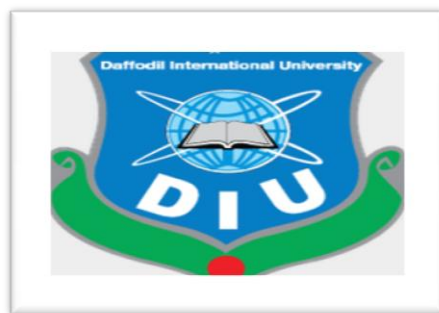


# Internship Report

**“Financial Performance Analysis of Janata Bank Limited”**

**on**





**Internship Report**  
**on**  
**“Financial Performance Analysis of Janata Bank Limited”**

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**Supervised By**

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Sayed Farrukh Ahmed  
Assistant Professor  
Department of Business Administration  
Daffodil International University, Bangladesh

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**Prepared By**

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Md. Kamruzzaman  
ID. 172-14-2460  
Major. Finance, Batch. 47<sup>th</sup>  
Program. Master of Business Administration

**Date of Submission: 02-12-2018**

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## Letter of Transmittal

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Date: 02-12-2018

**Sayed Farrukh Ahmed**

Assistant Professor

Department of Business Administration

Daffodil International University Bangladesh.

**Subject: Submission of Internship Report on “Financial Performance Analysis of Janata Bank Limited”**

Dear Sir,

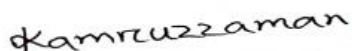
It is a great pleasure and privilege to present the internship report titled "**Financial Performance Analysis of Janata Bank Limited**" which was assigned to me as a partial requirement for the MBA program.

Since I worked at the Janata Bank Ltd., Shyamoli Corporate Branch in Dhaka, this is an excellent opportunity to correctly prepare the report from practical experiences and empirical data, as well as from the application of theoretical knowledge.

During the study, I tried as much as possible to accommodate as much information and relevant topics as possible and tried to follow the instructions as you have suggested. I however sincerely believe that this report will serve the purpose of my internship program.

Therefore, I pray and hope that you kindly accept my report and oblige thereby. With thanks and best wishes.

Sincerely yours;



.....  
Md. Kamruzzaman

ID. 172-14-2460

Major. Finance, Batch. 47<sup>th</sup>.

Master of Business Administration,

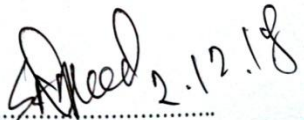
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## Certificate of Approval

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Md. Kamruzzaman, ID: 172-14-2460, a student of Daffodil International University, has completed internship report on “Financial Performance Analysis of Janata Bank Limited” as a requirement of MBA program. I have studied the report and believe that it meets the standard of MBA internship report. He has completed the report as per instructions under my supervision.

This report is accepted for presentation, I wish him every success in life.



.....

**Sayed Farrukh Ahmed**

Assistant Professor

Department of Business Administration

Faculty of Business & Economics

Daffodil International University.

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## Acknowledgement

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First of all, I would like to thank my almighty Allah for the grace in accomplishing my internship report within the time.

I would like to express my gratitude to my academic supervisor Sayed Farrukh Ahmed (Assistant Professor) from the core of my heart for his kind support, guidance, constructive, supervision, instruction and advice and for motivating me to do this report.

I am also thankful to HR Division of Janata Bank Limited for giving me the opportunity to conduct the internship in Corporate Branch of Janata Bank Limited.

I would like to thank Md. Anisur Rahman Akond (Assistant General Manager) Janata Bank Ltd. Shyamoli Corporate Branch, Dhaka.

I am also grateful to Ruby Paul (Senior Officer) and Tanjira Sultana (Principal Officer) who helped me a lot to complete my internship report by providing data about the financial activities of Janata Bank Limited.

Finally, I would like to thank everyone at Janata Bank Limited, who provided me with ideas and invaluable experience of the corporate culture

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## Executive Summary

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I have prepared this internship report based on three month internship program as it is required for the MBA program. Though this internship program I have worked Janata bank Limited, Shyamoli Corporate Branch, Dhaka.

Janata Bank Limited is a state-owned commercial bank of Bangladesh established in 1972. Janata Bank L play a vital role in forecasting the economic and social condition of a nation.

The report has organized in four chapters.

**First chapter** including introductory part of the report, there I mention main objectives, origin, scope, methodology, limitation of my report. These items help me to preparing my report. In preparing this report I use both primary and secondary data.

**Second chapter** consist an overview of banking sector in Bangladesh, where I discuss about the central bank and its functions. List of all nationalized banks, private banks, foreign banks and specialized banks are given in this chapter. Here I also discuss about some important information of Janata Bank Limited such as its mission, vision, objective, board of directors, social contribution, products of JBL, awards and recognition.

**Third Chapter** includes theoretical part. There discuss about financial performance analysis, Ratio Analysis, Horizontal Analysis, Vertical Analysis & Market Value Analysis.

**Fourth chapter** deals with some findings, recommendations which are draw by analysis of whole report. Then I concluded my report saying some recommendations, which may help JBL to improve its current position.

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## CHAPTER – 1

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# **Introduction**

## 1.1 Introduction:

In this day and age, instruction is to comprehend this present reality and apply learning for the better of the general public and also economy. Shape training the hypothetical learning is acquired from courses of, which is just most of the way of the topic. Reasonable learning has no option. Accordingly, an open door is offered by Daffodil International University, to get three months handy experience, which is known as "Temporary job Program". As down to earth introduction is vital piece of MBA program necessity, filled in as an understudy at Janata Bank Limited (Shyamoli Corporate Branch, Dhaka). A temporary position program in a bank like Janata for three months was an incredible open door for me where learned down to earth information and experience on the different circles of managing an account business. After a discourse and getting assent, began to chip away at the undertaking title "Financial Performance Analysis of Janata Bank Ltd"

Janata Bank Limited, one of the state owned commercial banks in our country, has an authorized capital taka 30,000,000,000, reserve taka 332,269,000,000, paid up funds taka 191,400,000,000. In other side, bank's overall asset of taka. 8,059,884, 100,000 on 31 December 2017.

Janata Bank Limited is one of the largest commercial banks in Bangladesh. It is playing an important role in the development of the business sector in our developing country. The bank has try to implement internet based banking system that facilitates the provision of a fast banking service to the customer.

The analysis of financial performance is the way toward recognizing the budgetary qualities and shortcoming of the bank for the property that sets up the connection between the components of the asset report and the benefit and misfortune account. It additionally helps in short and long haul figures and development can be related to the assistance of budgetary execution examination. It is the structure and the consistent method for speaking to the in general money related execution of a monetary foundation

## 1.2 Origin of the report:

This internship report on Janata Bank Ltd. is prepared to fulfill the partial requirement of internship program for MBA program of Daffodil International University. I have selected "**Financial Performance Analysis of Janata Bank Limited**" as the topic of my internship report. The aim of the report is to apply theoretical knowledge in the practical field.

### 1.3 Objectives of the report:

The main objective of the report will be to exhibit the financial performance analysis of Janata Bank Limited through fulfilling the requirement of MBA program. However, the objective behind this report is something broader. Objectives of the report are summarized in the following manner-

- To give an overview of Janata Bank Limited.
- To analyze the financial performance of Janata Bank Limited of last three years.
- Finally, to make recommendations and draw a suitable conclusion regarding JBL's activities and performance.

### 1.4 Scope of the report:

I have tried to analyze the performance of Janata Bangla Bank Limited. The Analysis is based on three years (2015-2017) performance of the bank. The report contains the analysis of bank's capital position, asset quality, management efficiency, earnings ability, liquidity position and find out total liabilities position. By using ratio analysis, horizontal analysis, vertical analysis and market value added analysis.

### 1.5 Methodology of the report:

While driving the report, sources were examined for essential information and data. Be that as it may, scarcely any refreshed information could be found. Without refresh data or information reliance on auxiliary information has been unavoidable. Notwithstanding, at whatever point conceivable essential information has been utilized. Information were being gathered by meeting the mindful officers and from some archive and articulations printed by the Janata Bank Ltd. Janata Bank Ltd additionally helped me in gathering information giving books and Bank's yearly report.

#### ➤ **Study Design:**

This report is descriptive in nature and so was conduct using assessment of different historical data along with other sources.

#### ➤ **Sources of Data:**

In preparing this report both primary data and secondary data source of information have been used.

❖ **Primary Sources:**

- Practical work exposure achieved from different desks of the bank.
- Personal interview faces to face conversation and in depth interview with the respective officer of the bank.

❖ **Secondary Sources:**

- Annual report of Janata Bank Limited.
- Relevant documents related to the study as provided by the officers.
- Official website of Janata Bank Limited.
- Periodicals published by Bangladesh Bank.
- Different publications and relevant circulars.
- Manuals of Janata Bank Limited.
- Files and documents of the branch.

## 1.6 Limitations of the report:

- ❖ Time is a huge limit for my study. I have to fulfill my daily work responsibilities. Therefore, I have less time to work on the report.
- ❖ Lacking documents is the main limitation to preparing my report.
- ❖ This report didn't include all the financial ratios to know the actual financial position of Janata Bank Limited.
- ❖ Registers and lacking magazines were one more limit when preparing the report.

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## CHAPTER – 2

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# Company Profile

## 2.1 Beginning of Banking in Bangladesh:

After independence the Government of People Republic of Bangladesh was formally to cover the charge of the association of the locale as of now build up Bangladesh. While attempting to reestablish the war-pounded dealing with a record of Bangladesh announced a law called Bangladesh Bank (brief) order, 1971 (Acting President's Order No. 2 of 1971). By this demand, the State Bank of Pakistan was articulated to be considered as work environments, branches and assets of Bangladesh Bank. On that date there existed 12 booked keeps money with around 3042 branches wherever all through the country.

On the 16<sup>th</sup> December, 1971, there existed the following 12 banks in Bangladesh, namely: -

- National Bank of Pakistan
- Bank of Bahawalpur Ltd
- Premier Bank Ltd.
- Habib Bank Ltd.
- Commerce Bank Ltd.
- United Bank Ltd.
- Union Bank Ltd.
- Muslim Commercial Bank Ltd.
- Standard Bank Ltd.
- Australasia Bank Ltd.
- Eastern Mercantile Bank Ltd.
- Eastern Banking Corporation Ltd.

## 2.2 Nationalization of Banks in Bangladesh:

Immediately after the freedom war in 1971, Government of Bangladesh blended banks authority and grasped socialist case of society as its target. Thusly to realize the recently made reference to state technique; the Government of Bangladesh nationalizes all of the banks of the country in like way on the 26th March, 1972, Bangladesh Banks (Nationalization) Order, 1972 (President organize No. 26 of 1972) was announced.

The undertakings of existing banks decided in the main segment of the table underneath stands traded to and vested in, the new banks indicated in the second portion of the said table:

### Nationalization of Banks:

Existing Bank	New Bank
1. National Bank. 2. Bank of Bahawalpur Ltd. 3. Premier Bank Ltd	Sonali Bank
4. Habib Bank Ltd. 5. Commerce Bank Ltd.	Agrani Bank
6. <b>United Bank Ltd.</b> 7. <b>Union Bank Ltd.</b>	<b>Janata Bank</b>
8. Muslim Commercial Bank Ltd. 9. Standard Bank Ltd. 10. Australasia Bank Ltd.	Rupali Bank
11. Eastern Mercantile Bank Ltd.	Pubali Bank
12. Eastern Banking Corporation Ltd.	Uttara Bank.

### 2.3 Profile of Janata Bank Limited:

Janata Bank, one of the biggest commercial bank in the nation, was set up with the 1972 Bangladesh Bank Order (Nationalization) (Order of the President of 1972). By assuming control over the parts of United Bank Limited and Union Bank Limited, two private banks led class saving money activities the nation over. After the introduction of Bangladesh, on December 16, 1971, the recently made Janata bank for mass saving money activities acquired unique government offices to work as a nationalized business bank the nation over. With the expansion of duty and under execution in a couple of years, it turns into the biggest commercial bank in the nation with 912 branches, incorporating 4 branches abroad in the United Arab Emirates. It is associated with 1251 outside reporters around the world. JBL's aggregate workers are more than



12 thousand (12,391). Its fundamental office is situated at Janata Bhaban in Motijheel C/A, the core of the capital, Dhaka.


### **Incorporation:**

In 21 May, 2007 Janata Bank got registered with the Joint Stock of Registrars and restructured it as a public limited company with the name Janata Bank Limited.

### **List of Branches:**

Local Offices	1
Corporate – 1 Branch	15
Corporate – 2 Branch	61
Overseas Branch	04
Grade – 1 Branch	290
Grade – 2 Branch	209
Grade – 3 Branch	223
Grade – 4 Branch	109
<b>Total Branches</b>	<b>912</b>

## 2.4 Janata Bank Ltd. at a Glance:

SL. NO	Key Point	Particulars
01.	Name of the Bank	Janata Bank Limited
02.	Logo of the Bank	
03.	Established	Immediately after the emergence of Bangladesh in 1971, the erstwhile United Bank Ltd. and Union Bank Ltd were renamed as Janata Bank.
04.	Date of Incorporation	21 May 2007
05.	Legal Status	Public Limited Company
06.	Chairman	Luna Shamsuddoha
07.	CEO & Managing Director	Md. Abdus Salam Azad (FF)
08.	Company Secretary	Hossain Yeahyea Chowdhury (GM)
09.	Number of Branches	912
10.	Total Manpower	12,391
11.	Total Deposits	5,68,910 million
12.	Authorized Capital	Tk. 30,000 million
13.	Paid up Capital	Tk. 19,140 million
14.	Operating Profit	Tk. 11,369 million
15.	Total asset	Tk. 805,988.41 million
16.	Total loan & advances	Tk. 459,580 million
17.	Total Deposit	Tk. 649441 million

18.	Face value per share	BDT 100 per share
19.	Shareholding Pattern	100% Share owned by the Government of Bangladesh
20.	Corporate Head office	Janata Bhaban, 110, Motijheel Commercial Area Dhaka - 1000, Bangladesh.
21.	SWIFT	JANBBDDH
22.	Website	<a href="http://jb.com.bd">http://jb.com.bd</a>
23.	Email	<a href="mailto:md@janatabank-bd.com">md@janatabank-bd.com</a>

## 2.5 Vision:

To become the effective largest commercial bank in Bangladesh to support socio-economic development of the country and to be a leading bank in South Asia.

## 2.6 Mission:

Janata Bank Limited will be an effective commercial bank by maintaining a stable growth strategy, delivering high quality financial products, providing excellent customer service through an experienced management team and ensuring good corporate governance in every step of banking network.

## 2.7 Objectives:

The objectives for which the bank is established as follows:

- To carry on, transact, undertake and conduct the business of banking in all branches.
- Full implementation and utilization of the Bank's excellence program which aims to provide services to customers.
- To carry on business as financiers, promoters, capitalists, financial and monetary agents, concessionaires and brokers, dealing in exchange, securities and all kinds of mercantile banking etc.

## 2.8 Core Values:



## 2.9 Board of Directors:

The Board of Directors, comprising of 10 (ten) members, has the expert to arrange, oversee and deal with its business in business thought inside the approach of the top managerial staff. The executives are delegates of people in general and private divisions. Individuals from the Board of Directors including M.D are designated by the legislature, of which something like three have involvement in back, managing an account, trade, business, industry and farming. The CEO is the CEO of the bank. The Board of Directors comprises of 10 (ten) members led by a president. The name and position of the heads are as per the following.

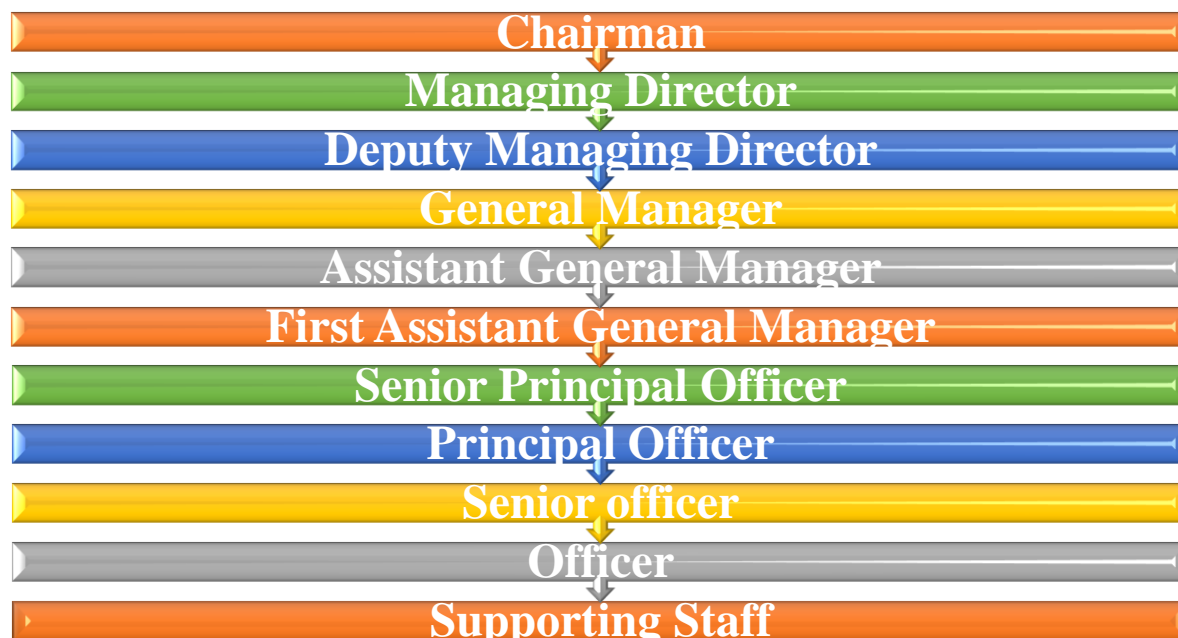
### Chairman of the Board of Directors:

Luna Shamsuddoha

### Members of the Board of Directors:

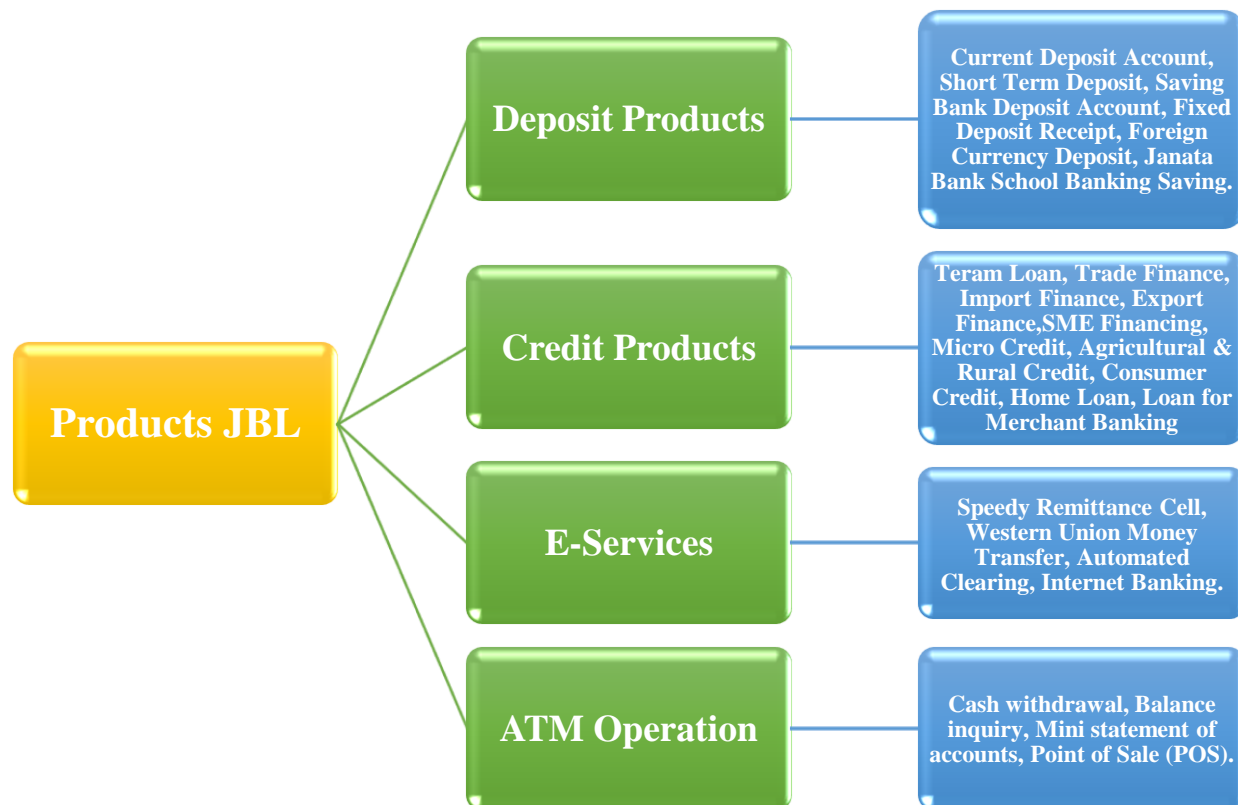
Manik Chandra Dey  
 Khondker Sabera Islam  
 Md. Mofazzal Husain  
 Masih Malik Chowdhury, FCS FCA  
 A.K. Fazlul Ahad  
 Selima Ahmad  
 Mohammad Abul Kashem  
 Md. Abdul Haque  
 Md. Abdus Salam Azad FF, CEO & Managing Director

## 2.10 Organizational Structure of Janata Bank Limited:

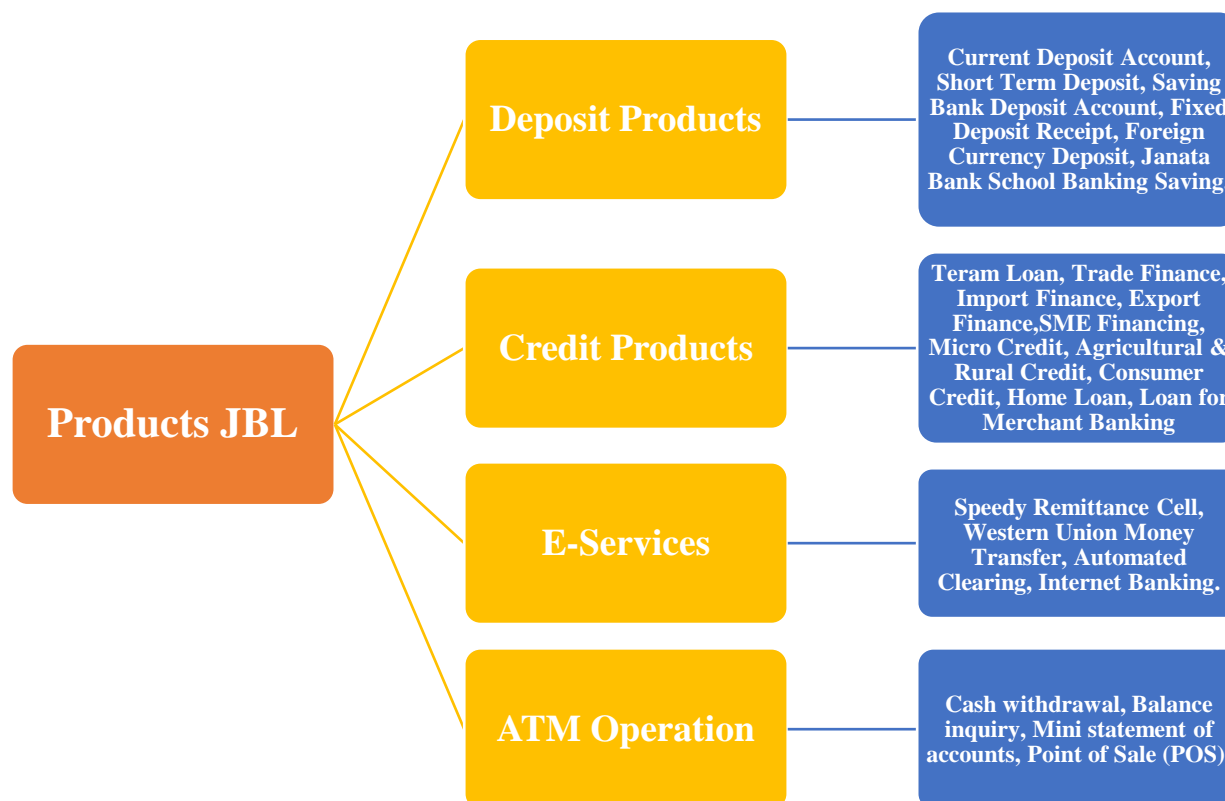


## 2.11 Products of Janata Bank Limited:

Janata Bank Limited offers corporate and retail banking services with a strong focus on socio-economic development in the country. The bank generally offers short-term loans on working capital and limited long-term exposure; Furthermore, Janata Bank Limited offers micro-enterprises and special loans, as well as rural banks. Under the corporate banking service, Janata Bank Limited provides commercial financing, project financing, syndication, etc. On the other hand, consumer loans, the deposit system and remittance structures are managed through retail banking. In 2016, Janata Bank Limited started its commercial banking activity to diversify its product portfolio.



## 2.12 Function of Janata Bank Limited as a Commercial Bank:



### 2.13 Awards & Recognition (2015 to 2017):

Since origin, Janata Bank Limited has dependably advanced with time to take care of the demand and duty to brilliance for its reality in the dynamic saving money industry of the nation. Throughout the years, JBL has been perceived with various honors and awards for greatness in time-requesting, client driven keeping money administrations. In addition, JBL's adherence to great administration culture in keeping money practice is appropriately perceived by eminent national and worldwide bodies. These are the acknowledgments of JBL's responsibility apathetic business angles. The Bank has been perceived universally and locally for its great execution. Maybe a couple of these acknowledgments are given underneath:

SL. NO.	Name of the Awards	Presented by	Year
1	National Award for Best Presented Annual Report.	The Institute of Chartered Accountants of Bangladesh (ICAB)	2017

2	ICMAB Best Corporate Award-2016	The Institute of Cost and Management Accountants, Bangladesh (ICMAB).	2017
3	Corporate Governance Disclosure Accountants.	South Asian Federation of Accountants (SAFA)	2017
4	Remittance Award	Bangladesh Bank	2017
5	Tax Card Sonmanona ICMAB Best Corporate Award-2015	The Institute of Cost and Management Accountants, Bangladesh (ICMAB)	2016
6	SAARC Anniversary Merit Award for Corporate Governance Disclosure	South Asian Federation of Accountants (SAFA)	2015
7	School Banking award	Hon'able Governor of Bangladesh Bank	2015
8	Domestic Retail Bank of the Year Bangladesh	Asian Banking and Finance	2015
9	Bangladesh Domestic technology and Operations Bank of the Year	Asian Banking and Finance	2015
10	ICMAB Best Corporate Award	The Institute of Cost and Management Accountants, Bangladesh (ICMAB).	2015

## 2.14 Corporate Social Responsibilities (CSR) of Janata Bank Limited:

In an offer to quicken the manageable improvement, it is especially fundamental to direct extraordinary social duty exercises. Under the rule of Bangladesh Bank, JBL has been leading the CSR program. As a State-claimed Bank, since origin JBL is directing distinctive exercises on social duty ground, yet it formally started CSR program in 2009. JBL appropriated BDT 8.03 million in different divisions in 2017. Training and research, wellbeing and medicinal treatment, neediness easing, history of Liberation War and social practice and safeguarding, restoration and security of the earth are uncommon notices in CSR gift. In addition, winter fabric circulation among the cool hit individuals, sewing machine, TV dispersion among the ex-enclave individuals and giving interest free advance to the ranchers of monga-stricken territories have added distinctive measurement to JBL's CSR activities. By and large, according to course of the Government and on social duty perspective, JBL has been directing different kinds of exercises including social wellbeing net projects which are a piece of CSR exercises.



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## CHAPTER – 3

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# **Financial Performance Analysis of JBL**

### 3.1 What is performance?

The results of an organization's or investment's activities over a certain period of time.

**(Investorsword.com)**

The performance of a given task is measured according to the known pre-established standards of accuracy, integrity, cost and speed. In a contract, the service is considered the fulfillment of an obligation, in such a way as to release the executor of all the liabilities provided for by the contract,

**(Business dictionary.com)**

### 3.2 What is Financial Performance?

The word "Performance" comes from the word "parfourmen", which means "to do", "to perform" or "to do." It refers to the act of execution, execution, execution, conformity, etc. In the sense of the boundary, the performances refer the fulfillment of a given task, compared to pre-established standards of precision, integrity, costs and speed.

### 3.3 Financial Performance Analysis

The analysis of financial performance is the process of identifying the company's strengths and weaknesses for property that establishes the relationship between the elements of the balance sheet and the profit and loss account. It also helps in short and long-term forecasts and growth can be identified with the help of financial performance analysis.

The meaning of the dictionary of 'analysis' is to solve or separate a thing in its element or component parts to trace its relationship with things as a whole and with each other. The budget analysis is a process of evaluating the relationship between the components of the financial statement to obtain a better understanding of the company's position and performance. This analysis can be performed by the company management or by parties not connected to owners, creditors, and investors.

### 3.4 Tools of Financial Performance Analysis

Financial analysis tools are one of the most efficient ways that can be used for ensuring good profit from investments. These financial analysis tools are very useful in assessing the market and putting resources into a path in order to amplify the benefit from the speculation made. These financial analysis tools are helpful for disentangling both inward and outer data identified with a particular business association. The analysis and interpretation of financial statement is

utilized to decide the money related position and consequences of activity too. The following are the tools that are used for analyzing the financial performance of the organization

- Ratio Analysis
- Horizontal Analysis
- Vertical Analysis.
- Market Value Added Analysis.

These Four tools are discussed below-

### 3.4.1 Ratio Analysis:

A ratio is one figure communicated in things of another figure. It is scientific measuring stick of estimating relationship of two figures or things or gathering of things, which are connected, is one another and commonly between ward. It is essentially the remainder of two numbers. It very well may be communicated in portions or decimals or in unadulterated numbers. In opposite side, accounting ratio is an expression identifying with two figures or two accounts or two set accounting heads or gathering of things expressed in financial statement.

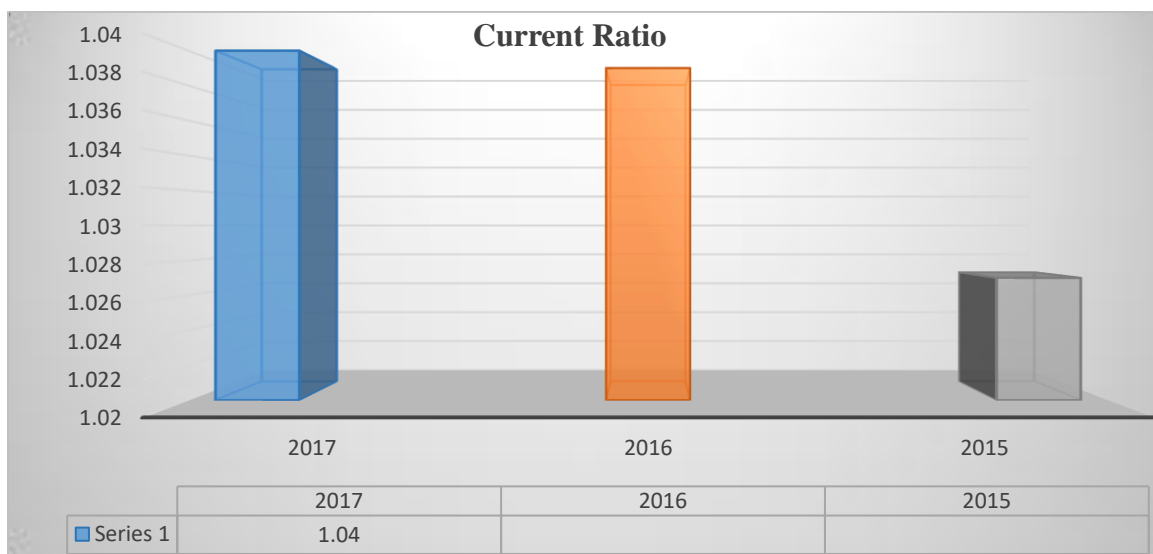
#### 3.4.1.1 Current Ratio:

The current ratio compares a company's liquid assets with short-term liabilities. That means the ability of the company to pay the short term liabilities with the current assets such as accounts receivables, cash etc. The higher the current ratio, the more liquid the company is. The ideal current ratio is 2:1. (Roman Weil, 2014).

$$\text{Current Ratio} = \text{Current Asset} / \text{Current Liabilities (Times)}$$

Particular	2017	2016	2015
Current Asset	430,681.68	426,636.64	345,385.82
Current Liabilities	413,955.97	410,503.03	335,978.66
Current Ratio	1.040	1.039	1.027

(BDT in Million)



**Interpretation:** The current ratio of Janata Bank Limited is good because it holds 1,040 taka current assets against 1 taka current liabilities, while the banking sector normally maintains a current ratio of 2: 1. This graph shows that, the current ratio continuously increases day by day, which is a good sign for the bank.

### 3.4.1.2 Net Working Capital

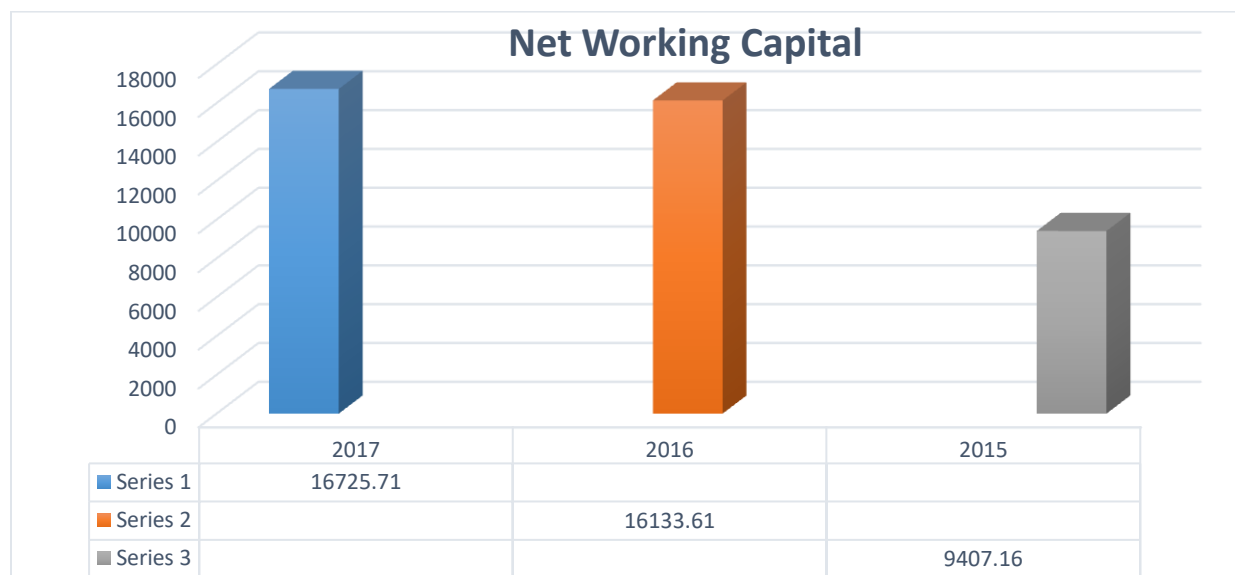
A measure of liquidity is calculated by subtracting total current liabilities from total current assets.

$$\text{Net Working Capital} = \text{Current Asset} - \text{Current Liabilities}$$

Particular	2017	2016	2015
Current Asset	430,681.68	426,636.64	345,385.82

Current Liabilities	413,955.97	410,503.03	335,978.66
Net Working Capital (NWC)	16,725.71	16,133.61	9,407.16

(BDT in Million)



**Interpretation:** Net working capital of Janata Bank Limited is somewhat increased for the last three years. It is a good sign for the bank and Bank should increase its current asset secondly.

### 3.4.1.3 Operating Expenses to Revenue (OER):

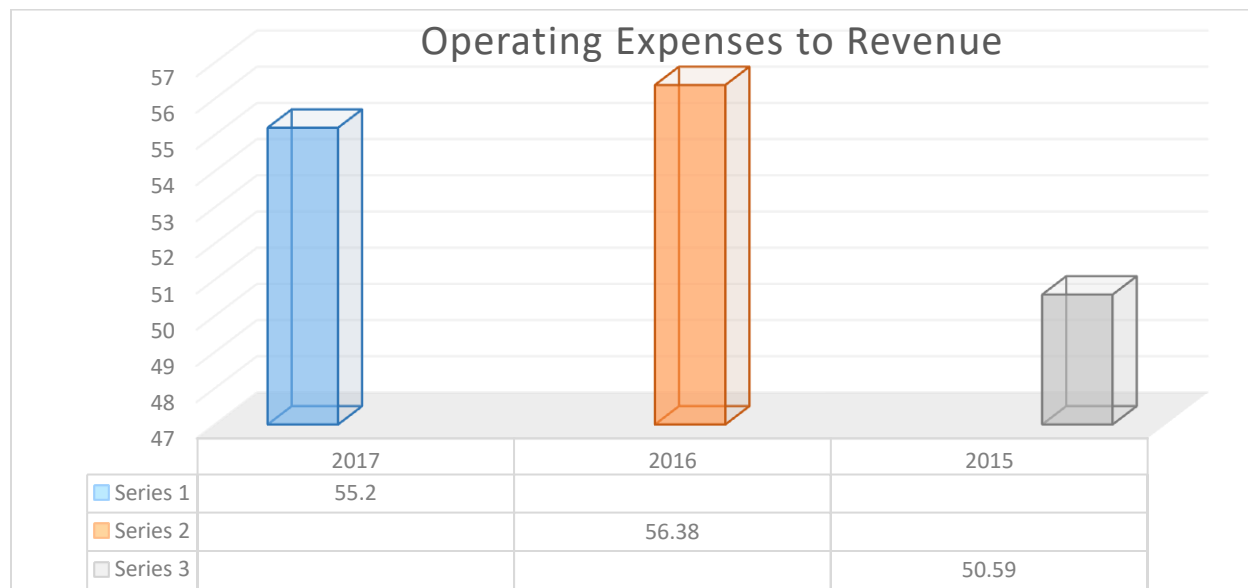
OER is a ratio that displays the proficiency of an organization's administration by contrasting working cost with net sales. Computed as:

$$\text{OER} = \text{TOE} / \text{TOI (revenue)}$$

Particular	2017	2016	2015
Total operating expenses	14,008.82	12,977.48	21,696.12
Total operating income	25,378.30	23,015.76	10,975.62

Operating Expenses to Revenue (OER)	55.20%	56.38%	50.59%
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(BDT in Million)



**Interpretation:.** In 2015 (50.59%) the OER of JBL is low but after that it increasing in 2016 (56.38%) and again 2017(55.20%) it was decreased. For this reason, I can say the working proficiency of Janata Bank Limited is not in good situation compared to the 2016. In this situation JBL will try to minimize their operating cost for going to better situation.

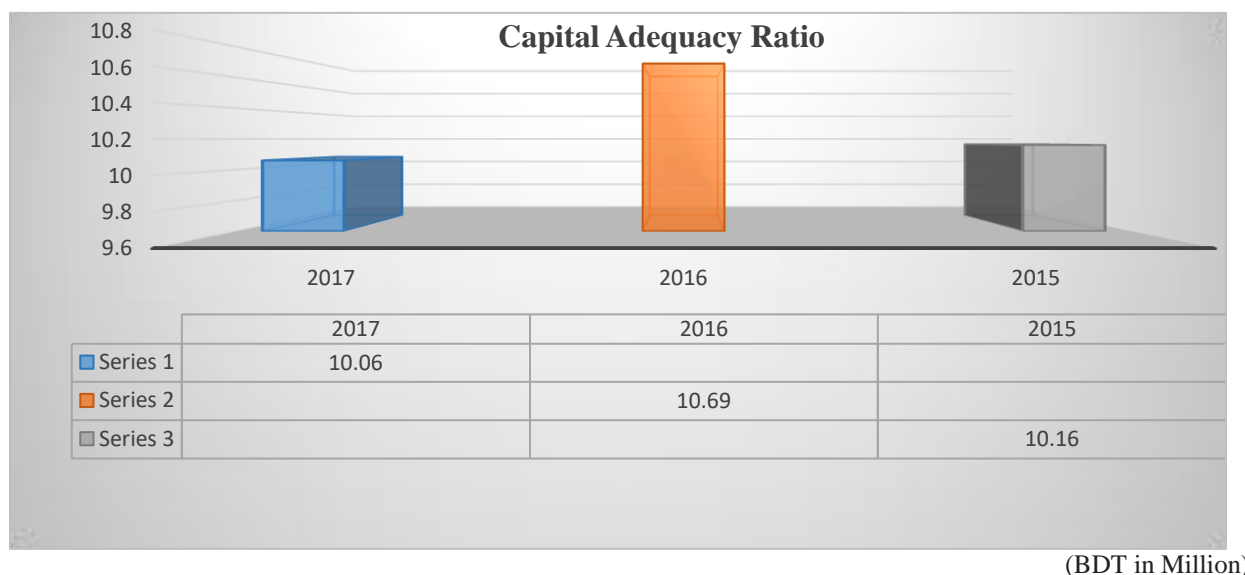
#### 3.4.1.4 Capital Adequacy Ratio:

The capital adequacy ratio estimates the money related soundness of a bank utilizing its capital and its benefits against hazard weighted resources. Simply, a bank with a high capital adequacy ratio is viewed as astute and is probably going to meet its budgetary commitments. Understanding the significance of capital amplenness, the Bank of Bangladesh issued a mandate that each bank in Bangladesh needed to meet the 10% capital adequacy is standard.

$$\text{CAR} = \text{Capital} / \text{TRWA}$$

Particular	2017	2016	2015
Tire – 1 Capital	37,243.49	35,760.22	29,971.61
Tire – 2 Capital	7,352.82	7,429.60	7,156.72

Total Risk Weighted Assets	443,419.03	404,088.92	365,625.15
Capital adequacy Ratio	10.06%	10.69%	10.16%



**Interpretation:** Janata Bank Limited has possessed the capacity to keep a good CAR ratio over the years. In banking sector of Bangladesh 10% is standard figure of CAR. Here, the capital adequacy ratio is the highest in 2016 (10.69%) and lowest in 2017 (10.06%) compared to other year. In 2017 it doesn't show the good position of JBL. All things considered, it has possessed the capacity to deal with the proportion over the necessities indicated by Bangladesh Bank.

### 3.4.1.5 Leverage Ratio (Debt to Equity Ratio):

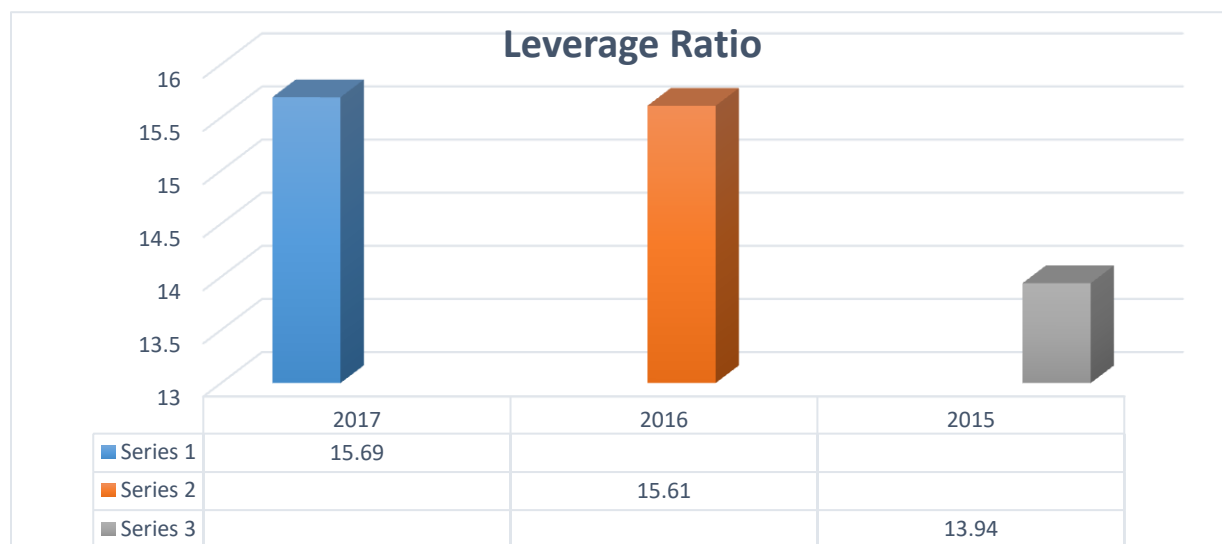
Leverage or debt to equity ratio is one of the several financial measurements that look at how much capital comes as obligation (advances) or surveys the capacity of an organization to meet monetary commitments.

$$\text{Leverage or Debt to Equity Ratio} = \frac{\text{Total Liabilities}}{\text{Total Shareholders' Equity}}$$

Particular	2017	2016	2015
Total Liabilities	805,988.41	778,603.91	690,667.67

Total Shareholders' Equity	51,363.33	49,889.66	49,547.44
Leverage Ratio	15.69%	15.61%	13.94%

(BDT in Million)



**Interpretation:** The leverage ratio appears to have been increased year by year. We can see, this ratio has decreased only in 2015. However, it rose to 15.69 in 2017, which indicates that the debt is rising at a faster rate than equity. Once again, it shows that they depend more on deposits than on equity to manage their assets.

#### 3.4.1.6 Loans to Total Assets Ratio:

The loan to total assets ratio estimates the total exceptional advances as a level of total assets. The greater this index, demonstrates that a bank is obtained and its liquidity is low. The greater the ratio, the more prominent the hazard for a bank of higher default esteems.

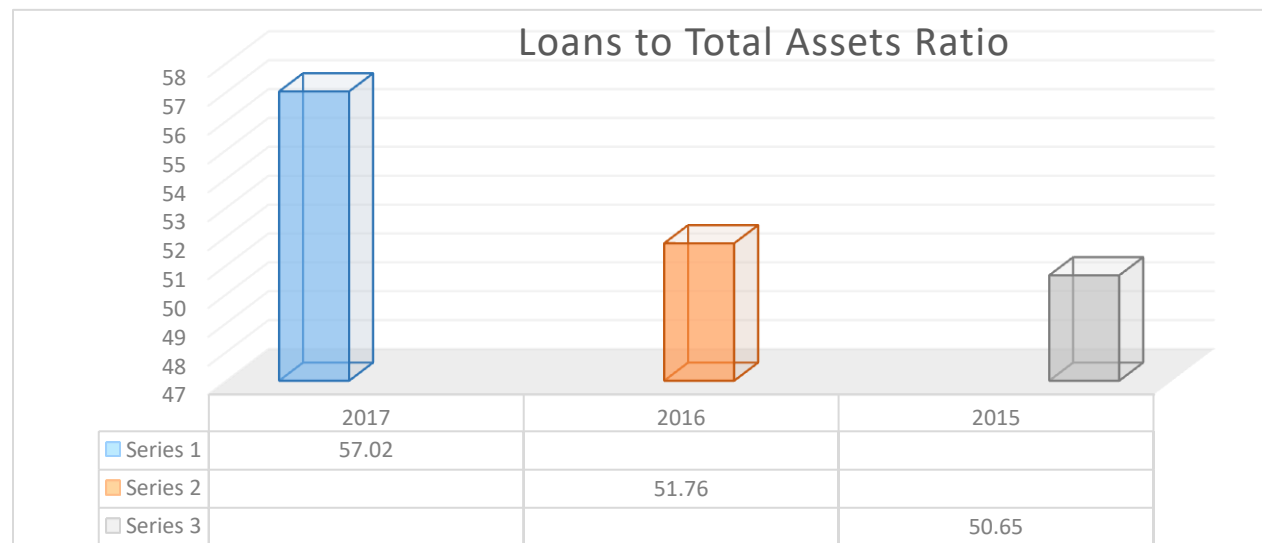
$$\text{Loans to Total Assets Ratio} = \text{Total Loans} / \text{Total Assets}$$

Particular	2017	2016	2015
Total Loans	459,580.05	403,037.42	349,861.30



Total Assets	805,988.41	778,603.91	690,667.66
Loans to Total Assets Ratio	57.02%	51.76%	50.65%

(BDT in Million)



**Interpretation:** The loan to total assets ratio represent a steady position of the bank in conceding credits. It had declined in 2015 (50.65%) and started to increment from 51.76% in 2016 to 57.02% in 2017. This expansion in proportion demonstrates a positive flag for the bank, as it is getting more noteworthy benefits by expanding advances.

### 3.4.1.7 Debt Ratio:

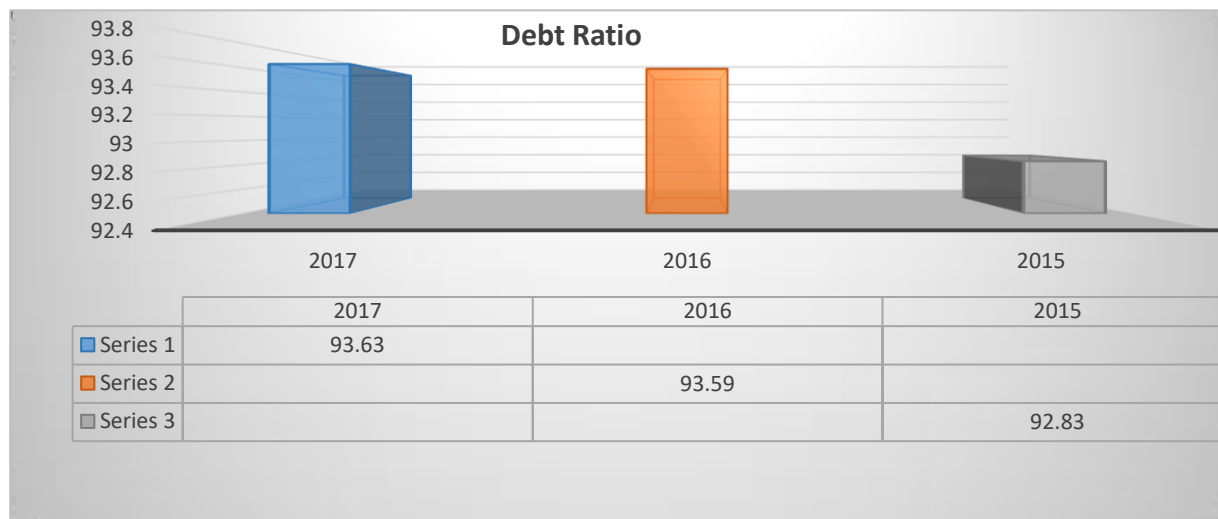
The debt ratio measures the preparation of total assets provided by the firm's creditors. The debt ratio is calculated as follows-

$$\text{Debt Ratio} = \text{Total Liability} / \text{Total Assets}$$

Particular	2017	2016	2015
Total Liability	754625.08	728714.25	641120.20
Total Assets	805988.41	778603.91	690667.60

Debt Ratio	93.63%	93.59%	92.83%
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(BDT in Million)



**Interpretation:** The graph shows that, the debt ratio was increasing year by year. The debt ratio measures the proportion of total assets provides by the firms creditors. The debt ratio was increasing trend that indicates negative sign.

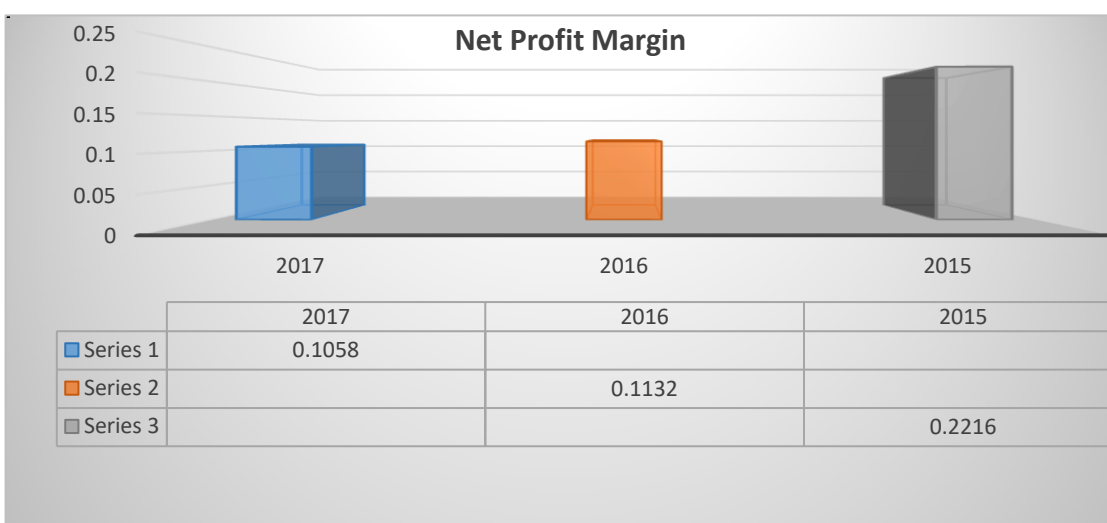
### 3.4.1.8 Net Profit Margin:

The net profit margin estimates the level of every deal taka staying after all costs, including charges, have deducted. The higher net overall revenue is better for the firm's. The net profit margin is a generally referred to proportion of the organization's prosperity as for income on sales.

$$\text{Net Profit Margin} = \text{Net Profit after Tax} / \text{Total Operating Income}$$

Particular	2017	2016	2015
Net Profit after Tax	2686.50	2605.48	4807.87
Total Operating Income	25378.50	23015.76	21696.12
Net Profit Margin	0.1058	0.1132	0.2216

(BDT in Million)



**Interpretation:** The net profit margin in 2015 – 2017 that is (0.2216 – 0.1058) which indicates that net profit margin is decrease year by year. It shows JBL’s profit is decreasing.

### 3.4.1.9 Return on Asset (ROA):

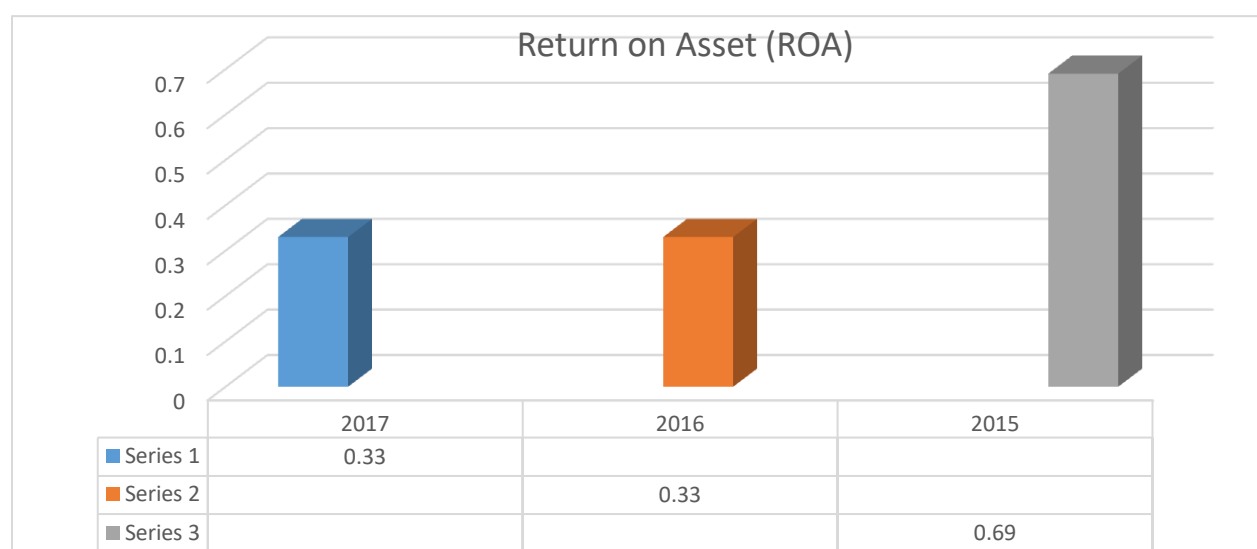
The return on assets ratio measures the net income produced by total assets during a period. In other words, ROA measures how efficiently a company can manage their assets to generate incomes during a period. (Return on asset).

$$\text{Return on Asset (ROA)} = (\text{Net Profit after Tax} / \text{Total Assets}) \times 100$$

Particular	2017	2016	2015
------------	------	------	------

Net Profit After Tax	2686.50	2605.48	4807.87
Total Assets	805988.41	778603.91	690667.66
Return on Asset (ROA)	0.33%	0.33%	0.69%

(BDT in Million)



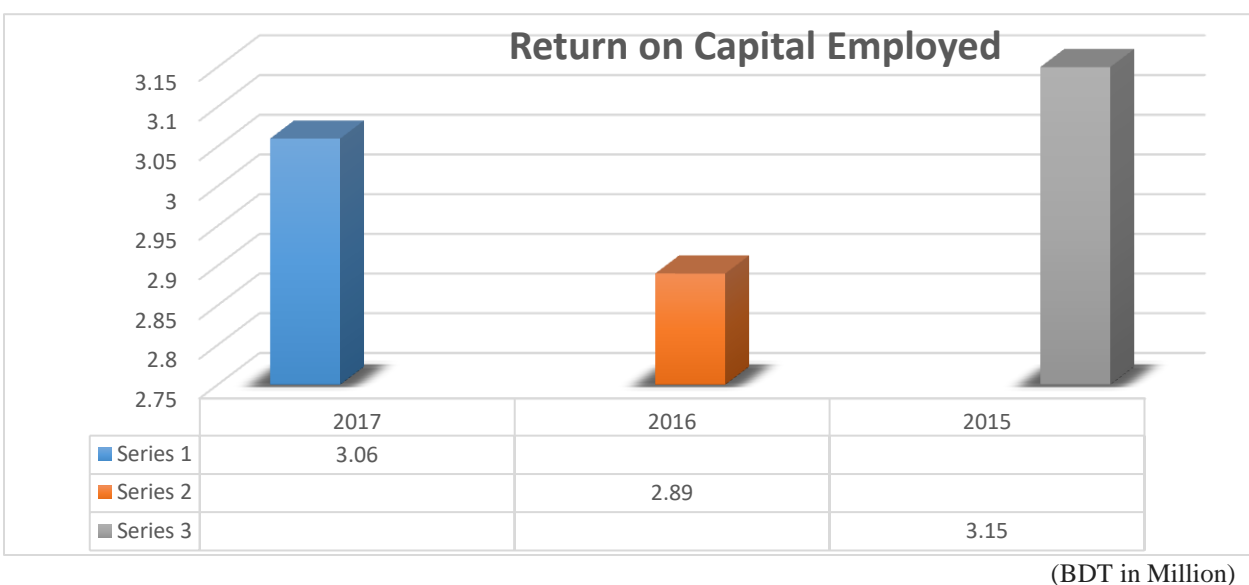
**Interpretation:** This ratio is calculated to quantify the benefit after tax contrasted with the sum put resources into aggregate advantages for decide if the advantages are utilized accurately or not. A few creators trust that the rate of return of aggregate resources from 10% to 12% is a sensible standard. The ROA of Janata Bank Ltd. isn't in an attractive position. In 2015 it was just 0.67%, which is higher in 3 years, however is much lower than the standard.

#### 3.4.1.10 Return on Capital Employed (ROCE):

Return on capital employed or ROCE is a profitability ratio that measures the efficiency with which a company can generate profits from its capital employed, comparing the net operating result with the invested capital. In other words, In other words, return on capital employed shows investors how many dollars in profits each dollar of capital employed generates.

$$\text{Return on Capital Employed} = \text{EBIT} / \text{Capital Employed}$$

Particular	2017	2016	2015
EBIT	11,981.14	10,650.94	11,180.33
Capital Employed	392,032.44	368,100.88	354,689.00
Return on Capital Employed (ROCE)	<b>3.06%</b>	<b>2.89%</b>	<b>3.15%</b>



**Interpretation:** The return on capital employed ratio of the Janata Bank Limited is bring down which is characteristic of poor procuring as far as capital employed. Along these lines, Janata Bank Limited isn't in better position. In 2015 the graph shows a higher ratio as the organization ends up ready to earn profit. The graph shows a diminishing pattern for the year 2016 and 2017 in light of an expansion in absolute capital utilized in excess of an increment in net profit after tax.

### 3.4.2 Horizontal Analysis:

Horizontal analysis is also called as Trend Analysis. Under this kind of investigation, comparison of the trend of each item in the financial statement over the number of years are reviewed or analyzed. This kind of correlation distinguishes the pattern in different markers of execution. In this sort of investigation, current year figures are contrasted and base year for figures are displayed on a level plane over various segments.

Horizontal may be conducted for balance sheet, income statement, schedule of current and fixed assets and statement of retained earnings

Essentially, I have utilized this investigation in intercompany analysis to profit or loss account, balance sheet of the JBL. Since this system we to assess a progression of financial statement more than three timeframe 2017, 2016 and 2015. So it help to decide increment or diminishing that has occurred and the change has been communicated a sum and furthermore a rate. In this flat investigation of wage proclamation and asset report 2015 has been accepted as based year and contrast with this year the change as a sum or as a level of final year 2017, 2016 has shown bellows-

**Horizontal Analysis of Janata Bank Limited**  
**Profit and Loss Account**  
**For the Year Ended 2017 to 2015**

Particular	2017	2016	2015
<b>Operating Income:</b>			
Interest Income	102.30%	104.55%	100%
Interest Paid on Deposits and Borrowings etc.	79.68%	92.17%	100%
<b>Net Interest Income</b>	<b>117.06%</b>	<b>15.53%</b>	<b>100%</b>
Investment Income	79.50%	89.94%	100%
Commission, Exchange and Brokerage	98.60%	84.34%	100%
Other Operating Income	112.37%	102.90%	100%
<b>Total Operating Income (A)</b>	<b>118.44%</b>	<b>106.78%</b>	<b>100%</b>
<b>Operating Expenses</b>			
Salary and Allowances	132.50%	126.02%	100%
Rent, Taxes, Insurance, Electricity etc.	118.86%	95.09%	100%
Legal Expenses	70.76%	100.02%	100%
Postage, Stamp, Telecommunication etc.	343.65%	153.95%	100%
Stationery, Printings, Advertisements etc.	104.12%	105.18%	100%
Chief Executive's Salary and Fees	343.08%	353.56%	100%
Directors' Fees	116.92%	84.74%	100%
Auditors' Fees	112.37%	123.70%	100%
Depreciation, Repair and Maintenance	129.48%	115.28%	100%
Other Operating Expenses	101.66%	94.50%	100%
<b>Total Operating Expenses (B)</b>	<b>127.76%</b>	<b>118.22%</b>	<b>100%</b>
<b>Profit/(Loss) before Provision &amp; Tax (C) = (A-B)</b>	<b>108.72%</b>	<b>94.85%</b>	<b>100%</b>
Provision for Loans and Advances	108.82%	165.83%	100%
Provision for Off-balance Sheet Exposures	326.22%	(181.78%)	100%
Provision for Other Assets	283.33%	347.10%	100%
Provision for Employees Benefit	198.37%	167.72%	100%
Provision for Diminution in Value of Investments	(67.19%)	-	100%
Other Provisions	92.41%	(40.04%)	100%
<b>Total Provision (D)</b>	<b>173.76%</b>	<b>153.54%</b>	<b>100%</b>
<b>Total Profit/(Loss) before Taxes (E) = (C-D)</b>	<b>66.72%</b>	<b>56.94%</b>	<b>100%</b>
Provision for Taxation (F)	89.16%	60.36%	100%
Current tax	410.95%	492.92%	100%
Deferred tax	(11.43%)	(74.87%)	100%
<b>Net Profit/(Loss) after Taxation (G) = (E-F)</b>	<b>58.30%</b>	<b>55.67%</b>	<b>100%</b>
Net Profit Attributable To:			
Equity Holders of the Bank	58.30%	55.67%	100%
Non-Controlling Interest			
	58.30%	55.67%	100%
<b>Net Profit for the Year</b>	<b>58.30%</b>	<b>55.67%</b>	<b>100%</b>

**Interpretation:** This is the horizontal analysis of last three year period (2015-2017) of Janata Bank Limited, which based on profit or loss account. Mainly we can see the important change

that is percent increase or decrease. The percentage change in 2016 & 2017 that has been taken place compare to the base year 2015. Significantly, the following change has taken place and show below-

At first, we can see the significant changes in interest income that is interest income increase by 104.55% in 2016 but decrease in 2017 by 102.30% which was negative sign. On the other hand, we find grater increased in total operating income which was 106.78 in 2016 and 118.44% in 2017. So these changes put a significant impact on net profit of 2016 and 2017.

Moreover we can see, operating expenses is increase every year respectively 118.22% in 2016 and 127.76% in 2017. So it is positive sign for the bank.

Finally, we can find that profit before tax is increase by 56.94% in 2016 and 66.72% in 2017. In other hand, we find that profit after tax is increase by 55.67% in 2016 and 58.30% in 2017. For this reason, I can say, Janata Bank Limited's profit trend appears satisfactory.



## Horizontal Analysis of Janata Bank Limited

### Balance Sheet

For the year ended 2017 to 2015

Particular	2017	2016	2015
<b>Property and Assets</b>			
Cash	114.04%	109.58%	100%
Cash in Hand (including foreign currencies)	93.79%	97.19%	100%
Balance with Bangladesh Bank and its Agent Bank(s)	116.49%	110.08%	100%
Balance with Other Banks and Financial Institutions	242.56%	170.43%	100%
In Bangladesh	508.59%	294.99%	100%
Outside Bangladesh	140.57%	122.67%	100%
Money at Call and Short Notice	846.02%	117.13%	100%
Investments	79.35%	103.96%	100%
Government	71.67%	103.09%	100%
Others	152.83%	112.32%	100%
Loans and Advances	1318.17%	1157.81%	100%
Loans, Cash Credits, Overdrafts etc.	132.76%	115.67%	100%
Bills Purchased and Discounted	112.28%	118.16%	100%
Fixed Assets including Land, Building, Furniture and Fixtures	102.94%	105.36%	100%
Other Assets	124.11%	118.66%	100%
Non-Banking Assets	-	-	-
<b>Total Property and Assets</b>	<b>116.68%</b>	<b>112.70%</b>	<b>100%</b>
<b>Liabilities and Shareholders' Equity Liabilities</b>			
Borrowings from Other Banks, Financial Institutions and Agents	120.96%	160.56%	100%
Deposits and Other Accounts	114.19%	112.82%	100%
Current Accounts and Other Accounts etc.	109.53%	97.16%	100%
Bills Payable	127.84%	138.15%	100%
Savings Bank Deposits	131.94%	120.29%	100%
Fixed Deposits	109.57%	113.13%	100%
Other Liabilities	146.37%	117.09%	100%
<b>Total Liabilities</b>	<b>117.67%</b>	<b>113.62%</b>	<b>100%</b>
Shareholders' Equity	103.84%	100.74%	100%
Share Capital-Paid-up	1%	1%	100%
Statutory Reserve	113.51%	105.68%	100%
Legal Reserve	139.16%	113.64%	100%
Assets Revaluation Reserve	(99.40%)	(99.70%)	100%
Foreign Currency Translation Reserve	1%	1%	100%
Revaluation Reserve for HTM	(39.51%)	(82.47%)	100%
Revaluation Reserve for HFT	55.10%	79.78%	100%
Revaluation Reserve for Shares	127.16%	103.29%	100%
Retained Earnings	112.51%	103.19%	100%
<b>Total Liabilities and Shareholders' Equity</b>	<b>116.68%</b>	<b>112.70%</b>	<b>100%</b>

**Interpretation:** From the above balance sheet, we can see that a number of significant changes have occurred in Janata Bank Limited's financial structure from 2015 to 2017.

Firstly we look at the asset section, it can be easily interpreted that cash increased by 2016 (109.58%) and 2017 (114.04%) compare to base period. Also we can notice that there were slightly increased of total property and assets from 112.70 in 2016 to 116.68 in 2017 compare to the base period 2015.

On the other hand, liabilities increase 113.62% in 2016 and 117.67% in 2017. In this section we can notice that there were significant increased shareholder's equity from 100.74% in 2016 and 103.84% in 2017. For that reason, total liabilities and shareholder's equity also increased by 2016 (112.70%) and 2017 (116.68%).

### 3.4.3 Vertical Analysis:

Vertical Analysis is also called static analysis. Inside this kind of investigation, various reasons used to quantify the noteworthy quantitative connection between the things in the money related explanations amid the specific time frame. This kind of investigation is helpful for looking at the execution, effectiveness and gainfulness of various organizations in a similar gathering or divisions in a similar organization.

Here, I have utilized vertical analysis interbank correlation more than three timeframe 2015 to 2017. Fundamentally it is a system for assessing money related explanation information that express everything inside a budgetary proclamation as a percent of base sum. If there should arise an occurrence of vertical investigation, I have likewise broke down both Income Statement and Balance Sheet of Janata Bank Limited. Thusly vertical investigation of Janata Bank Limited are discussed below-

## Vertical Analysis of Janata Bank Limited

**Profit and Loss Account**  
**For the Year Ended 2017 to 2015**

Particular	2017	2016	2015
<b>Operating Income:</b>			
Interest Income	<b>100%</b>	<b>100%</b>	<b>100%</b>
Interest Paid on Deposits and Borrowings etc.	86.84%	98.29%	111.50%
<b>Net Interest Income</b>	<b>13.16%</b>	<b>1.70%</b>	<b>11.50%</b>
Investment Income	46.81%	51.82%	60.24%
Commission, Exchange and Brokerage	15.87%	13.28%	16.47%
Other Operating Income	6.41%	5.74%	5.83%
<b>Total Operating Income (A)</b>	<b>82.25%</b>	<b>72.55%</b>	<b>71.04%</b>
Operating Expenses			
Salary and Allowances	32.28%	30.04%	24.93%
Rent, Taxes, Insurance, Electricity etc.	3.82%	2.99%	3.29%
Legal Expenses	0.089%	0.12%	0.13%
Postage, Stamp, Telecommunication etc.	0.824%	0.36%	0.25%
Stationery, Printings, Advertisements etc.	0.765%	0.76%	0.75%
Chief Executive's Salary and Fees	0.053%	0.05%	0.02%
Directors' Fees	0.017%	0.01%	0.01%
Auditors' Fees	0.028%	0.03%	0.03%
Depreciation, Repair and Maintenance	2.72%	2.37%	2.15%
Other Operating Expenses	4.70%	4.29%	4.73%
<b>Total Operating Expenses (B)</b>	<b>45.30%</b>	<b>41.01%</b>	<b>36.27%</b>
<b>Profit/(Loss) before Provision &amp; Tax (C) = (A-B)</b>	<b>36.95%</b>	<b>31.54%</b>	<b>34.77%</b>
Provision for Loans and Advances	13.20%	11.59%	7.31%
Provision for Off-balance Sheet Exposures	0.941%	(0.51%)	0.30%
Provision for Other Assets	2.72%	3.26%	0.98%
Provision for Employees Benefit	6.67%	5.52%	3.44%
Provision for Diminution in Value of Investments	(0.769%)	-	1.17%
Other Provisions	0.399%	0.17%	0.44%
<b>Total Provision (D)</b>	<b>23.16%</b>	<b>20.03%</b>	<b>13.64%</b>
<b>Total Profit/(Loss) before Taxes (E) = (C-D)</b>	<b>13.79%</b>	<b>11.51%</b>	<b>21.13%</b>
Provision for Taxation (F)	5.02%	3.33%	5.76%
Current tax	5.51%	6.47%	1.37%
Deferred tax	(0.491%)	(3.14%)	4.39%
<b>Net Profit/(Loss) after Taxation (G) = (E-F)</b>	<b>8.77%</b>	<b>8.18%</b>	<b>15.37%</b>
Net Profit Attributable To:			
Equity Holders of the Bank	8.77%	8.18%	15.37%
Non-Controlling Interest			
	8.77%	8.18%	15.37%
<b>Net Profit for the Year</b>	<b>8.77%</b>	<b>8.18%</b>	<b>15.37%</b>

**Interpretation:** This is the vertical analysis of income statement over the period 2015, 2016 & 2017. Basically it shows the relative size of each category in the income statement. Here interest income in the base amount and each item of income statement has been shown as a percent of interest income and compared it with three consecutive periods.

Mainly, we see that the major portions of interest income less interest paid on deposits and get net interest income which was 11.50% in 2015, 1.70% in 2016 & 13.16% in 2017. Noticeable, total operating income were increased 71.04% in 2015, 72.55% in 2016 & 82.25% in 2017. After calculating all the operating expenses item then we can find, total operating expenses was increased 36.27% in 2015, 41.01% in 2017 & 45.30% in 2017.

On the other hand, profit before provision & tax was increased in 2015 (34.77%), declined in 2016 (31.54%) and again it was increased in 2017 (36.95%). Likely, we observed that, total provision was increased in 2017 (23.16%), decreased in 2016 (20.03%) and 2015 (21.13%). For that reason, total profit before tax increased in 2017 (13.79%), decreased in 2016 (13.79% to 11.51%) & 2015 (11.51% to 5.76%).

Therefore it is not surprising that net profit after tax percentage of interest income decrease from 8.77% to 8.18% in 2016 and increased from 8.18% to 15.37%. Finally, I can say, the overall profit position of Janata Bank Limited was not good but the try to improve their position. Such as their net profit position in 2016 was 8.18% but 8.77% in 2017.

## Vertical Analysis of Janata Bank Limited

### Balance Sheet

For the Year Ended 2017 to 2015

Particular	2017	2016	2015
<b>Property and Assets</b>			
Cash	6.01%	109.58%	100%
Cash in Hand (including foreign currencies)	0.53%	97.19%	100%
Balance with Bangladesh Bank and its Agent Bank(s)	5.48%	110.08%	100%
Balance with Other Banks and Financial Institutions	4.30%	170.43%	100%
In Bangladesh	2.50%	294.99%	100%
Outside Bangladesh	1.80%	122.67%	100%
Money at Call and Short Notice	1.81%	117.13%	100%
Investments	22.26%	103.96%	100%
Government	18.21%	103.09%	100%
Others	4.05%	112.32%	100%
Loans and Advances	57.25%	1157.81%	100%
Loans, Cash Credits, Overdrafts etc.	55.01%	115.67%	100%
Bills Purchased and Discounted	2.24%	118.16%	100%
Fixed Assets including Land, Building, Furniture and Fixtures	1.29%	105.36%	100%
Other Assets	7.06%	118.66%	100%
Non-Banking Assets	-	-	-
<b>Total Property and Assets</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Liabilities and Shareholders' Equity Liabilities</b>			
Borrowings from Other Banks, Financial Institutions and Agents	0.69%	160.56%	100%
Deposits and Other Accounts	80.47%	112.82%	100%
Current Accounts and Other Accounts etc.	9.18%	97.16%	100%
Bills Payable	0.53%	138.15%	100%
Savings Bank Deposits	18.73%	120.29%	100%
Fixed Deposits	52.03%	113.13%	100%
Other Liabilities	12.47%	117.09%	100%
<b>Total Liabilities</b>	<b>93.64%</b>	<b>113.62%</b>	<b>100%</b>
Shareholders' Equity	6.36%	100.74%	100%
Share Capital-Paid-up	2.37%	1%	100%
Statutory Reserve	1.40%	105.68%	100%
Legal Reserve	0.02%	113.64%	100%
Assets Revaluation Reserve	0.75%	(99.70%)	100%
Foreign Currency Translation Reserve	0.03%	1%	100%
Revaluation Reserve for HTM	0.01%	(82.47%)	100%
Revaluation Reserve for HFT	0.17%	79.78%	100%
Revaluation Reserve for Shares	0.46%	103.29%	100%
Retained Earnings	1.13%	103.19%	100%
<b>Total Liabilities and Shareholders' Equity</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

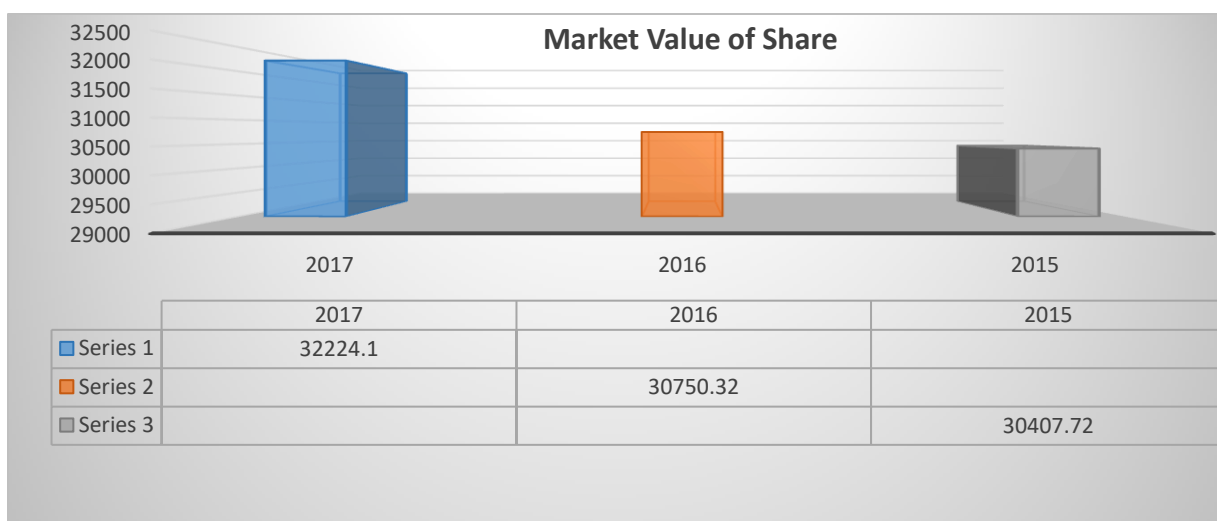
**Interpretation:** From the above vertical analysis of the balance sheet in the period 2015, 2016 and 2017. Here we can compare the percentage of surcharge of the assets and the way in which they were financed. Strategies can include increasing or decreasing the holding of certain assets. The analyst can also observe the trend in the increase in assets and liabilities over several years. It can be noted that there is an increase in the holding of the company's current assets. The management can look for reasons why the holding of these activities increases continuously. Although assets and liabilities are increasing, liabilities are proportionately somewhat higher than assets, which could reduce the ratio. The previous analysis also shows that total liabilities have increased, as well as the shareholders' equity, which indicates that it has more debt financing than equity.

### 3.4.4 Market Value Added Analysis:

Market Value Added (MVA) is basically the distinction between the current total market value of an organization and the capital contributed by financial specialists. As a riches metric it gauges the level of significant worth, the bank has gathered after some time. The equation used to discover market value added is:

$$\text{Market Value Added} = \text{Market Value} - \text{Capital Invested}$$

Particular	2017	2016	2015
Number of share	191.4	191.4	191.4
Intensive Value Per Share	268.36	260.66	258.87
Book Value Per Share	100	100	100
Market Value of Share	32224.10	30750.32	30407.72



**Interpretation:** The market value of share of JBL are increase from 2015 to 2017. It is good sign for the bank.

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## CHAPTER - 4

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# **Findings, Recommendations & Conclusion**

## 4.1 Findings:

While working in the Janata Bank Limited Shyamoli Corporate Branch, Dhaka. I reached the most recent type of experience. After collecting and analyzing data, I have got some findings. These findings are totally from my personal point of view. Those are shown below:

- i. Return on asset has no increased or decreased to 0.33% in 2017 than the year 2016 (0.33%) which is within moderate dissatisfactory level because it was much better in the year 2015 (0.69%).
- ii. The bank's return on equity in 2017 (5.23%) is higher than 2016 (5.22%) but lower than 2015 (9.70%).
- iii. The bank's operating expenses to revenue in 2016 is higher than 2015 & 2017. So it can be said that the operating efficiency of the JBL is not in good position.
- iv. Leverage ratio in 2017 (15.69%) is higher than 2016 (15.61%) and 2015 (13.94%) which indicates that the debt is rising at a faster rate than equity.
- v. Loan to total asset ratio in 2017 (57.02%) is higher than 2016 (51.67%) and 2015 (50.65%). This increase in ratio indicates a positive signal for the bank, as it is obtaining greater profits by increasing loans.
- vi. The horizontal analysis shows that JBL performance trend is quite better in 2017. Their capital and stockholders equity has increased 49,459,777,205 to 51,359,491,149 in 2017.
- vii. From the Vertical analysis we can see that both the assets and liabilities have increased to 807,145,972,305 in 2017.
- viii. The market value analysis shows that the bank's market performance is increasing which is indicated by increasing market value per share of TK 268.36 from TK 258.87.



## 4.2 Recommendations:

The problems of Janata Bank Limited can be solved to certain extent. The following suggestion may be made in order to solve the problems.

- Operational efficiency should be increased by reducing cost, wastage, improving operating and management performance. Supply of working capital should be adequate.
- JBL should increase current asset and decrease current liabilities for smoothly operate their banking activities.
- Janata bank ltd. should decrease operating expenses.
- The Banks should regularly make use of ratio analysis and measure should be taken to improve undesirable ratios.
- JBL should built separate loan recovery division if it happen then their classified loan amount will reduce.
- A reasonable credit policy should be implemented, so that the main portion of profit does not spend in payment of fixed charges.

### 4.3 Conclusion:

Janata Bank Limited (JBL), which sets new standards in the banking sector at the time of the turbulent economic conditions. As part of the long-term financial reform and the government's modernization plan, the bank had become a public limited company. JBL helps mobilize resources to stay strong in key operational areas. In the treasury operations, JBL continues to be the key player in the country's currency and money market, improving profitability through careful pricing and risk assessment and investment performance. Larger institutional and corporate clients. Although it has a wide range of networks and customer confidence, but has some problems, these problems reduce your income. Authority is not so flexible and it takes time to make a decision.

#### 4.4 References:

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