



An Internship Report

A Study on Financial and Credit Risk Analysis of Walton Group

(This report is submitted to the Post Graduate Studies, Hajee Mohammad Danesh Science & Technology University, Dinajpur, as a partial requirement for fulfillment of the EMBA Degree Program.)

PREPARED BY

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EMBA, 1st Batch (Major in
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MASTER OF POST GRADUATE STUDIES



FACULTY OF BUSINESS STUDIES

HAJEE MOHAMMAD DANESH SCIENCE & TECHNOLOGY UNIVERSITY,

DINAJPUR-5200

May, 2016

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Walton Group**

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FACULTY OF POST GRADUATE STUDIES

HAJEE MOHAMMAD DANESH SCIENCE & TECHNOLOGY UNIVERSITY, DINAJPUR

May, 2016

***DEDICATED TO
MY RESPECTABLE
PARENTS***



AND
HONOURABLE
SUPERVISOR



Letter of Transmittal

Date: 20/04/2016

Md. Abdur Rouf

Lecturer

Dept. of Marketing

Faculty of Business Studies,

Hajee Mohammad Danesh Science and Technology University

Dinajpur-5200.

Subject: Submission of Internship Report.

Dear Sir,

It gives me immense pleasure in preparing this report, which was assigned to me in fulfillment of my internship course requirement.

This report has been valuable to me as it helps me to unite the practical experience to my theoretical knowledge and a new experience has been added in my career for supporting me strongly during while doing my internship at Walton Group, Dhap branch, Rangpur.

I would like to mention here that I am extremely grateful to you for your valuable guidance, tireless effort and constant attention as and when required in accomplishing the report and during my internship period.

I shall be very pleased to answer any query you think necessary as and when needed.

Sincerely Yours

Md. Sagar Ali

ID # E130501077

Major in Finance & Banking

MBA (Evening) 1st Batch, Semester-V

Hajee Mohammad Danesh Science and Technology University



Student's Declaration

The discussing report is the terminal formalities of the internship program for the degree of Master of Business Administration (Evening), Faculty of Business Studies at Hajee Mohammad Danesh Science and Technology University, Dinajpur which is compact professional progress rather than specialized. This report has prepared as per academic requirement after successfully completing the 45 days internship Program under the supervision of my honorable supervisor

Md. Abdur Rouf, Lecturer, Department of Marketing. It is my pleasure and great privilege to submit my report titled **“A Study On Financial and Credit Risk Analysis of Walton Group, Walton Plaza, Dhap Branch, Rangpur”**, as the presenter of this report; I have tried my level best to get together as much information as possible to enrich the report. I believe that it was a fascinating experience and it has enriched both my knowledge and experience.

I believe everyone is not beyond of limitation. There might have problems regarding lack and limitation in some aspects and also some minor mistake such as syntax error or typing mistake or lack of information. Please pardon me for that mistake and clarify these of my further information on those matters.

Md. Sagar Ali
ID # E130501077
Major in Finance & Banking
MBA (Evening) 1st Batch, Semester-V
Hajee Mohammad Danesh Science and Technology University



Declaration of Supervisor

It's my pleasure to certify that **Md. Sagar Ali**, Student ID: **E130501077**, EMBA 1st Batch, has successfully completed EMBA (Major in Finance & Banking), Internship report titled “**A Study on Financial and Credit Risk Analysis of Walton Group, Walton Plaza Dhap Branch, Rangpur**”, under my supervision and guidance.

Therefore, he is directed to submit his report for evaluation. I wish his success at every sphere of his life.

Md. Abdur Rouf

Lecturer
Faculty of Business Studies
Department of Marketing
HSTU, Dinajpur



Declaration of Co-Supervisor

It's my pleasure to certify that **Md. Sagar Ali**, Student ID: **E130501077**, EMBA 1st Batch, has successfully completed EMBA (Major in Finance & Banking), Internship report titled “**A Study on Financial and Credit Risk Analysis of Walton Group, Walton Plaza Dhap Branch, Rangpur**”, under my supervision and guidance.

Therefore, he is directed to submit his report for evaluation. I wish his success at every sphere of his life.

Md. Kutub Uddin
Associate Professor
Department of Management
Faculty of Business Studies
HSTU, Dinajpur



Acknowledgement

At first I would like to thank my honorable supervisor of internship program, Md. Abdur Rouf, Lecturer, Department of Marketing, and co-supervisor Md. Kutub Uddin, Associate Professor, Department of Management, HSTU, Dinajpur for providing me such an opportunity to prepare an Internship Report on **“A Study On Financial and Credit Risk Analysis of Walton Group, Walton Plaza Dhap Branch, Rangpur”**, Without his helpful guidance, the completion of this project was unthinkable.

I would like to thank Mr. Mirza Abul Bashar, SPO and Manager, Walton Plaza, Dhap Branch, Rangpur for rendering their valuable time and providing me with information that was very much needed in order to successful completion of this report.

During my preparation of the project work I have come to very supportive touch of different individuals & friends who lend their ideas, time & caring guidance to amplify the report's contents. I want to convey my heartiest gratitude to them for their valuable responses.

May ALMIGHTY ALLAH bless all of them.



TO Whom It May Concern

This is to certify that Md. Sagar Ali, Student of MBA (Major in Finance & Banking), Student ID No: 130501077, Faculty of Business Studies of Hajee Mohammad Danesh Science & Technology University, Dinajpur, has successfully completed internship program on **“A Study On Financial and Credit Risk Analysis of Walton Group, Walton Plaza Dhap Branch, Rangpur”**, with effect from 01/09/2015 to till now Walton Group (Walton Plaza Dhap Branch, Rangpur). During The Internship Program we also found him impressive, praiseworthy & enthusiastic.

We wish him every success in life.

Mirza Abul Bashar
Manager (SPO)
Walton Plaza Dhap



Executive Summary

Internship is must to fulfill academic requirement. This internship report is based on practical experience at the Walton Group, Dhap Rangpur. This report contains several parts. In the first part of this report contains some description about the electronics sector and perspective of the Walton Group. In this part how data has been collected is also described. The next part is about the company. Here history and back ground of the company. Their corporate mission and vision. How they exercise their corporate and social responsibility. Then a brief description of the board of director and key management profile. One important fact that is focused in the report is the performance of the company. Their performance of the last few year and growth. The next part is described about the product of the JAMLINA Bank Limited. JAMUNA Bank Limited offers a diversified asset and liability product. Those arc broadly described in this part. The organ gram of this branch and the functions of the branch. Dinajpur branch of the JAMUNA Bank Limited is an authorized dealer bank. So it can't do foreign.

Except this branch perform all regular banking activities. As it is a computerized online banking service provider this branch can support other branches. For the sanction of loan and some other expenditure, authorization from the Head Office is required. A target of profit is given by the Head Office and the branch is trying it best to achieve it. During my internship program in this branch I have found some lacings. It is to be mentioned that this is from my point of view. I have also pointed out some recommendations which I believe to be the best from my point of view. At the concluding part I have focused the overall facts of this report"



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1. INTRODUCTION

1.0 Introduction

We can simply say that Walton Group is Manufacturer organization that deals with money. In modern age it is impossible to think a country without Modern Technological Product. Walton Group plays diversified role in this market. The most important task that is done by a



company is building of capital. That is the key factor of the development of this market. Industrialized nation's build their industrial sector with the help of companies sector. The growth of the economy also depends on the performance of the companies sector. Company secure money of the society. Government takes various monetary policies. These policies are implemented with the help of this company. It is impossible to do foreign trade with the help like this company . Walton Groups provide services that help the business sector a lot to carryon the business. For example giving Cell phone, Refrigerator, Automobile, Home Appliance, Electric Appliance to the customer. Company also help to establish good faith among business persons.

Bangladesh is a developing country. The growth of her apparel sector is mentionable. Walton Group can play a strong role to take the apparel sector into a stable position. The present economic status of Bangladesh demands immediate development of financial institutions. The key to success in such demanding marketing situation is how automated the service is on a continuous real time Walton Group is a third generation company in Bangladesh. It is playing an important role to develop the business sector. The growth of this company is very good. Its motto is to provide a prompt and quick service to the clients. Walton Group has implemented well structured online selling systems that make it easier to provide prompt services to the customer.

The report has been prepared in the light of practical as well as theoretical knowledge. Also it is prepared under the guidance and supervision of the core teacher. During the internship program I have got a good idea about the Company and that is depicted in the report.

1.1 Origin of the report

The MBA (Evening) Major in Finance internship program is required course for the students who are graduating from the Business School of HSTU, Dinajpur, Bangladesh. It is 3 credits hour course with the duration of 45 days. Students who have completed all the required courses are eligible to for this course. In this internship program, I was attached to do my internship by rotation to all departments of Walton Group, Dhap, Rangpur Branch. Both the academic and the organizational supervisor assigned me on this project. The report is on "Financial and Credit Risk Analysis of Walton Group".

1.2 Objectives of the report

1.2.1 Objective



To gain practical job experiences and view the application of theoretical knowledge in the real life.

1.2.2 Specific objective

- i) The specific objective of this report is to explore the financial and Credit Risk Analysis process practiced by Walton Group (Walton Plaza Dhap Branch).
- ii) This organization is one of the emerging showrooms of the third generation sales outlay in Bangladesh.
- iii) It is being popular day by day with its attractive services and innovative product. Because of its warm customer services, its acceptability to the customer has been increased to masses.
- iv) Credit risk analysis of this showroom is very organized acceptable to the all levels.
- v) This credit risk analysis is well structured and that's why they are being gained from it. Those report investigates all the methods and principles for credit risk analysis of Walton Group.

1.3 Scope of this report

The report commences with the outline of the organization in focus, presenting the mission and vision, individual department job responsibilities, Financial and Credit Risk Analysis related issues are discussed in detail along with their results and possibilities. In this report is all the aspect of credit risk analysis has been discussed detailed by those the management can take decisions regarding modifying their plans for granting Credit Sales and can strengthen the relationship with the business environment as well as with the dealer and retail clients.

1.4 Limitations

Showroom activities sector is a vast field. It is so vast that it is very tough to cover the basic of sales within three months. Limited access to credit purchase and sales files is also a factor for limitations. Most of the information contained within this report was either obtained through documents published by the company itself or informal interviews during my work at my workplace. The report could have delved deeper into certain matters, but that has not been possible because certain sensitive information were not readily shared due to company



regulations. Moreover as I worked as an Intern, therefore I had not that much accessibility to all those factors. Company authority also prohibits some facts to be included in this report.

1.5 Methodology

This report is the reflection of three months internship program at the Walton Plaza, Dhap Branch Rangpur.

Sales Outlay sector is a fast growing sector in Bangladesh. All sales outlay are facing tremendous competition from each other. So employees remain very busy to provide prompt service to clients. As an internee I had to collect data and information from that busy corporate environment. To prepare this internship report I have collected data and information both from primary sources and secondary sources.

The primary sources are given below:

- Face to face conversation with employee.
- Taking initial lectures from senior officers and manager.
- Consulting with the supervisor.
- Practical work experienced at different desk.
- Close observation of the tasks by different departments' officers.

The secondary sources of information are given below:

- Annual report of the Walton Group.
- Website of the Walton Group.(waltonbd.com)
- Different publications of the Walton Group.
- Theoretical books relating Electronics sector.
- Internet (Website of Walton Group)



2. ORGANIZATIONAL BACKGROUND

2.1 Business of the Electronics Product:

Walton Group provides electrical, electronics, automobiles, cell phone, home appliance and E/A appliance product in Bangladesh. The Walton Plaza primarily engages in corporate sales, trade sales, dealer sales, retail sales, commercial sales. Its range of service offerings include credit dealer sales, credit retail sales, credit corporate sales, , employee benefits, information services, asset management, services and SWIFT for foreign trade.

2.2 Location

The Registered office & corporate Head Office at Jiban bima Bhaban, Dainik Bangla-mor, *Motijheel*, Dhaka. Walton Plaza Dhap Branch is situated in Medical mor, Dhap, Rangpur. Its branches are situated at all the major cities of the country.

The number of Showroom branches stood at 348 on December 2015. The company has a plan to open more branches over the next several years at different important commercial places of the country.

2.3 Historical background

Walton Group is a Company registered under the Companies Act, 1994 with its Head Office at Jiban bima Bhaban, Dainik Bangla-mor, *Motijheel*, Dhaka. The Company started its operation from 3rd June 1996. Walton Group is a highly capitalized new generation Company . The Key secret behind the success of Walton lays its variation of new production capacity and customized orientation of new product as per the demand of customer.

2.4 Ownership structure

Leading industrialists of the country having vast experience in the field of trade and commerce own 52.84% of the share capital and the rest is held by the general public. Company's board currently consists of 13 (thirteen) Directors. Authorized capital is Tk.4000.00 million and paid up capital is Tk.1225.71 million as of 31, December 2007.

2.5 Management structure

Walton group is managed by highly professional people. The present Managing Director of the Company is a forward-looking senior employee having decades of experience and multi



discipline knowledge to his credit both at home and abroad. He is support by an educated and skills professional team with diversified experience in finance and sales. Walton Group has already achieved tremendous progress within a short period of its operation. The lists of management structure are given in bellows:

Mr. Nurul Alom Rijvee, Mr. AI-Haj Nur Mohammed assumed the office of the Chairman of the Walton Group Foundation with effect from 03.06.1996. He comes from a respectable Muslim family of Tangail district. He is the President of the Chamber of Commerce & Industries of Tangail Dist Since long. AI Haj Nur Mohammed visited many countries across the world. He engaged himself in various Social & Development activities.

Mr. Md.SM Shamsul Alom: Mr. Md. Tazul Islam assumed the office of Chairman of the Board of Directors of Walton Group Foundation with effect from 03.06.1996. Mr. Islam is an MBA major in Marketing. He comes of a respectable Muslim family of Ghatail Upozila, of Tangail district. He is the Managing Director of Walton hi tech industries ltd.

Mr.SM Mahbubul Alom assumed the office of Vice Chairman of the Board of Directors of the Walton Group Foundation with effect from 03.06.1996. He comes of a respectable family of Tangail district. He is an M.Com from Rajshahi University. He is engaged in construction industry as a Director of Walton Micro tech corporation Ltd.

Mr. SM Rejaul Alom is the Managing Director (CC) of the Walton Group Foundation with effect from 03.06.1996. He successfully completed his Masters in accounting in the year 1971 from Dhaka University.

Mr.SM Monjirul Alom Ovee,eldest son of SM Nurul Alom Rijvee Join Walton group as a director in july 2012

2.5.1 Chairman

S.M. Nurul Alam Rijvi	
-----------------------	--

2.5.2 Director

S. M. Nazrul Islam	
S. M. Asraful Alam	
S. M. Mahbubul Alam	



S. M. Rezaul Alam	
-------------------	--

2.5.3 Sponsor Director

Elias Kanchan	
Amin Khan	
Mr. Kader Ahmed	
Mr. Nurunjaman Haque	

Head of Sales:

Mrs. Nilufa Yesmin	
Eva Rezwana Siddike	

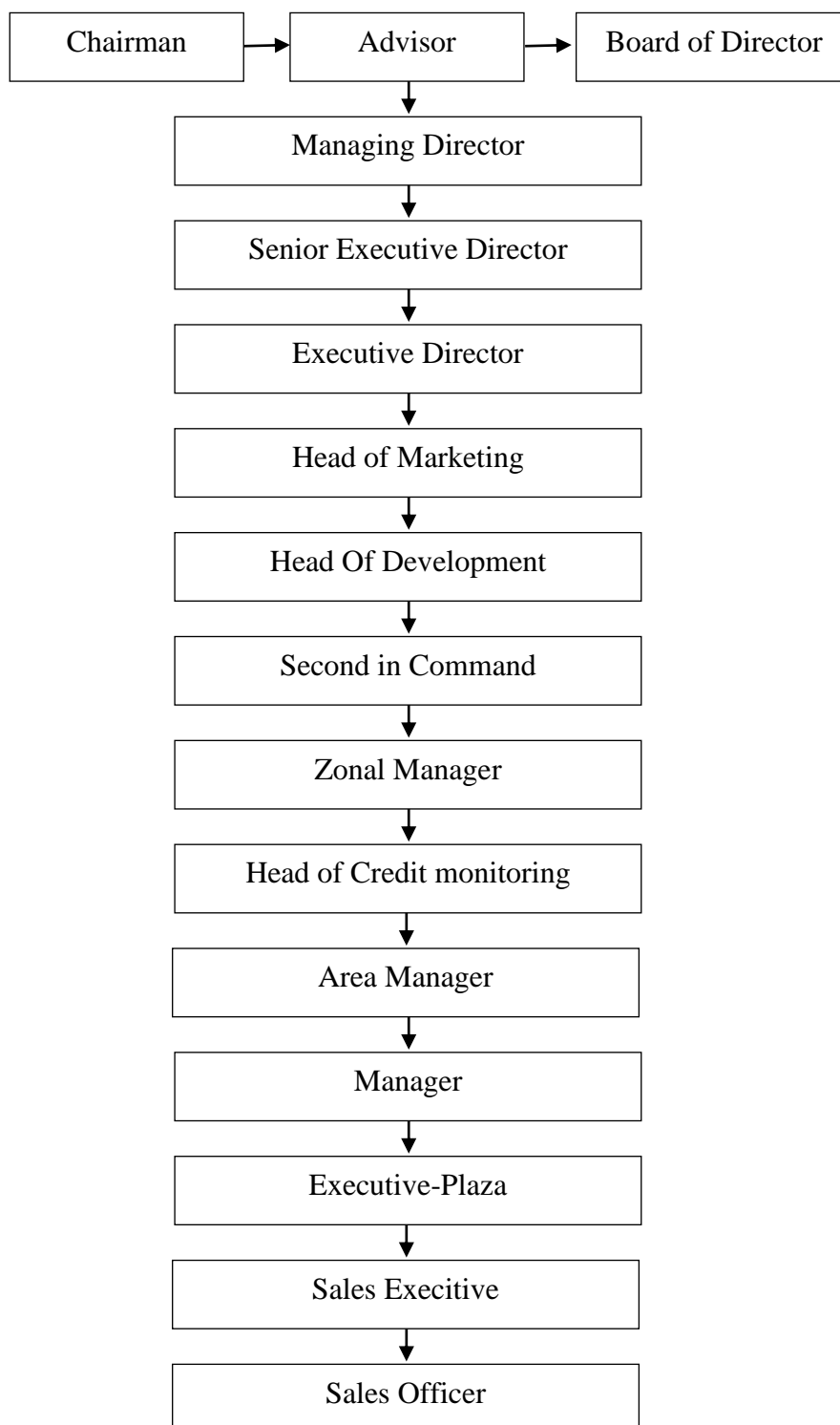


2.6 Management team

Managing Director:	Mir Golam Faruque
Additional Managing Director:	Mr. Kamal Ahmed
Deputy Managing Director:	Razib Kumar Das
	Mr. Md. Alauddin AI- Azad
Senior Executive Vice President:	
Mr. Md. Rafiqul Islam	Morshed Alam
Mr. AKM Rashiduzzaman	A. K. M Ehsanul Haque



2.9 Hierarchy of position in Walton Group Limited:





2.10 Corporate Mission & Vision

2.10.1 Vision of Walton Group

- To become a leading Company
- To play vital role in the development of the country.

2.10.2 Mission of Walton Group

- To satisfying diverse needs of its customers.
- To array of products at a competitive price.
- To using appropriate technology and providing timely service.
- Contribution to the development of the country.
- Ensured with a motivated and professional work-force.

2.10.3 Corporate Slogan

Its Our Product

2.10.4 Corporate Culture

Employees of **Walton Group(Walton Plaza)** share certain common values, which helps to create a **Walton Group** Culture

- The Clint comes first.
- Search for professional excellence.
- Openness to new ideas & new methods to encourage creativity.
- Quick decision- making.
- A sense of professional ethics.

2.11 Corporate Strategies & Objectives

2.11.1 Strategies for Walton Group.

- To manage and operate the Product in the most efficient manner and low cost.
- To strive for customer satisfaction through quality control and delivery the product timely.
- To identify customers' credit and other customer needs and monitor their perception towards our performance in meeting those requirements.



- To review and update policies, procedures and practices to enhance the ability to extend better product to customers.
- To train and develop all employees and provide them adequate resources so that customer needs can be reasonably addressed.
- To promote organizational effectiveness by openly communicating company plans, policies, practices and procedures to employees in a timely fashion
- To cultivate a working environment that fosters positive motivation for improved performance
- To diversify portfolio both in the retail and dealer market
- To increase direct contact with customers in order to cultivate a closer relationship between the dealer and its customers.

2.11.2 Objective for Walton Group.

- To improve product quality through development of Strategic Marketing Plans.
- To remain f the best company in Bangladesh in terms of profitability and assets quality.
- To remain **Walton Group** of the best company in Bangladesh in terms of profitability and assets quality.
- To introduce fully automated systems through integration of modern technology.
- To ensure low cost product.
- To keep risk position at an acceptable range (including any off balance sheet risk).
- To maintain adequate liquidity to meet maturing obligations and commitments.
- To maintain a healthy growth of business with desired image.
- To maintain adequate control systems and transparency in procedures.
- To develop and retain a quality work-force through an effective Human Resources Management System.
- To ensure optimum utilization of all available resources.
- To pursue an effective system of management by ensuring compliance to ethical norms, transparency and accountability at all levels.



2.11.3 Corporate Social Responsibilities of Walton Group

All corporate houses are a part of the society. So they have responsibility to the society. **Walton Group** perceived its social corporate responsibility. So it always exercises its responsibility to the society.

- Mr. Nurul Alom Rijvee assumed the office of the Chairman of the Walton Group handed over a Pay order of Tk. 50.00 lacs on behalf of the Walton Group for helping the flood affected people.
- Mr. Md.SM Shamsul Alom: Mr. Md. Tazul Islam assumed the office of Chairman of the Board of Directors of Walton Group distributed relief to the poor people of Tangail district.
- Relief material was distributed by Walton Group among the flood affected people of Kurigram sadar upzilla under Kurigram District.
- Mr. SM Shamsul Alom, Chairman Board of Directors presenting Education Allowance to the children of the Walton group scored OPA-5 in SSC examination-2013,2014.
- AI Raj, Chairman Board of Directors inaugurating the blood donation program at Rajshahi.
- Mr. Nurul Alom Rijvee, Chairman Board of Directors inaugurating the blood donation program at Press Club, Tangail.
- SIDR hit people from the funds raised by donating a part of employer salary.

2.12 Credit Ratings

As per Bangladesh Company mandatory requirement vide BRPD circular No. 06 dated July OS, 2006 Credit Rating of Walton Group was done by the and Credit Rating information Service (CRISL) on the audited Balance Sheet as on 31.12.2015

CRISL has submitted their report as under:

Credit Rating Report (Entity Rating)

	Long Term	Short Term
Current Rating 2007	12%	8%
Previous Rating 2006	15%	8%
Outlook	Stable	
Date of Rating	30 June, 2015	



Credit rating information and Service Limited downgrades the rating of Walton Group reaffirms short term rating. The above rating has been done in consideration of Companies visible improvement in fundamentals such as capital adequacy, liquidity position, profitability, introduction of real time online Companies etc. However, the above rating is moderated, to some extent, by limited market share high cost of fund, moderate corporate governance, dependency on team deposit etc.

3. PRODUCTS & SERVICES

3.0 Products & Services

Products of Walton Group. can be divided into two parts. They are asset product and liability product. Generally liability product means deposits of many kinds that are payable to Head Office. On the other hand, asset products are the products which clients are liable to pay to Company. Different types of undertaking by the Company to the clients or on behalf of the clients are also a type of liability to company. On the other hand a different type of promises makes by the clients to company is considered as company's asset.

3.1 Liability Product

3.1.1 Supplier Product

Payable money of Walton hi tech industries ltd which purchase on credit such as refrigerator, Motorcyle etc.

Payable money of Walton micro tech industries ltd in which purchase on credit such as product CTV, LED, etc.

Payable money of Walton Dream park industries ltd in which purchase on credit such as Home appliance E/A Appliance etc.

Advance collected money from dealer, retail customer and head office.



3.2. Asset Products

3.2.1 Funded

Funded means those type products in which Company directly fund. This type of product is provided against mortgage, guarantee previous performances. For example: Credit Sales to customer, Credit Sales to dealer, Consumer credit, Car Credit Sales, Credit sales to Small Business . These will be described on credit part later on.

3.2.2 Non Funded

Non funded means when the company provides this type of service company need not provide immediate fund. It is a high income source for the company. But the company has to provide high care when provide such type of services to the clients.



4. JOB RESPONSIBILITIES

4.1 General customer dealing

General customer dealing of a plaza is one of the most important departments. Without this section a plaza cannot be functioned. Without it other sections of a plaza are disabled. In Walton Plaza Dhap Branch, Rangpur customer service section, cash and clearing is under general customer dealing department. Their functions are described belows:

4.1.1 Customer Service Section

4.1.1.1 Account Opening

To open an account at first properly a form provided by the company has to be fulfilled. Then the following criterion has to be fulfilled.

- a) Introducer is a must precondition to open any type of account. In this company introducer means a person or organization who is currently maintaining an account with this plaza. The transaction of the account must at least six months.
- b) For personal account valid personal identification document is required.
- c) For organization relevant document is required.
- d) For business organization trade license is required.
- f) To open a small product account a person/persons must be adult and mentally sound.
- g) For Organizations and institutions one or more authorized person from that organization will handle the account. Person(s) will be selected by that respective organization/institution.

After fulfill the required procedure if at least two authorized officer satisfied and signed then an account is opened. An account number is given.

4.1.1.2 Account Book Issue

When a new account is opened and customer deposits the minimum required money in the account, the account form is sent for issuing a Account book. Responsible officer checked/verified the signature & issuing officer issue the book. Next the customer is requested to sign in the c book issue register. At the end of the day all the requisition slips are sent to the computer section to give entry.



4.1.1.3 Account Close

For account close at first the client has to submit an application addressing the manager requesting to close the account. After verification and authorization the account will be closed. The client must surrender the Account book at that time. The stoppage or the operation of the account can be under following circumstances.

- Full Credit payment by the customer himself.
- Death of Customer.
- Customer insanity and insolvency.
- Garnishee order

4.1.1.4 Fund Transfer

Clients can transfer their funds from one account to another account. Clients, especially "r current account and STD account are permitted to do this work. For transfer of fund clients have to submit an authorization letter to the plaza.

4.1.1.5 Stop Payment Instruction

Stop payment instruction is given by the clients. company charge is applicable to implement l.l is instruction.

4.1.1.6 Account Block

The task of account block is done as per the order of the client or order of the court.

4.1.1.7 Inactive, Dormant

If there is no transaction happened is account during past one year then the account is hing inactive as per the rules of Bangladesh. This is called dormant account.

Pay Order Issue:

Following procedure is maintained for issuing of pay order

- Customer is supplied with PO form .
- After filling the form by the customer, the officer writes down the number of the p.o. on the p.o. form and the officer also includes commission and VAT voucher with the p.o. form, then the customer pays the money in cash or cheque



- At the end the customer is provided with the two parts of the block after signing on the back or the company's parts.

4.1.1.9 Tasks with lost instruments

Dealing with facts like lost of pay order, cancellation of pay order: In case of lost of pay order the Company at first inform all branch through head office wither that has been honored or not. Then Company takes an indemnity from the client that in case of payment or any type of fraudulence Company will take no responsibility.

4.1.1.11 Online Sale

Anyone can take online purchase.

4.1.1.12 My Specific Job Responsibilities

I was appointed here for two month. As an intern I had some limitations to work in this section. Whatever I did in this section those are given below.

- Assist the clients by providing information for account opening.
- Collecting the documents necessary for account opening.
- Issuing account book.
- Maintaining the Ledger book,Cash book,Capital Account, Bill Voucer etc.
- Product Transfer
- Tasks with lost instruments
- Customer Dealing

4.1.2 Cash Department

Walton Plaza is a financial organization. Plaza deals with money. So cash department is an inseparable part of a Walton Plaza. The tasks of cash department are very important for a Walton Plaza. The responsibility is huge to maintain a cash department. Cash department deals with receiving and payment of money.

The officer who dose the task of receiving and payment of cash is known as teller. Money counting machine is available at the Dhap Branch. It makes easier for the teller to provide quick service to the clients.



As in The Walton Paza the online sale system is available so the clients of any branch can deposit money from any branch and receive product from any branch.

4.1.2.1 Maintenance of specimen signature records

Records of specimen signature are very much important. In the Walton Group the specimen signature are scanned and in the internal network it makes available. Records of specimen signature are very much important in times of payment of cash for instant checking and verification of signature.

4.1.2.2 Cash receive from clients

The cash officer receives cash from the clients and credits the accounts of the clients. While receiving cash the cash officer must be careful about. In this case teller has to observe a lot of important things like signature by the depositor, properly fulfillment of the deposit slips, giving cash receive sill etc.

4.1.3.3 My Specific Job Responsibilities

I have worked with both of the inward and outward clearing process. Except these I had some other responsibilities which are given below?

- Operate the sales software of the Walton Plaza
- POS posting
- Validation sheet maintenance
- Return sales registrar maintenance
- Prepared bill voucher

4.2 Accounts Department

Accounts department is very confidential department. As an intern I got a very few access to this department. The company maintains strong security in this department. The displayed very little things to me. I get very few information about this department. Those are given below:

4.2.5 All income & Expenditure monthly monitoring

All income and expenditure are done by the accounts department. They also monitor the income and the expenditure.



4.2.6 Branch budget monitoring

The budget of a branch is prepared by the HEAD Office. And it is monitored by the account department.

4.2.7 My Specific Job Responsibilities

Because of strong maintenance of confidential things, I was assigned for a very few responsibilities, those are given below:

- Voucher keeping (daily tasks)
- Voucher checking
- Data entry for salary payment
- Assist the accounts manager according to his instruction
- Customer dealing
- Credit sales document preparation



5. CREDIT RISK ANALYSIS OF Walton Group

5.1 Why does Credit Risk Analysis?

Credit department of any Walton Plaza is very much important.

Responsibilities of the credit department of Walton Plaza are many. They have to maintain a lot of scrutiny factors. They have to use the sales on credit. A huge part of the revenue is generated from the interest received from the credit sales and advances. Again if they give so many Credit Sales then liquidity of the company may decrease and risk will also increase in the market.

But ultimately this is the truth that if company don't give Credit Sales to their clients their revenue generation will be slow and ultimately the company will be collapsed. So Company must give credit sales and advances to the business and the personnel. Now the question arises that how effectively they can do it. They must have to take care that the Credit Sales they are giving to the clients. Some questions must arise when Walton group gives Credit Sales to clients.

- Is the client capable enough to repay the Credit Sales and interest?
- How it will be measured?
- On what basis the Company will give the Credit Sale to the client?
- How will the Walton Group recover the lone if it is default?

To get the answer of these questions and maintain the credit activities properly there is no alternative of Credit Risk Analysis. Analyzing the risk associated with the Credit Sales gives a clear idea about the next step of the credit department that is what decision they will take further.

I am focusing this important factor of the credit department that Credit Risk Analysis of Walton Group that is described broadly in the later part of the report.

5.2 Types of Credit Sales of Walton Plaza

Depending on the various nature of financing, all the lending activities have been brought under the following major heads:



5.2.1 Credit (General)

Short term, Medium term & Long term Credit Sales allowed to individual/firm/industries for a specific purpose but for a definite period and generally repayable by installments fall under this head. This type of lending is mainly allowed to accommodate financing under the categories (i) Large & Medium Scale Industry and (ii) Small & Cottage Industry.

5.2.2 Credit of corporate Sales:

Credit allowed to individual/enterprises for construction of house (residential or commercial) fall under this type of advance. The amount is repayable by monthly installment within a specified period.

5.2.2.1 Credit Sales (Staff)

Credit allowed to our company employees for purchase any costly product.

5.2.2.2 Other Credit Sales to Staff

Credit Sales allowed to employees other than for Accident and any other necessary.

5.2.3 Cash Credit (Hypo.)

Advances allowed to individual/firm for trading as well as wholesale purpose or to industries to meet up the working capital requirements against hypothecation of goods as primary security fall under this type of lending. It is a continuous credit. It is allowed under the categories (i) "Commercial Lending" when the customer is other than a industry and (ii) "Working Capital" when the customer is an industry.

5.2.4 Cash Credit (Pledge)

Financial accommodations to individual/firms for trading as well as for wholesale or to industries as working capital against pledge of goods as primary security fall under this head of advance. It is also a continuous credit and like the above allowed under the categories (i) "Commercial Lending" and (ii) Working Capital".



5.2.5 Hire Purchase

Hire-Purchase is a type of installment credit under which the Hire-Purchaser agrees to take the goods on hire at a stated rental, which is inclusive of the repayment of Principal as well as interest for adjustment of the Credit Sales within a specified period.

5.2.8 Consumers Credit Scheme

It is a special credit scheme of the Company to finance purchase of consumers durable to the fixed income group to raise their standard of living. The Credit Sales are allowed on soft terms against personal guarantee and deposit of specified percentage of equity by the customers. The Credit Sales is repayable by monthly installment within a fixed period.

5.3 Mission Statement of the Credit Department

To deliver credit facilities to customers of Walton group with prudence and efficiency and establish as the preferred credit service provider in the country in terms of wide range of credit product, competitive price, adherence to credit norms, exercising due diligence, and effective management of risk assets.

5.4 Credit Principles

In order to maximize the stakeholders' value by establishing Walton group as fundamentally sound financial institution, there are ten credit principles, which should always Guide your behavior in our lending decision:

- i. The Company shall provide suitable credit services and products for the market in which it operates. Product innovation shall be a continuous process.
- ii. Credit Sales and advances shall normally be financed from customers deposit and not out of temporary fund or borrowing from money market.
- iii. Credit facilities shall be allowed in a manner so that credit expansion goes on ensuring quality i.e. no compromise with the Company's standard of excellence. Credit is extended to customers who will complement such standards.



- iv. The conduct of the Credit Sales portfolio should contribute, within defined risk limitation, to the achievement of profitable growth and superior return on the company's capital.
- v. Credit advancement shall focus on the development and enhancement of customer's relationship and shall be measured on the basis of the total yield for each relationship with a customer (on the global basis), though individual transactions should also be profitable.
- vi. Credit facilities will be extended to those companies/persons, which can make best use of the facility thus helping maximize our profit as well as economic growth of the country. To ensure achievement of this objective lending decision shall be based mainly on the borrower's ability to repay.
- vii. Diversification: The portfolio shall be well diversified sector wise, Industry wise, geographical area wise, maturity wise, size wise, mode wise, purpose wise. Concentration of credit shall be carefully avoided to minimize risk.
- viii. Remunerative: If Credit facilities are granted on a transaction/one-off basis, the yield from the facility should be commensurate with the risk.
- ix. Credit Sales pricing: Credit Sales pricing shall depend on the level of risk and type of securities offered. Rate of interest is the reflection of risk in the Transaction. The higher the risk, the higher is pricing. Interest rate may be revised from time to time in view of the change in the cost of Fund and market condition

5.6 Credit Risk Grading System

Walton Group being a progressive and dynamic Private company having very successful and proven track record should have a pragmatic Credit policy guidelines to efficiently and professionally manage risks arising out of its Credit operation. The purpose of this document is to improve risk management culture, establish minimum standard for segregation of duties and responsibilities relating to Credit Operation of the Company.

With a view to bringing about an effective risk management system in Credit operation of the company. This policy replaces all previous ones, which set out Credit policies of Walton Group.

5.6.1 Credit Risk Grading (CRG)



Any deviation from the approved policy in case of any credit proposal in any respect shall be clearly identified and mentioned in the credit proposal with proper justification for approval of the approving authority.

Any Credit proposal that does not comply with the Credit policy/ Lending Guidelines in any respect regardless of the amount should be referred to Head office for consideration. The Credit Risk Grading (CRG) is a collective definition based on the prespecified scale and reflects the underlying credit-risk for a given exposure. It deploys a number/ alphabet! symbol as a primary summary indicator of risks associated with a credit exposure. It is the basic module for developing a Credit Risk Management system.

5.6.2 Risk Grading System

Credit risk grading is an important tool for credit risk management as it helps the financial institutions to understand various dimensions of risk involved in different credit transactions. The aggregation of such grading across the borrowers, activities and the lines of business can provide better assessment of the quality of credit portfolio of a branch. The credit risk grading system is vital to take decisions both at the pre-sanction stage as well as post-sanction stage.

5.6.3 Definition of Credit Risk Grading (CRG)

- The Credit Risk Grading (CRG) is a collective definition based on the prespecified scale and reflects the underlying credit-risk for a given exposure.
- A Credit Risk Grading deploys a number/ alphabet! symbol as a primary summary indicator of risks associated with a credit exposure.
- Credit Risk Grading is the basic module for developing a Credit Risk Management system.

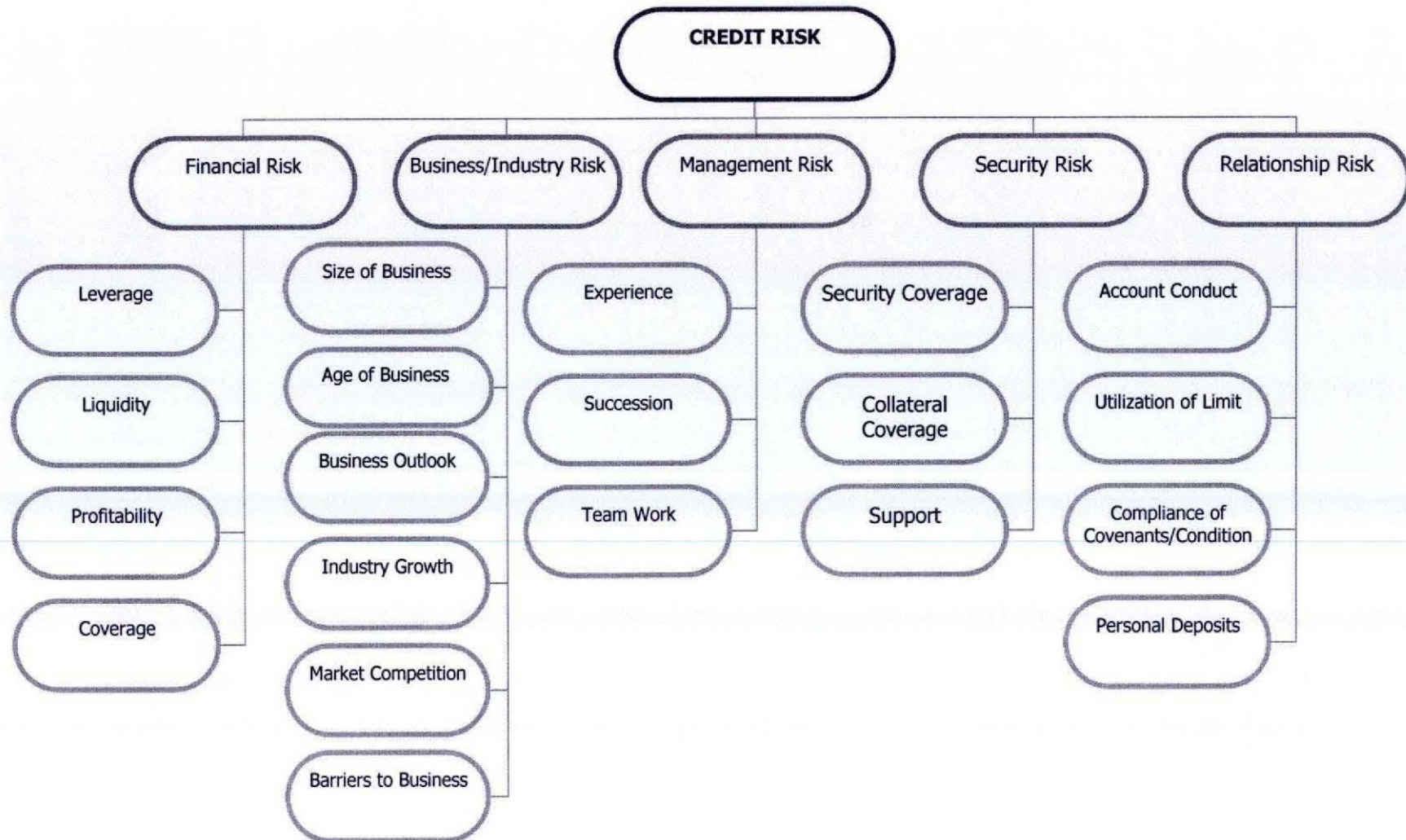
5.6.4 Function of Credit Risk Grading

Well-managed credit risk grading systems promote safety and soundness by facilitating informed decision-making. Grading systems measure credit risk and differentiate individual credits and groups of credits by the risk they pose.

5.6.5 Use of Credit Risk Grading



- The Credit Risk Grading matrix allows application of uniform standards to credits to ensure a common standardized approach to assess the quality of individual obligor, credit portfolio of a unit, line of business, the branch or the company as a whole.
- As evident, the CRG outputs would be relevant for individual credit selection, wherein either a borrower or a particular exposure/facility is rated. The other decisions would be related to pricing (credit-spread) and specific features of the credit facility. These would largely constitute obligor level analysis.
- Risk grading would also be relevant for surveillance and monitoring, internal MIS and assessing the aggregate risk profile of a company. It is also relevant for portfolio level analysis.





6. FINDINGS, RECOMMENDATION AND CONCLUSION

6.1 Findings:

- The employees are very good in nature, highly educated and helpful, if subordinate makes a mistake, higher authority motivates politely rather than blaming.
- Walton Plaza, Dhap Branch Rangpur, is able to achieve excellent rating from their clients in two important criteria of branch location & comfortable interior decoration.
- The employees of credit departments that are so crucial matter are highly experienced and can handle smartly the clients.
- Important factors such as- good reputation in the market, online sales, personal & corporate relationship etc.
- Number of employee in the branch is few.
- Product stock is low, because of this sometimes clients can not get product properly.
- Product Available service is week.
- The branch manager, officer and executive who have achieved target in all respect may be rewarded.
- Political interference has to be avoided in selection of employee. Because customers are very sensitive in service marketing. If they don't get right service at right time at right place by the right person they will switch over in other Sales outlay.
- Advertising and promotional activities are very effective for informing customers about new and (financial) attractive service. So, advertising campaign should be stronger for quick improvement of the company.
- From the study it has been found that the pricing policy of Walton product is not much satisfactory. For this reason they should hire marketing specialists who will help them to develop effective service strategy. different critical decision and prepare various plans.



6.2 Recommendation

- According to the Companies position, I will suggest to take the following aspects:
- Increase branch wise promotional activities .
- Training the employees one or two times in a year with latest production technology.
- Expand the facilities of on line product all over the branches .
- Try to faster the service.
- Increase the facilities for the employees both financial and environmental.
- Walton Group should recruit more employees on the branch .
- Cash limit should be increased
- Number of Account open should be increased.



6.3 Conclusion

The modern business world is on the fastest flow of competition which is growing wider and wider. To have sustainability in this competitive world the organizations are formulating new strategies and business plans with maximum efficiency levels in all sectors.

To build a strong base for the company and to uphold the image of company determination of firm or customer is not an outsider on their business; he/she is a part of the company. They should have decreased the knowledge gap that means the gap between customer expectation and management perception of customer expectation. They should also decrease communication gaps and ultimately the company should adjust the customer perception with their expectations.

Walton Group is a modernized company; goodwill of the company is increasing day by day. Because it makes a good employment opportunity. It provides high standards and expectations facilities for their customers. It contributes to the economic development of the country. There are many services provided by Walton Group that carry out good opportunities for general people of the country and also for savings. Besides the policies and strategies of Walton Group are high standards than other private companies. But they need to be more careful and dynamic to retain the old customers and create new customers in existing competitive situations.



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