

Credit & Collections: An Overview

20th June 2023

CAN YOU RUN YOUR BUSINESS IN OMAN WITHOUT GIVING CREDIT?



OMANS CREDIT EXPOSURE

- Loan exposure banks 29.2 bn OMR
- Non performing loans 4.4 % (CBO data)
- In value terms 1.28 bn OMR
- Loan exposure Fin companies 1.05 bn OMR
- Non performing loans Fin comp 12.11%
- In value terms 127 mn OMR

No reliable data on the B2B or B2C exposures and NPLs.

HOW CAN WE MITIGATE CREDIT RISK?

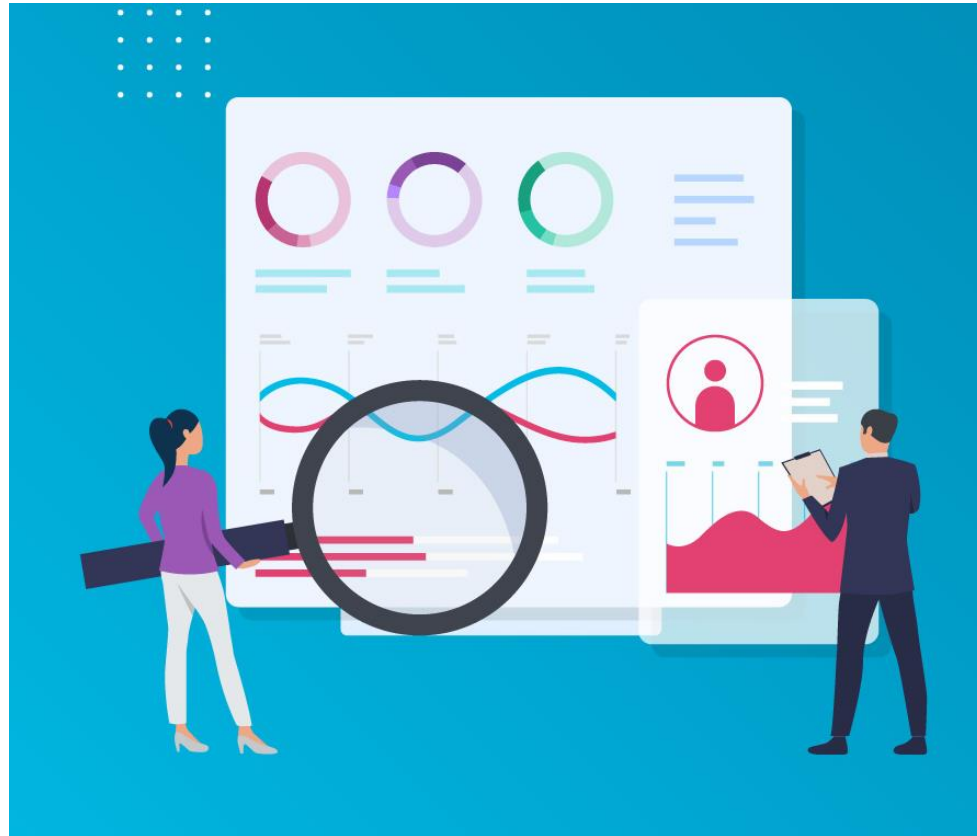


WE WILL COVER

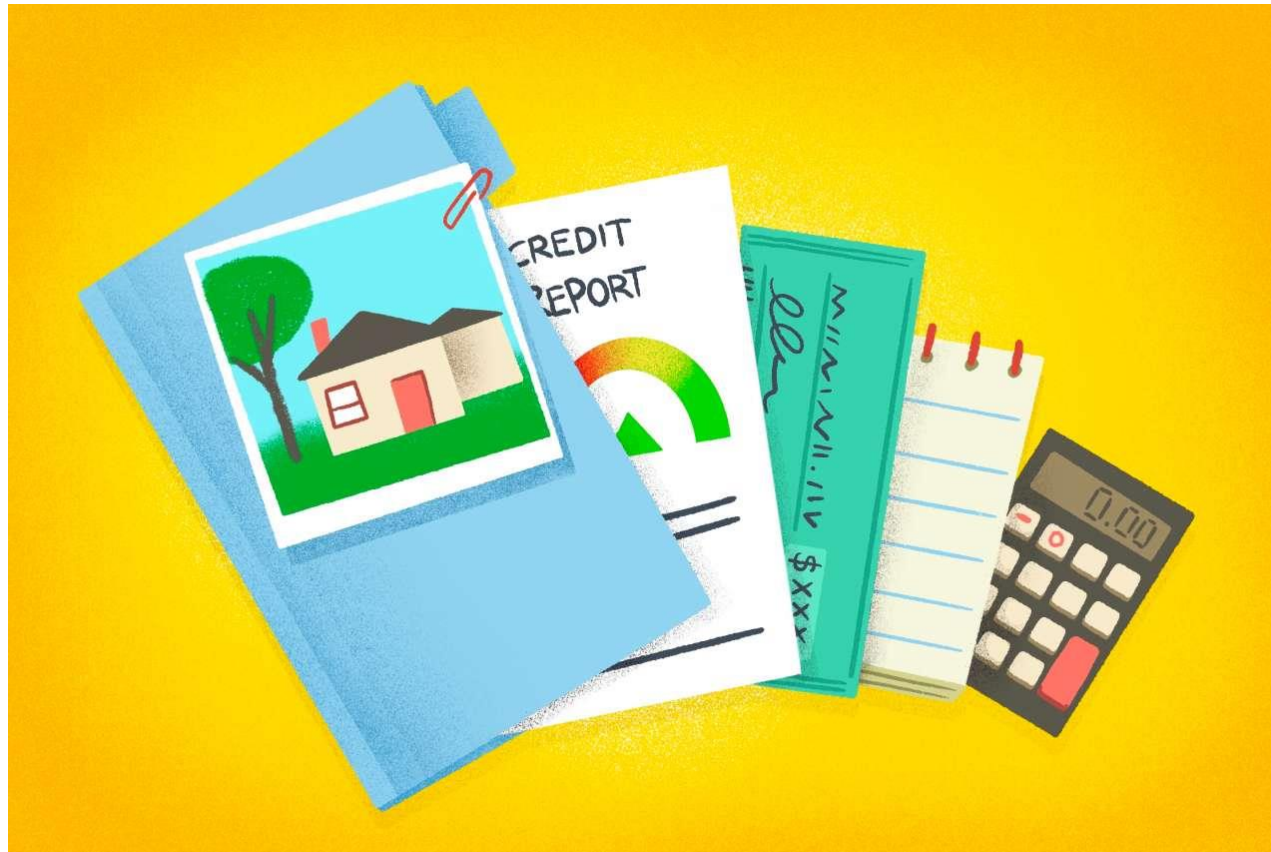
- **Credit Sales & Related Topics.**
- **Steps In Managing The Collections.**
- **Some Common Mistakes In Credit And Collections.**

WHAT YOU SHOULD KNOW IN CREDIT SALES?

- Credit Evaluation



- **Documentation – Pre Credit Approvals**



- **Fixing Credit Limits**



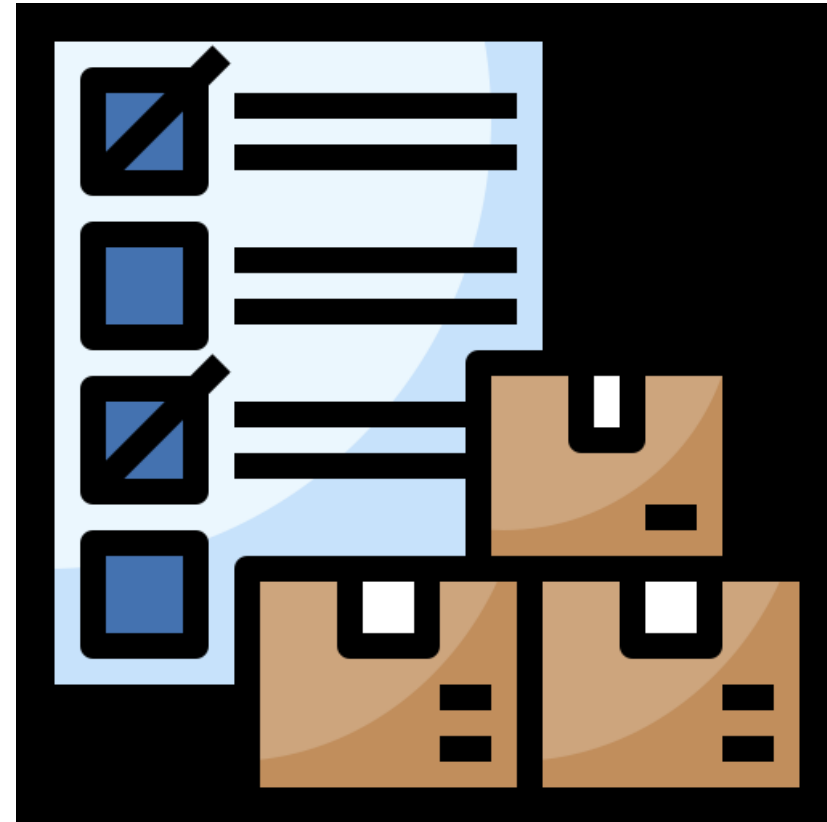
- **Local Purchase Order (LPO)**



- Credit Agreement



- Invoice and Delivery Order



- **Monitoring Credit Limits and Overdue**



- **Collection Follow Up**



- Legal Follow Up



WHAT YOU SHOULD KNOW IN CREDIT SALES?

- **Credit Evaluation**
- **Documentation – Pre-Credit Approvals**
- **Fixing Credit Limits**
- **Local Purchase Order (LPO)**
- **Credit Agreement**
- **Invoice and Delivery Order**
- **Monitoring Credit Limits and Overdue**
- **Collection Follow Up**
- **Legal Follow Up**

STEPS IN COLLECTIONS

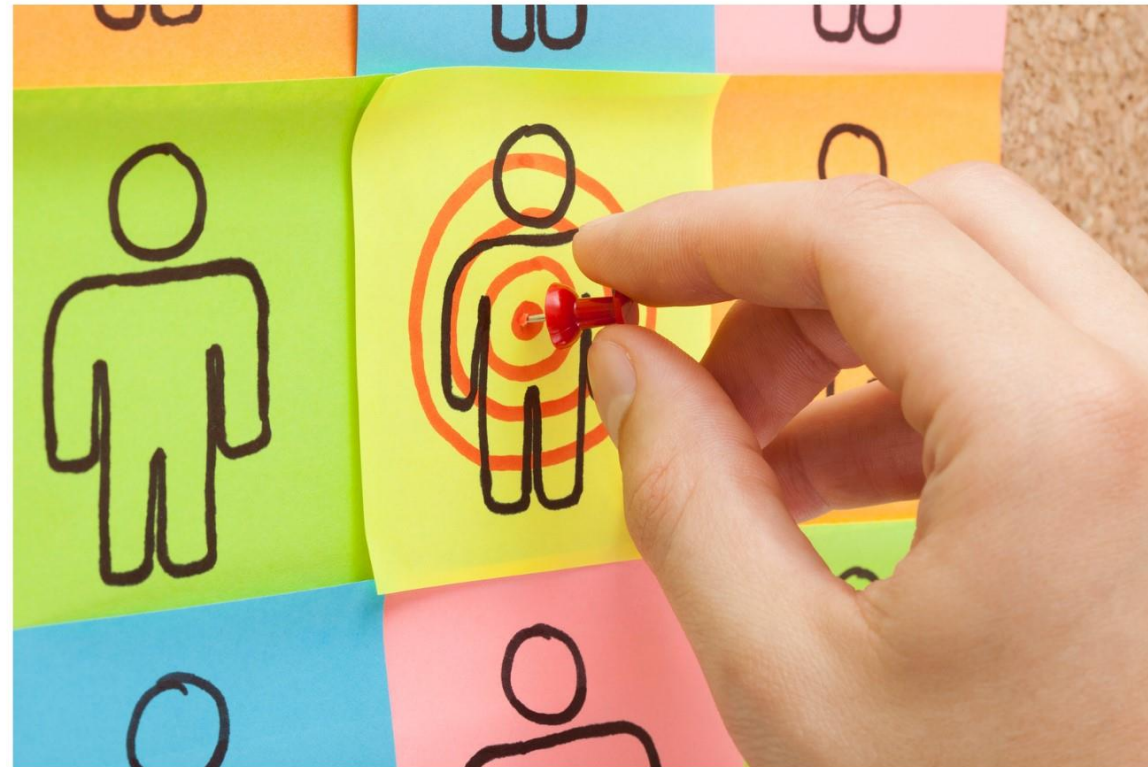
1. Submission of invoices and delivery order with acknowledgement.
2. Periodical submission of statement of accounts.
3. Follow up by reminder calls and/or emails on due date.
4. Reminder in case of delay.
5. Giving clarifications, if any.

STEPS IN COLLECTIONS

6. Follow up visits.
7. Reminder letters (sometimes more than once).
8. Legal notice.
9. Filing legal case.
10. Follow up on legal cases

WHAT LEADS TO OVERDUE?

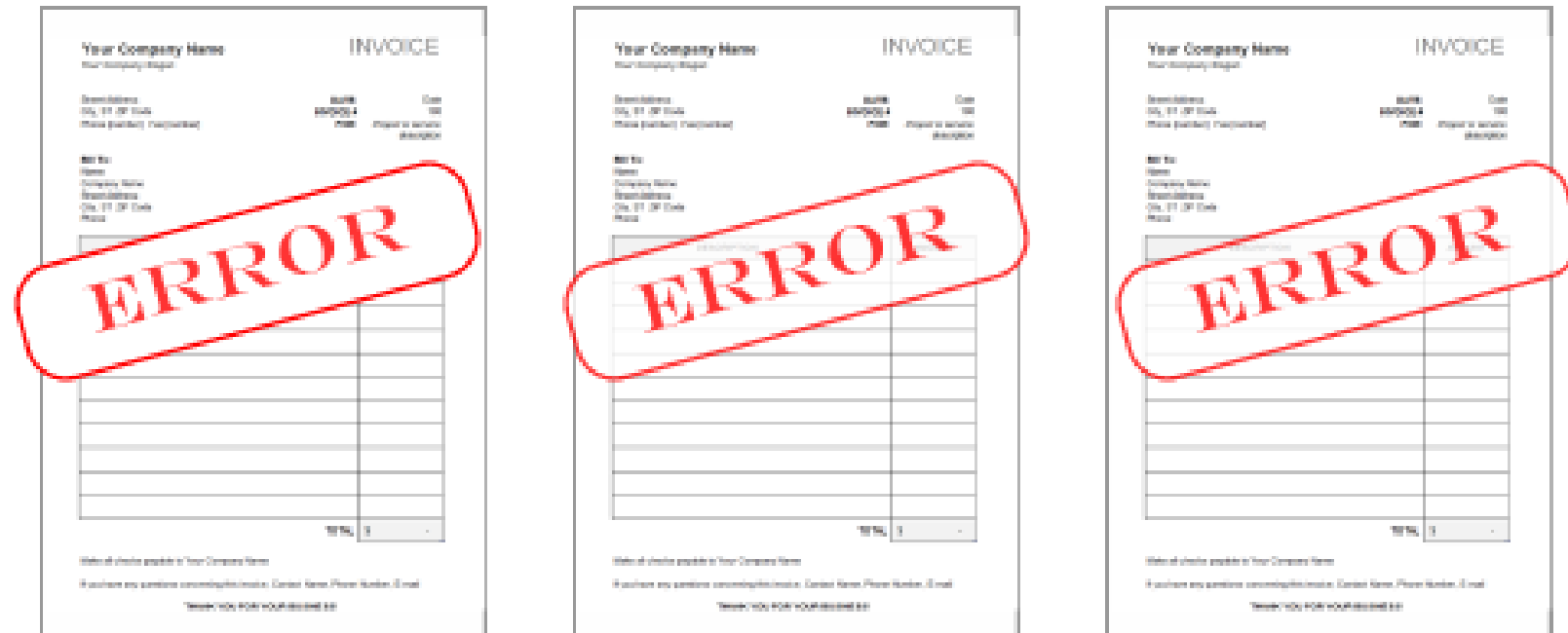
- **Wrong Customer Selection**



- Inadequate Documentation



- Wrong Invoicing



- **Late Submission Of Invoices**



- **Wrong Statement Of Accounts**



- Lack Of Timely Follow Up



- **Not Providing Clarifications On Time**



- **Insufficient Funds With The Customer**



- Purposeful Delay



- **Not Re-evaluating The Credit Worthiness**



WHAT LEADS TO OVERDUE?

- Wrong customer selection
- Inadequate documentation
- Wrong Invoicing
- Late submission of invoices
- Wrong statement of accounts
- Lack of timely follow up
- Not providing clarifications on time
- Insufficient funds with the customer
- Purposeful delay
- Not re-evaluating the credit worthiness

Why Have A Specialized Credit & Collection Agency?



You stay focused on your business

We manage the entire process of receivables Management



Collection management and Reporting

Enterprise-level collections management system has ability to communicate with delinquent customers. Provide clients with periodical reports



Cost saving paid on success

We are merit-based and are only paid upon a successful collections.



Professional and friendly

Performing debt collection for clients in an amicable and friendly way

Our USPs



Backed by Bahwan International Group(BIG)



More than 40 years of experience



More than 10 branches across Oman



90+ employees



Presence in UAE, KSA & OMAN

Our USPs



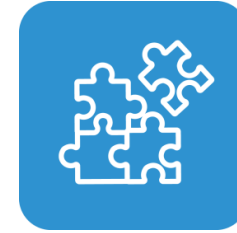
**In-house Legal Firm -
(Saba Bahwan Associates &
Legal Consultants)**



**End to End Credit and Collection
Solution for any business
(Field Verification to Legal Collection)**



State-of-the-art software solutions



**Giving Importance To
Collection Solution**



**Regional Call Center in Oman
& Offshore Call Center in India
- English and Arabic**

Our Services



**Credit
Evaluation &
Field Visits**



**Legal
Collections**



**Receivables
Management**



**Regional & Offshore
Call Center Operations**



Debt Collection



**Training & Consultancy on
Collections Management**

Our Clients



- Sectors
- ❖ Automobiles
- ❖ Healthcare
- ❖ Telecom
- ❖ Financial
- ❖ Rental and lease
- ❖ Petroleum
- ❖ Petrochemical
- ❖ Retail
- ❖ Logistics

Our Clients

BYROAD
Car Rental

LAUNCH
Create - Change

SHIPA
DELIVERY

carstreet

White Horse National


MAJD DEVELOPMENT & BUSINESS

PARIDA INTERNATIONAL INVESTMENT LLC


TOOLS & MACHINERY

- Sectors
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 - ❖ Telecom
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THANK YOU

“Let’s Talk”

