

An Internship Report On

Loan performance Analysis Of Grameen Bank .A case study On Mirpur 2 ,Head office Training and development program of Grameen Bank.

**Submitted to the Department of Bachelor of Business Administration
Daffodil International University as the partial fulfillment of the
requirement for the degree of BBA**



Supervised by

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Date of Submission: 04 January 2020

Student's Declaration

I am **Kazi Maruf Hasan**. I has prepared my Internship report on “Loan Performance Analysis of Grameen Bank: A Study” under my Supervisor.

I also declare that this paper is my original work and has prepared for academic purpose which is a part of BBA Other purpose.

Sincerely yours

.....

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Certificate of Supervisor

This is to certify that **Kazi Maruf Hasan, ID NO: 162-11-327**, Program: BBA, 44th, Batch, has been Prepared the Internship report entitled “ Loan performance Analysis Of Grameen Bank .A case study On Mirpur 2 ,Head office Training and development program of grameen Bank” under my Supervision.

I also certify that I have gone through the draft report and it is satisfactory for submission to the Department of Accounting & information Systems for the partial fulfillment of the award of the BBA Degree. I am pleased at his efforts and sincere work.

.....

Mr.Md.Anher Sharif Mollah

Assistant Professor & Supervisor

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Letter of Transmittal

10 July 2018

Mr.Md. Anher sharif Mollah

Department of Bachelor of business Administration
Daffodil international University, Dhaka

Subject: Submission of the Internship Report

Dear Sir,

It is my privilege to let you know that as partial fulfilment of the requirements for the degree of Bachelor of Business Administration (BBA), I have completed my internship report on “**Loan performance Analysis Of Grameen Bank .A case study On Mirpur 2 ,Head office Training and development program of grameen Bank**”. I have to furnish a report based on my practical experience. The report focuses mainly on the Loan Performance Analysis of Grameen Bank.

It was stimulating opportunity and a valuable experience for me to the real business world. I am grateful for providing me such an opportunity.

Hope that you would be very pleased to accept my report and oblige me.

Sincerely yours

.....

Kazi Maruf Hasan

ID NO: 162-11-327

Program: BBA, Batch: 44th

Department of Bachelor of Business Administration,(DIU)

Employer Certificate

This is to certify that this internship report on Loan performance Analysis Of Grameen Bank .A case study On Mirpur 2 ,Head office Training and development program of Grameen Bank, submitted for the award of degree of BBA major in Finance to the Daffodil International University , Dhaka, Bangladesh is a record of bona-fide research carried out by Kazi Maruf Hasan under my supervision. I also certify that I have gone through the draft report and it is satisfactory for submission to the Department of Bachelor of Business Administration for the partial fulfillment of the award of the BBA Degree. I am pleased at his efforts and sincere work.

Supervisor

.....

Golam Zakaria Rahman

Principal Officer

International Program Department

Grameen Bank, Head Office, Mirpur, Dhaka

Acknowledgement

It is a pleasure for me to work on the topic and I feel glad to accomplish my task. There are few people, who really helped me to make this endeavor to be a successful one. First of all, I would like to thanks Almighty and thanks to my honorable Supervisor Mr.Md Anher sharif Mollah, Department of Bachelor of Business Administration, Daffodil International University, Dhaka. His valuable suggestions and ideas in every step of my work helped me a lot to prepare this report.

Then, I am very much grateful to Golam Zakaria Rahman, Principal Officer, Grameen Bank, who also contributed a lot in accomplishing this piece of work to be a successful one.

Lastly, I want to say that without the commitment and support of those persons, this study would never be taken shape. For these reasons I am truly thankful to those people.

Executive Summary

The report is prepared as part of practical orientation of BBA program a description of all activities done by “Loan Performance of Grameen Bank: A Study on Head Office “In this report I have tried to discuss and define all of the major activities related with to Loan Performance of Grameen Bank (GB).This report basically loan performance for Grameen bank ,Mirpur 2 and it evaluation for different perspective.All purpose will findout and evaluate and have to be any condition that all part should identified loan performance of grameen bank. Identifying overall condition for doing Microcredit business with the poor people in village.Grameen bank Basically help to the poor people and how to develop poor people gb that decision take for poor people .Actully Grameen bank create microcredit loan for poor people Because Any people don't give there loan against without collateral.Grameen bank create a lot of service for poor people microcredit loan,insurance,no collateral,and other lot of service .Grameen bank basically make a good decision about education loan because if education loan give to poor people then definitely Bangladesh increase educated people and poor people can not reading for money so Grameen bank is make a good decision. As a conventional bank branch it has a general banking section where the primary task of deposit collection, maintenance of accounts, cash and all local services are done. It performs the job of fund management on behalf of the whole bank. Other main duty of the department is maintenance of the accounts and dealing with the clearinghouse. The loans and advance section is in charge of proper disbursement of the funds to productive as well as profitable ventures. The foreign trade department is in charge of foreign trade financing. The bank work both issuing bank, negotiating bank and reimbursement bank to international trading. Remittance of foreign currencies is another important job of the department. In this age when management requires proper flow of accurate information to run an organization successfully than the banks way of information handling is quite out dated from the view point of sophisticated management information science. Branch and the trends of graphs shows a sign of improvement and expansion of activity in all spears of banking.

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CHAPTER 01

INTRODUCTION

1.1 Introduction:

Microfinance organization of Grameen bank is development bank and makes small loan don,t against collateral . Grameen Bank are promoted to the gram and also gram means rural village under the Bangladesh.Grameen Bank is an invented the micro credit banking system in 1983 in Bangladesh as an effort to strengthen the poor and to help them overcome miserable poverty. Grameen bank most probably introduces of poor man and also development of poor man.This organization create by professor Muhammad Yunus and also contribute to the rural country.Muhammad yunus jointly award of noble peace prize in 2006 and also achive low cost housing program won a world habit awarded in 1998 .

Grameen bank basically owned by poor people and also instruction of different rules. Dr. Yunus thought that the primary obstacle to productive self-employment among the poor was a lack of capital. Program of microcredit it concept by Dr. Yunus it is a broaden financial transection and also financial market have to good contribute. Microcredit programs are focus to raise incomes and broaden financial markets by providing financial services to small-scale entrepreneurs who otherwise lack access to capital markets. Grameen bank basically interest situation is high but exactly it not high and avriation and declining rate it is also lower then other bank

Grameen Bank most probably cost effective but also sure it is cost effective finance organization.Grameen Bank very hardly weapon to fight poverty and it serves as a catalyst in the overall development of socio-economic conditions of the poor who have been kept outside the banking orbit on the ground that they are poor. Grameen bank mostly contribute to the poor people and idea of skill was good about of poor and also instruction there demographic aria . Grameen Bank member are borrow the money and utilize there money and get more benefit. There are several types of loan and services for the borrowers. The bank also accepts deposits, provides other services. Another distinctive feature of the bank's loan program is that the great majority (96%) of its borrowers are women. It was a good decision there have no collateral against loan.

Micro-finance help to the poor people under the grameen bank. Some of the programs have primary social missions, focusing on outreach to women and measuring success in terms

of poverty alleviation. Today the grameen bank operation more than 40 county in the world. Grameen bank was effect to reduce the inflation , and other economic fluctuation and there curriculum Activity there also sum of regular scientific theory revolution.

1.2 Origin of the Report:

This report has been prepared as a compulsory part of the internship program which is an integral part of the BBA program, Department of Bachelor Of Business Administration, Daffodil International University. The organization attachment was started on September 10, 2019 to end on 31 December 2019. This report on “Loan performance of Grameen Bank.” was assigned by academic supervisor Prof. Md.Anher Sharif Mollah, Department of Bachelor of Business Administration, Daffodil International University, Dhaka and organizational supervisor Golam Zakaria Rahman Internship Co-coordinator, International Training and Development Program, Grameen Bank Head Office.

1.3 Purpose of the Study:

The main purpose of the study is to make an overview of Grameen Bank loan performance and their program. Moreover the sister companies activities, the Microcredit system impact and implementation. Main Focus of the loan performance and loan strategy in Grameen Bank. The purpose is also to make recommendations for improving soundness of different services provided to the Grameen Bank Borrower. Grameen how to provide the loan and define there loan and analysis there loan so this my purpose of the study.

1.5 Objective of the study:

Broad objective :

To assess and find out the Grameen bank loan Performance, its generalized system for the poor people and social development of Bangladesh. Grameen Bank running by the trust and also it distribute social aria of loan.

Specific objective:

- Whether the Grameen Bank is loyal to interpret loan system properly, Collection and disbursement policy are reasonable.
- Whether Grameen bank Analysis loan performance for poor people

- Whether Grameen Bank doing loan performance Analysis then judgment its loan system good or bad.
- Whether Grameen Bank also analysis How to use of loan by poor people such like proper utilization judgment .
- Whether Grameen Bank makes Ratio analysis then justify loan performance good or bad.

1.6 Methodology of the study: It running smoothly and accurately and follow good rules regulation of Grameen bank. Organization send to the different aria about field visit and gather good experience of Grameen bank. The study impute were collected from two sources, there are

Primary sources:

- Practical and direct desk work and observation
- Directly communication with officer
- Directly conversation with the member.
- Disbursements process in center room
- Doing work Activity in Aria office
Doing MIS system Activity for development work purpose.
- Branch Office disbursement

Secondary sources:

- Different Purpose orientation program.
- Different publication have Grameen bank and also including process.
- Also provide Annual report
- Have included Grameen Libary
- Have Included Grameen file
- Website

1.7 Limitations of the study:

This repot analysis by based on data and available term paper and also work by Author. But since the knowledge in this field is somewhat limited to the authors, there may have

some shortcomings regarding the findings. I have to collect different data form practical work and different article and different database annual report.

- **Data Insufficiency:** It was Most difficult collect data form different source. Because of some divisional and confidential problem, it could not be possible to get enough information. If there have included all data in organization profile I have no problem collect data it collect was so easily.
- **Lack of Records:** Have some book and publication are not available. These constraints narrowed the scope of accurate analysis. If these limitations were not been there, the report would have been more useful and attractive. Basically it was record depends by different data source of program and different part.
- **Short time Allocation:** This my Intern time was very short this reason semester system.
- **Experience:** It time basically short and experience not highly .

CHAPTER – 02

AN ORGANIZATION PROFILE

Discussion of Grameen Bank:

The history of Grameen Bank can be traced back to 1976 when Professor Muhammad Yunus, Head of the Rural Economics Program at the University of Chittagong, launched an action research project to examine the possibility of designing a credit delivery system to provide banking services targeted at the rural poor.

Muhammad Yunus earned a doctorate in economics from Vanderbilt University in the United States. He was inspired during the Bangladesh famine of 1974 to make a small loan of US\$27 to a group of 42 families as start-up money so that they could make items for sale, without the burdens of high interest under predatory lending. Yunus believed that making such loans available to a larger population could stimulate businesses and reduce the widespread rural poverty in Bangladesh.

Nobel Laureate Muhammad Yunus, the bank's founder Yunus developed the principles of the Grameen Bank (literally, "Bank of the Villages" in Bengali) from his research and experience. He began to expand microcredit as a research project together with the Rural Economics Project at Bangladesh's University of Chittagong to test his method for providing credit and banking services to the rural poor.

2.2. Objectives of Grameen Bank:

The objectives of Grameen Bank are as under:

- Describe and good facility to rural poor without any collateral.
- To reduce of the money lender .
- Make good self-employment and create man power resource of Bangladesh.
- To organize the disadvantaged people into small federation for mutual support and self-sustained socio-economic development.
- Reverse the age-old vicious cycle of poverty through small credit.
- Expand Banking Facility to the poor people men and women.
- Make a good opportunity for self employment and man power resource.

- Learn and share with others.

2.3. Grameen Bank Mission:

Grameen Foundation's mission is to enable the poor, especially the poorest, to create a world without poverty.

- To bring prosperity to our families, and provide by Grameen Bank.
- Repair house and different construction as soon as possible.
- Grameen Bank also grows vegetables all the way around and many surplus there economy.
- Plan of seed it was inspiration
- Educate our children ensure earn enough money for their education.
- Our children create environment clean.
- To build and use pit latrines.
- Extend banking facilities to poor men and women,
- Eliminate the exploitation of the poor by money lenders,
- Create opportunities for self-employment for the vast multitude of unemployed people in rural Bangladesh,
- Reverse the age-old vicious circle of "low income, low saving & low investment", into virtuous circle of "low income, injection of credit, investment, more income, more savings, more investment, more income"

Grameen Bank members' all children are going to school. Grameen Bank members' lower birth rate lower than non-member. Their housing uses sanitary latrines. Their members use sanitary latrines higher than non-member.

2.4. Grameen Bank Vision:

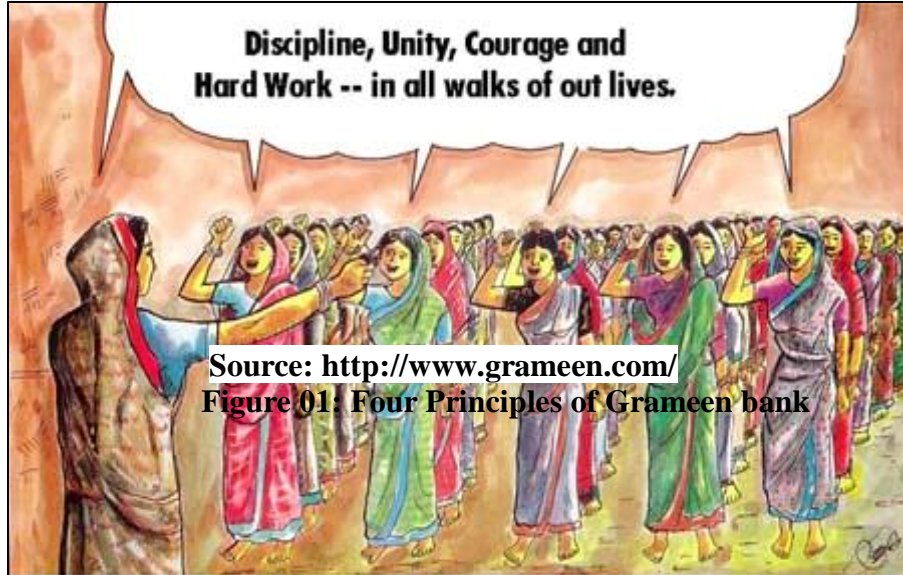
Grameen Bank basically makes for rural poor people, especially the poorest and remove poverty in Bangladesh and also foundation there lot of principle and apply to the poor people.

2.5. Principles of Grameen bank:

There are four Principles of Grameen bank are-

- Discipline
- Unity
- Courage

- Hard work



• **Beggars as Members**

Bangladesh included lot of poor people and included poor people by beggar so GB make different strategy which strategy reduce poverty and eliminating poor people. To capture this elusive group.Grameen Bank provide struggling loan in 2002 . Over 109,000 beggars have joined the programmed. Total amount disbursed stands today at BDT 177.85million (USD 2.26 million). Of this amount of BDT 151.57 million (85% of the amount Disbursed) has already been repaid.GB make good decision for beggar because if poor people will reduce then automatically increased economic situation and fulfill Bangladesh goal and increased good situation.

• **Housing for the Poor**

A shelter over the head, food and clothing are the three most important needs of the mankind. Realizing the importance the shelter,GB make decision make about housing loan program at 1984 . Shelter most important for poor people and grameen bank this time introduced shelter loan to poor people and that time we will most attractiveness and also demographic zone.The ownership of a house infuses people with a sense of pride, security and self-respect that, in turn, provides a steppingstone to achieve economic prosperity and improved social status. The ceiling for a housing loan is BDT 60,000 for construction of a simpleton roof house. The average size of the loan is BDT 13,065 (USD 166) per borrower.

The interest rate is 8 per cent per annum, repayable over a period of five years. During 2016, housing loans amounting to BDT253.92 million (USD 3.23 million) were provided to build 5578 houses. It brings the total number of houses built with the housing loans to 702,730 since inception.

- **Micro-enterprise Loan**

There is no restriction on the loan size. So far 8,716,982 number of micro-enterprise loans had been availed by the members. A total of BDT 304.04 billion (USD 4.05 billion) has been disbursed under this category of loans. Average loan size is BDT 34,879 (USD 443). The maximum size of a single loan taken so far is BDT 4.0 million (USD 52,825) for fish feed, poultry feed, fish cultivation and fish business. Micro credit situation process different part such like grocery shop, pharmacy, dairy, auto-ricksha, transportation and stone business for construction procedure. This programme has initiated a silent revolution in rural Bangladesh by encouraging leadership and entrepreneurial qualities and self-employment opportunities.

- **Scholarships**

GB makes loan for scholarship people each and every year and definitely their children highly perform of education then GB provide scholarship and basically 2018 scholarship children 261,128 and give amount US\$ 6.45.

- **Education Loans**

GB make education loan such like different level education higher education level because lot of money need for read education so GB provide education loan to poor people. Education loan provide 2019 By september and 54300 students. Some student received education loan 920 are studying in BBA and other sector are contribute there loan 494 are studying in other professional institute. Bangladesh is a developing country so basically we have to change our country and need lot of people doing education and more success.

- **Loans paid Off at Death**

When ever member death or death of borrower then automatic off there loan paid. This program create of insurance create by interest granted and savings account create by

deposit. Each time an amount equal to 3 per cent of the loan amount is deposited in this account. This amount is transferred from the Special Savings account. Insurance of savings account is equal more than 3 per cent of the loan amount, the borrower does not need to add any more money in this account. If it is less than 3 per cent of the loan amount, she has to deposit enough money to make it equal. Coverage of the loan insurance program has also been extended to the husbands with additional deposits in the loan insurance deposit account. If Member husband unfortunately died then definitely there loan paid off there bank procedure system. It was excellent procedure there principle for the purpose.

- **Life Insurance**

GB provide life Insurance to there member it was good decision make for GB and there member. GB different year different amount insurance provide to the member it good advantage for member But how many amount provide to member by life insurance define this question no of death among all borrowers 202721 and amount paid 352 .03 USD million taka. Life insurance most important for Member because there only asset there husband and unfortunately there husband death so she faces lot of problem so insurance is most important part there life.

- **Deposits**

GB deposited form different source but only source of poor people it was member .GB received deposit form the other perspective form ever .GB deposit Higher then loan so I will describe this total deposit amount 227407.01 USD million taka. This amount are big and GB not received loan form the other organization.

- **Loan Loss Reserve**

Grameen Bank very rigorous policy on bad debt and it was good experience .on time not paid there loan or not received our loan provide money this type of loan flexible loan and 50% provisioning is done at the first annual closing. Flexible loan 100% provisioning at second year.

- **Telephone-Ladies**

GB provide loan telephone ladies such like loan 1,849,943 boeowers bye mobile phone and telecommunication service in the village.Telephone ladys are more profitable business of our country and that time women income day by day grow .Bangladesh women side are so strong and labour so much strong for fevour and that time we will grow there performance. 16.5 percent telephone ladys uses and there company profitable time.and 4% of the total number of telephone subscribe of the company.

- **Computerized MIS and Accounting System**

Accounting and information management of nearly all the branches (2,568, out of 2,568) has been computerized. Thirty six zones, out of 39, are connected with the head office, and with each other, through intra-net. This has made data transfer and communications very easy.Bangladesh All bank introduced and promote MIS and Accounting information and that time we will grow there performance and computurised and it sector so much like all banking pert.

- **Crossing the poverty line:**Recently internal survey of 64 per cent Grameen borrowers crossed proverty line .Grameen mostly insure this procedure and that time we will observation of the pert. The remaining families are moving steadily towards the poverty line from below.

2.6. Nature of the organization;

Grameen Bank is micro-credit lending organization. It is an independent and separate bank under Bangladesh Bank. Although Grameen Bank authority claims it is not a fully bank or NGO. It is different in characteristics. Actually it is different from other banks and acts like NGO.

2.7. Number of the employees, branches&Centers:

- The Numbers of Grameen Bank members is now 1,384,180. Among them 8,681,779 are female and 297,347 are male

- At the end of September, 2019, there were 2,568 conveniently located branches throughout Bangladesh.
- At the end of September, 2019, there were 1, 39,314 conveniently located centers throughout in Bangladesh.

2.8. General features Loan of Grameen Bank:

The general Features of Grameen bank Micro-credits are:

- a) Human rights is most priority as credit.
- b) This loan provide for the poor people and help to the poor people. Overcome poverty
- c) Most distinctive feature of Grameen credit is that it is not based on any collateral or legally enforceable contracts. It is based on “trust”, not on legal procedures and system.
- d) This loan create self employment and make housing for poor people and gather lot of income.
- e) It was initiated as a challenge to the conventional banking which rejected the poor by classifying them to be “not creditworthy”. As a result it rejected the basic methodology of the conventional banking and created its own methodology.
- f) In order to obtain loans a borrower must join a group of borrowers.
- g) All loans are to be paid back in installments (weekly, or bi-weekly).
- j) Simultaneously more than one loan can be received by a borrower
- k) It comes with both obligatory and voluntary savings programs for the borrower.

2.9. Formation of group and center:

The Grameen bank form a group of five members chosen from five separate households living in the same area and bearing same, Socio-economic and cultural starters, the entitlement of more than one member from the same household in the same group is strictly prohibited. The GB that it considers those individuals who belong to landless or asset less households mentions it only. Who elects a member or the group as the chairman, the GB maintains financial discipline in the group level. The group members undergo a training program for a period of least 7 days. After the completion of the training program, the workers of the GB select the potential groups as well as members for delivering credit.

CHAPTER -03
LOAN PERFORMANCE OF GRAMEEN BANK

3.1. Concept of Loan Performance:

As defined by the Federal Financial Institutions Examination Council, a loan that is less than 90 days past due, has not been placed on nonaccrual, or is not in workout status.

There will be five types of Loan in Grameen Bank Loan operation

- Basic Loan
- Housing Loan
- Struggling (beggars) members Loan
- Higher Education Loan
- 5. Centre House construction Loan

3.2 Loan Activities of Grameen Bank



3.3. Basic Loan:

The duration of Basic loan can be from 3 months to more than three years. The prior approval of Coordination and operation department is needed if it requires making repayment schedule for more than three years.

Every member will have a Loan ceiling. According to method 01 at the every time of taking loan and according to the method 02 at the time of taking loan after full repayment or 45 weeks later loan ceiling will be re fixed under some considerations.

Another Basic loan for special type of investment would be given with current Basic loan. This type of basic loan will be said as Special Investment basic loan. The current loan ceiling will not be applicable for this type of loan.



Source:<http://www.grameen.com/>
Figure 04: Basic loan activates

3.3.1. Conditions to get Basic Loan:

There are some conditions to get basic loan from Grameen Bank such as

- Landless, who possesses less than one acre of land.
- Wealth less.
- Creation of a group comprised of 5 to 9 members from her neighbor.

3.3.2. Process of Loan Application:

If I want to get loan from Grameen bank then create a group 5 to 9 member .And should be neighbor well known to another .First time Grameen bank loan provide group not individual .Now at the time provide loan at individual.Group apply to loan central manager then justify branch manager then pass of their loan

3.4 Micro-enterprise Loans:

Many borrowers have shown dynamisms to new opportunities to move ahead on the road to success in business ventures and have shown promises of success in bigger ventures due to many favorable reasons, such as, proximity to the market, presence of experienced male members in the family etc. Grameen Bank provides larger loans, called micro-enterprise loans, to these fast moving members. There is no restriction on the loan size. So far 6,821,196 members availed of the micro-enterprise loans. A total of USD 3,164.28 million has been disbursed under this category of loans. Amount repaid 2851.84 million. Maximum size of loan and also included minimum size of loan such like maximum size of loan 1.60 (23,206)million and this loan apply dairy firm ,grocery shop ,pharmacy ,dairy farms for transportation and stone business other.



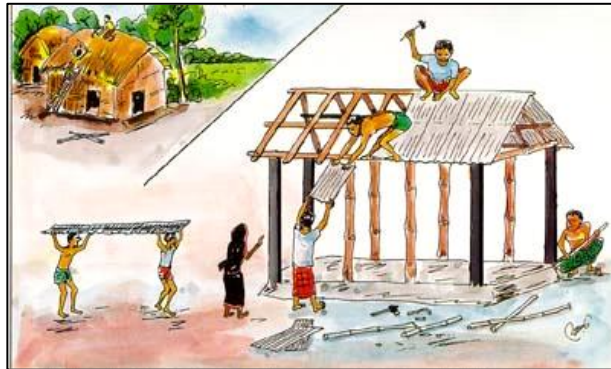
Source:<http://www.grameen.com/>
Figure 05: micro-enterprise loan Activities

3.5 Flexible Loan

There is another type of loan called flexible loan. Flexible loan is simply a rescheduled basic loan, with its own set of separate rules. It is also called as "contract" or "Renegotiated" loan, because the bank, the group, and the borrower have to go through a process of renegotiation to arrive at a new contract with a fresh repayment schedule for a borrower entering into the flexible loan. In flexible loan borrower can get exemption. On from paying installment for a certain period of time until her good time come. Flexible loan reduces the installment size to a tolerable level. Up to August 2015, nearly 5 per cent of the borrowers were on flexible loans.

3.6. Housing Loan:

Introduced in 1984, housing loan has become a very popular program for the borrowers aspiring to build a decent but inexpensive shelter over their heads. Its ownership infuses people with a sense of pride, security and self-respect. The ceiling for a housing loan is BDT 15,000 for construction of a simple tin-roof house. A family would qualify for this loan if the land title is in wife's name. So far, more than 350,000 houses have been built with this loan. The house, designed by a special group of local architects, has many sleek features besides its low cost. These include clever use of indigenous raw material, ventilation, efficient use of space, ability to stand high wind velocity and aesthetic appearance. The engineers and economists of the Bank could not believe themselves when their \$ 300 house was awarded a prestigious Architecture Award by the jury of the Swiss based Aga Khan Foundation. In the glittering world of architecture, this award normally goes to stunning multi-million dollar designs.



Source:<http://www.grameen.com/>

Figure 07: Housing loan Activities

The average size of the loan is BDT 13,081 per borrower. The interest rate is 8%, repayable over a period of 5 years. It brings the total number of houses built with the housing loans to 679,577 since inception.

3.7 Struggling Beggar Loan:

Grameen Bank has taken up a special program in 2002, called Struggling Members Program exclusively for the beggars. This loan is intended for individuals who do not currently have the ability to take a basic loan. Begging is the last resort for survival for a

poor person, unless he/she turns into crime or other forms of illegal activities. Among the beggars there are disabled, blind, and retarded people, as well as old people with ill health.

- Existing rules of Grameen Bank do not apply to beggar members; they make own rules.
- Beggar members are covered under life insurance and loan insurance programmes without incurring any cost.
- Groups and centers are being encouraged to become patrons of this type of members.

As of 3rd December, 2013 cumulative members under this programme reaches at 1, 10,000 out of them 1, 06,436 are women. By this time 2,567 branches of Grameen Bank have implemented the programme. So far BDT 169.99 million has been disbursed and BDT 141.51 million has already been repaid. The struggle members saving balance stood BDT 9.07.

3.8. Higher education loan:

The higher Education Loan Programme was introduced in 1997 for the children of Grameen families so that they can pursue education at the highest level. Since its inception, the programme has distributed 53,645 loans worth BDT 3679.46 million (USD 51.13 million). In 2018 alone, 288 students were sanctioned loans. Khulna zone has the most number of students (4,193) receiving higher education loans, with Jessore zone second (4,163). The DudsarSailkupa branch under Jhenaidah zone has given the highest number of higher education loans (169).

Percentage of number which student takes loan

Degree name	%
MBA	0.34%
BBA	1.55%
B.Sc.(Engineering)	2.20%
M.Sc.(Engineering)	0.27%
B.Sc.(Agriculture)	1.38%
Degree in Medicine	1.58%
Diploma in(Nursing)	0.50%
B.Sc.(Nursing)	0.25%
Master General	6.72%
Bachelor degree (Honor's)	85.20%

Annual report 2017

3.9.1 Loan for higher education:

Main features:

1. This loan is applicable only for GB borrowers' children.
2. The borrower must be regular in all respects.
3. The student will start to repay the loan after one year of completion of the course.
4. The rate of interest of education loan is basically 12% but from the date of completion of the course the borrower will pay 5% service charge. The remaining amount of interest will be paid as subsidy by GrameenKallyan (Welfare) a subsidiary organization of GB.
5. Loan can be taken to study in Bachelor's (Hon's) and Master's and its equivalent course.
6. At best two children of one borrower can take this loan.
7. This loan will not be applicable for any adopted children or any other dependents. Other than own children.

8. Even if the center performance is not satisfactory, the children will get this loan.
Purpose of loan:
9. The loan can be utilized to buy reading materials, apparatus, and equipment and to pay admission fees, tuition fees and cost of food and lodging.

3.9.2. Approved courses:

1. Grameen borrower's children studying or who will take admission in the mowing courses will be eligible for this loan.
2. MBBS course in Govt. Medical College and ED's course in Govt. Dental College.
3. Graduation course in Engineering in Govt. University and College.
4. Graduation (Hon's), Master's BBA and MBA course in Govt. University or College.
5. Graduation & Master's course in Agriculture in Govt. University or College.
6. Graduation course in Marine, Textile and leather technology in Govt. College or Academy.

Degree	Number	Amount(Million BDT)
Masters (General)	3605	172.93
Bachelor degree (Hnours)	45,707	3,120.86
MBA	182	10.39
BBA	831	56.60
B.Sc(Engineering)	1,182	73.58
M.Sc.(Agriculture)	146	7.86
B.Sc.(Agriculture)	739	45.46
Degree in Medicine	850	77.34
Diploma in Nursing	268	80.65
B.Sc. in Nursing	135	33.69
Total	53,645	3,679.46

Report of Amount of disbursement loan in Education 2017

3.9.3 Ineligibility of borrower for getting loan:

A borrower's child will not get this loan if the borrower is irregular in any of the following ways:

- i. Remaining absent without authorization in center meeting for 5 consecutive weeks for last one year.
- ii. Becoming a defaulter.
- iii. Not depositing savings regularly for previous one year.
- iv. Not paying off interest regularly for previous three years.
- v. If the Zonal manager wants to give loan to any irregular borrower's children, he can send proposal to Head Office. The Head Office may approve them case by case if acceptable.

3.9.4 Loan application:

At best two children of a borrower can take loan. The borrower and his/ her Children will jointly apply in a prescribed form along with the following documents.

1. A certificate from the Head of the institute department as a proof of getting chance for admission.
2. A resolution from the center of the borrower.
3. An undertaking by the student.
4. A statement from branch and zone regarding the relationship between applicant and borrower.

3.9.5. Loan Approval:

A five members committee headed by Zonal manager will approve the loan with year wise break up. The Area Manager will re-approve the loan from the year wise allocation on the basis of progress report of study of the student.

3.9.6. Loan money withdrawal:

Though loan is approved in the name of the student, the money will be transferred to current account. The money allocated for paying fees and buying materials and equipment can be taken in one go at the beginning of the year. The student can draw money according to his schedule submitted with application. Area manager will re-approve loan for the next year on the basis of progress report of study every year.

3.9.7. Loan and interest payment:

1. GrameenKallyan will give 12% subsidy up to the completion of the course (publication of result) with effect from disbursement.
2. The student will pay 5% service charge from the date of publish the result. Then Grameen Kallyan will give 7% subsidy. The branch will not pay interest to Grameen Bank Head Office for this amount of loan.
3. The student will inform of probable date of publication of result on the day of receiving the last installment of loan for the convenience of charging 5% service charge from the date of publication of result.
4. The student will start to pay installment after one year of publication of the result. The Branch Manager will decide the amount of monthly installment (loan & service charge) for maximum 5 years in consultation with the student. One can also repay earlier. In the case of arising any problem in repaying loan branch manager will inform the concerned employer organization of the student to recover the loan from him/her.
5. In the case of discontinuation (breakup) of study or dissatisfactory progress report, the loan will be stopped and service charge will be charged from the date of delivering the last installment.
6. If is evidenced to the branch manager that the student stopped study. He can postpone the loan disbursement and will immediately inform the Zonal Manager.
7. A Five members committee will review the education related loan. Grants and program from time to time.

3.10 Top 10 items in order of loan amounts.

Top 10 items in order of loan amountsfor which member took loans

During the year 2017 (January'16 To December'16)

Source: Annual report 2017
 Figure 09: Top 10 Items of Loan

serial	Activity Name	Male No	Male Amount	Serial	Activity Name	Female No	Female Amount
1	Paddy Cultivation	14,993	343,120,099	1	Cow fattening	756,221	26,263,266,015
2	Grocery Shop	8,729	320,624,991	2	Grocery Shop	438,910	19,979,481,524
3	Cow fattening	11,110	274,925,251	3	Milk cow	514,119	10,270,375,922
4	Milk Cow	9,989	269,654,383	4	Paddy Cultivation	475,276	9,240,847,084
5	Agricultural equipment Making	12,778	264,702,605	5	Rice paddy trading	396,209	8,016,557,622
6	Rice paddy Trading	9,604	260,446,953	6	Farming	342,197	7,283,833,643
7	Land lease	8,665	236,822,539	7	Agricultural Equipment's Making	356,321	6,677,519,015
8	Farming	8,867	226,523,393	8	Land Lease	281,147	6,392,719,950
9	Stationary Shop	4,354	205,705,281	9	Stationary Shop	341,853	5,356,765,053
10	Plantation	5,985	137,445,838	10	Plantation	290,318	5,294,181,408

Ratio Analysis :

	Institutional characteristic:	2015	2016	2017
1	Total assets (In million Taka)	220,885	229,361	239,619
	Total assets (In million USD)	2,804	2,920	2,903
2	Number of offices	2,914	2,906	2,893
	Number of employees	21651	21,043	18,185
	Outreach indicators:			
3	Number of branches	2,568	2,568	2,568
4	Number of members (In millions)	8.81	8.90	8.93
5	Number of active borrowers (In millions)	7.18	7.29	7.23
6	Number of active borrowers per branch (year-end)	2,796	2,837	2,814
7	Number of loan officers	12,734	12,279	11,922
8	Percent of women members	96.51%	96.54%	96.65%
9	Average loan balance per borrower (Taka)	13,427	16,230	19,997
	Average loan balance per borrower (USD)	170	207	242
	Loan portfolio			
10	Loans (Principal Amount) disbursed (In million Taka)	149,227	187,533	234,715
	Loans (Principal Amount) disbursed (In million USD)	1,894	2,388	2,843
11	Number of loans disbursed (In millions)	8.18	8.11	9.29
12	Total loan outstanding (gross) (In million Taka)	96,422	118,244	144,505
	Total loan outstanding (gross) (In million USD)	1,224	1,506	1,751
13	Current (Performing) loans (In million Taka)	93,281	116,279	143,002
	Current (Performing) loans (In million USD)	1,184	1,481	1,732
14	Overdue loans (In million Taka)	1,875	651	472
	Overdue loans (In million USD)	23.8	8.29	5.72
15	Portfolio growth rate	10.21%	22.63%	22.21%
	Sustainability/Profitability ratios:			
16	Return on equity (ROE)	0.22%	11.82%	17.09%
17	Operating self-sufficiency (OSS)	100.08%	104.53%	106.92%
18	Financial self-sufficiency (FSS)	95.80%	101.23%	103.42%
	Asset / Liability management ratios:			
19	Yield on gross portfolio (nominal)	19.47%	19.95%	19.94%

20	Cost of funds ratio	8.56%	7.52%	7.50%
	Portfolio Quality:			
21	Portfolio at risk ratio (PAR)	3.26%	1.66%	1.04%
	Efficiency and productivity ratios:			
22	Productivity per loan officer	594	626	640
23	Operating expense ratio	11.00%	12.63%	10.98%
24	Personnel expense / Loan portfolio	8.23%	10.27%	8.88%
25	Cost per borrower (In Taka)	1,423	1,874	1,988
	Cost per borrower (In USD)	18.06	23.86	24.08
26	Portfolio per loan officer (in million Taka)	7.57	9.63	12.12
	Portfolio per loan officer (in million USD)	0.096	0.123	0.147
	Financing structure:			
27	Capital adequacy ratio	8.96%	8.99%	8.92%

Judgment Of Loan Performance by the ratio:

Basically Grameen Bank Loan Disbursement gradually increase such like 2015 is 1,894 USD million and 2016 is 2,388 USD million and 2017 is 2,843 so we can Understand loan receiver r timely loan payment then bank gradually loan disbursement increase.

Number of loan disbursed basically 2015 loan receive 8.18 and 2016 is 8.11 and 2017 9.29 so We can understand about this topic loan receiver people are fluctuate, but loan loan disbursement amount high.

Current loan performance are basically good performance in this bank such like 2015 is 93,281 USD million and 2016 is 116,279 USD million and 2017 is 143,002 so it was gradually increase so current loan are good perform this the bank.

Overdue Loan we can surprise Overdue loan gradually decrease it was a good position of this bank such like 2015 1,875 USD million 2016 is 651USD million 2017 472 USD million so it s good position by the poor people of trust.

Last of all profit Growth rate loan 2015 is 10.21% and 2016 is 22.63% and 2017 is 22.21% it gradually increase.....

Judgment Of loan such like Good or Bad:

First of all measurement of total asset basically I can measure 2008,2009,2010,2011,2012,2013,2014,2015,2016,2017 by compare sequential

CHAPTER -04

PERSONAL EXPERIENCE

Personal Experience

I started my internship at Grameen Bank on 1st April, 2018. On the first day I had to report to the head office of Grameen Bank at Mirpur. Then I had a personal meeting with Mr. Ratan Kumar Nag, head of international program department, along with my supervisor MdZakariaRahman. There I was given the opportunity to see the loan performance of Grameen Bank. For that I had to visit 1 branch office which is situated in rural area. After starting my internship over there I had to stay at head office for first fifteen days. There I learned about total procedure of doing microcredit banking by Grameen Bank by attending different training classes with the higher officials. Unlike other corporate banks or organizations the internship process is also different in Grameen Bank. After joining as an intern first the intern has to join some training classes to know the process of doing microcredit banking and other important programs of GB and then he/she will be sent to the branch offices to see the practical process of doing microcredit banking. I was given the opportunity to evaluate the loan performance of GB.

Internship experience in Grameen Bank may be divided into one part

- Practical Experience

4.1 Practical Experience:

In the second week of internship in Grameen Bank, according to Grameen Bank internship schedule, we started to gather practical experience. We visited to an old branch office of Grameen Bank in Gorai, Mirzapur, Tangail, Dhaka for a day long trip. Grameen Bank's subject matter is village poor people and working place is village. So it will be incomplete if we do not go to village.

Practical experience also can be divided into two parts

- In field

- In Branch office

In field

Practical basically depends on field work. Manikgange and their center office are so much excellent and their members are so many hard workers and that time for the such like workers

are different type basically cultivation field ,shopkeeper, Taylor women, Cow cultivation and lot of working procedure .And there center have lot of rules regulation and there member its follow and recover there situation .And describe there economic feature such like This branch office should maintain 72 center and there member 5037 and center No 15 and village Malotia .There are doing lot of work Agricultural, land reserve ,cow ,vuttra , vegetable and lot of things .Who people loan amount are big 200000 and there income are highly potential .And there savings 12 core and there profit 47 lakh and there non member savings 7 core. Struggling people 72 people ,Big business loan 40% ,specialized investment 1166 people .

CHAPTER 5

FINDING AND ANALYSIS

5.1. Findings:

The findings of the study are given below the welfare of poor people to certain extent.

- We find the interest rates of all loan programs are low from other microfinance institutions even commercial bank. Maximum borrowers are satisfaction about the interest rate of loan program but also said that decrease of interest rate may more helpful for them. The interest rate deposit programs are higher than the other microfinance institution and commercial bank.
- The average loan size is 5000 taka. All members are not satisfaction about the loan size. They need more money to for do their own business.
- One member can want more credit but after that she may not able to repay in timely. So it is risk for borrowers and bank. GB Field Officers supervise the causes of loan and justify that she can able not for the big amount of loan.
- It has been revealed by the study that monitoring and control system of GB has a very strong effect on the ban's steady rate of recovery (97% to 99%). The majority of beneficiaries stated that they repaid loans regularly because of Grameen's systematic monitoring and control mechanism, such as group meetings and weekly field visits.
- Next to monitoring and control system of GB, borrowers expressed that they repaid timely for obtaining new loan.
- We find that some of borrowers are also members of other microfinance institutions because of lent more money. But they fall in trouble of repayment.
- Although the peer pressure of Grameen Bank's credit mechanism, its effect on loan repayment is not very high. Among the borrowers with positive loan repayment habit, only few of borrowers repaid regularly for peer pressure. The borrowers who do not find the GB process complicated are more regular in loan repayment.

- We find that center room is made by borrowers own money and GB provide for loan foe made center room though center room is important part of Grameen Bank. So center room is not GB's asset.
- As for satisfaction with GB services, some remarkable facts were revealed. The study findings lead to the direction that the beneficiaries who are younger, abandoned and divorced, members of large families, less educated, are more in loan repayment, get higher satisfaction from the services of GB.
- Loan repayment behavior of borrowers is not much influence by gender. The effect of age and number of family members, level of education etc, on loan repayment habit is also very nominal.
- As it is expected, borrowers having higher monthly income are more regular in loan repayment. Interestingly the new borrowers, in many cases, are more regular in loan repayment compared to the old ones.
- There are top 25 items in order of loan amounts for which member took loans during the year 2016 like, Milch cow, Paddy husking, Cow fattening, Paddy cultivation, Grocery shop, Bamboo work etc.
- We find few oldest members in a branch. There average age is 55 to 60 but they cannot want to leave Grameen for the benefit of GB services. They want to hold Membership until death.
- We find that educational loan and Baggers loan holder's life are extremely changed.
- We find Grameen Bank as successful microfinance Organization. Employee and member relationship is remarkable. Number of GB members increased steady last 12 year. This indicates expansion of operation.

5.2 Analysis

Grameen Bank has a great impact on the development of villages and particularly the development of women's rights. According to anti-poverty approach "Women are the poorest of the poor". The GB is for them the chance to start a new way. GB has raised the

status of women in their families by giving them ownership of power. There has been a definite power shift in the role of women. The 16 decisions are the replication of Right based approach. Too much extent GB has solved the unemployment dilemma which is curse to our development. These are the major achievements for GB. Overall, in terms of providing alternative solution for low-income rural people's financial needs, GB has a positive impact.

We know, Grameen Bank provides loans in cash to the landless poor, particularly women, to promote self-employment and make them income earners. As the repayment rate is about 97.38 percent, it is indicative of the fact that the borrowers are utilizing the loan for productive purposes. Thus, the bank has generated self-employment opportunities for women members who were either unemployed or underemployed earlier, increasing the labor force participation rate in the area of its operation. It is difficult to estimate the exact income effect of the program as the income of Grameen Bank members or female members cannot always be separately estimated from their household income.

However, the total cumulative amount of savings in the group fund of all the members rose to Tk. 11.9 billion by the end of September 2016. This indicates a strong positive income effect of their loans. The proportion of the population living in moderate poverty was 84 per cent for target-group non-participants in a project village and 80 per cent for the target-group in a control village. But the same figure for Grameen Bank members was 61 per cent in the target village. The percentage of Grameen Bank members living in extreme poverty was 48, while it was about 78 per cent for its control group counterparts. These figures suggest that Grameen Bank has been able to alleviate poverty for its members.

Another important addition to the impact research of different microfinance program has been the development of 10 criteria by Grameen Bank.

The 10 criteria are:

- Respectable housing,
- Pure drinking water,
- Children's education,
- 300 taka weekly installment,
- Possession of a sanitary latrine,

- Clothing,
- scope of supplementary income,
- loan defaults,
- self- sufficiency of food and
- Capability of the members to meet health hazards.

More than 350,000 houses have been built with this loan. The interest on the housing loan (8%) is cross-subsidized from the interest earnings on the 'working capital' loan. In rural area of Bangladesh now, now it difficult to find out without tin made house.

5.3. SWOT Analysis of Grameen Bank

This SWOT Analysis of micro-finance of Grameen Bank provides a strategic SWOT analysis of the company's businesses and loan performance operations. This free SWOT analysis shows strengths, weaknesses, opportunities and threats. This SWOT analysis of Grameen Bank can provide a competitive advantage.

5.3.1 Strength:

- existing huge number of loan distribution and sales networks
- reduced loan distribution costs
- high loan recovery rate
- domestic market
- providing alternative solution for low-income rural people's financial needs
- good owner structure
- financial soundness
- access to the widest rural people
- skilled human resource

5.3.2 Weakness:

- Shortage money supply
- opposition from traditional society

- job dissatisfaction
- loan recovery system
- competitive market
- future cost structure
- complicated loan structure
- different departments are not working together

5.3.3 Opportunities:

- untapped and unbanked rural population
- lack of awareness
- exploration of other services like health, education etc.
- banking consultancy services for the poor
- growing economy
- venture capital
- global markets
- growth rates and profitability
- growing demand

5.3.4 Threats:

- growing competition and lower profitability
- increasing rates of interest
- increasing prevalence of violence against women
- enhanced level of conflict between families due to the group leading strategy of GB
- local money lenders
- external business risks
- increase in labor costs
- tax changes

CHAPTER-06

RECOMMENDATIONS AND CONCLUSION

6.1 Major Finding

My internship in Grameen Bank is learning process from very beginning of starting. I gathered knowledge about micro-credit system and Grameen Bank activities from being an intern. Before internship I have only floating idea about Grameen Bank and its activities. Now I know many things on how micro-credit pioneering organization working in Bangladesh. Assignment from Grameen Bank as intern was to know about whole process of micro credit lending, repayment etc. The major finding of my related topic “To identifying micro –credit activities of Grameen Bank”

- There are several types of loan such as Basic Loan, Housing Loan, Micro-Enterprise Loan, Flexible Loan, Higher Education Loan etc. And which are different from each other. Gold membership 100 percent loan repayment system
- There are several steps in legalize loan such as Customer Application ,Filling Form 8. Collecting 18 number form.
- Most of the respondents of the respondent agreed that flexible loan services is helpful.
- Most of the respondents of the respondent agreed that they can easily take the loan.
- Most of the respondents of the respondent are satisfied because they can easily get their loan within short time

6.2 Recommendation:

There are some recommendations are given below

- Though the interest rate is not higher than conventional bank Grameen Bank should decrease interest rate. Because of bank vision, mission, strategy refers to poverty reduction and social development.

- Repayment system can be modified in different group system such as Beggars member. Should be classify which group of people not able or fall trouble for early repayment. GB should give loan and give them some time as their purposes of loan.
- Borrowers make the Center Room by their own money. GB should made Center Room or at least share the expenses.
- GB staff in the field work really work hard to do their best. I believe that GB need more field stuff to reduce working pressure and need some technological help, this could be even better. This will save time and Center Managers can use that time for their members.
- There were some claims of the members that GB should provide some facilities for their daughter's wedding and should initiate a special loan for this purpose. They also should directly intervene in case of dowry system.

6.3 Conclusion:

Grameen Bank is one of the role model of microfinance institution in the world. Overall, in terms of providing alternative solution for low-income rural people's financial needs, GB has a positive impact. Borrowing from money lenders is a common thing in rural Bangladesh and most of the time people pay the loan back to money lenders with excessive interest, which is very exploitative.

The success of Grameen bank depends on women and also procedure highly challenge for this work together and basically it will improve by good decision make believe .And also thinking political environment cultural and other perspective procedure .This loan are microcredit regulation process and that means all over process will be done and also possible this going to good situation good network and others perspective things . Actually Grameen Bank wants to improve the quality of life of its borrowers and of the community in general by starting commercial enterprises like Grameen Education to promote mass education in rural areas and provide financial support, Grameen Telecom to bring the information revolution to the rural people of Bangladesh and the replication and research activities of Grameen Trust.

Grameen Bank is one of successful microfinance institution of the world. The well functioning organizational structure is suitable for microcredit program. Grameen Bank employee and borrower relationship is remarkable. The flexibility of Grameen Microcredit banking system is key factor of success. Now Grameen Bank has coverage of all districts of Bangladesh successfully.

The Grameen Bank is built only for the poor people which aim is reduce poverty and social development. Bank is going to door of poor people for serve them. 68 percent of borrowers' families of Grameen borrowers have crossed the poverty line and 27% are very close to it. While the Bank might not be able to create a "museum of poverty", there certainly have been improvements to the livelihoods of many.

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APPENDIX:

APPENDIX I:

Product List of Grameen Bank

These product characteristics have been derived from Rutherford, S. et al. (2004).

Product	Description	Terms	Interest rates
Group membership and Kendra	Groups formed of five people (one sex), with revolving chairman. After Grameen Staff recognizes group, borrower is member. 6-10 Groups, meet weekly, in a Kendra (with Chairman). Most bank transaction take place in Kendra.		
Savings			
Personal Savings	Depositing: Should be weekly at Kendra meeting. With loan minimum deposit per week. Obligatory Deposits: Obligatory deposit of 2.5% of loan if loan is taken (except flexi loan). Withdrawing: At any time and any amount. No withdrawal when flexi- or bridge loan.		8.5% Paid annually
Special Savings	Obligatory Deposits: If loan obligatory deposit of 2.5% of loan in Special Account (5% with flexi loan).		8.5% Paid annually

	<p>Withdrawing: First 3 Years blocked. After that may withdraw balance of account each 3 Years (except 2000 taka).</p> <p>Share purchase: May be done with Special Savings Money.</p>	
Other savings products		
Grameen Pension Savings	<p>Eligibility: Obligatory for all borrowers with 8'000 taka and more in loans. Optional for other members.</p> <p>Term: 5 or 10 years</p> <p>Maturity: At maturity can be taken as lump sum or monthly income.</p>	10% for 5 year term, 12% for 10 year term
Fixed deposits	Lump sum deposits attract high interest for members.	8.75-9.5%
Double in 7 years fixed deposit	Double the amount deposited after 7 years.	10%
Monthly Income Scheme	Pays monthly income starting just after the sum is deposited, instead of term-end interest.	10.04% for 5 year term 10.67% for 10 year term
Loan Products		
Basic Loan	<p>Eligibility: Any member older than 1 week. Group and Kendra leaders decide.</p> <p>Security: No collateral. Fellow members agree to help struggling member as good as possible (not obligated).</p> <p>Obligatory savings: 5% of loan in Personal % Special Savings account. If loan > 8'000</p>	20% p.a.

	<p>taka then must open a GPS with monthly deposit of min. 50 taka.</p> <p>First Loan Value: Normally 5'000 taka (for starters).</p> <p>Subsequent loan value: Determined by 1)individual and group repayment / meeting attendance and 2)Savings balances.</p>	
	<p>Term: 3-36 months Loan 'top-up': If loan > 12 months, you may top-up after 6 Months the amount repaid.</p> <p>Repayment: Weekly, amount may vary.</p> <p>Flexi-Loan: Obligatory if borrower can't repay basic loan for ten consecutive weeks or can't make GPSdeposits for four months. No fixed term and schedule for Flexi Loan. Flexi Loan can also be top-up's. After repayment of Flexi Loan, member is eligible for further basic loans. Members with Flexi Loan may not withdraw any savings from any savings accounts.</p>	
Other Loan Products		
Housing Loan	<p>Term: 1-10 years</p> <p>Loan Size: 5'000-25'000 taka. A loan > 25'000 taka can be taken as a Special Investment Loan with 20% p.a.</p> <p>Repayment: Weekly. Prepayments accepted.</p> <p>Disbursement of loan to members against certain priority criteria: need, quality and age of membership, since amount available is limited by Zone.</p>	8% per year

Bridge Loan	<p>Eligibility: If savings exceed 2/3 of total outstanding loan balance.</p> <p>Loan Size: up to the amount where savings balance is 2/3 of outstanding loan.</p> <p>Term: max. 6 months</p> <p>Repayment: any amount at any time.</p>	20% p.a.
Special investment loan	<p>Eligibility: Proof of viable larger enterprise capable of absorbing extra loan capital.</p> <p>Loan Size: higher than basic loan.</p> <p>Terms: Same as basic loan. Need to make higher weekly deposits into personal savings account.</p>	20% p.a
Education loan	Loan for higher education of Grameen members students. Student begins to pay back as soon as starts to earn.	5%
Loan/life insurance savings	<p>Optional insurance coverage for all loans.</p> <p>Premium: 3% of outstanding value of current loan on the last day of the calendar year.</p>	
High-school scholarships	High-school scholarships for clients' children	
Destitute and 'struggling' members	Zero interest rate loans for beggars without any fixed loan terms.	0%

APPENDIX II:

Balance Sheet of GB, December 31, 2017

GRAMEEN BANK

Balance Sheet

As at December 31, 2017

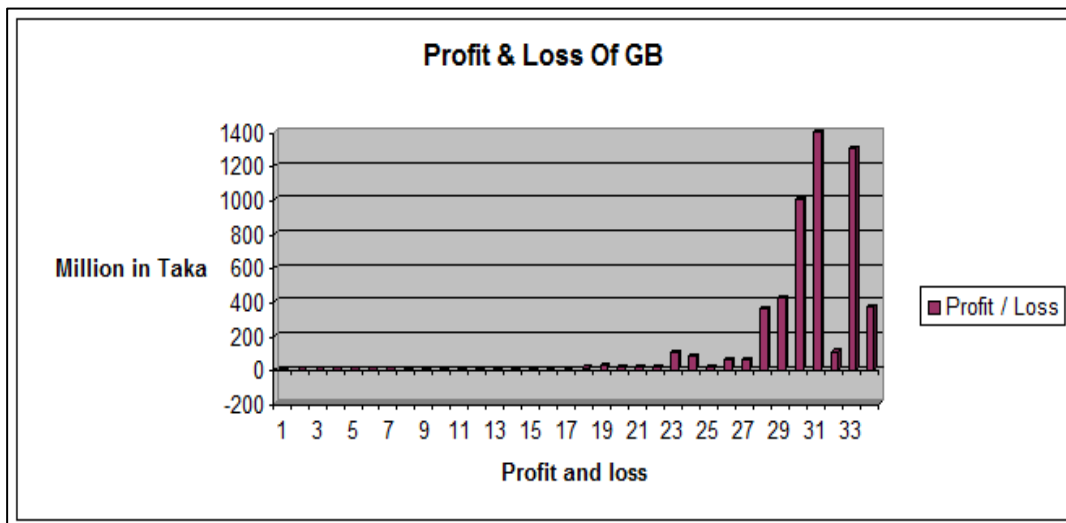
PROPERTY AND ASSETS	Notes	2016Taka	2017Taka
Cash in hand		109,414	161,573
Balance with other Banks		94,102,950,320	77,167,176,622
Investment	4	260,500,000	260,500,000
Loans and Advances	5	123,829,293,751	260,500,000
Fixed assets-(at cost less accumulated depreciation)	6	1,410,924,723	260,500,000
Investment property (at cost less accumulated depreciation)	7	85,630,085	83,375,361
Other assets	8	9,671,496,213	8,645,638,854
Total:		229,360,904,506	239,619,054,400
CAPITAL AND LIABILITIES			
Share Capital: Authorized	9	10,000,000,000	10,000,000,000
Paid Up		853,815,400	862,157,100
Capital and Other Reserves		11,491,761,031	13,426,365,718
Revolving Funds		–	–
Deposits and other funds	10	205,555,302,237	213,844,011,026
Borrowings from banks and foreign institutions	11	1,216,699,451	1,370,217,820
Other Liabilities		10,243,326,387	1,370,217,820

Profit and loss account	12		–	–
Total:	13		229,360,904,506	239,619,054,400
Contingent Liabilities	14		–	–

Comparative Consolidated Statement For The Years 2016& 2017

Sl.	Particulars	2016	2017	Increase/Decrease During 2016
1	Basic Loans			
	Disbursed	1054829.95	1240698.89	185868.94
	Repaid	968927.08	1131421.62	162494.54
2	Flexible Loans			
	Disbursed	30948.92	32234.36	1285.44
	Repaid	23502.66	26339.33	2836.67
3	Housing Loans			
	Disbursed	9108.16	9362.08	253.92
	Repaid	9098.73	9146.64	47.91
4	Other Loans			
	Disbursed	135296.07	135420.59	124.52
	Repaid	132232.33	132564.75	332.42
5	Outstanding			
	Loans	135296.07	16863.11	2800.10
	Interest	132232.33	118243.58	21821.30
	Average Outstanding per Loan(In BDT)		8474.14	(1995.55)
6	Overdue Loans	1874.47	650.89	(1223.58)
7	Overall Repayment percentage	98.47	99.05	0.58

8	Deposits Balance: GB Members	118791.54	128834.29	10042.75
9	Number of Members			
	Female	8499007.00	8593877.00	94870.00
	Male	307772.00	307733.00	(39.00)
10	Number of Loan	6856448.0	7011969.00	155521.00
11	Number of Centers	142573.00	142087.00	(486.00)
12	Number of Villages Covered	81392.00	81395.00	3.00
13	Number of Branches in Operation	2568.00	2568.00	0.00
14	Number of Areas	265.00	256.00	(9.00)
15	Number of Zones	40	40	0
16	Information Management Centers	265.00	256	(9.00)
17	Education Loans Disbursed	3586.63	3679.46	92.63
18	Number of Education borrower	53357.00	53645.00	288.00
19	Number of GB Scholarships	225984	244205	18221
20	Amount of GB Scholarships	391.15	435.07	43.92



1,496 branches, out of total 2,564 branches, received stars (green) for maintaining 100 percent repayment record 20.95 branches received stars (blue) for earning profit. Grameen Bank as a whole earns profit because the total profit of the profit-earning branches exceeds the total loss of the loss-incurring branches 1.903 branches earned stars (violet) by meeting all their financing out of their earned income and deposits. These branches not only carry out their business with their own funds, but also contribute their surpluses to meet the fund requirement of deficit branches.351 branches have applied for stars (brown) for ensuring education for 100% of the children of Grameen families. After the completion of the verification processes their stars will be confirmed. 61 branches have applied for stars (red) indicating branches those have succeeded in taking all its borrowers' families (usually 3,000 families per branch) over the poverty line. The star will be confirmed only after the verification procedure is completed. Each month branches are coming closer to achieving new stars. Grameen staff looks forward to transforming all the branches of Grameen Bank into five star branches.

Area	Color	Branch 2,564) Achievement
100% repayment	Green	1,496
Earning profit	Blue	20,95
More deposit than loan outstanding to the borrowers and from Head Office.	Violet	1,903
100% literacy	Brown	351
100% of borrowers over the poverty line	Red	61