

**Impact of Seized Vehicles on Financial Performance: Case Study of Citizens
Development Business Finance PLC**

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Abstract

This study is based on a case study of the Citizen Development Business (CDB) Finance PLC. The main financial services offered by CDB can be categorized as term deposits, savings deposits, personnel finance, leasing, and hire purchase financing, pawning, corporate and retail credit. The study mainly focus is given to the leasing product which mainly consist with main three asset categories of three-wheeler, lorry and other. A pre-trend analysis was carried out to identify the nature of the main products of the company which enables to have a thought of realizing that the three wheel product portfolio is declining on a gradual basis whereas the contribution to the revenue of the company was significant. The prior investigation showed the reason upon such decline was mainly due to the management decisions on reducing three wheeler portfolio. That is the trigger point of this particular study and encompassed with which the ultimate purpose of the study brought to discussion, as whether there is an actual impact of the seized vehicle to the financial performance of the company coupled with to measure the statistical impact of the seized vehicle to the loan-to-value ratio. The data collection for the study was carried out quantitatively and qualitatively, using company financial database and questionnaire respectively. The sample was consist with 25 personnel covering managers, recovery officers and selected executive grade staff. The correlation and regression analysis used to measure the statistical relationship and the impact of independent variables such as close vehicle, interest rate and income on dependent variable of seized vehicles .Through results of the study it can be concluded that null hypothesis can be accepted since there is no significant impact of the seized vehicles to the financial performance and also since there is significant impact of the loan-to-value ratio to the seized vehicle null hypothesis was rejected.

Key words: *Seized vehicle, financial performance, loan-to-value ratio, interest rate*