

Internship Report
on
Financial Statement Analysis of Jamuna Bank Limited

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Date of Submission: December 23, 2019

Internship Report

on

Financial Statement Analysis of Jamuna Bank Limited

Submitted to the Department of Business Administration Daffodil International University in Partial Fulfillment of the Requirements for the Award of MBA degree Major in Finance

Under the Supervision of:

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Coordinator MBA Program, Uttara Campus
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Letter of Transmittal

December 23, 2019

Professor Dr. Md. Abul Hossain

Coordinator MBA Program, Uttara Campus

Faculty of Business and Entrepreneurship

Subject: Submission of Internship Report **Financial Statement Analysis of Jamuna Bank Limited**

Dear Sir,

I have prepared my internship report on the topic of **Financial Statement Analysis of Jamuna Bank Limited** under your kind supervision as a requirement of completing the degree of MBA program. I have tried my best to prepare the report in consistence with the optimal standard under your valuable direction.

I made every effort to reveal greater insight in this report. I hope that this will meet the standard of your judgment.

Thanking you for your kind supervision.

Sincerely yours

Ahasan

(Md. Ahasan Habib)

ID No. 181-14-819

Major: Finance

Department of Business Administration

Daffodil International University

Certificate of Supervisor

This is to certify that the work entitled “Financial Statement Analysis of Jamuna Bank Limited” is an original work by, **ID #181-14-819**, Major Finance, Department of Business Administration, Daffodil International University, Uttara Campus, completed her internship report under my supervision and submitted for the partial fulfillment of the requirement for award of Master of Business Administration (MBA) from Daffodil International University (Uttara Campus).



.....
(Professor Dr. Md. Abul Hossain)
Coordinator MBA Program, Uttara Campus
Faculty of Business and Entrepreneurship

Student's Declaration

I do hereby solemnly declare that the work presented in this Internship Report has been carried out by me and has not been previously submitted to any other University/ College/ Organization for an academic certificate/degree.

I, Md. Ahasan Habib, ID:181-14-819, declare that the presented internship report on **“Financial Statement Analysis of Jamuna Bank Limited”** submitted as a course requirement for the award of the degree of Master of Business Administration at Daffodil International University was prepared by me.

The work I have presented does not breach any existing copyright and no portion of this report is copied from any work done earlier for a degree or otherwise.

I further undertake to indemnify the damage arising from breach of the foregoing obligations.

Ahasan

(Md. Ahasan Habib)

ID No. 181-14-819

Major: Finance

Department of Business Administration

Daffodil International University

Acknowledgement

First, I would like to express my gratitude to almighty ALLAH to give me the strength to complete the study within the stipulated time.

I deeply thank to my honorable internship supervisor Professor Dr. Md. Abul Hossain, Faculty of Business and Entrepreneurship and Daffodil International University for assigning me the report and for all his kind support to accomplish it. His valuable suggestions and guidance helped me a lot to prepare the report in a well-organized manner. I would like to thank our whole Department of Business Administration for facilitating me to do internship and preparing this report.

I also wish to thank and give the due respect to my family and friends for their cordial support and help they offered throughout the process of performing the whole report.

Abstract

Financial statement analysis is the process of reviewing and analyzing a company's financial statements to make better economic decisions. These statements include the income statement, balance sheet, statement of cash flows, and statement of retained earnings. Financial statement analysis is required for evaluating risks, performance, financial health, and future prospects of an organization. In this study, the financial statements of Jamuna Bank Limited are analyzed.

The main objectives of report are to find out Financial Statement Analysis of Jamuna Bank Limited. The report discusses about the Financial Statement Analysis of Jamuna Bank Limited. The report is divided into six chapters. First Chapter contains the introductory part of the report which implies introduction, objectives, significance, scope, methodology, limitations.

Second chapter includes the history of Jamuna Bank Limited, mission, vision, strategies, financial highlights, SWOT Analysis of Jamuna Bank Limited etc.

Third chapter consists Theoretical Aspects. Financial performance analysis, Balance sheet, Income statement, Ratio Analysis etc.

Four chapters consists Financial Statement Analysis of Jamuna Bank Limited.

Five chapters consists findings recommendations and conclusion about the report. Jamuna Bank Limited is setting new Lots of new commercial bank has been established in last few years and these banks have made this banking sector very competitive. So, now banks have to organize their operation and do their operations according to the need of the market. Banking sectors no more depends on a traditional method of banking.

Table of Contents

Contents	Page No
Letter of Transmittal	I
Certificate of Supervisor	II
Student's Declaration	III
Acknowledgement	IV
Abstract	V
Chapter One: Introduction of the Study	
1.1 Introduction	1
1.2 Origin of the study	1
1.3 Significance of the study	1
1.4 Objectives of the study	1-2
1.5 Scope of the study	2
1.6 Methodology of the study	2-3
1.7 Limitations of the study	3
Chapter Two: An Overview of Jamuna Bank Limited and SWOT Analysis	
2.1 An Overview of Jamuna Bank Limited	4-5
2.2 Vision of Jamuna Bank Limited	5
2.3 Mission of the Jamuna Bank Limited	5
2.4 The Motto of Jamuna Bank Limited	5
2.5 The Acronym of Jamuna	5
2.6 Corporate Strategies & Objectives	6-7
2.7 Ethical Practices	7
2.8 Five Financial Performance Years at a Glance of Jamuna Bank Limited	8-9
2.9 SWOT Analysis of Jamuna Bank Limited	9-11
Chapter Three: Theoretical Aspects	
3.1 Financial Performance Analysis	12
3.2 Balance Sheet	12
3.3 Income Statement	12
3.4 Ratio Analysis	13
3.5 Horizontal Analysis	13-14
3.6 Vertical Analysis	14-15
3.7 Liquidity Ratio	15-18

Chapter Four: Financial Statement Analysis of Jamuna Bank Limited	
4.1 Ratio and Trend Analysis	19-28
Chapter Five: Findings, Recommendations and Conclusion	
5.1 Findings	29
5.2 Recommendations	30
5.3 Conclusion	31
Bibliography	32
Plagiarism Result 39%	33-36

Introduction

1.1 Introduction

Budget summary investigation is the way toward looking into and dissecting an organization's fiscal summaries to settle on better financial choices. These announcements incorporate the pay articulation, accounting report, proclamation of incomes, and explanation of held profit. Fiscal summary examination is required for assessing dangers, execution, monetary wellbeing, and future possibilities of an association. In this examination, the fiscal reports of Jamuna Bank Restricted are dissected.

1.2 Origin of the study

Ace of Business Organization (MBA) Program requires a three months connection with an association pursued by an examination allocated by the boss of the college. I was connected with of Jamuna Bank Constrained as an interneer. My chief has requested that I make an investigation on budget summary examination of Jamuna Bank Restricted as a major aspect of the satisfaction of MBA degree.

1.3 Significance of the study

It gives most elevated advantages to it are among customers the Organization in Bangladesh. There are hardly any privately owned business give administration to their patient as high as Jamuna Bank Restricted. Jamuna Bank Restricted framework is planning to accomplish the objective.

1.4 Objectives of the study

General Objective:

- i. To analyze the financial statements of Jamuna Bank Limited with the key focus of its overall financial performance

Specific Objectives:

- ii. To know the current financial position of Jamuna Bank Limited

- iii. To know the five years financial performance of Jamuna Bank Limited by calculating and analyzing different types of ratio.
- iv. To know the financial trend of Jamuna Bank Limited focusing the five years financial performance.
- v. To give some recommendations overcoming the above problems.

1.5 Scope of the Study

This investigation depends on my perception and concentrates during my temporary position period in Jamuna Bank Constrained. The prime spotlight was on fiscal report examination of Jamuna Bank Restricted for giving a few ideas about the money related position and budgetary execution of the organization over at any rate five years. The extent of my investigation is restricted to the Jamuna Bank Constrained. Be that as it may, in this examination the fiscal reports of Jamuna Bank Constrained are broke down from various perspective including proportion investigation. This repost may help those individuals who need to think about the budgetary presentation of Jamuna Bank Constrained.

1.6 Methodology of the Study

The sort of techniques utilized in this report is essentially of a clear sort. Both essential and auxiliary information examination were chosen as the fundamental research technique.

1.6.1 Primary Data Collection

- 1) The essential information has been gathered from:
- 2) Interviewing the key people of the organization.
- 3) Face to confront discussion with officials and staffs;
- 4) Related documents, books study gave by the officials concerned;
- 5) Sharing functional information on authorities.

1.6.2 Secondary Data Collection

Certain information for this report has been removed from auxiliary sources, since the elucidating idea of the examination to set up this report calls for existing certainties and data arrangement.

The sites utilized if there should be an occurrence of information assortments are referenced in Reference.

1.7 Limitations of the Study

I put forth a valiant effort and there has no deficiency of earnestness on my part to make the investigation. Be that as it may, there are a few restrictions which I have confronted while arriving at the goals of this examination, since it is extremely hard to dissect the fiscal summaries more than five years of an organization. A portion of these following restrictions are obvious in this examination:

1. The time farthest point of the temporary position is just 3 months which is exceptionally brief timeframe to find out about entire companying exercises.
2. As last budget reports are set up in head office, it gets hard to comprehend the components of the announcements from branch office.
3. When I have arranged the ordered fiscal report from unclassified one then I confronted issue to substitution of the things of the announcement, on the grounds that the length of all things are not appropriately referenced.
4. There were absence of appropriate optional data about Jamuna Bank Constrained and its items. Yearly examinations, arrangement rules, site and other related archives don't cover full and adequate data.
5. As the organization authorities are so a lot of occupied that it was hard for them to co-work with me, which is additionally an imperative for this investigation are mentioned to think about these constraints while perusing and advocating any piece of my examination.

An Overview of Jamuna Bank Limited

2.1 An Overview of Jamuna Bank Limited

Jamuna Bank Restricted (JBL) is a Financial Organization enlisted under the Organizations Demonstration, 1994 of Bangladesh with its Administrative center presently at Motijhil, Dilkusha C/A, Dhaka-1000, Bangladesh. The Bank began its activity from third June 2001. Jamuna Bank Restricted (JBL) gives business banking administrations in the Bangladesh.

Throughout the most recent four years the bank is effectively working its business so as to provide food the financial need of quickly developing clients. Jamuna Bank Restricted (JBL) has been expanding its administration inclusion through presenting branches at various deliberately significant regions of the nation. Jamuna Bank Restricted (JBL) is the activity of some neighborhood business people having presentation in readymade pieces of clothing (RMG), cowhide divisions, Land and so forth. In the course of the most recent four years the bank has been effectively working and giving administrations to a gradual number of customer base. The bank essentially participates in corporate banking, exchange money, venture fund, retail banking, little financial undertaking account, shopper fund, and syndication. Its scope of administration offering incorporate money the board administrations, treasury administrations, resource the board administrations Society for overall between bank budgetary media transmission (Quick) for outside exchange.

Being a third era Bank of Bangladesh, it centers around

- Remaining with time
- Managing change
- Developing human capital
- Creating genuine client's worth

The activity hour of the Bank is 10:00 A.M. To 6:00 P.M. from Sunday to Thursday with exchange hour from 10:00 A.M. to 4:00 P.M. The Bank stays shut on Friday, Saturday and government occasions However All Promotion Branch Open on Saturday.

Solid capital base, Vehicle as on 31.12.2013 was 1 1.27%,Paid up capital Tk. 3648.40 Million, All out capital Tk. 7552.79 Million, Level I capital Tk 6214.34 Million, Level II capital Tk 1338.45 Million. The Bank embraces a wide range of banking exchanges to help the advancement of exchange and business of the nation JBL's administrations are additionally accessible for the business visionaries to set up new pursuits and BMRE of modern units.

2.2 Vision of Jamuna Bank Limited

"To turn into a main financial establishment and to assume a noteworthy job in the improvement of the nation"

2.3 Mission of the Jamuna Bank Limited

The bank is submitted for fulfilling various needs of its clients through a variety of items at an aggressive cost by utilizing fitting innovation and giving opportune assistance so a supportable development, sensible return, and commitment to the advancement of the nation can be guaranteed with a propelled and expert work-power.

2.4 The Motto of Jamuna Bank Limited

"Your accomplice for development"

The adage of Jamuna Bank Restricted mirrors the unyielding responsibility and conviction of the bank to guarantee reasonable development and progression of our clients.

2.5 The Acronym of Jamuna

J = Happy Banking

A = Affable Help

M = Eminent Assistance

U = Novel items

N = Various Advantages

A = Calculable Development

2.6 Corporate Strategies & Objectives

2.6.1 Strategies for Jamuna Bank Ltd

- To oversee and work the Bank in the most proficient way to upgrade money related execution and to control cost of reserve
- To take a stab at consumer loyalty through quality control and conveyance of convenient administrations.
- To distinguish clients' credit and other financial needs and screen their recognition towards our exhibition in meeting those prerequisites.
- To survey and update arrangements, methodology and practices to upgrade the capacity to stretch out better help to clients.
- To prepare and build up all representatives and give them sufficient assets so client needs can be sensibly tended to.
- To advance authoritative viability by transparently conveying organization plans, strategies, practices and systems to workers in a convenient manner.
- To develop a workplace that encourages positive inspiration for improved execution.
- To expand portfolio both in the retail and discount advertise.
- To increment direct contact with clients so as to develop a closer connection between the bank and its clients.

2.6.2 Objectives for Jamuna Bank Limited

- To procure and look after 'CAMEL' Rating 'Solid'
- To set up relationship banking and improve administration quality through advancement of Key Promoting Plans.
- To remain Jamuna of the best banks in Bangladesh regarding productivity and resources quality.

- To remain Jamuna of the best banks in Bangladesh as far as gainfulness and resources quality.
- To present completely robotized frameworks through reconciliation of data innovation.
- To guarantee a satisfactory pace of degree of profitability.
- To keep hazard position at an adequate range (counting any wobbly sheet chance).
- To keep up satisfactory liquidity to meet developing commitments and responsibilities.
- To keep up a solid development of business with wanted picture.
- To keep up satisfactory control frameworks and straightforwardness in strategies.
- To create and hold a quality work-power through a viable HR The executives Framework.
- To guarantee ideal usage of every single accessible asset.
- To seek after a powerful arrangement of the board by guaranteeing consistence to moral standards, straightforwardness and responsibility at all levels.

2.7 Ethical Practices

- We carefully agree to all principles and guidelines.
- We give reasonable treatment to all partners.
- We keep up severe mystery of client's records.
- We tune in to our clients and work for their prerequisite.
- We give satisfactory divulgence of corporate Data and activity result to investors for taking appropriate speculation choice.
- We guarantee work under profoundly energetic cooperation and association bond.
- We don't empower ventures which are not condition agreeable.
- We stretch out money related help to vulnerable and upset individuals just as give gift/sponsorships to sports, culture, and hearth-care and network create

2.8 Financial Performance of Last Five Years at a Glance of JBL

SL No	Particulars	2014	2015	2016	2017	2018
1	Total Assets	51503.03	68446.46	86213.37	113070.98	129874.42
2	Total Liabilities	47460.5	63457.26	79496.16	100596.13	115390.20
3	Deposits	41546.57	57586.99	73835.46	94949.40	107881.21
4	Investment (General)	40195.24	53637.68	68609.91	93296.65	99699.63
5	Investment(Shares & Securities)	2457.72	2894.02	2189.54	6012.86	6734.03
6	Total Contingent Liabilities	22632.65	26070.57	30109.11	55098.36	54929.92
7	Total Risk Weighted Assets	40706.47	53428.99	69058.87	142057.50	148053.70
8	Total Fixed Assets	200.7	293.53	381.98	463074	467.89
9	Total Income	6407.96	8356.82	10383.62	13723.95	15801.88
10	Total Expenditure	4499.76	5838.43	7201.84	7830.16	11846.06
11	Profit Before Provision & Tax	1908.2	2518.39	3181.78	5893.79	3955.82
12	Profit Before Tax	1618.8	1989.55	2802.12	5308.95	3475.06
13	Net Profit After Provision & Tax	930.84	1096.63	1694.1	3476.01	2009.37
14	Foreign Exchange Business	117900.14	156434.57	162604.61	227966.60	254407.47
	a) Import Business	61399.4	78540.49	83911.51	129570.73	128445.77
	b) Export Business	55790.42	76465.62	76240.77	95359.49	122217.34
	c) Remittance	710.32	1428.46	2452.33	3036.42	3744.36
15	No. of Foreign Correspondent	256	278	333	354	336
16	Profit Earning assets	42357.65	56192.52	69006.56	97501.97	109707.5
17	Non Profit Earning assets	9145.38	12253.94	17206.81	15569.01	20166.92
18	Investment as a % of total Deposit	96.76%	93.14%	92.92%	98.26%	92.42%

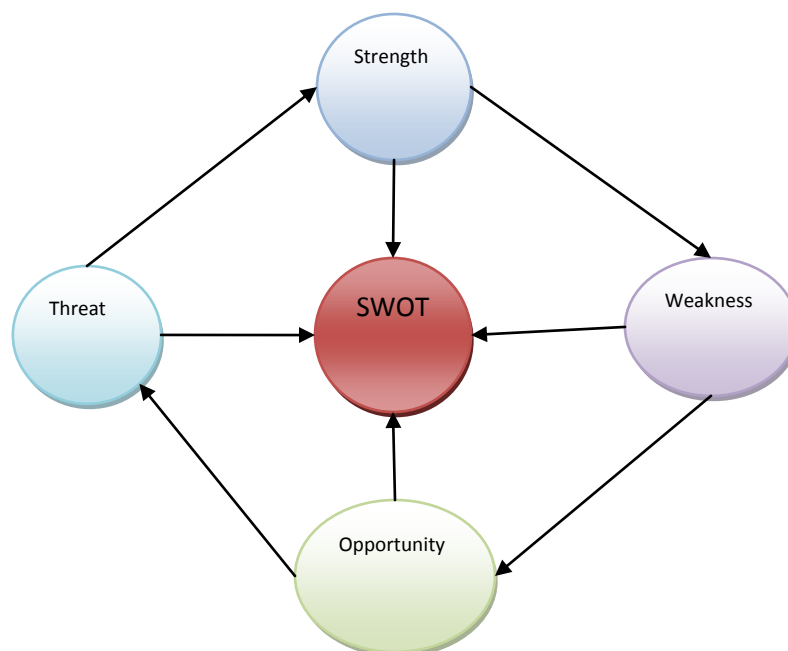
19	Capital Adequacy Ratio	11.23%	10.79%	11.18%	9.80%	10.88%
20	Dividend	32	26	35	35	14
	a) Cash (%)	7	0	0	0	0

	b) Bonus (%)	25	26	35	35	14(proposed)
	c) Rights Share				1R:2	
21	Cost of Fund	9.07%	9.52%	9.09%	7.10%	9.15%
22	Net Asset Value Per Share	188.71	186.32	199.09	18.26	15.70
23	Earnings per Share(EPS)	34.76	40.95	50.21	5.35	2.18
24	Price Earning Ratio (times)	9.02	7.85	7.52	11.34	12.76
25	Return on Assets (ROA) after Tax	2.00%	1.83%	2.19%	3.54%	1.65%
26	No. of Shareholders	23284	24387	29302	99882	126681
27	No. of Employees	1104	1312	1440	1686	1724
28	No. of Branches	35	42	52	59	62

2.9 SWOT Analysis

- ✓ Strength
- ✓ Weakness
- ✓ Opportunities
- ✓ Threats

The SWOT examination for Jamuna Bank Restricted can be portrayed as pursues:



2.9.1 Strengths

- The Organization has capable supervisory crew. The general work power of the organization is considered as secret weapons for the association. JBL work force are roused, able, enthusiastic and innovative. The bank gives most extreme help as far as both specialized and moral.
- JBL has differing item portfolio for clients which made them top notch in Banking Money related Industry.
- At JBL basic leadership is free streaming and straightforward. Each appraiser is given example chance to practice his/her innovativeness in pleasing a client. Approvers are open for any discourse and assent is to a great extent dependent on proposal of the appraisers.
- JBL is well-rumored bank and has built up a brand picture that is perceived by the clients. JBL is a global joint-adventure organization and its investors have long records of maintainability and dependability in their separate fields. JBL is one of the regarded names in banking segment of Bangladesh. Since 2001, JBL has denoted its adventure through presentation of different inventive items and hence addressing the necessities of enormous corporate customers.

2.9.2 Weakness

- JBL as some other financial organizations have significant expense of store in contrast with banks. As banking organizations can take store for short of what one year from any people as banks can do, the store base of JBL isn't sufficiently able to decrease the normal expense of reserve.
- Too much broadening of item and administrations offering hamper the emphasis on the center administrations of the association.
- The bank neglected to give a solid quality-enlistment approach in the lower and some mid level position.
- Amongst the shortcoming of this bank is the inaccessibility of ATM.
- This is a shortcoming of JBL that it is having a gathering of unsatisfied worker
- Now the bank isn't completely online based

2.9.3 Opportunities

- One of the significant purposes behind flourishing of renting organization in Bangladesh is Non-banking foundations wastefulness of giving undertaking plan. This wonder still continues.
- They supported both neighborhood and remote clients to open any sort of records.
- In request to decrease the business chance, JBL needs to grow their business portfolio.
- A huge number of private banks are coming into the market in the ongoing time. In this focused condition JBL must grow its product offering to improve its maintainable upper hand. In the product offering, they can acquaint the ATM with contend with the neighborhood and the remote bank. They can present charge card framework for their potential clients.
- In expansion to those things, JBL can present unique corporate plan for the corporate clients or officials who have a salary level higher from the administration holder. Simultaneously, they can present plan for different help holders. What's more, the plan ought to be discrete as per the callings, for example, engineers, legal counselors, specialists and so forth.

2.9.4 Threats

- In ongoing occasions non banking foundations like IDLC, DBH and so forth are additionally going into renting business which is commonly considered as elements of Banking Organizations.
- The legitimate system of Bangladesh is moderately frail. Absence of powerful abandonment laws and manual land recording framework makes plausibility of fraud and debates.
- In the Administrative center of JBL have well working appropriation framework yet different branches working framework isn't so a lot of well. They have lacking of the working framework in the distinctive exchange.
- Another undermine is the facilitated commerce understanding.
- The low remuneration bundles of the workers from mid level to bring down level to situate dangers the representative inspiration. Subsequently great quality representatives leave the association all in all.

An Overview of Jamuna Bank Limited

3.1 Financial Performance Analysis

Money related execution examination of an organization is essential to get a general view about an association. It for the most part comprises of translation of monetary record and elucidation of pay explanation. By utilizing these two sources one can play out the proportion examination and pattern investigation which are the significant devices for breaking down the money related execution of an organization.

3.2 Balance Sheet

In monetary bookkeeping, an asset report or articulation of money related position is an outline of the budgetary adjusts of a sole ownership, a business organization or an organization. Resources, liabilities and proprietorship value are recorded starting at a particular date, for example, the finish of its monetary year. A monetary record is regularly depicted as a "preview of an organization's budgetary condition". Of the four fundamental budget summaries, the asset report is the main articulation which applies to a solitary point in time of a business' schedule year. A standard organization monetary record has three sections: resources, liabilities and proprietorship value.

3.3 Income Statement

Salary explanation additionally alluded as benefit and shortfall proclamation, profit articulation, working proclamation or explanation of tasks is an organization's fiscal report that demonstrates how the income is changed into the total compensation. It shows the incomes perceived for a particular period, and the expense and costs charged against these incomes, including benefits (e.g., deterioration and amortization of different resources) and duties. The reason for the pay proclamation is to show administrators and financial specialists whether the organization profited during the period being considered.

3.4 Ratio Analysis

Proportion is a technique for deciphering the fiscal summary of an organization. The reason for proportion examination is distinguishing the danger of business firm and the budget report of a business firm, execution assessment, look at salary investigation.

3.4.1 Groups of Financial Ratios

Money related proportions can be partitioned into four essential gatherings or classes:

- i. Liquidity proportions
- ii. Activity proportions
- iii. Debt proportions and
- iv. Profitability proportions

Liquidity, movement, and obligation proportions basically measure hazard, benefit proportions measure return. In the close to term, the significant classifications are liquidity, action, and benefit, in light of the fact that these give the data that is basic to the short-run activity of the firm. Obligation proportions are valuable basically when the examiner is certain that the firm will effectively climate the short run.

3.5 Horizontal Analysis

Level investigation is the correlation of recorded money related data over a progression of considering periods, or of the proportions got from this monetary data. The purpose is to check whether any numbers are abnormally high or low in contrast with the data for sectioning periods, which may then trigger a nitty gritty examination of the explanation behind the distinction. The examination is most normally a straightforward gathering of data that is arranged by period, yet the numbers in each succeeding period can likewise be communicated as a level of the sum in the benchmark year, with the standard sum being recorded as 100%.

3.5.1 Horizontal Analysis of the Income Statement

Flat investigation of the pay proclamation is as a rule in a two-year group, for example, the one demonstrated as follows, with a change likewise indicated that expresses the distinction between the two years for each detail. An elective organization is to just include the same number of years as will fit on the page, without demonstrating a difference, so you can see general changes by account over numerous years.

3.5.2 Horizontal Analysis of the Balance Sheet

Level examination of the monetary record is likewise for the most part in a two-year group, for example, the one demonstrated as follows, with a change indicating the distinction between the two years for each detail. An elective configuration is to include the same number of years as will fit on the page, without demonstrating a difference, so you can see general changes by account over different years. A less-utilized arrangement is to remember a vertical examination of every year for the investigation, with the goal that every year shows each detail as a level of the absolute resources in that year.

3.6 Vertical Analysis

Vertical investigation is the corresponding examination of a budget summary, where each detail on a fiscal summary is recorded as a level of another thing. Normally, this implies each detail on a salary explanation is expressed as a level of gross deals, while each detail on an accounting report is expressed as a level of absolute resources. The most widely recognized utilization of vertical examination is inside a budget summary for a solitary timespan, with the goal that one can see the overall extents of record adjusts. Vertical examination is additionally valuable for course of events investigation, to see relative changes in accounts after some time, for example, on a similar premise over a five-year duration. For instance, if the expense of products sold has a background marked by being 40% of offers in every one of the previous four years, at that point another level of 48% would be a reason to get excited.

3.6.1 Vertical Analysis of the Income Statement

The most well-known utilization of vertical investigation in a salary explanation is to show the different cost details as a level of offers, however it can likewise be utilized to show the level of various income details that make up all out deals.

3.6.2 Vertical Analysis of the Balance Sheet

The focal issue while making a vertical investigation of an asset report is the thing that to use as the denominator in the rate count. The typical denominator is the benefit complete, however one can likewise utilize the aggregate of all liabilities while ascertaining all obligation detail rates, and the aggregate of all value accounts while figuring all value detail rates. A case of vertical examination for a monetary record is appeared in the extreme right segment of the accompanying consolidated asset report. The data gave by this accounting report group is valuable for taking note of changes in an organization's interest in working capital and fixed resources after some time, which may demonstrate a modified plan of action that requires an alternate measure of progressing financing.

3.7.A Current Ratio

The liquidity of a business firm is estimated by its capacity to fulfill its transient ridiculously due. Liquidity alludes to the dissolvability of the company's general money related position. The three essential proportions of liquidity are-

3.7.B Quick Ratio

One of the most broad and much of the time utilized of these liquidity proportions is the present proportion. Associations utilize current proportion to quantify the company's capacity to meet transient commitments. It demonstrates the organization's capacity to cover its present liabilities with its present resources.

$$\text{Current Proportion} = \text{Current Resource} / \text{Current Liabilities}$$

3.7.C Net Working Capital

The brisk proportion is a substantially more demanding measure than current proportion. This proportion demonstrates an association's capacity to meet current liabilities with its most fluid resources.

$$\text{Speedy Ratio} = \frac{\text{Total Current Resource} - \text{Stock/Complete Current Liabilities}}{\text{Total Current Resource}}$$

3.7.1 Activity Ratio

Net Working Capital, despite the fact that not really a proportion is a typical proportion of an association's general liquidity. A proportion of liquidity is determined by subtracting all out current liabilities from absolute current resources.

$$\text{Net Working Capital} = \text{Total Current Resources} - \text{Absolute Current Liabilities}$$

3.7.1.A Total Asset Turnover

Action proportions measure the speed with which records are changed over into deal or money. With respect to current records proportions of liquidity are commonly deficient in light of the fact that distinctions in the arrangement of a company's present records can fundamentally influences its actual liquidity. Various proportions are accessible for estimating the movement of the significant current records which incorporates stock, debt claims, and record payable. The action (proficiency of use) of absolute resources can likewise be surveyed.

3.7.1 B Investment to Deposit Ratio

The all out resource turnover shows the productivity with which the firm can utilize every one of its advantages for create deals.

$$\text{Complete Resource Turnover} = \frac{\text{Deals}}{\text{All out Resource}}$$

3.7.2 Debt Ratio

Venture to Store Proportion shows the working productivity of a specific Organization in advancing its speculation item by estimating the level of the all out store dispensed by the Organization as long and advance or as speculation. The proportion is determined as pursues:

Venture to Store Proportion = Absolute Speculations/All out Stores

3.7.2.A Debt Ratio

The obligation position of that demonstrates the measure of others' cash being utilized in endeavoring to create benefits. When all is said in done, the more obligation a firm uses in connection to its all out resources, the more noteworthy its monetary influence, a term use to portray the amplification of hazard and return presented using fixed-cost financing, for example, obligation and favored stock.

3.7.2.B Equity Capital Ratio

The obligation proportion gauges the extent of complete resources gave by the company's loan bosses.

Obligation Proportion = All out Liabilities/Complete Resources

3.7.2.C Time Interest Earned Ratio

The proportion shows the situation of the Organization's proprietor's value by estimating the part of all out resource financed by the investors contributed assets and it is determined as pursues:

Value Capital Proportion = Absolute Investor's Value/All out Resources

3.7.3 Profitability Ratio

This proportion quantifies the capacity to meet legally binding interest installment that implies how much the organization ready to pay enthusiasm from their pay.

Time Premium Earned Ratio=EBIT/Premium Cost

3.7.3.A Operating Profit Margin

These measures assess the organization's income regarding a given degree of offers, a specific degree of benefits, the proprietor's speculation, or offer worth. Without benefits, a firm couldn't draw in outside capital. In addition, present proprietors and leasers would get worried about the organization's future and endeavor to recoup their assets. Proprietors, loan bosses, and The executives give close consideration to boosting benefits because of the extraordinary significance set on profit in the commercial center.

3.7.3.B Net profit Margin

The Working Net revenue speaks to what are frequently called the unadulterated benefits earned on every deal dollar. A high working overall revenue is liked. The working overall revenue is determined as pursues:

$$\text{Working Net revenue} = \text{Working Benefit/Deals}$$

3.7.3.C Return on Equity (ROE)

The net revenue gauges the level of every deal dollar staying after all costs, including charges, have deducted. The higher the net revenue is better. The net overall revenue is determined as pursues:

$$\text{Net overall revenue} = \text{Net benefit after Charges/Deals}$$

3.7.3.D Price/ Earnings ratio (PE ratio)

The Arrival on Value (ROE) quantifies the arrival earned on the proprietors (both liked and regular investors) venture. By and large, the higher this arrival, the happier the proprietors.

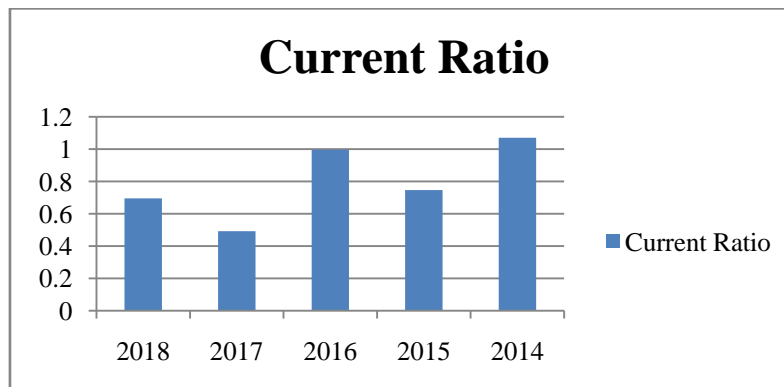
$$\text{Profit for Value (ROE)} = \text{Net benefit after Assessments/Normal investor's Value}$$

Financial Statements Analysis of JBL

4.1 Ratio and Trend Analysis

Current Ratio

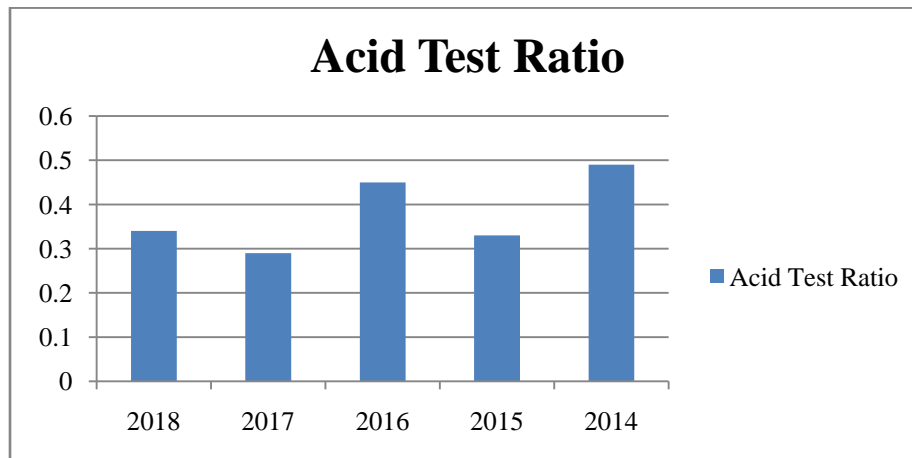
YEAR	PROPORTION
2018	0.695:1
2017	0.492:1
2016	0.996:1
2015	0.747:1
2014	1.07:1



Interpretation: The standard ratio is 2:1. But the current ratio of Jamuna Bank Limited is lower than the standard. Current ratio of Jamuna Bank Limited in the year 2018 is 0.695:1 whereas in 2017 was 0.492:1.

Acid Test Ratio

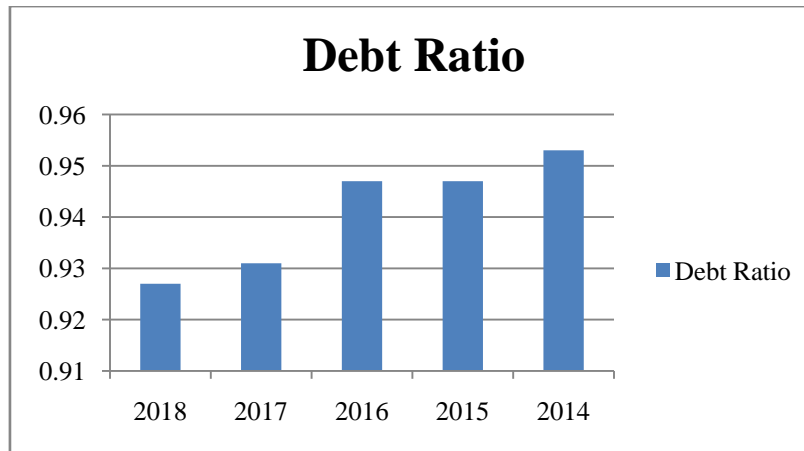
YEAR	RATIO
2018	0.34
2017	0.29
2016	0.45
2015	0.33
2014	0.49



Interpretation: The standard ratio is 1:1. But the acid test ratio of Jamuna Bank Limited is much lower than that. Acid test ratio of Jamuna Bank Limited in the year 2018 is 0.34:1 whereas 0.29:1 in 2017.

Debt Ratio

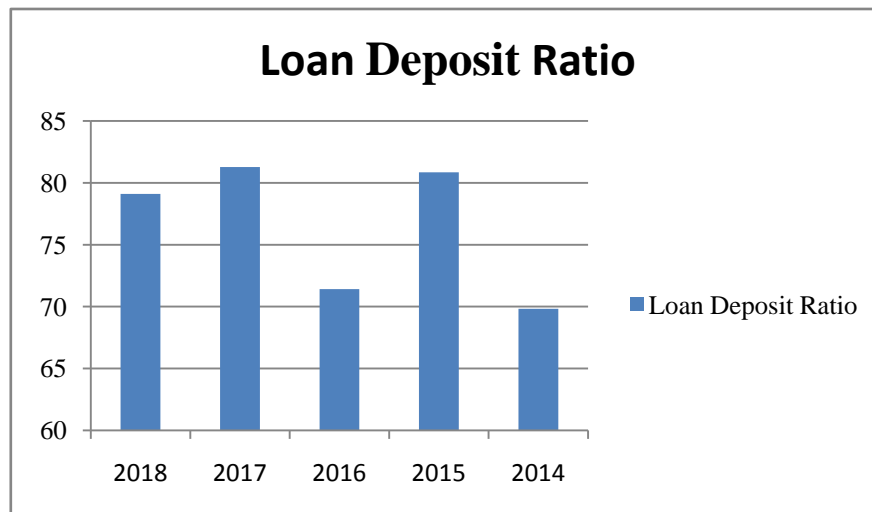
YEAR	RATIO
2018	0.927
2017	0.931
2016	0.947
2015	0.947
2014	0.953



Interpretation:: Debt ratio of Jamuna Bank Limited decreased year by year which shows the better management. Debt ratio of Jamuna Bank Limited in the year 2018 is 0.927:1 and in 2017 is 0.931.

Loan Deposit ratio

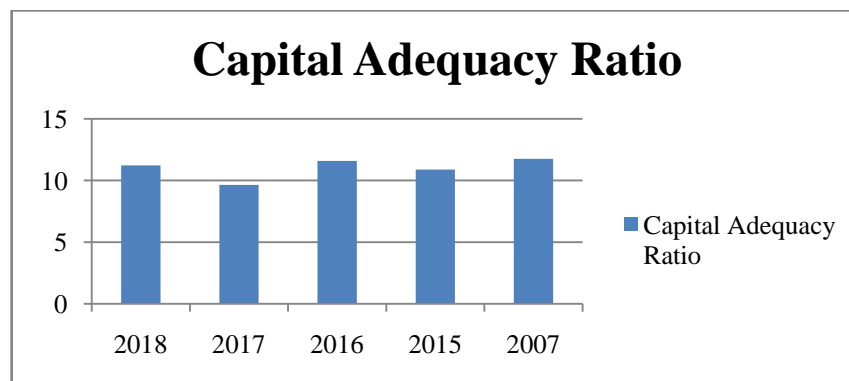
YEAR	RATIO (%)
2018	79.10
2017	81.28
2016	71.41
2015	80.85
2014	69.82



Interpretation: The standard of loan deposit ratio is 85%. The loan deposit ratio of Jamuna Bank Limited in 2017 and 2018 is 81.28% and 79.10%, which indicates that Jamuna Bank Limited is not in progressive but satisfactory.

Capital adequacy ratio

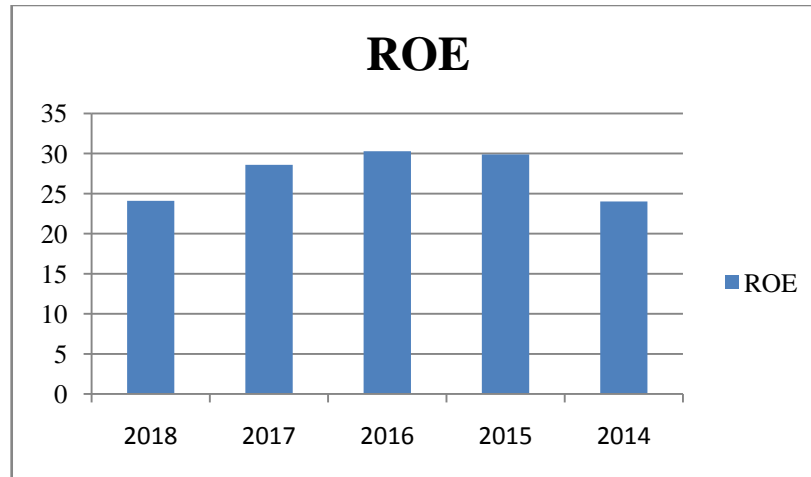
YEAR	RATIO
2018	11.23
2017	9.64
2016	11.59
2015	10.89
2014	11.76



Interpretation: Jamuna Bank Limited regulatory capital as on December 31, 2018 stood at Tk. 10534.87 million. Capital adequacy ratio as on December 31, 2018 was 11.23%. Bangladesh Bank's minimum requirement is 10%. So that Jamuna Bank Limited performance is satisfactory.

Return on Equity

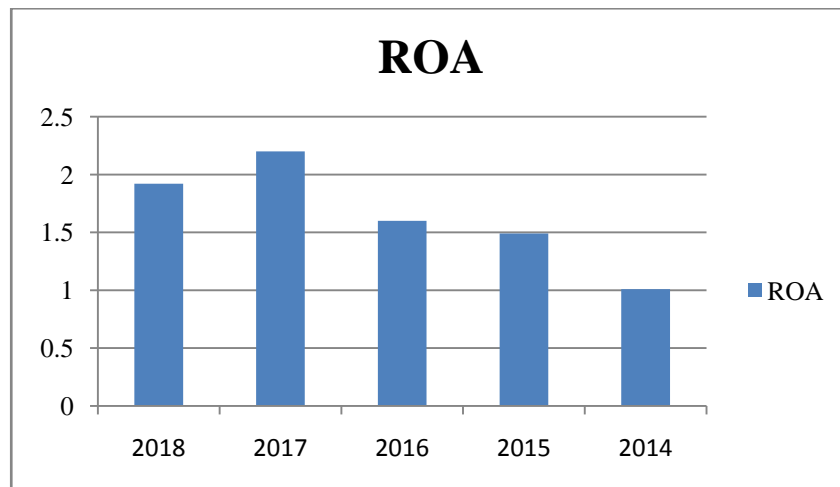
YEAR	RATIO (%)
2018	24.10
2017	28.59
2016	30.28
2015	29.89
2014	24.02



Interpretation: In 2018 ROE of JBL is 24.10% and in 2017 is 28.59%, it is analyzed that the ratio is almost equal in every year that the bank is in constant level.

Return on Assets

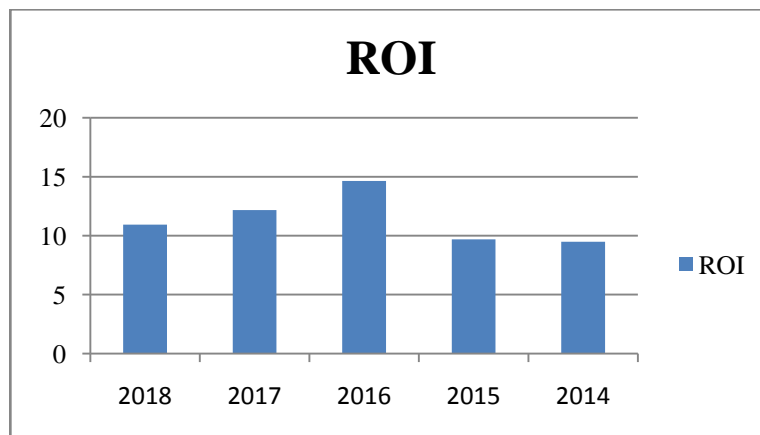
YEAR	RATIO (Average)
2018	1.92
2017	2.20
2016	1.60
2015	1.49
2014	1.01



Interpretation: In the year 2018 ROA is 1.92times and in 2017 is 2.20times. It is analyzed that the bank's ROA is in constantly growing 2014 to 2017 which indicating that bank is using its assets effectively than previous year. But in 2014 it decreased.

Return on Investment

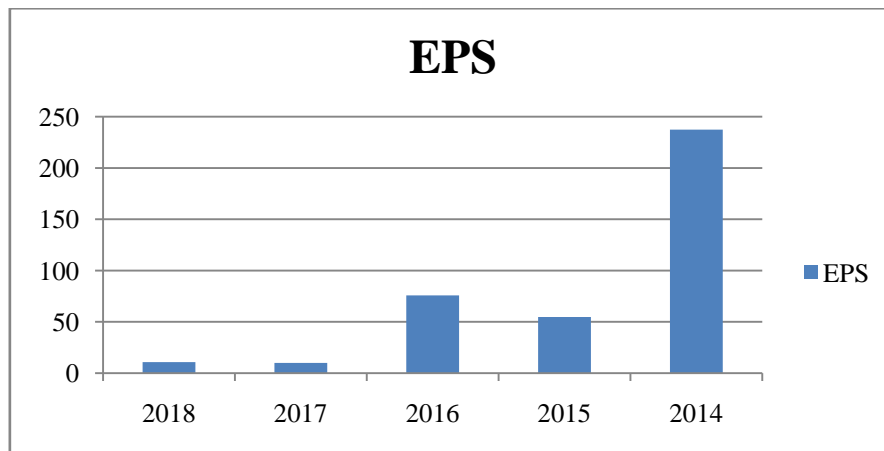
YEAR	RATIO (%)
2018	10.94
2017	12.17
2016	14.64
2015	9.69
2014	9.48



Interpretation: Jamuna Bank Limited Return on Investment is 9.487% in 2014 and in 2018 is 10.94%, which indicates that Jamuna Bank Limited is making progress and arrange their investment decision in effective way.

Earnings per Share (EPS)

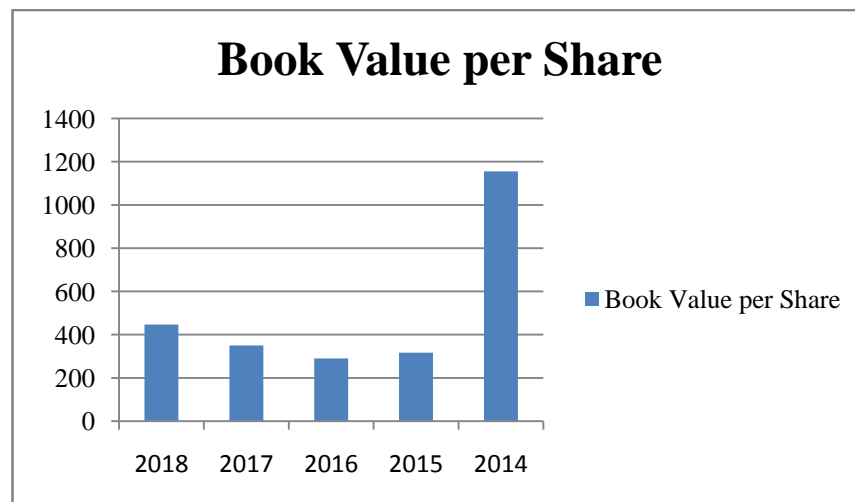
YEAR	AMOUNT (Taka)
2018	10.77
2017	10.01
2016	75.85
2015	54.78
2014	237.37



Interpretation: The EPS of Jamuna Bank Limited is not sustainable but EPS of 2018 is higher than 2017, which means that the bank may generate more growth in EPS in the future.

Book Value per Share

YEAR	AMOUNT (In Taka)
2018	447.07
2017	350.20
2016	290.12
2015	316.36
2014	1154.88



Interpretation: Book value per share of Jamuna Bank Limited in the year 2018 is Tk.447.07 and in 2017 is Tk.350.20.

5.1 Findings

This examination is centered around the different plans of Jamuna Bank Restricted, some of which are not currently in power and others are continuing great. We will presently talk about in a nutshell, what we have found after this examination under the quality, shortcoming and achievement status of different plans.

1. Liquidity situation of Jamuna Bank Restricted is poor.
2. Current and Basic analysis proportion is well beneath the standard, which implies the advantages of Jamuna Bank Constrained isn't sufficient.
3. Loan store proportion is underneath the standard, which shows that Jamuna Bank Constrained isn't in dynamic mode yet palatable.
4. Return on value isn't well. Since it is relied upon the total compensation and investors.
5. Return on resource is diminishing, which demonstrates that Jamuna Bank Constrained isn't utilizing its benefits successfully.
6. Return on speculation is likewise diminishing, which shows that Jamuna Bank Restricted isn't orchestrating their venture choice in compelling manner.
7. The profit per portion of Jamuna Bank Constrained isn't economical.

5.2 Recommendations

It isn't unforeseen to have issues in any association. There must be issues to work an association. The accompanying proposals can be recommended to take care of the previously mentioned issues.

1. The loan fee and different charges might be aggressive in requests to contend with rivalries and draw in clients just as keeps the old ones.
2. When an individual turns into a specialist in every office he/she ought not be change to another office as institutionalization is critical to build laborers effectiveness.
3. Guest plan ought to be satisfactory.
4. To give quality support of the clients it is important to have a prepared abound of an association or an organization. Consequently the bank should enlist all the more new, splendid and lively people as MBA, BBA, and BBM, and so on.
5. Bank should offer more offices to the clients as Mastercard, visa card, ATM machine and so on.
6. Branch extension in Dhaka city just as different urban communities Khulna is likewise a key factor to serve more individuals better assistance and gain more benefit.
7. The bank should endeavor to enter the offer market by giving offers to underwrite more cash and contribute from that point by extending the quantity of branches around the city.

5.3 Conclusion

Heaps of new advertisement bank has been set up in most recent couple of years and these banks have made this financial division extremely focused. Thus, presently banks need to sort out their activity and do their tasks as indicated by the need of the market. Banking segments no more relies upon a conventional technique for banking. In this aggressive world this area has dug its wings sufficiently wide to cover any sort of budgetary administrations anyplace in this world. The significant errand for banks, to make due in this focused condition is by dealing with its advantages and liabilities in a productive manner. So in end it very well may be said that each association has its positive just as negatives and if there should be an occurrence of Jamuna Bank Restricted presence of the later one is not exactly the prior one and as the administration is resolved to arrive at the pick of achievement it appears that in not so distant future the negatives will be wiped out. Eleven years is a limited capacity to focus time and the association, which can build up itself as one of the most presumed private business Bank in the nation inside this brief period merits extraordinary acknowledge and for their capable pioneers Jamuna Bank will arrive at the most significant level of achievement in the blink of an eye. I wish the bank all achievement thriving in their field.

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