

Report On
[SME Banking of BRAC Bank Limited]

By

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An internship report submitted to the [BRAC Business School] in partial fulfillment of
the requirements for the degree of
[Bachelor of Business Administration]

[BRAC Business School]
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Declaration

It is hereby declared that

1. The internship report submitted is my own original work while completing degree at BRAC University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I have acknowledged all main sources of help.

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Letter of Transmittal

September 09, 2019

Dr. Md. Mamun Habib

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Subject: Submission of internship report on **“SME Banking of BRAC Bank Limited”**

Dear Sir

With due respect, I would like to report to you that I have done my internship report on “SME Banking of BRAC Bank Limited”. As per direction, I attempted to complete the project and I would like to expect that it reaches almost all of the criteria. Information that are stated here, is taken from Primary Data as well as Secondary data such as Journal, Websites, Annual Reports and so on. Moreover, this project helped me to find out the relationship between theoretical components and practical experience. Therefore, I attempted to define the situation of SME banking of BRAC Bank Limited, how the deal with SMEs and what are the problems facing by SMEs and banks while financing Loan.

This study helps me know how banks function and what strategies they pursue and it has given me a corporate experience. Thus, I want to thank you for enabling me to work on this subject. I also like to note that there could be unintentional mistakes in this project, and hope that you will take those into account and acknowledge the project.

Sincerely Yours

Sumiaya Huq Dipty

ID: 15304012

BRAC Business School, BRAC University.

September 09, 2019.

Non-Disclosure Agreement

[This page is for Non-Disclosure Agreement between the Company and The Student]

This agreement is made and entered into by and between [BRAC Bank Limited] and the undersigned student at BRAC University's Student

Acknowledgement

Firstly, I want to express my appreciation to Allah for providing me the chance to finish the whole paper as well as grace me with perfect health. I would like to appreciate my parents and family members also for their support, caring and motivation.

Secondly, I would like to thank Dr. Md. Mamun Habib, my internship supervisor, for all his ongoing instruction, encouragement and supervision. It would not be easy to me to finish the whole project without his assistance and guidance. Throughout my internship I am immensely honored to him for his assistance. Moreover, I would also like to thank Mr. Ikram Evan, Teaching and Research Assistant, BRAC University, for his support, guidance and motivation throughout the internship period of mine.

After that, I would like to express my appreciation to Anwar Jahid, Unit Head of Deposit Origination, BRAC Bank Limited, for giving me the opportunity to do my internship in his department under his supervision. Further, I am grateful to my immediate supervisor Rubel Kanti Borua, for his encouragement, guidance and caring. Without his support, it would be tough for me to complete my internship in BRAC Bank Limited. In addition, I would be thankful to Raj Ghosh for teaching me different applications in BRAC Bank's software. Moreover, I want to convey my deep appreciation to all individuals in BRAC Bank's Head office who have guided me during my internship period. Thus, I would like to say that I wouldn't be able to finish the project without the assistance of all these individuals.

Executive Summary

The pillar of Bangladesh's overall economy is Small and Medium Sized Enterprises and Women entrepreneurs. These sectors are serving a substantial role in improving our overall economy. To reduce the poverty level and increase the employment of the nation, SMEs are playing a significant role in Bangladesh. In developed and developing regions like Bangladesh, SMEs are especially appropriate because they can provide enormous job opportunities with less spending. It increases the GDP growth rate and employment rate of Bangladesh as well. But SMEs in the overall world along with Bangladesh are not treated well. They are facing a lot of problems in accessing loans which affects the growth and success of SMEs as well as the economy of Bangladesh. BRAC Bank Limited is the first bank in Bangladesh who started its journey with the vision of helping this SME sector and the women entrepreneurs to expedite the development of the SMEs, empower the women and at the same time develop the economy of the country. SME's ability to create, expand, maintain and reinforce themselves depends strongly on their ability to receive and regulate financing. The effective way of generating funds to attain the objectives for SMEs would be through bank loans. BBL started a small ticket loan system for SMEs to develop and expand their business as per their requirements. This paper is therefore, a try to evaluate the overall performance of SME Banking of BRAC Bank Limited, what are the benefits BBL is offering to SMEs, what are the opportunities and challenges banks and SMEs both are facing while financing loans and what could be the possible solutions for those challenges.

Keywords: "SME and Women Entrepreneurs", "Economy of Bangladesh", "Ticket Loan", "Performance of SME Banking", "Financing Loan".

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List of Abbreviations

BB: Bangladesh Bank

BBL: BRAC Bank Limited

SME: Small and Medium Enterprise

CTR: Cash Transaction Report

GDP: Gross Domestic Product

PCB: Private Commercial Bank

GABV: Global Alliance for Banking on Values

BEIL: BRAC EPL Investment Limited

CIF: Customer Information File

CRM: Customer Relationship Management

MIS: Management Information System

CSR: Corporate Social Responsibility

FDR: Fixed Deposit Rate

DPS: Deposit Pension / Premium Scheme

WEDB: Wage Earners Development Bond

Glossary

CTR	Cash Transaction Report is a report on currency transaction which is used in bank to assist avoid financial fraud.
Collateral	Collateral is a resource which is accepted for a loan by a lender as safety. The creditor may reclaim and eventually sell the property to recover the losses, if the borrower fails to repay the credit.
Loan Disbursement	Loan disbursement relates to a broad spectrum of transaction modes, along with interest cost on credit and operational cost, created in a particular period.
SME	Small and medium enterprise that have a certain level of income, resources or number of staffs.

Chapter 1: Introduction

1.1. Origin of the Study

The report's main objective is to fulfill the requirements of BBA program at BRAC Business School, BRAC University. Basically the program comprises of two parts. The theoretical components are containing distinct theories, thoughts and expertise and the practical part is containing the implementation of those theories in real life work experience. To complete the practical requirements, we have to do internship within an organization for three months. Through this internship program we get to know about the working environment, the basic norms and we can relate those theories with real life work. Moreover, we have to prepare a report from our experience within the organization.

I have done internship program in BRAC Bank Limited. I was in Accounts Service department under the division of Operations. Since, I worked with the Accounts Service department, I got to know about basic requirements of opening a bank account, what documents are needed to open a bank account, how to deposit money or taking loan from banks, how they deal with customer relationship management and how they manage vast amount of customer data etc. As, I have to prepare my report from my working experience, I have decided to do my report on SME Banking of BRAC Bank Limited.

1.2. Background of the Study

The Small & medium enterprises (SMEs) are known as growing instruments and innovation drivers for an economy. SMEs are playing vital role to increase GDP, create more jobs and reduce poverty rate in Bangladesh. SME loan implies funding for small and medium-sized sectors by financial institutions. Basically, they offer loan to SMEs for working capital arrangement, business extension and obtaining of capital equipment. In 2009, SME and special program division has been introduced by Bangladesh bank for the growth and extension of SMEs in Bangladesh. According to Rahman (2015), Bangladesh's total number of SMEs is projected to be 79754. Among these,

93.6% is small and 6.4% is medium. Between 2009 and June 2014, the SME industry in the country produced 15 lakh employments. Half of all farm loans are now distributed by private and foreign banks and a third goes to SMEs. Though various commercial banks and financial institutions are approaching onward to fund SMEs, loan constraints sometimes create difficulties. For rational policy making and efficient execution of these measures, it is essential to know the SME's operational strength and weakness. Bangladesh's Central Bank is at the center of SME development. Not only Bangladesh Bank has opened a new department for encouraging SME funding but also it has made it compulsory for all banks to open a distinct department for SME customers and along with other banks, BRAC Bank has reacted favorably and opened divisions for SMEs. Therefore, it can be stated, the financial institutions can influence the development of the economy of Bangladesh by funding the SME sectors.

1.3. Rationale of the Study:

The banking industry in Bangladesh began its voyage after independence. With the entry of commercial banks, the banking industry obtained massive expansion in the 1980s. BRAC bank is the Conventional PCB (private commercial bank) that operates based on interest. That means bank can lend money to customers, if other customers deposit money to the bank account. The lending customer has to pay higher interest. On the other hand, the depositing customer gets a small amount of interest on their savings. The banks keep the distinction in order to make cash for itself. SMEs usually account for 90% of all enterprises in developed nations, utilize two thirds of the workers and enhance 50% of the value added in non-agricultural manufacturing. However, SMEs are threatened with comparatively strict credit limits in worldwide. Because the pricing conduct of banks and the accessibility of data on SMEs have been underdeveloped, they enter into a long term relationship that provides the banks access to the firm's data and ensures the firms access to the banks credits. It can increase the value of the information and decrease the loan interest rate over time. In contrast, lack of reliable information about SMEs can increase the loan interest rate. In this report, I wanted to analyze how lack of available information creates difficulties for a particular bank to lend money, what are the risks of issuing SME loan, what could be the possible recovery for these risk. As a result, I have prepared my internship report on "SME Banking of BRAC Bank Limited" to evaluate the SME portfolio of BBL.

1.4. Objective of the Study:

The principal objective of the report is to analyze SME division of BRAC Bank Limited. The report also analyzes the terms and conditions that are applied for SME loan disbursement, the difficulties that BRAC Bank and SMEs are facing, what are the reasons and what could be the possible recovery process of those difficulties.

Specific Objectives:

- To evaluate the current SME banking sector situation in Bangladesh.
- To evaluate the current SME service and activities of BBL.
- To understand the terms and conditions of SME loan.
- Analysis of the BBL SME credit disbursement & recovery method.
- To measure the overall performance and to evaluate SME portfolio of BBL.
- To analyze the SME banking risk issues and the policy to resolve those issues.
- To explore the causes to increasing difficulties between SMEs and banks.

1.5. Scope of the Study:

A roaring concern in the banking sector is the connection between banks and SMEs. In this report, I have focused on the SME division of BRAC bank limited. Further, I have represented the SME banking scenario of Bangladesh. Consequently, the report's result can be used to in further studies on SME Banking in Bangladesh. The report is prepared from BRAC Bank's annual report and other websites. It can be used to take decision regarding SME banking of BRAC Bank and other commercial banks in Bangladesh. Moreover, along with other commercial banks, BRAC Bank can effectively use the information to improve the SME division of their bank.

1.6. Methodology

Primary and Secondary data sources have been use to represent the report. I have collected primary data by discussing with executives and officers of BBL, by communicating with supervisor and by visiting the SME unit of BBL.

To collect more information on SME banking of BBL, previous research article, newspaper articles, bank's annual report, BBL website and other websites have been used in this report as a secondary source of information. Secondary source is considered as the fastest source for accumulating evidence.

1.7. Limitations of the Study

- Availability of information: This report is based on primary & secondary data. Employees of BBL were very busy with their works, so it was very difficult to collect primary data from them. On the other hand, secondary data is collected from different websites, annual reports, newspaper articles but they were few in numbers. As a result, availability of data was the main barrier for this report.
- Accessibility of Data: BBL does not share their data with outsiders, since those are confidential. For this reason, it was difficult to access the core information of SME division of BBL.
- Time constraints: One of the major constraint was time limitations. It was very difficult to submit the detailed analysis of the report on a shorter period of time, since the work pressure was huge in BBL Head Office.

Chapter 2: Organizational Overview

2.1. Background of BBL

BBL has started its journey in July 4, 2001 with the vision of delivering banking solutions to SMEs. Sir Fazle Hasan Abed is the founder and chairman of BBL. It has been inspired by its mother organization BRAC (largest NGO in the world) and launched loan service to SMEs to bring them under the official banking service. Though SMEs play an important role in the country's development and job creation, commercial banks have been unwilling to invest in this industry through the previous few decades. BBL came forward at that moment and decided to fund these unbanked SMEs. (Source: BBL website)

BBL is a competitive organization which is focused on performance and it values its every activity. Moreover, it is Bangladesh's only member of the Global Alliance for Banking on Values (GABV). Further, the 3P Philosophy- People, Planet & Profit is shared by BBL with other GABV partners. According to them, they are accountable to the individuals they work with and to the location they work in. Therefore, they love to work for the benefits of people and society as a mission driven bank. (Source: BBL website)

The bank now has a scheme that focuses the country over 186 branches, 457 SME unit offices, 447 ATMS, 90 CDMS. On account of quality portfolio, a greater investment structure, sustainability and constant trends in development, BBL has ranked as best bank by three Bangladesh's top national credit rating agencies and two major credit rating agencies in the world. (S&P Global Ratings - B+ and Moody's Investor Service – Ba3). In addition, BBL has achieved 18% Profit after tax, 17% of total loans & advances, 16% of total deposits and 3.56% of non-performing loans. (Source: BBL website).

2.2 Subsidiaries of BBL

- **bKash**

As a subsidiary of BBL, bKash is a banking mobile financial service operates in Bangladesh under the license and approval of Bangladesh Bank. Since it offers secure, easy and simple methods for unbaked and banked individuals in Bangladesh to make payments and cash transfer services through mobile device, it becomes the leading Mobile Financial Service Provider in Bangladesh. Moreover, it began in 2010 as a joint venture with BBL, Bangladesh and Money in Motion LLC, USA.

- **BRAC EPL Investment Limited (BEIL)**

On October 01, 2009, BEIL, a public limited company, officially began operating under an innovative leadership team after the Securities and Exchange Commission obtained a merchant bank permit. BBL retains 76 percent of the equity, the remainder being retained at home and overseas by a varied group of global fund executive and capital market organizations. Further, it has incredible ambitious and performance-oriented board made up of creative and reputed experts. In addition, BEIL offers a complete variety of alternatives for investment banking.

- **BRAC EPL Stock Brokerage Limited**

As a top stock broker in Bangladesh, BRAC EPL Stock Brokerage Limited provides brokerage services to global organizations, national governments, retail customers and Bangladeshi non-residents (NRBs). It has started its journey in 2000 as Equity Partners Securities Limited (EPSL) and after obtaining 51% equity BBL has retitled the company as BRAC EPL Stock Brokerage Limited. This is the founder and frontrunner in enabling investment in overseas portfolios in Bangladesh and features one of the country's finest portfolio management teams. Currently it has 8 branches and planning to open more branches.

- **BRAC SAAJAN Exchange Limited**

BRAC Saajan Exchange Limited, a subsidiary of BBL, Bangladesh, established in England and Wales on 10 January 2008. The company was created in 2011 by obtaining the former “Saajan Worldwide Money Transfer Limited.” Further, it primarily offers remittance facilities to the wide groups of Bangladesh residing outside Bangladesh. The organization has a vision for global expansion of its remittance network.

2.3. Divisions of BBL

- **SME Banking**

BBL has started its journey in July 4, 2001 to help the unbaked people in Bangladesh through the small loan amount. The main purpose of SME banking is to provide loan to SMEs to improve their business and improve the economy of Bangladesh. Previously, SMEs did not get any proper banking solution to develop their business. BBL stepped forward to help them out from this and started their journey as one of the most successful SME bank in Bangladesh.

- **Retail Banking**

The Retail Banking Division of BBL, founded in 2001, offers a broad range of products and services to meet a variety of demands for retail loans. In addition to a broad spectrum of certain private loans, loan cards and cash secured loans, the division offers home loans and vehicle loans.

- **Corporate Banking**

BBL’s Corporate Banking Division provides an extensive line of products and facilities to meet the increasing requirements of corporate clients from different company sections. In 2009, BBL’s Corporate Banking Division began activities on a ripened basis. In addition, it focuses extensively on exchange business serving clients based on mutual respect. Moreover,

it has a broad link across the nation to recognize and deliver tailor made banking alternatives to most corporate clients.

- **BRAC TARA**

BBL respects women's indisputable position in society and aims to discover methods of empowering women. The purpose of BBL TARA is to improve women's confidence and decision-making ability via wider access to banking knowledge and banking alternatives that satisfy women's existence needs in distinct sections. Besides, the concept is to encourage females in their career and company spheres throughout the country by exchanging ideas and communications.

- **Digital Banking**

BBL offers multiple alternative service methods such as ATM, debit card, mobile banking, internet banking, cash management services as well as several latest client centric services. These are assisting banking clients without entering the branches. In addition, these digital services will smoothen the banking knowledge of customers and save time and money of them.

- **Agent Banking**

Agent banking refers to provide the disadvantaged people with a small scale of banking and financial services via hired officials with a relevant agency contract instead of a teller or cashier. The proprietor of the agency performs financial transactions on account of a bank. In September, 2018, BBL launched its agent banking service to serve all areas of Bangladesh. Through this, BBL provides the nations unbanked population with intelligent banking facilities and thereby, improving economical sustainability nationwide.

2.4. Corporate Vision of BBL

The corporate vision of BBL is to build a lucrative and socially responsible financial institution which is focused on development potential of market & business, subsequently helping BRAC and its stakeholders create a fair, compassionate, strong democracy and inequality free Bangladesh. (Source: BBL website)

2.5. Corporate Mission of BBL:

The corporate missions of BBL are:

- Ensure sustainability and growth in SME industry.
- Constant low cost deposit growth in retail property through regulated development.
- Financial capital to be financed by mobilization of self-liability.
- Asset growth through syndications and faster-growing sector investment.
- Consistent efforts to boost unfunded revenue.
- Keep debt fees at 2% to retain lucrative development steady.
- Maintain different business lines in a fully regulated setting without compromising adherence and quality of service.
- Achieving collaborations among bank's branches, SME units and BRAC field offices to transfer remittance and other products and services,
- Establish a dynamic and far-reaching team which is encouraged and driven to realize the bank's vision.

(Source: BBL website)

2.6. Objectives of BBL

The main objective of BBL is to fostering sustainable and integrated growth in Bangladesh. In addition, their approach focuses on dedication to the home nation and leads development to the

mutual advantage of their customers, people and stakeholders. This not only encourages them to lead persistently but also help them to create a better organization and sustainably position themselves for the future.



Figure 1: Qualities of BBL

Source: BBL website

2.7. Core Values of BBL

- Quality service to customers, clients and stakeholders.
- Growth & development in different sectors of Bangladesh.
- Increase efficiency and effectiveness
- Increase productivity
- Low debt fees
- Gaining profit for stakeholders.
- Strong ethics and morality in all activities.

2.8. Organizational Hierarchy of BBL

According to Jahid (2019), Unit head of Accounts Service Department, the hierarchical structure of BBL is:

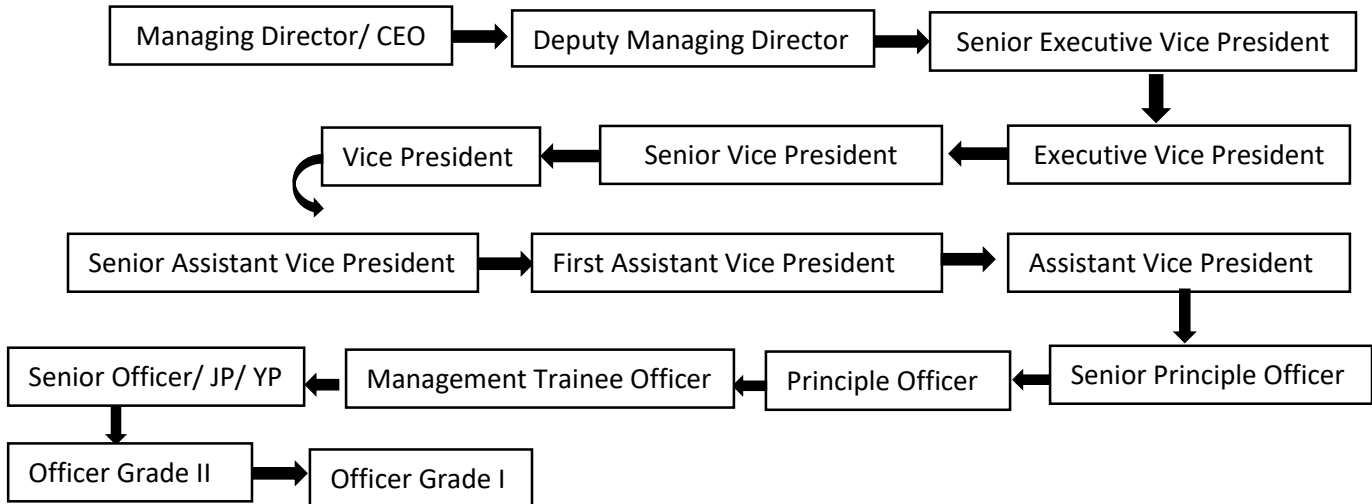


Figure 2: Hierarchical structure of BBL

2.9. CSR Activities of BBL

BBL's value system is incorporated with Corporate Social Responsibility (CSR). For BBL, committing to CSR means stating that the bank is ethically dedicated to the society of the nation it runs. CSR of BBL in Bangladesh is consistent with its 3P philosophy- People, Planet, Profit. The general objective of CSR operations for BBL is to attain a beneficial effect on whole society while maximizing the development of shared value for business owners, their staffs, shareholder and stakeholders. BBL emphasizes long-term programs instead of short-term programs which have an enduring and sustainable effect on the country's individuals and society.

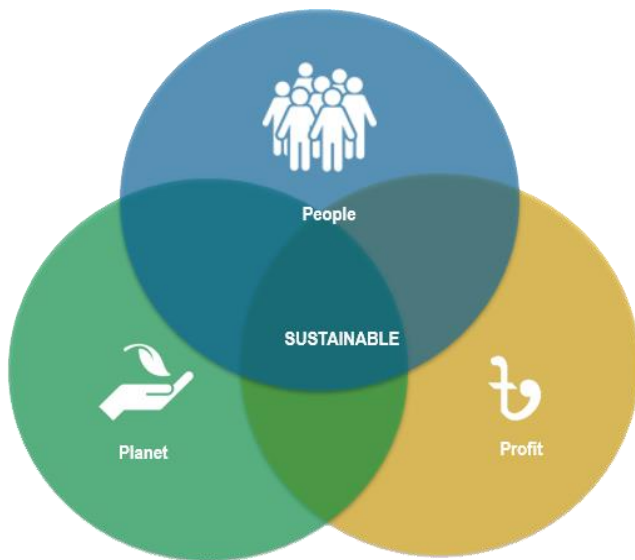


Figure 3: 3P Philosophy of BBL

Source: BBL website

Employees are encouraged to participate to the social projects such as the national fundraiser marathon, allocation of hot cloths and donation of blood and this enthusiastic engagement of them in CRS brings unique attributes to the CSR portfolio of the bank.

Chapter 3: Internship Experience

3.1. Internship Responsibilities

To fulfill the requirements of BBA program in BRAC University, a student must have to do internship in an organization for three months. To develop the practical skill of every students this initiative has been taken. Through this, students get the opportunity to identify the actual work environment and get an idea to develop their selves according to this.

Having concern in Banking sector pushed me to do my internship in BRAC Bank Limited. I had the chance to work as an intern in BBL Head Office, in the department of Accounts Service under the division of Operations. I had worked under the observation of Anwar Jahid. (Unit Head, Deposit Origination, Accounts Service) and it took place from 24th April, 2019 to 25th August, 2019. In this period, I had been engaged with a lot of responsibilities and got to know new policies, rules, regulations and work environment as well.

Works I have done in my internship program is stated below:

- **Cash Transaction Report (CTR) project**

BBL along with all commercial banks has to analyze the transaction of its branches and report to Bangladesh Bank for money deposits or money withdrawals of BDT 5 lac or higher in any account on a day conferring to the sample rules Annex. It is necessary to report this assessment on a monthly basis. The bank concerned may be penalized under section 19(4) of the Money Laundering Prevention Act, 2002 for any misconduct or inability to report this CTR. To prevent the apprehensive transaction, this initiative has been taken. First of all, I had to collect the customers bank opening forms from Archive. After that, I had to check and update the information of each customer in BBL's official software which is known as Finacle. I had to check and update the occupation, employment type, industry type, NID or passport number, Mobile number, Email ID, Alias, Spouse name, Business segment and many other areas of individual customers. During this three month, I had checked and updated data of individual customers from December 2018 to May 2019. This CTR project is a function of Customer

Relationship Management (CRM). After checking and updating information, I had to return the files of customers from where I had collected it.

- **Account Level and Customer Information File (CIF) Level:**

This are the running project of BBL. In account level, I had to check the account opening information of individuals such as mode of operation, sector code, PSO code, Central bank code, the nominee information, the relationship between nominee and customer through the software Finacle. Therefore, if anything was missing, I had to mark those accounts and report this to my supervisor.

In CIF level, I had to check the CIF number and CIF designation of each customer. Each customer has different CIF number. Thus, I had to report to my supervisor if anything was missing here as well.

- **Check and Modify MIS (Management Information System) Data:**

In this segment, I had to check and modify customers account information according to the instruction. Through this I also got to know that which documents were not submitted by customers when they opened that account.

Along with this major works, I had done SDC archiving, Lotting sorting of loan and business file, positive pay, Transaction profile of customers, Term Deposits, Agent Banking MIS as well.

3.2. Learning from Internship Program

During this internship program I have worked with my supervisor, employees of BBL, fellow interns and customers of BBL. Through this I got to the opportunity to work with diverse people and got to know the company culture and work environment. This helped me to develop my communication and interpersonal skill. Since I had to work with software, Microsoft excel and other computer functions, it helped me to develop my computer skill as well. Besides, I have

learned to work under pressure, as well as develop my leadership skill, team working ability and acquired a great idea about time management. This helped me to know about real life work environment and prepare myself for this. My supervisor and other employees in BBL was so kind to me and motivated and inspired me a lot to work properly. Through their supervision, I got to know how bank actually works and capable to finish my internship program smoothly.

Chapter 4: SME Division of BRAC Bank Limited

4.1. Small and Medium Enterprises (SMEs) in Bangladesh

SMEs are described independently across the globe. Based on nation, the sizing and classification of a business as a SME can be depends on a number of features. The characteristics includes annual revenues, number of staffs, the quantity of resources the business owns, or any mixture of characteristics. SMEs are usually autonomous firms with at least 50 staff. The highest number of staff, though varies from nation to nation. The average range for most SMEs is about 250 staffs. In addition, it contains more than 90% of emerging nations' private industries, generate more than 50% of employment in their corresponding nations. The number of official non-agricultural SMEs worldwide is around 35-45 million, consisting around 10% of the 400-500 formal and informal micro SMEs (MSEMs).

The main components of both developed and developing countries' contribution to development is a dynamic and developing SME industry. It has been proved that the size of the SME industry and economic growth are linked favorably. Besides, the connection of SMEs to employment is much stronger and clear. Relative to bigger companies, SMEs are also greater drivers to job development. Moreover, it plays a significant role in generating inclusive women's vision. Women owned SMEs constitute between 30% to 37% of all SMEs in developing economies, representing between 8 to 10 million SMEs worldwide.

The cornerstone of Bangladesh's domestic economy is SMEs. They play a significant role in our nation's economic development. SME firms' importance is enormous in mitigating the nation's unemployment also. It is anticipated that they will generate employment, decrease inequality and create a stable domestic economy. According to Rahman (2015), Bangladesh's current percentage of SMEs is anticipated to be 79754 and small enterprises are 93.6% and medium enterprises are 6.4%. However, approximately 60% to 65% of all SMEs are situated outside Dhaka & Chittagong regions. 15 lac employment has been produced by SMEs within 2009 to 2014 in Bangladesh. He also stated that more than 2 million individuals join the workforce of the nation each year. The main problem is to create jobs for them and SMEs could be a solution to this issue. Few of the main obstacles that SMEs in our nation are facing are shortage of investment funding,

contemporary machineries, failure to manufacture goods and keep quality of products, absence of qualified engineers and employees, higher interest rate of bank, absence of adequate infrastructure facilities, insufficient policy changes, rules and regulations and so on. To mitigate this problems, Bangladesh Bank and other commercial banks stepped forward.

4.2. Steps taken by Bangladesh Bank (BB) for SME Development

In accordance with the National Industrial Policy 2016, BB has modified its meaning of micro, cottage, small and medium sized businesses and has set a cap on the quantity of credit they can use. In addition, banks must have allocated 20% of the loans they offer in 2017 for SMEs and increase it to 25% by 2021. According to BB, importance should be given to small enterprises compared to medium for funding. Women SME entrepreneurs will get 10% of the loans and it will be raised by 15% within 2021.

The policies that have been developed for SME industry growth are listed below:

- Taking into account, SME development as one of the most important development strategy, financial institutions have set a demonstrative target for issuance of SME loans for 2010. SME loans are to be disbursed to small, medium and female entrepreneurs as per the goal.
- Despite the “Area Approach Method” banking organizations will attempt to achieve their specific goals independently by separating them as branch based, region based and industry based.
- Banking institutions will pursue a distinct strategy in funding of SMEs with the least rules and procedures in the execution of paperwork to guarantee a simple and rapid loan and disbursement method.
- Small enterprises must get the preference.
- The loan balance for small enterprise may vary from taka 50000 to taka 5000000.
- To involve in nation’s economic growth and to perform company operations in big numbers, women entrepreneurs must be provided priority over SME loan payment.
- Banking institutions should prioritize accepting credit applications from SMEs and female entrepreneurs and fix the credit disbursement method in a very appropriate period of time from the date the request is accepted.

- Financial institutions might be subject to penalty of TK 25,00,000 toward private assurance to women tycoons. For this situation, it is possible to consider group security or social safety.
- SME loan/ sub-sector interest rate should be fixed by banking institutions. They should notify BB about the sector/sub-sector rate of interest instantly. Moreover, training for enterprises are to be arranged.

4.3. SME Banking of BRAC Bank Limited

BBL has started its mission as a financial institution in 2001 with a goal of bringing banking solutions to SMEs in Bangladesh. Small loans have been launched by BBL to take the young entrepreneurs in official banking. The IFC of World Bank and Dutch based FMO are BBL's main partners in money laundering and SME funding. The only official member of Bangladesh's Global Banking Alliance for Value Banking (GABV) is BBL and it is a global platform for viable and accountable financial practices. The key elements of the financial structure of BBL are governance, compliance, ethics, transparency and accountability. BBL is the first bank in Bangladesh to reach market valuation of USD 1 billion.

The distinctive SME banking goods and services provided by BBL include access to funding for cottages, micro and small businesses which are excluded from conventional financial banking scheme earlier. With 75% of total small business loans heading to rural regions, BBL has the greatest rural participation. It is the nation's biggest mortgage free loan corporation with a profit margin of 50% in this sector. In addition, the bank developed more than 1.5 million jobs and played a key role in improving the living standards of the borrowers. BBL has distributed more than 5 billion USD to more than 650,000 SMEs across the nation since its founding in 2001 and made a significant contribution to Bangladesh's socio-economic growth.

BBL's Women's Banking Solutions, TARA, seeks to perform an important role in bringing females into current banking system since Bangladesh became developing country. TARA now has 2900 SME clients and over 200,000 deposit clients.

4.4. Target customer of BBL SME Financing

Target customer for BBL's SME financing is basically the Small and Medium enterprises and women entrepreneurs. Most of the SME enterprises are situated outside of Dhaka division and Chittagong division. For this reason, BBL established SME units in every corner of Bangladesh so that they can help each customer by funding them SME loan. Recently, BBL has focused on women empowerment and started new division which is known as BRAC TARA. Thus, small enterprises, medium enterprises and women entrepreneurs are the main target of BBL SME financing.

4.5. SME Loan Products of BBL

4.5.1. Unsecured Loan: ANONNO

ANONNO SME loan is an unsecured SME loan that is offered by BBL. It specifies monthly payment loan service to meet all the requirements of a company development

Functions of ANONNO:

- The loan amount varies from BDT 3 lac to BDT 25 lac. It offers a broad varieties of loans so that entrepreneurs can take advantage of the required quantity to meet the need of the company.
- There is no collateral is needed. In essence, the credit facility is totally unsecured, which fundamentally implies that entrepreneurs do not need to commit any private or company property to secure the loan. They just have to send all the records that are needed, get evaluated and take advantage of a credit facility without any trouble.
- The installment process is easy. BBL understand that firms demand and goals are exceptional and therefore their evaluation is fully customized to firms' requirements so that simple payment facilities are being available to firms.
- Single loans for installments. If there are any fluctuations in company's income, BBL can tailor the repayment timetable to fit the company's cash flow.

- It has simple processing of loans. BBL guarantees quality loan encoding where entrepreneurs don't have to wait in queues or make multiple bank visits. BBL's competent assets will help firms and taking care of all demands to guarantee quicker processing of loans.
- There are no processing fees that means firms do not have to pay any processing charges.

Eligibility of ANONNO SME Loan:

If companies reach the following requirements, they will be qualified for ANONNO PLUS SME Loan:

- The company has to have a genuine trade license and has been working for not less than three years or more.
- It must produce adequate cash flow and profit to guarantee prompt credit disbursement.
- Firms should also have land, assets and building ownership.

Charges Schedule:

Interest rate	16-18% p.a.
Loan application fee	BDT 200
Relationship charge	Nil
Stamp charge	At actual as per stamp act
Legal and valuation charge	As per bank's approved rate
CIB report charge	BDT 100 per CIB

Table 1: Charge Schedule of ANONNO SME Loan

Source: BBL Website

There are few other charges (based on whether they are applicable or not).

Disclaimer Letter	BDT 300
Hypothecation Letter for each additional business entities	BDT 300

Personal Guarantee Letter for each PG	BDT 300
Security Replacement fee	Up to BDT 1000
Reschedule/ Restructure fee	Up to BDT 2000
Penal Charge	Nil
Early Settlement fee	2% on outstanding amount or decided by HoSME.

Table 2: Other Charges for ANONNO SME Loan

Source: BBL Website

However, VAT applies to all fees, charges and commissions as per the circular of Govt.

4.5.2. Secured Loan: APURBO

APURBO credit facility is the ideal option for an evolving entrepreneur who is looking for a big loan to satisfy company requirements and have feasible safety to offer.

APURBO Loan facilities:

- Term loan: if you need to expand your business
- Overdraft and revolving loan: if you need to increase the working capital of your business.
- Single installment loans: It can tailor the repayment timetable, if there is any fluctuation in firm’s income.

Functions of APURBO:

- Simple and trouble free records. BBL knows the importance of client’s time and the trouble they face when gathering additional paperwork for loans, so they made it as limited as possible.
- Loan amount begins at BDT 10 lac and based on firms’ requirements may go up to any quantity. BBL gives a broad variety of loans to enable the firms to take advantage of required quantity to meet firms’ needs.
- In order to use this loan facility, firms do not need to pay any processing charges.

The eligibility of APURBO SME Loan is same as ANONNO SME Loan that has been described in previous section. Besides, the charge schedules of APURBO is same as the charge schedules of ANONNO. Only the interest rate is different. Interest rate for APURBO SME Loan is 13-14% based on different features of goods.

4.5.3. Secured Import-Export Loan: SHOMRIDDHI SME Loan

SHOMRIDDHI is a credit facility to fulfill the cost of firms linked to import-export, post-import costs, tax/duty payment, regional bill buys, capital expenditures and fixed asset financing beginning from BDT 10 lac to any quantity based on firms' requirements.

SHOMRIDDHI Loan facilities:

- Letter of Credit (LC) and Loan against Trust Receipt (LATR)
 - LC opening facility: starts from BDT 10 lac to any quantity depending on the requirements of the firms.
 - Credit towards LC up to 90%
 - Desirable duration and exchange rate of LC
- Loan and overdraft revolving
 - Import taxes or buying facilities of products.
- Buying inland bills
 - Buy approved bills from other lucrative financial institutions against foreign/ local LCs.
 - Up to 90% discount on approved LCs.
- Term Loan: Consequent term loan to withdraw LC machinery records.
- Guarantee from Bank: Take part in various contracts or ensuring safety for various organizations and firms.

Features of SHOMRIDDHI:

- Simple and trouble free documents are needed to save time and value the clients.
- Offering a broad loan range to help the firms.
- Firms will enjoy fast LC transaction

Eligibility of SHOMRIDDHI Loan:

- Firms need to have modified IRC/ERC.
- It should be a sole owner, public or private limited organizations.
- Should make enough credit or revenue to pay the interest and principle amount on time.
- Trade license and 3 years of operations are mandatory.

Interest rate for SHOMRIDDHI Loan:

- Secured loan: 13-14%
- Unsecured loan: 15.50- 16%
- Based on safety and CRG Score and subject to ALCO's choice, this could alter.

Other schedule charges are remained same as APURBO and ANONNO SME Loan.

4.5.4. Women Entrepreneur Loan: TARA SME Loan

TARA is known as 360-degree financial alternative for prospective women entrepreneurs for providing a variety of credit alternatives that satisfy women's living needs in various sectors such as company development, buying fixed asset, capital expenditures, buying commercial vehicles, global trade funding.

Characteristics of TARA SME Loan:

- Loan amount begins with BDT 3 lakh and rises to any quantity based on company requirements.
- Rate of interest is 9% (Up to BDT 50 lac)
- There is no processing fee for TARA SME Loan

- Unsecured loan amount is up to BDT 1 crore.
- In all over Bangladesh there is dedicated TARA SME desk for specialized services.
- Lifestyle, restaurants and health providers give unique discount.
- Exclusively intended networking and skill development activities for TARA clients.

Eligibility for being TARA Customer:

- Company should have a proper trade license and working experience should be at least 1 year.
- Should produce enough revenue and income to repay the loan amount.
- It should be proprietorship, partnership or private company.

Charge Schedules:

According to the guideline of BB, the rate of interest for TARA SME loan in all sector is 9%.

Other charges are remained same as ANONNO, APURBA, SHAMRIDDHI SME Loan.

4.5.5. Commercial Housing Loan: NIRMAN SME Loan

NIRMAN is a loan service under the Equated Monthly Installment (EMI) loan service for the maintenance and/or reconstruction of housing and/or business intricate for lease purpose.

Characteristics of NIRMAN SME Loan:

- Semi-pacca or multi-story building loan based on installments.
- Loan from BDT 3 Lac to base on company requirements.
- Long periods of reimbursement.
- Up to 60 months for semi-pacca construction and up to 120 months for multi-story building.
- There is no processing charge.

Eligibility for NIRMAN SME Loan:

- Firms should have valid trade license and maturity of firms should be at least 1 year.
- Make enough revenue and after tax income for repayment of loan.
- Nature of business should be sole proprietor, partner or private company.

Schedule Charges:

Rate of interest for NIRMAN SME Loan is 13-14% p.a. and it could vary based on ALCO or HoSME's decision.

Other charges and VAT procedure remain same as previously described SME Loan.

4.5.6. Commercial Vehicle Loan: BAHON SME Loan

To buy new or reconditions automobiles for business need, firms don't need to look further because BBL's tailor made BAHON SME Loan is out to meet firms all requirements.

Characteristics of BAHON SME Loan:

- This loan can be used to buy Mini truck, Covered Van, Pickup Van, Cargo, Prime Mover, Trailer, Tank Lorry, Dump Truck, Ready Mixer, Sedan, SUV, or Passenger Bus or Coaster for company requirements.
- Interest rate of BAHON SME Loan is competitive. BBL's SME division ensure that the interest rate for BAHON SME Loan is low for clients compared with others in the market.
- It offers a broad ranges of loan amount begins with BDT 5 lac to meet the requirements of the company.
- The loan processing system is easy because BBL always value their customers and they also give priority to time. In addition, they charge no fee for processing loan amount.

Eligibility for BAHON SME Loan:

- Valid trade license is required and the maturity of the firm should be 2 years or more.
- Revenue and income after tax should be adequate to pay the loan amount later.
- Firms must be sole or partner or private limited in nature.

Schedule Charges:

Interest rate is 13-14% for BAHON SME Loan. It could vary based on the company policy. (ALCO/ HoSME's decision).

IGPOA Notarization Charge (if BBL provide)	BDT 350
IGPOA NJS Charge (if BBL Provide)	BDT 500

Table 3: Charge Schedule for BAHON SME Loan

Source: BBL Website

Other charges stay same as stated SME Loans in this report. VAT Procedure is also same for BAHON SME Loan.

4.5.7 Fully Secured Convenience Loan: SHOHOJ SME Loan

Shohoj is Fixed Deposit (FDR), Deposit Pension / Premium Scheme (DPS) and Wage Earners Development Bond (WEDB) for small and medium sized enterprises. With SHOHOJ SME Loan, firms can readily and easily fulfill their money needs.

Characteristics of SHOHOJ SME Loan:

- Loan against deposit up to 90 percent.
- Processing of loan service is simple and time safer because BBL always concern about their clients.
- It provides overdraft service for quick money requirements without any trouble.
- Processing fee is not required.
- It offers simple reimbursement facility to value their clients.

Eligibility for SHOHOJ SME Loan:

- No less than 1 year mature firm with valid trade license.
- Produce greater revenue to pay loan and interest amount.
- Nature of firm must be sole or partner or private limited company.

Charge Schedules:**Interest rate:**

FDR & DPS	Security rate + 2.99% minimum margin
WEDB	11% (highest offered FDR rate + 3% minimum margin)

Table 4: Charge Schedule of SHOHOJ SME Loan

Source: BBL Website

Like other SME loans, other charges and VAT remain same for SHOHOJ SME Loan also.

4.6. SME Deposits products of BBL

4.6.1. PRAPTI CURRENT ACCOUNT

BBL offers customers a current account called PRAPTI in order to facilitate their hectic life.

During banking hours and 24 hours via ATM and CDM, customers can deposit and withdraw cash via any branch, SME sales and service center. BBL also provides interest in customers account balance everyday basis.

Eligibility for PRAPTI Current Account:

Sole proprietor, partner, private limited company, NGO/ project, educational organizations, Co-operative society or any kind of organization is eligible for opening this account.

Characteristics of PRAPTI Current Account:

PRAPTI is a current account in which rate of interest is paid by BBL on daily basis. With only BDT 5000, customers can register this account in all branches throughout the nation. The lowest account opening amount needed for branches situated within Dhaka is BDT 50,000. The account balance would be zero, if the current account is opened in combination with credit disbursement.

Moreover, BBL will send the statement in customers' address on every six months.

Fees associated with PRAPTI Current Account:

- **Half yearly Relationship Fee:** For average balance of BDT 100,000 or above BBL does not charge any fee. However, it will charge BDT 500 + 15% VAT, if the average balance is below BDT 100,000.
- **Yearly Debit / ATM Card Fee:** BDT 600 + 15% VAT will be charged.
- **Cheque Book Fee:** BBL will charge no fee for first 25 pages of cheque. BDT 8 + VAT (per leaf) will be paid from 2nd cheque book (maximum 100 pages), if the average balance of the last 1 month is under BDT 100,000. There is no fee applies, if the average balance of last 1 month is BDT 100,000 or higher.
- **Excise Duty:** Based on GOVT. Rules.
- **Inter/ Intra city Online Banking Fee:** Based on schedule charges.
- **Annual SME Banking Fee (Mandatory for Sole Business):** BDT 200 + VAT

4.6.2. PRACHURJO FIXED DEPOSIT

For small and medium sized enterprises, PRACHURJO is a profitable fixed deposit account. Any company with a valid trade license can open this account with a minimum of 100,000 tk.

Eligibility of PRACHURJO FIXED DEPOSIT:

- All individuals involved in Sole ownership, partnerships and private limited companies can open this account.
- Small and medium sized organization such as educational organizations, non-governmental organizations, cooperative society and others are also eligible to open this account.

Characteristics of PRACHURJO FIXED DEPOSIT:

- Minimum 1 month and maximum 36 months of contract.
- There are no fees except GOVT. excise or duty on interest that has been earned.
- In maturity period, interest would be applied.
- There are no pre-embedding charges.

4.6.3. SHONCHOY SME DEPOSIT

For all small and medium sized customers, BBL presents “SHONCHOY- monthly deposit scheme”. It will enable the organizations to save on monthly basis according to the necessity of the organizations and they will get a good return in the maturity. In addition, the organizations will get up to 95% “Secured Over Draft” facilities on the quantity deposited 0.5% less yield than the standard rate. Thus, organizations are advised to open a “SHONCHOY – Monthly Deposit Scheme” now to provide their organization with a more financially secure present and future.

Organizations may select any variety of monthly savings choices for both monthly installment size and maturity, beginning from as small as BDT 500 to any ranges as required by organizations. It can be BDT 1000, BDT 2500, BDT 5000 etc. They may choose the tenor from one year to ten years based on the guidelines and affordability of their organizations.

Characteristics of SHONCHOY MONTHLY SME DEPOSIT:

- Minimum monthly BDT 500 installment.
- Contact for 1 year to 10 years.
- BBL ensure 95% Secured Over Draft service on the amount of deposits.
- BBL charges no account maintenance fees.

4.7. BBL's SME Highlights of 2018

	2018	Brief Narration
Gross Repayment	BDT 101,470 million	Repayment increased by BDT 17,420 million
Portfolio	BDT 81,460 million	Portfolio increased by BDT 1156 million
Number of Customers	121,551	No. of customer increased by 1399
Non-funded	BDT 3445 million	Increased by BDT 1063 million
PAR	3.8%	Decreased by 0.37%
NPL	3.0%	Decreased by 0.10%

Table 5: 2018 SME Highlights of BBL

Source: BBL annual report, 2018

4.8. Checklist for necessary deed and documents for SME Loan Sanction

SME entrepreneurs do not have enough knowledge about necessary deed and documents for SME loan sanction. For this reason, to help those entrepreneurs' BB has made a checklist for SME loan sanction. This checklist is only for helping them out, mainly every bank has their separate rules for SME loan sanctions. However, mentioned points are related to every banks checklist. Thus, it might help SMEs' to be prepared for sanctioning SME Loan.

Documents that are needed for SME Loan Sanction:

- Valid Trade License
- Organization's current account information in the bank
- National ID Card
- Drug License (Applicable for Medicine Business only)
- BSTI Certificate (Applicable for Food Manufacturing Industry only)
- Permit Letter from DC (Applicable for Diesel & Acid Business only)
- TIN Certificate
- Electricity Bill
- VAT Certificate
- Telephone Bill
- IRC & IRE Certificate (Applicable for Export-Import Business)
- Educational Certificate
- List of fixed assets and price
- List of debtors
- List of creditors
- CIB Report of BB
- Passport Size Photograph
- Certificate of incorporation and Memorandum of Articles (For Private Limited Company)
- Notarized Partnership Deed (Applicable for Partnership Business)

This are some common documents that are needed for Loan Sanction. Based on nature of business and bank requirement, other documents might be needed for SME Loan sanction.

4.9. Purpose of Monitoring of SME Credit

- To attain the actual purpose of disbursement of SME Loans.
- Achieving sector specific industrialization. Like greater industry and service sector development, enhancing the percentage of female employees and their growth, generate district specific jobs and reducing poverty and inequality.

- Providing small business with their necessary credit amount without any trouble.
- Different tracking of the results of the banks in offering loans to women entrepreneurs.
- To guarantee area-based strategy and repayment of credits focused on clusters.
- To guarantee that the disbursed credit in this industry is collected adequately to tackle any financial crisis.
- And there are other benefits of monitoring SME Credit.

4.10. Activities to be performed at Bank Branches for SME Loan Disbursement

The achievement of SME loan disbursement programs relies mostly on the efficiency of the branches of the banks. The bank branches thus have to play a significant job in sanctioning and disbursement of SME Loan. The following actions will be carried out by bank branches to disburse and recover SME Loans:

- The branch manager will assess or identify the SME credit disbursement requirement and scope. Agreement must be provided to disburse SME loans in the prospective local industries.
- Each bank branch must take a special action to disburse SME Loans to small female entrepreneurs.
- Recognizing and bringing the interested and effective small businessman into the credit operations or scheme.
- Inspiring businessmen by extensive and required advertising.
- SME loan should be organized in a timely and legal manner for concerned and qualified businessmen.
- Supervising the appropriate use of loan disbursed.
- Controlling of operations related to the repair of SME Loans.

Chapter 5: Conclusion

5.1. Summary of Findings

BBL is known as market leader in Bangladesh's economic sector. It has broad distribution support in small and medium sized businesses throughout Bangladesh. In addition, it is the forerunner and still maintains the place of "number one" in SME sectors. The wide range of their contact points for clients is 3814 supporting a maximum of 8,78,837 clients across the nation. BBL also believes above the enormous potential of the financial limits. It has a committed service level development team and it is committed to promoting and implementing global standard services to all. Though BBL has started its journey to help small and medium enterprises, SMEs are facing a lot of problems while taking the loans for their business. For this reason, SMEs cannot develop their business properly. Not only SMEs are facing problem but also banks are facing problems while funding for SMEs as well.

As a result, there are certain factors that creates problem for both SMEs and banks. Now I would like to mention those factors in below:

- The variability of data among financial institutions, SMEs and several other agents appears to be a barrier element in lending to SMEs. The failure of SMEs to provide the data that are required for financial institutions to make viable options on their request for loan decreases the bank's willingness to offer them funds.
- SMEs also often lack sufficient resources that can be used as collateral.
- The volatile financial situation and tax policies often restrict access to loans for SMEs quite complicated.
- In addition, it may be too expensive for this SMEs to register on financial markets. Although they register, they may struggle to attract sufficient resources investment funding, since shareholders in these sectors seek less volatile and enormous dynamic business.

- National economy development is strongly related to SME development. As mentioned earlier in this report, since SMEs are facing difficulties in credit funding, it has a lot of effect on national economies. The rate of GDP growth will fall and the rate of unemployment will rise, as SMEs will not receive the necessary financing to grow.
- For banks, the key source of income is credit financing. The significant commercial clients of banks are SMEs that are seeking bank loans as their main source of funding for their activities and operations. In acquiring credit in such markets, the difficulties faced by SMEs decrease the proportion of loans provided to them by SMEs. As a result, bank's income is reduced and it impacts their profit margins.
- Moreover, this profit decline has an adverse impact on the dividends of investors also.
- Higher interest rate is also a barrier for SMEs to take loan from banks. BBL is working on this issue so that each SME can take the benefit from BBL and expand their business.
- Lack of training about SME financing also creates problem since most of the owners have a little knowledge about SME loan, requirements for SME funding.
- Sanctioning SME loan is a time consuming procedure. Thus, it creates problem and waste the valuable time of customers as well.
- Most of the SME branch managers do not do their duty properly and do not meet the target that are given by BBL.
- BBL offers a limited loan services for SME customer. For this reason, most of the enterprises cannot meet the requirements and cannot afford the SME Loan from BBL.

5.2. Recommendations

The mentioned proposals are recommended to mitigate the difficulties that are facing by SMEs in obtaining financial loans:

- SMEs who have the economic ability to hire qualified workers will strive to hire qualified team that can operate the firms effectively and efficiently. Hence, SMEs that fail to meet organizational and corporate abilities must hire or assign executive and economic

specialist that can maintain the firms successfully and create operational and economic choices which can assist firms' development and reach capital funding.

- The market landscape must be examined properly by SMEs in which they work or about to work and they should develop a business development strategy with fixed goals so that they can run the firms successfully in the market.
- Moreover, Govt., NGOs, banks and other financial institutions should arrange workshops and conferences on efficient corporate cultures for SMEs.
- Good financial and monetary laws and practices should be implemented by Government.
- SMEs must be exposed to become more prepared to disclose the firms' data that banks need to provide the loans to them.
- Social authorities and other investors must be engaged in securing promising loans for SMEs.
- Interest rate should be lower for SME loan so that small-medium enterprises and women entrepreneurs can access the loans easily.
- BBL branch managers should do their duty properly and achieve the target that has been set by Head office.
- BBL should introduce more packages to attract new SME customers. Moreover, they should improve the service system all over Bangladesh by introducing new features and SME help desk.
- SMEs are backbone of Bangladesh and they can employ a huge number population in our country. For this reason, along with other banks, BBL should make it easy to sanction SME loan for SMEs and women entrepreneurs.

5.3. Conclusion

SMEs plays an indisputable role in developing Bangladesh's financial growth. It can quickly lead to increased economic output and job creation. Reducing poverty and female's role in this area may play a key role in women's equality and empowerment. The SME industries plays a significant role in several developed Asian Countries financial growth. In our nation, financing for

SMEs are growing in multiple industries and companies. Besides, SMEs currently contribute 25 percent of Bangladesh's GDP.

BBL has started its journey as a founder of funding small and medium enterprises so that it can bring them in markets from grassroots. It supports SMEs by funding them which not only help the firms but also improve the economy of the nation. It is the first commercial bank who started the journey with the vision of helping the small enterprises, medium enterprises at the same time female entrepreneurs. Moreover, BBL offers a variety of SME loan with less retractions so that each enterprises can take the benefit from the bank. The loan portfolio growth is 17% and the customer growth is 1.16% for BBL. (Annual report, 2018).

Sustainable Development Goals can be achieved enriching Bangladeshi SMEs. SMEs are the economic development motors that grows the economy in dynamic market place. BBL provides innovative multi-spectrum financial alternatives to SMEs. It performs to minimize the loan gap between SMEs of \$1.84 billion. (Annual report, 2018)

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