

**RECOVERY PROBLEMS OF CONSUMER LOANS OF BANK  
ALFALAH**

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A thesis  
Presented to  
The faculty of  
Management Sciences  
Bahria Institute of Management & Computer Sciences, Karachi

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In partial Fulfillment  
Of the Requirement for the  
Degree Master in Business Administration

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By

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
**June 2008**

**BAHRIA UNIVERSITY**  
**INSTITUTE OF MANAGEMENT AND COMPUTER SCIENCES, KARACHI**

**RECOMMENDATION FOR ORAL EXAMINATION**

This Project/thesis hereto attached, entitled, "Recovery Problem of consumer loans of bank Alfalah", prepared and submitted by Sana Muqeem, in partial fulfillment of the requirements for the degree MASTER IN BUSINESS ADMINISTRATION, is hereby recommended for apportion action.

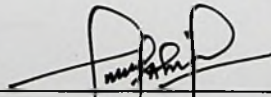
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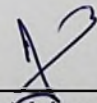
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## **ABSTRACT**

Bank Alfalah Limited through its hard work, enthusiasm and zeal has moved rapidly in expanding its branches, deposits, products and services. It is offering a number of products to its customers and among them one of is the consumers products in which Alfalah offers home financing, car leasing and credit cards. The bank for this is targeting the middle level segment that due to limited income can not enjoy all the luxuries of life. Since this is the segment that after paying all the expenses has left with small portion of income to enjoy therefore the risk of non performing loans from consumer side is increasing year by year. Today the recovery issue of consumer loans is in fact a headache for all banks. My thesis will be covering all aspects of recovery issue with respect to consumer loans as the thesis deals with the

### ***“The recovery problem of consumer loans of Bank Alfalah”***

For the thesis I will be gathering information about the policies of the bank Alfalah that it considers before granting any consumer loans, the eligibility criteria, recovery procedure of the bank, the provisioning which it is doing for the consumer loans and the documents needed to apply for the loans. In short I will be engage in doing the SWOT analysis of the policies and recovery procedure in which the bank is currently engage in and for this I will also be viewing the credit screening of the bank Alfalah.

In order to obtain information I will prepare questionnaire that has to be filled by the people working in the Bank Alfalah e.g. consumer finance in charge, people working in the credit risk units etc. I will also take in to consideration the bad debts figure of the bank and general provisioning of the year 2007 and 2006.

In the end I will be highlighting the mistakes and issues that the bank Alfalah is doing and will give suggestions to the bank in order to reduce the problem of non performing loans.



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