

# **Internship report on Financial Performance Analysis of Rupali Bank Limited**

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## **Prepared by**

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Department of Business Administration

Faculty of Business & Entrepreneurship

# **Internship report on Financial Performance Analysis of Rupali Bank Limited (RBL)**

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**Submitted To:**

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Assistant Professor

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**Date of Submission: December 23, 2020**

## **Letter of Transmittal**

December 23, 2020

**Md. Kamruzzaman Didar**

Assistant professor

Department Of Business Administration

Faculty of Business & Entrepreneurship

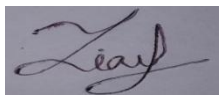
Daffodil International University, Dhaka-1207.

### **Subject: Submission of Internship Report.**

I obtain enjoyment in submitting the report on “Financial Performance Analysis of Rupali Bank Ltd.” as a requisite of the BBA program of the Department of Business Administration for your contemplation. I have finished the report in appropriate time plus met every single one the anticipated objectives. Apart from the educational facts gained, this internship program and training of report has given me the chance to appreciate the subject connected information. I have tried my best to craft this statement an inclusive and educational one. I expect you will be grateful for my attempt and locate the report up to your anticipation.

It has to be mentioned additional that exclusive of your counsel and support it would not be probable for me to finish this report. I shall be indebted to reply whichever species of queries you feel essential concerning this report

Yours Genuinely,



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**S.M. Ziaul Hasan Parash**

ID# 162-11-5254, BBA (Finance)

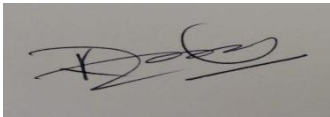
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## **Approval Certificate**

This is certifying that **S M Ziaul Hasan Parah, ID # 162-11-5254, BBA (Finance)**, is a regular student of Department of Business Administration, Faculty of Business and Entrepreneurship, Daffodil International University. He has effectively finished his internship program at Rupali Bank Ltd and has primed this internship under my straight direction. His given internship theme is “**Financial Performance Analysis of Rupali Bank Ltd.**” I believe that the report is deserved gratifying the part necessities of BBA program.

I wish his each achievement in life.



**Mr. Md. Kamruzzaman Didar**

Assistant Professor

Department of Business Administration

Faculty of Business & Entrepreneurship

## **Acknowledgment**

“In the name of Almighty Allah the beneficent the merciful”, This document would not have been achievable devoid of the direction plus the assist of quite a lot of people who in one way or an additional contributed and comprehensive their precious support in the grounding and achievement of this study.

I started this internship report and lastly it has been finished. Though, the very special gratitude departs to my supportive advisor, Md. Kamruzzaman Didar, Assistant Professor, Department of Business Administration. The direction as well as sustain that he gave really assist of development and make me comfortable to the internship program. The collaboration is really indeed cherished.

I'm appreciative to everyone the superior officials of who had make the chance to obtain the sensible knowledge. In addition, this internship program helps me to understand the worth of working jointly as a squad and as a fresh experience in operational atmosphere, which challenge us each second.

Very last but not least I am too allocated to each individual who startled indoors and exterior of Rupali Bank Ltd in carrying out this report.

## **Abstract**

Banks are the foremost vital monetary division as they engage in recreation a really vital position for the financial system. Though, the performance and achievement of a bank depends totally ahead the fulfillment of their customers. This report is especially arranged supported two most important themes 'Financial performance' and 'General banking activities'. I have calmed a number of primary as well as secondary information from various sources. I go from beginning to end the yearly reports and in this report I have discussed about General banking of Ruapli Bank and its 5 years financial Statement. I have analyzed liquidity ratio, Asset Activity Ratio, Efficiency Ratio, Profitability Ratio, Credit risk Ratio, Others Ratio. Also I have analyzed Common Size of Balance sheet and income statement and Trend analysis of Balance sheet as well as income statement. Rupali Bank limited's representative website helped me to urge data about general banking actions. Furthermore, the officer and their administration team gave me the newest proportion of a variety of skims rates. I moreover found that banking trade generally media of flowing of money from depositors to investors. In responsibility so, banks got to gather deposit from the depositors then allocate those as loan to the investors. In addition, banks offer various services like global trade, currency relocate compilation and imburement of efficacy and additional bills etc. All of which are completely client oriented. Consequently, banks are treated as overhaul organizations as well as trade of bank mainly reliant on pecuniary performance. I have tried to spotlight the exceeding issues all the way through this report. In my intership stage, I felt a number of precincts in Rupali Bank Limited that I even have enclosed for the duration of this report by accumulation conclusion as well as recommendations.

# Financial Performance Analysis Rupali Bank Limited

## Content

Chapters	Particulars	pages
	Letter of Transmittal	iii
	Approval Certificate	iv
	Acknowledgment	v
	Abstract	vi
<b>CHAPTER-01</b>	<b>Introduction</b>	<b>1-4</b>
	1.1 Introduction of Report	
	1.2 Background of the Study	
	1.3 Scope of the study	
	1.4 Objectives of the study	
	1.5 Methodology of the Study	
	1.6 Limitations of the Study	
<b>CHAPTER-02</b>	<b>About Rupali Bank (RBL)</b>	<b>6-17</b>
	2.1 Historical Background of Rupali Bank Limited	
	2.2 Corporate Vision	
	2.3 Corporate Mission	
	2.4 Core Values	
	2.5 Organizational Structure	
	2.6 Corporate Profile	
	2.7 General Banking Activities	
	2.8 Types of Accounts & deposit Products	
	2.9 Account Openning & closing Section	
	2.10 RBL SureCash	
	2.11 Utility services	
	2.12 Cash section	

	2.13 Loan Department	
	2.14 Foreign Exchange	
	2.15 Remittance	
<b>CHAPTER-03</b>	<b>Theory analysis</b>	<b>18-25</b>
	3.1 Ratio Analysis	
	3.1.1 Liquidity Ratio	
	3.1.2 Asset Activity Ratio	
	3.1.3 Efficiency Ratio	
	3.1.4 Profitability Ratio	
	3.1.5 Credit Risk Ratio	
	3.1.6 Others Ratio	
	3.2 Common Size Analysis	
	3.2.1 Common Size of Balance Sheet	
	3.2.2 Common Size of Income Statement	
	3.3 Trend Analysis	
	3.3.1 Trend Analysis of Balance Sheet	
	3.3.2 Trend Analysis of Income Statement	
<b>CHAPTER-04</b>	<b>Financial Analysis of Rupali Bank Ltd</b>	<b>26-37</b>
	4.1 Ratio Analysis	
	4.1.1 Liquidity Ratio	
	4.1.2 Asset Activity Ratio	
	4.1.3 Efficiency Ratio	
	4.1.4 Profitability Ratio	
	4.1.5 Credit Risk Ratio	
	4.1.6 Others Ratio	
	4.2 Common Size Analysis	
	4.3 Trend Analysis	



CHAPTER-05	<b>Problems, Recommendations &amp; Conclusion</b>	<b>38-42</b>
	5.1 Problems Identified	
	5.2 Recommendations of Rupali Bank Ltd	
	5.3 Conclusion	

# **Chapter 1**

## **Introduction**

## **1.1 Introduction:**

The word “Bank” reflect a monetary organization which deals with cash. Banking has an extremely extensive and affluent experience. Rupali bank has been formed in 1972 subsequent to the freedom of Bangladesh. Rupali bank is an amalgamation of 3 banks in Bangladesh which are “Muslim banks limited, Australasia banks limited, standard banks limited”. Before incoming as a govt. owned bank. It worked while a publicly owned commercial bank. Rupali Bank has 554 twigs everywhere the state and that they have legislative body everywhere the planet. The major objective of Rupali bank is to give banking services in the middle of wide-ranging people of the state. Rupali bank has been trying to know significance of save to countryside people. Rupali bank has obtainable additional interest rates than other banks to draw in people to release bank account, FDR, DPS account. The major motive is that this thing to form public economizes in arrange that they will employ the cash in stern occasions and that they don’t need to take any credit from further financial institution and from any person at an elevated interest rate. Normally we have seen a number of conflicting types of banks like; “Central Banks, Commercial Banks, Investment Banks, Industrial Banks, Co-operative Banks etc”. Excluding once we make use of the expression “Bank” with none prefixes, or requirement, it refers to the “Commercial banks”. Commercial banks are the main contributors to the financial system of a state. So we are able to articulate full service bank could be a profitable organization that holds the deposits of people & trade in scrutiny & investments accounts and then uses this money to formulate loans. For these public and therefore the administration is extremely a great deal dependent on these banks as the monetary mediator. Contemporary financial area is increasing day by day. At the similar period the banking procedure is flattering faster, easier and therefore the variety of baking region is becoming wider. As the demand for improved overhaul increases day by day, they’re approaching with many inventive thoughts & goods. In organize to continue to exist within the spirited ground of the banking division. Every banking institute is searching for improved service opportunities to supply their associate customers. As a consequence, it has turned into crucial for each person to possess a number of thought on the bank as well as banking process. Conversely, incoming in to a replacement millennium, banking requirements became added varied and striking than ever by.

## **1.2 Background of the Study:**

As a prerequisite for the Bachelor of Business Administration (BBA) degree from Daffodil International University (DIU), it's required to finish an internship from a reputed concern & prepare a report. As a student of BBA, I actually have completed three (3) months internship from Rupali Bank Limited at Asad gate branch. I've prepared internship report named "Financial Performance Analysis of Rupali Bank Limited" by using practical knowledge and real life experience of internship at Rupali Bank Ltd at Asad gate branch.

## **1.3 Scope of the study:**

The scope of the study covers general activities and financial Performance analysis of RBL.

Main focus of this report is to analyze:

- Ratio Analysis
- Trend Analysis
- Common Size Analysis

## **1.4 Objectives of the Study:**

The objectives of the this lessons are listed below-

### **General Objective:**

- To evaluate the financial statements of Rupali Bank Limited with the key focal point of its on the whole financial presentation.

### **Specific Objective:**

1. To recognize the present fiscal site of Rupali Bank Limited.
2. To recognize the previous Five years fiscal performance RBL by scheming and analyzing various kind of ratio.
3. To identify the problems related to fiscal performance of RBL.
4. To formulate a few possible recommendations to recover the troubles.

## **1.5 Methodology of the Study:**

The research is an exploratory research in nature.

### **1.5.1 Data collection:**

The analysis requires methodical practice from assortment of the theme to ultimate report appearance. In this report, evocative technique was undertaken to gain insights as well as concerned of the financial performance of RBL. To execute the cram data sources were recognized and calm, they were classified, analyzed, interpreted as well as obtainable in complete way and vital points are locate out. This all-inclusive progression of method is provided in below that has been followed in the analysis.

**Sources of data:** The statistics used to inclusive this report has been calm from the Primary sources as well as Secondary sources.

#### **Primary Sources:**

- Conversation with officials of RBL.
- Front talk with the corresponding executive of the local office
- Contact on variety desk of the company.
- Front chat with clients.

#### **Secondary Sources:**

- Web site of RBL. (<https://www.rupalibank.org/>).
- RBL yearly report 2015-2019.
- Lanka bangla (<http://lankabd.com>)

#### **Data Analysis:**

To study the data, MS Excel has been used.

### **1.6 Limitations of the Study:**

There were some limitations in completing the report with rich resources. A number of the crucial limitations are-

- Throughout the internship stage there was a restriction of given time.
- The model size was petite allowing for the size of the population.
- The review effect won't replicate the correct reality for the reason that the respondents won't liberally crowded up the questionnaires.
- While it's a civic bank the majority of the knowledge about the bank and its goods isn't visibly mentioned in its websites and therefore the website isn't for all time up to dated.
- Financial information was also tricky to gather aside from yearly report.
- There was barrier to search for fiscal information.
- As the internship is that the initial sensible experience, it's impossible to understand the whole thing regarding the bank.

## **Chapter 2**

### **About Rupali Bank Limited (RBL)**

## **2.1 Historical Background of Rupali Bank Limited:**

“Rupali Bank Ltd (RBL) was formed with the joining of three merchant banks Muslim commercial bank Ltd, Australasia Bank Ltd and Standard Bank Ltd. organized within the then Pakistan on March 26, 1972 under the Bangladesh Banks Nationalization order 1972 (P.O.NO. 26 of 1972), with all their assets, benefits, rights, powers, authorities, privileges, liabilities, borrowings and duty. Rupali Bank provides service as a nationalized commercial bank till December 13, 1986. Rupali Bank Ltd. Emerged because the largest Public Limited depository financial institution of the country on December 14, 1986 (Rupali Bank Limited, 2013)” [4].

## **2.2 Corporate Vision:**

“Expand our valuable client depends on being mentioned because the financial partner of choice that constantly exceeds customer expectations” is the vision of RBL. It calls the bank is dedicated to fulfilling varied desires of its clients at a spirited value by using of correct tools and given that eventually service so as that a sustainable enlargement, sensible return and involvement to the event of the country are often ensured with a aggravated and specialized staff.

## **2.3 Corporate Mission:**

The following missions of RBL are given below:

- Expand a long-standing bond that helps our clientele to realize pecuniary achievement.
- Present gratifying employment opportunities and develop employee’s commitments.
- Sustain ethical principles and meet its client’s financial need inside the quicker and mainly suitable method and persist inventive works so as to realize human resource with better traits, technical communications and fix correspondence.



## 2.4 Core Values:

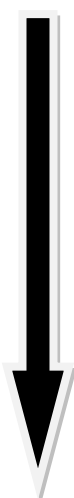
A modish worth obeys by Rupali Bank Limited.

- Societal accountability – We look after as well as contribute to our communities
- Presentation -We count consequences and prize.
- Integrity- We pursue honesty and trade principles
- Revere- We value each entity
- Improvement- We give confidence originality
- Teamwork-We work together to succeed

By adding initial letters of those words form “SPIRIT” and take equivalent significance

## 2.5 Organizational Structure:

Each bank follows a ladder stage of formation to take care of a sequence of authority and function consequently. The managerial formation of Rupali Bank Limited is provided below:



Chairman
Vice Chairman
Directors
Managing Directors
Deputy General Manager
General Manager
Assistant General Manager
Senior Principal Officer
Principal Officer
Senior Officer
Provisionary Officer
Stuffs

## 2.6 Corporate Profile:

Name of the company	: Rupali Bank Limited
Chairman	: Mr. Monzur Hossain
Managing Director	: Mr. Md. Obayed Ullah Al Masud
Company Secretary	: Mohammad Najmul Hoda(DGM)
Legal Status	: Public Limited Company
Genesis	: “Rupali Bank Limited has been incorporated on 14 December 1986 under the Companies Act 1913 after taking over and acquiring as a going deal with the pledging and trade of RBL with all of its assets, liabilities, benefits, rights, powers, authorities, privileges, borrowings and duty. Rupali Bank, which initially emerged as a Nationalized Commercial Bank under the Bangladesh Banks Order, 1972 (President’s Order No. 26 of 1972), has now formed a state-owned commercial bank through a vendor’s agreement dated 15 November 2007”[1].
Date of Incorporation	: 14 December 1986
Registered Office	: 34, Dilkusha Commercial Area, Dhaka-1000, Bangladesh
Authorized Capital	: Tk. 7000 million (US\$ 88.66 million)
Paid-up Capital	: Tk. 3765.16 million (US\$ 44.64 million) [Till september 30, 2018]
TIN Certificate	: 177-200-0021/LTU/Dhaka
E-TIN Certificate	: 637043541293
Website	: <a href="http://www.rupalibank.org">www.rupalibank.org</a>
E-mail	: <a href="mailto:info@rupalibank.org">info@rupalibank.org</a> , <a href="mailto:it@rupalibank.org">it@rupalibank.org</a> ”

## **2.7 General Banking Activities:**

General banking section is recognized because the center of all banking activities. This is frequently the busiest and one in the middle of the foremost vital sections of a branch as money is assembled; currency dealings are done; clearance, transfer of funds and office actions are made here. As bank is cramped to produce the services every day, General banking is additionally referred to as “retail banking”. In the main local office of Rupali Bank Ltd, the subsequent sections are beneath general banking section:

- Account opening section
- Deposit section
- Cash section
- Clearing Section
- Accounts section

## **2.8 Types of Accounts & deposit Products:**

Normally, in attendance are four main types of accounts in Rupali Bank Limited.

- Current account (CD Account)
- Savings Deposit (SB Account)
- Fixed or Time Deposit (FDR)
- Other Types of Deposit or savings skims

### **Current Account:**

Current account is solely a requirement time deposit account. There's no constraint on withdrawing cash from the account. It's mainly vindicated when money is to be calm as well as cash is to be paid at common period.

### **A few niceties are as follows-**

1. Smallest amount opening deposit of TK.5000/- is needed, excluding under particular condition it may be opened with tk.1000
2. There's no taking out bound.
3. No interest additional or else less is provided ahead the deposited cash.
4. Profit rate is 0.00%

**Savings account:**

This deposit is first and foremost for small-scale depositors. Therefore, there's a restraint on pulling out money during month. Huge withdrawals are acceptable just alongside past note. A few details are-

1. Least amount aperture deposit of Tk.1000/= is requisite;
2. Withdrawal account shouldn't be quite 1/4th of the entire amount at an instance and bound two times during a month.
3. If withdrawal balance goes beyond 1/4th of the entire amount at an instance nix income additional or fewer is prearranged ahead the deposited cash for that month.

**Fixed Deposit:**

The regional transmittal sector of Rupali bank Ltd furthermore issues FDR. They're too referred to as point in time deposit or instance liabilities. These are deposits, which are completed with the bank for a set stage, particular in advance. The bank needn't sustain ready money funds next to these deposits and therefore, the bank presents elevated of profit additional or else fewer on such deposits.

**Opening of Fixed Deposit:**

The savers must plug an account form where within the state the quantity of deposit, the amount for which deposit is to be completed as well as name/names is which the permanent deposit receipt is to be issued. Just in case a combined given name Rupali Bank Ltd too gets hold of the management concerning imbursement of cash on mellowness of the deposit. The bank officials also obtain example signature of depositor. A set point in time deposit account is then issued to the depositor admits acceptance of the figure of cash state there. It as well holds the speed of profit additional or fewer and therefore the time on which the deposit will drop reason of imbursement.

**Other Types of Deposit:**

Apart from three, Rupali bank has a number of additional kinds of deposit systems. They are named "Term Deposits". Term deposit is intended for petite time or extended occasion period. These rates are not flexible. That is provided via the bank for exact stage.

1. SND: Short Notice Deposit is depending on every day deposit of cash in the bank. it provides interest on 3% twice (June and December) a year.
2. RSSA: Rupali Scholar Saving Account is able to undo with TK100/- no overhaul charge. It provides interest on 4% of the saving two times a year.
3. RMPS: 3 years need for Rupali Monthly Profit system. It provides interest on 5.5% of the deposit. This programmed is merely on point in time deposit of 100000 or additional.
4. RMES: Rupali Monthly earning programmed is intended for 3 plus 5 existence. It too provides uppermost interest rate of the deposit politely.

## **2.9 Account Opening & closing Section:**

By the creating of an account by the clients the relation begins between the banker and clients. Firstly all the accounts are created with deposit cash by the clients and therefore these accounts are called deposit account. Normally, individual need to open an account to take service from it. With no opening an account, a person can obtain merely a small number of services from the bank. So the banking starts in reality through the creating of an account amid a bank.

### **Official procedure for opening an account:**

#### **▪ 1<sup>st</sup> step**

The individual keen to create an account amid the bank has got to compose appliance within the prearranged appearance. This given appearance has to correctly fill up and signature by the candidate.

#### **▪ 2<sup>nd</sup> step**

The candidate in addition essential to provide within the appearance the names of the indication that's means "introducer information" as of whom the bank official do investigation concerning the nature, honesty and decency of the candidates.

#### **▪ 3<sup>rd</sup> step**

Each client is necessary to provide to his bank official with one or else additional sample of his/her autograph. These sign are in use on cards, which are conserved by the bank officials and his sign of the account holder on cheques is contrast amid the sample sign.

#### **▪ 4<sup>th</sup> step**

Subsequent to the exceeding official procedure are above, the bank officials create an account while the name of applicant. Normally the least amount to be deposited firstly is TK 100 although it depends commencing bank to bank.

- **5<sup>th</sup> step**

By means of a sight of ease the acknowledgment of credit objects remunerated in by a client, the bank will present him/her disburse in trip whichever movable or during a manuscript forms. The client's has got to refill the forfeit in slip at the period of depositing the cash by means of the bank. The banker with his/her original and tramples will return oppose frustrate to the client on the proof of payment of the cash.

- **6<sup>th</sup> step**

To make possible withdrawals as well as expenditure to their customer by the clients, the bank in addition will offer a cheque book to the client. But it's eminent that to urge a cheque book, the consumer has to bleakly refill the cheque demand lose your balance to the bank official.

**Official procedure for concluding an account:**

- **1<sup>st</sup> step**

The clients may notify the bank in script of his/her intention to shut the account.

- **2<sup>nd</sup> step**

The client has got to be relevant to the local office accountable for concluding the account. Then the responsible will statement on the account concluding request for closing the account.

- **3<sup>rd</sup> step**

Client must sketch a cheque of the entire amount and a zero balance verification to be in use as of the account owner.

- **4<sup>th</sup> step**

Recuperate the idle cheque foliage plus pierce into the "Broken cheque book register"

- **5<sup>th</sup> step**

While the bank official locates that the account isn't been activate for an extended emerald the banker can ask the customer to shut the account.

### **2.10 RBL SureCash:**

Rupali Bank SureCash is committed to extending web of monetary addition in the middle of the public of Bangladesh through making easy cash transport by mobile phones. SureCash gives Mobile Banking Services permitting their customer to propel, collect, plus disburse cash by their mobile phones. Send as well as receive cash, or else make payments the greatest approach there's. Rupali Bank SureCash allows a client to propel cash to anybody, using a complex technology accessible on your own mobile. Life becomes easier when you give payments through Rupali Bank SureCash since you do not have to return residence or wherever else to urge cash once you require purchasing something plus have sprint out of cash.

### **2.11 Utility services:**

Rupali Bank provides numerous exceptional services to clients additionally to its usual banking activities. Assortment of varied service bills is one among of them. Below this service the bank give advantage to customer by accumulating their variety of service bills such as phone bill, sewerage, water bill, electricity bill etc.

#### **Several kind of assortment of bills in RBL Asad gate branch:**

1. Phone bills
2. Sewerage and water charge of WASA
3. Current Bill
4. Many Educational institutes tuition fess which are situated nearby.

### **2.12 Cash Section:**

Cash division is that the most responsive a component of any bank's branch because it compact with every types of money dealings. The day begins in this department with money in vault. From the money vault some cash that is called "opening cash balance" are moved to cash official each day. Net figure of this money receipts in addition to payments are extended to the beginning cash balance. The number is named ending balance. Then this end balance is put into the vault. At the end of any particular day this is the final cash balance figure for the bank.

### 2.13 Loan Department:

The bank's credits and advances assortment also shows a magnificent enlargement.

➤ Generally two kinds of credit Rupali Bank are giving.

- Funded
- Non-funded

In the Branch of the Rupali Bank many kinds of funded credit and advances available.

➤ Listing of necessary credentials required to be relevant for a loan:

- Bank assurance Floor Credit.
- Packing Credit
- Sell overseas growth fund
- Letter of Credit
- Imbursement next to credentials
- LATR (loan against trust received)

➤ Major duty of this section-

- Trade in Business
- Sell overseas Business
- Overseas Correspondents

➤ Task of Foreign Exchange-

- Letter of Credit is opened here.
- Overseas Pay Order
- Make declaration and information For Head Office and Bangladesh Bank.
- Swap overseas currency
- Imbursement and compilation of L/C money in money in good turn of customer.



## **2.14 Letter of Credit:**

Written letter of credit is a meeting by which a bank performing on the demand plus in agreement through the directions of a client is to make imbursement or else to the arrange of a payee or is to reimburse allow or bargain bills barter strained by the recipient next to predetermined credentials plus fulfillment with specific conditions with circumstances. The shape of the Letter of credit differs from Bank to Bank. Every party to a Letter of credit has to have the equal accepting about the provisions and circumstances utilized within the credit. The “Uniform Customs and Practice for Documentary Credits” are formulated by the international Chamber of Commerce to shun the extent for uncertainties and distinctions in explanation of conditions of the credit.

### **➤ Credentials necessary for opening L/C:**

When an importer desire to buy in somewhat which are officially permitted as if he has subsequent importer credentials similar to IRN,TIN, VAT as well as CURRENT A/C then he need to go to the bank to create L/C to import, if Bank desire to open L/C, then the shipper should pursue those systems:

- Demand correspondence to open L/C
- Preformed statement or notch
- LCAF
- IMP appearance
- Insurance cover note.

## **2.15 Remittance:**

The word “Remittance” is transferring cash from one state to another state for the client’s.

This overhaul is a vital element of countries imbursement scheme and another important overhaul of banks. For this services, citizens especially trader can transport money from one country to a different country easily. Present are many kinds of remitting cash, such as:

➤ **Pay Order:**

The pay order is employed intended for creating a transmittal to the confined creditor. Pay Order presents to the payee the proper to say imbursement from the concerning bank. It can be encashed from providing bank merely. Pay Order can't be authorized or traversed then it's not legal document.

➤ **Demand Draft:**

Demand Draft is a regulate of concerning bank on one more local office of an equivalent bank to reimburse particular figure of cash to the payee on insist that's called individual or sort of the demand. It is normally concerned at what time consumer desires to dispatch cash in antwhere, which is exterior of the clearing-house region of concerning local office.

➤ **Telegraphic or Telephonic Transfer:**

This system relocates cash to a minimum of one consign to a special consign by telegraphic message. The recipient local office will ask for a different local office to disburse requisite cash to the specified payee on insist. Normally designed for such quite relocate payee should have account with paying bank.

## **Chapter 3**

### **Theory analysis**

### **3.1 Ratio Analysis:**

Ratio study is an investigation of the dealings between monetary capricious. Its accustomed gauge a variety of features of an organization's in service as well as fiscal presentation like its effectiveness, liquidity, prosperity and solvency. The trend of those ratios in excess of moment in time is deliberated to see whether or not ratios are improving or worsening. Ratios are often spoken as a percent, rate or fraction. The ratio psychoanalysis is an important method for monetary reports study. Various users like shareholders, administration, bank officials and creditors utilize the ratio to research the financial circumstances of a corporation for his or her deciding reason. Here, this statement holds the foremost general ratios and investigate to gauge the in service and financial act of Rupali Bank Limited in excess of the years 2015, 2016, 2017, 2018 & 2019.

Ratios are in the middle of the extra extensively used tackles of monetary report analysis as they supply signs as well as indications of fundamental circumstances. A ratio can assist us to understand situations and movement's briar notice by inspecting entity apparatus creation up the ratio. Ratios, similar to further psychoanalysis gadget, are generally prospect leaning. They're often attuned for his or her credible prospect tendency and extent, and their utility depends on the clever understanding. A Ratio shows a connection involving two numbers. It is often spoken as a percent, rate, or quantity. Calculation of ratio may be an easy mathematical process, but its explanation isn't. To be consequential, a ratio ought to ask a financial vital relation.

In this segment a crucial situates of monetary ratios and its purposes are explained. The chosen ratios are ordered into the six structure blocks of monetary report study. These are as follows:

1. Liquidity Ratio
2. Asset Activity Ratio
3. Credit Risk Ratio
4. Efficiency or Activity Ratio
5. Profitability Ratio
6. Other Ratios

### 3.1.1 Liquidity Ratio:

Liquidity refers to the supply of capital of a corporation to satisfy petite-term money necessities. It's stricken by the timing of money inflows as well as outflows alongside prediction for prospect presentation. Psychoanalysis of liquidity is intended toward an organization's financial support necessities. If a corporation be unsuccessful to satisfy its present compulsions, its sustained continuation is uncertain. From this view point, all additional events of study are in inferior significance. Even though secretarial dimensions take for granted the organization's sustained continuation, our analysis should review the strength of this statement using liquidity events. This segment explains the major ratios related to reviewing liquidity ratio:

- Cash Ratio =  $\frac{\text{Cash in hand and at banks}}{\text{Total Deposit}}$
- Cash to Assets =  $\frac{\text{Cash}}{\text{Total Asset}}$
- Cash to Deposits =  $\frac{\text{Cash}}{\text{Total Deposits}}$
- Loans to Total Deposit =  $\frac{\text{Loans}}{\text{Total Deposits}}$
- Loans to Total Asset =  $\frac{\text{Loans}}{\text{Total Assets}}$

### 3.1.2 Asset Activity Ratios:

An activity ratio is a proportion which mentions the power of a corporation to adapt its record financial statements keen on returns. Activity ratios calculate the relation competence of an organization supported it's utilize of its resources, influence, or additional alike record substance and are necessary in formative whether organization's administration is doing an honest sufficient job of making revenues and money as of its wherewithal. Activity ratios estimate an institute's outfitted effectiveness and working ability. These proportions are mainly effective at what time evaluated to a rival or same manufacturing sector to set up whether an entity's developments are positive or adverse. Activity ratios can appearance a base of judgment athwart numerous coverage periods to work out transforms in excess of time. This segment explains the main ratios related to evaluating activity ratio:

- Total Assets Turnover:  $\frac{\text{Interest Income}}{\text{Total Asset}}$
- Equity Turnover:  $\frac{\text{Interest Income}}{\text{Total Equity}}$
- Current Asset Turnover:  $\frac{\text{Interest Income}}{\text{Current Asset}}$
- Fixed Asset Turnover:  $\frac{\text{Interest Income}}{\text{Total Fixed Asset}}$

### 3.1.3 Efficiency Ratio:

The efficiency ratio is usually used to investigate how healthy a corporation utilizes its possessions and accountabilities internally. A competence ratio can study the return of receivables, the reimbursement of liabilities the amount and usages of the equity and the normal use of inventory plus machines. Competence refers to how fruitful a corporation is in using its assets. Efficiency is typically calculated comparative to what proportion returns is making from a particular stage of possessions. Moreover liquidity problems can arise because of inefficient use of assets. A shortage of liquidity frequently paves the way inferior advantage and fewer chances. A corporation's clients and providers are also undergone by short-term liquidity troubles, and it is keener, at what time it is a banking institutes. This part explains the major ratios related to evaluating efficiency ratio:

- Interest Income to Expense =  $\frac{(\text{Interest Income} - \text{Interest Expense})}{\text{Total Loans and Advances}}$
- Operating Expense to assets =  $\frac{\text{Operating Expense}}{\text{Total Assets}}$
- Operating Income to assets =  $\frac{\text{Operating Income}}{\text{Total Assets}}$
- Operating Expense to Revenue =  $\frac{\text{Operating Expense}}{\text{Operating Income}}$

### 3.1.4 Profitability Ratio:

Profitability ratios are a category of monetary metric that are accustomed evaluate a trade's capability to get income comparative to its linked operating cost. Intended for many of those ratios, having a better worth comparative to a rivals ratio or comparative to an equivalent ratio as of an earlier phase specify that the corporate is doing well. We are particularly curious about a corporation's capability to utilize its resources competently to supply earnings and optimistic cash flows. Profitability refers to a corporation's capability to get a sufficient return on invested funds. Return is evaluated by appraising income comparative to the extent and basis of financing. Abundance is additionally pertinent to solvency. This segment explains major profitability measures and their significance to budget psychoanalysis.

This part describes the key ratios related to profitability activity ratio:

- Return on Asset =  $\frac{\text{Net Income}}{\text{Total Assets}}$
- Return on Equity =  $\frac{\text{Net Income}}{\text{Total Shareholders' Equity}}$
- Return on Deposit =  $\frac{\text{Net Income}}{\text{Total Deposit}}$
- Return on Shareholders Capital =  $\frac{\text{Net Income}}{\text{Shareholders contributed capital}}$
- Interest Spread =  $\left( \frac{\text{Interest on Loan}}{\text{Total loan}} \right) - \left( \frac{\text{Interest on Deposit}}{\text{Total deposit}} \right)$
- Net Interest Margin =  $\frac{(\text{Interest Income} - \text{Interest Expense})}{\text{Total Assets}}$
- Net operating Margin =  $\frac{\text{Operating Income}}{\text{Interest Income}}$

### 3.1.5 Financial Risk Ratio:

This part describes the key ratios related to credit risk activity ratio:

- Equity to Assets
- Equity to Net Loans

### **3.2 Common Size Analysis:**

Common size psychoanalysis is an instrument to assess entity financial statement objects or a collection of objects on period of exact based amount. We typically describe a major collective number as the base, which for a bank's income statement is overall income or proceeds revenue and for a balance sheet is generally overall possessions. Common size analysis is requisite Common size statements. So, intended for common size study of RBL's financial statements I have arranged its common size income statements and common size balance sheets for four years.

I use common size statements of (RBL) to disclose the transforms within the comparative significance of every budget substance. Each single amounts in common size statements are redefined in conditions common size proportions. The common size balance sheets and income statements are exposed relatively from 2015 to 2019.

#### **3.2.1 Common Size of balance sheet:**

A standards size balance sheet is a record that shows mutually the numeric worth as well as comparative proportion for whole possessions, entire liabilities plus equity accounts.

A common size balance sheet permits for the comparative level of every asset, liability and equity account to be rapidly evaluated. Several solo assets item is evaluated to the worth of whole assets. Similarly, any particular liability is evaluated to the worth of whole liabilities. Some equity account is evaluated to the worth of whole equity. Intended for this cause, all most important categorization of account will equal 100%, as all lesser mechanism will add up to the main account categorization.

#### **3.2.2 Common Size of Income Statement:**

A common size earnings report is a budget during which every account is spoken as a proportion of the price of sales. It is habitual for perpendicular psychoanalysis, during which every item during a budget is scheduled as a proportion of a base number within the report, to form



assessment easier. Common size earnings statements psychoanalysis makes it easier to ascertain what's motivating a corporation's profits and evaluated that recital to its peers. Through appearing at how that recital has been altering in excess of instance, common size monetary proclamations help investor's mark trends that a raw fiscal statements may not expose. Huge revolutionizes within the proportion of revenue employed by various expenditure in excess of a specified time of your time might be a symbol that the trade sculpt is altering, or that industrialized expenses are altering.

### **3.3 Trend Analysis:**

Trend analysis is a method utilized in methodical psychoanalysis those efforts to forecast the longer phrase stock price actions supported in recent time's experiential trend data. Investigation is predicated on the consideration that what went on contained by the past provides businessman a thought of what is going to occur within the prospect. Analysis may be a sort of parallel psychoanalysis. In engages calculating trend portion for a sequence of monetary statistics and is a difference on the utilization of proportion alters. In psychoanalysis, base time refers just single consecutive time, not the preceding stage of study period.

Trend psychoanalysis tries to discover a trend like a marketplace sprint and ride that trend awaiting information advocates trend hitch, like a bull-to-bear marketplace. Psychoanalysis is useful as moving with trends plus not next to them will cause of revenue for a financier. A trend is that the common track the marketplace is captivating through a particular stage of your time. Trends are often mutually upward and downward concerning bullish and bearish markets correspondingly. Whereas there's no particular least amount of your time needed for a track to be measured a trend the longer the track is sustained the additional prominent the trend.

#### **3.3.1 Trend Analysis of Balance sheet:**

Balance sheet is a pecuniary statement of an organization's monetary situation at a particular point in time. The accounts listed help determine if the corporate is facing any sort of financial stress. When psychoanalysis is performed, a corporation is in a position to ascertain if its

pecuniary situation is improving or declining based on the share vary within the balance sheet accounts. To work out the change, a corporation will check out the dollar amount of balance sheet accounts over 2 or more years.

### **3.3.2 Trend Analysis of Income Sheet:**

Parallel analysis is a financial statement study method that views alters within the amounts of equivalent monetary report substance in excess of a stage of your time. It's a helpful gizmo to gauge the trend circumstances. The statements for 2 or additional times are utilized in parallel psychoanalysis. The initial stage is typically utilized because the base time and therefore the substance on the statements intended for each afterward periods are compared by means of substance on the statements of the bottom stage. Generally the differences are exposed mutually in dollars as well as proportion.

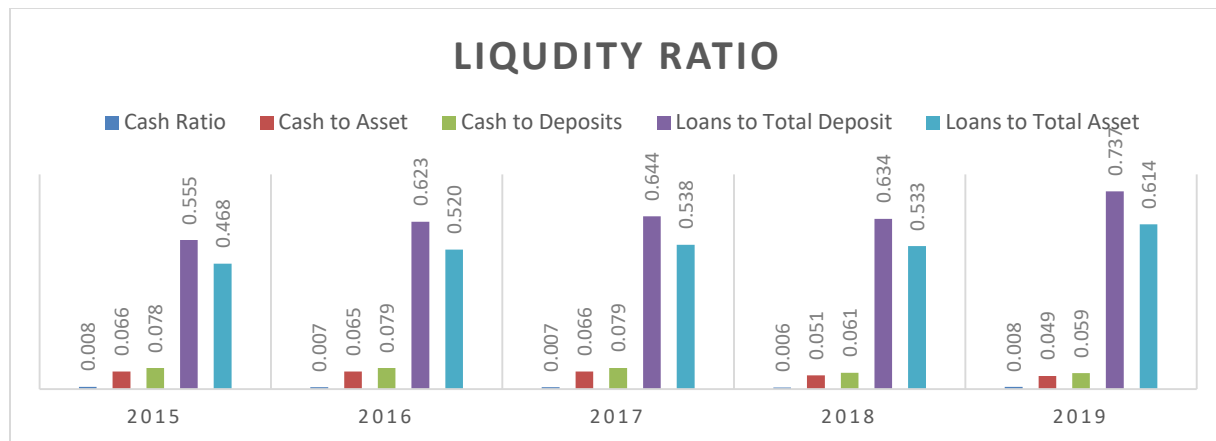
## **Chapter: 4**

### **Financial Performance of Rupali Bank Ltd**

## 1.1 Ratio Analysis:

### 4.1.1 Liquidity Ratio:

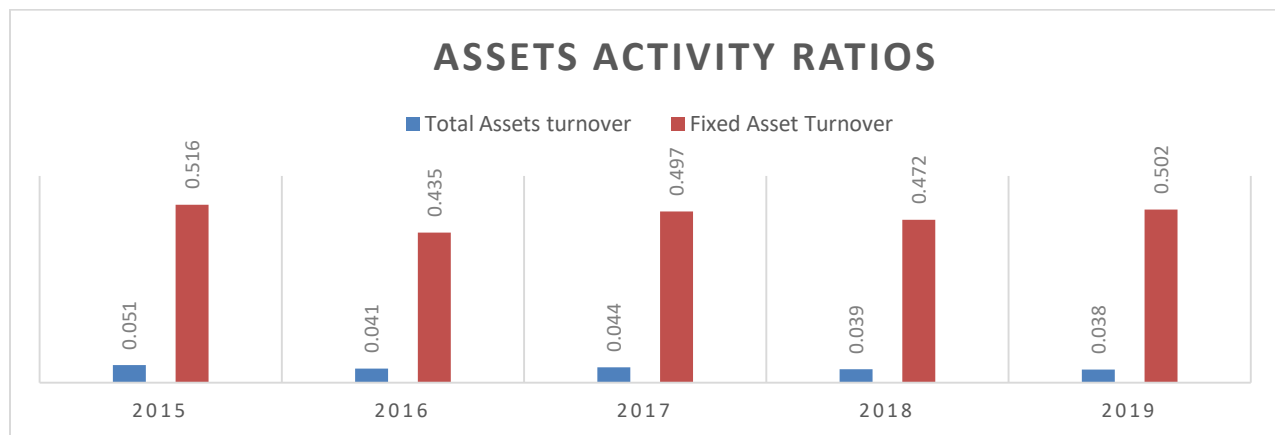
Liquidity Ratio					
Particular	2015	2016	2017	2018	2019
Cash Ratio	0.008	0.007	0.007	0.006	0.008
Cash to Asset	0.066	0.065	0.066	0.051	0.049
Cash to Deposits	0.078	0.079	0.079	0.061	0.059
Loans to Total Deposit	0.555	0.623	0.644	0.634	0.737
Loans to Total Asset	0.468	0.520	0.538	0.533	0.614



**Interpretation:** In accounting, the term liquidity is defined because the ability of a corporation to satisfy its financial obligations as they are available due. The cash ratio or cash coverage ratio is a liquidity ratio that indicates a firm's ability to pay off its current liabilities with only cash and cash equivalents. Cash Ratio of RBL 2019 was 0.008 and 2015, 2016, 2017, 2018; it had been 0.008, 0.007, 0.007 & 0.006. So 2019 was increased cash ratio, it had been good than previous year for the RBL. Cash to Asset and cash to deposit decreased. Loans to Total Deposit and Loans to Total Asset increased.

#### 4.1.2 Asset Activity Ratios:

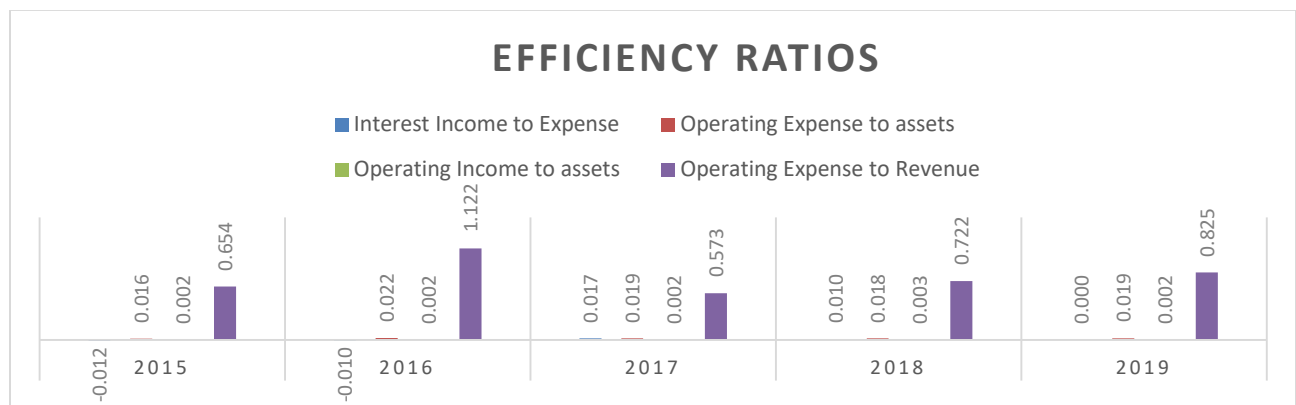
Assets Activity Ratios					
Particular	2015	2016	2017	2018	2019
Total Assets turnover	0.051	0.041	0.044	0.039	0.038
Fixed Asset Turnover	0.516	0.435	0.497	0.472	0.502



**Interpretation:** The asset turnover ratio is calculated by dividing total interest income by average total assets. Interest income, found on the income statement, are used to calculate this ratio returns and refunds must be backed out of total sales to measure the truly measure the firm's assets ability to generate sales. RBL's Total Assets turnover in 2019 was 0.038; in 2016, 2017, 2018 year TAT has decreased than 2015. It was bad sign of RBL. In fixed asset turnover and fixed asset turnover similar thing happened.

### 4.1.3 Efficiency ratio:

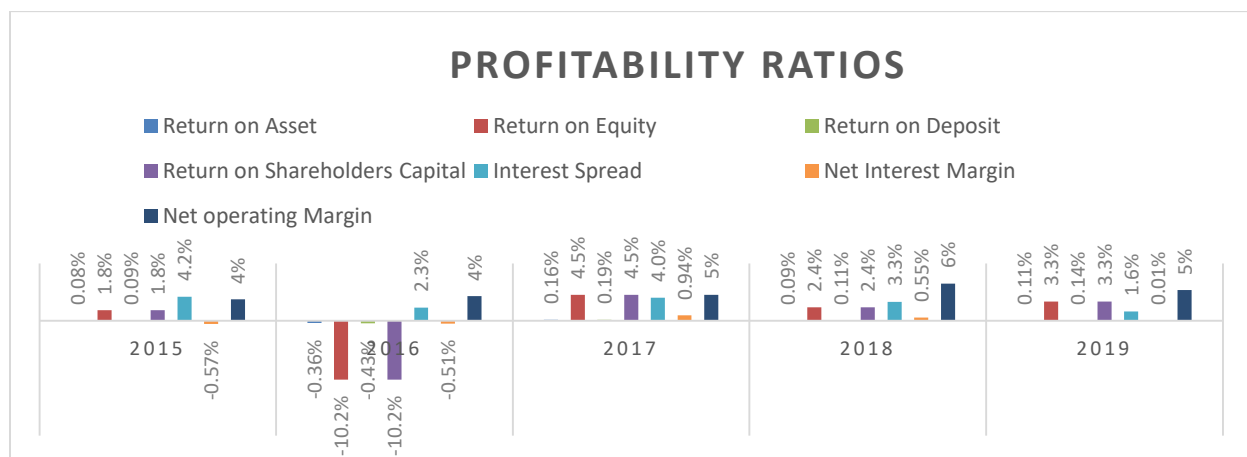
Efficiency Ratios					
Particular	2015	2016	2017	2018	2019
Interest Income to Expense	-0.012	-0.010	0.017	0.010	0.000
Operating Expense to assets	0.016	0.022	0.019	0.018	0.019
Operating Income to assets	0.002	0.002	0.002	0.003	0.002
Operating Expense to Revenue	0.654	1.122	0.573	0.722	0.825



**Interpretation:** Efficiency ratio means how effectively an organization can manage their customer and supplier to recover money or paid. From this graph we can saw that from 2017 to 2018. Interest Income to Expense ratio increased last 2 years. But in 2019, it was 0.00. Operating Expense was increasing but Operating Income was decreasing which is bad. In last 2 years operating expense to revenue was increasing which is bad for RBL.

#### 4.1.4 Profitability Ratio:

Profitability Ratios					
Particular	2015	2016	2017	2018	2019
Return on Asset	0.08%	-0.36%	0.16%	0.09%	0.11%
Return on Equity	1.8%	-10.2%	4.5%	2.4%	3.3%
Return on Deposit	0.09%	-0.43%	0.19%	0.11%	0.14%
Return on Shareholders Capital	1.8%	-10.2%	4.5%	2.4%	3.3%
Interest Spread	4.2%	2.3%	4.0%	3.3%	1.6%
Net Interest Margin	-0.57%	-0.51%	0.94%	0.55%	0.01%
Net operating Margin	4%	4%	5%	6%	5%

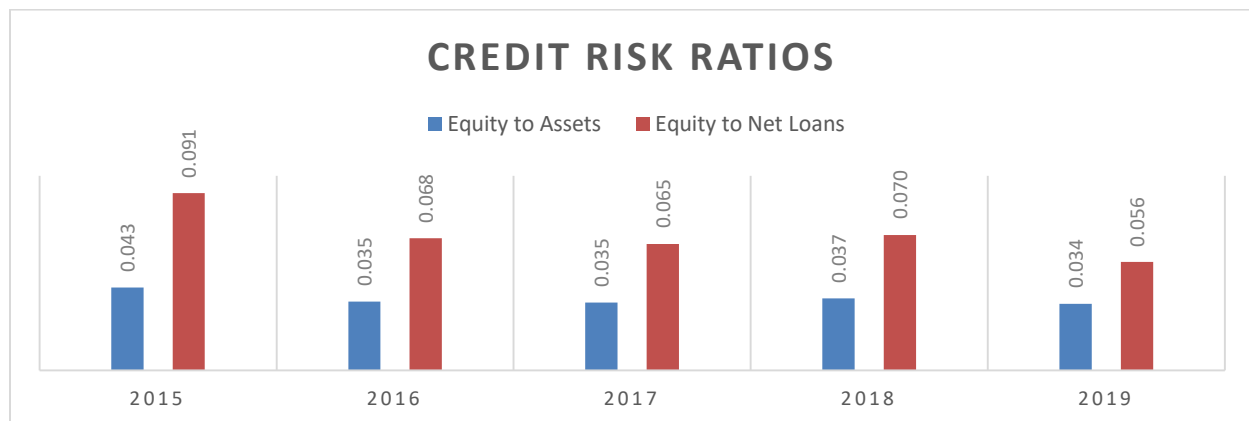


**Interpretation:** Profitability ratios are a category of financial grids that are used to assess business's ability to create earnings compared to its expenses and other relevant costs incurred during a specific time. Return on assets (ROA) is a financial ratio that appears the percentage of profit an organization earns in related to its overall resources. It is generally define as net income divided by total assets. Return on Assets (ROA) and return on deposit in 2015 to 2019 is unstable so the condition is not good; the return on equity ratio or ROE is a profitability ratio that calculates the ability of an organization to generate profits from its shareholders investments in the firm. Return on Equity 2017 was 5% and year 2019 was 3% that is decrease from 2017. Interest spread quite stable. Return on shareholder capital decreased 2017 to 2018. But in 2019 it increased. Net interest Margin was going positive 2017 to 2018. But it seems it is going to

negative again in 2019. Operating profit margin is a calculation of what portion of an organization's revenue is left over after paying for variable costs of production such as wages, raw materials. In last 2018 it was good but decreased in 2019. The operating profit margin is decrease in 2019 which was 5% and it is less than previous year which is bad for RBL.

#### 4.1.5 Credit Risk Ratios:

Credit Risk Ratios					
Particular	2015	2016	2017	2018	2019
Equity to Assets	0.043	0.035	0.035	0.037	0.034
Equity to Net Loans	0.091	0.068	0.065	0.070	0.056

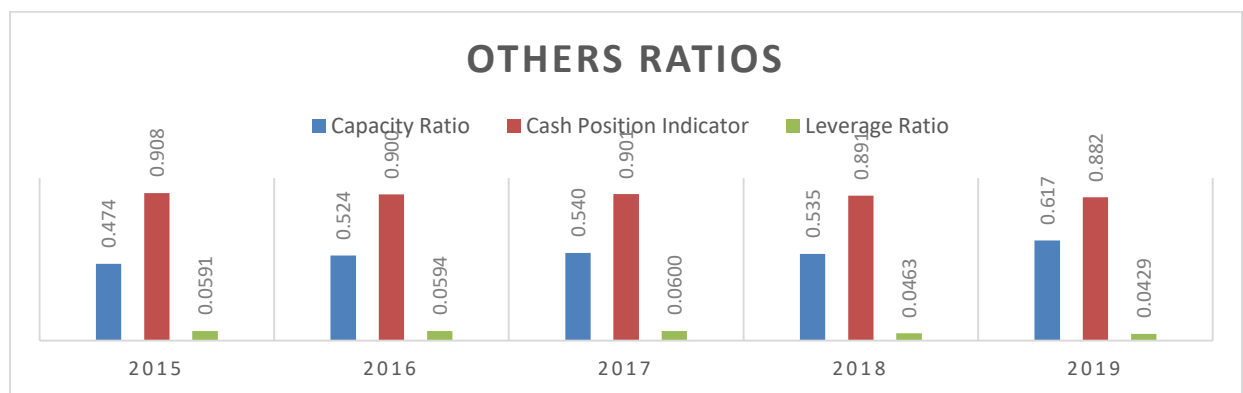


**Interpretation:** Credit risk is measured as state in of the overall ability of the buyer to repay the loan. The Equity Ratio is a quality gauge of the level of leverage used by an organization. The Equity Ratio indicates the portion of the total assets that are capitalized by stockholders, as opposed to creditors. The Debt ratio in 2015 to 2018 it was increased 0.070; but in 2019 it was 0.056 that was bad to RBL. Debt to equity ratio in 2016 to 2017 it was stable. In 2019 it decreased which is bad.



#### 4.1.6 Other Ratios:

Others Ratio					
Particular	2015	2016	2017	2018	2019
Capacity Ratio	0.474	0.524	0.540	0.535	0.617
Cash Position Indicator	0.908	0.900	0.901	0.891	0.882
Leverage Ratio	0.0591	0.0594	0.0600	0.0463	0.0429



**Interpretation:** in 2015 capacity ratio was good but from 2016 it was going up from its standard. Cash position indicator is stable. Leverage ratio is going down which is good for RBL.

## 4.2 Common Size of Balance sheet:

Rupali Bank Limited Balance Sheet Common Size Analysis					
Particulars	2015	2016	2017	2018	2019
Cash	115%	137%	122%	54%	84%
In hand (Including foreign currencies)	12%	13%	11%	5%	11%
Balances with Bangladesh bank and sonali bank (Including foreign currencies)	103%	124%	111%	49%	73%
Balance with other banks and financial institution	114%	143%	227%	149%	81%
In Bangladesh	112%	142%	226%	146%	72%
Outside Bangladesh	2%	1%	1%	3%	9%
Money at call and short notice	36%	15%	0%	12%	0%
Investment in shares & securities	483%	503%	337%	191%	362%
Government	371%	364%	200%	103%	218%
Others	112%	139%	137%	88%	144%
Loans, cash credits, overdrafts/General Investments	10%	9%	5%	2%	5%
Bills discounted and purchased	828%	1093%	1000%	565%	1056%
Account Receivables	82%	88%	69%	32%	49%
Land, building, furniture and fixtures (Including leased assets)	173%	194%	164%	86%	129%
Other assets	1748%	2085%	1850%	1058%	1711%
Total fixed Assets	9%	8%	17%	16%	41%
Total assets	100%	100%	100%	100%	100%
Borrowings from other banks, financial institutions and agents	0%	0%	1%	2%	2%
Current /Al-Wadeeah current and other deposit accounts	6%	5%	5%	9%	6%
Bills payable	1%	1%	1%	1%	1%
Savings deposits/Mudaraba Savings Deposits	16%	18%	18%	17%	17%
Mudarabba/ Term and Fixed deposits	62%	60%	59%	57%	59%
Total Deposits	84%	83%	83%	84%	83%
Other liabilities	11%	13%	12%	11%	11%
Total liabilities	96%	96%	97%	96%	97%
Capital /Shareholders' Equity:	4%	4%	3%	4%	3%
Paid up capital	1%	1%	1%	1%	1%
Share Money Deposit	1%	1%	1%	1%	1%
Statutory reserve	1%	1%	1%	1%	1%
Revaluation Reserve on Govt. Securities/ Revaluation Reserve	0%	1%	1%	0%	0%
Assets Revaluation Reserve	0%	0%	0%	0%	0%
Retained earnings	1%	0%	0%	0%	0%
General reserves and others	1%	0%	0%	0%	0%
Total Equity	4%	4%	3%	4%	3%
Total liabilities and shareholders' equity	100%	100%	100%	100%	100%

<b>Rupali Bank Limited</b> <b>Balance Sheet</b> <b>Common Size Analysis</b>					
Particulars	2015	2016	2017	2018	2019
Cash	115%	137%	122%	54%	84%
In hand (Including foreign currencies)	12%	13%	11%	5%	11%
Balances with Bangladesh bank and sonali bank (Including foreign currencies)	103%	124%	111%	49%	73%
Balance with other banks and financial institution	114%	143%	227%	149%	81%
In Bangladesh	112%	142%	226%	146%	72%
Outside Bangladesh	2%	1%	1%	3%	9%
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Account Receivables	82%	88%	69%	32%	49%
Land, building, furniture and fixtures (Including leased assets)	173%	194%	164%	86%	129%
Other assets	1748%	2085%	1850%	1058%	1711%
Total fixed Assets	9%	8%	17%	16%	41%
Total assets	100%	100%	100%	100%	100%
Borrowings from other banks, financial institutions and agents	0%	0%	1%	2%	2%
Current /Al-Wadeeah current and other deposit accounts	6%	5%	5%	9%	6%
Bills payable	1%	1%	1%	1%	1%
Savings deposits/Mudaraba Savings Deposits	16%	18%	18%	17%	17%
Mudarabba/ Term and Fixed deposits	62%	60%	59%	57%	59%
Total Deposits	84%	83%	83%	84%	83%
Other liabilities	11%	13%	12%	11%	11%
Total liabilities	96%	96%	97%	96%	97%
Capital /Shareholders' Equity:	4%	4%	3%	4%	3%
Paid up capital	1%	1%	1%	1%	1%
Share Money Deposit	1%	1%	1%	1%	1%
Statutory reserve	1%	1%	1%	1%	1%
Revaluation Reserve on Govt. Securities/ Revaluation Reserve	0%	1%	1%	0%	0%
Assets Revaluation Reserve	0%	0%	0%	0%	0%
Retained earnings	1%	0%	0%	0%	0%
General reserves and others	1%	0%	0%	0%	0%
Total Equity	4%	4%	3%	4%	3%
Total liabilities and shareholders' equity	100%	100%	100%	100%	100%

**Interpretation:** The common statistic for a common-size balance sheet study is total assets. As state in accounting calculation, this also equals total liabilities and shareholders' equity, making either term immutable in the study. It is also possible to use total liabilities to identify where a company's obligations lie and whether it is being conservative or risky in managing its debts. Cash in hand is decreasing from year 2017 to 2018 but in 2019 it increased. In 2015 to 2017 it was stable but in 2018 it decrease. So it can say that cash in hand is not stable. Investment in long term asset from 2015 to 2019 has decreased.

### 4.3 Trend Analysis:

Rupali Bank Limited Balance Sheet Trend Analysis					
Particulars	2015	2016	2017	2018	2019
Cash	100%	111%	127%	120%	124%
In hand (Including foreign currencies)	100%	101%	114%	116%	158%
Balances with Bangladesh bank and sonali bank (Including foreign currencies)	100%	112%	129%	121%	120%
Balance with other banks and financial institution	100%	117%	240%	334%	120%
In Bangladesh	100%	118%	243%	332%	108%
Outside Bangladesh	100%	69%	48%	474%	938%
Money at call and short notice	100%	40%	0%	85%	0%
Investment in shares & securities	100%	97%	84%	101%	126%
Government	100%	91%	65%	71%	99%
Others	100%	115%	146%	199%	216%
Loans, cash credits, overdrafts/General Investments	100%	123%	146%	175%	217%
Bills discounted and purchased	100%	80%	62%	49%	82%
Account Receivables	100%	123%	145%	174%	215%
Land, building, furniture and fixtures (Including leased assets)	100%	99%	101%	100%	101%
Other assets	100%	109%	127%	152%	148%
Net fixed Assets	100%	105%	114%	127%	126%
Total assets	100%	111%	127%	154%	165%
Borrowings from other banks, financial institutions and agents	100%	90%	239%	474%	815%
Current /Al-Wadeeah current and other deposit accounts	100%	93%	120%	254%	169%
Bills payable	100%	130%	151%	232%	341%
Savings deposits/Mudaraba Savings Deposits	100%	127%	146%	166%	183%
Mudarabba/ Term and Fixed deposits	100%	107%	121%	140%	156%
Total Deposits	100%	110%	126%	153%	163%
Other liabilities	100%	128%	140%	151%	163%
Total liabilities	100%	112%	128%	155%	167%
Capital /Shareholders' Equity:	100%	92%	104%	134%	133%
Paid up capital	100%	115%	126%	157%	173%
Share Money Deposit	100%	100%	136%	243%	243%
Statutory reserve	100%	100%	108%	113%	120%
Revaluation Reserve on Govt. Securities/ Revaluation Reserve	100%	165%	187%	211%	139%
Assets Revaluation Reserve	100%	99%	99%	99%	99%
Retained earnings	100%	67%	54%	35%	36%
General reserves and others	100%	0%	0%	0%	0%
Total Equity	100%	92%	104%	134%	133%
Total liabilities and shareholders' equity	100%	111%	127%	154%	165%
NAV	100%	80%	82%	78%	77%

Rupali Bank Limited Income statement Trend Analysis					
Particulars	2015	2016	2017	2018	2019
Interest income	100%	88%	110%	116%	122%
Interest paid on deposits and borrowings	100%	89%	78%	90%	110%
Net interest income	100%	100%	-211%	-151%	-4%
Income from investments	100%	87%	95%	94%	128%
Commission, exchange and brokerage Income	100%	102%	106%	75%	101%
Other operating income	100%	100%	133%	201%	174%
Total operating income	100%	89%	171%	156%	156%
Rent, Taxes, Insurance, Electricity etc.	100%	114%	134%	129%	142%
Salaries and allowances	100%	172%	162%	192%	197%
Legal Expenses	100%	127%	101%	118%	109%
Postage, Stamps, Telecommunication etc.	100%	83%	94%	106%	128%
Stationery, Printing, Advertisement etc.	100%	117%	93%	107%	103%
Directors' Fees and Expenses	100%	152%	157%	146%	153%
Salary and allownaces paid to Managing director/Chief Executive	100%	287%	581%	581%	581%
Auditors' Fee	100%	176%	168%	201%	280%
Depreciation and Repairs to Bank's Assets	100%	117%	113%	123%	136%
Other Expenses	100%	145%	153%	174%	251%
Total operating expenses	100%	152%	150%	172%	197%
Operating Profit	100%	-31%	211%	125%	79%
Profit before provision	100%	-31%	211%	125%	79%
Specific provision (Loan and Advances)	100%	0%	387%	205%	109%
Off balance sheet items	100%	0%	14%	0%	54%
Diminution in value of investment	100%	200%	1599%	4017%	137%
Others Provision	100%	0%	159%	40%	8%
Total provision	100%	2%	276%	165%	69%
Profit for the year before taxation	100%	-77%	123%	71%	93%
Current Tax	100%	73%	144%	88%	176%
Deferred tax	100%	38%	68%	28%	13%
Provision for tax	100%	46%	86%	42%	51%
Net profit after tax for the year	100%	-512%	255%	173%	241%
EPS	100%	-464%	186%	115%	160%

**Interpretation:** Trend psychoanalysis is a feature of practical study that tries to foretell the prospect association of a hoard depends on history information. Trend psychoanalysis is depending on the thought that what has occurred in the history provides traders a thought of what will occur in the prospect. Cash in hand has increasing average from 2015 to 2019 and value is 100% to 150%. Investment in long term assets is has increased which is good for RBL. Net profit after tax has increased from 2015 to 2016 then it decrease randomly which means that company is facing loss few year. But in 2019 it was increased.

## **Chapter: 5**

### **Problems, Recommendation & Conclusion**

### **5.1 Problems Identified: The findings are as follows-**

1. The cash to asset and cash to deposit ratio was decreasing 2015 to 2019, RBL need to concern about it as those ratios is the indicator of liquidity position of the company. Cash ratio is quite stable.
2. The company's total assets turnover & fixed asset turnover were also fluctuating in 2015 to 2019. Since, those turnover was often use as an indicator of the efficiency, the company should take care of it.
3. Efficiency ratios were not stable. The Condition of efficiency was very bad 2015 to 2019.
4. Bank's Net operating margin was fluctuating in 2015 to 2019. But last year in 2019 it was decreased. That means in last year, operating and non-operating expenses were increased which is not good for the Bank.
5. Net profit margin of the bank was very poor.
6. There is no return on assets and ROE is fluctuating 2015 to 2019 which is bad for Bank.
7. Credit risk Ratios and Others Ratios also was fluctuating which indicate bad condition of RBL.



## 5.2 Recommendations for RBL:

It is really strenuous to draw advice based on three months' work experience and it would be audacious of me to give advice to the people who have better knowledge and expertise than me.

Still, there are few points in which I think the organization can improve:

1. The bank should focus on cash to asset ratio and cash to deposit ratio and figure out the way to Increase it. If company falls in a liquidity crisis, it will not be able to reply current obligations.
2. The bank should focus on the utilization of its assets in the coming years so that total asset turnover, fixed asset turnover could increase in coming years.
3. It should need to increase its net operating profit margin by decreasing expenses and using equity capital to cover liability increasing rate and gain its goal.
4. The company should focus to increase efficiency of their operation. Inventory.
5. The bank should give focus on to add to the mesh income edge.
6. ROA is the indicator how bank use its asset to generate returns. So RBL needs to pay attention to increase ROA. Return on Equity (ROE) is fluctuating from 2015 to 2019.It was bad for RBL. The Rupali Bank Ltd should focus on increasing their ROE.
7. Credit risk ratio was increasing than its standard, they should focus on it.

### 5.3 Conclusion:

To bearing in mind this statement at first I would like to mention, 'Time is cash'. This is the way planet acts at the present time. In this spirited planet progress will merely occur if correct choice creates at correct time for the banks as like as every monetary institution. Financial expansion as well as fiscal growth is intimately connected. For this reason the confidential money-making banks are rolling significantly. RBL is working in various distant areas. They are moreover contribution a broad variety of universal banking action other than as of my study psychoanalysis I originate that buyers aren't content with the majority of their service. While they're contribution service moderately low down cost but thanks to missing in correct advisement actions plus since of near to the ground overhaul class customer's fulfillment stage is bad. One more obsession organization should review that RBL is giving particular saving system with moderately superior payback in the middle of additional banks which may be a must needed step for long-standing spot in monetary marketplace. At the present additional banks are approaching within the monetary marketplace in arrange that savings will split more. Consequently, it is lofty time to keep on a number of lasting clientele by giving particular savings plan or else in prospect quantity of savings may approach downward. Lastly, I can speak civilizing excellence of overhaul is that the sole key for the reason that there are not a few alternative currently. In arrange to extend end user approval point RBL ought to present correct guidance to the workers to show member of staff actions throughout an acceptable point. Furthermore, they require extending advertisement actions and the majority significantly workers ought to present extra priority to their customers also as rapidity in servicing are really requisite.

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