

Letter of Transmittal

Date: November 14, 2023

Controller of Examinations

National University

Gazipur - 1704

Subject: Submission of Project Report.

Dear Sir,

I am submitting my Project report on “**An Overview of Credit Risk Management System of Southeast Bank PLC**”. This was assigned to me as a part of my MBA program. The project program has given the opportunity to learn about different aspect of a reputed organization . I have completed my Project and now prepared the Project report.

Your acceptance and appreciation would surely inspire me. For any further explanations about the report, I will be gladly available to clarify all the things. Would you please kindly accept my report and oblige thereby.

Sincerely yours

Tanzila Azad

Registration No: 19601000562

Roll No: 2020446

Session: 2019-2020

Major in Finance & Banking

Program: MBA

Daffodil Institute of IT (DIIT)

Student's Declaration

I am **Tanzila Azad**, Registration No: 19601000562, Roll No: 2020446, Session: 2019-2020, Major in Finance & Banking, Master of Business Administration, Daffodil Institute of IT (DIIT) do hereby declare that the report on **An Overview of Credit Risk Management System of Southeast Bank PLC** is done by me under the supervision of, Md. Mamonur Rashid, Lecturer & Student Advisor (MBA Program), Department of Business Administration, Daffodil Institute of IT (DIIT).

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Program: MBA

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Supervisor's Approval

The report titled “**An Overview of Credit Risk Management System of Southeast Bank PLC**” Submitted as partial requirement of MBA program. This report has been prepared by Tanzila Azad, Registration No: 19601000562, Roll No: 2020446, Session: 2019-2020, Major in Finance & Banking, Master of Business Administration, Daffodil Institute of IT (DIIT), under my supervision and guidance. This report is approved and accepted.

I wish her every success in her life.

.....

Md. Mamonur Rashid

Lecturer & Student Advisor (MBA Program)

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Acknowledgement

First of all thanks to almighty Allah for enabling me to complete project report with good and sound health.

I owe a debt of gratitude to all those who have helped me with this report. This report would not have been produced without the utmost cooperation of some individuals to whom I hereby take the opportunity to express my profound gratitude. So many people have helped me in so many ways that I hesitate to list them, fearing that I may miss someone. Accepting this risk, I will begin with Md. Mamonur Rashid, Lecturer & Student Advisor (MBA Program), Department of Business Administration, Daffodil Institute of IT (DIIT), my supervisor, for his valuable guidance in preparing this report and providing me with numerous materials that were very useful in the development of this report. He helped me whenever I needed.

I would like to thank all the concerned persons and respected teachers of MBA program of Daffodil Institute of IT (DIIT) for their assistance and cooperation during my entire MBA program.

Abstract

Southeast Bank PLC is a scheduled commercial bank in Bangladesh. This is one of the leading private commercial banks which is established under the banking companies Act 1991, the bank began its operation on 1995 with a primary objective of offering all types of commercial banking services mostly emphasizing on promoting small and medium entrepreneurs all over the country. This report is the fulfillment of the requirement for the evaluation process of the Project program. The main purpose of the report is to have an overall idea about function and process of credit risk management, analyzing tools and techniques used to evaluate credit proposal, analyzing steps taken to recover Bank's bad portfolio of Southeast Bank PLC.

The report has been collected from secondary sources like books, published report, articles, and website of the Southeast Bank PLC. It include source of existing/published data, such as operational manual, official website, banking journals, research papers and financial statement. This report has been prepared to represent the available product & service facilities, service quality, their efficiency to serve customer, terms and conditions etc.

Southeast Bank PLC had significantly reduced its various risk elements. All of its credit risk exposures show that the management has been able to reduce the credit risk. In this report the banks overall background, capital structure, organizational, management structure to analyze the Credit Risk Management of the South East Bank. This study mainly tries to find credit policy, credit approval process also find out credit disbursement credit allocation and also risk grading credit recovery policy. This study also finds that credit risk management needs to be a robust process that enables banks to proactively manage loan portfolios in order to minimize losses and earn an acceptable level of return for shareholders

There are more Private Banks in Bangladesh and that is why competition is very high, so it becomes a challenge for SEBL to retain its existing customers. The organization structure should have to be changed to put in place the segregation of Marketing / Relationship Management function from approval / Risk Management / Administration function. There is a fact that SEBL is always very conscious about its consumer banking and always tries to adapt to changes over time and wants to modernize its products and services.

Lists of Abbreviations

Short forms	Abbreviations
SEBL	Southeast Bank PLC
Ltd.	Limited
MBA	Bachelor of Business Administration
CRM	Credit Risk Management
RM	Relationship Manager
A/C	Account
CD	Current Account
SB	Savings Account
STD	Short Term Deposit
MSS	Monthly Saving Scheme
DGDS/ TGDS	Double/Triple Growth Deposit Scheme
SME	Small Medium Entrepreneur
ATM	Automated Tailor Machine
ROA	Return on Asset
NPLR	Non-Performing Loan Ratio
LLPR	Loan Loss Provision Ratio
CAR	Capital Adequacy Ratio
STLR	Standard Loan to Total Loans Ratio

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