

Internship Report

On

Analyzing the Effectiveness of SME
Banking of Sonali Bnak Ltd- at Tangail
Bazar Branch



Daffodil
International
University

**An Internship Report
On
“Analyzing the Effectiveness of SME Banking of Sonali Bnak Ltd-
at Tangail Bazar Branch”**

Prepared for

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ID # 191-14-117

Program: MBA

Major in Finance

Date of Submission: 28th April 2020

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Letter of Transmittal

28th April 2020

Dr. S M Sohel Rana

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Ashulia Model Town, Savar, Dhaka

Subject: Submission of the Internship Report.

Dear Sir,

It is a great pleasure for me to submit my internship report on “**Analyzing the Effectiveness of SME Banking of Sonali Bnak Ltd- at Tangail Bazar Branch**”. I have prepared this report as a partial fulfillment of the semester.

I have attempted my level best to set up this report to the necessary standard. It was surely an extraordinary open door for me to compose on this paper to complete my hypothetical information in the practicum field.

I offer my heart full thanks to you to experience this report and make your important remarks.

Yours truthfully,

Sabbir

ID: 191-14-117

Program: MBA

Major in Finance

Daffodil International University

Acknowledgement

As a matter of first importance I might want to offer my thanks to the Almighty Allah, whose imperceptible direction helped me to finish this report.

This report has not only given me some precious experience, at the same time it has made me grateful to some extremely helpful and knowledgeable people. By working there as an intern, I have learnt so many things which are very helpful for me in future.

At the very beginning, I want to thanks my academic supervisor **Dr. S M Sohel Rana** sir who encouraged me to make this report and also provided me all necessary helps and guidance. He was very helpful and friendly person.

Finally, my deepest appreciation and special thanks goes to official supervisor **Md. Sakibul Hasan (Principle Officer)**, for extending his support in completing this report. Who helped me a lot during my internship period with valuable advices, guidance and necessary information?

And last but not the least; I would like to thank all the personnel working at SBL. They made the environment congenial and favorable for me to understand the task. Without their assistance and co-operation, this report might not have seen the light of day.

I also apologize heartily for any omitted name whose contribution was also complementary for any possible aspect.

Supervisor Declaration

This is to certify that **Sabbir** bearing ID number **191-14-117**, Program **MBA**, Major in '**Finance**', Business Administration, and DIU- University has completed his internship in "**Analyzing the Effectiveness of SME Banking of Sonali Bnak Ltd- at Tangail Bazar Branch**". Tangail under my supervision. He have always maintained communication with me and has taken necessary advice from me to prepare this report. Finally, under my guidance and supervision, he has successfully prepared this internship report on "**Analyzing the Effectiveness of SME Banking of Sonali Bnak Ltd- at Tangail Bazar Branch**". In semester Spring-2020.

Dr. S M Sohel Rana

Associate Professor and Associate Head

BBA Program, Permanent Campus

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Student Declaration

I am **Sabbir**, student of Master of Business Administration (**MBA**), under the Business Administration at DIU—University declaring that this internship report on the topic of “**Analyzing the Effectiveness of SME Banking of Sonali Bnak Ltd- at Tangail Bazar Branch**”. Have been prepared only for the fulfillment of the semester as the partial requirement of the Master of Business Administration (**MBA**).

I hereby, declare that this report has been solely prepared by me and to the best of my knowledge and experience which was gathered through work in SBL. It has not been prepared for any other purpose, reward, or to present anywhere.

Thanking you,

Sabbir

ID # 191-14-117

Program: MBA

Major in Finance

Daffodil International University (DIU)

Executive Summary

I have prepared my internship report based on the three months long internship program that I have successfully completed in Sonali Bank Ltd. Largest Bank in Bangladesh as a requirement of my MBA program in Daffodil International University. This report is focus on financial statement analysis of SBL.

The first chapter shows different aspects of report like introduction, objective of the report, scope of the report, limitations.

In Second chapter shows company overview. In this section different important data about SBL. is provided like Background of the organization, corporate information of the organization, corporate governance, mission, vision, Products and services, Porter's five forces and SWOT analysis.

The Third chapter is all about the project. Definition of SME Banking, rules and regulation of Bangladesh Bank, importance, types and procedure of SBL.

The chapter four shows the analysis part that I have collected the data from Sonali Bank Ltd. at-Court Building Branch employees.

In chapter five I mentioned Findings and Recommendations, Conclusion, References.

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Abbreviation

Short Name	Full Meaning
Ltd	Limited
SBL	Sonali Bank Ltd.
BOD	Board of Directors
MD	Managing Directors
DMD	Deputy Managing Directors
GM	General Manager
DMG	Deputy General Manager
AGM	Assistant General Manager
SPO	Senior Principal Officer
SWOT	Strengths, Weaknesses, Opportunities, Threats
CPA	Certified Public Accountant

Chapter 1

Introductory Part

1.0 Introduction to the Report




This report focusses on “**Analyzing the Effectiveness of SME Banking of Sonali Bnak Ltd- at Tangail Bazar Branch**”. Now the world is a competitive world. So, the bank should provide various services. In modern age, peoples want more easy way to collect their money and paid their tax and interest from bank. Sonali Bank provides various loan to the people like Business loan, Personal loan, Micro credit, rural loan etc. Now recently Sonali Bank has started to provide Teachers loan. I work on this topic because, I want to find out that How the bank provide loan to the Teachers and what is the financial effects of both parties (Bank And Teachers) how this loan helps the teachers and forming or loan replacement/installment is easy or not.

During my work, I have confronted different snags. By the finesse of Almighty Allah and by the assistance of some related individual, I have defeated those issues effectively. Through temporary job I become mindful of authoritative culture and figure out how to demonstrate proficient greatness by and large. This learning causes me when I at last go into down to earth field.

Entry level position program is the precise assembling, recording and dissecting of information about the subject that an understudy goes to group on the program. The point of this Internship program is to associate down to earth information with hypothetical information. The Sonali Bank Limited is the biggest state possessed driving business bank in Bangladesh. I have worked in the General Banking (account opening, clearing, signature confirming, move, benefits installment and money) of Sonali bank. This association allowed me the chance to know more on various parts of the association. Thus, I have arranged my temporary position report on "Examining the Effectiveness of SME Banking of Sonali Bnak Ltd-at Tangail Bazar Branch".

1.1 Objective of the Report:

1.1.1 Specific Objectives:

-  To find out the effectiveness of the SME banking.
-  To identify the strength and weakness of SBL.
-  To know the interest rate that is bearable or not.

- ✚ To analyze the financial statements of SBL.
- ✚ To make some recommendation and suitable conclusion regarding financial statement of SBL.

1.2 Scope of the study:

This report depends on my pragmatic work involvement in Sonali Bank Limited. It will likewise assist the understudies with reducing the differentiation among practical and theoretical information. This report essentially helped me a great deal to comprehend the climate and condition of an association. As I am an internee of SBL, I approach a wide range of segments like record opening, bookkeeping opening mark confirming, clearing, check division, pay request composing, accounts, card division, benefits installment and so on. It was practically inconceivable for me to get the hang of everything pretty much all financial parts as it was a huge money related segment with restricted time and all are secret since it is a major branch.

This examination in truth taken inside its canvas of Sonali Bank Limited all in all however the temporary position was done in Court Building Branch, Tangail. While setting up this report, I have an extraordinary chance to have a top to bottom information on the financial exercises rehearsed by SBL. The exploration will arrangement to discover why clients intrigued to take educators credit and what number of clients have been included instructors' advance by SBL. This report will concentrate on "Dissecting the Effectiveness of SME Banking of Sonali Bnak Ltd-at Tangail Bazar Branch".

1.3 Data Source:

I will design the data of the study in the following way:

Primary data sources: Primary data has been gathered through:

- Face-to-face interview
- Semi-structured interviews
- Survey questionnaire

Secondary data sources:

- Leaflets and manuals of Sonali Bank Ltd.
- Articles,
- Journals,
- Newspaper are the secondary data sources.

1.4 Limitation of the Study

In this internship period I have faces some problems to collecting report information and faces some differences. This restriction create problem to gaining knowledge about some areas of bank. Some statement of problems is:

- ❖ Difficulty to understand customer needs who is uneducated.
- ❖ Restricted to go in cash side.
- ❖ Lunch time is not fixed
- ❖ Value of the customers is different.
- ❖ Not given permission all areas to work, some government allowance areas are not allowed to work.

Chapter 2

Organizational Part

2.1 Background of the Organization:

Banks assume the most significant job in the economy. Banks gather cash from the people and loan them to other people. Presently banks offer the vastest scope of monetary administrations and perform heaps of budgetary capacities. In this manner, banks have demonstrated that they are the key factor for the business and economy also. Sonali Bank Limited is the biggest financial establishment in Bangladesh, dynamic in activities, legitimate in dealings, just in judgment, reasonable in approaches and dedicated to excellent help to clients and in this way add to the development of GDP of the nation all through animating exchange and trade, boosting up send out, destitution easing, increasing living expectation of restricted salary gathering and by and large maintainable financial advancement in the nation.

This practicum report is started as an incomplete satisfaction of the MBA program. This report is an obligatory prerequisite for consummation of BBA. I have worked at Sonali Bank at Court Building Branch for multi week and the experience of working at Sonali Bank has helped me to coordinate my hypothetical information with down to earth understanding. As an assistant of Sonali Bank I was furnished with the theme "Dissecting the Effectiveness of SME Banking of Sonali Bank Ltd-at Tangail Bazar Branch".

2.2 Corporate Information of the Organization

Name of the Company	Sonali Bank Limited
Chairman	Mr. Md. Ashraful Moqbul
CEO & Managing Director	Mr. Md. Obayed Ullah Al Masud
Company Secretary	Mr. A.K.M Sajedur Rahman Khan
Legal Status	Public Limited Company
Genesis	Emerged as Nationalized Commercial Bank in 1972, following the Bangladesh Bank (Nationalization) Order No. 1972 (PO No.26 of 1972)
Date of Incorporation	03 June, 2007

Date of Vendor's Agreement	15 November, 2007
Registered Office	35-42, 44 Motijheel Commercial Area, Dhaka, Bangladesh
Authorized Capital	Taka 6000.00 Crore
Paid-up Capital	Taka 3830.00 Crore
Number of Employee	18,994
Number of Branches	1211
Phone-PABX	9550426-31, 33, 34, 9552924
FAX	88-02-9561410, 9552007
SWIFT	BSONBDDH
Website	www.sonalibank.com.bd
E-mail	itd@sonalibank.com.bd

Table 1: Corporate Information of the Organization

2.3 Board of Directors

Sl. No.	Name	Status with the Bank
01	Mr. Md. Ashraful Moqbul	Chairman*
02	Mr. Mohammad Muslim Chowdhury	Acting Chairman
03	Mr. Md. Fazlul Haque	Director
04	Mr. A.K.M. Rezaur Rahman	Director**
05	Mr. Md. Mahboob Hossain	Director
06	Mr. Md. Shaheb Ali Mridha	Director
07	Mr. Kazi Tariqul Islam	Director
08	Mrs. Sabera Aktari Jamal	Director
09	Mr. Afzal Hossain	Director
10	Mr. Muhammed Asadullah	Director
11	Mr. Pradip Kumar Dutta	Managing Director & CEO***

12	Mr. Ataur Rahman Prodhan	Deputy managing Director
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Table 2: Board of Directors

2.4 Composition of Committees of the Board of Directors:

Executive Committee			
Sl. No.	Name	Status with the Bank	Status with the Committee
01	Mr. Md. Fazlul Haque	Director	Chairman
02	Mr. Md. Mahboob Hossain	Director	Member
03	Mr. Afzal Hossain	Director	Member
04	Mr. Pradip Kumar Dutta	Managing Director & CEO	Member
05	Mr. Ataur Rahman Production	Deputy Managing Director	Member
Audit Committee			
Sl. No.	Name	Status with the Bank	Status with the Committee
01	Mr. Md. Shaheb Ali Mridha	Director	Chairman (Acting)
02	Mr. Kazi Tariqul Islam	Director	Member
03	Mrs. Sabera Aktari Jamal	Director	Member
Risk Management Committee			
Sl. No.	Name	Status with the Bank	Status with the Committee
01	Mr. Muhammed Asadullah	Director	Chairman
02	Mr. Md. Shaheb Ali Mridha	Director	Member
03	Mr. Kazi Tariqul Islam	Director	Member

04	Mrs. Sabera Aktari Jamal	Director	Member
05	Mr. Afzal Hossain	Director	Member
Composition of Shariah Supervisory Committee			
Sl. No.	Name	Status with the Committee	
01	Prof. Maulana Mohammad Salah Uddin	Chairman	
02	Mr. Md. Mahboob Hossain	Member	
03	Mr. Aatur Rahman Prodhan	Member	
04	Al-Haj Hafez Maulana Mustafizur Rahman	Member	
05	Mr. Md. Mukhlesur Rahman	Member	
06	Mr. Md. Aatur Rahman	Member	

Table 3: Composition of Committees of the Board of Directors:

2.5 Organogram:



Figure 1: Organogram

2.6 Mission and Vision:

2.6.1 Our Mission:

Devoted to expand an entire scope of value items that help unique needs of individuals targeting enhancing their lives, making an incentive for the partners and contributing towards financial improvement of the nation.

2.6.2 Our Vision:

Socially committed leading banking institution with global presence.

2.7 Overview of the Bank:

Not long after freedom of the nation Sonali Bank rose as the biggest and driving Nationalized Commercial Bank by decree of the Banks' Nationalization Order 1972 (Presidential Order-26) exchanging the then National Bank of Pakistan, Premier Bank and Bank of Bhawalpur. As a completely state-possessed foundation, the bank had been releasing its country building duties by attempted government endowed distinctive financial plans just as currency advertise exercises independently, covering all circles of the economy. The bank has been changed over to a Public Limited Company with 100% responsibility for government and began working as Sonali Bank Limited from November 15, 2007 assuming control over all benefits, liabilities and business of Sonali Bank. After corporatization, the administration of the bank has been given expected self-governance to make the bank serious and to maintain its business viably. Sonali Bank Limited is represented by a Board of Directors comprising of 10 (Ten) individuals. The Bank is going by the CEO and Managing Director, who is a notable Banker and a presumed proficient. The corporate head quarter of the bank is situated at Motijheel, Dhaka, Bangladesh, and the principle business focus of the capital.

2.8 Some Notable Features of the Bank are as Follows:

There have some features of Sonali Bank Limited is given below:

Capital Structure:

Authorized Capital	Tk. 6000.00 Core
Paid up Capital	Tk. 3830.00 Core

Table 4: Capital Structure

Branches & Subsidiaries:

1. Total No of Branches	1211
a) No of Foreign branches	2
b) No of Local branches	1209
i) No of Rural Branches	743
ii) No of Urban Branches	466
2. No of Regional Offices	16
3. No of Principal Offices	46
4. No of G.M. Offices	11

Table 5: Branches & Subsidiaries

Services of the Organization:

Our Core Business:

Corporate Banking	Trade Finance	Investment
Project Finance	Loan Syndication	Government Treasury Function
SME Finance	Foreign Exchange Dealing	Money Market Operation
Remittance	International Trade	Rural and Micro credit
Lease Finance	NGO-Linkage Loan	Capital Market Operation
Consumer Credit	Consumer Credit	Special Small Loan

Other Business/Services:

Government Treasury Bonds	Utility Bills Collection
Locker Service	Ancillary Services
A.T.M. Card	Merchant Banking

SBL Banking Facilities:

- ✚ Personal Banking
- ✚ Rural Credit
- ✚ Micro Credit
- ✚ International Banking
- ✚ Industrial Financing
- ✚ Deposit and Credit Schemes
- ✚ SME Banking
- ✚ Foreign Currency A/C
- ✚ Investment Bond

2.9 Porter's Five Forces.

Doorman's five powers, otherwise called P5F was made by Michael E. Watchman in 1979, is a strategy for inspecting the allure of an industry or association. It does as such by seeing five powers which follow up on that industry. These powers are determinants of that industry's or association's gainfulness. The five powers are:

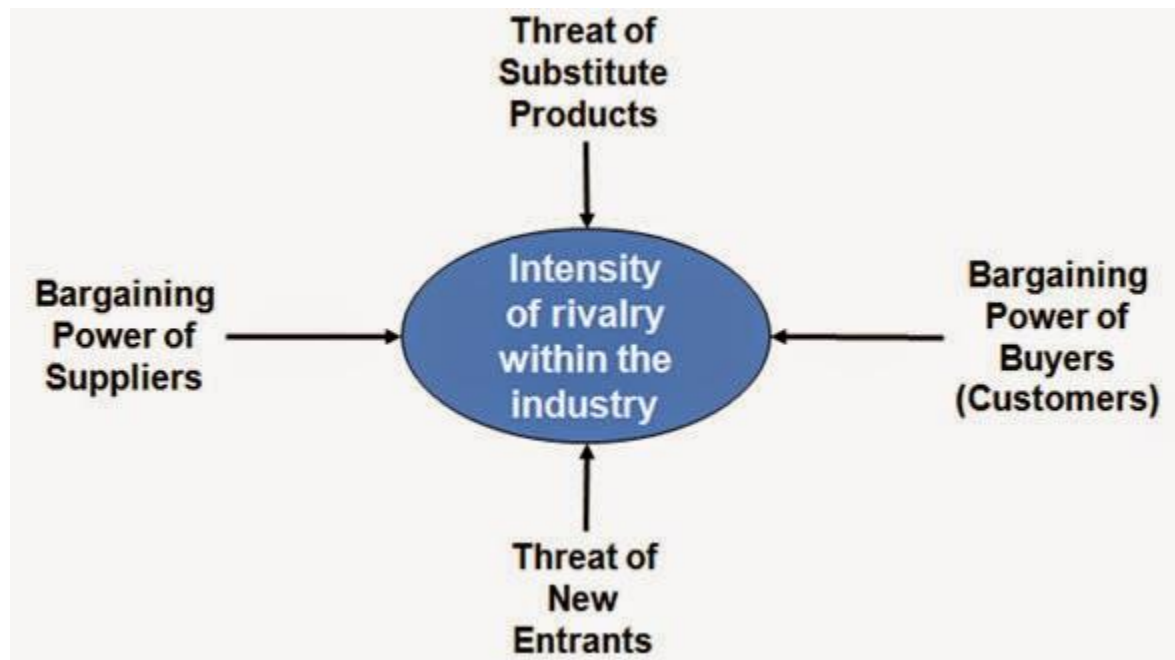


Figure 2: Porters Five Forces

Threat of new entrants:

Advances in information improvement have totally diminished the impediments to section in the financial business step by step. On account of the allocation of Internet banking, movement channels are as of now not constrained to customary branch Networks. Anticipated customers wherever all through the world could find a good pace and output for banks offering the most noteworthy loan costs or organizations with the best features. Besides, new banks will in like manner have the ability to battle by using IT to diminish their cost and extend their scattering channels. Another factor that cuts down the hindrance to entry would be the low trading cost, for instance, the trading of money from one bank then onto the following. Being an administration controlled bank, Sonali Bank ponder the perils it gets from the new members.

Bargaining power of buyer/customers:

Bartering intensity of clients is moderately low as it is mostly constrained by the administration. Here, exchanging costs are low for clients to leave Sonali Bank Ltd and simple to pick up banking administrations from different banks for the clients. Despite the fact that there are other Government banks, for example, Janata Bank, Agrani bank and so forth, it isn't worked based on client deals.

Threat of substitutes:

As far as danger of substitutes, the financial business faces an expanding number of substitutes despite the fact that deregulation has brought monstrous mergers and procurement. This is for the most part a direct result of the capacity of current broadcast communications to dispense with separation that regularly ruined remote manages an account with no branch organizes in neighborhood markets. Despite the fact that there are relatively few substitutes accessible. The administration 15 has not had the option to think of any imaginative sparing plans to draw in the overall population, along these lines diminishing the danger to of the substitutes to the financial business. In this way, the administrations that are given by Sonali Bank are pretty much equivalent to different banks.

Bargaining power of suppliers/depositors:

For the most part, IT has expanded the haggling intensity of contributors. The rise of tele-banking and web based banking has engaged contributors. Investors can rapidly utilize the web to figure out which bank is offering the most noteworthy financing cost and store their cash there, while purchasers do the inverse (least loan fee) in scanning for advances. In this manner, cost affectability in the business has expanded together with the quantity of substitutes accessible for contributors.

Competitive rivalry:

Remote and nearby banks presently will in general contend all the more legitimately with each other over a similar gathering of buyers. Government banks are the immediate contenders of Sonali Bank Ltd that are making progress toward a similar piece of the overall industry and clients. Furthermore, nearby banks have a long haul trust relationship with their clients, which despite everything give them a bit of leeway? The nearby banks are quick to impersonate and since the financial framework is a straightforward one, impersonation is simple, in this way expanding the battle between the contenders. Other nearby banks are attempting to catch the lower center and the center working class portion that are as of now the clients of these banks. With their moderately low loan costs charged to the clients and higher premium compensation rates contrast with Sonali Bank Ltd, they are solid dangers as they have very lower changing expense to the clients.

2.10 SWOT Analysis of Sonali Bank Ltd.



Figure 3: SWOT

Strengths:

- Strong Management (Sonali bank Bangladesh)

- Good Customer Service (Sonali bank Bangladesh)
- Economies of Scale (Sonali bank Bangladesh)
- Brand Name (Sonali bank Bangladesh)
- Training System for Staff (Sonali bank Bangladesh)

Weaknesses:

- High Debt Burden (Sonali bank Bangladesh)
- Insufficient workers (Sonali bank Bangladesh)
- Lack of New Technology (Sonali bank Bangladesh)
- Weak Supply Chain (Sonali bank Bangladesh)
- Lack of Motivation (Sonali bank Bangladesh)

Opportunities:

- Online Banking (Sonali bank Bangladesh)
- Banking Software (Sonali bank Bangladesh)
- Expert Employee (Sonali bank Bangladesh)
- Branch Expansion (Sonali bank Bangladesh)

Threats:

- Internal Competition (Sonali bank Bangladesh)
- Govt Regulations (Sonali bank Bangladesh)
- Change in Tastes of Customers (Sonali bank Bangladesh)
- Substitute Products (Sonali bank Bangladesh)

Chapter 3

SME Banking

3.0 Introduction of SMEs (Small and Medium Enterprise):

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Little and medium endeavors are implied as the missing focus since its size is neither minimal enough for microcredit from microfinance foundations nor adequately huge to be seen as sensible to back in the formal financial part. In this manner, in most of the making countries, Including Bangladesh, nonattendance of adequate access to subsidize is seen as one of the critical necessities to the advancement of the SME fragment. Little & Medium Enterprises are basic to essentially all economies on the planet, especially to the making countries as they face critical work and pay movement challenges. There are around 60 lakh SMEs and microenterprises in Bangladesh, as demonstrated by Asian Development Bank. Starting, close to nothing and medium Enterprises (SMEs) have come into the cutting edge of progression plan on account of the affirmation of their responsibility in empowering improvement, proceeding with overall money related recovery, making business and reducing poverty. Various definitions rely upon whether the owner of the endeavor works near to the workers, the degree of refinement in the board, and whether an endeavor lies in the "formal" division. The definitions being utilized depend upon the reasons these are required to fill in according to the methodologies of the specific countries/Governments.

3.1 General SME Guidelines by Bangladesh Bank

Bangladeshi SME division is guided by general SME Guideline of Bangladesh Bank. Rules are as per the following-

- Each bank/monetary foundation will follow a different business technique in financing SME advance with least customs in executing documentation to guarantee simple and fast advance assent and payment process.
- Priority will be given to little business people.
- For little business visionaries credit cutoff will be run from Tk. 50,000 (Fifty thousand) to Tk. 50, 00,000 (Fifty needs)
- For more support of ladies business people in mechanical improvement of the nation and for leading business exercises by ladies business visionaries in huge number, need will must be given to potential ladies business people in regard of SME credit dispensing.

- Banks and Financial Institutions will place most elevated need in getting advance application from little and medium ladies business visionaries and settle the credit payment process inside entirely sensible time from the date of acknowledgment of the application.
- Each bank and money related foundation will set up a different 'Ladies Entrepreneurs' Dedicated Desk' with important and reasonable labor, gives them preparing on SME financing and appropriately names a woman official as head of committed work area. Branch shrewd list of 'Ladies Entrepreneurs' Dedicated Desk 'ought to be sent to SME and Special Programs Department of Bangladesh Bank inside two months from the date of affirmation of this arrangement and program.
- Banks and monetary foundations may endorse up to Tk. 25, 00,000 to ladies business visionaries against individual assurance. All things considered, bunch security/government managed savings might be considered.
- The accomplishment in SME advance payment will be considered as measuring stick for additional endorsement of new parts of the concerned bank. Permit for New Branches will be given for financing the need segments like SME and farming from 2010 for the sake of 'SME/Agriculture Branch' rather than 'SME Service Center; so as to include banks in financing need division like SME and Agriculture'.
- Each bank/money related foundation will fix the financing cost on SME advance division/subsector astute. In any case, bank/money related organization will illuminate Bangladesh Bank part/sub-division insightful pace of premium quickly and guarantee payment of renegotiated store to the customers (ladies business people) at Bank rate +5% premiums.

3.2 Minimum Requirement for SME Financing According to Bangladesh Bank

Every single SME supplier is directed by isolated limitation given by Bangladesh bank alongside general financial guidelines. It might be noticed that those base prerequisite ought not at all intrude on the job of landmark process through setting up far reaching credit chance administration

framework fitting to their sort, extension, advancement and size of activity. The Board of Directors of specific bank is required to set up strategies, systems and practice so as to characterize dangers, indicate security necessity, plan inside control and guarantee severe consistence with them. All the base necessities can be portrayed as follows-

3.3 Contribution of SMEs in Bangladesh Positive impacts of SMEs

- Employment Generation
- Women strengthening
- Enhanced Living Standard
- Creation of Market for Indigenous Group
- GDP Growth Poverty Reduction
- Growth in International Business
- Reduction in Urban Migration

In Bangladesh, desperation facilitating through fiscal turn of events, similarly as business age on mass scale is enthusiastically dependent on the headway and augmentation of SMEs. Definite assessments find that the bit of SMEs in GDP is generally higher in significant compensation countries. A crosscountry study (Ayyagari et al, 2003) shows that SMEs speak to in excess of 51 percent of GDP and 57 percent of work in significant compensation countries while the relating figures for low compensation countries are 16 and 18 percent. This reveals the essentialness of SME being developed and business age According to the Bangladesh Economic Review 2009, around 6 percent of the country's \$90 billion economy starts from SMEs. Making countries like China are getting 20 to 30 percent of their GDP from SMEs while this portion in Bangladesh is contributing 25 percent to GDP with 60 percent of work age. Starting late exploration (Daily Star, 2011), the SMEs speak to around 45 percent of gathering regard extension, 80 percent of present day work, 90 percent of complete mechanical units and around 25 percent of outright work power.

Their total responsibility to exchange pay ranges from 75 percent to 80 percent, as showed by a continuous monetary measurements. The SMEs make up 75 percent of the private economy. Bangladesh is a making nation, rich in HR where women include fairly not actually a huge segment of the masses. A large portion of them are persecuted, starved, uninformed and poor. Additionally, there are insufficient business open doors for ladies. Along these lines, money related activities, through free work have gotten basic for expected working women. Undoubtedly, women endeavor or "women in business" has gotten criticalness and goes about as a progressing wonder in Bangladesh. SMEs can expect a gigantic activity in setting up sexual direction reasonableness and expansion the enlarging the opening among common and urban pay. It is said that associate of SME with provincial domains would achieve a gigantic extension improvement that would put the country's economy in a high advancement course.

3.4 Collection Process of SBL:

Collection Unit:

The assortment procedure for SME and Retail begins when the client neglected to make at least one legally binding installment (portion). It consequently turns into the obligation of the assortment unit to limit the extraordinary reprobate receivable and credit misfortunes. Assortment has a key impact in the credit procedure and in guaranteeing the productivity of advantage items and nature of the portfolio by gathering the reprobate receivables productively and viable. The fundamental target of assortment is to guarantee that, at every possible opportunity, a record that is falling behind financially is raised to date and the client's altruism is held.

Collection Processes:

Clients are furnished with an Offer Letter or Banking Arrangement letter during Loan dispensing where the absolute installment state of mind and advance subtleties are portrayed. At the point when a client neglects to satisfy the concurred terms or misses the necessary installment, the record at that point enters assortments. Assortment division is liable for gathering the late sum from the reprobate clients. There are various stages engaged with assortment after a record enters

misconduct till regularization of the record by recuperating the late. Essentially assortment can be comprehensively partitioned into four phases which are overhauling, finding, gathering and retraction and discount. The maturing of a record in assortments is regarding the days since missed installment.

3.5 Procedure of SBL

Sonali Bank Limited underscores most noteworthy need on SME financing for taking out destitution by expanding SME advance stream at financially immature zone and people groups. Setting up need base SME credit Policy for Women and oppressed business visionaries, Sonali bank working for the improvement of their financial condition. Lending Policy:

1) Loan Limit:

BDT 50,000/-(Fifty thousand) to BDT 500, 000, 00/-(Five crore)

2) Criteria of Borrower:

Bangladeshi Citizen least 18 (eighteen) years of age;

Advance defaulter, Bank-rupt, intellectually unleashed individual can't have any significant bearing for advance;

Ladies Entrepreneurs profoundly urge to apply.

3) Nature of Project/Enterprise:

- Proprietorship Enterprise;
- Registered Partnership Enterprise;
- Private Limited Company;
- Joint Venture Company except Public Limited Company.

4) Security:

- The insurance security free credit limit for male business people is upto Tk. 5 lac.
- The insurance security free credit limit for ladies business people is upto Tk. 10 lac.

5) Period:

Undertaking/Term Loan: Maximum 5 years (venture period may adaptable as per Project nature)

Working capital/Trading Loan: 1 year, inexhaustible toward the finish

6) Loan: Equity Ratio:

Project/Term Loan: 70:30

Working capital/Trading Loan: 3:1

7) Repayment procedure:

Undertaking/Term Loan: month to month/quarterly premise repayable inside credit period.

Working capital/Trading Loan: Daily premise or completely reimbursement inside advance period.

Chapter 4

Analysis Part

4.0 Project Timeline:

Task	13 Feb- 19 Feb	20 Feb- 26 Feb	27 Feb- 2 Mar	3 Mar - 10 Mar	11 Mar - 18 Mar	19 Mar - 26 Mar	27 Mar - 3 Apr	3 Apr- 11 Apr
Organizational Part								
Data Collection								
Topic Part								

Introduction Part								
SWOT Part								
Research Part								
Data Analysis								
Final Report Editing								
Total								60 Days

Table 6: Project Timeline:

4.1 Budget Information:

Name	Taka
Transportation cost	1500
Phone call Cost	50
Internet Bill	800
Printing for Organizational, Literature, Topic, Research, Actual task, Analysis, Introductory part	1250
Final report Printing & Binding Cost	1200
Total Cost	4800

Table 7: Budget Information

4.3 Sampling Method:

To make smooth and accurate study, everyone have to follow some rules and regulations. I also maintain those rules to prepare this report.

Target Population:

The population of this research is existing employees of SBL-at Tangail Bazar, Tangail. I has taken 350 only.

Sample Frame:

The sample frame of this study consists of all 350 employees of SBL-at Tangail Bazar, Tangail. The sample frame was taken from only the SBL.





Sample Size:

Total population $350 * 10\% = 35$. After preparing the sample frame, the size of sample were taken to 35 employees.

4.4 Report Technique:

In this research report the researcher following various sources like as:

Research Instrument:

-  Questionnaires.
-  Likert Scale Question.
-  Microsoft Office Word
-  Microsoft Excel etc.

Contact Method:

-  Survey Questionnaire.

Data Analysis:

I have picked Quantitative Inquire about is used to quantify the issue by method for creating numerical data or data that can be changed into useable estimations. It is used to assess perspectives, suppositions, practices, and other described variables – and sum up happens from a greater test people. Quantitative Investigate occupations assessable data to characterize realities and reveal plans in ask about. Quantitative data assortment techniques are significantly more sorted out than Subjective data assortment procedures. Quantitative data assortment systems join various states of outlines – online diagrams, paper examines, flexible reviews, monkey outline and stand diagrams, up close and personal meetings, and telephone interviews, longitudinal considers, website gets, online overviews, and exact discernments.

4.5 Analysis and Presentation of Data:

In this section I have used a questionnaire for the analysis of my topic- “SME Banking of SBL”. The questionnaire survey was distributed among the people of present SBL employees from different department. My number of population was 350. I have taken 10% sample size from my population. The question patterns are in “Likert scale”.

Number of question-06

Number of respondents-35

Pattern of Questionnaire- Likert scale

4.6 Likert Scale:

In order to analyze the data, I have used Likert scale. Where 1 stands for only strongly disagreed customers, 2 stands for only disagreed customers, 3 stands for the neutral customers, 4 stands for agreed customers, and 5 stands for strongly agreed customers.

The scale has been shown in below:-

Customer Opinion	Weighted
Strongly Disagree	1
Disagree	2
Neutral	3
Agree	4
Strongly Agree	5

Table 8: Likert Scale

4.7 Analysis:

Questionnaire Development:

For fulfilling the objectives some related hypothesis have been constructed for this study:

Q 1: Bank provides sufficient amount of loan to the customers.

Q 2: The organization keeps inventory records for equipment.

Q 3: Loan installment is easy or not.

Q 4: Bank provides better services to the customers.

Q 5: SME banking procedure is easy that customers get the loan earlier.

Q 6: The organization have its financial statement reviewed by accounting firms or not.

Graphical Representation:

Question: 1

Bank provides sufficient amount of loan to the customers.

Opinion	Weighted
Strongly Disagree	2
Disagree	4
Neutral	5
Agree	10
Strongly Agree	14

Table 9: Question: 1

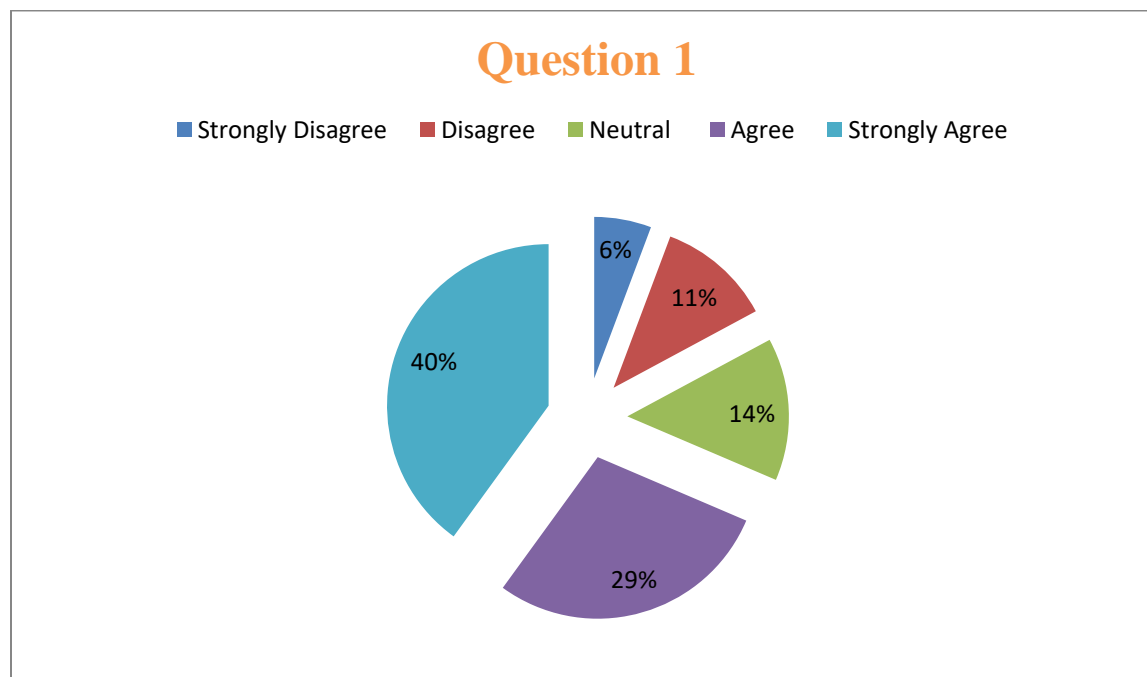


Figure 4: Question: 1

Interpretation: Bank provides sufficient amount of loan to the customers. In this analysis 6% of respondents are strongly disagreed, 11% are disagreed, 14% respondents are neutral, 29% respondents are agreed, and 40% respondents are strongly agreed. **Approximately, 69 % respondents** had acknowledged that Bank provides sufficient amount of loan to the customers.

Question: 2

The organization keeps inventory records for equipment.

Opinion	Weighted
Strongly Disagree	0
Disagree	0
Neutral	2
Agree	7
Strongly Agree	26

Table 10: Question: 2

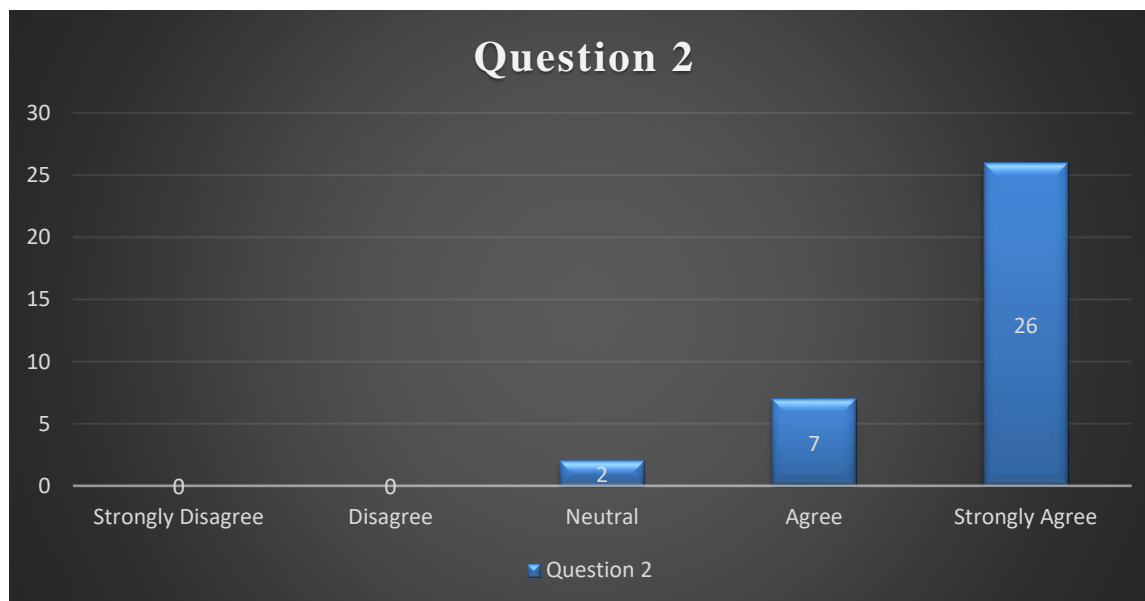


Figure 5: Question: 2

Interpretation: The organization keeps inventory records for equipment. In this analysis 0% of respondents is strongly disagreed, 0% is disagreed, 6% respondents are neutral, 20% respondents are agreed, and 74% respondents are strongly agreed. Approximately, 94 % respondents had acknowledged that the organization keeps inventory records for equipment.

Question: 3

Loan installment is easy or not.

Opinion	Weighted
Strongly Disagree	12
Disagree	9
Neutral	3
Agree	6
Strongly Agree	5

Table 11: Question 3

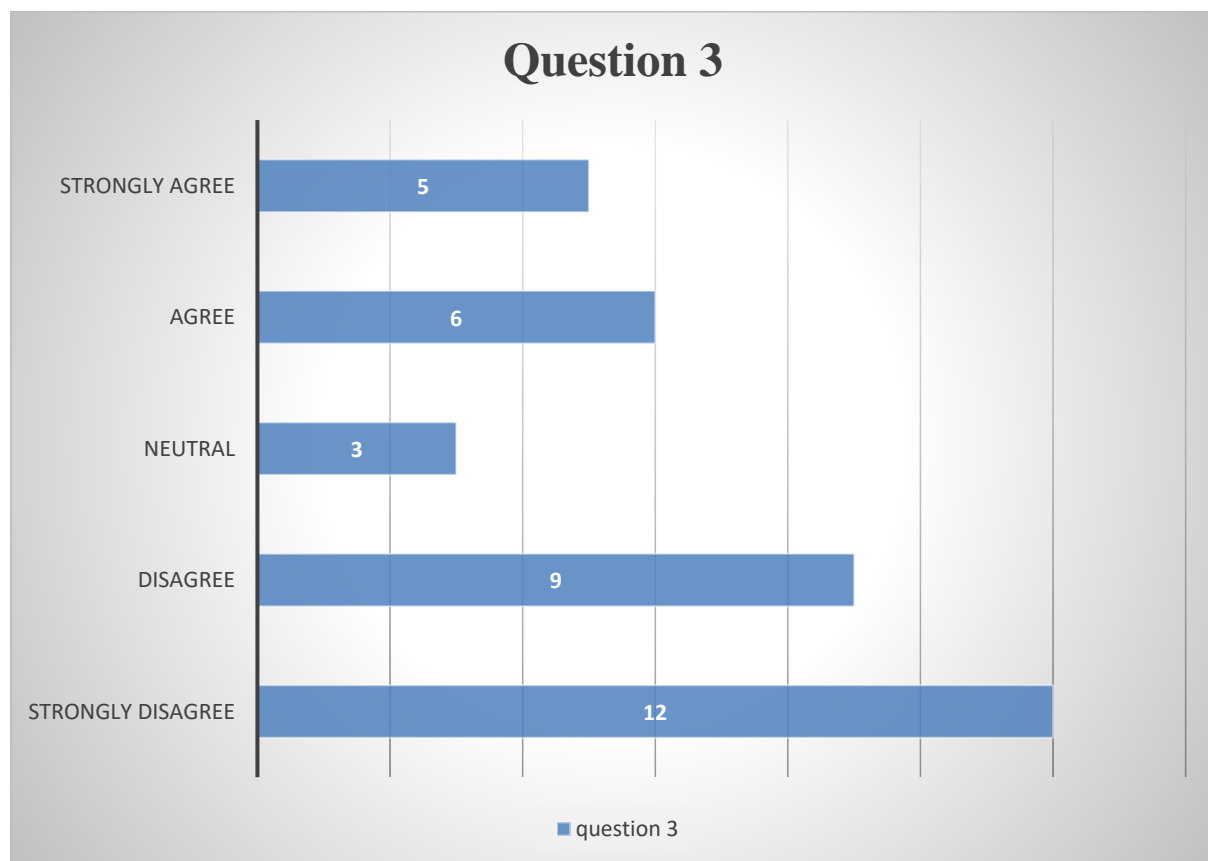


Figure 6: Question: 3

Interpretation: Loan installment is easy or not. In this analysis 34% of respondents is strongly disagreed, 26% is disagreed, 9% respondents are neutral, 17% respondents are agreed, and 14% respondents are strongly agreed. **Approximately, 60 % respondents** had acknowledged that loan installment is not easy.

Question: 4

Bank provides better services to the customers.

Opinion	Weighted
Strongly Disagree	0
Disagree	3
Neutral	8
Agree	11
Strongly Agree	13

Table 12: Question 4

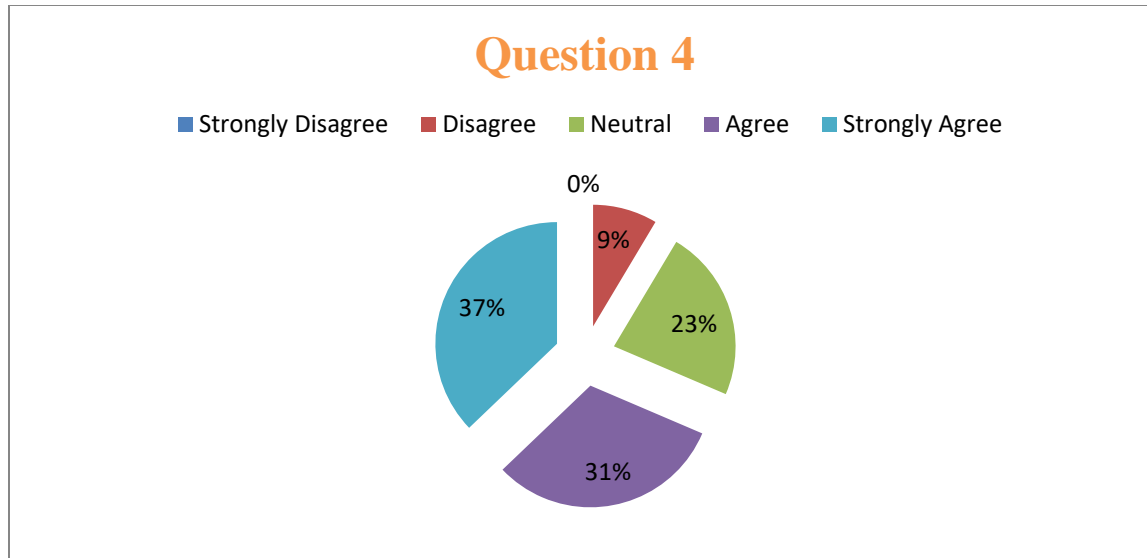


Figure 7: Question 4

Interpretation: Bank provides better services to the customers. In this analysis 0% of respondents is strongly disagreed, 9% is disagreed, 23% respondents are neutral, 31% respondents are agreed, and 37% respondents are strongly agreed. **Approximately, 68 % respondents** had acknowledged that Bank provides better services to the customers.

Question: 5

SME banking procedure is easy that customers get the loan earlier.

Opinion	Weighted
Strongly Disagree	2
Disagree	3
Neutral	7
Agree	8
Strongly Agree	15

Table 13: Question 5

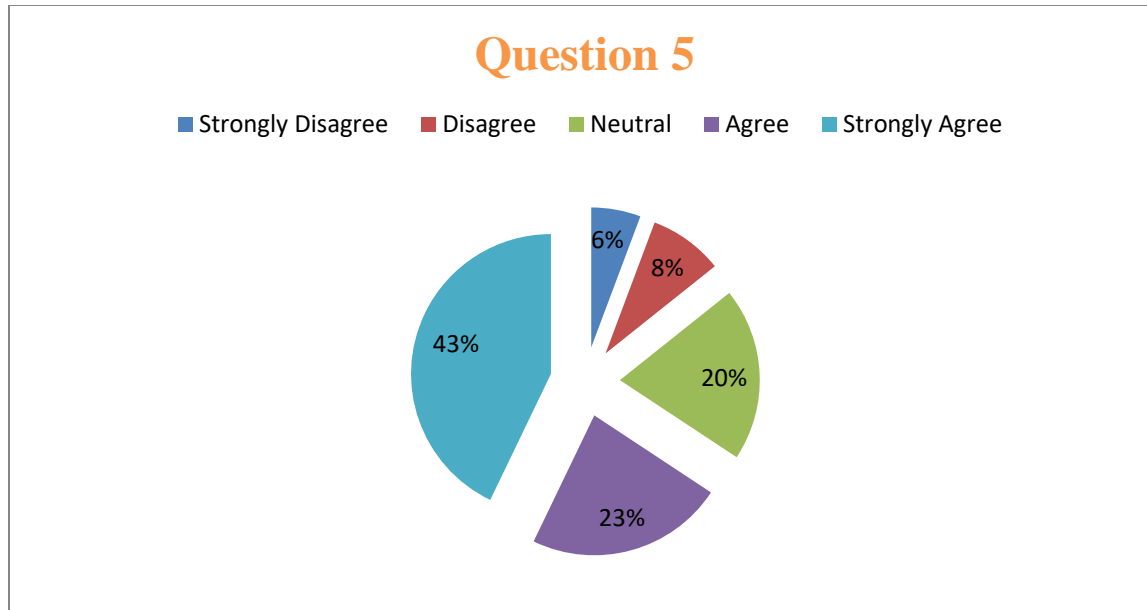


Figure 8: Question 5

Interpretation: SME banking procedure is easy that customers get the loan earlier. In this analysis 6% of respondents is strongly disagreed, 8% is disagreed, 20% respondents are neutral, 23% respondents are agreed, and 43% respondents are strongly agreed. **Approximately, 66 % respondents** had acknowledged that SME banking procedure is easy that customers get the loan earlier.

Question: 6

The organization have its financial statement reviewed by accounting firms or not.

Opinion	Weighted
Strongly Disagree	5
Disagree	6
Neutral	9
Agree	12
Strongly Agree	3

Table 14: Question 6

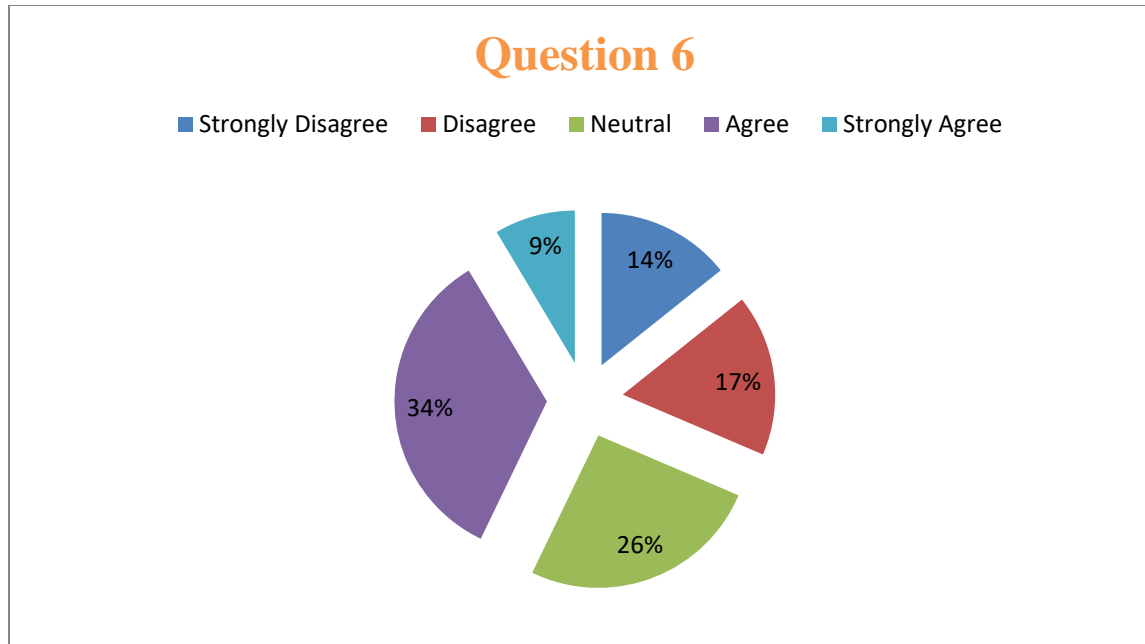


Figure 9: Question 6

Interpretation: The organization have its financial statement reviewed by accounting firms or not. In this analysis 14% of respondents is strongly disagreed, 17% is disagreed, 26% respondents are neutral, 34% respondents are agreed, and 9% respondents are strongly agreed.

Chapter 5

Findings, Recommendations & Conclusion

5.0 Findings:

After researching, I have some findings which are given below:

- Proprietors and administrators require fiscal summaries to settle on significant business choices that influence it's proceeded with tasks.
- You must concentrate more on the SME banking based on the strength and weakness.
- You must provide accurate financial information to the financial firm or auditor.
- To make some suitable decision regarding financial statement of SBL.

5.1 Recommendation:

After doing research, I have some findings. Due to problems of that company I have given some initial solutions to solve the problem immediately. Based on my 12 weak observations in the company, I achieved much practical knowledge. At the time of the company:

- ✦ To concentrate more on the effectiveness of the SME banking.
- ✦ Identify the inventories records for equipment.
- ✦ To change the company strategy for creating the better relationship.
- ✦ The organization has shown the actual profit into the auditor's report.
- ✦ Management should be very careful of maintaining relationship with customer by solving their problems.
- ✦ The financial data from a company reported in a financial statement format by a certified public accountant (CPA); it does not include any analysis of the statement.

5.2 Conclusion:

Banks assume the most significant job in the economy. Banks gather cash from the people and loan them to other people. Presently banks offer the most extensive scope of monetary administrations and perform bunches of money related capacities. In this way banks have demonstrated that they are the key factor for the business and economy also. Sonali Bank Limited is the biggest financial organization in Bangladesh, dynamic in activities, genuine in dealings, just in judgment, reasonable in approaches and committed to top notch administration to clients and in this way add to the development of GDP of the nation all through invigorating exchange and business, boosting up trade, neediness lightening, increasing living expectation of constrained pay gathering and by and large manageable financial advancement in the nation. Bangladesh is in a general sense a rural specific country. A genuine bundle of the number (about 85%) lives in those

provincial locales. Around 75% of the dynamic common number depends on after cultivating specialist likewise as that major sourball of their livelihood. Agribusiness helps over 22% of the GDP. Rural credit should dispense through this present rancher's record for guaranteeing straightforwardness in the rural credit related exercises. Banks will consider 1-2% more enthusiasm than the typical reserve funds rate to this records to build exchanges in these records. The Head office of the concerned bank will set objective to their branch supervisor for keeping usable of these records. Banks may gather un-tapped provincial reserve funds by urging the ranchers to store their cash from crop selling, their sparing sum in these record and make settlement through these records. Right now may keep this gigantic measure of records usable. The bank offices may endorse advance up-to 90% of the store sum at lower loan fee. Bangladesh Bank has made a spinning renegotiate reserve of 200.00 crore taka from its own source to dispense credit to the ranchers in similarly simple terms and conditions so as to facilitate the country financial exercises.

5.3 References:

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Appendix:

This is Sabbir, student of Daffodil International University, ID: 191-14-117, Major: Finance. Dear respondents, the purpose of this survey is to collect data for an internship report which is largely based on the quest to find out the financial statement analysis of Sonali Bank Ltd. It would be a big help for me if you kindly take a moment and go through the questionnaire and answer them according to your own experience. All the information of yours will be kept as highly confidential.

Name:

Gender:

Age:

Designation:

Please Fill-up the Questionnaire

Q 1: Bank provides sufficient amount of loan to the customers.

- ✓ Strongly Disagree
- ✓ Disagree
- ✓ Neither Disagree nor Agree
- ✓ Agree
- ✓ Strongly Agree

Q 2: The organization keeps inventory records for equipment.

- ✓ Strongly Disagree
- ✓ Disagree
- ✓ Neither Disagree nor Agree
- ✓ Agree
- ✓ Strongly Agree

Q 3: Loan installment is easy or not.

- ✓ Strongly Disagree
- ✓ Disagree
- ✓ Neither Disagree nor Agree
- ✓ Agree
- ✓ Strongly Agree

Q 4: Bank provides better services to the customers.

- ✓ Strongly Disagree
- ✓ Disagree
- ✓ Neither Disagree nor Agree
- ✓ Agree
- ✓ Strongly Agree

Q 5: SME banking procedure is easy that customers get the loan earlier.

- ✓ Strongly Disagree
- ✓ Disagree
- ✓ Neither Disagree nor Agree
- ✓ Agree
- ✓ Strongly Agree

Q 6: The organization have its financial statement reviewed by accounting firms or not.

- ✓ Strongly Disagree
- ✓ Disagree
- ✓ Neither Disagree nor Agree
- ✓ Agree
- ✓ Strongly Agree

Thank You for Giving your Valuable Time