, and performance metrics. The core of the study is to provide an understanding of different departments, their operations and their cooperation amongst themselves in order to provide adequate service. Last but not least, the focus is to equip IDLC's leadership with a comprehensive roadmap for operational enhancement and service excellence. Moreover this section would provide the organization materials to understand and reconsider certain aspects of the company and strive towards finding achievable solutions.

2.1.2 Scope

This study encompasses a detailed exploration of the many aspects that make up IDLC Finance PLC., with a particular focus on its internal functions and how they operate. The scope includes an in-depth examination of key areas such as human resource and administrative management, marketing strategies, financial and accounting practices, the information system implemented and the overall performance of the organization. This is done to provide the company a thorough understanding on how all the departments operate and might incentivize the company in question to focus on the recommendations or conduct their research based on the findings of the paper.

2.1.3 Methodology

The information in this section is gathered from the annual reports of IDLC Finance PLC. from 2019 to 2023 and primary inquiry with individuals from specific departments. These official documents provided audited financial statements, management discussions and analyses, corporate governance disclosures etc. The annual reports were systematically analyzed to extract quantitative data including financial metrics, operational statistics, and performance indicators, while qualitative information regarding corporate strategies, market positioning, and organizational developments was also carefully documented. Alongside which primary research was done by gathering information by partaking in one-on-one conversation with individuals from their respective departments.

2.1.4 Limitations

The limitations were quite narrow as the information required was readily available online and cooperative individuals helped with their time and effort to provide the paper with the valuable information. Although there were slight hindrance from very few departments in terms of providing information which are not confidential. Similarly due to the research took place during Ramadan, there were very limited time to gather all the information as the office hours were cut short and it was harder to get in touch with individuals who contributed to the paper.

2.1.5 Significance of the study

This study will be of major importance for the parties involved as it delves into the intricacies and analyzes what makes the organization operate. It will provide a detailed understanding on the various aspects that make up a company and also will give insights on whether or not certain practices are efficient and effective. The study will also highlight many trials and tribulations that exist within the organization. Similarly, it will be able to showcase recovery methods used or recommended to use for the betterment of the company. The paper will be a great source of information for any company existing or wanting to do business in the finance sector of Bangladesh.

Additionally, the report will be reviewed by IDLC Finance PLC. to check the authenticity of the information presented and analyze its advantages, limitations, growth prospects, and obstacles. Moreover the company will be able to gain knowledge on the fronts where they are excelling and invest more on those initiatives or customs. Alongside that IDLC Finance PLC. can learn about the corrective actions that are provided in the paper and use the knowledge to aid its internal deficiencies.

2.2 Overview of the Company

IDLC Finance PLC. is recognized as the largest and most versatile Non-Banking Financial Institution (NBFI) in Bangladesh, offering a wide array of financial services across multiple market segments (IDLC Finance PLC, 2023). With a strong reputation in the industry, IDLC has established a well-balanced presence in the Corporate, SME (Small and Medium Enterprises), Retail, recently announced Islamic Finance and Capital Market sectors. The organization operates as a group consisting of four affiliated entities: IDLC Finance PLC., IDLC Securities Limited, IDLC Investments Limited, and IDLC Asset Management Limited. As of recent years, it has been one of the largest NBFIs in terms of market capitalization, asset base, and profitability (Akber & Barua, 2021). These four companies work in close coordination, forming an integrated network under the unified brand of the IDLC Group. This collaborative structure enables the company to provide comprehensive financial solutions to a diverse client base. IDLC's operational footprint spans across 24 major cities in Bangladesh, where it has established 44 service outlets. With 40 years under its belt and backed by a workforce of more than 1,600 dedicated professionals, the company currently serves over 254,000 customers nationwide. The company has maintained relatively low non-performing loan (NPL) ratios compared to industry averages, reflecting its prudent risk management practices (Bangladesh Bank, 2022). The wide geographical reach, combined with a diversified service portfolio and a solid organizational structure, has contributed to IDLC's position as a key player in the country's financial sector, committed to delivering value and innovation across all its business lines.

2.2.1 Vision Statement

IDLC Finance PLC is steadfast in becoming Bangladesh's most trusted and comprehensive financial solutions provider, delivering unparalleled value to all stakeholders. Their goal is to become the leading in industry innovation while maintaining their commitment to ethical business practices and sustainable growth. Which is reflected in their vision statement:

"We will be the best financial brand in the country"

2.2.2 Mission Statement

The mission statement of IDLC Finance PLC states the following:

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

It informs that the company is willing to put the experience and expertise into providing growth through impeccable customer support and sustainable, ethical business activities, all to ensure the trust of the stakeholders and the country at large.

2.2.3 Core Values

IDLC Finance PLC. prides itself on implementing their core values which are: Integrity, Customer Focus, Trust and Respect, Equal Opportunity, Eco-friendly, Passion and Simplicity.

2.2.4 Strategic Objectives

Going forward the company is determined to attain their strategic objectives. Those are as follows: Sustainable growth in business, Continuous operational, infrastructural and technological development, Strong funding mix, Holistic employee development, Customer centricity & financial inclusion, Integrating environmental, Social and Governance (ESG) into business, competent leadership and organizational synergy and effective risk management.

2.3 Management Practices of IDLC Finance PLC.

IDLC prides itself for having a leadership framework that emphasizes transparent governance, innovative thinking, and meticulous risk management. These management approaches have been instrumental in highlighting the diverse nature of the corporate culture and by integrating factors that contribute to the changing times in order to satisfy the employees, the executives and the board members of the NBFI.

2.3.1 Leadership Practices

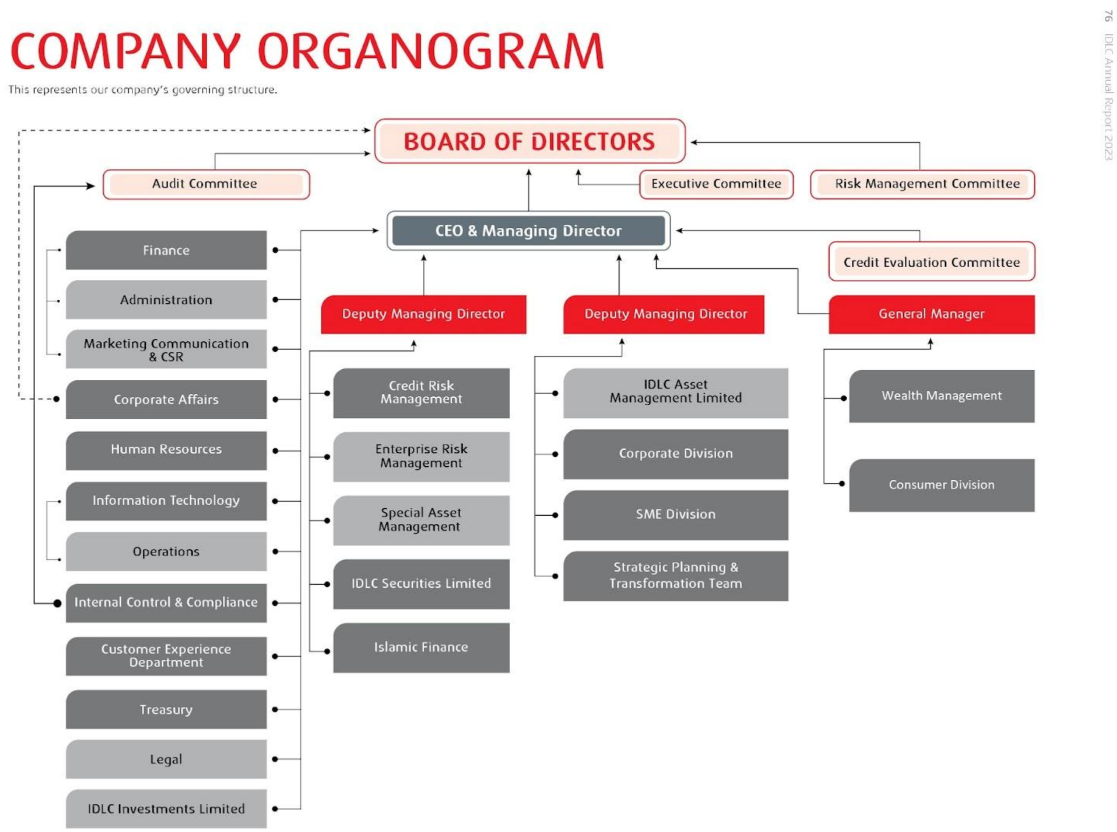


Figure 1: IDLC Finance PLC. Organogram (IDLC Finance PLC, 2023)

At IDLC Finance PLC, leadership practices vary considerably across organizational levels rather than following a single unified model. Based on observational research, distinct approaches emerge at different hierarchical tiers.

The Board of Directors primarily employs democratic leadership, engaging in collaborative discussions about challenges and opportunities affecting quarterly performance. Board meetings happen sporadically every month where the agendas are discussed and upon which certain decisions are made that encompasses all the departments.

Departments take varied approach when communicating. Operations or the Admin department often function under more autocratic leadership, with managers providing specific method work instructions to subordinates. Conversely, departments like Corporate, Marketing, Finance Human Resources etc. tend to embrace the laissez-faire approach.

Team-level leadership adopts a laissez-faire approach in their functional areas. While the managers establish clear quarterly objectives and deadlines, they grant teams' significant autonomy in determining methodologies to achieve these targets.

Due to this adaptable leadership framework, IDLC Finance PLC. has been able to curate a wholesome work culture where everyone's work has been valued equally. They are strict about the decisions pertaining to important organizational activities but they do not hinder the processes that are required to accomplish those activities in an efficient manner.

2.3.2 Human Resource Planning

IDLC Finance PLC implements a strategic approach to human resource planning, recognizing employees as critical assets for sustainable growth. The company prioritizes talent acquisition, development, and retention through structured performance management systems and targeted training initiatives (IDLC Finance PLC, 2023). The organization has also strengthened its talent pipeline through internship programs, management trainee programs and territorial officer programs.

2.3.2.1 The Recruitment and Selection Process

IDLC Finance PLC has established a comprehensive and merit-based recruitment and selection framework designed to identify, attract, and retain top talent for the organization. The company employs various strategic approaches to source candidates and implements rigorous selection procedures to ensure the right fit for both the organization and prospective employees.

Recruitment Channels

IDLC Finance PLC. takes valuable consideration during the hiring process, which includes identifying different recruitment avenues.

Internal Recruitment: The internal talent acquisition is based on both merit and performance exhibited in the workplace. It allows current employees the opportunity to find ways to improve their career and increase IDLC's cross-departmental growth.

External Recruitment: IDLC Finance PLC. also uses external sources external to discover candidates. Such as,

- Digital platforms including LinkedIn, Facebook, and professional job portals
- Partnerships with leading universities across Bangladesh
- Recruitment leveraging university career services
- Employee referral programs that tap into networks of existing staff
- Recommendations from valued industry professionals and stakeholders

Contractual Opportunities: IDLC offers contractual positions for specific projects or seasonal requirements, which sometimes serve as a pathway to permanent employment for high-performing contractors.

Candidate Screening Process

After receiving applications from prospective candidates, IDLC Finance PLC. uses a basic but methodical screening process that checks the candidate's background, educational qualifications and academic results, relevant work experience, technical skills and skills specific to the position, cultural fit with organizational values and additionally references.

Selection Methodologies

There are two avenues used to select the candidates. The selection procedures are General Selection Method and Program-Based Selection Method

1. General Selection Method

This method hires individuals through routine interviews, it does not employ any examination format. First the candidates are asked to come for an interview where they meet with HR professionals and representatives from the department with the vacancy. This interview is conducted to verify the technical competencies, soft skills, and their overall mindset. The shortlisted candidates advance to the next step where a comprehensive assessment done with the department heads and senior executives. This part focuses on strategic thinking, real life activities, and specific expertise relevant to the role.

2. Program-Based Selection

The program-based method is structured around specialized talent acquisition initiatives such as Youth Leadership Programs or Tech Accelerator Program. These programs require multiple steps before the final hiring. Firstly the candidates needs to give aptitude test which includes numerical reasoning, logical reasoning and problem-solving abilities with a series of mathematical and analytical questions. Those selected from the aptitude tests are then tasked with a case study. Groups are made to solve the case study. This demonstrate their teamwork, leadership ability and their real-world problem solving capabilities.

Once the examinations are done and those who qualify from it, they get advanced to the preliminary interview process which is similar to the general selection, but here the organization implements more nuance questioning which incorporate situational scenarios to further assess the candidate's qualifications. Lastly, another interview is scheduled with the senior leadership assesses candidates' ambition, potential for growth and long-term contribution to the organization.

2.3.2.2 Compensation Package

IDLC Finance PLC. offers a comprehensive compensation package that includes financial and other benefits.

- Base salary package
- Yearly Increments and Company Profit based incentive.
- Multiple bonuses (including religious holiday bonuses and performance-based rewards)
- Reimbursement for food and business travel expenses
- Financial support during relocation
- Various financing options for employees (automotive financing, residential property financing, salary advances, and borrowing against retirement savings)
- Retirement benefits

2.3.3 Insights on Leadership and Human Resource Planning

The democratic leadership at the Board level facilitates collaborative decision-making, which can lead to well-rounded strategic directions. However, the sporadic nature of monthly meeting schedule and often time rescheduling suggests potential inconsistency in leadership presence that might delay critical decisions. Hence there needs to be a more structured approach to maintaining the schedule of important meetings. The prevalent laissez-faire approach among department heads grants autonomy and is one of the key reasons behind the healthy workplace corporate culture. The recruitment process is comprehensive but potentially over-engineered, with multiple layers that might extend hiring timelines and create bottlenecks. Although for some position the career trajectory is mapped out but for most positions it is still an ambiguous process. Thus, establishing more transparent career progression pathways that integrate performance metrics with development opportunities would provide a proper planning for the employees. While impressive in quantity (121 sessions in 2023), the training approach doesn't clearly articulate how learning effectiveness is measured or how training maps to specific competency gaps identified through performance evaluations. Focus should be put towards creating clearer connections between training initiatives and performance outcomes through competency mapping and ROI measurement.

2.4 Marketing Practices of IDLC Finance PLC.

IDLC Finance PLC has established a sophisticated marketing framework that supports its position as a market leader. This analysis examines the key components of IDLC's marketing operations, drawing from publicly available information about the company's strategic approach.

2.4.1 Segmentation

IDLC Finance employs a multi-dimensional segmentation strategy to effectively categorize its diverse customer base. The company primarily segments its market based on demographic, behavioral, and needs-based criteria, creating distinct customer groups that receive tailored financial solutions. For its retail consumer division, IDLC segments customers primarily by income level, profession, age, and life stage, with specific products designed for professionals, business owners, and salaried individuals. Additionally, IDLC implements behavioral segmentation through checking customer's transaction history and relationship duration to make it more personalized offerings.

As per divisions other than retail, there is a different approach in terms of segmentation. The corporate division segments their clients by the enterprise size, the industry, and structure or complexity of their financial needs. This allows the ability cater financing packages tailored to specific business needs. The SME division is segmented based the industry type, business size, and financing requirements much like the corporate segment. Although in SME, more emphasis is given to growth opportunity during the segmentation process (IDLC Finance PLC, 2023).

2.4.2 Targeting

IDLC Finance PLC. implements targeting strategies that are focused on addressing specific market segments with precision. With retail consumers, the financial services primarily target middle and upper-middle-income individuals who could be categorized as urban professionals. Also particular emphasis given on first-time homebuyers, automobile purchasers, and wealth management focused. Within the SME sector, IDLC specifically targets growth-oriented small and medium enterprises with annual turnover between BDT 2 million and BDT 200 million, with special focus on underserved segments including women entrepreneurs and regional businesses (IDLC Finance PLC, 2023).

The corporate division targets established businesses with sophisticated financial needs, including multinational corporations, large local conglomerates, and medium-sized enterprises requiring structured financing solutions. In recent years, IDLC has also expanded its targeting approach to include tech-savvy younger demographics seeking digital financial services, reflecting the company's adaptation to changing market dynamics. The biggest introduction to IDLC's online services came through a partnership with Bkash where they are providing short term savings schemes to regular customers (Future Startup Team, 2022).

2.4.3 Positioning

IDLC has established a distinctive market position built on several key differentiators The company positions itself as a trusted financial partner offering "solutions beyond conventional financing," emphasizing a consultative approach rather than merely providing financial products (IDLC Finance PLC, 2023). IDLC's brand positioning centers on reliability, expertise, and innovation, supported by their status as Bangladesh's first leasing company and their consistent recognition through industry awards. For consumer clients, IDLC positions its services around accessibility, convenience, and transparency, with particular emphasis on hassle-free loan processing and exceptional customer service. IDLC positions itself as an enabler of business growth in the SME sector by providing specialized knowledge of various industries and flexible financing options catered to specific business challenges faced by small business.

In terms of corporate clients, the company positioning focuses on the ability to provide complex financial solutions, their multiple decade long industry expertise, and its long-term relationship approach to business.

2.4.4 Products

IDLC Finance PLC. provides a range of comprehensive financial products and services designed to assist and serve myriad of customer segments including individuals, SMEs, corporates, and institutional investors. For retail customers, they offer products such as term loans, working capital loans, home loans, car loans and personal loans. Their SME-focused offerings include "Udbhabon" (tech-industry centric) and "Purnota" (targeted at women entrepreneurs). IDLC offers their corporate clients lease financing, bridge loans, and structured finance solutions and many more.

One of their unique offerings include the green and sustainable finance initiatives. They provide funding for renewable energy, waste management, and eco-friendly housing. Moreover in the capital market IDLC participates by engaging in brokerage services, investment banking, and asset management. These include mutual funds, discretionary portfolio management like MAXCAP and Easy Invest, and venture capital through IDLC Venture Capital Fund I. IDLC also offers digital deposit schemes like bKash DPS to expand financial inclusion.

Home Loan

Instruments	Loan Details	Tenure
Apartment Purchase Loan	Up to 80% of the apartment price including Registration costs with No hidden charges	Up to 25 years
Home Equity Loan	Financing up to 75% of the property value.	Up to 15 years
Home Loan Shield	From 50% to 100% of the total home loan based on your age, loan tenure, and outstanding principal amount	Equal to the total term of the Home Loan it covers
Construction Loan	Up to 85% of the construction costs	Up to 25 years
Affordable Home Loan	Up to 80% of the construction costs	Up to 25 years
IDLC Semi Paka Loan	Up to 70% of the property in case of purchase and up to 85% of the costs in case of construction	Up to 15 years
House Purchase Loan	Financing up to 80% of the property including registration costs	Up to 25 years
Commercial Space Purchase Loan	Financing up to 70% of the property including registration costs	Up to 10 years

Car Loan

Instruments	Loan Details	Tenure
Car Loan	Financing up to 85% of the vehicle price including registration costs	Up to 5 years

Personal Loan

Instruments	Loan Details	Tenure
Personal Loan	Minimum loan amount Taka 1 lac	Up to 5 years

SME Loan

Instruments	Loan Details	Tenure
Purnota	Up to starting from Taka 2 lacs, loan without collateral for up to Taka 35 lacs	Up to 13 to 60 months
Udbhabon	Upto BDT 1 crore, without collateral up to 25 lacs and working capital loan with a credit limit of 180 days	Up to 13 to 60 months

Corporate Loan

Instruments	Loan Details	Tenure
Term Loan	Tailored to business requirement	Flexible
Project Financing	Financing amount as per standard of debt-equity structure	Stretched loan tenure based on the cash flows
Working Capital Loan	Tailored to business requirement	Up to 360 days
Lease Financing	Financing up to 100% of procurement cost or net value	As per business requirement
Term Loan For Vehicles	Financing up to 100% of procurement cost or net value	Flexible
Term Loan For Commercial Space	Tailored to business requirement	Extended & Convenient
Preferred Stock	Annual or half-yearly dividend payments	N/A
Bridge Loan	As per business requirement	Up to 360 days

Supply Chain Financing

Instruments	Loan Details	Tenure
Factoring	Any amount that is justified with sales (and incumbent on management approval)	1 year from the Sanction date

Work Order Finance	Any amount that is justified with sales (and incumbent on management approval)	1 year from the Sanction date
Distributor Finance	Based on corporate suppliers' comfort and sales of the distributor (and also incumbent in IDLC management decision)	1 year from the Sanction date

2.4.5 Advertising Strategies

IDLC Finance PLC. has an integrated marketing communications strategy that maintains consistent messaging across all platforms simultaneously adapting to contents based on different customer segments and formats. The use of emotional appeal can be seen prominently across their consumer oriented campaigns, particularly for home loans, where advertising emphasizes the fulfillment of dreams and providing family security rather than being a mere financial transactions.

Image: Car loan advertisements (IDLC Facebook Page, 2025)

For business segments, IDLC's opts for rational appeals that focuses on educating, emphasize on business growth, and positions themselves as financial guides in the advertisements. They often feature success stories and testimonials from existing clients.

Image: IDLC Purnota: Women Entrepreneur Loan (IDLC Facebook Page, 2024)

The company regularly utilizes event-based promotional campaigns tied to significant occasions like Eid, Pohela Boishakh, and anniversary celebrations, offering special rates and terms to drive acquisition during these periods.

Image: Celebrating Eid (IDLC Facebook Page, 2025)

2.4.6 Marketing Channels

In the recent years, digital platforms have become increasingly the central focus for IDLC's marketing strategy, with significant investment in search engine optimization (SEO), social media marketing and content marketing. The company maintains an active presence across major social platforms including Facebook, LinkedIn, and YouTube, with content tailored to platform-specific audience characteristics.

Traditional media remains important, with strategic placement of television commercials and print media in publications that align with target segment consumption habits. The company also employs direct marketing through its extensive branch network, relationship managers, and direct sales agents who provide personalized outreach to prospective clients. Strategic partnerships with real estate developers, automobile dealers, and other complementary businesses serve as important marketing channels, particularly for consumer loan products. Additionally, IDLC organizes and sponsors industry events, seminars, and workshops that serve dual purposes of brand building and lead generation, particularly for corporate and SME segments.

2.4.7 Price

IDLC Finance PLC. provides various types of loans to its retail and institutional customers which has been discussed previously. The base rate of IDLC is based on the pricing of floating rate lending products which is mentioned in the chart below.

Month	Regular	Adjusted
Mar-25	12.58%	13.77%

Table 1: Base Rate

In this section, information is given on the monetary aspect of the loans. The below chart lays out the additional costs that come from taking out different types of loans.

Retail Loan Fees:

Sl	Particulars		Home Loan	Car Loan	Personal Loan
1	Fee for application form		N/A	BDT 200/-	N/A
2	Stamp charge		At actual	At actual	At actual
3	Annual supervision charge		N/A	1%	1%
4	CIB inquiry charge		At actual	At actual	At actual
5	Prepayment (partial/full) charges		1 % of the outstanding loan amount	1 % of the outstanding loan amount	1 % of the outstanding of loan amount
6	Late payment interest		Applied interest rate + 0.50%	Applied interest rate + 0.50%	Applied interest rate + 0.50%
7	Legal & valuation fee				
	a)	Mortgage execution & collection of certified/ original property documents	At actual	At actual	At actual

8.1 Documentation & processing fee (pre- disbursement)					
	a)	Documentation fee	At actual	At actual	At actual
	b)	Processing fee	At actual	At actual	At actual
	c)	Change of quotation of car loan asset after approval	N/A	BDT 1000/-	N/A
8.2 Processing fee (applicable only if required)					
	a)	Half-yearly or yearly Loan outstanding certificate/balance confirmation certificate / Loan Statement Fee (3rd time onwards)	BDT 200/- (+VAT)	BDT 200/- (+VAT)	BDT 200/- (+VAT)
	b)	Duplicate issue of tax certificate/ sanction letter or customized letter/certificate	At actual	At actual	At actual
	c)	Account Statement	At actual	At actual	At actual
	d)	Issuing name transfer letter for car loan for 3rd party (not applicants / PG)	N/A	BDT 3,000/-	N/A
	e)	Duplicate issue of transfer documents for car loan	N/A	At actual	N/A
	f)	Photocopy of ownership & charge documents including mortgage & PoA deed (2nd time onwads)	At actual	At actual	At actual
	g)	Duplicate instrument issue of deposit	N/A	N/A	N/A
	h)	Applicant / co-applicant / PG change after disbursement	At actual	At actual	At actual
	i)	Home loan conversion fee	1% of the outstanding	N/A	N/A
	j)	Security release/change (except foreclosure)	At actual	At actual	At actual

Table 2: Retail Loan Fees & Charges (IDLC Finance PLC., 2025)

Corporate Loan Fees:

Corporate Division			
Sl	**Particulars**	**Loan**	**Lease**
1	Documentation fee (financing without mortgage)	At actual	At actual
2	Documentation fee (financing with mortgage)	At actual (for Property vetting, drafting mortgage & IGPA deed, affidavit and adhesive/non-judicial stamp)	At actual (for Property vetting, drafting mortgage & IGPA deed, affidavit and adhesive/non-judicial stamp)
3	CIB inquiry charge	At actual	At actual
4	Processing fee	At actual	At actual
5	Document verification / title search fee	At actual	At actual

6	Property/ Asset valuation charge	At actual	At actual
7	Security creation fee (hypothecation / share pledge / RJSC&F filing etc.)	At actual	At actual
8	Change in agreement due to customer request	Stamp charge- at actual	Stamp charge- at actual
9	Partial settlement / pre-payment fee	Up to 1%	Up to 1%
10	Foreclosure fee	Up to 1%	Up to 1%
11	Late payment fee	Interest rate + 0.50% of overdue amount	Interest rate + 0.50% of overdue amount
12	Legal expenses	At actual	At actual
13	Issuance of transfer documents	First time - free	First time - free
		Duplicate issuance - at actual	Duplicate issuance - at actual
14	Issuance of any certificate/ statement/letter within contract period	Free	Free
15	Photocopy of land documents	At actual	At actual
16	Redemption of mortgage	Stamp charge- at actual	Stamp charge- at actual
17	Redemption of hypothecation/pledge	At actual	At actual

Table 3: Corporate Division Loan Fees & Charges (IDLC Finance PLC., 2025)

Supply Chain Finance			
Sl	**Particulars**		**Supply Chain Finance**
1	Loan application fee		BDT 200/-
2	Processing & Documentation fee		
	a.	Pre-disbursement processing & documentation fee	At actual
	b.	Credit control amendment fee	At actual
	c.	Issuance of transfer documents	First time - free
			Duplicate issuance - At actual
	d.	Photocopy of land documents	At actual
	e.	Delivering of service against facility closed before five years or more	At actual
	f.	Issuance of any certificate/statement/letter	First time - free
			Duplicate Issuance -At actual
	g.	Renewal fee	At actual
	h.	Late payment/ Incremental Interest	Interest rate + 0.50% of overdue amount

	i.	Collection reimbursement	Up to 0.05% (Only against Non-factoring collection)
	Stamp Charge		
3	a.	Stamp charge (loan without mortgage)	At actual
		Stamp Charge (Loan with Mortgage)	At actual (for Property Vetting, drafting Mortgage & IGPA Deed, Affidavit and Adhesive/Non-Judicial Stamp)
	b.	Redemption of Mortgage	Stamp Charge- At actual
	c.	Change in agreement due to customer request	Stamp Charge- At actual
	d.	Undertaking for Vehicle Ownership transfer	Stamp Charge- At actual
	Legal and Valuation Fee		
4	a.	Legal Fee	At actual
	b.	Land valuation charge	At actual
	c.	Insurance claim settlement on behalf of customer	During the contract period -BDT 1,000/-
			After settlement of contract - BDT 5,000/-
	Early settlement fee		Up to 1% (N/A for micro, cottage and small as per Bangladesh Bank definition) applicable for Long Term facility.
5	CIB inquiry charge		At actual
6	Factoring Discount		Up to .30% of the gross invoice value

Table 4: Supply Chain Finance Loan Fees & Charges (IDLC Finance PLC., 2025)

Syndicated Finance (Non loan/lease product)				
Sl	**Particulars**	**Syndicated fund-raising**	**Syndication participation**	**Advisory services**
1	Prepayment charges	N/A	0%-1%	N/A
2	Foreclosure fee	N/A	0%-1%	N/A
3	Asset transfer fee - lease	N/A	N/A	N/A
4	Legal expenses	At actual	At actual	N/A
5	Late payment fees	For Bank: Interest rate + 1.50% of overdue amount	For Bank: Interest rate + 1.50% of overdue amount	N/A
		For NBFI: Interest rate + 0.50% of overdue amount	For NBFI: Interest rate + 0.50% of overdue amount	

6	Issuance of Transfer Documents	N/A	As per regulatory guideline	N/A
7	Arrangement fee	Flat rate, or 0.15% - 1.5% of total fund raised	N/A	N/A
8	Work fee	Flat rate, or up to 40% of arrangement fee	N/A	N/A
9	Agency fee	Flat rate, or 0.1%-0.25% of outstanding amount	N/A	N/A
10	Participation fee	N/A	0%-0.5% of amount committed	N/A
11	Charge on undrawn portion	N/A	Up to 0.50%	N/A
12	LC commission	N/A	0.2%-0.4% on quarterly basis (proportionate to the amount committed)	N/A
13	Advisory fee	N/A	N/A	Lump sum amount as negotiated with the client
14	Issuance of any certificate/statement/letter within contract period	N/A	First time - free Duplicate issuance - BDT 1,000/-	N/A
15	LC acceptance commission	N/A	0.25%-0.50% on quarterly basis (proportionate to the amount committed)	N/A
16	CIB inquiry charge	N/A	At actual	N/A

Table 5: Syndicated Finance Loan Fees & Charges (IDLC Finance PLC., 2025)

2.4.8 Place

IDLC Finance PLC has built a far-reaching presence across Bangladesh, showing its commitment to making financial services available to people everywhere. The company has offices in 24 major cities, giving it wide coverage that supports its diverse range of services. With 44 branches and service points situated vastly all over the country, IDLC reaches customers in both city centers and smaller towns.

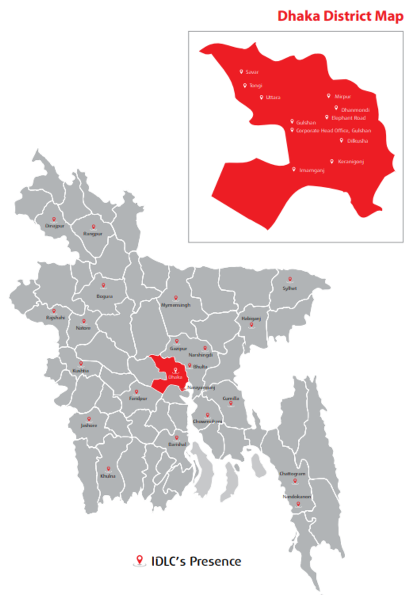


Image: IDLC National Footprint (IDLC Annual Report, 2023)

This organized network of locations helps deliver financial services efficiently in important economic areas such as Dhaka, Chattogram, Khulna and other divisions. While IDLC maintains these physical locations, they also foster the adaption of digital solutions by allowing customers to connect with them through both traditional visits and online channels.

2.4.9 Insights on Marketing Practices

IDLC Finance PLC.'s targeting is quite broad and forward-thinking which helps reach both established customers and underserved groups such as female business owners and those who prefer digital interactions. IDLC uniquely positions itself as a financial partner focused on customer needs and providing solutions. Which includes offering a wide range of products from home loans to environmentally friendly and digital financing. While their holistic approach towards supporting all marketing mediums are admirable, their focus on serving emotionally-driven campaigns to retail might not connect with all customers, particularly younger, digitally savvy individuals who thrive for originality. Also, while their product messages have emotional appeal, they could better incorporate financial education to help customers understand their options. To gain an even stronger advantage, IDLC should improve its digital presence by offering more personalized content, using AI to better understand customers, and refining how they talk about their products to newer customer groups. By building on their current strengths, IDLC can further increase customer loyalty by expanding their educational efforts and improving the consistency of their services across all channels.

2.5 Financial Performance and Accounting Practices

2.5.1 Financial Performance

IDLC Finance PLC. Financials (2019-2023)

(In Millions)

	2019	**2020**	**2021**	**2022**	**2023**
Interest Income	4,296.00	4,218.00	5,086.00	5,107.00	4,994.00
%Change		-2%	21%	0.41%	-2%
Operating Income	5,618.00	6,668.00	7,600.00	6,588.00	6,352.00
%Change		19%	14%	-13.32%	-4%
Operating Expense	2,434.00	2,549.00	2,748.00	2,883.00	2,956.00
%Change		5%	8%	4.91%	3%
Net Profit	1,700.00	2,541.00	2,116.00	1,915.00	1,514.00
%Change		49%	-17%	-9.50%	-21%
Total Asset	117,385.00	126,874.00	142,913.00	148,185.00	147,379.00
%Change		8%	13%	3.69%	-1%
Total Liabilities	103,424.00	111,303.00	126,123.00	130,075.00	128,379.00
%Change		8%	13%	3.13%	-1%

Figure 2: Financial Overview from 2019 to 2023 of IDLC Finance PLC.

The financial data reveals a mixed performance for IDLC Finance PLC over the five-year period. On the positive side, the company demonstrated consistent asset growth from 2019 through 2022, expanding from BDT 117,385 million to BDT 148,185 million, reflecting substantial business expansion, though this trend reversed slightly in 2023 with a 1% contraction. Despite economic challenges, interest income showed resilience with growth in 2021 (21%) and 2022 (0.41%), though it declined marginally in 2020 and 2023. Alongside that liabilities has decreased in the recent year making it less leveraged.

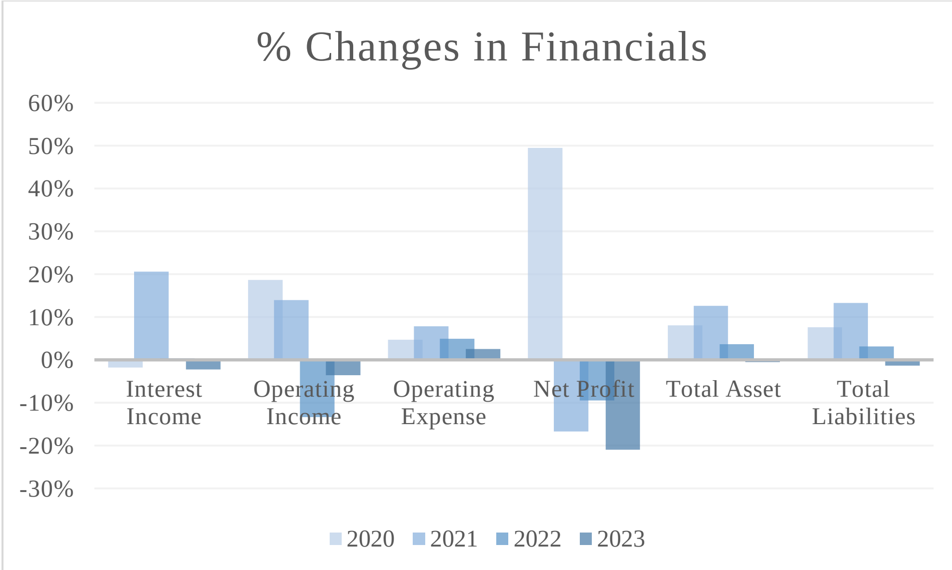


Figure 3: Financial Chart from 2019 to 2023 of IDLC Finance PLC

Concerning trends emerge in operating income, which after strong growth in 2020 (19%) and 2021 (14%), experienced significant declines in 2022 (-13.32%) and continued falling in 2023 (-4%). Similarly a gradual increase of operating expense suggest inefficiency in terms of maintaining expenditures. Most notably, net profit performance fluctuated drastically, after an impressive 49% increase in 2020, the company faced three consecutive years of declining profitability (-17% in 2021, -9.50% in 2022, and -21% in 2023), suggesting fundamental challenges in maintaining earnings momentum despite the growing asset base. The liability structure generally tracked with asset growth until 2023, when liabilities decreased by 1% while maintaining a relatively consistent ratio to total assets throughout the period.

Financial Ratios (2019-2023)

	2019	**2020**	**2021**	**2022**	**2023**
Debt to Equity Ratio	7.37	7.33	7.51	7.18	6.76
Return on Assets	1.50%	2.08%	1.57%	1.32%	1.02%
Return on Equity	12.29%	17.37%	13.21%	10.97%	8.16%
Non-Performing Loans	3.07%	1.79%	3.05%	3.81%	4.46%
Earnings Per Share	4.09	6.11	5.09	4.61	3.64
Dividends Per Share	3.5	2	2	1.5	1.5
Price Earnings Ratio	10.07	9.88	11.85	10.1	12.77
NAV	37.18	40.41	43.56	43.56	45.71

Figure 4: Financial Ratios from 2019 to 2023 of IDLC Finance PLC.

The financial ratios for IDLC Finance PLC from 2019 to 2023 reveal significant trends:

Debt to Equity Ratio: This ratio is measure by takin the proportion of debt used to finance assets compared to the equity it holds. IDLC's ratio has gradually declined over the five-year period except for 2021 where it seen a slight uptick but recently has gone below 7, indicating that they are less reliant on debt and supported more by their equity. That is a positive for a large NBFI showing their financial stability and growth in equity.

Return on Assets (ROA): This ratio is used to find out how efficiently a company utilizes its assets to generate profits. IDLC Finance PLC. has seen its ROA peaked during 2020 at 2.08% but has since declined steadily to 1.02% by 2023. This indicates that they have not utilized their assets to the best of their ability and can be a concerning factor in terms of profit generation.

Return on Equity (ROE): This indicates how effectively the company uses the shareholders' investment to generate income. The significant drop from a peak of 17.37 in 2020 to 8.16 in 2023 paints a startling picture of substantial deterioration in the company's ability to generate returns for shareholders.

Non-Performing Loans (NPL): This is a critical ratio for financial institutions which measures the percentage of loans that are defaulted. IDLC's NPL ratio improved impressively in 2020 (1.79%) but has worsened consistently year by year, reaching a very concerning 4.46% in 2023. Bringing into question their credit assessment which can further hamper their loan quality.

Earnings Per Share (EPS): The indicator represents the how much earnings are generated per share of the company. After peaking at 6.11 in 2020, the company's EPS has declined steadily much like their other ratios. This reflecting their overall declining profitability per share and potentially diminishing shareholder value.

Dividend Per Share (DPS): This is used to understand the dividend received per share based on the performance of the company. IDLC's DPS has decreased significantly from 3.5 in 2019 to 1.5 in 2022-2023, suggesting reduced profit distribution to shareholders which could impact investor sentiment.

Price Earnings Ratio (P/E): This ratio indicated whether the company is undervalued or overvalued. The fluctuating nature of the P/E ratio, despite declining profitability, shows that investors are still valuing IDLC's shares because they believe IDLC is a reliable financial institution with decades of experience under its belt.

Net Asset Value (NAV): This represents the value of assets minus liabilities per share. IDLC's consistent growth in NAV is a positive indicator, demonstrating ongoing accumulation of shareholder value despite operational challenges in other areas.

2.5.2 Diversified Portfolio

The portfolio composition of IDLC Finance PLC. demonstrates a healthy level of diversification, particularly in the context of credit exposure concentration.

Group Names	Outstanding Amount	% of Total Portfolio (IDLC)
Group 1	2,153,938,069.00	1.90%
Group 2	1,279,221,934.00	1.13%
Group 3	914,298,872.00	0.81%
Group 4	905,496,643.00	0.80%
Group 5	850,259,285.00	0.75%
Group 6	672,942,134.00	0.59%
Group 7	615,671,385.00	0.54%
Group 8	587,870,616.00	0.52%
Group 9	558,752,840.00	0.49%
Group 10	551,068,528.00	0.49%
Total	9,089,520,306.00	8.02%

Figure 5: Group Exposure of IDLC Finance PLC. (IDLC Annual Report, 2023)

The top 10 borrower groups collectively account for BDT 9,089.52 million, which represents only 8.02% of the total loan portfolio. This indicates that IDLC has effectively mitigated concentration risk by distributing its credit exposures across a broad base of clients rather than relying heavily on a few large borrowers. The highest exposure to a single group is just 1.90% of the total portfolio, while the remaining groups each represent less than 1.13%, with most falling under 1%. This well-spread allocation highlights effective credit risk management practices and a tenacity toward maintaining portfolio stability. Overall, this distribution showcases the organization's strategic focus on sustainable lending and portfolio quality by balancing exposure across a wide range of clients and industries.

Although when it comes to sectoral portfolio diversification, it reveals a significant imbalance in their retail lending strategy. Housing dominates the portfolio with BDT 31,124 million, followed by Trade & Commerce at BDT 23,618 million, representing a substantial gap between these two sectors and the remaining eight.

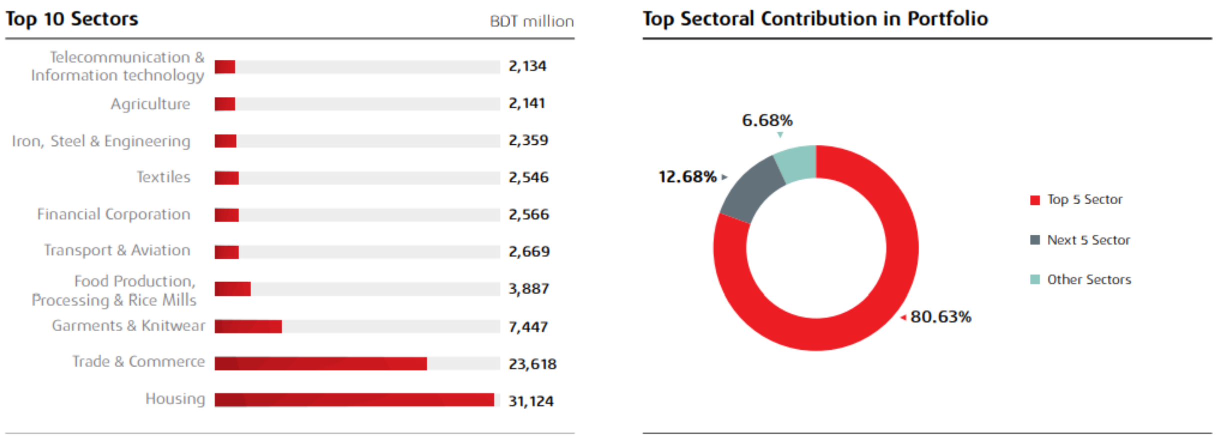


Image: Sector Based Portfolio Diversification (IDLC Annual Report, 2023)

The provided charts reinforces this concentration risk, showing that the top 5 sectors account for a striking 80.63% of the entire portfolio, while the next 5 sectors contribute just 12.68%, and all other sectors a mere 6.68%. This overabundance or investment in housing and trade opens up to a lot of risk, as any shift in these sectors can disproportionately impact IDLC Finance PLC.'s financial stability.

2.5.3 Insights on Financial State

A closer examination of the financial data reveals concerning trends that have negatively impacted the company's profitability and efficiency in operations. The net profit decline after an initial surge in 2020, can be stated as one of the primary factor effecting both the Return on Assets (ROA) and Return on Equity (ROE). This negative trend is further enhanced by the gradual increase in operating expenses, which has put pressure on overall profitability. Additionally, the alarming rise in Non-Performing Loans (NPLs) creates a threat to the quality of the company's loans and its future earnings. Moreover while the NAV suggests that investors are still hopeful to keep their investment with IDLC but the company has experienced a notable decrease in both Earnings Per Share (EPS) and Dividends Per Share (DPS) over the years. On the other hand, IDLC's portfolio is very lopsided when it comes to sectors. Even though they are well diversified in terms of company investments, their industry diversification requires a gradually rebalancing to mitigate concentration risk.

2.5.4 Accounting Practices

IDLC Finance PLC. implements strict standard when it comes to financial transparency and accountability. The accounting practices follows the regulations issued by the Bangladesh Bank, Bangladesh Securities and Exchange Commission (BSEC) and the Institute of Cost and Management Accountants of Bangladesh (ICMAB). It is aligned with both national and international standards. The company strictly adheres to the International Financial Reporting Standards (IFRS) and Bangladesh Financial Reporting Standards (BFRS), ensuring its financial statements provide an accurate and fair view of its performance. IDLC's Finance and Accounts team maintains a robust internal control system supported by a hierarchical reporting structure, conducting quarterly internal audits alongside annual evaluations by independent external auditors from A. Quasem & Co. The company follows the accrual basis of accounting for revenue and expense recognition. Its financial statements provide a detailed breakdown of assets, liabilities, income and expenses also their loan-related disclosures. IDLC Finance PLC. maintains its strong reputation by fulfilling their tax obligations and providing investors with comprehensive financial reports.

2.5.5 Insights on Accounting Practices

The assessment reveals that IDLC Finance PLC. is committed to financial transparency and accountability to an impressive degree. Their cooperative nature with Bangladesh Bank and their adherence to the regulations provided by the government positions them as one of the leading NBFIs. Besides that, their accounting procedures are up to date and timely, providing reassurance to their investors and the financial market of Bangladesh.

2.6 Operations Management and Information System Practices of IDLC Finance PLC.

The organization employs a centralized operations approach combined with integrated technological solutions to streamline processes, ensure regulatory compliance, and enhance customer experience.

2.6.1 Operational Management Apparatus

IDLC maintains a dedicated operations department functioning as the centralized nerve center for SME, corporate, and consumer divisions. The operations team handles all contractual agreements, including loan processing documentation, payment verifications, legal compliance checks, and transactional records. The department coordinates deed agreements for secured loans (e.g., automobile financing requiring asset mortgages), working with vendors to collect legal documentation from borrowers. Operations staff conduct thorough examinations of all legal documents with the legal team to ensure completeness, proper signatures, and thumb impressions. Following manual notation of tracking numbers, documents undergo scanning for digital preservation and retrieval, with records maintained on departmental computer systems. Despite technological adoption, certain critical operations remain manual, including document scanning, file renaming with identification numbers. The operations department also maintains current records of all consumer installment payments, ensuring accurate crediting and account status updates.

2.6.2 Information Technology Infrastructure

IDLC has implemented multiple specialized systems to support operational efficiency:

OCAS (Online Credit Approval System): Serves as the central repository for loan documentation, storing comprehensive borrower asset information and facilitating installment tracking and post-payment updates.

OSP (Online Service Platform): Customer-facing digital interface allowing clients to access information about loan processing, account opening procedures, loan applications, and payment processing without physical branch visits.

Microsoft Office Suite: Utilizes standard productivity tools including Word (documentation), Excel (calculations and analysis), PowerPoint (presentations), and Outlook (formal email communications).

Skype for Business: Although the original company has been absolved, the Skype software is still up and running with various methods. This software is used for communicating within the organization and to transfer urgent documentation over the internet.

2.5.5 Insights on Operations and Information Technology

While it is commendable IDLC has taken great strides towards creating an operational system that provides technically sound performance and helped make processes more efficient, there are some aspects that requires a more thorough focus. This hybrid approach of manual scanning and virtual attachments might limit the full benefits of automation and could introduce risks of human error and delays. While the implemented specialized systems like OCAS and OSP demonstrate a commitment to leveraging technology for loan management and customer interaction, the reliance on the standard, the reliance on Skype for communication is outdated and can pose genuine risk to the infrastructure due to the company Skype is no longer operating. To fully optimize operations, IDLC should critically evaluate and automate the remaining manual processes and explore more integrated technological solutions beyond standard office software.

2.7 Industry and Competitive Analysis

2.7.1 Porter's Five Forces

1. Threat of New Entrants (Low): Barriers to entry in the NBFI sector include regulatory approvals, capital requirements, and the need to establish trust and credibility. IDLC's 38-year legacy, AAA credit rating for 12 consecutive years, and robust governance practices serve as strong entry barriers. However, fintech startups and digital banking models could pose a threat due to their agility and low operating costs. Overall the threat of new entrants is quite low.

2. Bargaining Power of Customers (Moderate to High): Customers today are well-informed and have multiple choices. IDLC addresses this by offering tailored financial solutions, digital deposit schemes (such as through bKash), and customer-centric innovations. Still, The propensity of customer's bargaining power is moderate to high because high customer expectations and low switching costs as IDLC is competing with banks as well as digital financial services.

3. Bargaining Power of Suppliers (Low to Moderate): In the context of financial institutions, suppliers include depositors, investors, and refinancing bodies. Suppliers' power is low to moderate with IDLC Finance PLC. As IDLC maintains a strong funding mix and benefits from government refinance schemes (e.g., for green finance) hence the flow of funds do not cause much concern. Although its dependence on market rates and refinancing programs slightly exposes it to funding cost pressures.

4. Threat of Substitutes (Low): Other than banks more alternative financing options like microfinance institutions, mobile financial services, and peer-to-peer lending platforms are emerging substitutes. IDLC mitigates this threat through innovation in green finance, structured finance, and digital transformation. Their strategic focus on underserved markets and sustainable products helps them differentiate from conventional substitutes. Thus, it has a low propensity.

5. Competitive Rivalry (Moderate): The financial sector in Bangladesh is highly competitive, with numerous banks and non-banking financial institutions (NBFIs) offering similar products. IDLC maintains a strong position by diversifying across SME, Corporate, Consumer, and Capital Market segments. Its long-standing reputation, extensive branch network (44 touchpoints in 24 cities), and over 254,000 clients help sustain its competitive edge. Nevertheless, it is moderate because competition remains intense, particularly with the growing digital transformation in financial services.

2.7.2 SWOT Analysis

Strengths

IDLC Finance PLC's exceptional financial stability and risk management excellence are validated by a consistent AAA credit rating maintained for 12 consecutive years. Other than their financing wing, the organization has an integrated structure which encompasses specialized subsidiaries such as IDLC Securities, IDLC Investments, and IDLC Asset Management. These subsidiaries provide an extra edge in the market and creates a powerful synergy within the comapany. IDLC has also demonstrated remarkable leadership in sustainable finance, expanding its green portfolio by 32.72% and securing the unprecedented refinance allocation of BDT 1,338 million from Bangladesh Bank.

Weaknesses

IDLC is faced with a concerning Non-Performing Loan (NPL) ratio of 4.46% that signals potential weaknesses in credit assessment and portfolio management practices. Alongside that, employee retention presents another significant challenge which decreases the skilled workforce and reliability on employees. There is also a lack of improvement in the IT infrastructure that hampers the overall activities in the company. Decrease in profitability and productivity can be blamed for these weaknesses.

Opportunities

IDLC is strategically positioned to leverage Bangladesh's accelerating financial sector digitalization. The groundbreaking IDLC and bKash Digital Deposit Program has already successfully integrated over 230,000 new customers into the digital ecosystem. The growing regulatory support and public demand for environmental sustainability create favorable conditions for expanding IDLC's green finance initiatives. Simiarly, the institution's commitment to financial inclusion through targeted SME financing presents substantial growth potential in previously underserved market segments while reinforcing its standing as a socially responsible financial leader.

Threats

IDLC faces external threats mostly because of the macroeconomic volatility that is affecting the inflation rates, currency depreciation, and geopolitical tensions that directly impact financial sectors and individuals involved. The pace of technological evolution with introduction of groundbreaking AI systems introduces heightened misinformation and cybersecurity vulnerabilities which requires more investment towards creating a strong information technology ecosystem with increased security.

2.7.3 GAP Analysis

Area	Current State	Desired State	Gap
Strategic Growth	Core growth in SME & Consumer; term deposit-heavy	Diversified income and stable funding	Limited non-interest income; funding concentration
Digital Transformation	Tools in place; low adoption	End-to-end digital services	Customer usage and internal automation lag
Risk Management	NPL increase; compliant capital	Resilient credit framework	Rising NPL; need for stronger analytics and credit models
Human Capital	Training ongoing; retention concern	Digital-ready, engaged workforce	Skills and retention gaps
ESG & Sustainability	Initial green finance and CSR	Integrated ESG leadership	ESG strategy not fully embedded

Table 5: GAP Analysis of IDLC (IDLC Annual Report, 2023)

IDLC Finance PLC has demonstrated commendable progress across several strategic domains. However, a detailed analysis reveals critical gaps between its current status and desired objectives. In terms of strategic growth and market expansion, IDLC achieved an 11.2% year-on-year growth in its loan book, primarily through SME and consumer portfolios and a 9.3% rise in retail deposits (IDLC Finance PLC., 2023). Nonetheless, a continued reliance on term deposits and limited non-interest income streams indicate a need for diversification and a more stable funding structure. On the digital transformation front, while initiatives such as launching a customer app and API integration show promise, customer adoption and process automation remain in early stages, with the full benefits yet to materialize. Moreover, internal digital apparatus is yet to be improved. Regarding risk management, the NPL ratio rose slightly to 4.46%, and although regulatory compliance is maintained, a more resilient asset quality framework and automated credit evaluations are needed. In human capital, despite ongoing employee engagement efforts, talent retention and digital competency gaps pose challenges. Finally, ESG and sustainability efforts are evident in green financing and CSR activities; however, these practices are not yet fully integrated across all operations, with impact assessment mechanisms still underdeveloped. Addressing these gaps will be crucial for aligning IDLC’s strategic trajectory with its long-term goals.

2.8 Summary and Conclusion

This report has presented a comprehensive analysis of IDLC Finance PLC's operational and strategic functions. The analysis notes the company's multi-faceted approach to leadership across different organizational levels, and how that contributes to the organizational culture. The examination of HRM detailed IDLC's strategies for talent acquisition, development, and compensation, revealing both strengths and areas for optimization in recruitment and training. Furthermore, the marketing segmentation, targeting, and promotional activities were evaluated, acknowledging the company's strategic approach while suggesting areas for enhanced digital engagement. Alongside the product, price and place has be detailed to provide a broader understanding of their functions. The financials of IDLC were also scrutinized, mentioning a gradual decline of the years in most of the financials metrics and highlighting the recommendations for improvement of their financial state. The report discussed operational management, analyzing the company's operational structure and technological integration. To top it all off, the study implored further analysis through mentioning the industrial and competitive environment of IDLC. The examination done through different models showcased the opportunities and strength that they have and they can further utilize while also identifying key threats and areas of improvement.

IDLC Finance PLC demonstrates a strong commitment to its employees, customers, and overall strategic objectives. While their financials has indicated some warnings but that is something the company has been working to fix and grow out of. The indicator of that is, they have announced a 53% net profit increase in 2024 in their recent board meeting (Dhaka Tribune, 2025). The company is well-positioned for continued success and growth in the dynamic financial sector of Bangladesh. By capitalizing on its strengths and proactively addressing the areas identified for enhancement, IDLC can further solidify its leadership and achieve even greater success in the future.

2.9 Recommendations

To revitalize its financial performance, IDLC Finance PLC should prioritize strategic initiatives aimed at boosting revenue generation and operational efficiency. This includes a critical reassessment of its loan portfolio to focus on higher-yield, lower-risk lending opportunities and the exploration of diverse revenue streams beyond traditional interest income, leveraging its marketing strengths in areas like green and digital finance. Simultaneously IDLC needs to implement an approach towards cost optimization across all operational facets to bring their expenses down and use it to further their technological advancements and process streamlining. Addressing the escalating non-performing loans is also very important. It requires them to become even more stringent towards curating their credit risk assessment framework and have an enhanced loan recovery and monitoring mechanism. By taking such measures IDLC Finance PLC can aim to reverse the current negative trends in its key profitability metrics and enhance long-term shareholder value.

To strengthen leadership and human resource practices, IDLC should become stricter about meeting scheduling, they need to clarify career progression for their employees, and enhance training by implementing performance standard evaluation formats. Moreover, to address the attrition issue, introducing lucrative benefits and acknowledging lack of subsidized support can increase the retention rate. In marketing, refining their digital presence is crucial. This can be achieved by offering more personalized content and also implement other appeals. They can leverage AI for better customer experience and have tailored product messaging to resonate individual customer segments. Operational and IT improvements include enhancing the manual processes and upgrading communication infrastructure. Finally, to maintain its competitive edge in the evolving financial landscape of Bangladesh, IDLC must fully embrace digital transformation, proactively manage competitive threats from fintechs and other new companies in the financial markets.

Chapter 3:

Project Part

3.1 Introduction

3.1.1 Background and Problem Statement

The financial landscape is continuously evolving, with financial institutions playing a pivotal role in fostering economic growth through strategic lending to corporate entities. IDLC Finance PLC, as one of the leading non-banking financial institutions in Bangladesh, has established a comprehensive framework for evaluating and approving corporate loan applications. This process embodies a systematic approach that ensures both the institution's risk management objectives and the clients' financing needs are adequately addressed.

Corporate lending forms a significant portion of IDLC's business operations, serving as a catalyst for business expansion and economic development. The lending process begins with identifying potential corporate clients and extends through a meticulous eligibility assessment that evaluates financial health, industry position and collateral quality. This initial evaluation is followed by a structured approval pathway that involves multiple stakeholders within the organization, culminating in final approval from the Board of Directors for significant exposures.

This paper aims to provide a detailed analysis of IDLC's corporate loan eligibility determination procedures, analytical frameworks employed and additionally, it will explore the subsequent loan approval process to further illustrate the whole procedure comes after getting a loan approved and before the loan is disbursed. Hence the study is done with IDLC Finance PLC, to assess their loan eligibility process, explore the loan approval procedures currently employed and provide improvement measures.

3.1.2 Objectives of the study

The main objective of the paper is to discover the requirements corporate clients must meet in order to obtain debt financing and describes the end-to-end process of loan approval. The objectives if broken down includes:

- Exploring the importance of the guardrails used by IDLC Finance PLC. to vet their corporate clients.
- Present an extensive analysis for institutions and individuals to understand the intricacy of providing large corporate loans.
- Expanding on the elaborate steps which are necessary to get approval for debt financing.
- Determining different approaches alongside exploring more efficient ways to obtain clients and expedite the loan process.

3.1.3 Significance of the paper

1. As of my research, there has not been any extensive research done on how NBFIs secure loans from large corporations, hence there is a gap in the literature which this paper can aim to provide information to.
2. Loans are an important factor for any large organizations to run, hence information on what criteria are emphasized or examined when it comes to providing loans can be beneficial for both clients and loan providers alike.
3. The extensive procedures that go into approving a loan are not available to most new clients, and at times even long time clients do not grasp the hurdles and loops the financing institutions need to go through. Hence the paper shedding light on these factors will help clients be more knowledgeable about the process.
4. An in-depth analysis on the procedures can illuminate many discussions on what is the most efficient way to procure a loan and on the other hand can highlight the due diligence that goes into giving out loans to large corporations.
5. The information accessed in this paper has been attained through internal investigation and data collection which is not easily replicable.

3.1.4 Scope of the study

In the study, it will look into the due diligence procedures and risk assessment methodologies employed during the eligibility determination phase and The multi-layered approval process involving various organizational stakeholders up to the Board of Directors, and that is where the scope lies. The scope is limited to corporate clients specifically, rather than retail or SME lending, with a focus on the Bangladesh financial market where IDLC operates. The study combines both procedural analysis and critical evaluation to provide a comprehensive understanding of credit facilitation.

3.2 Literature Review

As the research is done through gathering information from primary sources, and upon further exploration there were no relevant papers found on matters of client eligibility and loan approval process. Hence the literature review includes inferred information that is required to prepare the client acquisition process, to assess the credit risk and to explore technological advancement in loan approval procedures.

In order to procure clients, the institution requires certain frameworks to first assess which sectors they are willing to target, what kind of borrowers are they looking for and the growth potential of said borrower. Mercer-Blackman et al. (2017) introduces an Input-Output framework that investigates how economic sectors can be examined based on their interconnectivity. By measuring and tracking the exchange of goods, services, and financial resources throughout production networks, it reveals the complex relationships between industries. This framework helps quantify the availability of corporate clients in various sectors.

Which leads us to the process of providing loans to those borrowers that require a considerable overlooking of the credit risk parameters that the institution provides. The credit risk assessment and mitigation happens throughout the loan tenure, alongside that during the client survey and loan approval process there is given a heavy importance on figuring out the loan's credit risk which shapes the terms and conditions of the loan itself. Mosharrafa (2013) highlights a structured approach including borrower analysis, industry analysis, supplier/buyer analysis, and financial analysis done by commercial banks which IDLC also incorporates. The research reveals how systematic credit approval procedures—from initial application through document verification, financial analysis, and multi-tiered approvals—have enabled banks to maintain a relatively low classified loan rate despite achieving significant growth in its portfolios. This disciplined approach to credit assessment has proven effective in minimizing default risk while enabling sustainable business growth through prudent client selection.

Islam et al. (2024) paper recommends using machine learning to efficiently provide eligibility criteria and loan approval parameters for each client. There will be more and more areas where AI can be an important part of effectively bringing change in significant processes, and loan approvals are one of those areas. In the study, they utilized a dataset from Kaggle containing 614 loan applications with 13 variables and used 9 machine learning algorithms. With that, the researchers developed a user-friendly desktop application that integrates the predictive model. The application allows loan officers to input applicant data and receive immediate predictions on loan eligibility. The system helps streamline the loan approval process, potentially reducing processing time and human error. The paper's information can be used to give adequate understanding and ideas about how IDLC can implement machine learning and AI models to create a more efficient loan approval process that will be less time consuming but also can have more expertise as it is trained on huge amounts of past loan approval statements and memos.

3.3 Methodology

This study employed a mixed-methods approach combining both qualitative and quantitative research techniques to comprehensively analyze IDLC Finance PLC corporate loan eligibility determination procedures and approval processes. The research design prioritized primary data collection while complementing it with secondary data analysis to ensure adequate information gathering. A series of semi-structured interviews were conducted with key personnel across multiple departments at IDLC Finance PLC. These included Associate Relationship Managers, General Relationship Managers, Corporate Division executives, and Green Financing managers etc. The interviews were done to elicit detailed information about the loan approval workflow, decision-making criteria, risk assessment frameworks, and procedural challenges. While the interviews illuminated and provided important insights on the process but most aspect of the paper is conducted by observing the day-to-day operations and partaking in the drafting process related to loan approval. This observational approach provided invaluable information on the avenues that are taken, all the steps that are conducted and the processes that are managed. The practical application of theoretical frameworks and documented procedures are all structured with on the ground experience. Detailed notes were maintained to record workflow patterns, interdepartmental communications, and bottlenecks in the approval process.

With appropriate confidentiality safeguards in place, the research was done with granted access to corporate loan applications and their corresponding assessment documentation. This included, Financial statements of private companies (balance sheets, income statements, cash flow statements), Tax registration certificates and compliance records, Client information memorandums, Company profiles and business plans, Industry analysis reports, Committee meeting minutes (with sensitive information redacted)

The study incorporated analysis of modified CIB examples to protect client confidentiality while preserving the essential patterns and assessment criteria. These reports provided critical insights into how external credit histories influence internal decision-making processes at IDLC.

The cost-benefit analysis conducted in the study is based on inferred assumptions and structured using dynamic financial projections to evaluate the feasibility and benefit of the proposed digital infrastructure enhancements. It uses both the estimates for initial investment on the projects and the requiring costs and compare them with projected financial and operational benefit over 5 years. The net present value is used to determine the overall viability and profitability of the projects.

All research activities were conducted in accordance with strict ethical guidelines, ensuring participant confidentiality and proper handling of sensitive financial information. The triangulation of multiple data sources enhanced the validity and reliability of the findings, providing a comprehensive understanding of IDLC's corporate loan eligibility determination and approval processes.

3.4 Findings and Analysis

This section focuses on outlining the comprehensive procedures involved in acquiring corporate clients and the subsequent steps required for loan approval within IDLC Finance PLC. To provide a realistic and insightful overview of these processes, the analysis draws on case-based information from actual corporate clients. However, in order to maintain confidentiality and respect the privacy of these entities, whose details are not publicly disclosed, the names and identifying information of the companies will remain anonymous. Additionally, while financial data presented in this paper will be fabricated, it has been carefully constructed to reflect realistic and proportionate relationships between financial indicators. This approach ensures that the analysis remains grounded, preserving both the integrity of the research and the authenticity of the procedure.

3.4.1 Initial Client Outreach

IDLC’s Associate Relationship Managers (ARMs) and General Relationship Managers (GRMs) employ a structured and research-driven approach to initial client outreach, focusing on identifying high-growth sectors in Bangladesh through macroeconomic analysis. They begin by evaluating industry growth potential using macroeconomic models such as the Input-Output analysis which according to Mercer-Blackman et al. (2017), is a macroeconomic framework that examines the interdependencies between different sectors of an economy. It quantifies how industries interact by tracking the flow of goods, services, and capital across production chains. This model is used to assess capital requirements and sectoral linkages, ensuring alignment with national economic trends. Once key industries (e.g., infrastructure, textiles, or fintech) are identified, they conduct a mapping exercise to pinpoint major corporate conglomerates operating within these industries particularly those with diversified operations across diversified companies. Since many of these entities are privately held and not publicly listed, access to detailed financial and operational information is limited. To gauge whether a company is worth pursuing, the corporate division relies on publicly available data such as the company's website, press releases, news coverage, and strategic partnerships with publicly affiliated or well-known brands.

After a preliminary assessment, the ARMs and GRMs gather contact details using business directories, personal industry networks, and other available channels. Initial contact is typically made via phone or email to request a meeting. These introductory meetings are not designed to immediately pitch loan products but rather to establish rapport and initiate a long-term relationship. Meetings are attended by both the ARMs and GRMs from IDLC and senior decision-makers from the target corporate group. While these discussions do not always result in immediate financing opportunities, the relationships built often lead to IDLC being the first point of contact when the corporate group eventually seeks funding.

Alongside this proactive outreach, a significant portion of IDLC's loan clients comes through repeat business. Former clients with a positive borrowing history frequently reach out to the same relationship managers to initiate new financing discussions. In such cases, meetings are arranged to negotiate terms including loan amount, maturity period, and benefits applicable to repeat clients such as faster processing or preferential terms.

In both scenarios, whether acquiring new clients or serving returning ones, the next critical step involves requesting comprehensive company information and financial documentation. This data is necessary for IDLC to perform its due diligence and assess the client's creditworthiness. If the information provided is insufficient or raises concerns regarding the company's financial stability or repayment ability, the loan may be declined even in the case of returning clients. This disciplined and methodical approach underscores IDLC's commitment to prudent lending practices while maintaining strong client relationships.

3.4.2 Assessment of Companies

The detailed investigation for credit evaluation of a company considers many facets of the risk, which derived from myriad of approaches used by commercial banks, financial institutions and government regulations (Mosharaffa, 2013). Although, the methods differ drastically from organization to organization. Hence, a comprehensive look at the assessment procedure can highlight the adequacy while simultaneously the inefficiency in the framework.

3.4.2.1 Financial Assessment

At IDLC Finance PLC, the assessment and due diligence process conducted by the Corporate Division is designed to ensure that corporate lending decisions are rooted in financial accuracy, risk mitigation, and long-term viability. Given that the loans extended by IDLC to corporate clients are typically substantial in value and often provided to a specific subsidiary within the group of concerns, the evaluation begins with a rudimentary financial analysis of the particular concern that applied for the debt financing. This method ensures a fundamental understanding of the borrowing entity's financial health, while also considering its standing within the larger corporate ecosystem.

The first step in the due diligence process involves obtaining a comprehensive set of financial statements from the corporate client which are audited by reputed external auditors to ensure credibility and transparency. These financials typically include income statements, balance sheets, and cash flow statements for the past three consecutive fiscal years. For the specific concern applying for the loan, the corporate division meticulously examines key financial indicators such as revenue, gross profit, operating profit, and net profit across all three years. These figures are not just observed based on their value but are used to calculate crucial financial ratios namely, Gross Profit Margin (Gross Profit ÷ Revenue), Operating Profit Margin (Operating Profit ÷ Revenue), and Net Profit Margin (Net Profit ÷ Revenue). These ratios help paint a picture of the concern's profitability, operational efficiency, and overall financial stability over time.

In association with income statement analysis, a balance sheet evaluation is also carried out to determine the concern's financial position. This includes a detailed review of current assets (such as inventory, receivables, and cash equivalents), fixed assets (such as property, plant, and equipment), current liabilities (including short-term borrowings and payables), and non-current liabilities (such as long-term loans and obligations). Equity figures are also analyzed to understand the level of capital invested in the business. From these values, the Debt-to-Equity Ratio is calculated to measure the concern's financial leverage. A lower ratio suggests that the business is not overly dependent on external debt, while a higher ratio might signal elevated financial risk. Below provided an example with proportionate value of an actual company:

(In Millions)

		Concern 2		
		2021-22	**2022-23**	**2023-24**
		Audited (Reputed Audit Firm)		
Revenue		16,684.00	21,664.00	23,466.00
Gross Profit		1,800.00	2,358.00	2,672.00
GP Margin		10.79%	10.88%	11.39%
Operating Profit		1,026.00	1,498.00	1,856.00
OP Margin		6.15%	6.91%	7.91%
Net Profit		548.00	862.00	1,016.00
NP Margin		3.28%	3.98%	4.33%
Assets	**Current Asset**	6,896.00	9,168.00	11,570.00
	Fixed Assets	1,450.00	1,636.00	1,810.00
	Total Asset	8,346.00	10,804.00	13,380.00
Liabilities	**Current**	2,214.00	3,128.00	5,986.00
	Non-current	2,994.00	3,674.00	2,378.00
	Total Liability	5,208.00	6,802.00	8,364.00

Equity	3,140.00	4,002.00	5,016.00
Debt: Equity	62:38	63:37	63:37

Figure 6: Main Concern Financial Calculation (Modified Values)

The company’s financial performance over the last three fiscal years reflects steady growth and operational improvement. Revenue increased from BDT 16,684 million in 2021–22 to BDT 23,466 million in 2023–24, accompanied by a rise in gross profit from BDT 1,800 million to BDT 2,672 million. Margins have shown consistent improvement, with gross profit margin increasing to 11.39%, operating profit margin to 7.91%, and net profit margin to 4.33% in the latest year, indicating stronger cost control and operational efficiency. Total assets grew from BDT 8,346 million to BDT 13,380 million, driven primarily by growth in current assets, while liabilities also increased, particularly current liabilities, suggesting higher short-term obligations. Notably, non-current liabilities declined in 2023–24, which may point to debt repayment or restructuring. Equity rose steadily, strengthening the capital base. The debt-to-equity ratio remained relatively stable around 63:37, suggesting a moderate leverage position. Overall, the company’s financials indicate solid growth, improving profitability, and a stronger balance sheet. However, the significant rise in current liabilities highlights the need for liquidity monitoring. With consistent upward trends and improved margins, the company appears financially sound and potentially suitable for financing, pending further due diligence and risk assessment.

However, the financial evaluation does not stop at the specific concern. Recognizing that a concern is just one piece of a larger puzzle, IDLC's corporate division extends its analysis to other concerns under the same parent group. By conducting similar profitability and balance sheet analyses across all major subsidiaries or concerns within the corporate group, the team is able to assess how the borrowing entity compares to its sister companies.

(In Millions)

Particulars	Year	Revenue	Operating Income	Operating Income Margin	Net Income	Net Income Margin	TA	TL	D:E
Concern 1	2023-24 (A)	8,754.00	766.00	9%	176.00	2%	9,070.00	8,570.00	94:6
	2022-23 (A)	8,348.00	616.00	7%	102.00	1%	8,416.00	8,094.00	96:4
	2021-22 (A)	7,452.00	318.00	4%	-166.00	-2%	6,980.00	6,760.00	97:3
Concern 2	2023-24 (A)	23,466.00	1,856.00	8%	1,016.00	4%	13,380.00	8,364.00	63:37
	2022-23 (A)	21,664.00	1,498.00	7%	862.00	4%	10,804.00	6,802.00	63:37
	2021-22 (A)	16,684.00	1,026.00	6%	548.00	3%	8,346.00	5,208.00	62:38

Concern 3	2023-24 (A)	2,216.00	94.00	4%	68.00	3%	1,886.00	1,330.00	71:29
	2022-23 (A)	2,608.00	358.00	14%	114.00	4%	1,852.00	1,364.00	74:26
	2021-22 (A)	2,034.00	260.00	13%	108.00	5%	1,740.00	1,364.00	78:22
Total	2023-24 (A)	34,436.00	2,716.00	8%	1,260.00	4%	24,336.00	18,264.00	75:25
	2022-23 (A)	32,620.00	2,472.00	8%	1,078.00	3%	21,072.00	16,260.00	77:23
	2021-22 (A)	26,170.00	1,604.00	6%	490.00	2%	17,066.00	13,332.00	78:22

Figure 7: Group Financial Calculation (All Concerns) (Modified Values)

The group's financials indicate robust and consistent growth across all concerns, with total revenue increasing from BDT 26,170 million in 2021–22 to BDT 34,436 million in 2023–24. Net income nearly tripled over the same period, reaching BDT 1,260 million, while the group maintained stable operating and net income margins at 8% and 4%, respectively, by 2023–24. The total assets rose significantly to BDT 24,336 million, supported by a healthy capital structure with a debt-to-equity ratio improving slightly to 75:25.

In this context, the concern in question (Concern 2) stands out as the primary contributor to the group's performance, consistently generating the highest revenue and net income. Its stable margins and balanced debt-to-equity ratio (63:37) indicate sound financial health and strong operational capacity. Compared to the other concerns, it demonstrates a lower risk profile and greater profitability, reinforcing its position as a financially viable entity within the group and a strong candidate for further credit consideration.

This comparative review helps in identifying performance trends, operational strengths, or any financial stress points across the group. Following this, the financials of all concerns are consolidated to evaluate the group's overall financial health. This group-level assessment is crucial because, in many instances, the repayment capability of one concern may be implicitly supported by the financial strength of the larger group.

Once the standalone and group-level financials pass preliminary soundness checks, the next stage of analysis involves the computation of the **Debt Service Coverage Ratio (DSCR)**—a critical metric for assessing the ability of the concern or group to service its debt obligations. The DSCR is calculated using the formula:

DSCR = Cash Available For Debt Servicing ÷ Total Payment Obligation

Cash available for debt servicing refers to earnings before interest, taxes, depreciation, and amortization (EBITDA). Total payment obligation includes long term and short term loan payments and liability against proposed financing.

Particulars	DSCR
Audited (2023-24)	0.89
Projected Based on latest 6 month revenue (Jun’24-Nov’24) and 4 month projection (Dec’24-Mar’25)	1.13

Figure 8: DSCR Calculation (Modified Values)

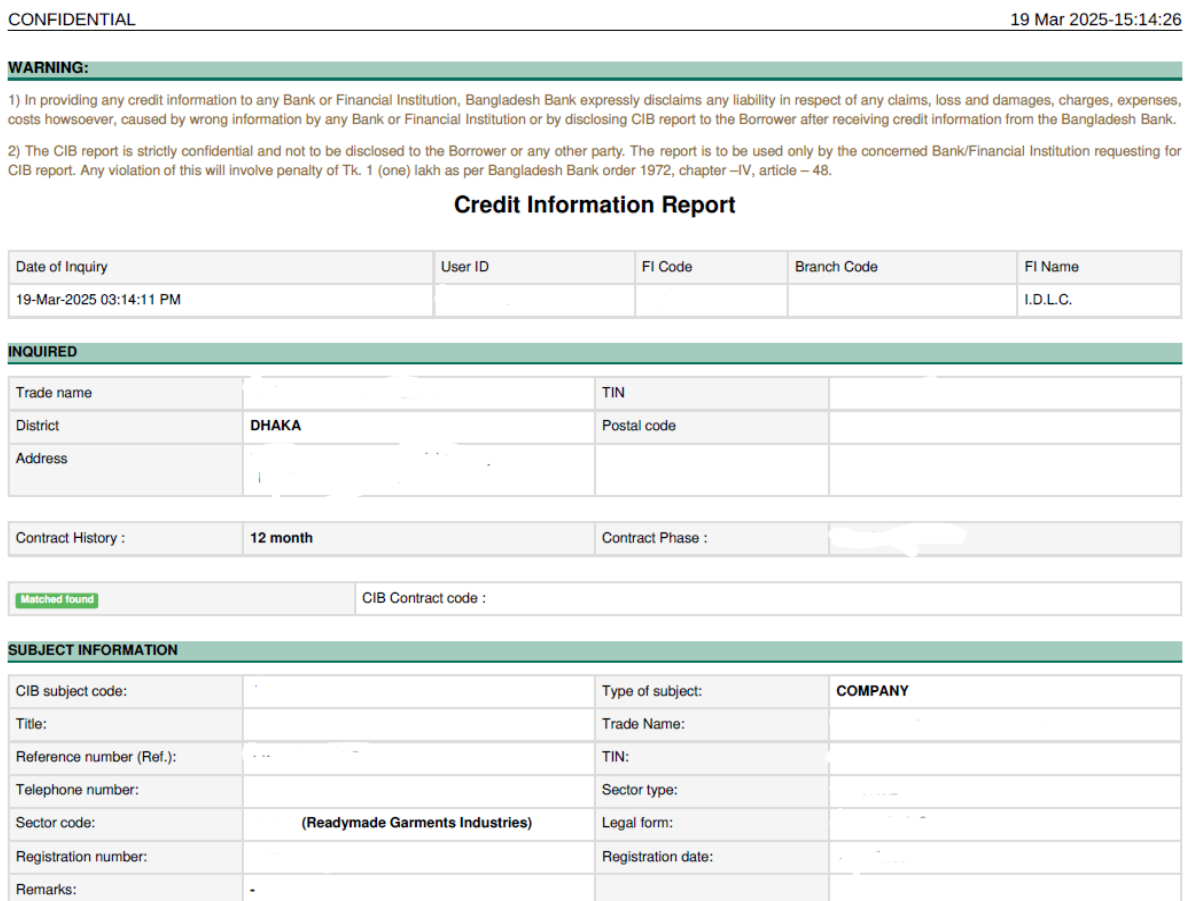
A DSCR greater than 1 indicates that the entity generates sufficient cash flow to cover its debt obligations, while a ratio below 1 suggests a potential shortfall and raises concerns about repayment capacity (Rodríguez, 2024). For the concern, while the based on previous years audited statement the DSCR is almost touching the 1 meaning while it does have shortfall but it has growing cash flow. Which is reflected on the projections as it has 1.13 DSCR making it more than sufficient to payback debt.

In addition to assessing the DSCR for the specific concern, IDLC also performs a group DSCR analysis by aggregating the debt servicing capacity and obligations of all major concerns under the parent company.

3.4.2.2 CIB (Credit Information Bureau) Report Analysis

The Credit Information Bureau (CIB) of Bangladesh, established in 1992 under the Bangladesh Bank, serves as a central repository for credit information on individuals and businesses. Its primary function is to assess the creditworthiness of loan applicants by analyzing their past loan behavior and repayment history. This assessment aids financial institutions in making informed lending decisions, thereby reducing the risk of defaults (Rtahmiddewey, 2023).

The Credit Information Bureau (CIB) report is an integral component of IDLC Finance PLC's loan approval framework for corporate clients. This document serves as an overarching view to examine the prospective borrower's existing debt obligations and repayment behavior across the financial market. The CIB report provides a consolidated overview of a company's complete debt position, comprising the financial commitments into installment facilities, non-installment facilities, non-funded facilities and highlighting any overdue amounts with within those instruments. This structured presentation allows relationship managers to efficiently evaluate the applicant's current financial engagements and their history of meeting obligations.



CONFIDENTIAL 19 Mar 2025-15:14:26

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 Report

Date of Inquiry	User ID	FI Code	Branch Code	FI Name
19-Mar-2025 03:14:11 PM				I.D.L.C.

INQUIRED

Trade name		TIN	
District	**DHAKA**	Postal code	
Address			

Contract History :	**12 month**	Contract Phase :	

Matched found	CIB Contract code :

SUBJECT INFORMATION

CIB subject code:		Type of subject:	**COMPANY**
Title:		Trade Name:	
Reference number (Ref.):		TIN:	
Telephone number:		Sector type:	
Sector code:	**(Readymade Garments Industries)**	Legal form:	
Registration number:		Registration date:	
Remarks:	-		

Figure 9: CIB Report Front Page

1. SUMMARY OF FACILITY(S) AS BORROWER & CO-BORROWER

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

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

Total Outstanding Amount:	

CONFIDENTIAL 19 Mar 2025-15:14:26 1/103

CONFIDENTIAL 19 Mar 2025-15:14:26

Contract Category	Installments		Non-Installments		Credit Cards		Total	
	No. of Contract(s)	Outstanding Amount	No. of Contract(s)	Outstanding Amount	No. of Contract(s)	Outstanding Amount	No. of Contract(s)	Outstanding Amount
STD					0	0		
SMA	0	0	0	0	0	0	0	0
SS (No)	0	0	0	0	0	0	0	0
SS (Yes)	0	0	0	0	0	0	0	0
DF	0	0	0	0	0	0	0	0
BL	0	0	0	0	0	0	0	0
BLW	0	0	0	0	0	0	0	0
Terminated	5	0		0	0	0		0
Requested	0	0	0	0	0	0	0	0
Stay Order	0	0	0	0	0	0	0	0
Willful Default (WD)	0	0	0	0	0	0	0	0
Willful Default (Appeal)	0	0	0	0	0	0	0	0

Figure 10: CIB Report

From the CIB report, IDLC's corporate team accesses data regarding each financial instrument held by the company, including critical parameters such as tenure, installment amount, remaining installment count, and outstanding balances. This level of detail is required to do a thorough analysis of the company's debt structure. This helps IDLC to understand both the magnitude and composition of existing financial obligations. A particular attention is paid to the existing long-term and short-term loan obligations more than its non-funded holdings, due to the fact that this reveals its collateral based obligations and their compliance with the requirements.

DETAILS OF INSTALLMENT FACILITY(S)

Ref	FI code	Branch code	CIB contract code	FI contract code
	###	###		###

Role:		Date of Last Update:	
Phase:		Date of Law suit:	-
Facility:		Date of last payment:	
Starting date:		Date of classification:	
End date of contract:		Date of last rescheduling:	
Sanction Limit:		Method of payment:	-
Total Disbursement Amount:		Payments periodicity:	
Total number of installments:		Number of time(s) rescheduled:	
Installment Amount:		Remaining installments Amount:	
Remaining installments Number:		Reorganized credit:	NO
Security Amount:	0	Basis for classification:qualitative judgment:	
Third Party guarantee Amount:	0	Remarks:	
Security Type:			

Contract History (Credit History)

Monthly History

Accounting Date	Outstanding	Overdue	NPI	Status	Default & Willful Default	Remarks for WD
2025		0	0			
2025		0	0			
2024		0	0			
2024		0	0			

Contribution History from 31/07/2023

Accounting Date	Insertion Date & Time	Outstanding	Overdue	NPI	Status	Default & Willful Default	Remarks for WD
			0	0			
			0	0			
			0	0			
			0	0			

Figure 11: CIB Report Instrument Details

The most critical element of the CIB report analysis involves the examination of overdue amounts. IDLC Finance PLC. considers this as one of the fundamental indicator of a client's creditworthiness. This particular aspect of the assessment provides direct evidence of the applicant's payment discipline and financial responsibility. The institution recognizes the fact that even companies demonstrating exceptional financial performance on paper with healthy profit margins still they can also present a significant credit risks if their CIB report reveals a pattern of payment delays. This behavioral data serves as a crucial predictive factor for future repayment conduct.

The corporate division at IDLC has developed a systematic approach to analyzing CIB reports where they examine patterns, frequency of late payments, and the aging of overdue balances. This is understood through the items that are included in the CIB report. Such as, SMA refers to the company having overdue of more than 3 months and SS presents information about overdue that exceeds 6 months. Those are huge concerns when it comes to providing loans to companies, as they are payment is delayed drastically. This multidimensional analysis helps distinguish between occasional administrative delays or deliberate default tendencies. Through interviews with senior relationship managers, it became evident that both qualitative and quantitative interpretation of CIB data often carries huge weight in the final assessment of creditworthiness.

(In Millions)

For applying concern:

Particular	**Outstanding**	**Overdue**	**SMA**	**Classified**
Long term	478.00	**111**	-	-
Short term funded	612.00		-	-
Short term non funded	630.00		-	-
Total (short term)	1,242.00		-	-
Total (short term + long term)	**1,720.00**		-	-

Group (4 major sister concern):

Particular	**Outstanding**	**Overdue**	**SMA**	**Classified**
Long term	1,602.00	**515**		-
Short term funded	1,858.00			-
Short term non funded	3,630.00			-
Total (short term)	5,488.00			-
Total (short term + long term)	**7,090.00**			**-**

Figure 12: Concern 2 and Groups CIB Summary (Modified Values)

The concern's CIB analysis reveals that they hold highest amount in short term non funded instrument with BDT 6,630 million and in total they have BDT 13,720 million outstanding debt although their overdue equates 1% (111 million BDT) of the total outstanding amount making them a reliable loan partner. The group as a whole holds more in short term funded BDT 21,858 million than any other instruments but similarly the overdue amount of BDT 2,079 million is 4% of the total outstanding amount making it negligible. It indicates the given concern and the group has an admirable credit history, making them a safe investment.

This methodical evaluation of past financial conduct through CIB reports enables IDLC to make more informed lending decisions, ultimately contributing to the institution's remarkable portfolio quality and low non-performing loan ratio in their corporate lending segment.

3.4.2.3 Liability Exposure with IDLC & Other Banks

In evaluating the creditworthiness of a corporate entity, one of the key areas of analysis for IDLC Finance PLC. is the company's liability position not just in terms of the total loan amounts outstanding, but also with a focus on the nature of the borrowing relationships the company maintains with various financial institutions. This includes a thorough review of both long-term and short-term debt facilities held across banks, non-bank financial institutions (NBFIs) like IDLC, and other lending bodies. A company’s borrowing pattern and lender profile provide crucial insight into its credit discipline and institutional relationship. By examining the historical credit data provided from borrowing concern, IDLC can assess whether a company has developed healthy relationships with multiple lenders or the company is overly reliant on a particular institution, which could pose a concentration risk. The company’s diversity in terms of acquiring debt from various institutions reflects their credibility in the financial market ecosystem.

(In Millions)

Name of the Concern	Name of Banks	Facility Type	Limits	Amount
Concern 2	National Bank Ltd.	Term Loan	500	300
		PC	150	0.5
		EDF	900	300
		BTB LC		350
		ABP		200
		OD	150	120
	HSBC	Term Loan	150	10
		Short Term	450	360
		OD	30	10
		ABP	1,500.00	500
		BTB LC		120
		UPAS		300
		EDF		100
	SCB	Term Loan	600	400
		UPAS	900	50
		EDF		150
		BTB LC		350
		ABP		800
		Short Term	350	300
		OD	100	50
	EBL	Term Loan	600	550
		Short Term	100	50
		PC	150	100
		OD	80	50
		ABP	1,000.00	400
		BTB LC		150
		EDF		300
		UPAS		100
	UFL	Term Loan	150	50
	IPDC	Term Loan	110	100
	IDLC	Short Term	100	60
Total			**8,070**	**6,681**

Figure 13: Liability Exposure (Modified Values)

In the case of concern 2, there can be seen a quite diversified liability structure. The company has acquired both long-term and short-term loans from multiple banks and financial institutions, showing that it has been able to access capital from various sources. This diversification suggests that the concern is not only viewed favorably by other lenders but has also managed its financing needs to meet the requirements. Such diversification mitigates counterparty risk and reduces the concern of default. From a credit evaluation standpoint, this is a positive attribute as it reduces the probability of any adverse effect or change in the concern's operations or their relationship with any lending institution impacting the overall financial position.

Moreover, the relationship between the concern and IDLC Finance PLC. further supports the company's credit strength. Historically, the company, along with its broader group, has maintained a consistent and transparent borrowing relationship with IDLC. This long-standing engagement, built on mutual trust and compliance, adds an additional layer of confidence in the company's credit behavior. Favorable past experiences with the company, timely repayments, and transparent financial disclosures enhance the reliability of the concern as a repeat client. When a corporate entity has already gone through IDLC's rigorous due diligence process and has a proven track record of responsible borrowing, it simplifies risk assessment for new loan proposals and often allows for more favorable terms.

3.4.3 Loan Decision and Required Paperwork

Once IDLC Finance PLC completes the comprehensive financial analysis and determines that the outcome is favorable, the company proceeds with the loan proposal process with interest rate set according to the parameters IDLC puts the company into. For this particular concern, all eligibility criteria have been met, leading to the communication of loan approval and the preparation of a formal proposal. The loan proposal document will be comprehensive, including the requested loan amount, specific purpose of the financing, detailed company profile, industry analysis with future outlook projections, financial analysis findings (as discussed previously), Risk mitigation strategies, Sustainability measures implemented by the concern and additional relevant parameters

Along with preparing the proposal report, IDLC Finance PLC must manage an extensive documentation process involving paperwork both required from and provided to the concern. The documentation requirements for this concern include:

1. Authorization to Write Dates
2. Board Extract
3. Contact Information Details
4. Letter of Hypothecation
5. Memorandum of Deposit of Cheques
6. STL/LTL (Short Term Loan/ Long Term Loan) Application
7. UDC (Undated Cheque)
8. CAF (Customer Application Form)
9. CoI (Certificate of Incorporation)
10. DP Note (Demand Promissory Note)
11. ESMS (Environmental and Social Management System)
12. e-Tin (Electronic Tax Identification Number)

13. F – XVIII
14. Form – XII
15. KYC (Know Your Customer)
16. Client Information
17. Letter of Continuation and Revival
18. Letter of Disbursement
19. MoA & AoA (Memorandum and Articles of Association)
20. NID – CM (National ID of Chairman/Board Members)
21. NID – MD (National ID of Managing Director)
22. PDCs (Post-Dated Cheques)
23. PG – Chairman (Personal Guarantee of Chairman)
24. PG – MD (Personal Guarantee of Managing Director)
25. Sanction Letter
26. Schedule X
27. Signed Board Memo
28. Specimen Signature Card
29. Short Term Loan/ Long Term Loan Agreement
30. Tax Acknowledgement
31. Trade License
32. UNGC (United Nations Global Compact) commitment document

This extensive documentation ensures proper legal protection for both parties, compliance with regulatory requirements, and establishment of clear terms and conditions for the loan facility. IDLC Finance PLC's structured approach to loan proposal preparation and documentation management reflects its commitment to maintaining high standards of due diligence and professional service in its lending operations.

3.4.4 Loan Proposal Approval Process

3.4.4.1 Credit Risk Management (CRM) Approval

The initial phase of IDLC Finance PLC's loan proposal approval process involves scrutiny by the Credit Risk Management (CRM) department. This department serves as the first checkpoint in ensuring the viability and compliance of all credit proposals. Upon receiving the drafted loan proposal as explained above, the CRM department conducts a probing evaluation of the document's content, structure, and risk parameters. The assessment encompasses not only the financial viability of the prospective client but also adherence to regulatory requirements in alignment with IDLC's internal lending policies. During this critical review, CRM professionals identify areas requiring changes and requests specific supplementary information to strengthen the proposal. They may also recommend adjustments to repayment structures, and collateral requirements based on client's risk profile and industry dynamics. Additionally, the CRM department prepares queries for Associate Relationship Managers (ARMs) and General Relationship Managers (GRMs) regarding specific concern related issues or any ambiguities in the proposal. This process often requires multiple revisions, with the proposal cycling between the the two departments until all technical inconsistencies are resolved. Only when the CRM department is fully satisfied with the proposal then it advance to the subsequent approval stage.

3.4.4.2 Credit Evaluation Committee (CEC) Assessment

Following CRM approval, the proposal enters the evaluation stage conducted by IDLC's Credit Evaluation Committee (CEC). This committee is comprised with senior management representatives tasked with providing their insights on the proposal before board of directors' consideration. The CEC meeting attended by Assistant General Managers (AGMs) and General Relationship Managers (GRMs) for their corresponding loan proposals. During this comprehensive session, AGMs deliver detailed presentations commenting on the macro factors such as client's market positioning, industry outlook, and the concern related aspects such as their financial standing, their growth prospect and specific funding requirements. The presentation articulates the strategic rationale behind the financing request, demonstrating how the proposed credit facility aligns with the client's operational needs and growth trajectory. Particular emphasis is placed on the client's debt servicing capacity and analyzing historical financial performance. For existing clients, AGMs provide insights into their previous credit history with IDLC, including exposure levels and repayment behavior. GRMs also actively participate in these conversations, addressing specific technical queries raised by committee members. The committee members engage in discussions on the proposal's assumptions. If revisions are deemed necessary, the committee presents those issues explicitly to take into consideration in terms of the proposal refinement before advancement. Upon achieving consensus regarding the proposal's adequacy, the CEC endorses the proposal for final board consideration, thereby completing the penultimate approval stage .

3.4.4.3 Board of Directors' Final Approval

The final stage in IDLC Finance PLC's loan approval hierarchy involves presentation to and deliberation by the Board of Directors. In preparation for this decisive phase, the CRM department collaborates closely with the corporate affairs team to develop a comprehensive and strategically focused board memorandum. During the scheduled board meeting, alongside other agenda items for the month, directors review the proposal documentation, guided by the corporate affairs presentation that contextualizes the credit request within IDLC's broader portfolio strategy and risk appetite framework. Directors may raise queries regarding the proposal which are deemed customary before approval. Following this discourse and after addressing any concerns raised by board members, the proposal receives final approval, thereby authorizing the formal documentation and disbursement processes to commence.

3.4.5 Limitation of the Procedures

IDLC Finance PLC current processes for acquiring new corporate clients and for approving loans, while they have a cohesive structure, definitely have some drawbacks that can slow things down and affect their overall goals. One big issue with getting new clients is that the institution does not have a well utilized directory for businesses that operate in Bangladesh. This makes it difficult for the relationship managers and the teams due to the fact that they are required to rely on external resources to gather information, rather than having them readily available. On the other hand, instead of using a smart, data-driven approach, IDLC mostly relies on who people know, what they see happening in the market, and referrals. While this approach opens a door for more curating a more meaningful relationship with the clients but also this process can take up a significant amount of time and might not provide best results always. The underutilization of sophisticated digital instruments and comprehensive market analytics in IDLC Finance Limited's client acquisition protocols represents a notable area for potential enhancement.

The digital infrastructure while having added efficiency to the approval process, it is also at times becomes the core reason causing inefficiency. Apart from occasional bugs that obstructs the process of uploading important documents, there are other aspects which systems like OCAS are lacking. The ability to track the documentation process of the loans, the disbursement handling and retrieving of documents effectively are not the implemented in the digital platform hence creating lag in the overarching process.

Turning to the domain of loan approvals, while the multi-tiered review structure is meticulously designed to ensure rigorous risk mitigation, it also introduces operational discrepancies. The interdependencies among key organizational units, specifically the Credit Risk Management (CRM) division, Credit Administration Department (CAD), and the Corporate Division, provides a cohesive back and forth by reviewing and realigning of the loan structure. This interconnectedness, however, often manifests in procedural bottlenecks, notably through the physical and digital transfer of sensitive documentation. Such handling not only elevates the probability of human error in processing and transcription but also significantly slows down the loan approval cycle. Although digital submitting of documentation in the system makes it less cumbersome, having to simultaneously provide the physical document beats the efficiency purpose of why the digital infrastructure was created in the first place. Similarly, the process is unable to cut out on the redundant verification processes and resubmissions.

Moreover, the limited discretionary authority vested in relationship managers and associate relationship managers, who serve as the primary interface with corporate clientele, warrants consideration. The necessity for other department’s authorization, even for routine operational decisions and minor issue resolution, contributes to further delays and can negatively influence client satisfaction levels.

3.4.6 Improving the Procedures

The limitations are an indication that IDLC Finance PLC. has substantial opportunities to rectify the processes that are being followed within their ecosystem. As the current system of both acquiring clients and getting the loan approved has areas of delay that creates an overall inertia in the operations, investing in a proper solution would not only address their current predicament but will add significant value to the company as a whole. Moreover, as lag in these matters can also effect a corporate client's relationship with the organization due to being faced with delays when it comes to receiving their debt financing. The investment will be focused on multiple areas and each area would have their own specifications regarding the changes that are going to be implemented. This section would explore the cost of investing on projects and analyze the benefit it could bring in the long run for the company in question.

3.4.6.1 Digital Infrastructure Investment

Database Building

The most glaring deficiency within their current system can be noticed in the digital solutions that they provide. One of the factors that can easily be addressed is that, IDLC Finance PLC. do not have their own directory or an exhaustive research portal for managers to find information about industries and corporate clients. The portal can be put together pulling information from search engines to government platforms by scraping the internet. The reason behind implementing this approach is due to the fact that associate relationship managers use substantial amount of time gathering information on prospective clients from different sources. By implementing a centralized digital platform that will incorporate data from directories such as the Registrar of Joint Stock Companies and Firms (RJSC), Bangladesh Bank's database, and trade associations can help massively reduce the time spent on client identification and initial research. To find a single client, the associate relationship manager needs atleast 3-4 days to research. Also most of the companies are privately limited companies hence they have to rely on the sparse data that are publicly available, which requires even more extensive research. Having a portal with categorized information on industries and companies would cut down on the research time immensely and can provide different insights as the portal will have robust data set that would have been impossible for individuals to manually discover. The cost breakdown will showcase the investment areas in details,

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Development Cost	2,000,000	0	0	0	0	0
Web scraping Infrastructure	100,000	75,000	50,000	30,000	20,000	10,000
Cloud Hosting	50,000	50,000	50,000	50,000	50,000	50,000
Security & Maintenance	80,000	80,000	80,000	80,000	80,000	80,000
Total Cost	2,230,000	205,000	180,000	160,000	150,000	140,000

Figure 14: Project 1 Cost Analysis

The initial investment of 2 million BDT would be to do website developing including UX/UI design, front and backend development with API integration etc. After which the other aspect of building the business database would require year on year investment over the next 5 years. The web scraping would use automated scripts and crawlers to extract and structure information from publicly available sources. Hence in total, it would cost 285 thousand BDT over the next 5 years. For cloud hosting and maintenance a fixed cost will be incurred every year for 5 years, which will be 50,000 BDT and 80,000 BDT respectively. The benefit from creating this database,

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Cost Savings	-	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Revenue Effect	-	3,500,000	4,000,000	4,200,000	4,700,000	4,800,000

Figure 15: Project 1 Benefit Analysis

The ARMs will be able to cut down their research time from 3-4 days to 1 or less than one day when the database will be up and running. Which in turn will save hourly cost incurred during research, and cost associated with getting clients and along with the opportunity cost reduction will likely bring in more clients resulting in cost savings of 2 million BDT per year and it will add to the revenue for the next five years starting from 3.5 million BDT to ending at an additional 4.8 million BDT by the end of the 5th year.

Upgrading Current Infrastructure

IDLC Finance PLC. has their own online portals which are used to share documents, input day to day transactions and to store information. It is a vital part of the ecosystem as every department is reliant on the service and especially operational activities regarding loan approvals are handled through these portals. Despite being such an important aspect of the organization, the employees are often faced with difficulties navigating through it. The system is not adequately structured simultaneously the portals are prone to crashes. It not only hampers the loan approval procedures but also creates inertia between departments. Their current system which is known as Online Credit Approval System has internal flaws that needs to be remedied but also it lacks some clinical features which can expedite the process of loan approval. Such as, having real-time document tracking that can be used to estimate the approval time and quick document retrieval process that does not require other department's permission to access.

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
System Redesign	4,000,000	0	0	0	0	0
Real-time Tracking Integration and Retrieval	1,500,000	0	0	0	0	0
Testing	500,000	100,000	100,000	100,000	100,000	100,000
Maintenance	50,000	50,000	50,000	50,000	50,000	50,000
Total cost	6,050,000	150,000	150,000	150,000	150,000	150,000

Figure 16: Project 2 Cost Analysis

To do an overhaul redesign, IDLC Finance PLC. requires a large investment of 4 million BDT to fix the inefficiency, eliminate system crashing and provide a cohesive service to the employees. On top of that, extra investment of 1.5 million needs to be allocated to implement new features such as real-time tracking and retrieval processes. After installation of the upgraded system, an extensive stress testing needs to be done to ensure optimum accessibility and functionality of the system. At first it requires a thorough inspection but beyond that every year there needs to be testing done to see if the integration is up to date and working well or not. Besides the testing cost, the maintenance cost will also be accounted for the next five years after the reintegration of the system. The benefit that will be experienced from this upgrade,

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Cost Savings	-	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Revenue Effect	-	7,500,000	7,700,000	8,000,000	8,200,000	8,350,000

Figure 17: Project 2 Benefit Analysis

With the system implemented, it will cut down the loan approval time significantly alongside that decrease the amount of system failures while adding benefits of real-time tracking and retrieval will expedite the process even more. Similarly, these upgrades will save cost in inter-department dependency as less time will be spent on getting minimal approvals which in turn will increase the loan completion percentages that directly effects the revenue of the company.

3.4.6.2 Machine Learning Introduction

Machine learning is still quite a new concept in the field of finance. As the world drifts more towards large language models and integration of AI, it is high time for financial institution to pay heed to the development that can make their work more efficient. Islam et al. (2024) researched on the aspect of including machine learning in the loan approval process. The study focused on the rudimentary factors that contribute to the loan approval and using different statistical methods to find out the validity of the information. It is a bold look at the promises of such technology and the ability to assist in intense decision making processes with a system build with robust dataset. It will not be possible to dissect or quantify the monetary investment that went into building such program as the paper did not disclose those matters. Similarly as machine learnings introduction to the field of finance is still in its inception hence the availability of professionals in this field can be quite hard to find to develop the program. Although it is most certain that machine learning can be used to provide accuracy and bring in efficiency in the procedures of loan approval.

3.4.7 Overall Cost-Benefit Analysis

In the previous section, there are calculations and figures separated into different projects which if implemented could bring in substantial benefit to IDLC Finance PLC.'s client acquisition and loan approval process. Investment in building a new database and upgrading current programs although will happen separately but the accounting would be done on the overall investment. The investment projections has been done over five years. The discounting rate of the projects would be held at 10%.

Project 1

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Initial Cost	2,230,000					
Yearly Cost		205,000	180,000	160,000	150,000	140,000
Discounting Rate	10%					
Present Value	2,230,000	186,364	148,760	120,210	102,452	86,929
Net Present Value	2,874,715					

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Initial Investment	-2,230,000					
Projected Benefit		5,295,000	5,820,000	6,040,000	6,550,000	6,660,000
Discounting Rate	10%					
Present Value	-2,230,000	4,813,636	4,809,917	4,537,941	4,473,738	4,135,336
Net Present Value	20,540,569					

Project 2

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Initial Cost	6,050,000					
Yearly Cost		150,000	150,000	150,000	150,000	150,000
Discounting Rate	10%					
Present Value	6,050,000	136,364	123,967	112,697	102,452	93,138
Net Present Value	6,618,618					

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Initial Investment	-6,050,000					
Projected Benefit		12,350,000	12,550,000	12,850,000	13,050,000	13,200,000
Discounting Rate	10%					
Present Value	-6,050,000	11,227,273	10,371,901	9,654,395	8,913,326	8,196,161
Net Present Value	42,313,056					

Figure 18: Cost Benefit Analysis (Both Project)

Both the present value of cost and present value of benefit has been calculated to present the cost-benefit ratio. The formula for cost-benefit ratio is,

Cost Benefit Ratio = Net Present Value of Benefit ÷ Net Present Value of Cost

	Cost-Benefit Ratio
Project 1	7.15
Project 2	6.39

The ratio refers to the fact that for each BDT spent on expense of the project how much is it making back. From the calculations what can be assessed is that for project 1, it will generate 7.15 taka per each 1 taka spent to cover expenses and project 2 will be generating 6.39 taka per each 1 taka spent to cover expenses. Even though project 2 showing more profitability than project 1, that does not mean one project is more valuable than the other. Because each of the projects are focusing on addressing different aspects of the ecosystem and creating more value in the long run. Hence these projects will be of net benefit to IDLC Finance PLC.

3.5 Summary and Conclusion

This study has explored the structured and strategic approach IDLC Finance PLC takes in determining corporate loan eligibility and processing approvals. As one of Bangladesh's leading non-banking financial institutions, IDLC employs a multi-layered credit evaluation process that balances risk management with client financing needs.

Client acquisition begins with industry analysis using macroeconomic factors, allowing relationship managers to identify growth industries and large corporate groups. Initial meetings emphasize more on relationship building which is done to establish a foundation for long-term collaboration rather than pitching for debt financing. Once a client is agrees to the financing facilities, the due diligence process begins with a rigorous financial assessment of the specific concern seeking financing. Simultaneously a group-level analysis is done of the parent company's financial health. The evaluation covers profitability metrics, asset and liability structures, debt-equity ratios, and the debt service coverage ratio (DSCR). Additionally, The Credit Information Bureau (CIB) report is scrutinized to further enriches this assessment by viewing the overarching debt obligation of the client and their historical repayment behavior. Particular emphasis is placed on overdue amounts, which serve as a strong indicator of payment discipline. IDLC also examines the client's liabilities with other institutions to understand the diversity of their financing sources and exposure levels.

Once the evaluation is clarified, thus begins the approval process which follows a three consequential steps. First the initial review by the Credit Risk Management (CRM) team. After which the presentation and assessment by the Credit Evaluation Committee (CEC). And finally the approval by the Board of Directors.

In the latter part of the paper are provided suggestions that can be implemented to improve the procedures that are described. Two projects, one regarding creating a business database to expedite the research process and second is regarding restructuring the existing portal service along with including new features. The cost-benefit analysis has been presented to reflect on the improvement it can bring for IDLC Finance PLC. in 5 years of implementing these projects.

3.6 Recommendations

To enhance the efficiency and effectiveness of IDLC Finance PLC’s corporate client acquisition and loan approval processes, several acetionable improvements can be taken.

- **Develop and Implement a Centralized Business Directory Platform**: One of the key limitations in IDLC's current corporate client acquisition process is the lack of a internally accessible business directory specific to Bangladeshi industries and corporate entities. IDLC can cut down client research time from 3-4 days to 1 day or less. It means it can reduce the client acquisition process from 2–3 weeks to approximately 7–10 business days. This project has a cost-benefit ratio of 7.15 which will be reflected in their profits.

- **Restructure the Existing Digital Infrastructure**: To make operations more efficient and streamline the processes, IDLC Finance PLC should consider upgrading its existing OCAS (Online Credit Approval System) to improve documentation handling, introduce real-time tracking and retrieval capabilities. This will also reduce the need for extra physical document submission. This upgrade to the system would approximately reduce approval time by 30–35% based on the cost-benefit analysis which also shows a ratio of 6.39.

- **Expand Authority for Corporate Division Managers**: Currently, the limited decision making power granted to relationship managers’ results in avoidable delays for day to day operational matters. A structural change should be implemented where relationship managers and associate relationship managers given more autonomy could reduce the clerical obstructions that can reduce time wasted in operational queries.

References:

Akber, S. M., & Barua, D. (2021). A COMPARATIVE ANALYSIS OF FINANCIAL PERFORMANCE OF NON-BANK FINANCIAL INSTITUTIONS IN BANGLADESH. *American Finance & Banking Review*, 1–13. https://doi.org/10.46281/amfbr.v6i1.1455

Dhaka Tribune. (2025, April 17). *IDLC Finance reports 53% net profit growth in 2024*. https://www.dhakatribune.com/business/378946/idlc-finance-reports-53%25-net-profit-growth-in-2024

Future Startup Team. (2022, March 5). *IDLC's digital savings program for bKash app users to bring Bangladesh's unbanked population under financial*. Future Startup. https://futurestartup.com/2022/02/13/idlcs-online-dps-bkash-app-users/

IDLC Finance PLC. (2023). Annual report. IDLC Finance PLC. https://web.idlc.com/uploads/financial_report/idlc-annual-report-2023-941983.pdf

Islam, M. R., Islam, M. S., Shama, S., Chowdhury, A. I., & Lamyea, M. M. H. (2024). Enhancing bank loan approval efficiency using Machine Learning: an ensemble model approach. *Engineering and Technology Journal*, *09*(07). https://doi.org/10.47191/etj/v9i07.24

Mercer-Blackman, V., Foronda, A., & Mariasingham, J. (2017). Using Input–Output analysis framework to explain economic diversification and structural transformation in Bangladesh. In *ADB Economics Working Paper Series*. https://doi.org/10.22617/wps178824-2

Mosharrafa, R. (2013). Credit assessment practice of a commercial bank in Bangladesh. International Journal of Economics Finance and Management Sciences, 1(6), 382. https://doi.org/10.11648/j.ijefm.20130106.25

Rodríguez, R. A. (2024). A required debt service coverage ratio related to the economic value of the asset involved. *Journal of Financial Risk Management*, *13*(04), 618–642. https://doi.org/10.4236/jfrm.2024.134029

Appendix A

DSCR Calculation (2023-2024)

23-24

Particular	**Amounts**
Net Operating Income	1,856.00
Other Income	10.50
Depreciation	4.60
Cash Available For Debt Servicing	1,871.10

Repayment of Long Term Loan	478.00
Installment Payment of Short Term Loan	612.00
Financial Charges	5.00
Liability Against Proposed Financing	1,007.30
Total Payment Obligation	**2,102.30**
DSCR	**0.890025309**

DSCR Calculation (Projected)

Particular	**Amounts**
Net Operating Income	2,348.60
Other Income	20.50
Depreciation	6.50
Cash Available For Debt Servicing	2,375.60

Repayment of Long Term Loan	478.00
Installment Payment of Short Term Loan	612.00
Financial Charges	5.00
Liability Against Proposed Financing	1,007.30
Total Payment Obligation	**2,102.30**
DSCR	**1.13**

Net Benefit Calculation

Project 1

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Cost Savings	-	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Revenue Effect	-	3,500,000	4,000,000	4,200,000	4,700,000	4,800,000
Additional Cost		205000	180000	160000	150000	140000
Net Benefit		5,295,000	5,820,000	6,040,000	6,550,000	6,660,000

Project 2

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Cost Savings	-	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Revenue Effect	-	7,500,000	7,700,000	8,000,000	8,200,000	8,350,000
Additional Cost		150,000	150,000	150,000	150,000	150,000
Net Benefit		12,350,000	12,550,000	12,850,000	13,050,000	13,200,000

Questionnaire:

The below questionnaire has been designed to collect information on the process of getting corporate clients and the loan approval apparatus existing within IDLC Finance PLC. The participants of this questionnaire include General Relationship Managers & Associate Relationship Managers of the Corporate Division, Head of Corporate Division, Managers & Associates of Credit Risk Management Department, Managers & Associates of Credit Administration Department and Associates and Head of Green Finance Department. Due to confidentiality agreements all names of individuals have been kept anonymous and quite few questions were not included due to non-disclosure agreements. Most of the answers are summarized as the same questions were asked individually to multiple respondents.

Client Acquisition Questions:

1. As the corporate division is focused on large corporate companies and facilitating loans for them, in order to get corporate customers what approach do members of the corporate division use?

    - Firstly the approach is to create a rapport not to provide any kind of pitch to the likely clients. As for corporate clients, the division does immense research beforehand. From assessing the industries to finding out which companies have good growth potential. After which they find out contact details from directories then they set up meetings. The approach is always formal.

2. What kind of research is done prior to setting up a meeting with prospective clients? How do you find out which company to approach?

- To talk about the research process, we use the input-output method. Here we firstly do a macroeconomic survey and figure out how certain industries are doing. It includes finding out how much they are producing, how the operations within the market or industry is growing etc. It helps us narrow down our focus into one or two industries that we want to target. Moreover, we find out the publicly available data on all the major companies within the narrowed down industries. As most of the times the companies are privately held hence it is not possible to find financial information on them or any audited data. So after going through the industry, we finalize on the industry which we want to pick and do analysis on the top organizations to see which companies we are willing to contact.

3. Once you find companies to contact, do you always get a favorable response from them?

- As said prior, we contact companies to create a rapport first. But we do not always even get the chance to create a rapport as sometimes they are not interested in expansion or any kind of financial activities outside of their organization. Which we understand and we are prepared about the fact that we will never get 100% of the companies we approach. But most often, the companies are really cooperative and they are eager to sit down with us over a coffee or have a formal discussion about the state of the company. Those meetings help us with information that we can further associate with the research we have done. The connections and the information gathered are very important. And the impression that we leave behind is the main purpose of these meetings. Because we want them to think of IDLC as their first choice when they require financing.

4. What makes IDLC Finance PLC. attractive to the corporate clients? What offerings does IDLC provide that would make corporate clients choose them over any other financial institution?

- Other than IDLC's four decade long legacy and lucrative debt financing structuring, the main factors that attract corporate clients are that IDLC can provide bulk car loans faster than any other financial institution. This factor has been a staple for IDLC for a while hence many of our older corporate clients are still taking out car/truck loans from us. Another factor is, we have our own way of creating loans that are intricate and customized to the liking of our clients. A lot of our corporate customers prefer the approach we take to structure the loan. Moreover the addition of green financing in the corporate division has become quite attractive to both national and international corporate clients of ours as investing or taking out loans for these machines which are energy efficient provides a government subsidy on the company. These are few of the factors which attract the corporate customers.

5. In terms of client acquisition, corporate clients are scrutinized based on many variables. What are the factors that corporate clients need to focus more in order to be in IDLC's radar?

- Corporate companies need to have an adequate existence within the industry that they are in. They have to stand out with their financials, brand image, and their activities. You need to have a respected and verifiable presence in the market. Also the corporate companies do need to showcase their ability to grow with the information they choose to make public. Most of the time what we see are marketing flaunting about their current standings rather than presenting a forward looking approach to their operations. But there also are logistics companies and companies that are not in the limelight, although they do not need marketing to sell their products but they do need to have engagement within the industry and have to make valuable information accessible to the public.

Loan Approval Process Questionnaire:

1. Before going to the crux of the matter, what is the loan approval process?

- So once any client asks for debt financing, we set up meetings to find out all the details about what kind of loan they want and what benefits we'll offer. Once the details are known, then the loan approval process begins. The process includes figuring and creating documents around the loan expectation, providing our analysis on the company and industry and issuing the information about the loan facilities. Hence the approval process is a culmination of all the activities that goes behind providing a loan to a corporate company.

2. Does the analysis of the company happen before they ask for a loan or after they ask for a loan?

- There is preliminary research done before we approach the client and after approaching we gather more information to add to our preliminary research. But once the company asks for a loan, we do a deep dive on the company. From assessing their operations to analysing their financials to checking their other debt obligations and their performances. The main research or analysis is done after the company asks for loan support.

3. Is the assessment done purely on the financials of the company or are there more factors IDLC considers before providing the company with a loan?

- So what the corporate division does is analyze the whole company to assess how risky or non-risky the company is. Financials are very important when it comes to analysis but that is not the end all be all. We do thorough analysis on their company activities both internal and external. We investigate the influence it has on the industry it serves, we find out information about the owner to verify and we also analyze their loan obligations with other financial institutions. The loan proposal is created to give an overview of the company while simultaneously providing an assessment of risk. Financials play a big part in our proposal and that has more weight than other factors. But a proposal cannot be made with only financials

4. What kind of financial analysis is done to assess the company?

- We check their 3 years of income statement and balance sheet to start our financial analysis. We do analysis on the sister concerns of the company to see the portfolio of the company. There's also CIB analysis done to find out what are the debt obligations of the group of companies and detailed information is provided on each instrument. It is a confidential document that is provided only to financial institutions by Bangladesh Bank to assess the risk of the companies. There is no mention of which financial institutions are facilitating the loans but the information about installments, non-installments, tenure and overdues are all present. Then a debt service coverage rate is calculated based on the financial data that has been collected on the company. This calculation indicates the company will be able to pay back the loan that they borrowed. (Details of the answers are kept confidential)

5. What is the most important element when it comes to the financials for the companies?

- Confidential.

6. Are repeat clients subject to the same kind of scrutiny?

- While certain in depth analyses are not required for repeat clients, when it comes to financial analysis all companies, new or old, go through the same amount of rigorous assessment. A few things are waived when it comes to their existing relationship and they do get some benefits which are included in the provisions of the proposal (confidential). Hence it can be said they are less scrutinized.

7. What internal departments are involved in the loan approval process? And what are the steps after the companies get fully assessed?

- The departments are large corporate loan department and green financing department of corporate division, credit risk management department, and credit administration department. The latter is only associated with providing documents. They are not involved in assessment procedures. Credit risk management department is the next step where the proposal gets assessed after the corporate division. They provide risk mitigation solutions to the loan and feedback on how the risks are being assessed. Then once they approve the proposal it goes to the credit evaluation committee for further clarification and lastly goes to the board of directors for final approval.

8. Is collateral always required for corporate loans, and if so, how is its value assessed and verified?

- Yes, it is always required. But the form of collateral does not need to be the same, it can be anything that has a tangible value proportional to the loan obligation. (The later part of the answer is confidential).

9. How does IDLC handle cases where a company has strong growth potential but weaker short-term financial performance?

- This is handled with top level executives by setting up meetings and figuring out if the growth potential is lucrative enough to consider their current financial performance. There are ways that are assessed with IDLC but those are confidential information.

10. Does IDLC conduct site visits or physical inspections of the business before approving a loan?

- IDLC conducts thorough physical inspections with members of the corporate division and at times with officials from Bangladesh Bank to assess the state of the business. Moreover, after the investment, further site visits are done to ensure that the allocated loans are properly executed or not.

Appendix B

Initial Proposal of the Report

"A Comprehensive Study on the Procedures and Analysis Employed by IDLC in Determining Loan Eligibility of Corporate Clients"

Objectives:

1. To focus on the assessment required for making loan decisions
    - Exploring the due diligence NBFIs need to conduct to vet their corporate clients.
    - Present an extensive analysis for institutions and individuals to understand the intricacy of providing large corporate loans.
    - Expanding on the protocols necessary to get approval for debt financing.
2. Determining different approaches alongside exploring more efficient ways to obtain clients and expedite the loan process.
3. Comparing the distinction between NBFIs such as IDLC and traditional banks in terms of extending credit facilities.

Background Information:

NBFI or Non-Banking Financial Institutions are made of diverse activities that range from providing loans, leasing vehicles to venture capital investing and many more. The existence of NBFIs such as IDLC are rooted in the practice of providing higher yielding loans that traditional banks are unable to provide alongside giving clients access to far more arenas of the financial world (Hossain & Shahiduzzaman, 2002). In this paper, the focus will be on IDLC and its large corporate clients. These corporate institutions acquire loans from IDLC to support their working capital, lease automobiles, and expand operations and other financial needs. While on paper it pertains to the fact that large corporations are the ones who approach for loans from NBFIs but it is more of a symbiotic relationship. Where financial institutions seek out clients to whom it can loan in order to get profitable returns, similarly corporations look for financial institutions which can provide loans at max and ensure lucrative opportunities. From the IDLC's point of view, there is a requirement for acquiring clients based on certain criteria simultaneously convincing corporations to enlist their services instead of banking institutions. The paper will work on exploring such relationships between clients and IDLC and showcase the processes pursued by the non-banking financial institutions to make the decision to grant debt financing facilities to large corporate clients from start to finish.

Preliminary Methodology:

The paper aims to work with empirical evidence obtained from NBFIs working in Bangladesh, most importantly the primary information will be collected from associate relationship managers and relationship managers of IDLC Finance PLC. Besides primary data collection, it will be done based on prior research papers and articles done on the activities of NBFIs in Bangladesh and in the international sphere. Mundy (2024) research on alternative lending processes can provide new ideas on how to expedite and innovate the assessment procedures alongside Rahman et al. (2023) study on the efficiency of NBFIs in Bangladesh can be used to analyze the macro factors that financial organizations are involved in.

Significance of the issue:

1. As of my research, there has not been any extensive research done on how NBFIs secure loans from large corporations, hence there is a gap in the literature which this paper can aim to provide information to.
2. Loans are an important factor for any large organizations to run, hence information on what criteria are emphasized or examined when it comes to providing loans can be beneficial for both clients and loan providers alike.
3. An in-depth analysis on the procedures can illuminate many discussions on what is the most efficient way to procure a loan and on the other hand can highlight the due diligence that goes into giving out loans to large corporations.
4. The information accessed in this paper has been attained through internal investigation and data collection which is not easily replicable.

Timeline of the work:

The first chapter is aimed to be finished by the first week of May as the internship program I am enrolled in will end on the 10th of May hence the chapter will be done by 4th of May tentatively. As for the second chapter, I expect to complete it by the second week of April. The final chapter would require me to do in-depth research and conduct interviews. I expect the data collection would be done by the middle of April and the final paper would be completed by 29th of May 2025.