

Financial Performance Analysis of NRB Global Bank Limited



**An Internship Report
On
Financial Performance Analysis of NRB Global Bank Limited**

Prepared For

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Letter of Transmittal

Date: 28th December, 2019

To,

Dr. Md. Abdur Rouf

Associate Professor

Department of Business Administration

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Daffodil International University.

Subject: Internship Report on "Financial Performance Analysis of NRB Global Bank Limited."

Dear Sir,

With great pleasure, I am submitting my internship report on "**Financial Performance Analysis of NRB Global Bank Limited**" in perspective on my 03 months' internship period at NRB Global Bank, Gulshan Branch. This archive has been submitted as an imperative essential of the MBA educational programs.

I have watched the investigate be genuinely empowering, supportive and canny. I've attempted my stage quality to set up an amazing and tenable report. I believe you'll discover this report the significance of the majority of the work I've put in it. I welcome your entire question and contribute heavily to answer them.

Thanking for your co-operation.

Sincerely yours,

Samia Sifat

ID: 182-14-067

Major: Accounting

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Supervisor's Certificate

This report, entitled "Financial Performance analysis of NRB Global Bank Limited" confirmed by **Samia Sifat, ID: 182-14-067**, Program MBA, Department of Business Administration, Faculty of Business and Entrepreneurship, Daffodil International University, I am delighted with my international observation and direction. Supposedly, this is a unique work, which was not distributed to a diary or submitted to any establishment or department for a degree or confirmation.

The report is recommended for submission.

Dr. Md. Abdur Rouf

Associate Professor

Department of Business Administration

Faculty of Business and Entrepreneurship

Daffodil International University.

Daffodil International University

Student's Declaration

I thusly proclaim that the undertaking paper entitled "**Financial Performance Analysis of NRB Global Bank Limited**" submitted to Daffodil International University, is a record of a unique work done by me under the guidance of **Dr. Md. Abdur Rouf, Associate Professor**, Department of Business Administration, Faculty of Business and Entrepreneurship, Daffodil International University and this report work is submitted in the halfway satisfaction of the prerequisite for the honor of the course of MBA from Daffodil International University. I further proclaim that the work revealed in this undertaking has not been submitted and won't be submitted, either to some extent or full, for the honor of some other course in this organization or some other establishment or university.

.....

Samia Sifat

ID: 182-14-067

Major: Accounting

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Acknowledgment

At first, I would like to express my deep gratitude to Almighty to Allah for giving me the strength and inclination to finish the report over time.

I feel regarded to lay my sincerest appreciation to my noteworthy supervisor, **Dr. Md. Abdur Rouf, Associate Professor**, Department of Business Administration, Faculty of Business and Entrepreneurship University of Daffodil International University, for his assistance, support, guidance and profitable recommendations all through the time of this examination, without which it would not have been conceivable to present this report on schedule.

I additionally need to express gratitude toward Mr. Ataus Samad, Branch Manager of Gulshan Branch under whom I did my internship. I likewise need to much appreciate, Mr. Fakhru Islam (Operations Manager), Ms. Fatema Akter (Assistant Officer), Mr. Borhan Uddin (Junior Officer) and all others who helped me to do my work.

Lastly, I must mention the great work environment and group commitment of this bank.

Finally, I give my sincere thanks to my friends who inspired me to complete the report and the course.

Executive Summary

During my entry-level position period, I worked when all is said in done Banking. It was an unprecedented opportunity to get comprehension and expansion data on various types of banking exercises. My own watchman helped me pick "Financial Execution Investigation of NRB Global Bank Limited"

In the new engaged business time, the private financial division is getting dynamically forceful in Bangladesh. The most for the most part used spending rundowns around there are the Balance Sheet and Profit-Loss account where the advantage report shows the cash related position and the Profit and Loss account shows the net advantage or absolute shortage of a bank. Extent examination deals with this declaration.

An investigation of the most elevated pattern proportions in assessing a bank's presentation throughout the years or with different firms in an industry. In my report, I needed to consider the budgetary presentation examination of the fiscal reports of NRB Global Bank Limited throughout the previous three years, at that point break down the money related circumstance and offer significant remarks. Examination and translation of these fiscal summaries through proportion investigation have now become a significant system for execution assessment as speculators, budgetary specialists, overseeing chiefs, and bankers depend on this proportion to settle on significant choices constantly. Any bank's supervisory group, financial specialists and open organizations are constantly worried about liquidity proportions and the ample proportion of a bank that is capable in a bank.

My M.B.A. As a major aspect of the program, I went through 12 weeks on Financial Performance Analysis of NRB Global Bank Limited, learning general banking exercises. Utilizing its over a wide span of time records, I broke down the budget summaries of NRB Global Bank Limited's Financial Performance Analysis to discover its proportions. Subsequent to setting up this report I find that breaking down budget summaries through proportions defeats past mistakes and settle on future choices and techniques. In this way, it is critical for each organization to give the money related size of the association and examine it by proportion.

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LIST OF ACRONYMS

- | | |
|--------------------|--|
| • NGBL | NRB Global Bank Limited |
| • GAAP | Generally Accepted Accounting Principles |
| • RAP | Regulatory Accounting Principle |
| • AD Branch | Authorized Dealer Branch |
| • M | Million |
| • A/C | Accounts |
| • STD | Standard |
| • DPS | Depository Products and Services |
| • ATM | Automated Teller Machine |
| • IBCF | Islamic Banks Consultative Forum |
| • SWOT | Strengths, Weaknesses, Threats and Opportunities |
| • L/C | Letter of Credit |
| • TV Ad | Television Advertisement |
| • CSR | Corporate Social Responsibility |
| • EPZ | Export Processing Zone |
| • MBA | Master of Business Administration |

Chapter 1

Introductory Part

1.1 Introduction

Fund is depicted as the strategy of cash when it is required. Each try, paying little personality to whether huge, medium or little, needs account to carry on its activities and to accomplish its objectives. In all honesty, account is so pivotal today that it is properly said to be the establishment of an endeavor. Without satisfactory money, no undertakings can achieve their goals. Fund recommends the association of stream of cash through a connection. An energetic degree of how well a firm can utilize resources from its crucial methodology for the business and produce compensation. Monetary report appraisal is, everything considered, an assessment of the relationship among the various budgetary factors in a business as disclosed by a solitary approach of clarifications. It is a strategy of looking over the association's segment sections of a spending rundown to get an overwhelming valuation for a strong position and execution. Monetary reports evaluation is an endeavor to pick the hugeness and criticalness of the cash related information with the target that measure might be made of things to come the capacity to pay premium and duty headways (both present and significant lot) and proficiency of sound philosophy.

In spite of the way that the financial division in Bangladesh is encountering an outrageous change, notwithstanding it encounters endless inefficiency. The most concerning issue of the Bangladesh banking system is the bank advance default issue. Various exercises have been endeavored to deal with the development default issue in Bangladesh. One of them is to have a credit methodology and systems rule requested by the Bangladesh Bank.

1.2 Significance of the Study

This report is set up to give a solid thought regarding the presentation and the state of NGBL in the course of the most recent three years. I accept that my report will help a great deal of the individuals who need to get a general thought of NGBL just as its budget report. Bank the board additionally can be utilizing the data of my perception for their administrative choice if necessary.

1.3 Objective of the report

The objective of the report can be found in two structures

1.3.1 General Objective

This temporary job report is organized basically to fulfill the Master of Business Administration (MBA) degree need under the Department of Business Administration, Daffodil International University.

1.3.2 Specific Objective

All the more explicitly, this examination involves the accompanying viewpoints:

- To give a concise outline of NRB Global Bank and their recorded foundation.
- To investigate the budgetary exhibition of NRB Global Bank Limited over the most recent five years. (2013-2017)
- To present my perception and proposal to the bank.
- To discover the issues and propose some suggestion dependent on issues

1.4 Scope of the report

The report plots a record format of NRB Global Bank Restricted and its movement. The information contains the recognition and the expert preparing acquired all through the entry level position time. The report furthermore particularizes the entry level position investigate the inside, budgetary execution of NRB Global Bank Constrained. This report has been set up according to the wide examination of monetary outlines and reviews of compositions.

1.5 Methodology

In order to deliver this report, fundamental and discretionary data has been used. The source that has been used to collect and assemble data is given underneath.

Primary sources of data are collected through

- Directed up a nearby and individual gathering.
- General trade with authorities.

Secondary sources of data are collected through

- ✓ Yearly Report of NRB Global Bank Limited from 2014-2015.
- ✓ Pamphlets of NRB Global Bank Limited
- ✓ Diverse made record out of NRB Global Bank Limited
- ✓ Research Paper
- ✓ Website

1.6 Limitation of the report

It was an awesome open gateway for me to work in NRB Global Bank Limited as an Intern and make a report on the money related execution of it at any rate there were presumably two or three hindrances while making this report. They are-

- ✓ Getting the information and disentangling it, given my comprehension and a short time later executing it.
- ✓ Brokers are involved, people. I endeavored to get in touch with some high experts for dynamically unmistakable information and advice any way they couldn't supervise time for me.

Chapter 2

Organizational Structure

2.1 About NRB Global Bank Limited

In the period of globalization, nobody can endure alone. Present-day innovation and international strategy have carried the world more like each other. At present, this world is a worldwide town. Presently, correspondence between individuals is quicker than at any other time. Correspondence is significant in this town. So Bangladesh can't be separated from everyone else in this quickly developing town.

In perspective on all these, Bangladesh Bank has affirmed nine banks as fourth-age banks, and three banks are financing non-occupant Bangladeshi (NRB) individuals. NRB Global Bank Limited is one of three banks to satisfy the fantasies of the individuals with the point of keeping Bangladesh by other created nations. It contacts the mind of 25 (twenty-five) understood non-inhabitant Bangladeshi (NRBs) living in various nations of the world. It was affirmed by the administrative body in 2002 for directing financial business in Bangladesh.

After almost three years of difficult work in consistence with all the administrative guidelines and guidelines, it got the last endorsement of the administrative body on July 23, 2010, to lead the banking business in Bangladesh. Step by step the cerebrum of those NRBs has become reality. The bank's central station has just been formally opened on September 27th. Its base camp is situated at Khandaker Tower, 4 Gulshan Avenue, Gulshan 1, 12 Dhaka, 1212, which is perhaps the best case of current design and the best structure. Bangladesh. All things considered, this bank will open its first branch on October 26 of that year.

Mr. Nizam Chowdhury is the establishing administrator of this bank, which has (26) long stretches of expert involvement with the United States and different executives and is acclaimed for his business. This excellent character has characterized a crucial vision. Their objective isn't to confine NRB Global Bank Limited to a particular gathering, however, to acquire an enormous number of legitimate influenced individuals' banks. Their vision is to furnish NRB Global Bank Limited with a genuinely complete worldwide assistance.

2.2 Vision

Become an excellent brand in the monetary area by offering some benefit included administrations and making an incentive for everybody around clients, investors, accomplices, society and the economy through straightforwardness, innovation, advancement and trustworthiness.

2.3 Mission

- Build trust in NRBs for venture.
- Protect the morals and straightforwardness of a quick, precise and sufficient client care business.
- Strengthen the settlement stream.
- To make an incentive for networks, social orders and economies where we work to guarantee development and maintainability.
- Match innovation with the assistance of profoundly taught experts and experienced bank supports.
- Creating an honorable workplace for representatives.

2.4 GOAL/ MOTTO

To give "Incredible Experience" of banking at Home and Abroad.

2.5 Corporate Social Responsibility

NRB Global Bank has known about corporate social gifted youths and besides to give them obligation from the most punctual beginning stage of its action in 2013. The sensible plausibility since preparing is the most Bank looks past transitory quantitative gains and spotlights on critical

resource for ensuring the possible destiny of issues which make the financial association socially reliable and social requests. Along these lines envisions a viable balanced improvement.

Corporate Social Responsibility (CSR) is a significant in vogue articulation in the present corporate world. We consistently botch altruism for CSR and appreciate different activities for CSR. Recently, there has been an affinity towards working up CSR with Corporate Governance moreover. The word CSR is an option that is other than corporate selflessness or magnanimity.

Today, Corporate Social Responsibility goes far past altruism. It isn't just making a promise to incredible points or a helpful affiliation anyway an all year obligation that associations should discharge to serve the system and each other. It must facilitate corporate characteristics, culture, and system and at the same time, add to affordable social progression. NRB Global Bank contemplates Corporate Social Responsibility (CSR) as the essential pillar of corporate worth and advancement. As a bit of our business strategy, we have obviously perceived key exercises with a medium-to-long stretch perspective and are endeavoring to take express measures in each zone. In light of this methodology, NRB Global Bank hopes to attempt and duties it has made to clients, financial specialists, laborers, and systems during its time by day business practices and a combination of activities that idea back to society. In these and various ways, we attempt to cooperate in habits that reflect of the board thinking. The Bank moreover ponders the earth and social impacts, organization, money related improvement, defilement control and careful use and protection of standard resources for fall under the umbrella Sustainable Development.

2.6 Profitability in Retail Credit of NRB Global Bank Limited

The profitability of a bank is essentially depending upon the advances of that bank. Even more unequivocally, how profitably the banks are utilizing their points of interest in other term the advances. Banks are constantly looking for their advantages just as need to consider the peril of those advances. Their Gulshan branch is particularly successful starting there of view. The monetary report of the NRB Gulshan branch exhibits that their game plans for horrendous

commitments this year are (beginning on 31 December 2016) Tk. NIL. Thusly, this is pleasing as of the idea of the branch territory and Loan volume. By and by before embarking to the bits of knowledge with respect to the advantage of the Retail credit office of the NRB Global Bank Gulshan branch; I should discuss the credit course of action of the NGBL.

2.7 Interest rate of Retail Credit Facility of NGBL

The most extraordinary proportion of interest will give the best proportion of advantage. In any case, since the financial course of action of Bangladesh isn't a controlling foundation business, the bank must keep up an engaged credit charge with various banks. If we seek after the demonstration of retail credit the board in Bangladesh, we will see very engaged advance expenses among banks. Each time banks are offering different sorts of advances as demonstrated by client demands, including strong advance expenses. NGBL has also arranged the segment of its things so it can equal various banks.

Chapter 3

Literature Review

This segment gives a review of some noteworthy, hypothetical and experimental investigations of budgetary outcomes directed by different establishments and creators. Examined and proposed that the organization must take endeavors to lessen the stock level and use interests in fixed and current resources for fortify the situation of the organization.

Analysis of the data on Ratio:

Proportion examination is one of the money related investigation systems for surveying a business organization's budgetary circumstance and execution. Basically, proportion implies contrasting a figure and another figure or figure being referred to. As per Myers, "Proportion examination of fiscal summaries is an investigation of relationship among different budgetary factors in a business as unveiled by a solitary arrangement of proclamations and an investigation of pattern of these variables as appeared in a progression of explanations."

Advantages and Uses of Ratio Analysis

There are distinctive gatherings of individuals keen on breaking down an organization's budgetary position. They utilize the proportion investigation to decide a particular money related component of the organization in which they are intrigued. The investigation of proportions helps the distinctive gatherings as pursues:

- Accounting proportion help to quantify the gainfulness of the business by ascertaining the different benefit proportions.
- It encourages the administration to think about the acquiring limit of the business concern. Thusly productivity proportions demonstrate the real execution of the business.
- There is no enormous increment in benefit proportions of Ashok Leyland however returns are more than a year ago. In opposite side Cipla decline in gainfulness proportions. In HDFC the net revenue and returns are great. No real change is HPCL

gainfulness proportions. The Infosys is the I.T division organization has greater gainfulness edge as contrast with other 4 businesses.

- To work out the dissolvability: With the assistance of dissolvability proportions, dissolvability of the organization can be estimated. These proportions demonstrate the connection between the liabilities and resources.

Also known as the "acid-test ratio" or the "quick assets ratio"

Significance of quick Ratio: -

In estimating the fluid position of an organization, the fast proportion/basic analysis proportion is exceptionally helpful. It quantifies the organization's capacity to promptly reimburse current liquidity and is a stricter liquidity test than the current relationship. It is utilized as an extra proportion to the present proportion. As a component of current resources, the fluid proportion is more stringent than the present liquidity test since it disposes of inventories and prepayment costs. A high liquidity proportion more often than not demonstrates that an organization is fluid and can meet its current liabilities or fluid obligation in time, while a low liquidity proportion shows that a liquidity position isn't useful for the organization. As a show, by and large, a brisk proportion of "balanced" (1:1) is viewed as attractive.

Regardless of the manner that liquidity quantity is extra careful initial of liquidity than the prevailing volume, yet it ought to be used carefully and 1:1 widespread must now not be used aimlessly. A liquid extent of 1:1 does not through any stretch of the creativeness suggest beautiful liquidity role of the firm if all the obligated human beings cannot be recognized and cash is needed speedily to fulfill the present responsibilities. Along these lines, a low liquid volume does not by using any stretch of the imagination imply a terrible liquidity function as inventories aren't sincerely non-liquid. As a result, a company having a high liquidity volume likely won't have a nice liquidity function if it has mild paying obliged people. However, a firm having a low liquid extent may also have a not too awful liquidity function if it has a brisk shifting inventories.

Significance of current ratio:

This extent is an overall and snappy extent of an association's liquidity. It gives the credit supervisors the edge of security or covering. It is a cash related security rundown of the association. It is in like manner a specific divisibility record and a working capital quality document. A modestly high current extent exhibits that the association is liquid and is proficient in extraordinary time to pay its present responsibilities.

The nearly low current proportion, then again, demonstrates that the organization's liquidity position isn't acceptable and the organization can't satisfy its present liabilities without confronting issues on schedule. An expansion in the current proportion implies an improvement in the organization's liquidity position and a decrease in the present proportion implies that the liquidity position of the firm has crumbled. A proportion equivalent to or close to 2: 1 is considered as a standard or ordinary or agreeable. Having twofold the present resources when contrasted with current liabilities is to accommodate the deferrals and misfortunes in the acknowledgment of current resources. Notwithstanding, the standard of 2 :1 ought not be indiscriminately utilized while making translation of the proportion. Firms having under 2: 1 proportion might have a superior liquidity than even firms having more than 2: 1 proportion. This is a result of the reason that present proportion estimates the amount of the present resources and not the nature of the present resources. On the off chance that an association's present resources incorporate account holders which are not recoverable or stocks which are moderate moving or out of date, the present proportion might be high yet it doesn't speak to a decent liquidity position.

Limitations of Current Ratio:

This ratio is a liquidity measure and ought to be utilized all around cautiously on the grounds that there are numerous imperatives. It is in this manner recommended that the main file of momentary solvency ought not to be utilized. It is a crude ratio since it quantifies just the

measure of the present resources and not the quality. Regardless of whether the ratio is positive, the organization may have financial trouble since more stock and work isn't effectively convertible into money and in this manner the organization may have less money to satisfy current commitments.

Valuation of current resources and window dressing is another issue. This degree can be all around effectively compelled by distorting the present resources. An indistinguishable expansion in both current resources and current liabilities would diminish the degree and in like way proportionate lessening in current resources and current liabilities would broaden current degree.

Liquidity Ratio:

It is critical that an organization have the capacity to satisfy its obligation as essential. Liquidity ratios measure the organization's capacity to satisfy its current commitments. A firm ought to guarantee that the liquidity isn't missing and that abundance liquidity isn't accessible. Without adequate liquidity, the organization won't probably meet its commitments. This will prompt an absence of credit

Worth, loss of validity, and so on. Extremely high liquidity is terrible as well; inert resources don't make any benefit. An appropriate harmony between high liquidity and absence of liquidity should along these lines be accomplished.

The most widely recognized ratios which demonstrate the equalization of liquidity are-It is critical that an organization have the capacity to satisfy its obligation as essential. Liquidity ratios measure the organization's capacity to satisfy its current commitments. A firm ought to guarantee that the liquidity isn't missing and that abundance liquidity isn't accessible. Without adequate liquidity, the organization won't probably meet its commitments. This will prompt an absence of credit

Worth, loss of validity, and so on. Extremely high liquidity is terrible as well; inert resources don't make any benefit. An appropriate harmony between high liquidity and absence of liquidity should along these lines be accomplished.

The most widely recognized ratios which demonstrate the equalization of liquidity are-current ratio

- a) Quick ratio
- b) Cash ratio
- c) Interval measure
- d) Net working capital ratio.

Current Ratio:

The connection between current resources and existing liabilities is the present relationship. The working capital proportion is otherwise called the other general liquidity proportion, the most ordinarily used to break down an organization's momentary monetary circumstance. The hard and fast current asset is dictated by segregating without a doubt the present commitment.

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{current Liabilities}}$$

A generally solid current proportion demonstrates that the organization is fluid and can pay its present commitment in due time. The thumb rule is 2:1, for example current resources are viewed as agreeable as the present obligation is multiplied.

Working Capital Turnover Ratio:

The turnover proportion in working capital demonstrates the speed at which the net working capital is utilized. This proportion shows the occasions where working capital is redirected consistently and is determined as follows:

Significance:

The turnover proportion of working capital estimates the proficiency with which an organization utilizes its working capital. A high proportion shows that working capital is being utilized effectively and a low proportion doesn't. Nonetheless, an extremely high turnover of working capital may likewise mean an absence of enough working capital, a circumstance which isn't acceptable.

Inventory Turnover Ratio or Stock Turnover Ratio (ITR):

To meet the association's essentials, all associations must keep up a particular element of supply of finished product. The stock measurement should, regardless, be neither too high nor exorbitantly low. Too high inventories bring about higher transportation expenses and increasingly genuine risk that stocks become outdated, while the loss of business openings could mean too low inventories. Adequate holding of stock in business is imperative.

Stock turnover offer and stock turnover share are the reciprocals. This degree is a relationship between the expense of the item acquired amidst a specific time body and the cost of customary stock amidst a picked period. It's miles bestowed in the extent of events. Stock turnover rate/stock turnover rate shows the measure of time the stock has been creating to get over amidst the period and assesses the reasonability with which a firm can deal with its stock. This degree proposes whether interest in stock is an inside real point of confinement or not.

Significance of ITR:

Stock turnover extent gauges the speed of change of stock into bargains. Commonly, a high stock turnover/stock speed exhibits viable organization of stock since even more once in a while the stocks are sold, the lesser proportion of money is required to back the stock. A low stock turnover extent shows an inefficient organization of stock. A low stock turnover gathers over-

enthusiasm for inventories, dull business, low nature of items, stock collection, hoarding of obsolete and moderate moving product and low advantages when stood out from supreme hypothesis. The stock turnover extent is in like manner a record of profitability, where a high extent suggests more advantage, a low extent implies low advantage. A portion of the time, a high stock turnover extent may not be joined by modestly a high advantage. So likewise, a high turnover extent may be relied upon to under-enthusiasm for inventories.

It may in like manner be referenced here that there is no standard rule or standard for interpreting the stock turnover extent. The measures may be assorted for different firms depending on the possibility of industry and business conditions. In any case, the examination of the comparative or example investigation of stock turnover is up 'til now supportive for monetary investigation.

Average Collection Period Ratio:

The Debtors/Receivable Turnover extent, when decided the extent that days, is known as the Average Collection Period or Debtors Collection Period Ratio.

The typical combination time frame extent addresses the ordinary number of days for which a firm need to hold up before its borrowers are changed over into cash.

Significance of the Ratio:

The nature of account holders quantifies this proportion. A brief time of assortment implies that account holders are paid immediately. The danger of awful obligation is decreased. Moreover, a more drawn out assortment period implies that credit assortment is excessively liberal and inadequate. A standard assortment period for borrowers is hard to give.

Debtors Turnover Ratio/Accounts Receivable Turnover Ratio:

An organization can sell both money and credit products. Credit is one of the key deals advancement components. By following a liberal loaning strategy, the business volume can be expanded. A liberal credit approach may prompt the holding in the structure (or receivables) of an organization's significant assets. Business account holders ought to be converted into money and remembered for current resources inside a brief span. Along these lines, the liquidity status of its transitory commitments relies upon the nature of its business indebted individuals.

The borrower turnover or receivable deals proportion demonstrates the speed at which an organization gathers its obligation. In straightforward terms, the normal number of (receivable) indebted individuals is reimbursed over a year.

Formula of Debtors Turnover Ratio:

Debtors Turnover Ratio = Net Credit Sales / Average Trade Debtors

The two fundamental fragments of records receivable turnover proportion are net credit yearly arrangements and ordinary trade account holders. The trade account holders with the ultimate objective of this proportion join the proportion of Trade Debtors and Bills Receivables. The typical receivables are found by including the opening receivables and closing evening out of receivables and isolating the total by two. It should be seen that course of action for horrible and unpredictable commitments should not be deducted since this may give an inclination that some proportion of receivables has been accumulated. Regardless, when the information about opening and closing changes of trade account holders and credit bargains isn't available, by then the obliged individual's turnover proportion can be dictated by secluding the total arrangements by the evening out of borrowers (complete of bills receivables) given. Additionally, equation can be created as seeks after. Debtors Turnover Ratio = Total Sales / Debtors

Significance of the Ratio:

The turnover proportion for records receivable or obligated individual proportion shows the events over one year of the borrowers turning. The higher borrower's turnover regard, the more effective is obligated people ' the board or liquidity, the better the record holders. Such a low record holder turnover proportion moreover infers that borrowers or less liquid obligated people are inefficiently directed. The period of pay from credit bargains is the reliable measure. No thumb rule is used as a standard to interpret the proportion as not equivalent to association to association.

Chapter 4

Performance Analyses of NBR

4.1 Ratio Analysis

4.1.1 Liquidity Ratio:

4.1.1.1 Current Ratio:

The contemporary proportion, a champion among the most extreme by and large referred to cash related proportions, quantifies the organization's capacity to meet its short duties. The higher the contemporary proportion, the better the liquidity job of the organization.

| Year | Ratio |
|------|-------|
| 2017 | 1.05 |
| 2016 | 1.01 |
| 2015 | 1.04 |
| 2014 | 1.03 |
| 2013 | 1.07 |

Table: Current Ratio of NRB

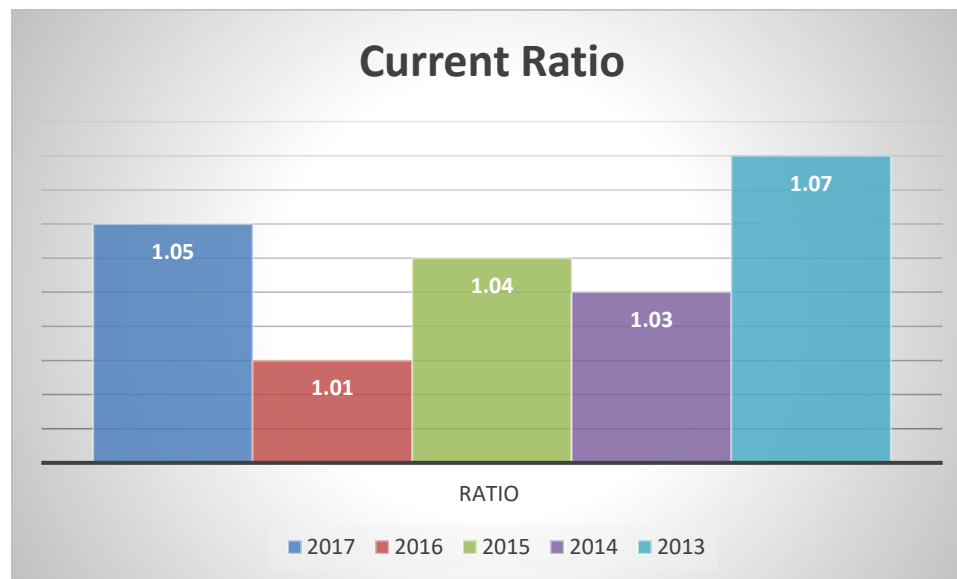


Figure: Current Ratio of NRB

Discussion: In this diagram I have seen the current ratio is up and downward relation. Some year it was increased and some years it was decreased.

4.1.1.2 Net Working Capital

Net Working capital, paying little mind to the truth that now not earnestly a proportion is a normal level of an alliance's boundless Liquidity an extent of liquidity proportion controlled by.

| Year | Net working Capital (taka in Millions) |
|------|--|
| 2017 | 3147.34 |
| 2016 | 2604.31 |
| 2015 | 3365.65 |
| 2014 | 3423.33 |
| 2013 | 3238.93 |

Table: Net Working Capital of NRB

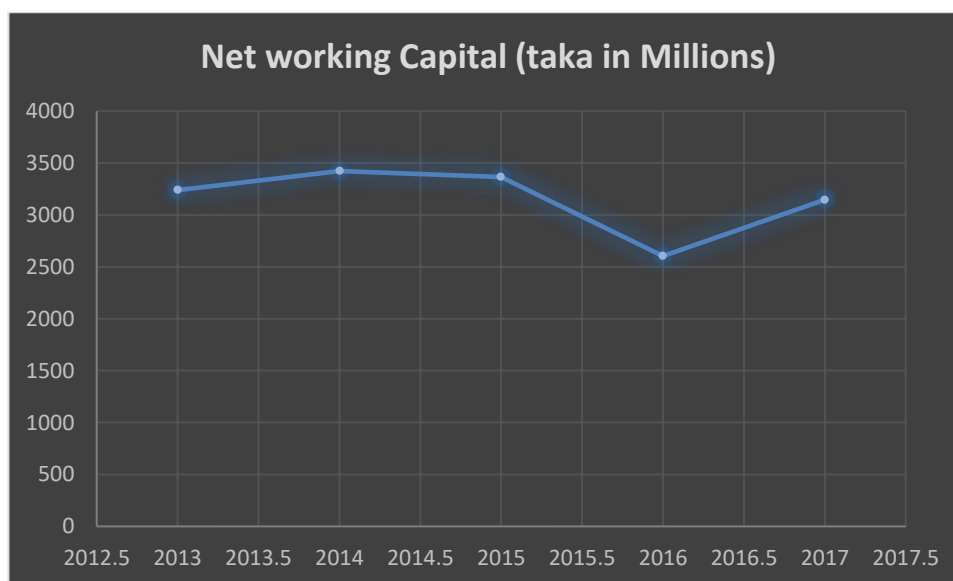


Figure: Net Working Capital of NRB

Discussion: Net working capital of NRB is imperceptibly reduced in the midst of the most extreme current two years. Nevertheless, the money related establishment stood up to issues to get on the whole its bleeding edge duties. So the budgetary foundation should augment its advanced guide.

4.1.1.3 Acid Test Ratio:

The astringent pointer that makes a decision if a company has sufficient non-permanent assets for spreading its activate liabilities without selling the stock. The analysis ratio is actually greater strenuous than the operating capital ratio, essentially in view that the working capital ratio takes into consideration the incorporation of stock assets.

| Year | Ratio |
|-------------|--------------|
| 2017 | 0.34 |
| 2016 | 0.36 |
| 2015 | 0.35 |
| 2014 | 0.29 |

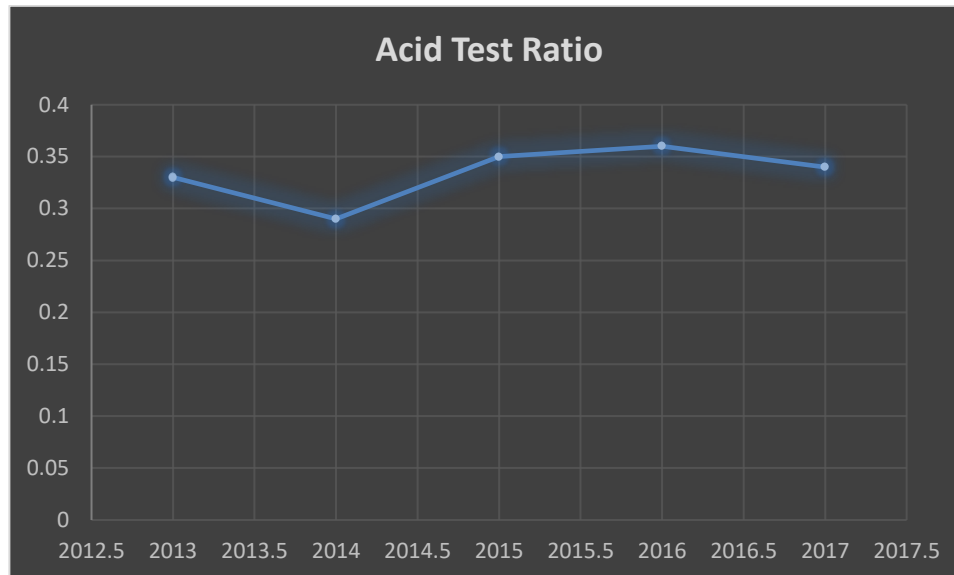


Figure: Acid Test Ratio of NRB Interpretation:

Businesses with ratios of below 1 cannot pay their current liabilities and should be taken a gander at with outrageous alert. Moreover, if the fundamental analysis proportion is tons decrease than the running capital ratio, it implies cutting-edge assets are rather concerned with stock. The same old proportion is 1:1. Be that as it may, the Acid check proportion of NRB is bad than fashionable. To enhance this ratio, the NRB wishes to build the money, short-term speculations and receivable and diminish the contemporary risk.

4.1.2 Analyzing Activity Ratio:

4.1.2.1 Operating Expenses to Revenue (OER):

A proportion that exhibits the capability of an association's organization by standing out working expense from net arrangements.

| Year | Ratio |
|------|--------|
| 2017 | 57.16% |

| | |
|-------------|--------|
| 2016 | 62.94% |
| 2015 | 57.81% |
| 2014 | 44.00% |
| 2009 | 36.04% |

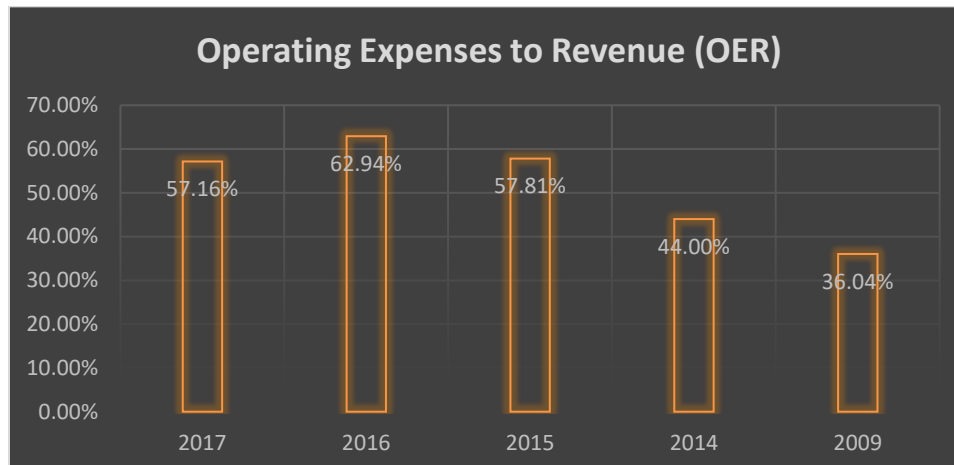


Figure: Operating Expenses to Revenue

Interpretation: We understand that this proportion assesses the working profitability of the bank by evaluating the section if unquestionably the working expenses in regard to the full scale working compensation of that bank and the higher the proportion, the lower the working viability. In 2013 the working cost of NRB is low yet after that it growing. So it might be said that the working capability of the NRB isn't in extraordinary position stood out from the earlier years that is they are not in incredible situation to constrain their working cost.

4.1.2.2 Total Asset Turnover Ratios:

The hard and fast asset turnover shows the capability with which the firm can use all of its favorable circumstances for make bargains.

| Year | Ratio |
|------|-------|
| 2017 | 4.23% |
| 2016 | 3.48% |
| 2015 | 3.95% |
| 2014 | 5.34% |
| 2013 | 4.48% |

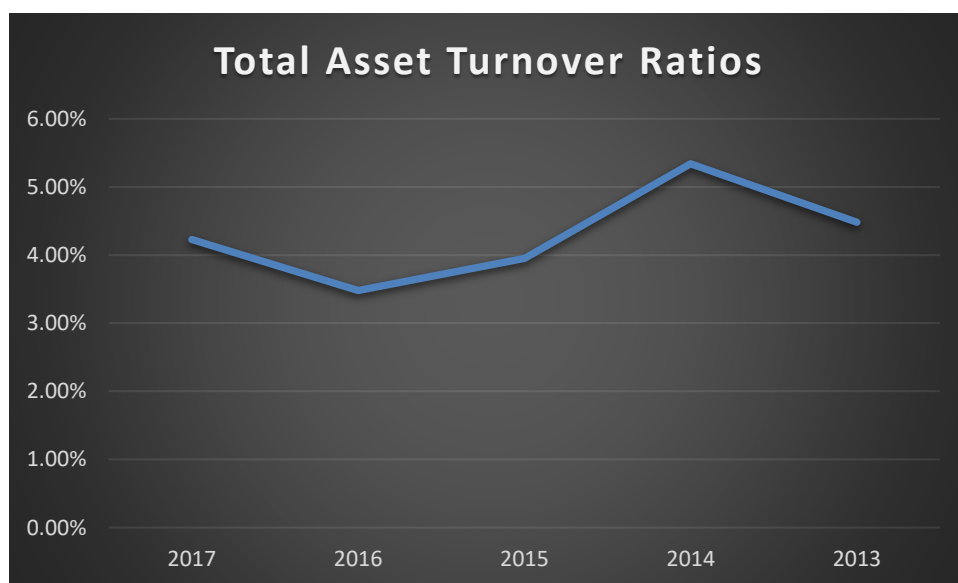


Figure: Total Asset Turnover of NRB

Interpretation: The banks had a fast asset turnover proportion in 2013 - 2017 that is 4.5 to 4.2 events. We know the more unmistakable the outright asset turnover, it is continuously capable and 4 to different occasions is standard position yet also depends upon industry. NRB's finished asset turnover proportion is fluctuating bit by bank.

4.1.2.3 Operating Expenses to Assets Ratio:

The cost proportion of a bit of leeway finance is without a doubt the degree of save assets used for administrative, the board, publicizing and each and every other expense. A cost proportion of 1% per annum infers that consistently 1% of the stores full scale assets will be used to take care of expenses.

| Year | Ratio |
|------|-------|
| 2017 | 2.42% |
| 2016 | 2.19% |
| 2015 | 2.28% |
| 2014 | 2.35% |
| 2013 | 1.74% |



Figure: Operating Expense to Assets of NRB

Interpretation: Cost proportions are basic to consider while picking a hold, as they can basically impact returns. From the diagram we see that there is an extension example of working expense

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to assets proportion. In 2009 the proportion is simply 1.74% anyway It extended to 2.42% in the year 2013. That suggests working expenses are growing appeared differently in relation to prior years.

4.1.3 Analyzing Debt Ratio:

4.1.3.1 Debt Ratio:

The obligation ratio estimates the preparation of complete resources given by the association's loan bosses.

| Year | Ratio |
|-------------|--------------|
| 2017 | 0.945 |
| 2016 | 0.947 |
| 2015 | 0.936 |
| 2014 | 0.927 |
| 2013 | 0.930 |

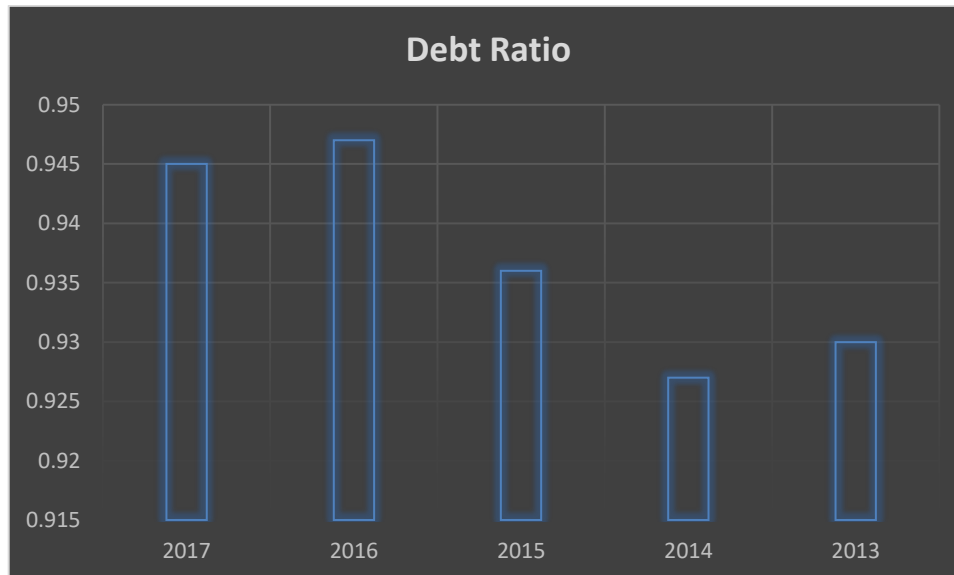


Figure: Debt Ratio of NRB

Interpretation: The higher the proportion, the more noteworthy the extreme hazard might be related with the connection's tasks. In like manner, the extreme obligation to helpful asset proportion exhibits low getting limit of a firm, which as an outcome will convey down the affiliation's cash related flexibility. This chart exhibits that; the obligation proportion changed into growing bit by bit. The Debt proportion evaluates the quantity of hard and fast sources gives by the affiliation's chiefs. Their obligation proportion changed into an expanding design that gives a terrible.

1.3.2 Times Interest Earned Ratio:

The occasions premium earned ratio, in some cases called the premium inclusion ratio, measures the association's capacity to make legally binding premium installments.

| Year | Ratio |
|------|-------|
|------|-------|

| | |
|-------------|------|
| 2017 | 1.16 |
| 2016 | 1.10 |
| 2015 | 1.20 |
| 2014 | 1.37 |
| 2013 | 1.40 |

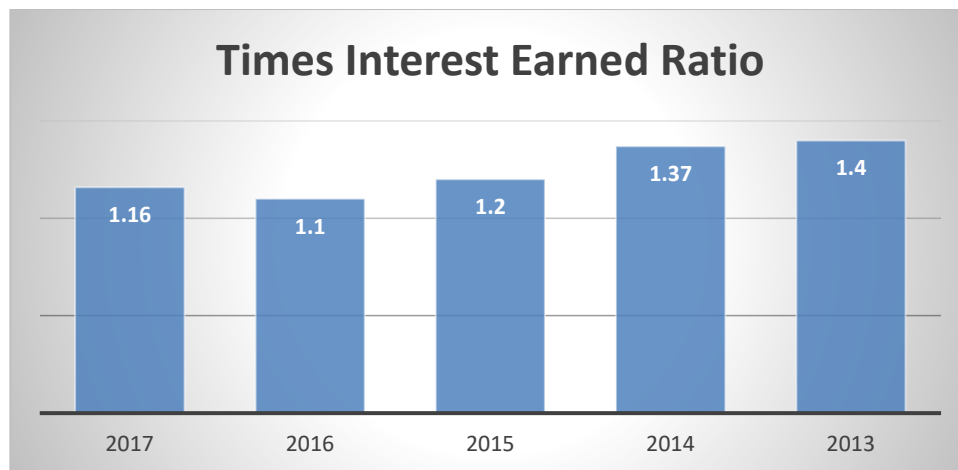


Table: Times Interest Earned Ratio of NRB

Interpretation: Time side interest earned proportion on NRB's is charming yet in most current 3 years it turned out to be very reducing. So NRB must hold up exorbitant proportion by means of constraining its working charges as an approach to get adequate benefit to pleasurable leisure activity responsibilities. A high proportion can show that a business venture has an undesirable nonappearance of commitment or is settling up a significant number obligations with salary that could be used for different endeavors. It measures the ability to meet interest amazingly due.

4.1.4 Analyzing Profitability Ratio:

4.1.4.1 Investment to Deposit Ratio:

| Year | Ratio |
|------|-------|
| 2017 | 0.303 |
| 2016 | 0.306 |
| 2015 | 0.328 |
| 2014 | 0.198 |
| 2013 | 0.225 |

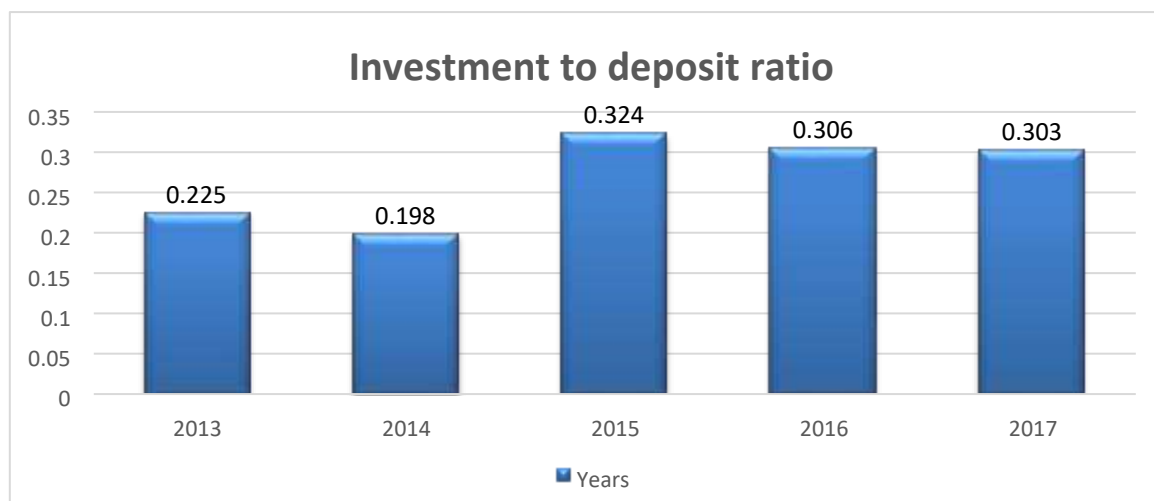


Figure: Investment to Deposit Ratio of NRB

Interpretation: Project to Deposit Proportion exhibits that the degree of the shop that's applied to the analysis. NRB's task to shop ratio is expanding step by step. That implies the bank is legitimately the usage of their keep.

4.1.4.2 Net Profit Margin:

The internet normal revenue estimates the level of each deal dollar staying in the end expenses, along with costs, have deducted. The higher the employer's internet average sales are better. The net standard sales are typically stated the proportion of the employer's prosperity concerning income on offers

| Year | Ratio |
|------|----------|
| 2017 | 0.165811 |
| 2016 | 0.147800 |
| 2015 | 0.200434 |
| 2014 | 0.267133 |
| 2013 | 0.352562 |

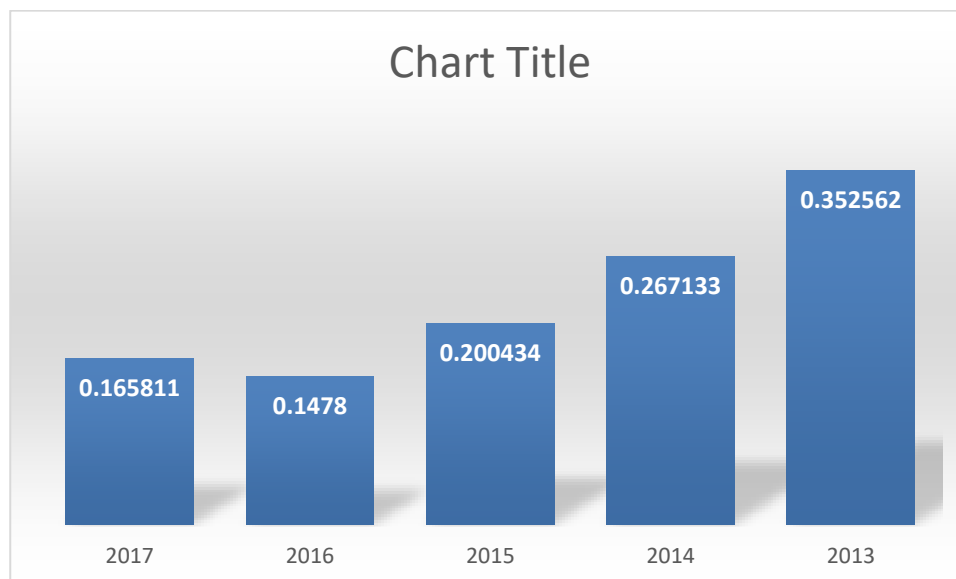


Figure: Profit Margin Ratio of NRB

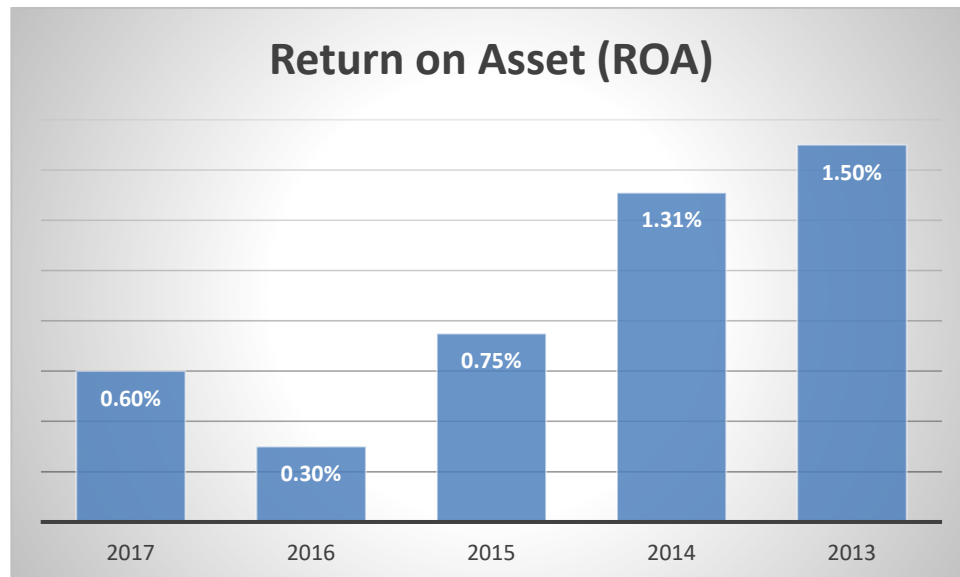
Interpretation: The financial institution internet sales in 2013-2017 this is (0.35-0.16) which suggests that standard sales are diminishing grade by grade and its terrible condition. NRB's

internet average sales are diminishing which suggests that the bank's advantage is diminishing. The same old of common sales ratio is 0.1/2, from the above chart we see that the NRB internet revenue ratio is higher than the same old however it's far diminishing in nature.

4.1.4.3 Return on Asset (ROA):

The appearance on the asset (ROA) that is much of the time known as the affiliation's appearance on complete resources quantifies the general amplexness of the officials in producing favorable circumstances with its available resources.

| Year | Ratio |
|-------------|--------------|
| 2017 | 0.60% |
| 2016 | 0.30% |
| 2015 | 0.75% |
| 2014 | 1.31% |
| 2013 | 1.50% |



Interpretation: In this diagram I have seen Return on Asset (ROA) will be decreased year by year.

4.1.4.4 Return on Equity (ROE):

The move lower back on price estimates the go lower back earned at the proprietor's (each desired and common buyers')

| Year | Ratio |
|------|--------|
| 2017 | 10.61% |
| 2016 | 7.00% |
| 2015 | 13.14% |
| 2014 | 18.57% |
| 2013 | 22.27% |

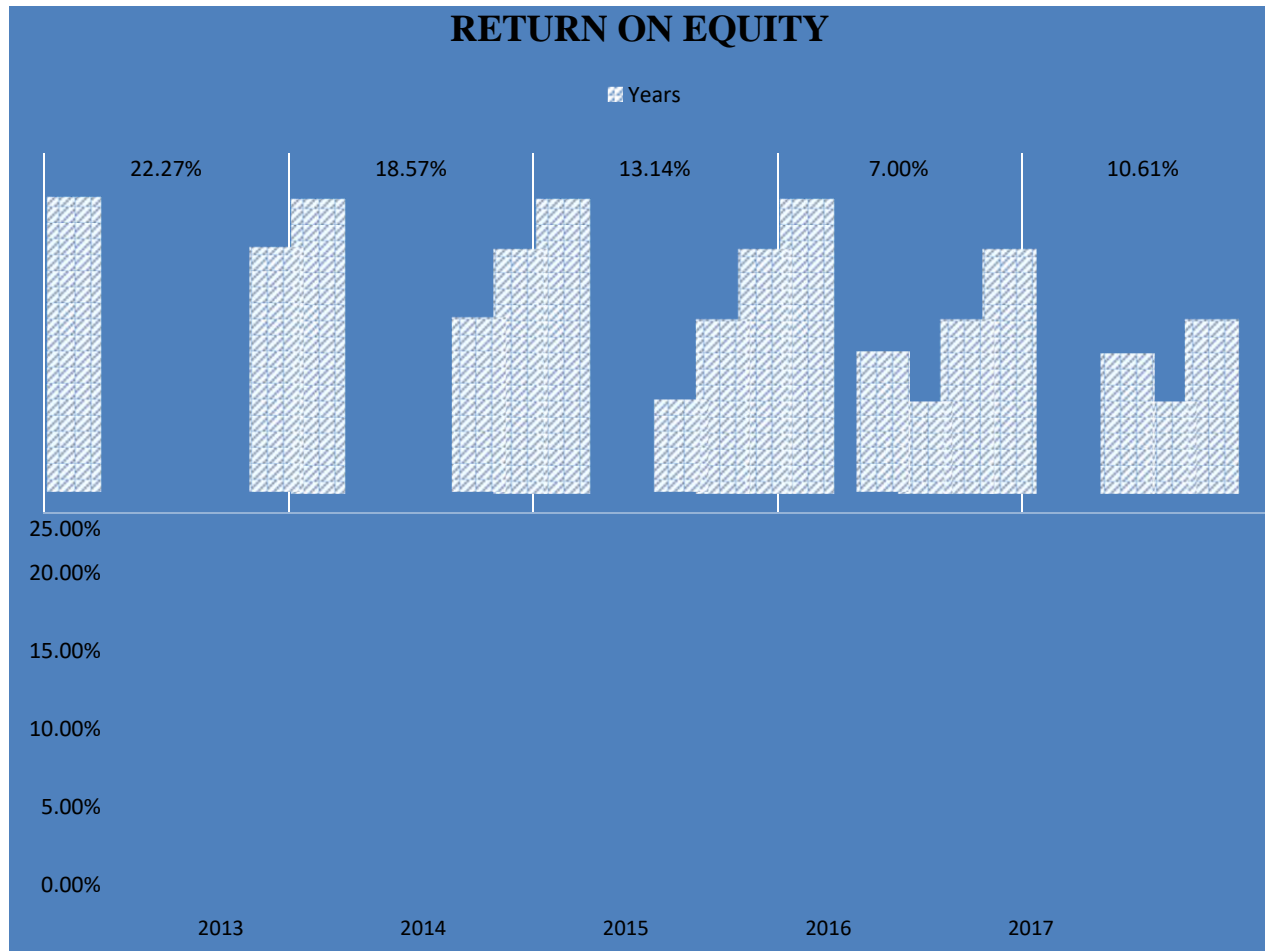


Figure: Return on Equity of NRB

Interpretation: ROE is the estimation of the rate of going back streaming to the bank's buyers. It gauges the net advantage that the investors are becoming from putting their capital inside the bank. Better ROE suggests the amazing role that the organization is effective in producing pay on a brand new undertaking. The banks go back on price strays from 7% to 22.27%. Inside the first 5 years and the most extended esteem may be visible in 2013 and the least esteem can be visible amid 2016, which is not appealing. The positive facet is the share is extended by 3.31% from the former year. So the administration has to attempt to construct the return related to the fee.

4.1.4.5 Earnings per Share:

The company's incomes constant with percentage (EPS) are not unusual of the hobby to offer or capability stockholders and manipulate. The earning consistent with percentage constitutes the extensive form of bucks earned on behalf of every amazing share of common stock.

| Year | EPS |
|------|------|
| 2017 | 2.15 |
| 2016 | 1.34 |
| 2015 | 2.75 |
| 2014 | 3.14 |
| 2013 | 3.5 |



Figure: EPS of the NRB

Interpretation: EPS speaks to that it's far earned for the benefit of every top notch portions of not unordinary stock reasonableness. EPS is firmly viewed through speculators since its miles a significant marker of hierarchical achievement. The diagram shows that during 2013 salary steady with the portion of NRB's are higher than in 2015 and 2016. EPS is bringing down which implies the bank's running surrender result is likewise decreasing. In any case, the year 2013

turned into the satisfactory one year for the NRB. The year 2017 shows the developing idea of EPS that may be the proper sign for the association.

4.1.4.6 Price Earnings Ratio:

The rate or gaining (P/E) proportion is commonly used to assess the owners' examination of a percent rate. The P/E speaks to the amount dealers are slanted to pay for each dollar of the organization's benefits. The better the P/E proportion, the more noteworthy the speculator's self-thought inside the organization's fate.

| Year | Ratio |
|-------------|--------------|
| 2017 | 8.50 |
| 2016 | 14.55 |
| 2015 | 7.04 |
| 2014 | 5.79 |



Figure: Price Earnings Ratio of NRB

Interpretation: The chart shows that the charge salary proportion of NRB transformed into directly in yr. 2016 which speaks to 14.55%. In the end a year, 2017 value benefits proportion changed into decreased to just 8.5% which isn't good. To improve the proportion, the NRB needs to blast commercial center accuse in line of rate and decline benefits in step with rate. This chart demonstrates the value profit proportion this is developing F.Y 2015 to 2016 and mellow diminishing from 2014 to 2017.

4.5 Market Value Analysis:

Market value analysis means actually which type of share market has available and how much price of per share and knowing the customers satisfaction which share customers buy more and why?

Calculation of Market Value Added:

| Particulars | Number of share | Value per share (Tk.) | Amount (BDT in million) |
|---------------------------|------------------------|------------------------------|--------------------------------|
| Intensive value per share | 1,91,400,000 | 193.92 | 37,116,202,498 |
| Book value | 1,91,400,000 | 100 | 19,140,000,000 |

Chapter 5

Findings, Recommendations &

Conclusion

5.1 Findings

Each take a gander at has a place with some specific discoveries, my record isn't in every case any an exemption to this. Inside the course of my entry level position term, I had the chance to examine some unnoticed subjects of NRB Global Bank Limited. The ones are given underneath:

- **Liquidity Circumstance:** The Liquidity condition of NRB Global Bank Limited is very extraordinary. Its Liquidity Ratios are round its standard stage and it has various advances contrasted with general resources is regular which prompted normal possibility.
- **Moderate Satisfactory Level:** The bank's ROA has expanded to 0.60% in 2017 than the year 2016 which is inside moderate acceptable level since it was vastly improved in the year 2013 and 2014.
- **Return on Equity Decreasing:** The bank's return on equity is in a decreasing trend. In the previous year 2013 and 2010, the ratio was very satisfactory. It decreased in 2016 but in 2017 it increased to 10.61%. Its operating expenses have increased to 8731.92 million from 7482.67 million in 2013 due to the increase of branches and employees. And for this its net interest margin, net operating margin are also decreasing.
- **Increasing debt Ratio:** The debt ratio has increased year by year. The Debt proportion gauges, the extent of all-out resources gives by the company's loan bosses. Their debt ratio was increasing to 0.945 in 2017 that indicates a negative sign for the bank.
- **Trend Analysis of Earning per Share (EPS):** EPS is carefully watched by means of traders due to the fact it's miles a critical indicator of company achievement. The analysis shows that in 2009 income according to the proportion of NRB's were higher than in 2015 and 2016. Net profit margin decreasing meaning a financial institution's operating result is reducing. The year 2017 shows that EPS improved to two.15 that is a proper sign for the organization.

5.2 Recommendations

This report is set up on the reason for money related execution examination. The archive has endeavored to give data about financial generally speaking execution. In preparing the report it's miles comprehended that fiscal in general execution isn't a simple depend, then again it is the guardians of all examination of a budgetary foundation. During my internship term, it has developed as smooth to see each and each a piece of this area. In any case, it will again prescribe a few issues that will be valuable for the activity of monetary execution.

1. **Operational Efficiency:** Operational productivity ought to be quickened by method for lessening expense and wastage and improving running and control generally speaking execution. The supply of running capital must be sufficient.
2. **Store Displaying Lower:** Converting in-store showing lower style it must be taken underneath thought.
3. **Concentrate More About ROA:** To focus more to build return on resource and profit for decency proportions with the guide of guaranteeing most use of its possessions.
4. **Guarantee the Continuous Upward Motion:** To guarantee the nonstop upward movement of net diversion income by methods for lifting effectiveness and appropriate use of store.
5. **Give A Few Greater Incentives:** Within the branch, the limit of the representatives is working such a large number of additional occasions, so control needs to give a couple of more prominent motivating forces to energize the worker.
6. **Make Employment Opportunity:** The number of branches might be stretched out to make business openings.
7. **Lessening Modern Liabilities:** The liquidity position of the bank must be ventured forward by methods for decreasing current liabilities.
8. **Reasonable Credit Policy:** A moderate credit arrangement must be applied with the goal that the essential part of benefit does now not spend on the expense of steady charges.

5.3 Conclusion

NRB Global Bank Limited, putting new necessities in the financial region in the hour of violent budgetary conditions. NRB remains the basic issue player inside us of remote trade and money showcase improving productivity through cautious estimating and assessment of danger and profits for financing, the treasury managing is being supported to encourage exchanges requiring additional best in class items and administrations for enormous institutional and corporate clients. Even though it has a huge sort of system and confidence from the clients it experiences a few difficulties the main issues reduce its salary. Their financial regular in general execution contrary to the Banking organization is very agreeable. Counteracting those kinds of issues and rivaling different banks each second the financial association is attempting to do higher to top-notch. On the off chance that this component keeps up, we are trusting that NRB will grow significantly more noteworthy inside what's to come. Also, this Internship Report is compulsory for my M.B.A office incredibly has helped my more remote contemplating my profession. I've attempted my spirit to incorporate the exploration report with basic appropriate data.

5.4 References

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