MANAGEMENT OF COMMERCIAL CREDIT GRANTED AND EARNED AND ITS ROLE IN MARKET VALUEAPPLIED RESEARCH FOR A SAMPLE OF COMPANIES LISTED ON THE IRAQ STOCK EXCHANGE

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ABSTRACT

This research comes in the context of knowing the dialectic of the relationship between commercial credit granted and earned and its impact on the market value of companies, which gives the management of companies the freedom to make the appropriate financial decision in the aspects of finance (short-term) and investment (short-term) The above three research for (33) companies listed in the Iraqi market for securities and four sectors (industrial, agricultural, services, tourism and hotels) and for five years from (2013-2017) based on a number of statistical methods are recognized and innovative research service, has Policies were discussed Credit approved by companies (risk, moderate, conservative) for the credit granted and earned to access the nine alternatives (conservative - conservative, moderate - conservative, risk - conservative, conservative - moderate, moderate - moderate, risk - moderate conservative, risk - moderate And stand on the level of efficiency of the departments of those companies (high - high, moderate - high, low - high, high - moderate, moderate - moderate, low - moderate, high - low, moderate - low, low - low. The research concluded that the statistical tests among the variables of the study proved that the companies that recorded the highest market value of the company are obtaining a credit earned greater than the credit granted, i.e. the moderate policy of credit granted and the risk policy of credit earned, it indicates that the market value is high due to the average efficiency of the grantee. In addition, high efficiency of the gainer. The researcher recommends the necessity of adopting such variables in the studies of companies and generalizing their results to the society and not neglecting them to know the most important conclusions reached in order to give a clear vision on the importance of studying these variables and the necessary ways to find appropriate management for them at the level of commercial credit granted and their reflection on other objectives. The highest is to maximize shareholder value)

Keywords: Commercial Credit credit, credit granted, credit earned, company value

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1. INTRODUCTION

The management of commercial credit granted and acquired is not a new phenomenon in business companies, since the commercial credit granted and earned existed in the past the presence of organizations, which constitutes a very large proportion of the balance sheet and income statement, and commercial credit granted and earned is an important element of the activities of business companies, where credit Granted form a very large proportion compared to current assets, as is the case of credit earned where the largest proportion compared to short-term liabilities, as commercial credit is the beginning and end of the working capital cycle, and it maintains continuity Business Moreover, the right policy of commercial credit is granted and earned in all business operations based on commercial solvency. The lack of funds, the high cost and the difficulty of lending at present have created a serious problem for business companies, it must be the presence of commercial credit like any other assets of the company and deal with it as an investment vehicle through the granted credit and financing from the direction of credit earned, moreover today the focus is on providing The optimum volume of trade credit at the right time and at the right cost. Trade credit consists of two different types: grantee (also referred to as accounts receivable, short-term investment, accounts receivable, accounts receivable) which is on the asset side of the budget. A short-term investment, acquired (also referred to as accounts payable, short-term financing, management of creditors, accounts payable) which is on the liabilities side of the balance sheet and is a short-term financing component.

Commercial credit management has become more important in the modern world in business due to the change in business management, increasing difficulties, the cost of borrowing and technological development, and the appropriate policy of granted and earned credit is carried out through a set of policies (conservative, moderate, risky) and all these practices. These policies contribute to the achievement of the company's objectives of maximizing market value as well as the above-mentioned practices.

2. THEORETICAL FRAMEWORK:

2-1 Management of commercial credit granted

Commercial credit granted is an implicit contract where suppliers deliver goods to customers and do not pay in cash, but promise to pay later. This promise represents a credit or an implicit contract. (Wu, & et… al, 2014: 146)) Commercial credit is the emerging credit between the company and the buyer through forward sales (Shamaa, 283: 1992). Credit management is the decision-making process of investing in granted credit, where Credit is necessary to increase sales and profits of the company the goal of credit management Man granted is to make a sound decision with regard to investing in credit and promoting sales and profits to that point where the return on investment in additional financing of receivables is lower than the cost of funds raised to finance this additional credit (Road Ehrhardt& Brigham, 2012). There are a number of determinants that affect the granting of commercial credit (Chou & et… al, 2011: 279-280): -

A. Sales: The company may extend commercial credit more aggressively to promote sales, leading to a positive relationship between sales and accounts receivable, there will be a correlation between sales and accounts receivable.

B. Cash (cash register): If companies with more liquidity relative to assets will have more cash and be able to provide more trade credit, as this will be a positive relationship between cash and accounts receivable, this variable has a positive coefficient. .

C. Inventory: For inventory-based management purposes, companies with more stocks are likely to offer more business credit than other companies. Both inventories and accounts receivable are current assets and are therefore alternatives from the perspective of asset management.

D. . Company size (log A): The impact of company size is the agent of market energy, from financial assistance Opinion suggests that large companies offer more business credit. In contrast, quality assurance theory suggests that small businesses need to ensure the quality of

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their products more than larger and more established companies and thus offer commercial credit.

2-2- Management of Earned Commercial Credit

Credit earned is the flow of goods or services from abroad into the company. Credit earned can also be defined as "obtaining goods and services in return for a promise to pay in cash at a specified time in the future. Credit is based on trust and trust from the acquiring party and requires a period of time between the time of receipt or lending and payment. Ehrhardt& Brigham, 2012: Earned credit is a financing tool if the use of earned credit gives a better chance of accessing external capital or reducing the cost of capital, it gives the buyer a comparative advantage in the product market 2012: 50), Olusola&Olusola (2006: 1200). Pike et al., 2939 (2007), Beck, encourages SMEs to For earned credit and other short-term financing because these financial sources often do not involve any application for collateral, Öhman (2016: 3) that earned credit is important for companies with difficulty borrowing from financial markets where alternative sources are Finance is mostly unavailable or when the financial sector is weak. Moreover, earned credit is more important for unlisted companies because they are restricted from access to capital markets (Dohaiman, 2013: 206). Not less credit can also be used Because they can go to other sources of finance due to their credit capacity and reputation, earned credit is even more important when companies are smaller, younger and more obscure, (Niskanen&Niskanen, 2006: 92) that internal finance may also affect the company's liquidity position. On demand for credit earned (FISMAN & LOVE, 2003: 353), and thus will reduce their demand for financing through suppliers (Teruel& Solano, 2008: 10), and it often happens that companies face difficulties in accessing financial markets and that Financing buys on credit, which means using earned credit Kwenda, 2014: 433)), works credit Taman Acquisition mainly as an alternative to bank borrowing (2016: 139, Mişu&Deari) Empirical evidence suggests that for most non-financial companies during the credit earned is an important source of financing and credit earned represents about 41% and 35% of total debt among medium-sized companies in the states USA and USA respectively

represent more than 50% of short-term debt in both countries (Teruel& Solano, 2010: 448).

2-3 Market value of the company

The market value of the company's shares is calculated by multiplying the market price of the common stock by the number of shares issued (Amri, 2010: 426), and companies are looking to maximize their profits. The Company's value is obtained by discounting the expected cash flows, and the value of the companies is the present value of the expected cash flows from all existing investments and potential future growth, discounted from the cost of capital 76 (Damadoran, 2002). Determine s The value of any asset is usually done by market forces, and similarly in the case of stock prices, they appear in circulation among investors in the stock markets. Inflation puts investors in the stock market to earn a return on their investment and the shares are sold from one investor to another. This transaction depends on the level of information owned by each participant. , An investor that improves the company's performance prediction may want to buy that company's shares, and in this way depends on the level of information to a certain extent in determining the share price (Malik et al, 2012).

The researcher also defines the market value of companies as they anticipate what will be the value of shares in financial markets in which are directly related to the size of real investments and future profits.

3- METHODS AND TOOLS:

3-1 Objective of the research

Measure the success of financial management in companies Sample research in the management of commercial credit granted in order to raise the levels of market value by determining the credit policy adopted and the efficiency of credit management, and measure the success of financial management in companies Sample research in the management of commercial credit earned leading to raise Levels of market value through determining the credit policy adopted and the efficiency of credit management, and trying to reach the determination of the best policy or the best level of credit granted, the best policy and the size of the best financing through the earned credit, and try to To

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ascertain the likelihood of one or more of the granted and earned commercial credit policies (conservative, moderate, and risky) adopted by the research to explain the relationship between the management of granted and earned credit and the market value of the company and to show the strength of that relationship on the market value of the company.

3-2 Research Tools and Model:

1. Credit policy measures:

   A. Credit granted turnover = net sales / credit granted (Dary& James, 2018: 43), (Amri, 2007: 128) …………1
   B. Average collection period = 360 days / total credit granted. (Happy, 2019)………2
   C. Current Ratio = Current Assets / Current Liabilities (Amri, 2007) 3
   D. Inventory turnover = sales / inventory. (Amiri, 2007: 128) 4
   E. Provision for doubtful debts = part / all 5

2. Credits of earned credit policy:

   A. Credit earned to total short-term liabilities = credit earned / total short-term liabilities (NTHENGE, 2013: 11) 11
   B. Credit earned to total liabilities
   C. Credit earned to total liabilities = credit earned / total liabilities. Dary& James, 2018: 43)) .... 10.
   D. Credit earned to total short-term liabilities = credit earned / total liabilities and equity 11
   E. Credit Earned = Part / All 12

3. Earned Credit Efficiency Measures:

   A. Average repayment period = 360 days / credit earned turnover (Said, 2019: 220) 13
   B. Credit Earned Turnover = Purchases / Earned Credit Turnover. (Happy, 2019: 220) 14

Figure (1) illustrates the research model and the nature of the relationship between the granted and acquired credit policies as well as their efficiency.

Table (1) illustrates the policy mix of commercial credit granted and earned to the research sample companies listed on the Iraq Stock Exchange.

Table (1) Type of commercial credit policies granted and earned

Conservative politics	Moderate policy	Risky politics	Credit granted / Credit earned
Risky, conservative	Risky, moderate	Risky, risky	Risky politics
Moderate, conservative	Moderate, moderate	Moderate, risky	Moderate polic
Conservative	Conservative, moderate	Conservative, risk	Conservative politics
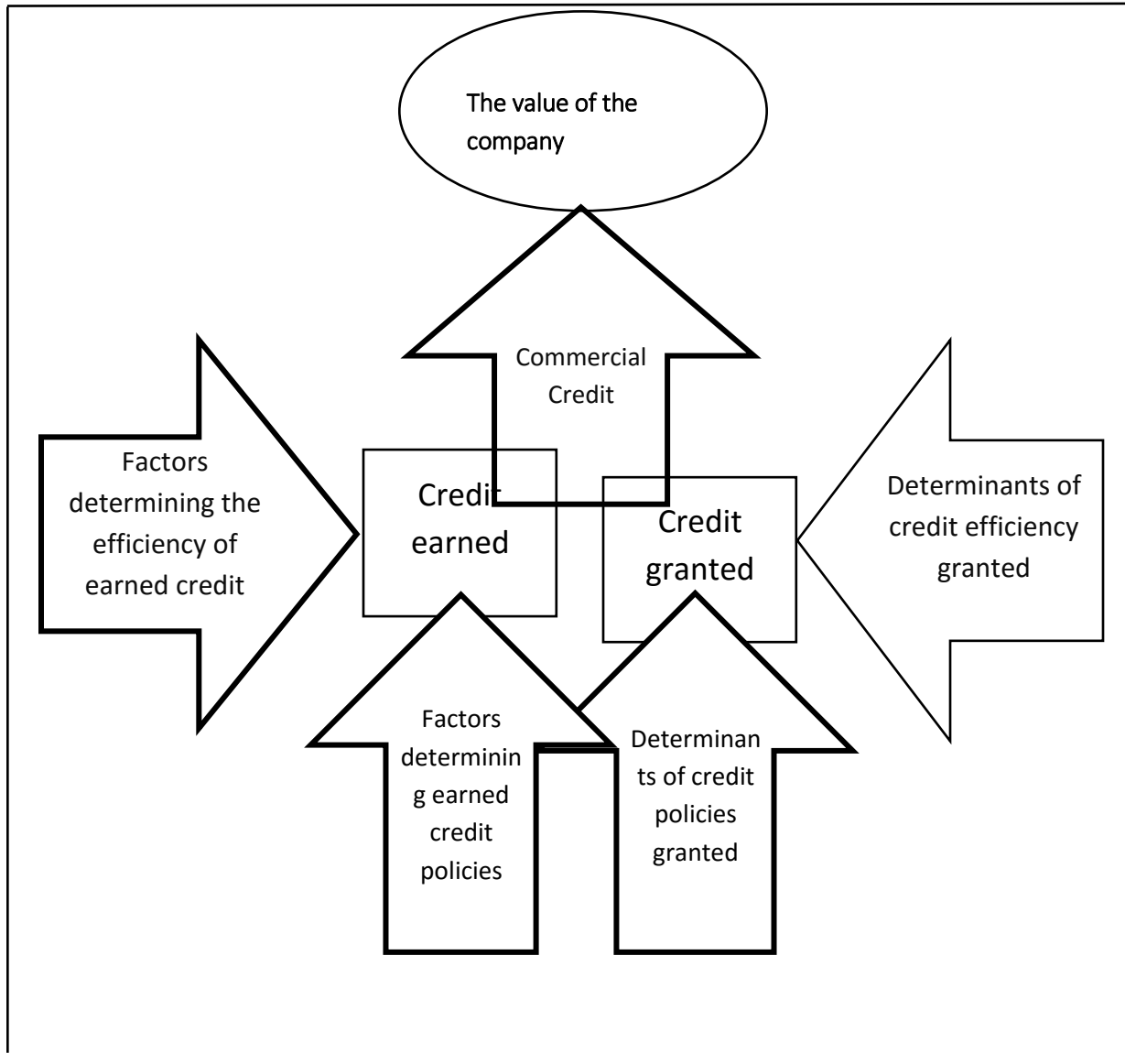
Figure (1) Research Model

4. PRACTICAL FRAMEWORK OF RESEARCH:

4-1 Granted commercial credit policies

It was found that the cumulative grades ranged between (0.01) minimum as in the Iraqi company for carpets and furnishings in 2014 and in Karbala hotels in 2015, and (0.69) degree as a maximum in the Baghdad Public Transport Company, where the percentages were extracted Through the measures of credit policies granted in Table (2) based on the credit measures granted in the above paragraph.

Table (2) Cumulative Credit Scores for Companies Sample Research

2017	2016	2015	2014	2013	The Company's name	ت
0.25	0.24	0.28	0.14	0.30	**National Chemical Industries**	**1**
0.18	0.17	0.03	0.01	0.05	**Iraqi Carpets & Furniture**	**2**
0.24	0.12	0.17	0.10	0.22	**Baghdad Packing Materials Industry**	**3**
0.11	0.08	0.04	0.12	0.25	**Baghdad Soft Drinks**	**4**
0.29	0.33	0.52	0.41	0.36	**Readymade Garments Production & General Trading**	**5**
0.31	0.32	0.32	0.40	0.29	**Alhlal Industrial**	**6**
0.28	0.41	0.26	0.18	0.14	**Modern sewing**	**7**
0.19	0.28	0.03	0.02	0.24	**Modern chemical products**	**8**
0.29	0.10	0.12	0.20	0.20	**Canadian Vaccines and Veterinary Medicines**	**9**
0.16	0.41	0.39	0.32	0.47	**AL MANSOUR MEDICAL & BEAUTY INDUSTRIES**	**10**
0.19	0.13	0.20	0.08	0.24	**Dyes industry**	**11**
0.16	0.22	0.37	0.15	0.29	**Alhlal Industrial**	**12**
0.54	0.58	0.57	0.63	0.49	**Sudair hotels**	**13**
0.44	0.37	0.26	0.50	0.48	**AL MANSOUR hotels**	**14**
0.06	0.03	0.01	0.15	0.06	**Karbala hotels**	**15**
0.64	0.47	0.67	0.54	0.33	**The tourist city of Mosul Dam**	**16**
0.29	0.20	0.43	0.42	0.20	**Babylon Hotel**	**17**
0.20	0.19	0.13	0.17	0.13	**Baghdad Hotel**	**18**
0.44	0.35	0.26	0.22	0.18	**Palestine Hotel**	**19**
0.17	0.15	0.17	0.10	0.31	**National Tourism Investment**	**20**
0.43	0.52	0.42	0.44	0.23	**ISHTAR hotels**	**21**
0.48	0.18	0.28	0.21	0.04	**Iraqi Agricultural Production and Marketing**	**22**
0.56	0.24	0.12	0.15	0.28	**National Agricultural Production**	**23**
0.55	0.29	0.57	0.30	0.53	**Iraqi Dates Manufacturing & Marketing**	**24**
0.18	0.18	0.24	0.11	0.16	**Middle East Lotus Fish Production**	**25**
0.62	0.48	0.59	0.52	0.55	**Iraqi meat production and marketing**	**26**
0.42	0.42	0.42	0.42	0.42	**Modern Animal and Agricultural Production**	**27**
0.20	0.25	0.20	0.15	0.23	**Saliva Karkh tourist city**	**28**
0.40	0.25	0.38	0.25	0.27	**Mosul City Games**	**29**
0.46	0.28	0.26	0.31	0.46	**Alnkba General Contracting**	**30**
0.32	0.30	0.27	0.27	0.39	**Maamoura Real Estate Investments**	**31**
0.34	0.19	0.34	0.33	0.34	**Al Ameen Real Estate Investments**	**32**

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0.29	0.28	0.58	0.69	0.30	**Baghdad General Transport & Real Estate**	**33**

The policy is calculated by the following steps

1 - Relying on the upper and lower limits to determine the range of each research sample companies and divide it into three categories to determine the length of the approved category.

2 - Determine the upper and lower limits for each of the three categories, to represent the first category conservative policy and the second policy of moderate and third policy of risk.

Through the above, the commercial credit policies granted to the business sample companies for the years (2013-2017), as shown in Table (3), will be determined by the following equations:

Range = High - Low = 0.69 - 0.01 = 0.68

The length of the class = 0.68 ÷ 3 = 0.22,6

Minimum reserve policy = 0.01

Maximum conservative policy = 0.01 + 0.22,6 = 0.23,6

Minimum moderate policy = 0.23.7

The upper limit of moderate policy = 0.23.7 + 0.22.6 = 0.46.3

Minimum risk policy = 0.46.4

Maximum risk policy = 0.46.4 + 0.22.6 = 0.69

Table (3) Limits of Corporate Policies Research Sample

maximum	minimum	Policy type
0.23,6	0.01	Conservative politics
0.46,3	0.23,7	Moderate policy
0.69	0.46,4	Risky politics

4-2 Determination of Earned Credit Policy

Table (4) shows the measurement of commercial credit earned

Table (4) Cumulative Analysis of Credit Acquired for Years and Sample Companies

2017	2016	2015	2014	2013	The Company's name	ت
0.28	0.57	0.53	0.57	0.56	**National Chemical Industries**	**1**

0.41	0.54	0.57	0.54	0.61	Iraqi Carpets & Furniture	2
0.51	0.51	0.50	0.51	0.50	Baghdad Packing Materials Industry	3
0.35	0.38	0.53	0.33	0.40	Baghdad Soft Drinks	4
0.41	0.59	0.59	0.59	0.63	Readymade Garments Production & General Trading	5
0.56	0.67	0.56	0.67	0.55	Alhlal Industrial	6
0.37	0.50	0.44	0.53	0.51	Modern sewing	7
0.52	0.58	0.62	0.58	0.35	Modern chemical products	8
0.29	0.29	0.41	0.51	0.29	Canadian Vaccines and Veterinary Medicines	9
0.60	0.56	0.54	0.62	0.52	AL MANSOUR MEDICAL & BEAUTY INDUSTRIES	10
0.28	0.29	0.27	0.53	0.27	Dyes industry	11
0.53	0.52	0.53	0.53	0.53	Alhlal Industrial	12
0.67	0.52	0.58	0.52	0.56	Sudair hotels	13
0.59	0.70	0.62	0.70	0.60	AL MANSOUR hotels	14
0.45	0.35	0.48	0.54	0.30	Karbala hotels	15
0.52	0.59	0.63	0.59	0.61	The tourist city of Mosul Dam	16
0.62	0.72	0.62	0.72	0.74	Babylon Hotel	17
0.55	0.52	0.55	0.58	0.49	Baghdad Hotel	18
0.62	0.60	0.62	0.61	0.64	Palestine Hotel	19
0.51	0.51	0.51	0.51	0.52	National Tourism Investment	20
0.68	0.16	0.69	0.61	0.18	ISHTAR hotels	21
0.52	0.52	0.53	0.53	0.53	Iraqi Agricultural Production and Marketing	22
0.54	0.57	0.53	0.57	0.57	National Agricultural Production	23
0.63	0.54	0.54	0.53	0.53	Iraqi Dates Manufacturing &	24

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					Marketing	
0.54	0.52	0.52	0.56	0.51	**Middle East Lotus Fish Production**	25
0.58	0.57	0.42	0.57	0.57	**Iraqi meat production and marketing**	26
0.56	0.52	0.47	0.51	0.52	**Modern Animal and Agricultural Production**	27
0.44	0.35	0.28	0.58	0.28	**Saliva Karkh tourist city**	28
0.57	0.57	0.57	0.57	0.57	**Mosul City Games**	29
0.18	0.22	0.19	0.51	0.22	**Alnkba General Contracting**	30
0.52	0.52	0.52	0.53	0.55	**Maamoura Real Estate Investments**	31
0.62	0.50	0.62	0.50	0.50	**Al Ameen Real Estate Investments**	32
0.50	0.31	0.50	0.51	0.31	**Baghdad General Transport & Real Estate**	33

The policy is calculated according to the steps adopted in Table (3) to extract the earned credit policies as in Table (5).

Table (5) Limits of Corporate Policies Research Sample

maximum	minimum	Policy type
0.35,3	0.16	Conservative politics
0.54,7	0.35,4	Moderate policy
0.74,1	0.54,8	Risky politics

4-3 - Analyze and market value levels: - Analyze and market value levels

Table (6) shows the analysis of companies listed on the Iraqi Stock Exchange for the years 2013-2017) and for four sectors, namely the industrial sector, the hotel sector, tourism, agriculture and services.

Table (6) Market Value of Companies Sample Research Note that the figures

Coefficient of variation	standard deviation	the average	minimum	maximum	2017	2016	2015	2014	2013	The Company's name	ت
126.62	31,844	25,150	8657	82013	8657	9416	82013	12909	12758	**National Chemical**	**1**

										Industries	
32.36	839	2,593	2075	4050	4050	2575	2140	2125	2075	Iraqi Carpets & Furniture	2
25.94	536,	2,066	1490	2937	1490	1987	2084	1836	2937	Baghdad Packing Materials Industry	3
17.71	67,209	379,404	300580	475252	475252	332500	391020	300580	397670	Baghdad Soft Drinks	4
93.15	10,389	11,154	1346	23417	20868	23417	2173	1346	7966	Readymade Garments Production & General Trading	5
37.66	2,181	5,791	3465	8291	3465	4331	4950	8291	7920	Alhlal Industrial	6
136.5	12,519	9,172	2520	31500	4900	4140	2800	31500	2520	Modern sewing	7
84.7	5,293	6,249	1089	12600	10800	12600	1386	1089	5373	Modern chemical products	8
142.36	26,565	18,660	4514	65934	4514	4693	65934	6912	11250	Canadian Vaccines and Veterinary Medicines	9
12.67	632	4,993	4334	5822	4464	4334	4914	5434	5822	AL MANSOUR MEDICAL & BEAUTY INDUSTRIES	10
11.16	1,312	11,756	10319	13913	11516	11516	11516	13913	10319	Dyes industry	11
43.78	597	1,365	945	2400	1080	1050	945	1350	2400	Alhlal Industrial	12
		428,097	945	475252	219715	230166	243299	376835	530789	Average of the industrial sector	
72.2	9,844	13,635	2633	23231	17966	20877	2633	3469	23231	Sudair hotels	13
32.94	19,390	58,871	34754	81440	34754	61383	44140	72642	81440	AL MANSOUR hotels	14
16.55	1,188	7,180	5400	8000	5400	8000	8000	8000	6500	Karbala hotels	15
35.99	550	1,529	888	2405	1428	1548	888	1378	2405	The tourist city of Mosul Dam	16
55.57	50,319	90,550	60750	180000	75000	65000	72000	180000	60750	Babylon Hotel	17

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19.39	7,041	36,314	26721	44215	32482	36440	26721	41716	44215	**Baghdad Hotel**	18
22.8	14,595	64,001	42018	78002	56948	69285	42018	73755	78002	**Palestine Hotel**	19
51.43	29,686	57,721	23137	1005950	40645	53151	23137	105950	71079	**National Tourism Investment**	20
24.04	11,269	46,877	30938	556500	42000	46550	30938	59250	55650	**ISHTAR hotels**	21
		41,853	888	1005950	34069	40248	27830	160684	102680	**Average hotel and tourism sector**	
141.64	11,134	7,861	284	27540	27540	2610	284	4086	4788	**Iraqi Agricultural Production and Marketing**	22
9.64	61,	640,	546	702	690	702	633	633	546	**National Agricultural Production**	23
22.49	4,826	21,459	15180	28463	15180	28463	22253	21908	19492	**Iraqi Dates Manufacturing & Marketing**	24
25.93	667	2,574	2100	3750	2415	2280	2100	2325	3750	**Middle East Lotus Fish Production**	25
29.24	8,684	29,701	18400	39700	39700	18400	23250	32505	34650	**Iraqi meat production and marketing**	26
29.38	653	2,224	1312	3060	1312	2051	2109	2592	3060	**Modern Animal and Agricultural Production**	27
		12,764	284	39700	14472	9084	8438	10674	11047	**Average agricultural sector**	
39.25	2,132	5,433	2834	8625	4400	5450	5860	8625	2834	**Saliva Karkh tourist city**	28
223.61	1,887	844	0	4220	0	0	0	0	4220	**Mosul City Games**	29
35.41	440	1,243	743	1800	743	847	1425	1400	1800	**Alnkba General Contracting**	30
27.72	16,943	61,119	43282	80574	43282	44544	74304	80574	62892	**Maamoura Real Estate Investments**	31
32.36	1,508	4,663	3132	6960	3480	3132	4872	4872	6960	**Al Ameen Real Estate**	32

										Investments	
9.64	**61**	**640**	**546**	**702**	**690**	**702**	**633**	**633**	**546**	**Baghdad General Transport & Real Estate**	**33**
		12,324	0	80574	13426	11322	12427	23679	18518	**Average service sector**	
		31024			30215	26787	29093	60412	46626	**Arithmetic mean of all sectors**	
	2.160									**Standard deviation of all sectors**	
152.72										**Coefficient of**	**var iati on for all sec tor s**

4-5 - Relationship between credit policies and market value: Relationship between Credit Policies and Market Value

  From Table (8) we note that there is a great disparity between the policies of commercial credit granted and earned, as some companies adopted the conservative policy of the grantee and earned and some others used the moderate policy as well as the grantee and earned and some third used the conservative trade credit granted and earned and some others used a combination of those different policies In order to reach the increase in the market value, from Table (8) we see that most of the research samples regardless of the type of sector as well as the years that the companies that obtain a credit earned greater than the grant of commercial credit granted or be equal between the grantee and the acquired six Being the best in terms of the market value in most cases, the research sample is seen, and this does not prevent the existence of adverse cases, but this has been reached through this combination of commercial credit policies granted and earned and table (7) shows the symbols used.

Table (7) Symbols used in the research

Name	Symbols	ت
High efficiency or value	R	1
Efficiency or medium value	W	2
Low efficiency or value	N	3
Risky policy	J	4
Moderate policy	A	5
Conservative policy	M	6

Table (8) Credit Policies Granted, Earned, and Market Value for Years and Sample Companies

2017	2016	2015	2014	2013	The Company's name	ت
A-J-N	A-J-N	A-A-N	M-J-N	A-J-N	National Chemical Industries	1
M-A-N	M-J-N	M-J-N	M-J-N	M-J-N	Iraqi Carpets & Furniture	2
A-A-N	M-A-N	M-A-N	M-A-N	M-A-N	Baghdad Packing Materials Industry	3
M-M-R	M-A-R	M-A-R	M-M-R	A-A-R	Baghdad Soft Drinks	4
A-A-R	A-J-R	J-J-N	A-J-N	A-J-N	Readymade Garments Production & General Trading	5
A-J-N	A-J-N	A-J-N	A-J-N	A-J-N	Alhlal Industrial	6
A-A-N	A-A-N	A-A-N	M-A-N	M-A-N	Modern sewing	7
M-A-N	A-J-N	M-J-N	M-J-N	M-M-A	Modern chemical products	8
A-M-N	M-M-N	M-A-N	M-A-N	M-M-N	Canadian Vaccines and Veterinary Medicines	9
M-J-N	A-J-N	A-J-N	A-J-N	J-A-N	AL MANSOUR MEDICAL & BEAUTY INDUSTRIES	10
M-M-N	M-A-N	M-M-N	M-A-N	A-M-N	Dyes industry	11
M-A-N	M-A-N	A-A-N	M-A-N	A-A-N	Alhlal Industrial	12
J-J-N	A-J-N	J-J-N	J-A-N	J-J-N	Sudair hotels	13
A-J-R	A-J-R	A-J-R	J-J-R	J-J-R	AL MANSOUR hotels	14
M-A-N	M-M-N	M-A-N	M-J-N	M-M-N	Karbala hotels	15
J-A-R	J-J-N	J-J-N	J-J-N	A-J-N	The tourist city of Mosul Dam	16
A-J-R	MJ-R	A-J-R	A-J-R	M-J-R	Babylon Hotel	17
M-J-R	M-A-R	M-J-R	M-J-R	M-A-R	Baghdad Hotel	18
A-J-R	A-J-R	A-J-R	A-J-R	A-J-R	Palestine Hotel	19
A-M-R	M-A-R	M-A-R	M-A-R	A-A-R	National Tourism Investment	20
A-J-R	J-M-R	A-J-R	A-J-R	A-M-R	ISHTAR hotels	21
J-A-R	M-A-N	A-A-N	M-A-N	M-A-N	Iraqi Agricultural Production and	22

					Marketing	
J-J-N	A-J-N	M-A-N	M-J-N	A-A-N	National Agricultural Production	23
J-J-N	A-J-N	J-J-N	A-A-N	A-A-N	Iraqi Dates Manufacturing & Marketing	24
M-J-N	M-A-N	M-A-N	M-J-N	M-A-N	Middle East Lotus Fish Production	25
J-J-R	J-J-R	J-J-R	J-J-R	J-J-R	Iraqi meat production and marketing	26
A-J-N	A-A-N	A-A-N	A-A-N	A-A-N	Modern Animal and Agricultural Production	27
M-A-N	A-M-N	M-M-N	A-J-N	M-M-N	Saliva Karkh tourist city	28
A-J-N	A-J-N	A-J-N	A-J-N	A-J-N	Mosul City Games	29
A-A-R	M-M-R	A-A-R	A-A-R	M-M-R	Alnkba General Contracting	30
A-A-N	A-A-N	A-A-N	A-A-N	A-J-N	Maamoura Real Estate Investments	31
A-J-N	M-A-N	A-J-N	A-A-N	A-A-N	Al Ameen Real Estate Investments	32
A-A-N	A-M-N	J-A-N	J-A-N	M-A-N	Baghdad General Transport & Real Estate	33

4-6-Relationship between Credit Policies and Efficiency and Market Value

Table (9) shows the efficiency of the credit granted and earned and the market value of the companies. Where the views varied between high and medium and low level, the earned credit is the efficiency of short average repayment period and the high turnover of commercial credit earned and vice versa and result in this research three levels of efficiency (high, medium, low) as those Companies that have varied between high, low and medium efficiency or a combination of those policies for granted and earned credit. As a result of the leniency of the sales department with customers in granting a longer period to customers for the purpose of repayment, this thing in the present is an effective promotion in obtaining a larger market share, while the high efficiency in the credit earned improves the perceived image of the government P and public opinion as well as it is free to promote the company's products to achieve this, a greater profit and consequently leads to a rise in the market value of the company

Table (9) Credit Efficiency Granted and Earned and Market Value of Companies

2017	2016	2015	2014	2013	The Company's name	ت
N-N-N	N-N-N	N-N-N	R-N-N	N-N-N	National Chemical Industries	1
N-W-N	N-W-N	N-N-N	N-W-N	N-W-N	Iraqi Carpets & Furniture	2
N-W-N	N-W-N	W-W-N	N-W-N	N-W-N	Baghdad Packing Materials Industry	3

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W-R-R	**W-R-R**	**W-R-R**	**W-R-R**	**W-R-R**	**Baghdad Soft Drinks**	**4**
N-N-R	**N-N-R**	**N-N-N**	**W-N-N**	**N-N-N**	**Readymade Garments Production & General Trading**	**5**
N-N-N	**R-N-N**	**N-N-N**	**N-N-N**	**N-N-N**	**Alhlal Industrial**	**6**
N-N-N	**N-N-N**	**N-W-N**	**R-N-N**	**N-N-N**	**Modern sewing**	**7**
W-N-N	**N-N-N**	**R-N-N**	**W-N-N**	**N-N-N**	**Modern chemical products**	**8**
N-N-N	**N-N-N**	**N-N-N**	**N-N-N**	**N-N-N**	**Canadian Vaccines and Veterinary Medicines**	**9**
N-W-N	**N-W-N**	**N-N-N**	**N-N-N**	**N-W-N**	**AL MANSOUR MEDICAL & BEAUTY INDUSTRIES**	**10**
N-N-N	**N-N-N**	**N-N-N**	**N-N-N**	**N-N-N**	**Dyes industry**	**11**
N-N-N	**N-N-N**	**N-N-N**	**W-N-N**	**N-W-N**	**Alhlal Industrial**	**12**
N-N-N	**R-N-N**	**R-N-N**	**N-N-N**	**N-W-N**	**Sudair hotels**	**13**
N-N-R	**N-N-R**	**R-N-R**	**N-N-R**	**N-N-R**	**AL MANSOUR hotels**	**14**
N-N-N	**N-N-N**	**R-R-N**	**R-N-N**	**W-N-N**	**Karbala hotels**	**15**
N-N-N	**N-N-N**	**N-N-N**	**N-N-N**	**N-N-N**	**The tourist city of Mosul Dam**	**16**
R-N-R	**R-N-R**	**R-N-R**	**R-N-R**	**R-N-R**	**Babylon Hotel**	**17**
N-N-R	**N-N-R**	**W-W-R**	**N-N-R**	**N-N-R**	**Baghdad Hotel**	**18**
N-N-R	**W-N-R**	**N-N-R**	**R-N-R**	**W-N-R**	**Palestine Hotel**	**19**
N-N-R	**N-W-R**	**N-N-R**	**W-N-R**	**W-N-R**	**National Tourism Investment**	**20**
N-N-R	**N-N-R**	**N-R-R**	**N-W-R**	**N-W-R**	**ISHTAR hotels**	**21**
W-N-R	**W-N-N**	**N-N-N**	**N-N-N**	**R-N-N**	**Iraqi Agricultural Production and Marketing**	**22**
N-W-N	**N-W-N**	**N-N-N**	**N-W-N**	**N-N-N**	**National Agricultural Production**	**23**
N-N-N	**N-N-N**	**N-N-N**	**N-N-N**	**N-W-N**	**Iraqi Dates Manufacturing & Marketing**	**24**
N-N-N	**N-N-N**	**N-N-N**	**N-N-N**	**N-N-N**	**Middle East Lotus Fish Production**	**25**

N-W-R	**N-N-R**	**N-N-R**	**N-N-R**	**N-W-R**	**Iraqi meat production and marketing**	**26**
N-N-N	**R-N-N**	**N-N-N**	**N-N-N**	**N-N-N**	**Modern Animal and Agricultural Production**	**27**
W-N-N	**R-N-N**	**R-N-N**	**N-N-N**	**W-N-N**	**Saliva Karkh tourist city**	**28**
N-N-N	**N-N-N**	**N-N-N**	**N-N-N**	**R-N-N**	**Mosul City Games**	**29**
N-N-R	**R-N-R**	**N-N-R**	**N-N-R**	**N-N-R**	**Alnkba General Contracting**	**30**
W-N-N	**N-N-R**	**N-N-N**	**N-N-N**	**N-N-N**	**Maamoura Real Estate Investments**	**31**
N-N-N	**N-N-N**	**R-N-N**	**N-N-N**	**N-N-N**	**Al Ameen Real Estate Investments**	**32**
N-N-N	**N-N-N**	**N-N-N**	**N-N-N**	**N-N-N**	**Baghdad General Transport & Real Estate**	**33**

4-7 The relationship between the policies and the efficiency of commercial credit granted and earned

Through Table (10), we will summarize the relationship between trade credit granted and earned and what is the best policy that achieves a high level of efficiency? The table shows that the best policy according to the efficiency standards is the one that achieves the highest efficiency, which is both the policy (risk-conservative, conservative-moderate) while the worst policy in achieving the lowest efficiency is the policy (moderate - moderate).

Table (10) Type of credit policies granted and earned and efficiency levels

Level of efficiency	percentage	number	Credit earned	Credit granted	
2.6	0.06	11	Conservative	Conservative	1
2.3	0.01	2	Conservative	Moderate	2
3.3	0.01	2	Conservative	Risky	3
3.1	0.24	38	Moderate	Conservative	4
2.1	0.13	23	Moderate	Moderate	5
2.2	0.06	10	Moderate	Risky	6
3.1	0.13	22	Risky	Conservative	7
2.6	0.26	42	Risky	Moderate	8
2.3	0.10	15	Risky	Risky	9
	1.00	165	=	=	Total

CONCLUSIONS

The results showed that the long-term buying and selling operations carried out by the business companies (research sample) are not based on clear policies and this is reflected negatively on the profitability of companies and their market value. Some results confirm the impact of commercial credit policies (conservative, moderate, and risky). Most businesses (research sample) and across all sectors of the research sample adopted a moderate policy in the management of credit granted to other ratios, although there is a variation in the extent Conformity between the policy followed and the level of market value of the entity. The results showed that the majority of businesses (research sample) and across

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all sectors of the research sample adopted the policy of risk management in the earned credit towards other ratios, although there is a discrepancy in the extent of convergence between the policy followed and the level of market value of the facility. The combination adopted by most research sample companies is to obtain credit earned more than granted credit.

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