INTERNSHIP REPORT

Course ID – INT 4399

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United International University
QUEST FOR EXCELLENCE

Submitted to

Ms. Nusrat Farzana
Assistant Professor
School of Business and Economics

Submitted By

Tajdica Chowdhury
ID: 111152062
School of Business and Economics

Intern, Finance Department, IPDC Finance Ltd.

An Analysis on Approach to Sustainability of IPDC Finance

September 27, 2020

Ms. Nusrat Farzana
Assistant Professor
School of Business and Economics
United International University

Subject: Letter of Transmittal for Submission of Internship Report

Dear Madam,

With due respect, I hereby submit my internship report titled as “An Analysis on Approach to Sustainability of IPDC Finance Ltd” for your perusal. As per the requirement, for the completion of undergraduate studies at School of Business and Economics, UIU, submission of this report marks my completion of the credit course INT 4399.
This report reflects upon the summation of the sustainability approaches of the largest non-banking financial service provider of Bangladesh-IPDC Finance Ltd. Additionally, I have analyzed some of the key financial ratios to see the effect of sustainability initiatives on companies’ financial health.

I truly look forward to your feedback or suggestions on the report and request your approval and acceptance thereby.

Sincerely yours,

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Tajdica Chowdhury
ID: 111152062

School of Business and Economics

Intern, Finance Department, IPDC Finance Ltd.

Executive Summary

The internship report titled "An Analysis on Approach to Sustainability of IPDC Finance Ltd" aims to discuss the sustainability approaches taken by IPDC Finance Ltd. In running their successful businesses in the non-banking financial industry. The company is one of the pioneering one who strengthens Stakeholder Inclusiveness, Sustainability Context, Materiality, Completeness. They give continuous emphasis on work activities away from pen and paper to contribute for green environment and congenial work environment. They have impressive strategy to conduct the business operations as well as keep positive contributions towards environment, people& society, and the sustainable development goals. The report will further discuss some of the key financial ratios to analyze the impact of sustainable activities towards organizational objectives. In addition to that the report will analyze the contribution towards green banking, green finance activities of IPDC Finance Ltd and compare the data with it's competitor to see the comparative picture of it. Finally, the report will end up with SWOT analysis, challenges and recommendation.

Contents

Introduction

Bangladesh, one of the quickest creating economies on the planet has seen a huge ascent in the quantity of Non-Banking Financial Institutions (NBFIs) throughout the most recent twenty years. Industry specialists accept that these foundations have been assuming a urgent function by offering extra monetary types of assistance, which are typically not given by the neighborhood banks, and helping shape the economy. The nation, otherwise called the South-Asian Tigers on the planet economy field, comprises of an aggregate of 34 presently working NBFIs, of which just 3 are possessed by the Government. This shows how exceptional the opposition is among the exclusive firms, attempting to top in the business by offering types of assistance to lion's share of the partners, if not all.

Despite the fact that the monetary area of the nation has gone through a distressing time during the year 2018 with banks and monetary establishments confronting difficulties to develop their accounting reports and keep up spread and with the fast expansion in the quantity of non-performing credits in the monetary area, antagonistically influencing the general productivity of the business, partners are as yet confident that the speculation atmosphere would improve.

Organizational Overview

IPDC Limited, recently known as Industrial Promotion and Development Company of Bangladesh Limited, set up in 1981, holds the title of being the first exclusive monetary organization of the nation. Using the principal mover's bit of leeway and moving toward supportability in an interesting way, the organization actually figures out how to be prestigious as one of the top of the line NBFIs in the nation at the present time. With the point of getting prestigious as the most energetic monetary brand in the nation, which doesn't just the limit itself to the monetary incorporation of its clients however goes past to permit them to live with no limits.

After the freedom of Bangladesh in 1971 when the whole nation was struck by the post-war difficulty, Industrial Promotion and Development Company of Bangladesh Limited (IPDC of Bangladesh Limited) was framed to go about as a help, expected to investigate and thrive the possibilities of the country. After its initiation, IPDC Finance has consistently assumed a vital function in building up the nation's modern scene. In spite of being the quickest developing monetary foundation of the nation at the present time, the organization plans to go broaden and go past the numbers to make a positive effect in the general public and affect the lives of various more individuals by offering moderate home advances, supporting ladies business visionaries and SMEs and building up themselves past megacities.

Throughout the long term, IPDC has set exceptional spotlight on youth, ladies and under resourced and oppressed regions with a mission to empower and motivate clients and their networks to stretch out their cutoff points and live to their fullest possibilities. The organization has underlined to achieve this mission by expanding imaginative monetary arrangements in a client neighborly, convenient, straightforward and savvy way.

The items and administrations being offered by IPDC through its cross country developing branch network goes from retail, corporate, SME, ladies business venture, calculating, and so forth The reach further incorporates the securitization of receivables, inclination share speculations, renting, funding venture and 360-degree carefully mechanized flexibly chain financing under Project Orjon, purchaser white merchandise financing under Project EZ and Project Dana – which manages retailer financing.

Vision

“To turn into the most enthusiastic monetary brand in the nation with exceptional spotlight on youth, ladies and underserved zones."

Mission

"To empower our clients and networks to rise unbound, to satisfy their fullest potential by expanding creative monetary arrangements in a neighborly, ideal, straightforward and financially savvy way.

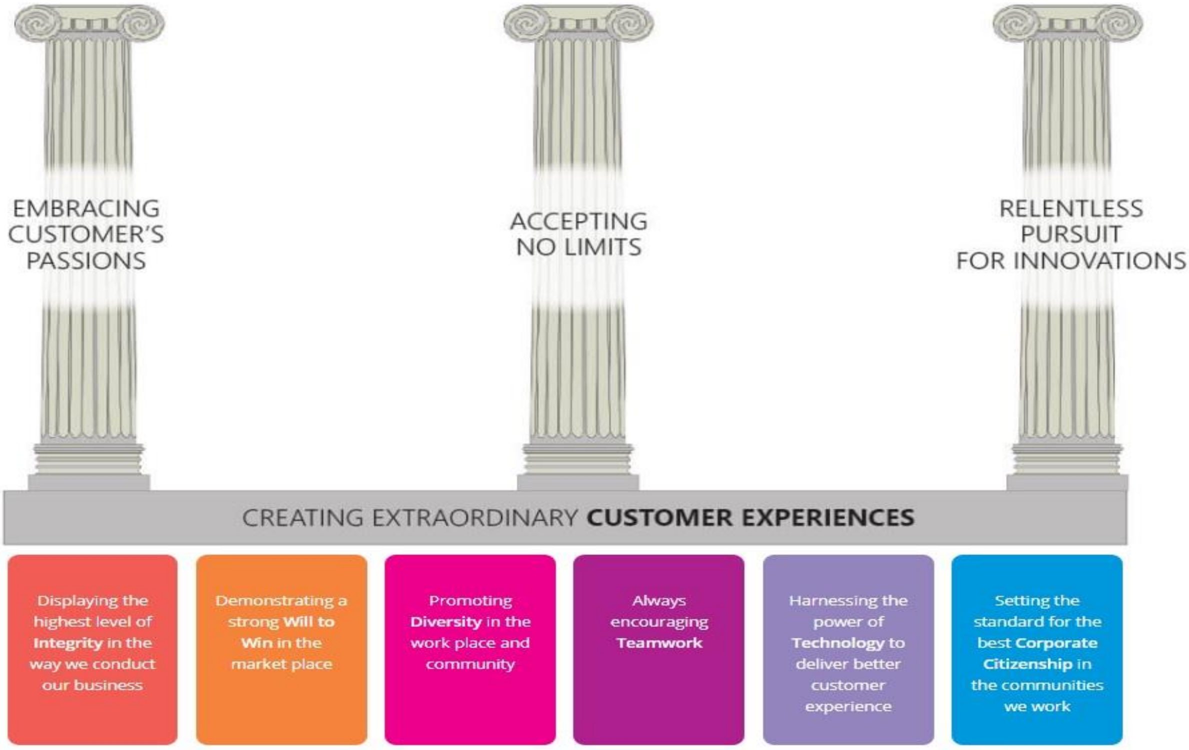
Values

We will make exceptional client encounters by:

• Serving our clients with enthusiasm and genuineness

• Going past the typical honorable obligation

The company has well defined vision along with mission statement and set of values. IPDC finance Ltd. certainly has the right direction and they have proved their position in the market being the leader in the non-banking financial industry. They have highlighted three groups of people in attaining their market standing; youth, ladies and undeserved zones. The mission statement and values portrays the present set of activities they hold strongly to achieve their vision.



Nationwide Branch Network

The company currently has 12 operating branches including the Head Office Branch situated in Gulshan, Motijheel, Dhanmondi, Uttara, Chattogram, Bogura, Gazipur, Narayanganj, Sylhet, Mymensingh, Jashore and Cumilla.

Objective of this report

The primary objective of this report was to understand the depths of the initiatives that IPDC Finance has undertook in order to approach and remain consistently sustainable in the NBFI Industry of Bangladesh.

Besides, the preparation phase of this report has created the need for and also allowed to meet certain objectives, such as:

- Learning about the NBFI Industry of Bangladesh and prepare a Porter's Five Forces Model to analyze the competitiveness of the industry

- Learning about IPDC as an organization; its mission, vision, values, etc.
- Learning about the outcomes of initiatives that IPDC is undertaking, in order to remain sustainable
- Developing a SWOT Analysis based on the practices of IPDC's approach to sustainability

Literature Review

The interest for assets for improvement likewise expanded corporate weights for manageability. Therefore, it is important for associations to receive measures tending to the need to actualize another plan of action, which permits a supervisory crew worried about the economy and the streamlining of assets to make reasonable plans of action a key interest of the association (Comin,2019).

Our advantage in maintainability begins from a business setting. In every association, the conditions that lead to supportability are to be reclassified, the presentation markers to be made and afterward to be estimated. As depicted by Maguire and Hardy (2009), Rachel Carson's analysis of corporate practices in Silent Spring (1962) have pushed associations to develop towards maintainability. By manageability, we can allude to the Bruntland definition (1987) of addressing the requirements of the present without trading off the capacity of people in the future to address their own issues. At that point a qualification was made by Daly et al. (1995) calling upon "solid maintainability" to safeguard the prosperity of fate of ages. This is against "feeble maintainability" where one lessens negative effects however doesn't pursue killing them totally.

Maintainability is the critical angle in driving the methodology making cycle of the business brotherhood. Holding this philosophy in high respect, IPDC go all-out to save a livable globe for ages to come.IPDC isn't just the pioneer monetary foundations in the nation to execute Bangladesh Bank's Green Banking Guidelines in stages however has additionally grasped new open doors for financing and venture approaches just as portfolio the board that pursue the making of a solid and effective yet the low carbon economy. IPDC has keeps up a totally Green Banking Unit exclusively committed in building up, planning, assessing and administrating exercises identified with green banking issues.(Website IPDC Finance Ltd-IPDC green banking policy,2020)

Methodology of the study

In order to prepare this report, in depth information about IPDC's approach to sustainability was required. As a result, secondary research was heavily emphasized on during the preparation of this report.

The most useful and reliable source of document, in order to prepare this report, was IPDC's Annual Report of 2019. This report provided detailed information about the organization, it's background, stake holder community, financial performance, etc. Moreover, this document also provided with detailed insights on the initiatives taken by IPDC to approach sustainability and their outcomes.

Apart from this document, the website of IPDC Limited was also used in order to gather key insights about the organization. Furthermore, in order to gather more detailed information on IPDC's approached to sustainability, the company's Annual Report of 2018 was also utilized. External sources such as academic websites were also used to gather secondary data.

Limitations of the study

Since, this report has been created solely based on the information gathered from secondary research, I believe certain parts of the report could have been more validated, if access to the organization was made possible.

A physical access to the organization would have exposed us to a wider set of verified insights and would have made this report much richer in terms of information and quality.

IPDC's Approach for Sustainability

With a wild rivalry shaping up throughout the long term and a persistently expanding partner network, IPDC has invested on huge energy to stay feasible in the business.

The organization has continually reestablished their technique in the ongoing years to turn out to be all the more reasonably solid with the conviction that 'an economical business is a savvy business'. Thus, to remain economically serious, the organization centers on reinforcing of the accompanying measures - Stakeholder Inclusiveness, Sustainability Context, Materiality, and Completeness.

In addition, consistently the organization expects to ceaselessly impel its announcing revelations, guidelines and quality to a far and away superior state. Notwithstanding that, IPDC has utilized the Global Reporting Initiative (GRI) system to manage the announcing of the maintainability proclamation.

While endeavoring to guarantee that the in advance of referenced standards have been centered around, IPDC ceaselessly screens and assesses their advancement, in view of Accuracy, Comparability, Balanced Stability, Reliability, Clarity, Timeliness, Consistency and Transparency.

All these manageability related activities have been organized so that it guarantees proceeded development and progress. The association accepts that by investing consistent energy to improve the general operational productivity and implanting manageability approaches into their strategic policies they will have the option to make long haul business progress.

Additionally, the organization's vital methodology comprises of 3 center perspectives, as the accompanying:

1. Business
2. Environment
3. People and Community

Every one of these viewpoints having particular key goals and modified activity plans, which are started by IPDC as needs be.

Figure 1 - Source: IPDC's Annual Report of 2018

Business

An effective and developing business helps manageability and IPDC solidly puts stock in this thought. Along these lines, accomplishing productive development assumes an indispensable function behind turning an organization reasonable over the long haul. Thus, IPDC can keep adding to a tough economy and giving work to the neighborhood networks.

In addition, IPDC organizes manageability a focal job both in the association and in their system as they immovably accept that development of the organization goes connected at the hip with the development of the business while helping their partners and networks to flourish, giving a defend to climate. For every one of its 3 maintainability center regions, IPDC structures an unmistakable key target which is set up to guarantee their supportability exertion in the individual territories is improving as far as financial, ecological and social effects and adjusting the business direct with IPDC, its manageability vision and mission.

Besides, consistent reinforcing of corporate administration is viewed as fundamental to being serious in IPDC. Thus, a customary audit of strategies is directed to guarantee that the organization remains consistent to current principles and furthermore envisioning potential methods of break later on. IPDC is additionally attempting to improve their danger the board by increasing a precise arrangement and attention to each kind of danger, and by set up a fitting danger the executives structure to keep up the sufficiency and ampleness of the executives and made sure about steady pay likewise with days number of days, monetary foundations are being presented to more intricate and different danger, encouraging the significance of danger the executives.

IPDC additionally advances monetary strengthening through their items and administrations and this one of their significant ways to deal with stay economical in the business. Proceeding to help the SMEs area as they assume a fundamental function in diminishing joblessness rates and mitigating destitution in the network, IPDC is at present one of the main parts in gracefully chain account with an emphasis on building a stage for their SMEs to improve their monetary exhibition through Supply Chain Financing. A development in SME portion with a CAGR of 110.9% bears the evidence of IPDC's proceeded with responsibility in making business people.

Experiences, from IPDC's Annual Report for the year 2019 shows that the organization has made critical enhancements in these viewpoints, for example Advances a lot; Deposits; Revenue and Net Profit, in the course of recent years. These experiences were outwardly spoken to in their Annual Report, utilizing the accompanying chart.

Moreover, IPDC has received the accompanying basic beliefs to defend the interest of partners, as they are ones to assume a significant function behind the maintainability of the organization. These basic beliefs have been separated from IPDC's Annual Report for the year 2019 and have been recorded underneath:

- Addressing customer needs immediately, fairly and with most extreme significance.
- Continuing to build up the representatives' latent capacity and abilities at all levels inside the association by compensating exceptional execution and elevating from inside to build up an atmosphere of exclusive standard and accomplishment.
- Remaining quality-disapproved and gave to maintaining IPDC's corporate and culture.
- Continuing its own and corporate association in exercises profiting the general public and country.
- Upholding the estimations of the networks.
- Pledging to stay alarm to financial changes which influence our organizations, and to react to ever-changing business sector requests.

- Continuing to stand up to all difficulties through arranging, adjusted expansion and efficient development.
- Taking duty towards the partners truly and remaining resolved to be a model for others to follow.

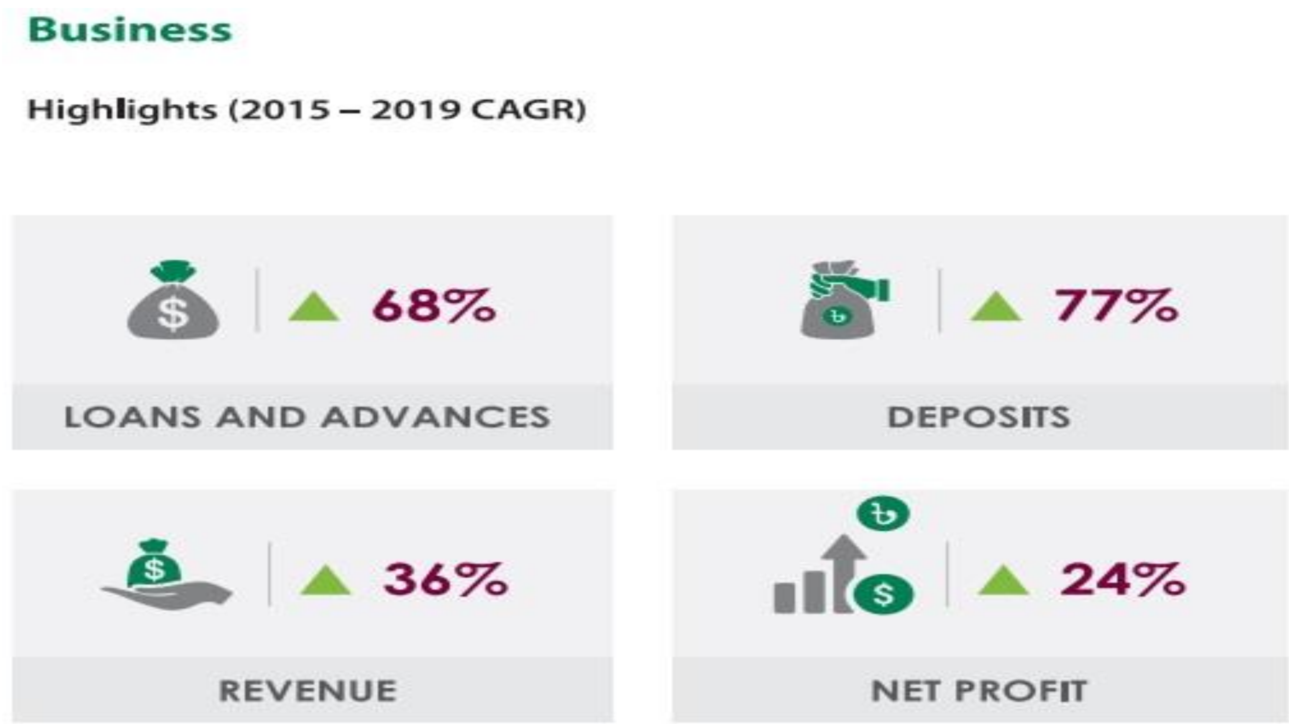


Figure 2 - Source: IPDC Annual Report of 2019

Environment

Developing business sector action and expanded worldwide thoughtfulness regarding natural issues have featured the significance of diminishing our biological impression and being one of the biggest NBFIs, IPDC is continually investing amounts of energy to do their spot in adding to the ecological activities. The organization accepts that the advantages of becoming environmentally friendly goes past liking helping the climate and straightforwardly sway business, both as far as diminishing operational expenses, just as smoothing out cycles by making them more proficient. In addition, IPDC is persistently moving ceaselessly from the act of pen and paper-based methodology of directing tasks.

Bits of knowledge, from IPDC's Annual Report for the year 2019 shows that the organization has made huge enhancements in these perspectives, for example Going Paperless; Resources Conservation; and so forth, in the course of recent years. These experiences were outwardly spoken to in their Annual Report, utilizing the accompanying graph.

As a piece of their work in giving a green underwriting to their image while supplementing their current CSR plan, IPDC planted trees in the neighboring territories of its branches to feature the convincing issue of shielding the Earth. Also, IPDC has taken a stand-out activity of preparing kids in regards to tree ranch, housetop cultivating, indoor plants, hydroponics, housetop fish cultivating, creepy crawly gallery with a mean to rouse an age associated with Earth and cognizant about the eventual fate of our planet and to guarantee a feasible development that lets both the current and group of people yet to come make the most of earth's assets mindfully.

Also, IPDC has taken the accompanying activities to lessen the utilization of paper. These have been removed from IPDC's Annual Report for the year 2019 and have been recorded underneath:

- Set printer default settings to twofold sided print and utilize the two sides of the paper for copying.
- Always utilizing print see to check records prior to imprinting to stay away from mistakes and re-printing.
- Using more modest text styles while printing to diminish number of pages whenever the situation allows.
- Before trainings or meeting course presents or minutes through email if conceivable so that printed gifts are not needed for every member.
- Keep a "reused paper" box close to each printer (or work areas) to urge representatives to use as draft paper for informal purposes.
- Reuse mail envelopes for interior and additionally informal purposes.
- Use electronic scratch pads in PCs or cell phones for individual note rather than paper journals.

Aside from planting trees and going paperless, IPDC has additionally attempted to streamline their activity to diminish impression; applied asset protection methods by sparing power to lessen CO2 discharges and moderate fuel saves. The organization likewise foresees to open a Green Branch (eco-accommodating branch) and move towards Green Financing in the impending days.

Moreover, IPDC Ucchash Social Club - a network for advancing green thoughts - was framed in 2017 and is liable for a few social and natural activities which were taken up, for example, Public vehicle day, Clean Workstation Day, and so forth, etc.

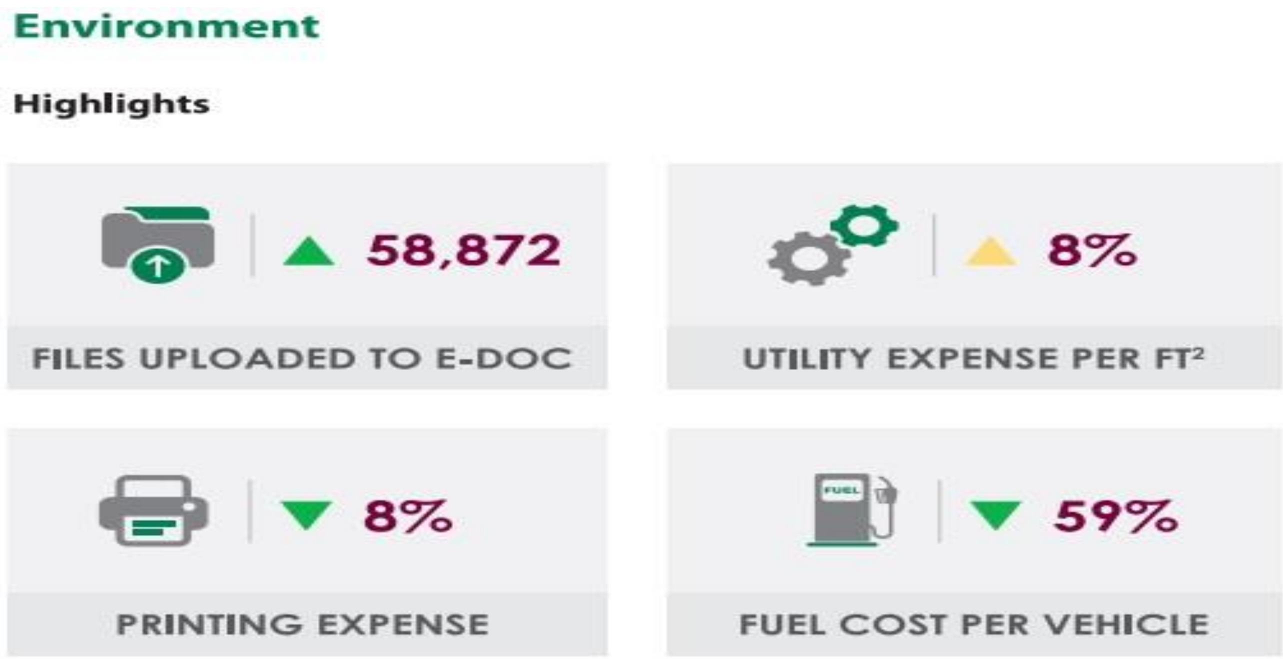


Figure 3 - Source: IPDC Annual Report of 2019

People and Communities

As a push to be a dependable corporate resident, IPDC is centers around thinking about its whole network - representatives, clients and colleagues; speculators, investigators and investors; specialists and the media; and the nearby networks wherein it works.

In this way, variety and incorporation are needs in the entirety of their angles and on all degrees of work environment. Additionally, while elevating training to help the occupants of the burn territory to transcend the shackles, IPDC Finance assembled the Ucchash School without any preparation. The school currently comprises of dynamic children who presently try to seek after a sparkling future, for their own lives and their country.

Moreover, the organization is resolved to have its impact in guaranteeing social balance. Sewing machines were dispersed to engage the minimized ladies, by making them self-reasonable and free them from the weight of their proprietors. In addition, IPDC Finance itself bears the observing expenses to guarantee the redesign of their business subsequent to getting a supportable wellspring of consistent pay. IPDC Finance has likewise marked a three-year association concurrence with Narail Express Foundation (NEF) which imagines to give all sort of help to guarantee the best in class sports preparing office in the Narail locale to the huge number of children who are seeking to be the following extraordinary player.

Notwithstanding these, IPDC consistently attempts to keep in contact with the network through sponsorships while boosting their effect on the general public. They have a characterized sponsorship system which lines up with their drawn out vision for the business.

IPDC's planned activities in this center zone incorporates:

- Partnership with nearby and worldwide associations with realized ability in actualizing social ventures
- Increasing interest of ladies in their labor force
- Greater portion of female customers pulled in through particular rates and predominant assistance

Bits of knowledge, from IPDC's Annual Report for the year 2019 shows that the organization has put forth huge attempts in these perspectives, in the course of recent years. These bits of knowledge were outwardly spoken to in their Annual Report, utilizing the accompanying outline.

Figure 4 - Source: IPDC Annual Report of 2019

Commitment to SDG Goals

Moreover, IPDC concedes to accomplish the SDG Goals while zeroing in on their 3 center viewpoints as they accept that critical advancement can be made in gathering numerous improvement challenges. The Sustainable Development Goals (SDGs), all the more explicitly the widespread source of inspiration to end neediness, secure the planet and guarantee that all individuals appreciate harmony and flourishing expands on the achievements of the Millennium Development Goals, while including new regions, for example, environmental change, financial imbalance, advancement, feasible utilization, harmony and equity different concerns. IPDC accepts that it also has a significant task to carry out and add to these practical advancement objectives, accordingly, being in accordance with SDGs will thus ensure a reasonable business development of IPDC just as positively affect the general financial.

The outline in the privilege was removed from the organization's Annual Report for the year 2019 to more readily clarify and represent IPDC's commitment in satisfying the SDG Goals.

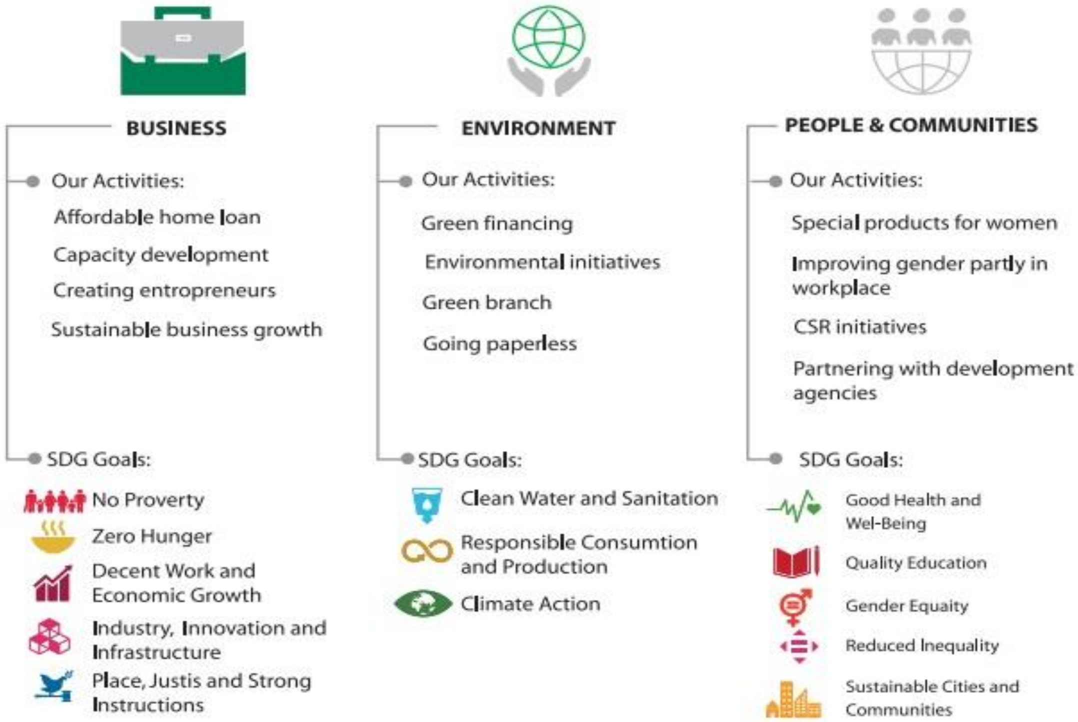


Figure 5 - Source: IPDC Annual Report of 2019

Creating Sustainable Value for Stakeholders

Notwithstanding that, the organization keeps on making manageable incentive for its partners, as it knows about the effects of this tasks and exercises in each stage. The accompanying table was separated from their Annual Report to help expand on the cycle of how they are making an incentive for their partners and their networks.

Stakeholder	How we engage our stakeholders	How we create value in long term
Customers	• Customer relationship teams • Micro marketing events • Print media • Social network	• Ensuring safety of their deposits • Providing financial services fast andEfficiently
Employees	• Team building events • Townhalls • Employee recreation club • Training programs	• Ensuring a good work life balance • Career progression opportunities
Investors	• Annual general meeting • Postal service • Website • Print media • Investors meet	• Higher returns on investment • Efficient risk management to optimize return • Transparent communication
Suppliers	• One-on-one meeting • Email • Verbal communication	• Transparent procurement policy • Fast payment for services
Communities and Society	• Social media • Website • CSR initiatives	• Optimizing resource usage in branches • Partnering with agencies for community Development
Regulators and Policy Makers	• Meetings • Letters • Verbal communication • Email	• On time regulatory reporting • Effective corporate governance

Figure 6 - Source: IPDC Annual Report of 2019

Measuring Sustainability through GRI Standard Index

To guarantee that the organization keeps on making a contact with its procedure on the life of their partners, IPDC measures, screens and guarantees their manageability while adhering to the GRI Standard Index.

The GRI Standard Index otherwise called the Global Reporting Initiative Standard Index are the main worldwide guidelines for revealing manageability. It includes a measured, interrelated structure, and speak to the worldwide best practice for providing details regarding a scope of financial, ecological and social effects. (GRI STANDARDS, n.d.)

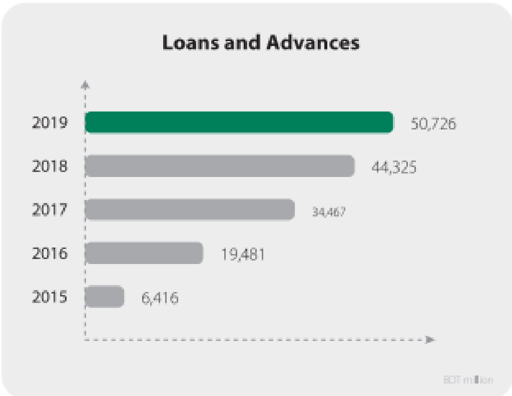
Being an association, which centers solid around manageability, IPDC improved its non-monetary announcing divulgences by incorporating maintainability detailing in our Annual Report since 2016 and are proceeding to expand on the endeavors. An activity like this has made partners available to and permitted them to pick up bits of knowledge about the organization's methodology for manageability.

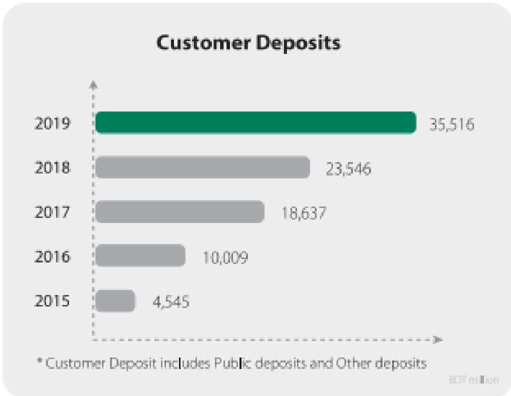
Sustainability's Impact on the Financial Aspects

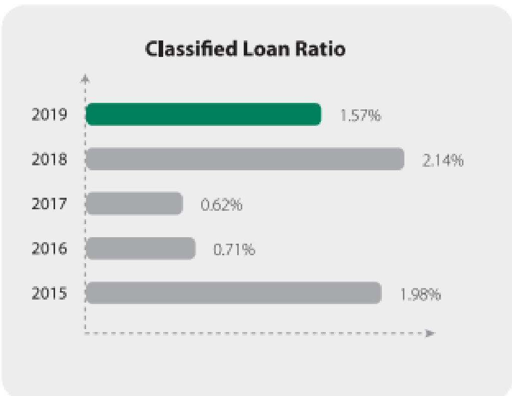
Over the years, through their actions and continuous emphasis on sustainability, the organization has kept the mission – "IPDC at its core is a purpose-driven organization with a desire to create social impact by changing the lives of people who remains beyond the reach of traditional banking, enabling them to live unbound and reach newer heights", alive.

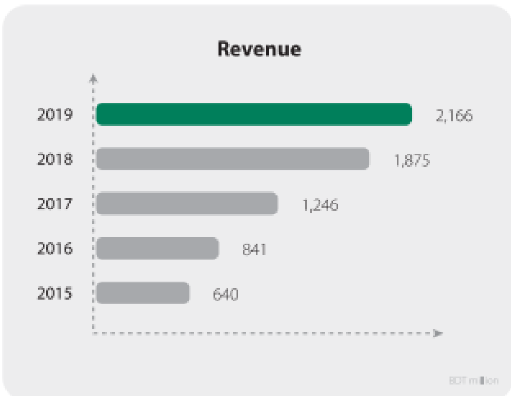
This has directly reflected on their financial performance, as a result of gaining the trust of their stakeholders, which they earned by making a meaningful impact on their lives.

The following charts, which were extracted from IPDC's Annual Report of 2019, clearly show how the ratios have improved throughout the years.



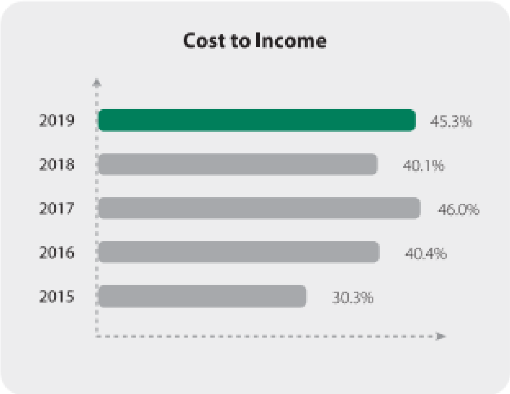


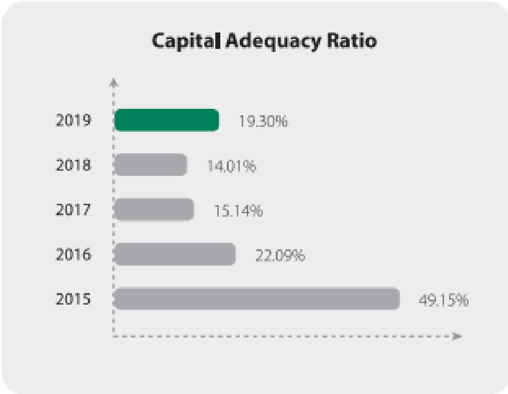


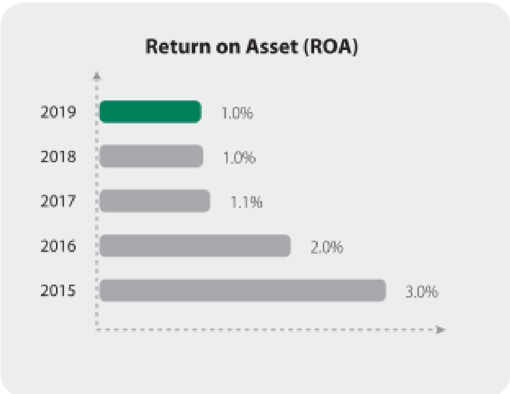


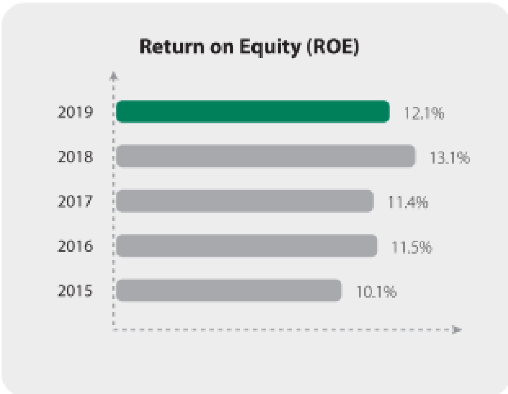

Operating Profit
2019
1,184
2018
1,123
2017
673
2016
502
2015
446


Profit After Tax
2019
562
2018
450
2017
335
2016
303
2015
240

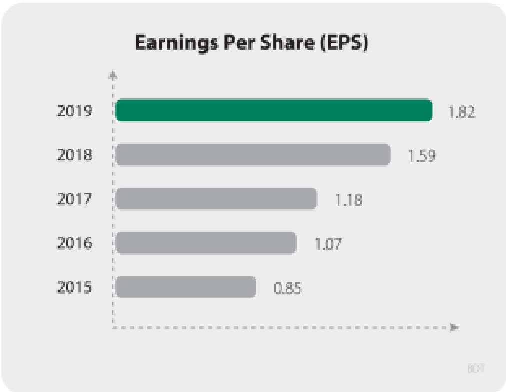

Cost to Income
2019
45.3%
2018
40.1%
2017
46.0%
2016
40.4%
2015
30.3%


Capital Adequacy Ratio
2019
19.30%
2018
14.01%
2017
15.14%
2016
22.09%
2015
49.15%


Return on Asset (ROA)
2019
1.0%
2018
1.0%
2017
1.1%
2016
2.0%
2015
3.0%


Return on Equity (ROE)
2019
12.1%
2018
13.1%
2017
11.4%
2016
11.5%
2015
10.1%

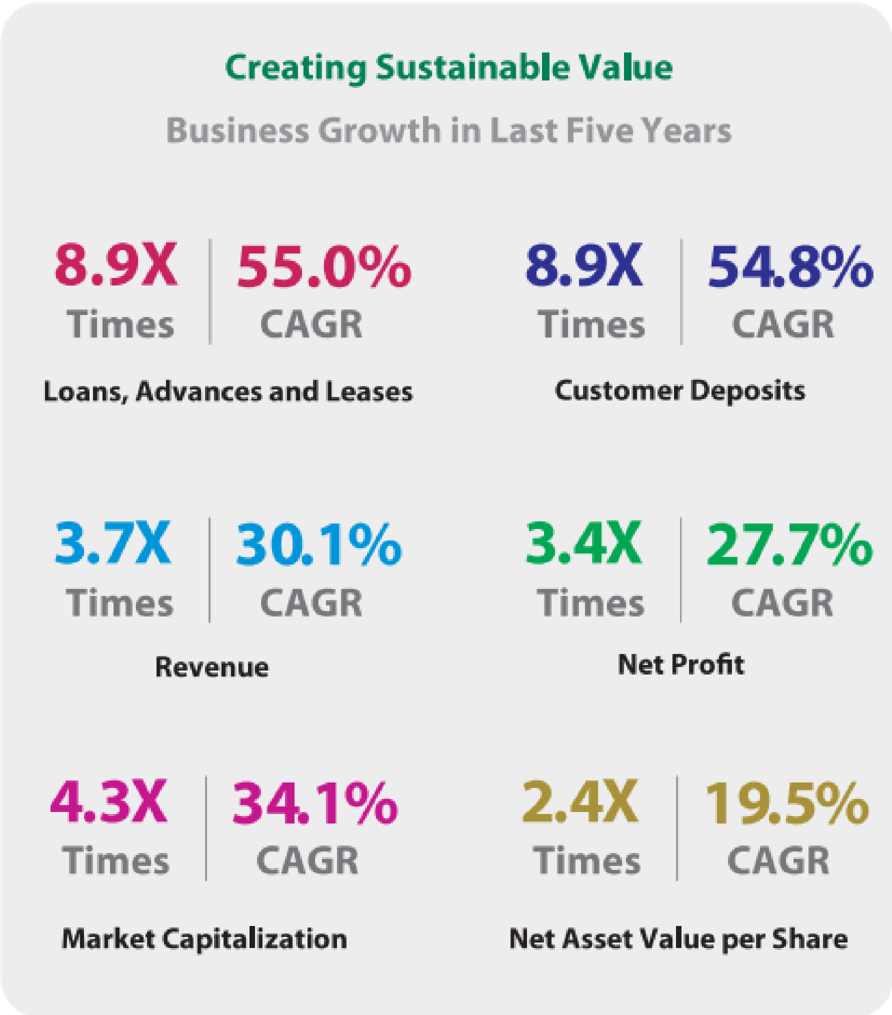

Market Capitalization
2019
9,048
2018
8,312
2017
9,108
2016
6,469
2015
3,371


Earnings Per Share (EPS)
2019
1.82
2018
1.59
2017
1.18
2016
1.07
2015
0.85

It can be deduced from the charts and ratios that at the end of the year 2019, Loans and Advances and Customer Deposits of IPDC have increased by a significant margin. This shows that the stakeholders are growing more reliable towards IPDC and as a result, the company's revenue has increased, leading to the increase in Operating Profit and Profit after Tax.

The charts also show that the Market Capitalization has increased from that of the previous year and that Earning per Share (EPS) of IPDC has been growing over the years.

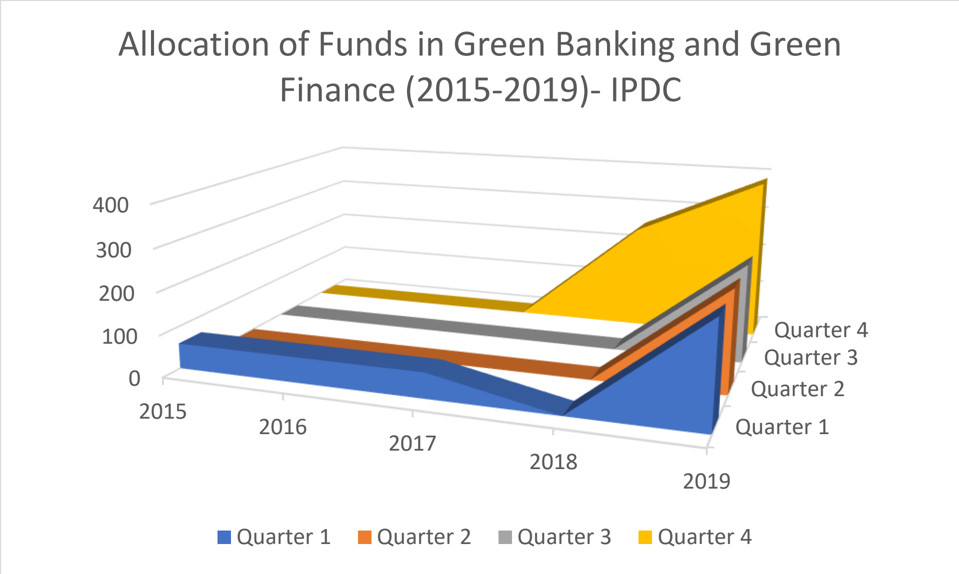
The following chart further summarizes the figures.



Comparative Analysis of IPDC Finance Ltd. And its prime competitors on sustainable approaches:

IPDC Finance Ltd

Quarters	2015 Allocations of funds in green banking, green finance & climate risk fund	2016 Allocations of funds in green banking, green finance & climate risk fund	2017 Allocations of funds in green banking, green finance & climate risk fund	2018 Allocations of funds in green banking, green finance & climate risk fund	2019 Allocations of funds in green banking, green finance & climate risk fund	Remarks
Q-1 (in million taka)	60	60	60	0.00	244.97	Total Outstanding is given for 2018& 2019
Q-2 (in million taka)	NIL	NIL	NIL	0.00	241.18	Total Outstanding is given for 2018& 2019
Q-3 (in million taka)	NIL	NIL	NIL	0.00	237.34	Total Outstanding is given for 2018& 2019
Q-4 (in million taka)	NIL	NIL	NIL	250.92	387.50	Total Outstanding is given for 2018& 2019



- Sources: IPDC quarterly progress report on green banking activities (2015-2019)

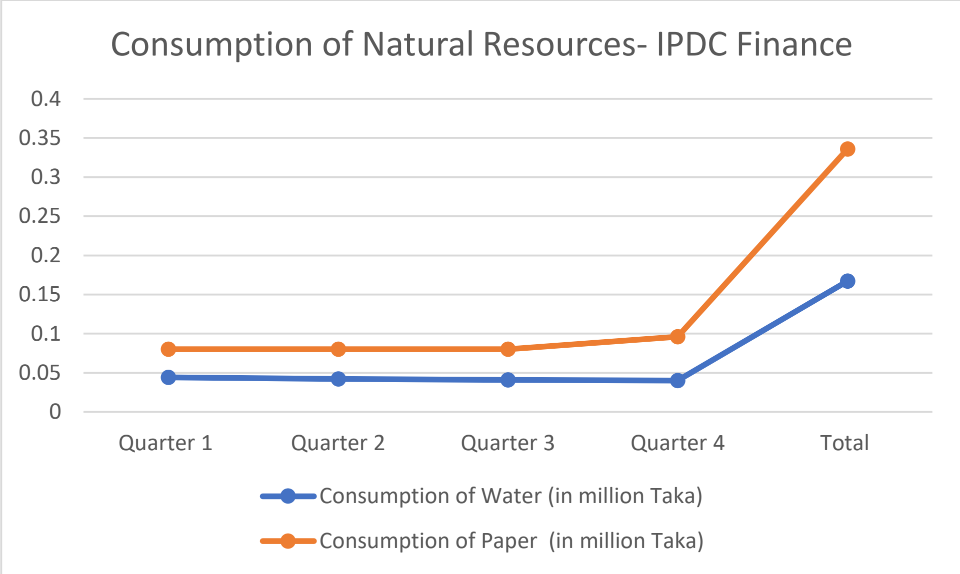
Contribution towards people, environment and communities

The Green Office Guide centers around expanding mindfulness for a climate neighborly outlook, imparting to representatives the significance of moving towards a "green" office culture, plotting ventures for lessening utilization of assets, for example, paper, energy, water just as broad wastage and exhibiting to upgrade the buy choices.

Year-2015

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Consumption of Water (in million Taka)	0.044	0.042	0.041	0.04	0.167
Consumption of Paper (in million Taka)	0.08	0.08	0.08	0.096	0.336

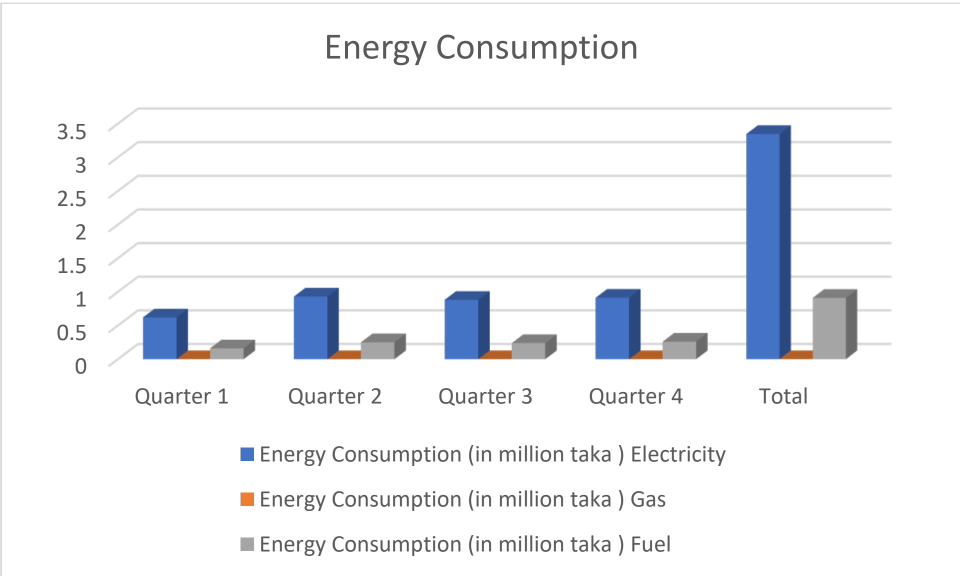
Sources: IPDC quarterly progress report on green banking activities (2015)



Sources: IPDC quarterly progress report on green banking activities (2015)

		Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Energy Consumption (in million taka)	Electricity	0.621	0.931	0.882	0.913	3.347
	Gas	NIL	NIL	NIL	NIL	No use of gas
	Fuel	0.161	0.251	0.239	0.26	0.911

- No use of gas this year
- Sources: IPDC quarterly progress report on green banking activities (2015)

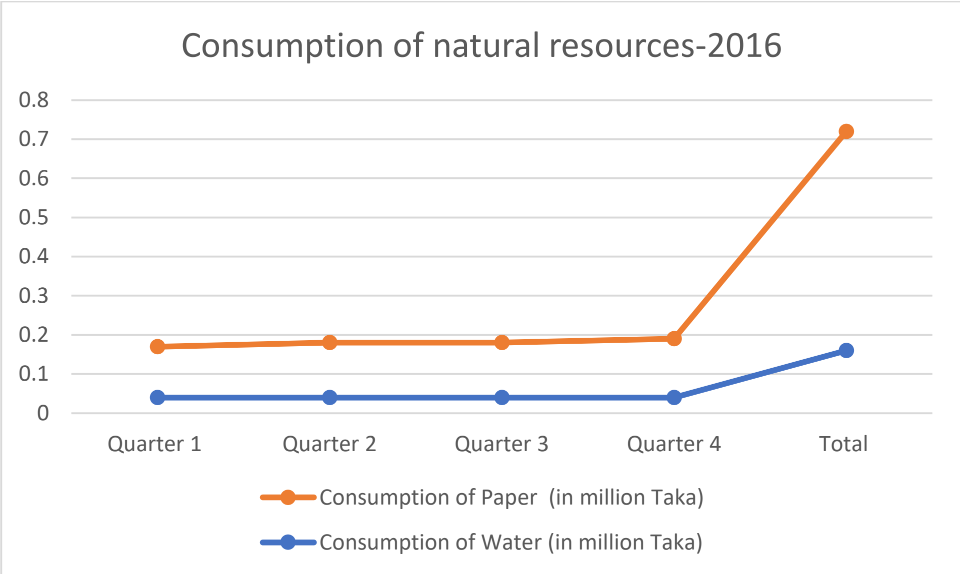


- Sources: IPDC quarterly progress report on green banking activities (2015)

Year-2016

2016	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Consumption of Water (in million Taka)	0.04	0.04	0.04	0.04	0.16
Consumption of Paper (in million Taka)	0.13	0.14	0.14	0.15	0.56

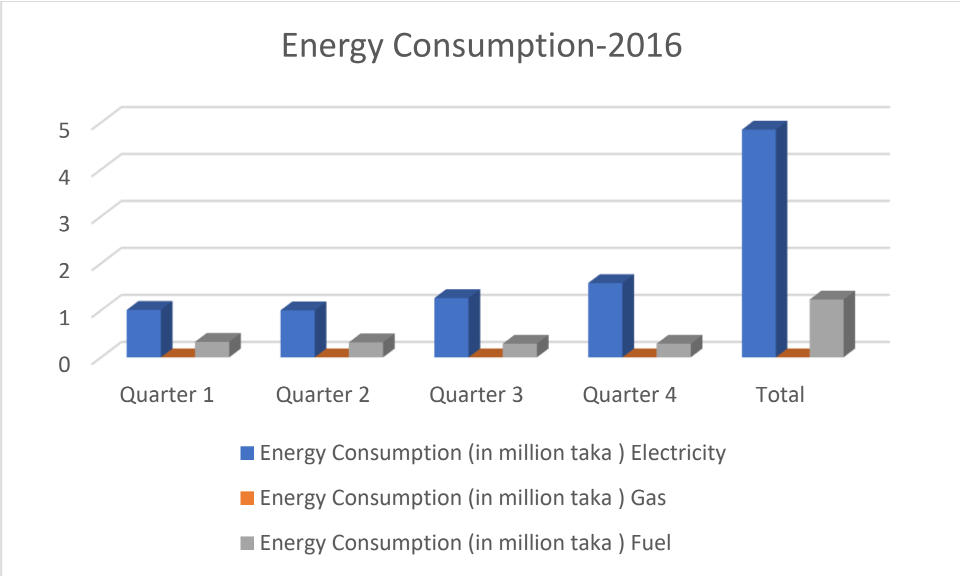
- Sources: IPDC quarterly progress report on green banking activities (2016)



- Sources: IPDC quarterly progress report on green banking activities (2016)

2016		Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Energy Consumption (in million taka)	Electricity	1.01	1	1.26	1.58	4.85
	Gas	0	0	0	0	0
	Fuel	0.33	0.32	0.29	0.29	1.23

- No use of gas this year
- Sources: IPDC quarterly progress report on green banking activities (2016)

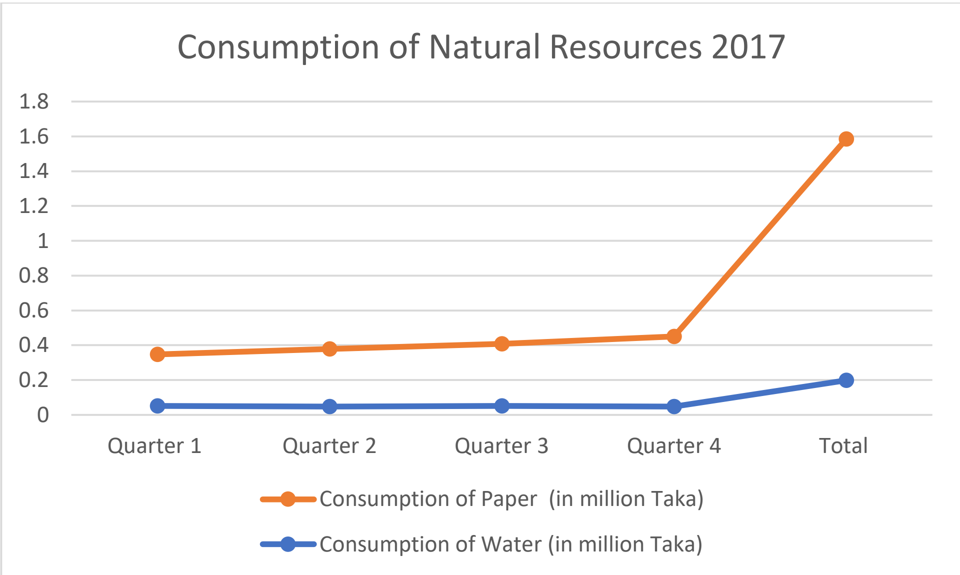


Sources: IPDC quarterly progress report on green banking activities (2016)

Year-2017

2017	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Consumption of Water (in million Taka)	0.051	0.047	0.052	0.048	0.198
Consumption of Paper (in million Taka)	0.296	0.331	0.356	0.403	1.386

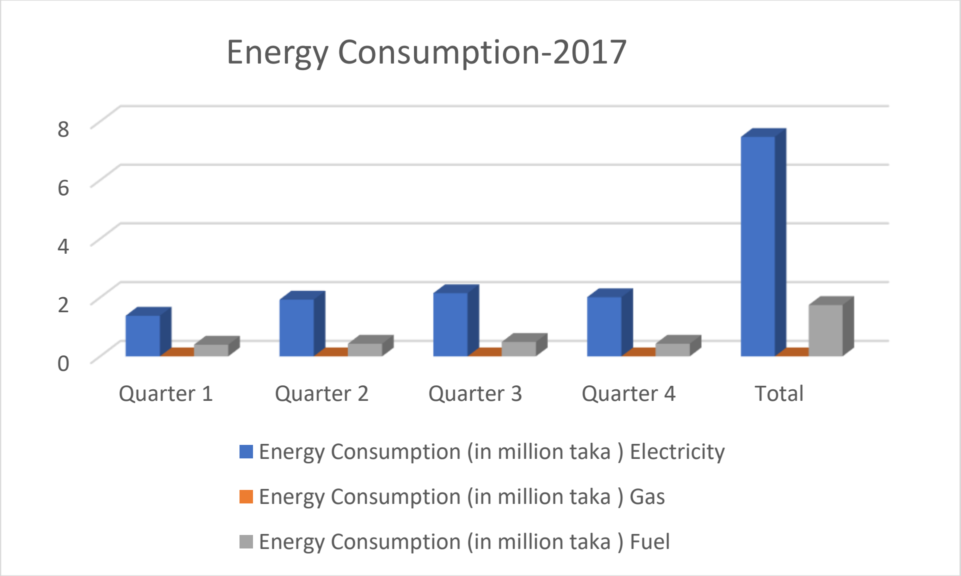
- Sources: IPDC quarterly progress report on green banking activities (2017)



- Sources: IPDC quarterly progress report on green banking activities (2017)

2017		Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Energy Consumption (in million taka)	Electricity	1.382	1.93	2.15	2.013	7.475
	Gas	0	0	0	0	0
	Fuel	0.398	0.429	0.49	0.429	1.746

- Sources: IPDC quarterly progress report on green banking activities(2017)



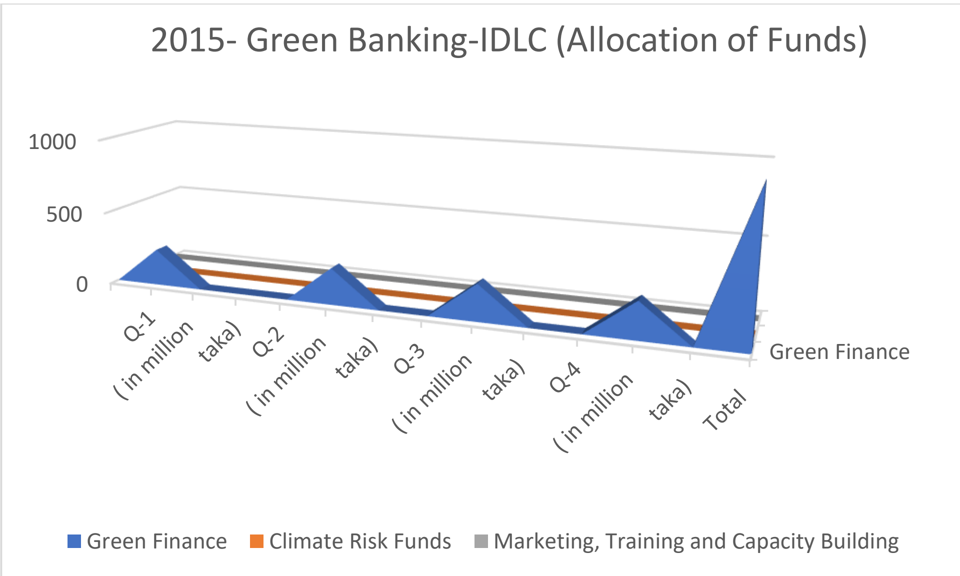
- Sources: IPDC quarterly progress report on green banking activities (2017)

Competitor's Data: IDLC Finance Limited

Allocation and utilization of funds in the Budget for Green Banking

2015 (Allocation) / Quarters	Green Finance	Climate Risk Funds	Marketing, Training and Capacity Building	Remarks
Q-1 (in million taka)	250	0.1	0.23	
Q-2 (in million taka)	250	0.60	0.27	
Q-3 (in million taka)	250	NIL	0.5	
Q-4 (in million taka)	250	1.3	NIL	
Total (In million BDT)	1000	2.0	1.0	

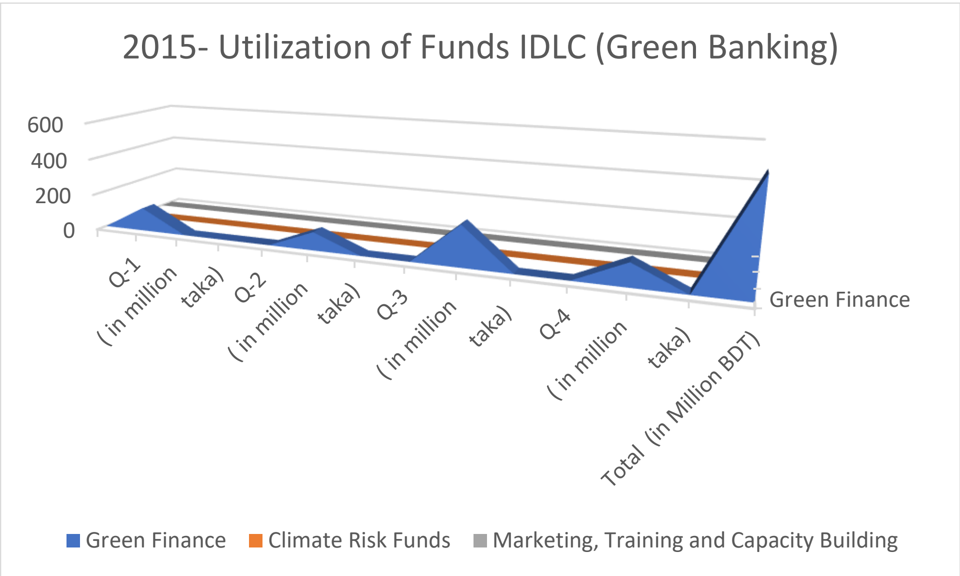
- Sources: IDLC quarterly progress report on green banking activities (2015)



- Sources: IDLC quarterly progress report on green banking activities (2015)

2015 (Utilization of Funds)/Quarters	Green Finance	Climate Risk Funds	Marketing, Training and Capacity Building	Remarks
Q-1 (in million taka)	129.65	0.07	0.18	
Q-2 (in million taka)	99.2	0.587	0.23	
Q-3 (in million taka)	220	0	0.5	
Q-4 (in million taka)	122	1.106	0	
Total (in Million BDT)	570.85	1.7627	0.91	

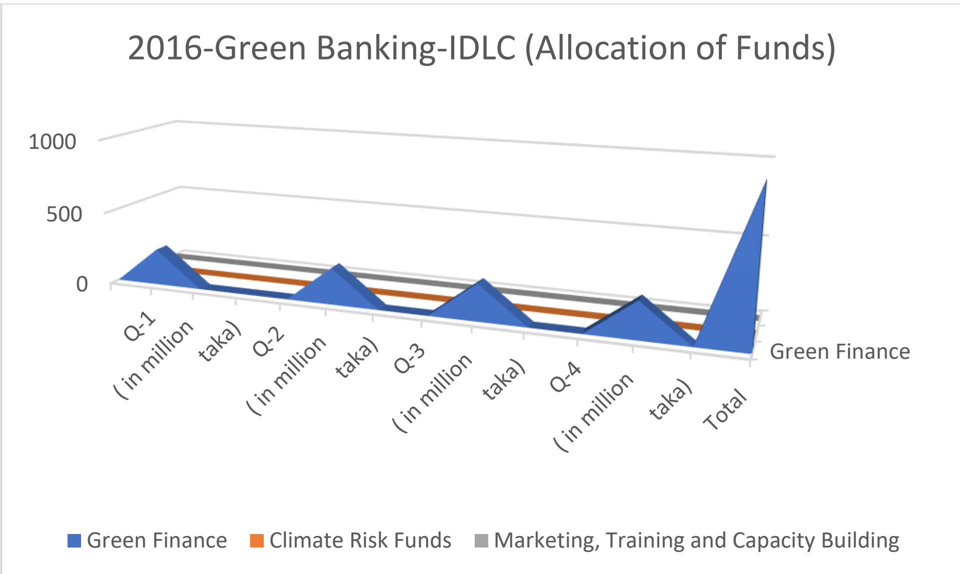
- Sources: IDLC quarterly progress report on green banking activities (2015)



- Sources: IDLC quarterly progress report on green banking activities (2015)

2016 (Allocation of Funds)/Quarters	Green Finance	Climate Risk Funds	Marketing, Training and Capacity Building	Remarks
Q-1 (in million taka)	250		0.15	
Q-2 (in million taka)	250	0.02	0.02	
Q-3 (in million taka)	250	0.75	0	
Q-4 (in million taka)	250	0.23	0.01	
Total	1000	1	0.18	

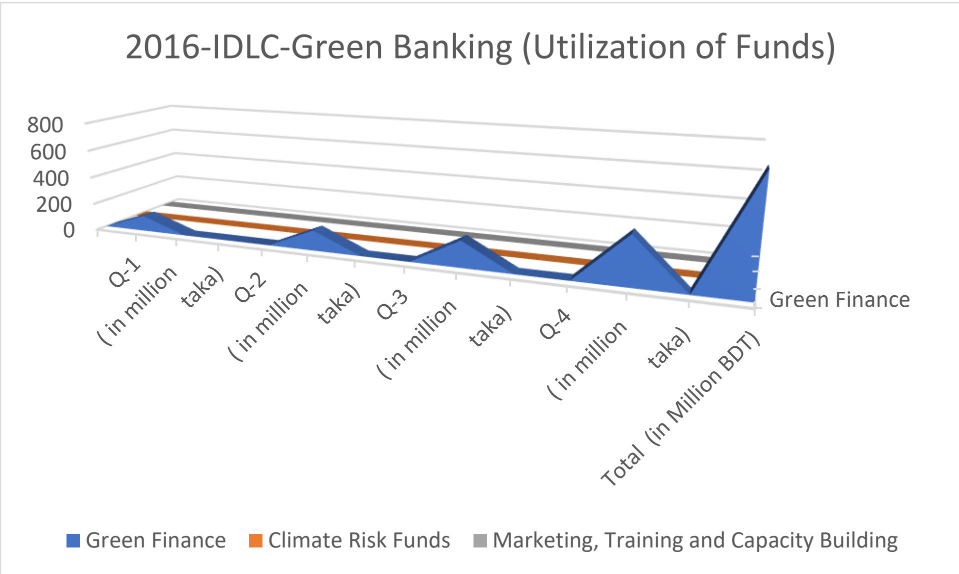
Sources: IDLC quarterly progress report on green banking activities (2016)



- Sources: IDLC quarterly progress report on green banking activities (2016)

2016 (Utilization of Funds)/Quarters	Green Finance	Climate Risk Funds	Marketing, Training and Capacity Building	Remarks
Q-1 (in million taka)	114.5	0	0.1029	
Q-2 (in million taka)	145.2	0.011	0.011	
Q-3 (in million taka)	186.77	0.5	0	
Q-4 (in million taka)	339.95	0.16	0.008	
Total (in Million BDT)	786.42	0.671	0.1216	

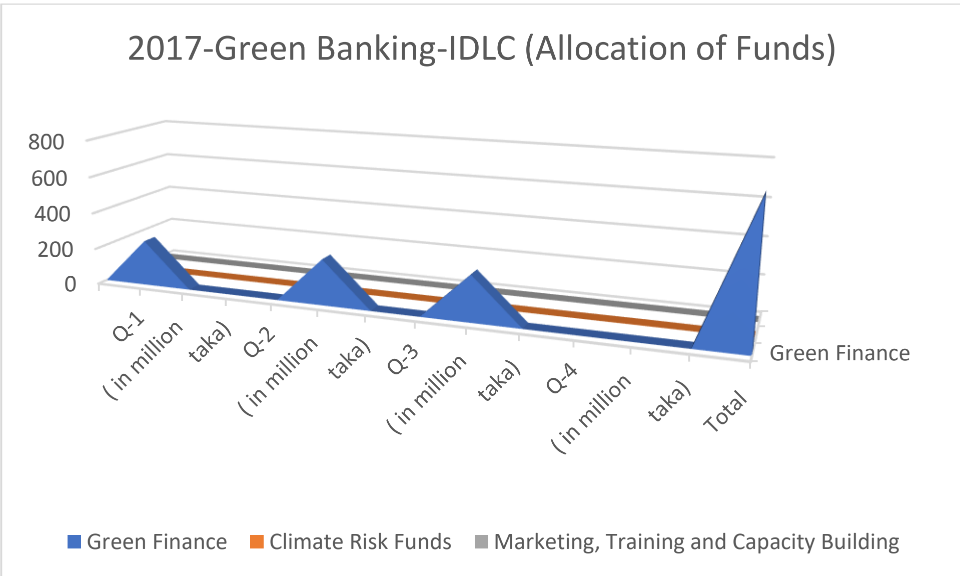
- Sources: IDLC quarterly progress report on green banking activities (2016)



- Sources: IDLC quarterly progress report on green banking activities (2016)

2017 (Allocation of Funds)/Quarters	Green Finance	Climate Risk Funds	Marketing, Training and Capacity Building	Remarks
Q-1 (in million taka)	250	0	0	
Q-2 (in million taka)	250	1	0	
Q-3 (in million taka)	250	1	0	
Q-4 (in million taka)	0	1	0	
Total	750	3	0	

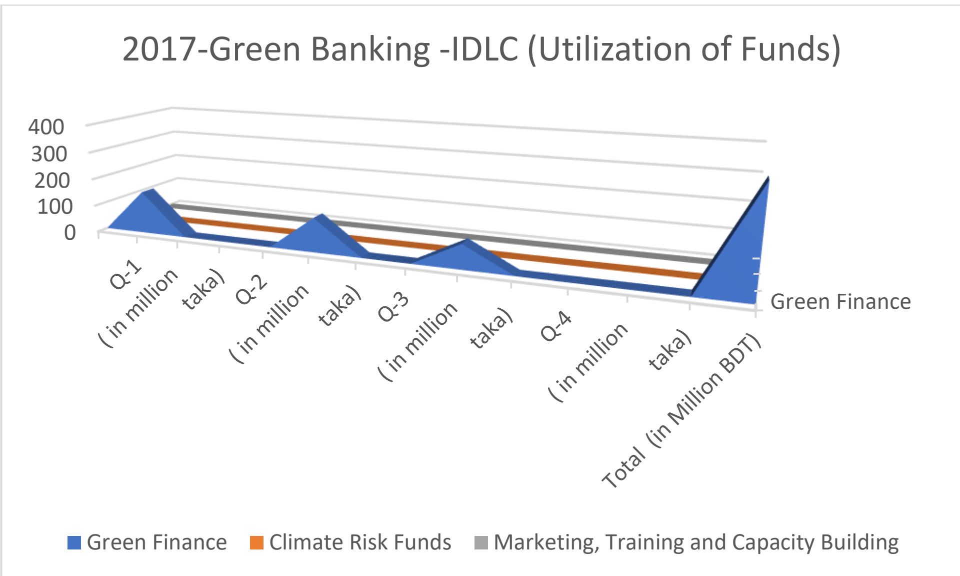
- Sources: IDLC quarterly progress report on green banking activities (2017)



- Sources: IDLC quarterly progress report on green banking activities (2017)

2017 (Utilization of Funds)/Quarters	Green Finance	Climate Risk Funds	Marketing, Training and Capacity Building	Remarks
Q-1 (in million taka)	154.73	0	0	
Q-2 (in million taka)	124	0.582	0	
Q-3 (in million taka)	88.15	0.65	0	
Q-4 (in million taka)	0	0.87	0	
Total (in Million BDT)	366.88	2.1015	0	

- Sources: IDLC quarterly progress report on green banking activities (2017)



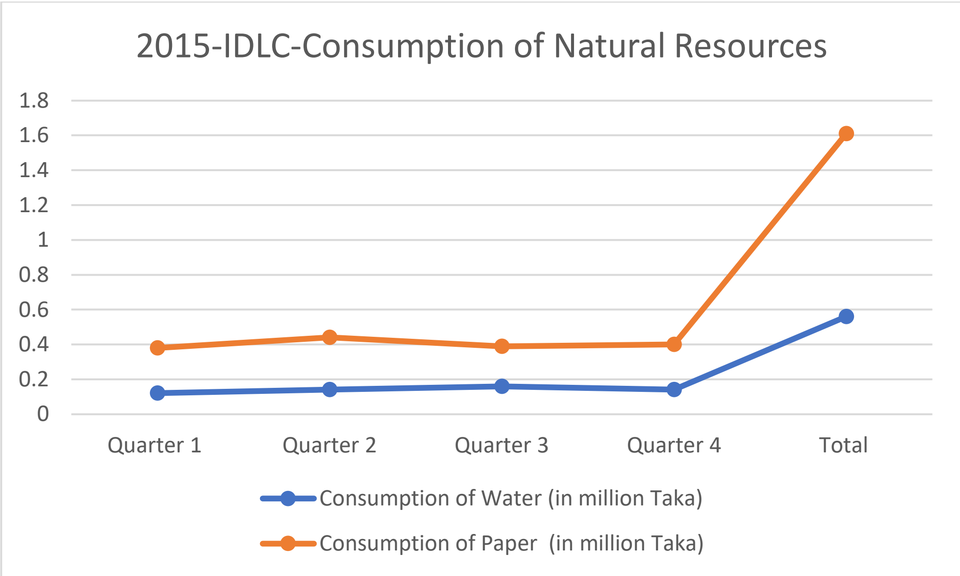
- Sources: IDLC quarterly progress report on green banking activities (2017)

Consumption of Natural Resources and Energy Consumption

2015

2015	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Consumption of Water (in million Taka)	0.12	0.14	0.16	0.14	0.56
Consumption of Paper (in million Taka)	0.38	0.44	0.39	0.4	1.61

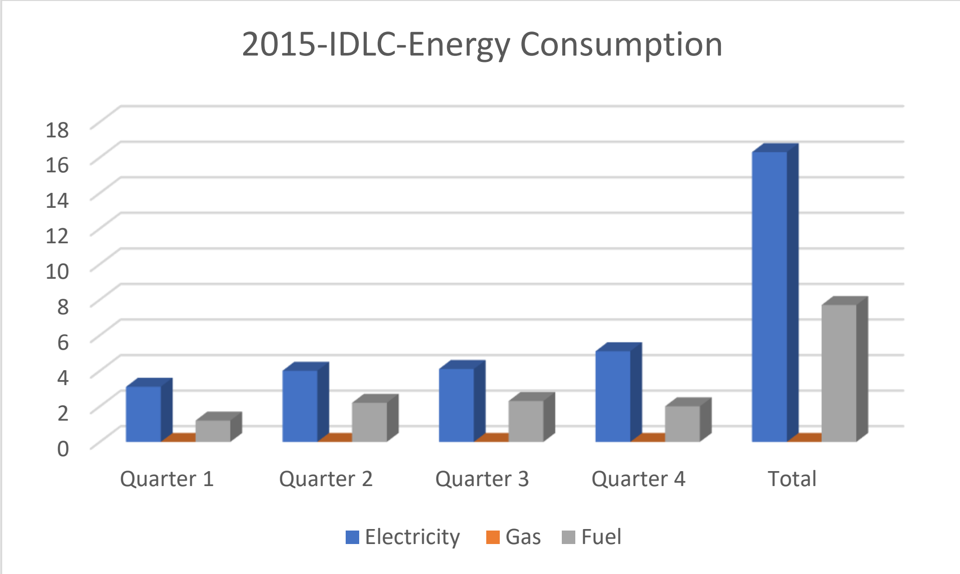
- Sources: IDLC quarterly progress report on green banking activities (2015)



- Sources: IDLC quarterly progress report on green banking activities (2015)

2015		Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Energy Consumption (in million taka)	Electricity	3.1	4	4.1	5.1	16.3
	Gas	0	0	0	0	0
	Fuel	1.2	2.2	2.3	2	7.7

- Sources: IDLC quarterly progress report on green banking activities (2015)

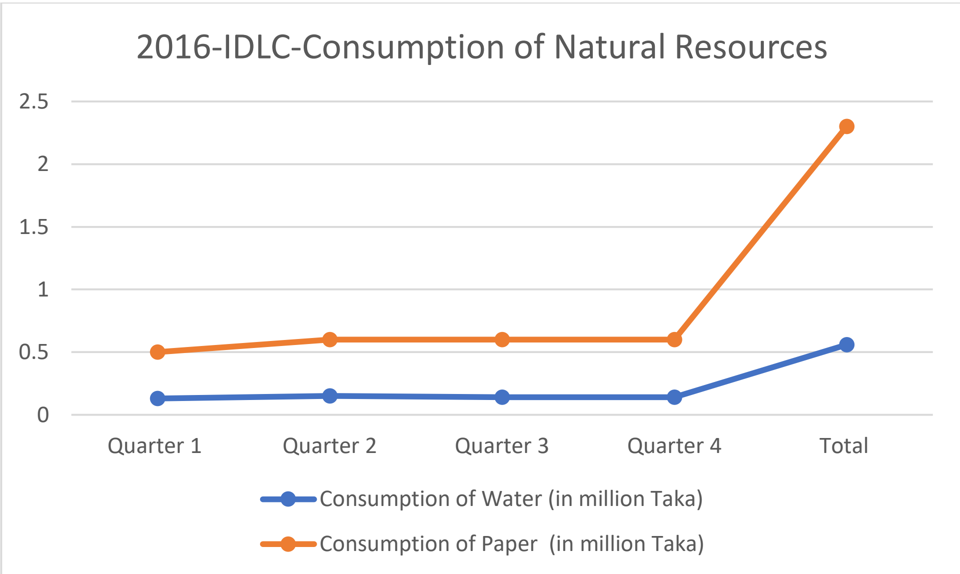


- Sources: IDLC quarterly progress report on green banking activities (2015)

2016

2016	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Consumption of Water (in million Taka)	0.13	0.15	0.14	0.14	0.56
Consumption of Paper (in million Taka)	0.5	0.6	0.6	0.6	2.3

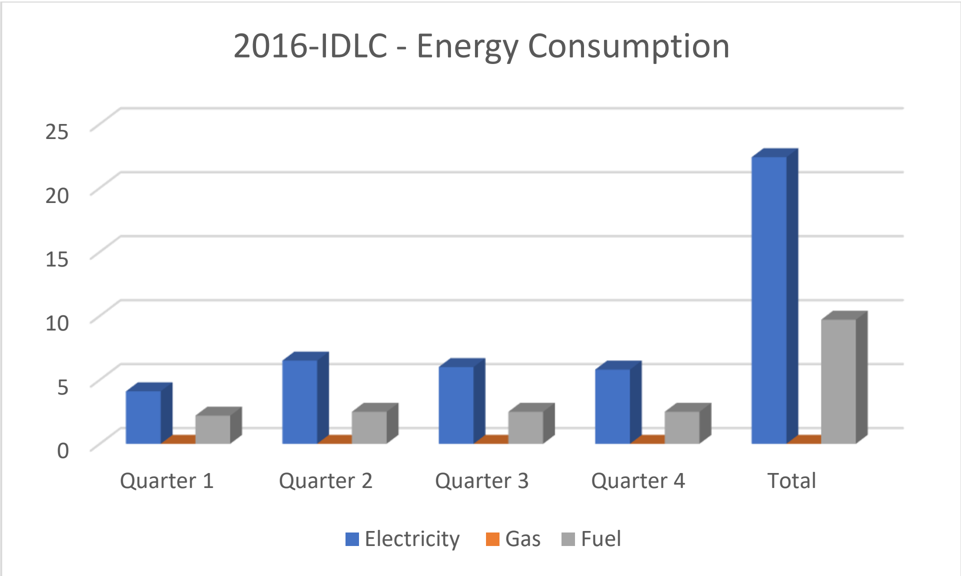
- Sources: IDLC quarterly progress report on green banking activities (2016)



Sources: IDLC quarterly progress report on green banking activities (2016)

2016		Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Energy Consumption (in million taka)	Electricity	4.1	6.5	6	5.8	22.4
	Gas	0	0	0	0	0
	Fuel	2.2	2.5	2.5	2.5	9.7

- Sources: IDLC quarterly progress report on green banking activities (2016)

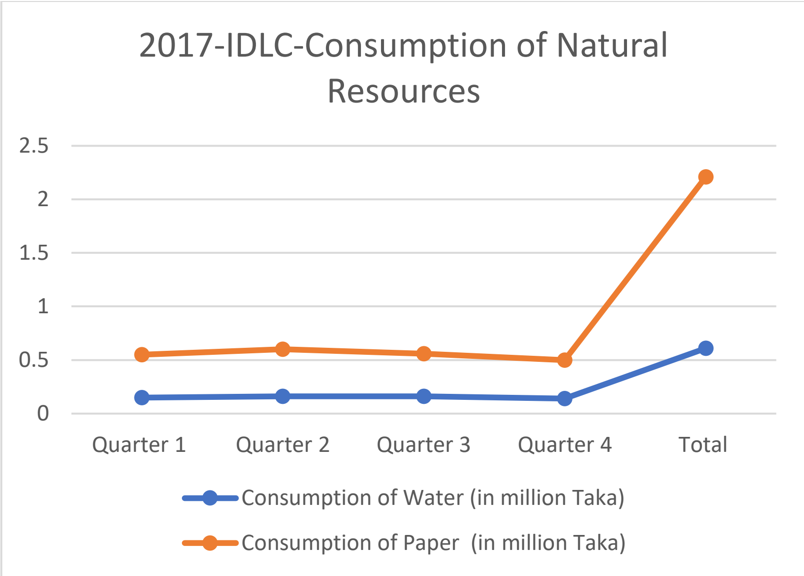


- Sources: IDLC quarterly progress report on green banking activities (2016)

2017

2017	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Consumption of Water (in million Taka)	0.15	0.16	0.16	0.14	0.61
Consumption of Paper (in million Taka)	0.55	0.6	0.56	0.5	2.21

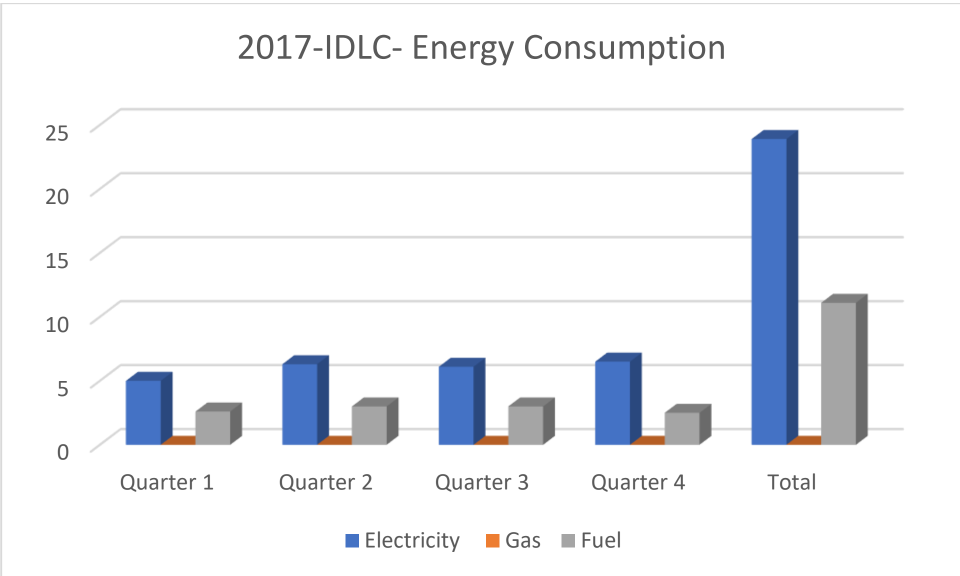
- Sources: IDLC quarterly progress report on green banking activities (2017)



- Sources: IDLC quarterly progress report on green banking activities (2017)

2017		Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Energy Consumption (in million taka)	Electricity	5	6.3	6.1	6.5	23.9
	Gas	0	0	0	0	0
	Fuel	2.6	3	3	2.5	11.1

- Sources: IDLC quarterly progress report on green banking activities (2017)

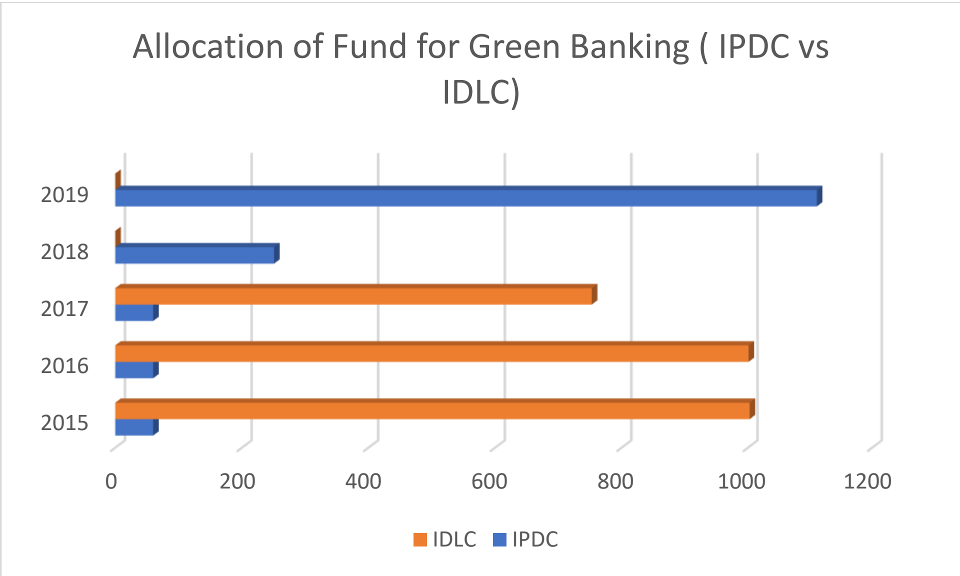


- Sources: IDLC quarterly progress report on green banking activities (2017)

Head to Head Comparison on Green Banking Approaches

- Total allocation of fund for green banking and green finance activities over the last five years in IPDC and IDLC Ltd.

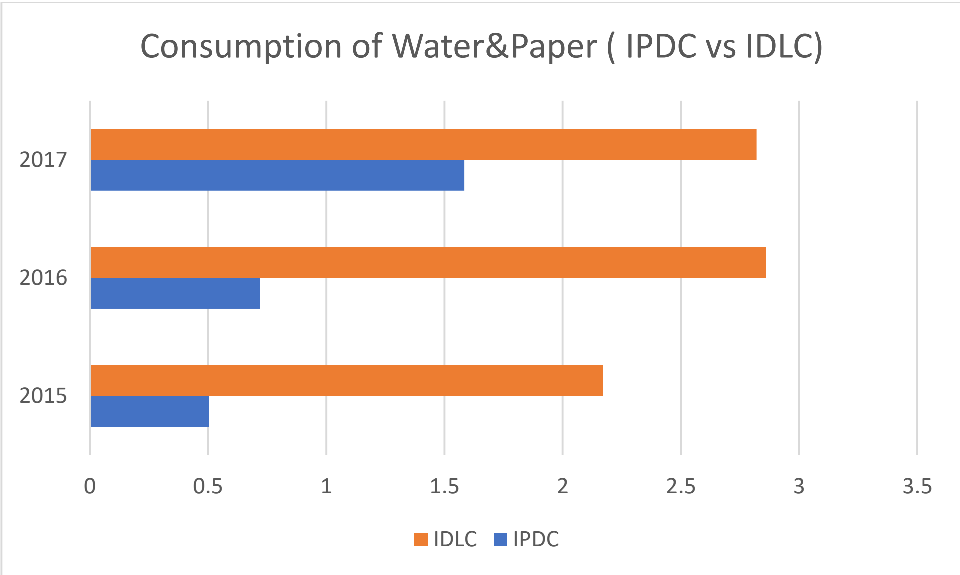
Year	IPDC (in million BDT)	IDLC (in million BDT)
2015	60	1003
2016	60	1001.18
2017	60	753
2018	250.92	0
2019	1111.19	0



Based on the above data we can conclude that, Although IPDC Finance Ltd. Had slower progress from 2015 to 2017 , They are quite well ahead during 2018-2019 in terms of allocation and utilization of funds for green banking activities. They are well above the market average and the scenario is quite satisfactory.

- Total consumption of water and papers over the last three years in IPDC and IDLC Ltd.

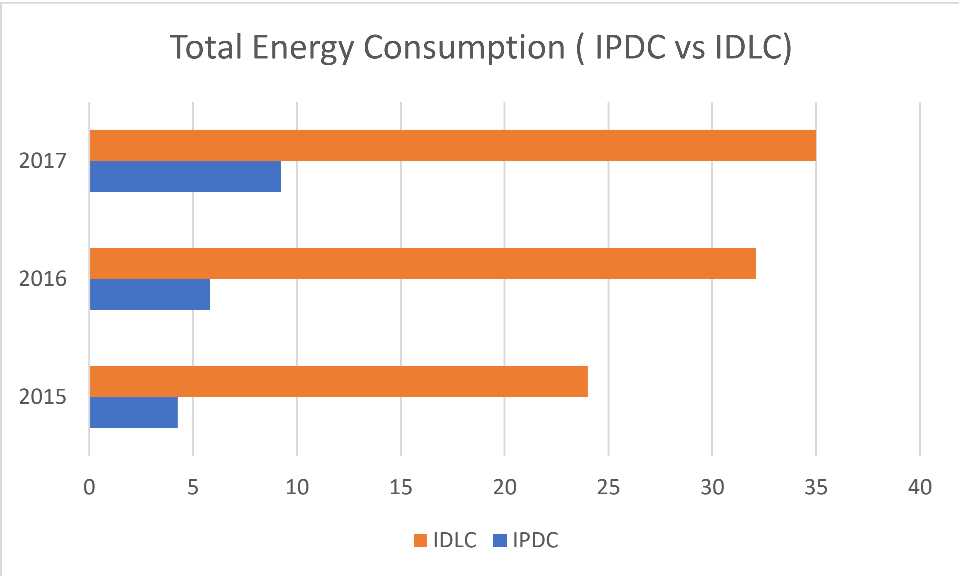
Year	IPDC (in million BDT)	IDLC (in million BDT)
2015	0.503	2.17
2016	0.72	2.86
2017	1.584	2.82



If we look at the data above IPDC Finance has consumed far less natural resources than IDLC. Which shows a good sign in bearing the green approaches in the non-banking financial industry. It ensures their commitment towards the environment and creating a sustainable position in the market.

- Total energy consumption over the last three years in IPDC and IDLC Ltd.

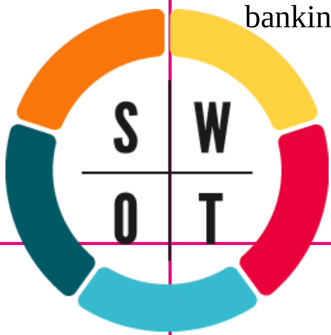
Year	IPDC (in million BDT)	IDLC (in million BDT)
2015	4.258	24
2016	5.81	32.1
2017	9.221	35



In terms of energy consumption, IPDC Finance Ltd. Has outperformed their main competitor IDLC Ltd. They have consumed far less energy resources than IDLC did. It proves their standing of going green in the industry.

SWOT Analysis on IPDC's Approach for Sustainability

Strengths	Weaknesses
• Risk management framework • Capital adequacy for intensive approach for sustainability • Decent relationship with corporate houses • Structure of shareholding • Less consumption of natural and energy resources	• Limited distribution network • Limited customer touch points which limits customer interaction • Moderate brand recognition for SMEs • Scopes of leveraging BRAC and BRAC Bank Networks to increase sales and distribution points • Needs continuous activities in the green banking program
• Utilize corporate relationships in order to enhance Supply Chain Financing • Launch women focused products and service offerings • Regulatory advantages in terms of retail lending • Growing population of middle-income class	• Growing competition in the industry with competitors also approaching sustainability • Limited number of products • Limited information and technology available for maintaining and customizing risk management framework • Infection of Portfolio • Regulatory restrictions on low cost deposit
Opportunities	**Threats**



Challenges

- Increasing competitions in the non-banking financial industry; in this age of technology the market concentration is getting very high each and every day. Threats of competitors is major challenge in sustaining business.
- Sustainability in green banking activities
- Allocation and utilization of funds in green banking activities
- Limitations in product line; thinking about future positions product line should be vast and perfect fit to the industry.
- Corporate networking and government liaison
- Branding and promotional activities
- Creating diversified portfolio

As physical access to the organization and the communities, and primary data from the stakeholders on whom IPDC's sustainability approaches are making an impact, could have better validated the report with elaborative insights. Due to the ongoing pandemic, none of this was possible, while abiding to the safely precautions.

Recommendations and Conclusion

With the increasing number of Non-Banking Financial Institutes currently operating in Bangladesh, the business environment is becoming immensely competitive. Moreover, with lease financing practices getting popular over the last decade, we can assume that the competition among the leasing companies is becoming intensive. Adding to that, the participation of commercial banks in the lease financing market has make the situation worse. As a result, sustainability should always be considered as key factor by IPDC.

In terms of green and sustainable approaches they have to take more initiatives to outcompete the rivals in the industry. They can accumulate more funds for green initiatives. Substantial amount of branding is required to convey the green initiatives that have taken so far. They have to utilize the fund effectively and efficient way to ensure proper use of resources.

The company should utilize its wide range of corporate network to increase having their impacts on a larger number of stake holders. Furthermore, connecting a wider diversity of stakeholders under there sustainability initiatives will not only allow more stakeholders to know about the goodwill of the company, but craft a much stronger bond between them and the organization. The company should also focus a bit more in promoting the positive impacts and their outcomes, so that their stakeholder communities are aware of their brand’s efforts in trying to make positive mark on their lives.

We can conclude by stating that the efforts of IPDC in approaching sustainability is quite advanced and unique, with a lot of focus on enhancing customer experience, as compared to the other firms, currently operating in the industry. However, with the constant competition building up, IPDC should find more unique ways to approach sustainability and continue to have a positive impact on the lives of their customers.

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