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CLIENT SATISFACTION ON CORPORATE LOAN IN SELECTED PRIVATE BANKS

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ABSTRACT

This study attempts to investigates client satisfaction on corporate loan in selected private banks. All banks are standing in the banking industry with income from loan interest, commission fees from BG, remittance fees, other security and bonds. This study aims to identified client satisfaction on corporate loan activities and to analyze the client satisfaction on corporate loan in selected private banks. Selected four bank‘s services quality dimensions, tangibility, reliability, responsiveness, assurance and ethic is used for this for accessing service quality of selected private bank. This framework is only focus on measuring client satisfaction between customer's perceived services quality performance and expectation on service of private banks by client.

To determine client satisfaction, the descriptive statistic method is applied to achieve object of the study. The primary data is collected from 100 respondents who are randomly selected from AYA bank, YOMA bank, AGD bank and UAB bank. Random simple method is used completed structural questionnaires.

The finding shows that clients are satisfied with the responsiveness of these private banks. Moreover, perceive the service quality of service positively clients satisfy the selected private banks and relationship of service quality satisfied by the clients.

The results indicate that banks are creating shared value in cases of customer rights, account opening and maintenance, and deposit/withdrawal of money. At this backdrop, the main problem today before the commercial banks, more particularly the public sector banks in Myanmar which were earlier operating in long-run survival and forging way ahead by retaining their valued customers. The current research paper attempts to analyze a customer's perception of corporate loan in private banks. The study has been conducted in four private banks. This study is based on questionnaire method. A sample of 100 corporate loan customers has been selected using simple random sampling method. This study concluded that private banks are more preferred by majority of the corporate customer as they emphasize more upon relationship building with their corporate clients and are better equipped with modern infrastructure as compared to public banks.

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LIST OF ABBREVIATIONS

MMK	Myanmar Kyat
AYA Bank	Ayeyarwady Bank
AGD Bank	Asia Green Development Bank
UAB Bank	United Amara Bank
BG	Bank Guarantee
LC	Letter of Credit
CGI	Credit Guarantee Insurance
RBF	Responsible Business Funds
OSH	Occupational Safety & Healthy
LTR	Loan against Trust Receipt
CIF	Costs, Insurance and Freight
EBIT	Profit Before Tax and Interest
ROCE	Return on Capital Employed
ROE	Return on Equity
OD	Overdraft
DICA	Directorate of Investment and company Administration
FMI	First Myanmar Investment

CHAPTER I
INTRODUCTION

Myanmar is an emerging economy with major potential for economic development. Banks are important for a nation's economic development. After 1990s, the banking industry reaches remarkable changes. Government was trying to grow economy of the country. The wave of urbanization in Myanmar has seen Yangon extend beyond its boundaries and is now 10% of the country's population. The Myanmar is moving towards to the Super Smart Society (5.0). Those societies are (1) Hunter Gatherer Society-(1.0), (2) Agrarian Society (2.0), (3) Industrial Society (3.0), (4) Information Society (4.0) and (5) Super Smart Society (5.0). Following five steps of the living standards to more have reality need to support organization and financial institution. Financial institutions are containing at vital role. A financial institution (FI) is a company engaged in the business of dealing with *financial* and monetary transactions such as deposits, loans, investments, and currency exchange. The major categories of financial institutions include central banks, retail and commercial banks, internet banks, credit unions, savings, and loans associations, investment banks, investment companies, brokerage firms, insurance companies, and mortgage companies. Banks are most famous public interest and important place standing position.

In Myanmar, under regulation of Central Bank of Myanmar have four state-own banks, eleven semi-government banks, sixteen private banks and thirteen foreign banks. Normal processes of the banking are accepting deposit from customers and borrowing money to necessary business group for working capital requirements. Those normal processes changes to cash settle by block chain. Block chain mean digital currency. Nowadays many transactions run by using internet banking and don't transfer cash. Our country wants to get expectations will lead demand of expert skilled labor instead sensor, AI and robots. Moving towards to be developing country, Myanmar banking system need to transform traditional lending from strategic lending. Every nation needs to have knowledge- based society concern with expecting the country's progress. In future, the society must become as follows who first of speculative is Japan. Japan understood the society 5.0 since 2015. They started the future Strategy 2017 as defines since at January 2017. Earlier than other places in the

World who owns Japan, he is already well understand and agreed. Super Smart Society to be set up in Myanmar, every nationally have duties and responsibly to be achievement the strategic goals. Client satisfaction is very important for business organization. Especially in-service sectors must be served best service to customers. Individual finance and corporate finance are very important for country development. To develop country banking sector also need to develop. Bank serve two main functions which are collect deposit from customers and lending loans to customers. Banks provide loans for agriculture, industry, trade, commerce and personal needs of individuals. The growth of banking sector has been highly depending on the needs of the customers, cost of service offered, level of income, repaying capacity, expectation of the customer and the service quality. This study is an attempt to know the customers' perception towards from different banks in Myanmar and the problems faced while borrowing loans from the banks. Financial institutions are containing at vital role. Banks are most famous public interest and important place standing position.

1.1 Rationale of the Study

Nowadays, all banks are standing in the banking industry with income from loan interest, commission fees from BG, remittance fees, other security and bonds. Banking industry has many kinds of products and banks get more income from loan’s service and interest. Various kinds of loan products are retail loan, consumer loan, SMEs loan, Enterprise loan and corporate loan. Major component of bank’s target is corporate loans. Thus, banks welcome especially the corporate business owner or major person. Banks get more income from corporate loans. All type of loans is overwhelming importance to the young and growing economics of most Southeast Asian nations, but this is exceptionally the case of Myanmar. The country is rich with resources but has not managed to rid itself of post-colonial mismanagement, socialist and bureaucratic tendencies.

Alternative banking channel provide financing for the small business that cannot qualify for a loan with a traditional lender. Lender are usually based on collateral value why may be weakness the credit requirements. Defined credit margin for the approve limit will shift because of land price changes. Corporate loan is the process of identifying, assessing and controlling treats to an organization’s capital and earning. These treats, or risk could stem from a wide variety of sources, including financial uncertainty, legal liabilities, strategic management errors, accidents and natural disasters.

Therefore, the study of client perception of corporate loan business is important for all business industry. The study also tries to attempt to develop the corporate loan industry and to reduce the of need of working capital requirement of the relative business. This study gives the benefit and support to banking industry, corporate loan market and customer for the sustainable growth.

1.2 Objectives of the Study

The objectives of the study are as follow:

1) To identify the corporate loan practice in selected private banks.
2) To analysis the client satisfaction on corporate loan in selected private banks.

1.3 Scope and Method of the Study

This study focuses on client satisfactory on corporate loan in selected private banks. Targeted population of the study is four selected private banks in Myanmar. In this study descriptive research method will be applied. Primary data will be collected from corporate loan units 100 from Yoma Bank, Asia Green Development bank, AYA bank and United Amara Bank. Targeted loan limit amount was MMK-500 million and above limit on customers who provide corporate loan banking services from these banks with structured questionnaire. Data from the field were edited and coded. The questionnaires were presented in modules to reflect the various objectives as well as the research questions of the study. The summarized data shows the distribution in frequencies and percentages with tables. Secondary data will be obtained from records, background of four private banks and relevant textbooks, research papers, journals and internet websites.

1.4 Organization of the Study

This study is organized into five chapters. Chapter one includes the introduction, rationale of the study, objectives of the study, scope and methodology of study and organization of the study. Chapter two is literature review. Chapter three is the background information of client satisfactory on corporate loan in selected private banks. Chapter four analyze on client satisfaction of corporate loan in selected private banks. Chapter five concludes with findings and discussions, suggestions and recommendations and needs for further research.

CHAPTER II
THEORICAL REVIEW ON CORPORATE LOAN

In this chapter, it states the theoretical review on corporate loan activities and client perception practices are stated as follows.

2.1 Definition of Corporate Loan

Business loans, on the other hand, are loans given to group companies, single company, partnership and sole proprietorship to meet their day-to-day expenses, fund their working capital requirements, extension and new investment. They are also called as corporate loans. Type of the credit facility can change based on purpose of loan of the client. Credit facilities offered by bank are generally classified broadly in to two categories. There are funded credit facilities and non-funded credit facilities. Products and services of corporate banking are working capital financing, machinery financing, construction financing, receivable financing, export financing and import financing.

Funded credit facilities are finance extended by the banks to allow client to withdrawal a certain amount of cash after complying all other lending formalities such as application, approval, loan documentation. Non-funded facilities are finance extended by the bank to their client by way of written assurance to the client of customer or bank or other associated on behalf of the client. There is not out of flow of cash from bank to client's account or others. These are assurances/guarantee given by the bank behalf of their customers to third parties. Common examples are performance bank guarantee and letter of credit.

Those type of the credit facilities are infrastructure finance or renovation of business building for term loan amortization with including grace period , working capital requirement for overdraft ,new investment for working capital term loan , contract financing for short term loan based on period of the contract , pre-shipment financing and post-shipment financing for letter of credit and performance bank guarantee.

These loans are an excellent way for businesses to focus on their growth and generate more revenue. Corporate loans could be unsecured or secured in nature. Some businesses might require the unsecured loan that is based solely on the creditworthiness of the business. Some businesses, who have the requisite collateral to offer, might go for secured loans since the loan amount is larger than an unsecured corporate loan. Most of the client offer to the bank to reduce some document when applying the credit proposal. Corporate loans are generally offered to those who have their business established for at least 3 years and have a proven track of profit. The greatest challenge, however, is to find the right loan product, right decision and to know actual needed of the client.

Corporate loans can be partially unsecured or fully secured in nature. Mostly, secured loan is much more that unsecured loan. If some businesses requirement is not covering the force value of their property, bank may consider allowing unsecured loan by collecting risk premium upfront from client. Client will negotiate with bank collection risk premium charges instead of upfront as pro-rata. The unsecured loan that is based solely on the creditworthiness of the business. Some businesses which have the requisite collateral to offer might go for secured loans since the loan amount is larger than an unsecured corporate loan. Usually, bank comply their client application if client was good reputation in their relative field, had credit worthiness and good relationship with the bank, paid to be regular interest and payback and generated the account transaction.

Loan origination is the process by which a borrower applies for a new loan, and a lender processes that application. In this segment, taking three parts from client. It is including about document of the client, financial data and information of business and documents of collateral from client.

2.2 Different Type of Corporate Loans

There are several great programs avail to group business, partnership, sole proprietor. Some of most popular business group include governor-guarantee, government projects, Credit Guarantee Insurance (CGI) and Responsible Business Fund (RBF). RBF is a part of the Danish Development Assistance to Myanmar. RBF is an MMK 18 billion for (3 years) ‘Challenge Fund’ to “increase the competitiveness and responsible behavior of Myanmar enterprises” by providing partial grants to business for the implementation of innovative projects in the following 7 Eligible Areas: Energy Efficiency ,Water use Efficiency, Waste treatment and Recycling, Occupational Safety & Health (OSH), Food Safety, Managerial & Supervisory Skills, Practical & Technical Skills.

Most of the corporate loans are secured loan. Although client wanted to get finance from the bank will more than margin of property of client when that loan amount will be included unsecure loan. Business loans, on the other hand, are loans given to group companies, single company, partnership and sole proprietorship to meet their day-to-day expenses, fund their working capital requirements, extension and new investment. They are also called as corporate loans. Type of the credit facility can change based on purpose of loan of the client. Credit facilities offered by bank are generally classified broadly in to two categories. There are funded credit facilities and non-funded credit facilities. Products and services of corporate banking are working capital financing, machinery financing, construction financing, receivable financing, export financing and import financing.

Funded credit facilities are finance extended by the banks to allow client to withdrawal a certain amount of cash after complying all other lending formalities such as application, approval, and loan documentation. Non-funded facilities are finance extended by the bank to their client by way of written assurance to the client of customer or bank or other associated on behalf of the client. There is not out of flow of cash from bank to client's account or others. These are assurances/guarantee given by the bank behalf of their customers to third parties. Common examples are performance bank guarantee and letter of credit.

Eligible borrowers must be companies, firm or individuals, who want to construct office, factory, warehouse, shop, hotel, and house for own use or short-term leasing. Bank will support to the client margin on primary security up to 70%of cost of construction. Repayment method and term period are up to seven years. If client requested, repayment holiday may be allowed till the construction is over and starts to generate income.

Those type of the credit facilities are infrastructure finance or renovation of business building for term loan amortization with including grace period , working capital requirement for overdraft, new investment for working capital term loan , contract financing for short term loan based on period of the contract , pre-shipment financing and post-shipment financing for letter of credit and performance bank guarantee.

Type of corporate loan (7) products in the selected banks. There are as follow;

(i) Lein Letter

Lien Letter is an agreement letter in which Bank has a Borrower's consent to obtain or control their deposits or receivable account when there is an absent of repayment of loan or their obligations. It is suitable for the individual who want to borrow money by giving their savings account as collateral.

(ii) Working Capital Loan

For working capital financing, client can apply the corporate loan at wherever bank. Eligible borrowers should be general traders, importers, industrial, exporters, service providers, projector contractors and other business enterprises where there is frequent cash inflow and out flow. Constitutions of borrowers are individuals, company, partnership firm and sole proprietor (business license). Loan eligibility values have two point in bank regulation. Those will be based on working capital eligibility or 25% of estimated turnover or 75% of depends on types of business. Another one is based on value of collateral security. Repayment methods are on demand, lumpsum, partially payment and amortization methods. Period of facility is maximum one year. For that facility, repayment holidays are nothing. Interest calculation method is calculated on daily outstanding balance. Interest application frequency into account and payment method are monthly and when immediately on debit.

(iii) Construction Loan

Eligible borrowers must be companies, firm or individuals, who want to construct office, factory, warehouse, shop, hotel, and house for own use or short-term leasing. Bank will support to the client margin on primary security up to 70%of cost of construction. Repayment method and term period are up to seven years. If client requested, repayment holiday may be allowed till the construction is over and starts to generate income.

(iv) Facility to Purchase Machinery(Machinery Loan)

Client can apply for machinery financing who should be industrial units, service providers, client wants to import machinery for own use. Client will get tenure of the facility up to seven years. But bank will negotiate with client to match to comply of central bank of Myanmar ‘s regulation. Bank will support to that credit facility maximum up to 75%of values as per original value (CIF)for new machinery and 50% of depreciated value of used machinery. Repayment method is monthly installment. If client got the credit facility with including repayment holidays bank may be considered till machinery is imported, installed and started functioning. In this case, can had risk factor are loan amount is not fully covered by collateral security as defined by credit management committee, will consider the credit facility secured and partially unsecured loan with risk premium charges.

(v) Loan for Importer (LTR loan against Trust receipt)

Loan for importers or loan against trust receipt’s eligible borrower should be also individual, company, firm who is importing goods. Eligible facility is short term loan to meet payment of letter of credit, collection bills and repay from sale proceeds. Generally ,when client apply for a trust receipt loan limit, they will have to apply for another regular working capital facility such as overdraft against stock, overdraft against book debts or pledge loan , so as to convert loan against trust receipt in to such working capital limits, when goods arrived at ware house or shop or sale is made in credit. Margin of primary security will be 60% up to 75%of value as per invoice (CIF + customer duty and other cost).

(vi) Facility for Exporter for pre-shipment processing -shipping Loan

Purposes of loan target are exporters. Type of facility is short Term Loan (one time or revolving one year). Banks take the collateral security as goods mean for exports goods. Type of charge created on primary security floating charge/hypothecation. Procedure of facility approval and follow up methods are following terms. Client should apply for a limit under shipping loan, after providing details of export license, oversea buyers details, record of previous export and other required documents to approve the limit. When client receive LC opened by reputed oversea banks through local bank, bank will advise LC to client. Client is received the LC through other banks, original operating instrument (LC) should be surrendered to bank .While availing finance bank will keep the original operative instrument and give a copy to the client. In case of confirmed orders received directly the client.

Client will submit details of confirmed order to the bank. Bank will release a short term loan up to 60-70% of the order value.

(vii) Local Bill Discounting

Period will be short term loan (30/60/90/180 days) for that facility. Type of primary security should be bill of exchange drawn on buyers and assignment of book debts on supply of goods. Purpose of finance is for to discount receivables from buyers and use of further processing and procurements of goods. Margin on primary security have two option. There are 80% of bill amount and discount 100% of bill amount less discount (up front) for interest scheme Client can choice any option. Repayment method is lumpsum.

2.3 Calculation Method for Corporate Loan

While processing the credit proposal assessment, bank measure with five ratios of client financial to weight to approve the limit. Following ratios are turnover ratios, liquidity ratios, leverage ratios vs coverage ratios and profitability ratios.

Turnover ratios, also known as activity ratios, measure management 's ability to property utilize the resources allocated to the company's fixed assets as well as its current assets. These ratios are constructed by comparing a balance sheet asset item to an activity, such as net sales of cost of goods sold. Total assets turnover ratio, debtor's turnover ratio, stock turnover ratio and creditors turnover are including in the turnover ratios.

Total assets turnover ratio is Net Sales/Total assets, the ratio shows the Myanmar kyat amount of sales generate by one kyat of Myanmar of assets. The higher the total asset turnover is the more effective of the company's asset have become. Total asset turnover can be very useful if client watch what makes up the total assets of the company. A company with low stock and strict credit policies to keep debtors low will help to make the ratio looks even better. An asset turnover ratio that is low relative to its trend or to the industry average indicated a managerial problem related to the degree of utilization of the company's assets.

Debtor turnover ratio is trade debtors *365days/net sales, this ratio shows the number of days that trade debtors take to make the payment for the credit sales effected by the company. If the trend shows debtors take more and more days to pay, this could indicate a problem with either the quality of the debtors and or the client 's credit control. A low number of days is usually a positive sign. It shows the company is successfully executing its credit policy and quickly turning its debtors into cash. A possible negative aspect to an increasing debtor's turnover is the company may be too strict in its credit policy and missing out on potential sales.

Stock turnover ratio is stock & 365days/cost of goods sold; this ratio measures the number of days that the stocks are held by the company. A low number of days shows that the average stock dollar moves in and out the stock balance in a timely fashion. It may also indicate however that the stock balance is too small relative to sales and the possibility of losing sales does exist. On the other hand, a high number of days may be a sign of too larges an investment in stock or possibly, obsolete stock.

Credit turnover ratio method is trade creditors * 365 days/ credit purchase, this ratio shows how many days of credit are enjoyed by the company from its suppliers. If the number of days is low, it indicates that company's liquidity is satisfactory. On the other hand, it may also indicate that company 's credibility in the market in not so good to avail the credit. The high number of days may indicate that the company is facing the liquidity problem and it may be paying comparatively high prices for its purchase.

Liquidity ratios are used to determine a company's ability to meet its short-term debt obligations. Current ratio and quick ratio of acid test ratio are including as major component of client business conditions.

Current ratio method is current assets/ current liability, the current ratio id the most widely recognized of all financial ratio is used to estimate a company's liquidity. It calculates the number of times the company's dollar or Myanmar kyat among of liquid or current assets covers the company's short-term financial obligation. A low current ratio can result from a relative low level of current liabilities. At a minimum, client would hope the company whose financial performance client are analyzing could meet/pay its current liabilities if it were to liquidate all its current assets. This would translate to current ratio1.0 point where the current assets equal the current liabilities. However, a favorable current ratio is above 1.33. It is important to know what assets make up most of the current assets. Stock and debtors, which are part of the current, cannot always be counted on as easily converted to cash. Cash and marketable securities comprising of the current assets would be favorable. The current ratio over time will be favorable.

Quick or acid test ratio is current assets- stock /current liability, the most liquid of all current assets are the cash account, marketable securities and debtors.

Thus, the quick ratio is developed in order to focus liquidity analysis only on the most liquid of the current asset account. If the company client is analyzing looks good while testing it against the current ratio, then the quick ratio should be client ‘s next test to apply. Companies with steadily rising stocks may look good with current ratio but will have a deteriorating effect on the quick ratio when bank are subtracting the stocks out. Favorable quick ratio is above 1. The quick ratio rising over time is favorable.

Leverage ratios vs coverage ratios are designed to assess the balance of financing obtained through debt and equity sources and also to spot those companies which rely too heavily on debt sources. These ratios can be separated into distinct groups: those that measure the company ‘s ability to service its debt obligations out of current earnings. These ratios indicate the long term solvency of a firm and indicate the ability of the firm to meet its long-term commitment with respect to (ii) repayment of principal on maturity or in predetermined installments at due dates and (iii) periodic payment of interest during the period of the loan.

Member ratios of Leverage ratios vs. coverage ratios are debt ratio, debt-equity ratio, interest coverage ratio and debt service coverage ratio. Debt ratio=total debt/total assets, the debt ratio measures the proportion of a company’s total financing being supplied by debt sources such as creditors, bank loan, bonds of mortgages. The lower the ratio the better, as companies with high amount of debt introduce more risk. Client would want to look very hard at companies that have more total debts that total assets, as this is a precarious position for a company to be in. This is when equity turns negative. Depending on the industry of the company, client might expect the company to have two or three times as many assets as debts. Anything less than this might be a signal that the company might be running into trouble. Favorable ratio of debt ratio is less than 0.5.

Debt-equity ratio method is total debt / tangible shareholder equity, this comparison relates to the total dollar or Myanmar kyat amount of debt to the company’s level of shareholder equity. It is able to directly assess the number of cash of debt financing the company is using per dollar of kyat of shareholder equity. The higher the amount of total debts, the riskier this company becomes. Another definition of debt equity ratio is total loan term debts/tangible shareholder equity. What constitutes a good or bad result will vary by industry. Example, capital intensive industries like telecommunications industry or banking industry. Debt equity ratio less than 2 is favorable and above 2 is to be analyzed depends on industry.

Interest coverage ratio is profit before tax and interest (EBIT)/ interest expense. This ratio measures the number of time that earnings before interest and taxes cover or exceed the company's interest expense. A high of increasing ratio od usually a positive sign, showing the company is better able to pay its interest expense with its earnings. A ratio of 1.0 is minimal, showing the company is barely able to meet its interest payments. A desirable interest coverage ratio is above 5.0. Generally, stability in interest coverage ratios is one of the most important things to look for. A declining interest coverage ratio is often something for lenders to be wary of as it indicates that a company may be unable to pay its debts in the future.

Debt service coverage ratio method is (net profit after tax +depreciation + interest expense + principal repaid in period)/ (interest expense + principal repayment during the period). This is a more comprehensive measure to compute the debts servicing capacity of a firm. It shows how many times the total debts services obligations consisting of interest and repayment of principal installments are covered by the total operation funds after payment of tax. The better the debt service coverage, the better the company is. The ratio value of 1.5to 2.0 is desirable. For a long term loan, debt service coverage ratio for every year should be calculated for the loan repayment period and ensure that average debt service coverage ratio is above 15.

Profitability ratios include five kinds of semi ratio. There are gross profit margin, net profit margin, return on assets, return on capital employed and return on equity. Gross profit margin is gross profit * 100/ net sales. A firm should have a reasonable gross profit margin to ensure coverage of its operating expenses and ensure adequate return to the owners of the business or shareholders. To judge whether the ratio is satisfactory or not, it should be compared with the firm's past ratios or with the ratio of similar firms in the same industry or with the industry average.

Net profit margin is net profit/ net sale. The net profit margin ratio compares the net profit of the company to the level of net sales. This ratio is indicative of the firm's ability to leave a margin of reasonable compensation to the owners for providing capital, after meeting the cost of production, operating charges and the cost of borrowed funds. Whenever the profit margin for a company od substantially different from the industry average, or if a substantially difference occurs in a year-to year comparison of a company's profit margin, a more detailed analysis of its cause is needed. As with other margin ratio, the higher the net profit margin the better.

These ratios are calculated by dividing the various expenses by sales. The variants of expenses ratios are (material consumed ratio = Material consumed * 100/net sales) , (manufacturing expenses ratio = manufacturing expense *100/ net sales, (administration expenses ratio = administration expense * 100 /net sales), (Selling expense ratio = selling expenses * 100/ net sales) ,(Operating ratio = cost of goods sold plus operating expenses * 100 /net sales), (Financial expense ratio = financial expenses * 100 /net sales).

The expenses ratios should be compared over a period of time with the industry average as well as with the ratios of firms of similar type. A low expenses ratio is favorable.

Return on assets ratio is net profit/total tangible assets. This ratio measures the profitability of the total funds of a firm. It measures the relationship between net profits and total assets. The objective is to find out how efficiently the total assets have been used by the management. Smart companies strictly control major purchase, attempting to limit to those that will best bring a return in greater revenue to the company. The return on assets is a useful way to measure how well the company of actually able to make intelligent choices on how to spend its money on new assets. Total assets exclude fictitious assets. As the total assets at the beginning of the year and end of the year may not be the same average total assets may be used as the denominator. The higher the return on asset is the better.

Return on capital employed (ROCE) is net profit and capital employed. It indicates how efficiently the long-term funds of owners and creditors are being used. Capital employed denoted shareholders' funds and long-term borrowings. To have a fair representation of the capital employed, average capital employed may be used as the denominator.

Return on equity ratio is net profit / tangible shareholders equity. Rather than measuring return in relation to total investment, it can also be measured just in relation to shareholder's equity. Return on equity basically shows how many Myanmar kyat or dollar of earnings were generated per kyat or dollar of equity the shareholders provided. As with another margin ratio, the higher margin ROE, the better. Tangible shareholders 's equity includes preference share capital plus equity share capital plus reserves and surplus less accumulated losses and fictitious assets.

To have a fair representation of the total shareholders’ funds, average total shareholders’ funds may be used as the denominator.

CHAPTER III
OVERVIEW OF COROPERATE LOAN IN PRIVATE BANKS

This chapter first presents the role of the private banks. It was followed by types of loan products and it is also stating of cooperate loan activities in private banks.

3.1 The Role of Private Banks

The private banks are going on a journey for innovation and growth in Myanmar's banking sector. Private bank in Myanmar has been banned by the military routine until 1992. As of November 2019, there are 27 local private banks operating in Myanmar. Despite recent progress, a number of challengers remain. The current government is balancing a range of priorities, from ambitious peace negotiations with multiple armed groups, to developing the public health infrastructure, to responding to the physical and economic destruction from Cyclones Komen and Mora(2015, 2017), to reorienting the economy to one of private-sector-led growth. In this last regard, however, Myanmar remains a difficult place to run a business, ranking 170th out of 190 countries in the World Bank's Doing Business Index and 131st out of 140 economies in the world Economic Form 's Competitiveness index.

Among these initiatives, banking-sector development in particular has become a major focus of recent reforms, given the role that a well-function financial sector plays in enabling the growth of the private sector. Recent efforts to develop the banking sector have included both policy reforms and investments in the payment infrastructure. On the legislative and regulatory front, the government has enacted several new laws, including the Foreign Exchange Management Law in 2012, the Central Bank of Myanmar Law in 2013 and the financial institutions Law in 2016. These laws ended Myanmar's system of dual exchange rates, established central banking sector. At the same time, the government has also taken tentative measure to enable foreign participation in the banking sector.

While these achievements lay the groundwork for further progress, policymakers remain concerned about financial fragility and the potential for crises. The memory of the 2013 banking crisis is still strong and there is lack of public trust in the banking system as a whole. For these reasons, banking regulation has remained somewhat heavy handed. However, rather than limiting systemic risk, some current regulations may in fact inhibit the deepening and strengthening of the banking sector.

The document begins with an overview of the banking sector, including its major institutions and the supervisory framework. The second section examines the core challenges for banking-sector development. Then, the document turns to the state of financial inclusion for businesses, households and farms. The paper concludes with a discussion of the government bond market in the Myanmar.

Finally, as result past legal requirement (now lifted), bank frequently limit loan terms to one year. So that businesses have no way to financial longer-term investment in their growth and/or expansion. While only a minority of Myanmar firms have received a bank loan, one study found that around 80 percent of corporate borrowers prefer to have assess to loan for terms of between one and five years.

3.2 Corporate Loan Activities in Private Banks

Perception is an opinion about somethings point of view and appraised and it varies from customers to customers, as every customer has different beliefs towards certain services and products that play an important vital in determining customer satisfaction. Customer satisfaction is determined by the client's perception and expectations of a quality of the products and services. In many cases, client perception is subjective, but it provides some useful insights for organizations to develop their marketing strategies. Providing high level of quality service has become the selling point to attract client's attention and is the most important driver the leads to satisfaction. Therefore, client perception and customer satisfaction are very closely linked together because if the perceived service is close to customer's expectations it leads to satisfaction. Satisfied customers provided recommendations; maintain loyalty towards the company and customers in turn are more likely to pay price premium (Kotler, 2000).

In Myanmar, all commercial banks have credit lending policy and process. Most of the bank are having same situation. Approval of various credit facilities shall be subject to certain ceiling as ascribed are single borrower exposure ceiling, maximum exposure ceiling, loan deposit ratio ceiling, geographical areas, segment wise exposure areas. For single exposure ceiling 's criteria; the secured exposure to a single borrower is should not exceed 20% of ceiling with respect to capital plus reserves of the bank as per last audited report of the bank. Top 10 exposures are aggregate of top 10 debtors should not exceed 30% of total loan portfolio of the bank. Maximum exposure ceiling is from time to time the relative board of director will stipulate the maximum exposure for the sector ceiling and segment ceiling.

Industry sectors exposure ceiling indicate maximum exposure to a particular sector of economy of the county. The sectors may be classified as per the Central Bank ‘s guidelines. The indicative classification as ceiling are as under; Central Bank of Myanmar ‘s is not indicated for sector but most of the banks ‘s targeted sector terms are nearly same. Loan to deposit ratio ceiling should not exceed 75%as far as opportunities are there for investment in treasury Bills, Government Bonds and other financial instruments. Mostly banks geographical areas; Yangon (60%), Mandalay (35%) and other regions (5%).

All bank avoids to the unethical lending for all process. Unethical practices are undue influence, reciprocal favor, accepting monetary incentives from prospective borrowers, accepting gifts from prospective borrowers, discount purchase, allowing a conflict of interest and processing credit application of one ‘s close friends and relatives.

A loan that is gave to a company rather than to a government organization or an individual person. The bank said demand for large corporate loans was low but offset by growth in personal lending. Business loans, on the other hand, are loans given to companies and other such entities to meet their day-to-day expenses, fund their working capital requirements and expansion, etc. They are also called as corporate loans.

A business loan is a loan specifically intended for business purposes. As with all loans, it involves the creation of a debt, which will be repaid with added interest. The primary difference between corporate and commercial banking is the clientele. The world of corporate finance is filled with small, medium and large businesses that are considered institutions rather than individuals. A final difference is in the amount of pay that corporate and commercial bankers can earn.

All of the private banks are usually same normal interest rate. Taking proposal documents from client are also same. Different are financial data and taxation. All of bank and banker have ethics. They also help ethics of lending of their client’s history and about credit limit. Every banks have credit principles. There are: limit should be set for every exposure. It is a serious breach of discipline of commits the bank to a transaction without proper authority. Disproportionate large individual exposures and risk concentrations are two be avoided. All loans are expected to be promptly repaid in accordance with agreed terms.

Credit should be extended with extra caution when related to unfamiliar markets, cyclical industries or new ventures. Credit should be extended where the source of repayment is unknown or speculative or the destination of funds is unclear unless the bank is comfortable with the quality and security margin and the reputation, integrity and credit worthiness of the customers.

For all loan process requirements documentation taking from clients are as follow;

KYC Document of client

- Nation registration card copy
- Household register copy
- Community Letter

Business documents, if business

- Business License update
- Financial statements (last 3 years needed)
- Taxation (3) years slip copy
- Current business photos original

If company,

- Certificate of Incorporation from DICA
- Constitution from DICA
- BOD resolution
- Balance sheet with CPA signed
- Cash flow statement one year
- Taxation (3) years slip copy
- Current business photos original

Documents of Collateral security

- Grant copy for lease hold land (must be title clear)
- Free hold land (sale contract/ succession declaration deed/ gift deed and etc)
- Land map, land history(105,106) (must be within one year)

- Collateral photos (All view) original

3.3 Type of Loan Products in Selected Private Bank

Various kinds of banks currently offer corporate loan of working capital loan which are AYA bank, Yoma bank, Asia Green Development bank and United Amara bank.

AYA bank limited is a private in Myanmar. AYA bank was established on 2nd July 2010 with the permission of the Central bank of Myanmar. The AYA bank's head office is located in the Rowe Building Kyauktada Township of Yangon Division. AYA bank began operations on 11th August 2010. AYA bank has (258) branches as of August 2019 and has number of employees (8,300). Its major products are financial services. The bank is authorized to operate as an investment or development bank for the domestic market and the approved banking activities include. There are borrowing or raising of money, lending or advancing of money either secured or unsecured, receiving securities or valuables for safe custody, collection and transmitting money and securities, cash management system, internet banking, provision of international banking services including international remittance, payment and trade services and mobile banking. AYA bank 's main loan products are retail loan, small and medium, enterprise and corporate loan.

Retail loan groups include consumer loan, home loan and hire purchasing and lien letter. In corporate loan, are assuming project financing, invoicing financing, working capital financing. AYA Bank will provide long term financing of business's infrastructure, industrial projects and public services based on your cash flows of the project. Bank shall give as invoice financing the cash in advance to get better cash flow for trading businesses. The sellers or buyers may discount their invoices to obtain better liquidity. The bank may provide short-term advanced money to companies' receivables or help them pay their due invoices. Floor Stock Financing of AYA Bank is mainly targeted at the automobile industry in which Automobile Dealers are able to pledge their vehicles with AYA Bank and get required finance for their businesses, enabling better liquidity.

Bank of AYA 's normal loan interest rate is thirteen percent per annum, commitment charges are 1% per annum on unused amount. Approving loan types are demand loan, amortization loan and term loan. Client payback 100% loan amount to the bank when loan account will due for overdraft. When client took the loan type with more than one year as demand loan, client repayment 30%, 30%, and 40% for (3) years. Penalty fees or late fees is 2% per annum on overdue balance and over limit. Early payment collection fees are 2% per annum on payback amount. Credit proposal processing period is about nearly one month.

YOMA bank limited is one of Myanmar's largest commercial banks. Yoma bank was found in May 1993by entrepreneur Serge Pun of the first Myanmar Investment company (FMI). After receiving a full commercial banking license, Yoma Bank opened its first branch in August 1993. Since 1996, Yoma bank expanded and has become one of the largest private banks in Myanmar. In 1999 Yoma was Myanmar's first bank with a computerized accounting system and to use wireless communication to connect to all of its branched via satellite. In 2001 Yoma bank provided (41) branches in (24) cities. Within 2003 to 2012 Yoma faced with Myanmar bank crisis. When Yoma bank's license was limited stopping the bank from accepting deposits or issuing loans. Yoma bank focused on fee-based services such as remittances. It is the 4th-biggest bank in Myanmar. The bank has 80 branched across the country.

In August 2012, the Central Bank of Myanmar reinstated Yoma bank with a full banking license. Yoma bank began employing foreign international YOMA bank 's loan interest rate is also 13% per annum. But that bank did reduce interest campaign as first time last year. when loan interest rate was 12.5% per annum. Thus, that bank 's additional loan limit more growth Myanmar kyat 80 million. That bank has planned to do that campaign to make every year with one time a year. Demand loan's period of loan is up to (3)years and overdraft period is (1)year. That bank instructs with three kinds to collect. There are due from up to 30 days, 30day from 90days and 90days from 120days. Bank give waive for final year. Loan processing time is one month from 1.5months. Client may comply type of facility from decision of credit committee.

Asia Green Development bank is a public commercial bank in Myanmar providing banking services and products. The AGD bank's head office and first branch was successfully opened on august 6th, 2010 in Nay Pyi Taw under the organization of Htoo group of companies. At first, AGD bank is 100% owned and operated by Htoo group of companies which is engaged in trading, energy and mining, construction, agriculture, hotel, travel and tourism business. In February 18th, 2013 with a new slogan ‘we, all Myanmar will develop together’, AGD bank was converted to public company shares capital stand at 30.0873billion Myanmar kyat of 601,746 shares in fiscal year.

AGD bank has been (77) branches across the country until June 2019. With establish an International Banking Department, authorized as Dealer and Money Changer License 65 foreign exchange counters services to the general public. AGD Bank is committed to helping you to grow your business. We support people from many business sizes and sectors - offering personalized products and services to help your company to grow and prosper. As the client-centric area of the bank, our main purpose is to help our clients achieve their goals. Whether your business is well established, or just starting out, you should have a supportive and reliable banking partner. Bank’s mission is bank will help you with all of your business needs, providing tailored solutions, in-depth local banking expertise, and a high level of personal service.

The banks ‘s major loan products are also retail loan, small and medium and corporate loan. These loans normal loan interest is 13% per annum. That bank also collect1% commitment on unused amount of the limit. Currently, the bank credit lending is corporate loan (61%) , SMEs and retail/ consumer loan (39%) of total loan portfolio.

United Amara Bank Limited, widely known as uab Bank, a private company limited was formed on August 16th, 2010 under the Financial Law by the Central Bank of Myanmar. United Amar bank is a leading bank in Myanmar. Established in 2010. The bank is now serving their customers from a growing network of over 78 branches in 47 townships across Myanmar. The bank provides a wide range of financial services including consumer banking, premier banking, SME banking, corporate banking, trade finance banking and treasury banking. Through their subsidiary uab securities, the bank also provides brokerage services, corporate and financial advisory, investment banking and capital market activities. The bank ‘s business model, which is anchored on a combination f sound strategy, focus on our core business, strong governance structure, differentiating ourselves and performance evaluations enables us the best use of its resources in order to create value of its stakeholders.

UAB bank’s loan interest rate is also 13% per annum. Commitment charges also the same with following above bank. For extension process, client paid 25%

repayment of the approved limit when first time extension. Client put five working days in their loan account. After that bank approve to extend next year. If client could not 25% repayment to the bank, client will pay 1% of 25% of the original limit. Banks allow extending with the same day. When second times extension, client paid 50% of the approved limit and must put three working days or 1% of 50% of the limit. For third times and above, client payback to the bank 100% of the approved or 1% extension fees collect on approved limit. All extension fees collection system is same at UAB . Credit proposal processing period is long over one month.

Table 3.3 Comparison of Corporate Loan service fees in Private Banks

PARTICULAR	AYA	YOMA	AGD	UAB
Initial fees	Nil	0.5% For overdraft	Nil	Nil
Interest Rate	13%	13%	12% for new loan for OD & 13% for Term Loan and existing loan	12% for new loan for OD & 13% for Term Loan and existing loan
Service charges on loan	13%	13%	13%	1% for OD new Loan
Repayment System	Lump Sum for Overdraft or 25% of limit	100% repayment for OD	100% repayment for OD	25% repayment for first year, 50% repayment for second

				year, 100% repayment for third year above
Lawyer Fees per unit	50,000	20,000	50,000	40,000
Assessor fees	50,000	20,000	20,000	40,000
Fire Insurance(Yearly on property Value	125% on force sale value	125% on force sale value	125% on force sale value	125% on force sale value
Early payment fees(on outstanding principle)	2% per annum on outstanding balance for (3)years loan	2.5% per annum on outstanding	Nil	3% for the first two years, 2% for the third years, 1% for after 3 years
Default Fees	a) 3% (31-60 days) b) 15%(61-90days) c) 20%(91-180days) d) 25%(181 days above) per annum	3% per annum on outstanding	1% per annum	a) 3% (0-90 days) b) 2%(91-180 days) c) 1%(181 days) per month

Period of loan	Demand Loan (3) years, Overdraft (1) year	Demand Loan (3/1) years, Overdraft (1) year	Demand Loan (3/1) years, Overdraft (1) year	Demand Loan (1) year, Overdraft (1) year
Processing Period	1.5 months	1 month	1 month	1 month

Source: private banks ,2019

CHAPTER IV

ANALYSIS ON CLIENT SATISFACTOR ON CORPORATE LOAN IN SELECTED PRIVATE BANKS

This chapter analyses the client satisfaction on corporate loan services. There are three sections in this chapter. They are enterprise characters, relationship between bank and enterprise and corporate loan characteristics, Enterprise characters included demographic characteristics of customers, size of enterprise and customers' financial situation. Corporate loan characteristics included the amount of loan, loan duration and customers keep collateral in banks or not.

4.1 Research Design

This study analyzed the corporate loan service quality of private banks. To support the assessment, the required data were collected through sample survey. In this survey structured questionnaires 's were used. The questionnaires included three main parts. They were demographic information of the respondents, corporate loan background and customer perception on four private banks. In this study collected data from the customers of AGD, AYA, YOMA, UAB banks and sample survey was from 100 customers in total.

4.2 Enterprise Characters

In this portion included demographic characteristics of respondents, size of enterprise and respondents' financial situations. Enterprise character was very interesting from bank side. Depend on character, the bank decided to issue corporate loan to customers. If the customer' character was good, it has more chance to get a corporate loan.

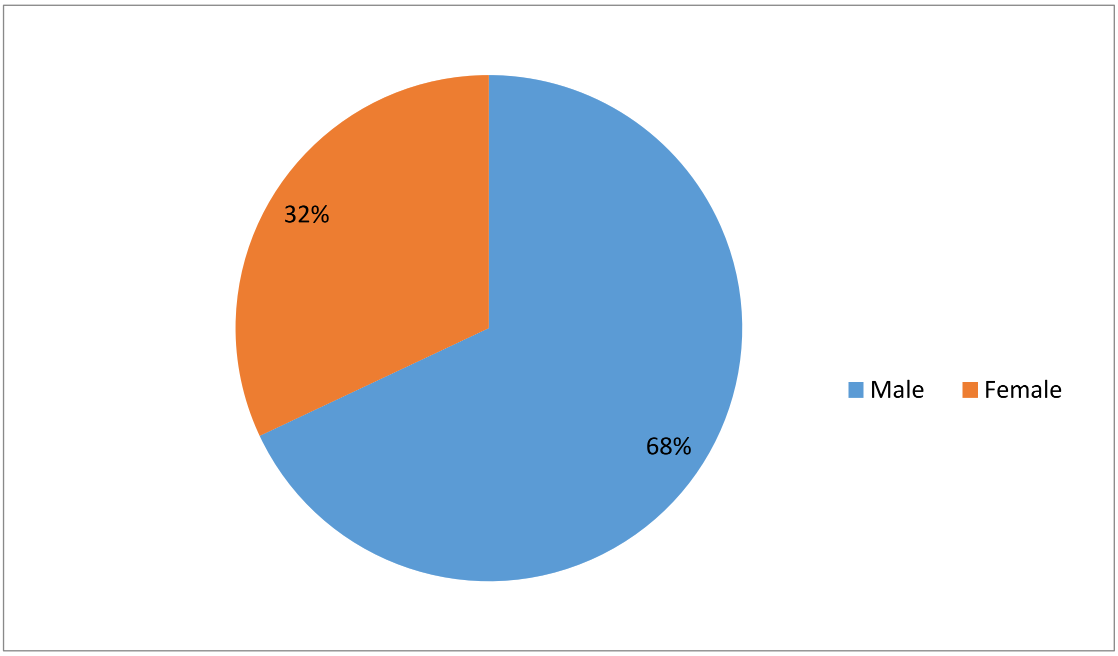
4.2.1 Demographic Characteristics of Respondents

The demographic characteristics of the respondents for the random sample 100 from four private banks. These characteristics included gender, age, material status, education and occupation. As from random survey results, 40 numbers of respondents from AYA, 20 numbers of respondents from AGD, 24 numbers of respondents from uab and the rest 16 numbers from YOMA.

Gender

In this study included 100 respondents which were 68 numbers of male and 32 numbers of female. Figure (4.1) shows gender of customer as a percentage.

Figure (4.1) Gender of Customers



As shown in Figure (4.1) the sample consists of 68 percent of male and 32 percent of female. It stated that, there was more male customer than female customer who interested in corporate loan program.

Age Group

In this study, age was divided into five portions.

Table 4.1 Age Group of Customers

Category	No of Respondents	Percent (%)
18 to 30 years	4	4
31 to 40 years	16	16
41 to 50 years	56	56
51 to 60 years	12	12
Above 60 years	12	12
Total	100	100

Source: Survey Data, 2019

Table (4.1) showed the frequency distribution of age of the survey. The age of customers was grouped into five classes which were 18 to 30 years, 31 to 40 years, 41 to 50 years, 51 to 60 years and above 60 years. From Table (4.1), respondents 56% were most of the customer using corporate loan service aging between 41 to 50 years and 16% were the second most of the customers using corporate loan service aging between 31 to 40 years. It can also be said that the rest aging group of customers who were more than over 60 years and aging between 51 to 60 years were 12% each. Aging between 18 to 30 years was 4% and lowest percentage of the results.

Marital Status

Table (4.2) showed the frequency distribution of material status of the respondents. In this study divided into four main groups. That were single, married, divorced and widow.

Table 4.2 Marital Status of Customers

No	Category	No of Respondents	Percent (%)
1	Single	44	44
2	Married	36	36
3	Divorced	12	12
4	Widow	8	8
	Total	100	100

Source: Survey Data, 2019

Table (4.2) showed the frequency distribution of marital status of customers. As per survey results 44% of the respondents were single. 36% were second most of the customers using corporate loan service who were married. The rest 12% and 8% were divorced and widow of the respondents.

Educational Level

Figure (4.3) shows the educational level of customer as a percentage. There were four education levels among the respondents which were high school, bachelor, master and others.

Figure (4.3) Educational Level of Customers

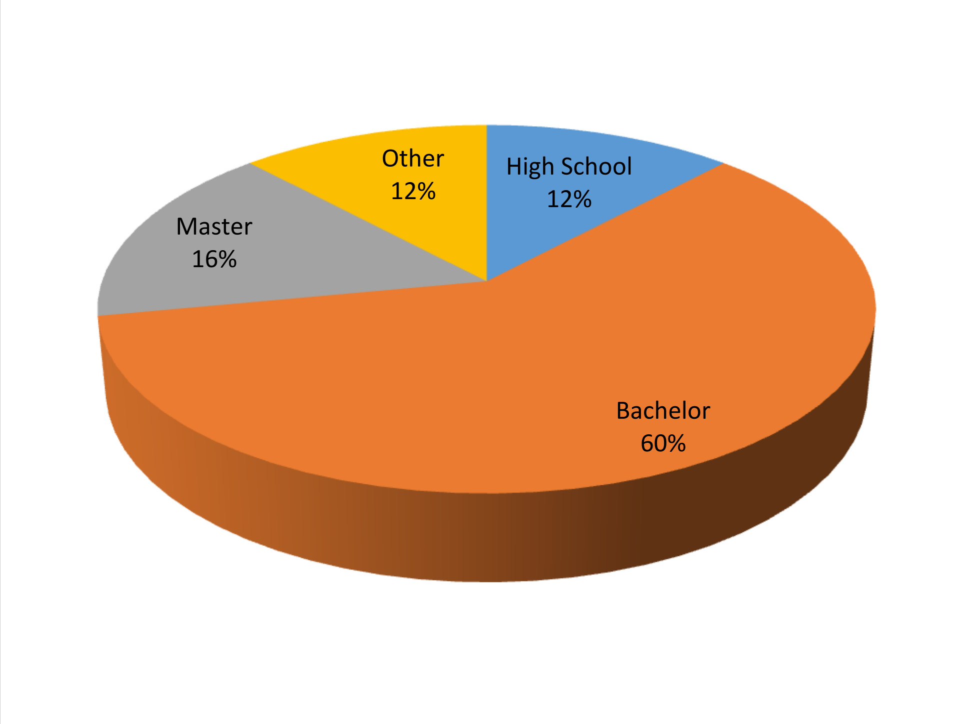


Figure (4.3) presents the pie chart of educational level of respondents. The education levels of respondents can influence on the satisfaction of the corporate loan service quality. According to results of the survey, most of the customers got bachelor that was 60%. The second largest amount 16% of the customers got master. The rest 12% each were high school and others.

Occupation Status

Occupation of the respondents was shown in Table (4.4).

Table (4.4) Number of Respondents by Occupation Status

No	Category	No of Respondents	Percent (%)
1	Professional	80	80
2	Self-employed	16	16
3	Others	4	4
	Total	100	100

Source: Survey Data, 2019

There were three categories of occupation in survey questionnaire that were professional, self-employed and others. It is found that 80% of the respondents were highest group and who were professional. Self-employed were 16% of the respondents and the rest 4% only were others.

4.2.2 The Size of the Enterprise

The size of the enterprise analyzed with two facts. That was enterprise that already appointed staff numbers and the branches of the customers. In this study staff numbers were divided into five categories which were under 30, 31 to 50, 51 to 75, and 76 to 100 and over 100.

Table (4.4) Number of Staffs in Enterprise

Category	No of Respondents	Percent (%)
Fewer than 30	20	20
31 to 50	41	41
51 to 75	22	22
76 to 100	9	9
100 Over	8	8
Total	100	100

Source: Survey Data, 2019

Table (4.4) presented by the number of staffs in enterprise. As per survey results, 41% of the enterprise appointed staffs between 31 to 50 numbers. The second largest 22% of the enterprise appointed staffs between 51 to 75 numbers. Fewer than 30 staffs were 20% of the enterprise and staffs appointed 100 numbers over were 8% only.

The size of the enterprise analyzed into three main categories that were opened branches of the enterprise. Table (4.5) presented opened branches of the enterprise.

Table (4.5) Number of Branches of the Enterprise

Category	No of Respondents	Percent (%)
Fewer than 10	80	80
10 to 20	17	17
Over 20	3	3
Total	100	100

Source: Survey Data, 2019

Among 100 numbers of random sample, enterprise opened branches which were fewer than 10 was 80%. 10 to 20 branches opened were 17% and over 20 branches were 3% only.

4.6 Client Perception of Corporate Loan Program

Statement	Mean	Standard Deviation
I have satisfied all charges of banks loans	**3.67**	**0.47**
I have satisfied period of loan	**4.34**	**0.48**
I have satisfied the agreement of the loan documents	**4.34**	**0.48**
I have satisfied the service of private banks for loans.	**4.34**	**0.48**
I have satisfied to submit collateral to get corporate loans.	**4.00**	**0.00**
Average	**4.14**	**0.34**

Source survey data ,2019

Table 4.6 present, interest and other charges collection of corporate loan services are strongly benefit to client which mean was 3.67 and standard deviation was 0.47. From the surveyed, it stated that customers are slightly satisfied in processing period because some of the bank didn't give the service short term. Mean value is 4.34 and standard deviation is 0.48. According to survey, it was observed that overall mean of client satisfaction on corporate loan service is 4.14 and standard deviation is 0.343.

CHAPTER V

CONCLUSIONS

The chapter of conclusion has three parts. Firstly, finding and discussion is presented by according to the results of study. Secondly, recommendation and suggestion is presented and the last portion is the suggestion for further study.

5.1 Finding and Discussion

The primary purpose of this paper identifies the corporate loan services provided in private banks to determine the factors that customer perception towards corporate loan services in private banks. This paper examined customers through questionnaire survey and determined preferable factors of customers' perception on private banks services. From the survey data, it can conclude that corporate loans serve some significant benefits to customers. Customers can run their enterprise well. They can extend their enterprise to growth more in future.

The questionnaire was given to random sample customers and their opinion on private banks. Male customers were more than female customers using corporate loan. The age between 41 to 50 years old was highest group of corporate loan users. Most of the corporate loan users got bachelor's degree and their occupation were professional. Most of the corporate loan customers run the business with staffs between 31 to 50 numbers. Their working capital status was good to run the business. Corporate loan customers were familiar with bank transactions and banking products.

As per survey results from random sample, corporate customers possess many kinds of collateral and most of the customers satisfied to pay other charges of bank loan. 76% only satisfied of period of loan process. 51% were not satisfied agreement of loan documents.

5.2 Recommendation and Suggestion

After reviewing the result findings, the recommendation and suggestion will be presented for improvement of good service quality and to enhance customer perception on corporate loan services of private banks. These findings could be valuable to private banks, especially in relation to increase the adoption of private bank among customers, promotion strategy that targets all customers for more trusting and using of private bank corporate loan services.

According the survey results, most of the corporate loan client are married, education level are also good positions. Management skill level are also good. Thus, all clients are well handle to their business size more emperor with the bank's finance. But a few percent of the client are not satisfied, they understand as well bank 's interest rate and other charges are suitable compare with market interest rate. Thus, most of the client are interested that was intended for them from all of the bank 's products.

Another suggest that, corporate loan customer was not satisfied agreement of loan documents as some of the paperwork need to reduce to avoid delay time. And then private banks should take collateral to cover corporate loan amount. Corporate loan amount was very big and high-risk products of the bank. Form the survey data observed, all the respondents and customers' perception in private banks upon corporate loan service is mostly satisfied and affects their enterprises.

5.3 Need for Further Study

As there has a limitation of time and costs, the sample size of the study based on 100 customers and the survey is done only in four private banks. For better understanding the concepts of corporate loan and accordingly the perceptive of customers need to make further study.

Questionnaires

The information obtained from the questionnaires will be used only for the MBF (Master of Banking and Finance) "**Client Perception on Corporate Loan in Myanmar**", thesis for the Yangon University of Economics. It is guaranteed that information about respondents will be kept as confidential. Thank you for your cooperation.

1. Contact Bank --

Part (A) **Client Character**

2. Gender Male ☐ Female ☐

3. Ages

   18 to 30 ☐ 31 to 40 ☐

   41 to 50 ☐ 51 to 60 ☐

   61 to 70 ☐

4. Material Status

   Single ☐ Married ☐ Divorced ☐

   Widow ☐

5. Educational Level

   Basic school ☐ Middle school ☐ High school ☐

   Bachelor ☐ Master ☐ Other ☐

   (Other specification --------------------------)

6. Occupations

   Professional ☐ Self-employed ☐

   Salaried ☐ Other ☐

   (Other specification --------------------------)

7. How many staffs were working in your company?

----

8. How many branches do you have?

----

9. Monthly income level of the client' business

----

10. Paid-Up Capital of the client' business

----

11. Working Capital of the client' business

Part (B) Bank Enterprise Relationship

12. Have you taken loan even before?

Yes ☐ No ☐

13. Do you take loan from many banks?

Yes ☐ No ☐

14. How many transactions run in each quarter?

----

15. What kinds of products used in bank services?

----

16. Do you compliance with requirement of loan documents?

Part (C)

Loan Characteristic

17. The amount of loan from bank.

----

18. The life of term for loan.

----

19. Do you give collateral to bank?

Yes ☐ No ☐

20. Do you possess many kinds of collateral?

Yes ☐ No ☐

21. Do you satisfy other charges on bank loans?

Yes ☐ No ☐

22. Do you satisfy period of loan process?

Yes ☐ No ☐

23. Do you satisfy agreement of loan documents?

Yes ☐ No ☐

The answers to the following statement will be on scale called the likert Scale. It is a 5 points scale, from 1 to 5, where 1 stand for completely disagree and 5 stand for completely agree. Please see explain of each point below:

Completely disagree	Disagree	Undecided	Agree	Completely agree
1	2	3	4	5

No	Customer Satisfaction	Level				
1	I have satisfied all charges of bank loans.	1	2	3	4	5
2	I have satisfied period of loans.	1	2	3	4	5
3	I have satisfied the agreement of loan documents.	1	2	3	4	5
4	I have satisfied the service of private banks for loans.	1	2	3	4	5
5	I have satisfied to submit collateral to get corporate loans.	1	2	3	4	5

(Thanks for your cooperation)

R

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