An Internship Report

on

Business analysis of Rupali Bank Limited

This report is submitted to the Department of Accounting, Faculty of Business Studies, Hajee Mohammad Danesh Science and Technology University, Dinajpur for the fulfillment of the degree of Master of Business Administration (MBA) program.

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Hajee Mohammad Danesh Science and Technology University

Dinajpur−5200, Bangladesh

March, 2023

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March, 2023

Acknowledgement

It is my great pleasure to express our gratitude to our creator almighty ALLAH for such great opportunity to be in touch with Rupali Bank Limited, Khetlal Branch Joypurhat in completing my assigned report timely on the topic, Business analysis of Rupali Bank Limited.

In preparing the report I would like to express my gratitude to my honorable supervisor Saiful Islam, Associate Professor, co-supervisor Mohammad Main Uddin, Associate Professor, Rupali Bank Manager and Friends from the core of my heart for their kind support, guidance, supervision, instructions and advice and for motivating me to do this report.

I am also grateful to the employees of bank for their cordial information. They helped me a lot to collect the information correctly and also extended their helpful hand to me. It was a great opportunity to do internship in such an organization. The experience I have gathered will be a privilege for my future career planning.

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Certificate of Organization

রূপালী ব্যাংক লিমিটেড
উত্তম সেবার নিশ্চয়তা
RUPALI BANK LIMITED
Assure Better Service

Khetlal Branch
Joypurhat
Cell No: 01810-684601
Website: www.rupalibank.org

Ref:Rup/Khet/Mis/2023/

Date: 2-4-2023

To Whom It May Concern

This is to certify that, Md. Golam Morshed having student ID. 1603142, MBA (Major in Accounting and Information System), student of Hajee Mohammad Danesh Science and Technology University, Dinajpur, Successfully completed his ninety days internship program at Rupali Bank Limited, Khetlal Branch, Joypurhat. During the period of internship we found his good attitude and sound behaviour.

We are satisfied with his performance and wish him every success in life.

....
Prabir Chandro Sarkar
Senior Principle Officer
Rupali Bank Limited
Khetlal Branch
Joypurhat

Prabir Chandra Sarkar
Manager (SPO)
Rupali Bank Ltd.
Khetlal Branch,Joypurhat

Certificate of Supervisor

The internship report titled “Business analysis of Rupali Bank Limited "has been submitted with the department, in partial fulfillment of the degree of MBA at the department of accounting, Hajee Mohammad Danesh Science and Technology University, Dinajpur by Md. Golam Morshed, student ID no. 1603142. I have gone through the report and have tried to come out with the best within the capacity of the student. The report has been accepted and may be presented before the defense committee for evaluation and assessment.

I wish him every success in life.

………………………
Saiful Islam, ACMA
Associate Professor
Department of Accounting
Faculty of Business Studies
HSTU, Dinajpur.

Certificate of Co-supervisor

I hereby declare that the concerned report on "Business analysis of Rupali Bank Limited" is a work done by Md. Golam Morshad, Student ID: 1603142, MBA in Accounting and Information Systems, MBA Batch 9th, Faculty of Business Studies, Hajee Mohammad Danesh Science and Technology University, Dinajpur-5200. He has performed his analyzing performance under my supervision and submitted this analysis report for the partial fulfillment of the requirement of the degree of Master of Business Administration.

I wish him every success in life.

………………………

Mohammad Main Uddin
Associate Professor
Department of Accounting
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Student’s declaration

I hereby declare that the report work entitled “Business analysis of Rupali Bank Limited” has prepared by me which is supervised by Saiful Islam, Associate Professor, Department of Accounting, Faculty of Business Studies, HSTU, Dinajpur.

I further confirm that the work and material included in this thesis report are original and have not been submitted to any form or any other university or institution for any credit or any other reason.

……………………………

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Abstract

This study aims to conduct a business analysis of Rupali Bank Ltd (RBL). The main objective of this report is to review the business analysis of Rupali Bank Ltd. Also evaluate the bank's financial performance. The data for this report collects from secondary source of data. This sources including the annual reports of RBL, Bangladesh Bank publications, and relevant academic journals. The report methodology involves a combination of quantitative and qualitative methods. The data are analysis by MS Excel and MS Word. The results of the business analysis of RBL provides an overview of the bank's financial performance. The report also identifies potential areas for improvement and growth for the bank. The findings of this report can be use by RBL's management to develop strategies to improve the bank's performance and competitiveness in the banking industry.

Keywords: Rupali Bank, business analysis, management, Covid-19, impact.

Table of Contents

List of tables

List of Figures

CHAPTER 1
Introduction

1.1.Introduction

Rupali Bank Ltd (RBL) is one of the leading commercial banks in Bangladesh. It was established in 1972, after the independence of Bangladesh, as a nationalized commercial bank. In 1986, the bank was privatized and listed on the stock exchange of Bangladesh. The bank has a wide network of branches and ATM booths across the country, providing a range of banking products and services to its customers. As of 2021, RBL has a total of 532 branches and 29 SME/Agri branches across the country, with a workforce of over 10,000 employees. The bank offers various products and services including retail banking, corporate banking, SME banking, agricultural banking, treasury, and Islamic banking. RBL also has a strong presence in the remittance business, with partnerships with various exchange houses and money transfer companies. In recent years, RBL has been focusing on digital transformation and has introduced several digital banking solutions to improve customer experience and convenience. The bank has launched mobile banking, internet banking, and a mobile app to facilitate digital transactions for its customers. In addition, RBL has also introduced a range of digital payment solutions, such as QR code-based payments, online bill payments, and cordless cash withdrawals, to cater to the changing needs of customers.

In terms of financial performance, RBL has shown steady growth in recent years. The bank's total assets have increased from BDT 280 billion in 2016 to BDT 440 billion in 2020. RBL's net profit has also grown from BDT 3.9 billion in 2016 to BDT 6.3 billion in 2020. The bank's loan portfolio has grown at a CAGR of 10% over the past five years, with a focus on SME, agriculture, and retail lending. Rupali Bank Limited has a strong risk management framework in place, with a dedicated risk management department and a well-defined risk management policy.

In conclusion, Rupali Bank Ltd (RBL) is a leading commercial bank in Bangladesh with a strong presence in retail, corporate, SME, and agricultural banking. The bank has been focusing on digital transformation to improve customer experience and convenience, and has shown steady growth in recent years. RBL has a strong risk management framework in place and has maintained a healthy loan portfolio and capital adequacy ratio.

1.2.Objectives:

- To evaluate the bank major financial indicators such as loans and advances, remittance, investment, non-performing loan, deposit, import, export and capital amount.
- To provide suggestions for the bank's management to improve its overall performance and achieve its strategic goals.

1.3.Limitations

During my internship program I have found some limitations. Those limitations are given below:

- Lack of information about the bank because of the shortage of internship time.
- Don’t get enough time to discuss with the employee of the bank, because of their services activity.
- Due to secret policy of the bank, the bank does not provide all types of information which I needed to prepare the report. That’s why I have to use secondary data to prepare these reports.
- Rupali bank Ltd follows the rules and regulations of the central bank of Bangladesh, recently Bangladesh Bank changes their rules and regulation that’s why it is difficult to collect the update information of the bank.

CHAPTER 3

Literature review

A literature review is not only a crucial endeavor for any academic research but also the foundation and inspiration for substantial, useful research. There are lots of literature reviews on this topic.

Rahman et al. (2018) analyzed the financial performance of RBL from 2010 to 2016 using financial ratios and found that RBL had shown significant improvements in profitability, liquidity, and asset quality. Alam et al. (2020) evaluated the management practices of RBL using the balanced scorecard approach and found that RBL needed to improve its performance in the areas of customer perspective, learning and growth perspective, and internal business process perspective.Hoque and Mia (2019) analyzed the digital transformation of the banking industry in Bangladesh and found that banks needed to overcome challenges such as cyber security, regulatory compliance, and customer adoption to successfully adopt digital technologies.Ali and Mahmud (2018) conducted a study to analyze the financial performance of Rupali Bank Limited. The study used financial ratios to measure the bank's liquidity, profitability, efficiency, and solvency. The authors concluded that the bank's overall financial performance was satisfactory.

Chowdhury and Islam (2019) also conducted a comparative analysis of Rupali Bank Limited's financial performance using financial ratios. They compared the bank's performance to two other banks in Bangladesh and found that Rupali Bank Limited had a lower profitability ratio than the other two banks.Hossain and Hoque (2018) conducted a comparative study of the performance of Rupali Bank Limited by analyzing its financial ratios over a three-year period. The study found that the bank's profitability and efficiency ratios had improved over the three years, while its liquidity and solvency ratios had worsened. Rahman and Uddin (2018) analyzed the performance of Rupali Bank Limited using financial ratios and regression analysis. They found that the bank's profitability and efficiency ratios had a positive impact on its financial performance, while its liquidity and solvency ratios had a negative impact.

Ullah et al. (2019) Highlighted that financial performance analysis is essential for understanding the financial health of a company or organization. Financial ratios are commonly used to evaluate the financial performance of banks, including liquidity ratios, asset quality ratios, profitability ratios, and solvency ratios. Zahid and Alam (2018) presents an overview of previous studies related to financial performance analysis of banks. The authors have provided an extensive review of the literature to identify the gaps that exist in the existing studies and to explain the research objectives of their study. Siddiquee et al. (2019) reviewed several previous studies related to financial performance analysis of banks. They have emphasized on the importance of evaluating the financial performance of banks to identify their strengths and weaknesses, and to take necessary measures for improvement. They have also highlighted the significance of financial ratios in analyzing the financial performance of banks.

Zia Uddin et al. (2018) used various financial ratios such as liquidity ratios, profitability ratios, efficiency ratios, and market ratios to analyze the bank's financial performance. The study found that Rupali Bank Limited had a strong liquidity position, but its profitability and asset management ratios were not satisfactory. The study also found that the bank's market performance was below average. Slam et al.(2019) Found that several factors, such as service quality, convenience, reliability, and empathy, significantly influence customer satisfaction with Rupali Bank Limited's services. The study also identified some areas where the bank needs to improve its services, such as reducing waiting time, improving staff behavior, and providing more personalized services to customers.

CHAPTER 3
Methodology

3.1. Methodology of the study

The methodology is the systematic theoretical analysis of the data. The methodology is the process of collecting data and arranging it in terms of the relevant issue of the study. The reception of methodology is an essential factor in performing any study. The study is used the method Microsoft word, is used to present the table and Microsoft excel is used to present the diagram. Primary and secondary data are collected and presented. Data are classified numerically and are presented in the table.

This study is descriptive in nature and financial data are analyzed through some major financial indicators, such as:

- Loans and advances
- Remittance Flow
- Non-Performing Loan (NPL)
- Last five years Deposit growth of RBL
- Major financial indicators of RBL

The analysis of financial data based on the annual report of Rupali Bank Limited form 2017 to 2021 which I get form the website of RBL.

3.2. Source of data

We collected secondary data from the financial statement over the previous five years of Rupali Bank Limited and unlisted it. The pertinent data was taken from the bank's annual reports. A sample of five years used in business analysis of Rupali Bank Limited. This study was created using Secondary data for the five years period 2017 to 2021.

Primary sources:

- ❖ Conversation with officials of the bank
- ❖ Contract on variety desk of the bank
- ❖ Front chat with clients

Secondary sources:

- ❖ Web site of RBL.
- ❖ RBL yearly report 2017-2021.
- ❖ The financial data is taken from the banks reports, income statement and balance sheet statement form 2017-2021 which are made accessible online by Rupali Bank Limited (https://rupalibank.com.bd).

3.3. Data Analysis:

To study the data MS Excel and MS Word has been used.

CHAPTER 4

Results and discussion

4.1.Loans and advances of RBL

Rupali Bank is playing an important role in alleviating poverty, creating employment, fostering industrial and agricultural development and nurturing economic progress of the country through credit disbursement and offering tailored financial solutions.

Table 1: Last five years loans and advances of RBL. (TK. in crore)

Year	2017	2018	2019	2020	2021
Taka	20667.27	24749.06	30672.40	33683.52	38,083.37

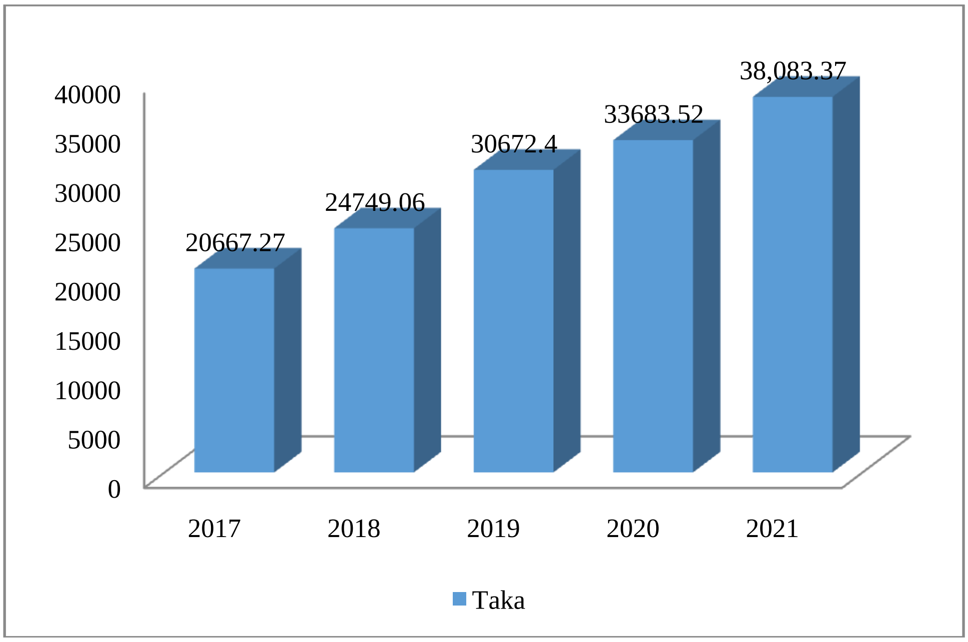


Fig 1:Last five Loans and advances of RBL

The table shows the amount in Taka of loans and advances for the years 2017 to 2021. The amount steadily increased each year, reaching 38,083.37 in 2021. This indicates an increase in borrowing and lending activities, which can have implications for the economy.

4.2. Remittance Flow

Rupali Bank has been providing modern technology based safe& quick remittance services to its clients since 1980s.At Present Bangladeshi expatriates can send their hard earned remittance to their beneficiary’s account directly or beneficiary can draw the remittance in the form of cash from any branches of Rupali Bank.

Table 2: Last five years Remittance Flow

Year	2017	2018	2019	2020	2021
Taka	1752	1717	2257	6505	4892

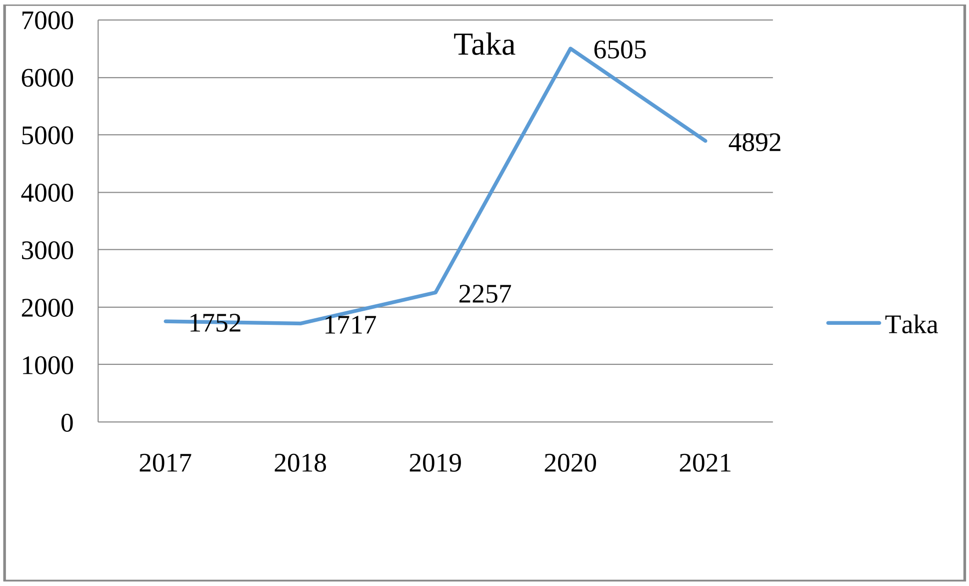


Figure 2: Last five years Remittance Flow

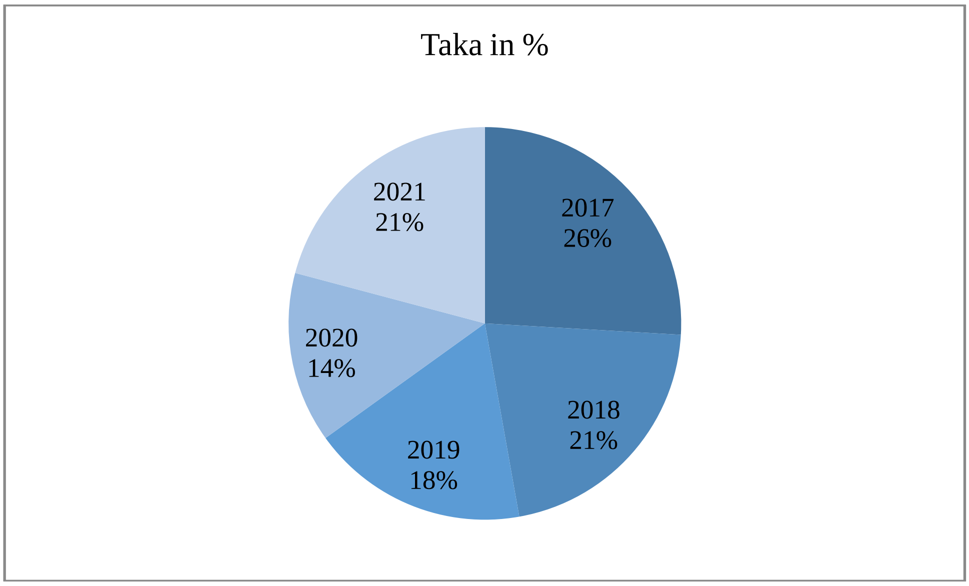
The table shows the amount in Taka of an unspecified variable for the years 2017 to 2021. The amount fluctuated over the years, with the highest amount of 6,505 in 2020 and a decrease to 4,892 in 2021. The nature of the variable and its impact on the economy are unclear.

4.3. Non-Performing Loan (NPL)

A non-performing loan is a bank loan that is subject to late repayment or is unlikely to be repaid by the borrower in full. Non- performing loans represent a major challenge, as they reduce profitability.

Table 3: Last five years Non-Performing Loan (NPL)

Year	2017	2018	2019	2020	2021
Taka in %	23.41%	19.21%	16.15%	12.70%	18.84%



Figure's 3: Last five years Non-Performing Loan (NPL)

The table shows the percentage change of an unspecified variable in Taka for the years 2017 to 2021. The percentage decreased each year, reaching 12.70% in 2020 before increasing to 18.84% in 2021. The nature of the variable and its impact on the economy are unclear.

4.4. Last five years Deposit growth of RBL

Table 4: Last five years Deposit growth of RBL

Year	2017	2018	2019	2020	2021
Amount TK.	31948.76	38954.95	41462.43	53229.99	57643.06

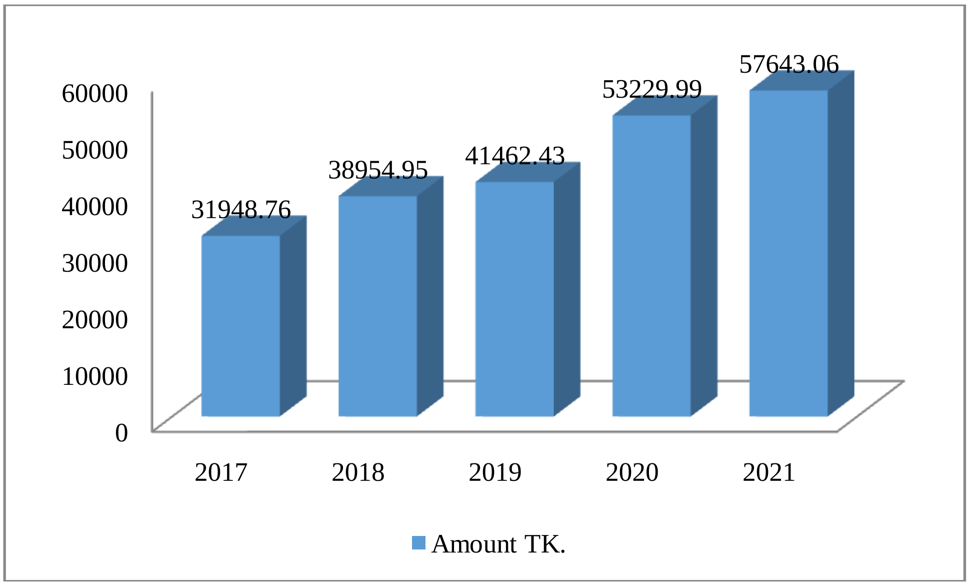


Figure 4: Last five years Deposit growth of RBL

Figure 4 depicts the total deposit of bank customers of Rupali bank Limited over the years of 2017 to 2021. The figure shows an upward trend while the deposit amount was 27911.6 in 2015, concluded by 53229.99 at the end of 2020.

Table 5: Investment amount of RBL

Year	2017	2018	2019	2020	2021
Amount	6,840.02	8,233.65	10,364.62	15,805.44	18265.35

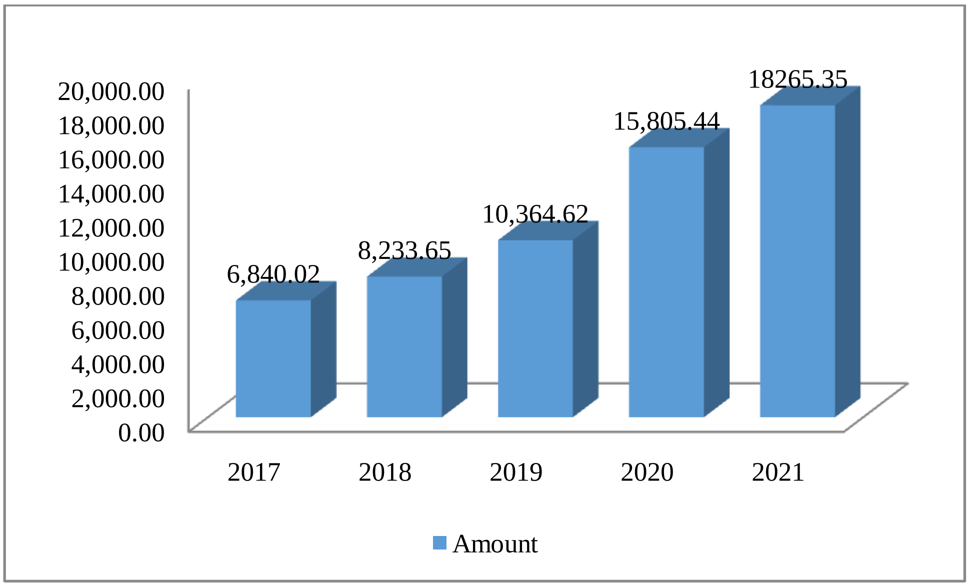


Figure 5: Investment amount of RBL

Figure 7 is the illustration of investment balance of Rupali Bank Ltd. in different projects. Though the trend was upward, in the year of 2017 the investment experienced a dip and reached the lowest. The figure also informs that the investment touched at peak in 2021 by 18265.35.

Table 6: Import amount of RBL

Year	2017	2018	2019	2020	2021
Amount	13,210.01	11,401.15	15,401.83	11,207.60	27300.22

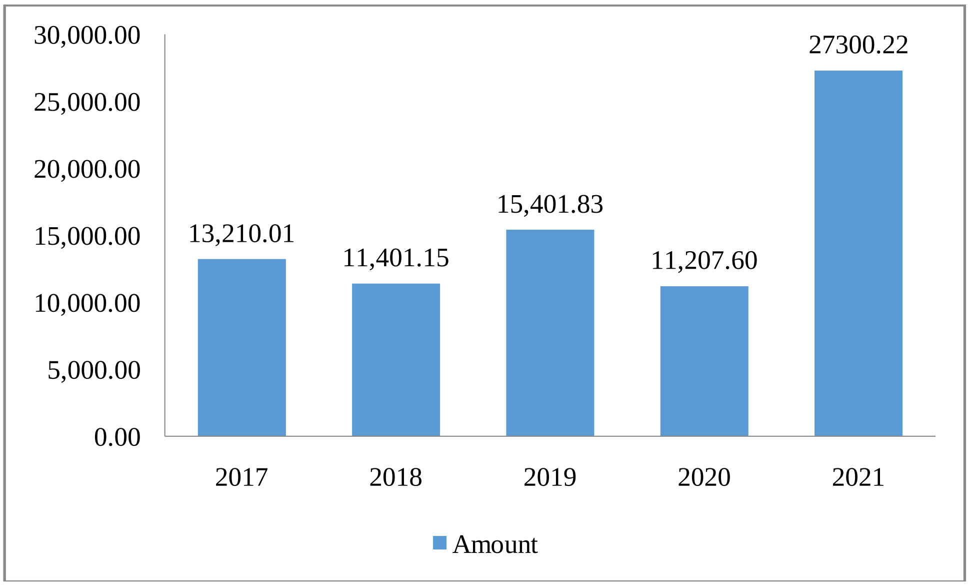


Figure 6: Import amount of RBL

The given table shows a list of years and the corresponding amounts in a certain currency. The amount starts from 13,210.01 in the year 2017 and fluctuates over the years, reaching the highest amount of 27,300.22 in the year 2021. However, there are significant changes in the amount between the years. For instance, the amount in 2018 is significantly lower than in 2017, and the amount in 2020 is significantly lower than in 2019. Overall, the trend in the table is not consistent, and there are significant fluctuations in the amount over the years.

Table 7: Export amount of RBL

Year	2017	2018	2019	2020	2021
Amount	2298.97	2600.2	2689.27	2283.45	3322.59

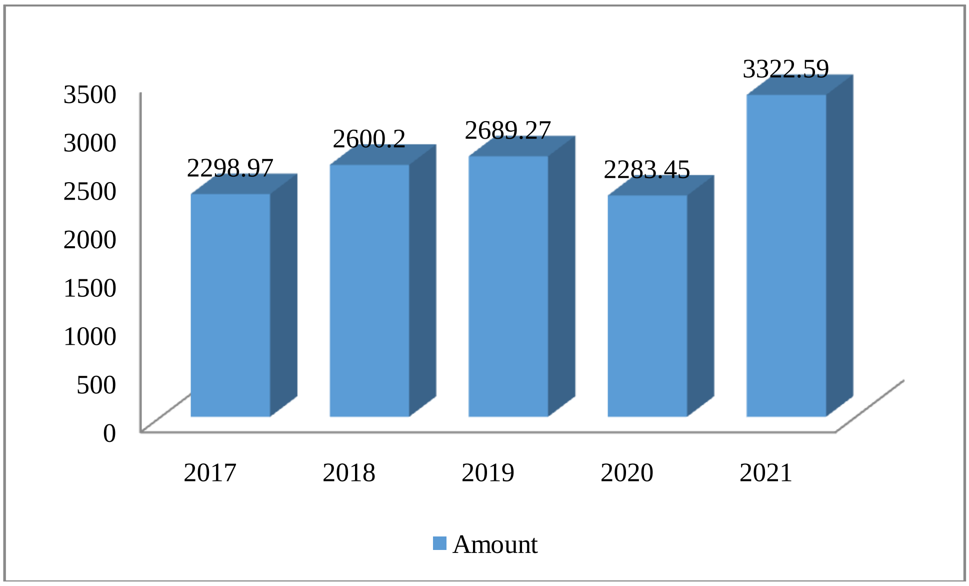


Figure 7: Export amount of RBL

The exporting balance of Bangladesh using Rupali bank Ltd. is much lower than import. Figure 8 represents the total export volume of five distinct years through Rupali bank Ltd. and shows that the total value of exporting Bangladeshi products was lowest while in the preceding year the volume was highest by 3322.59. Overall, the export using Rupali bank experienced a downward direction at the end of the span.

Table 8: Capital amount of RBL

Year	2017	2018	2019	2020	2021
Amount	1327.17	2,214.95	2565.14	2699.23	2366.56

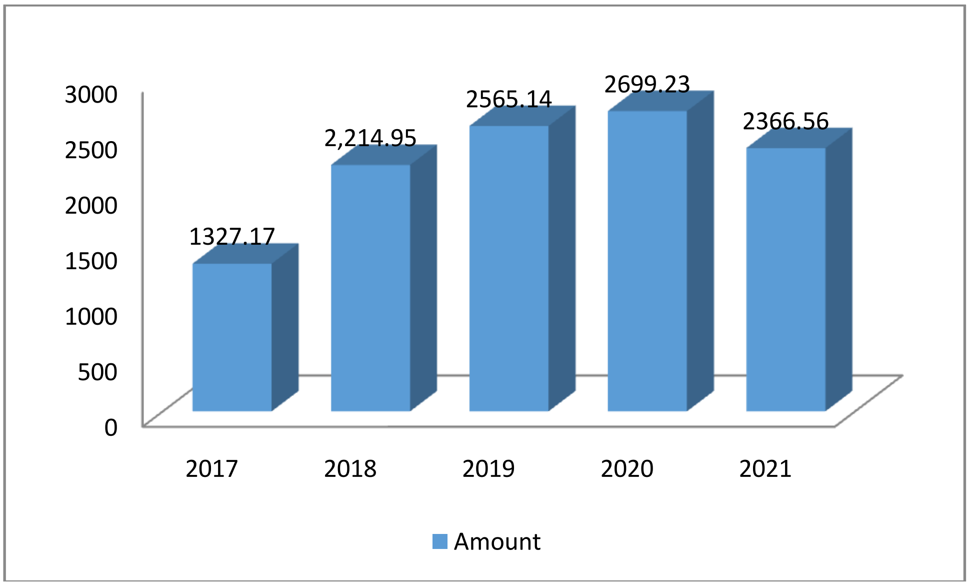


Figure 8: Capital amount of RBL

The given table shows a list of years and the corresponding amounts in a certain currency. The amount starts from 1327.17 in the year 2017 and increases over the years, reaching the highest amount of 2699.23 in the year 2020. However, in the year 2021, the amount decreased to 2366.56. This table represents a trend of increasing amounts over the years, except for a slight decrease in the last year.

Table 9: Major financial indicators of RBL 2017-2021

Indicators	2017	2018	2019	2020	2021
Loan and Advance	20667.27	24749.06	30672.40	33683.52	38,083.37
Remittance	1752	1717	2257	6505	4892
Deposit	31948.76	38954.95	41462.43	53229.99	57643.06
Export	2298.97	2600.20	2689.27	2283.45	3322.59
Import	13210.01	11402.15	15401.83	11207.60	27300.22

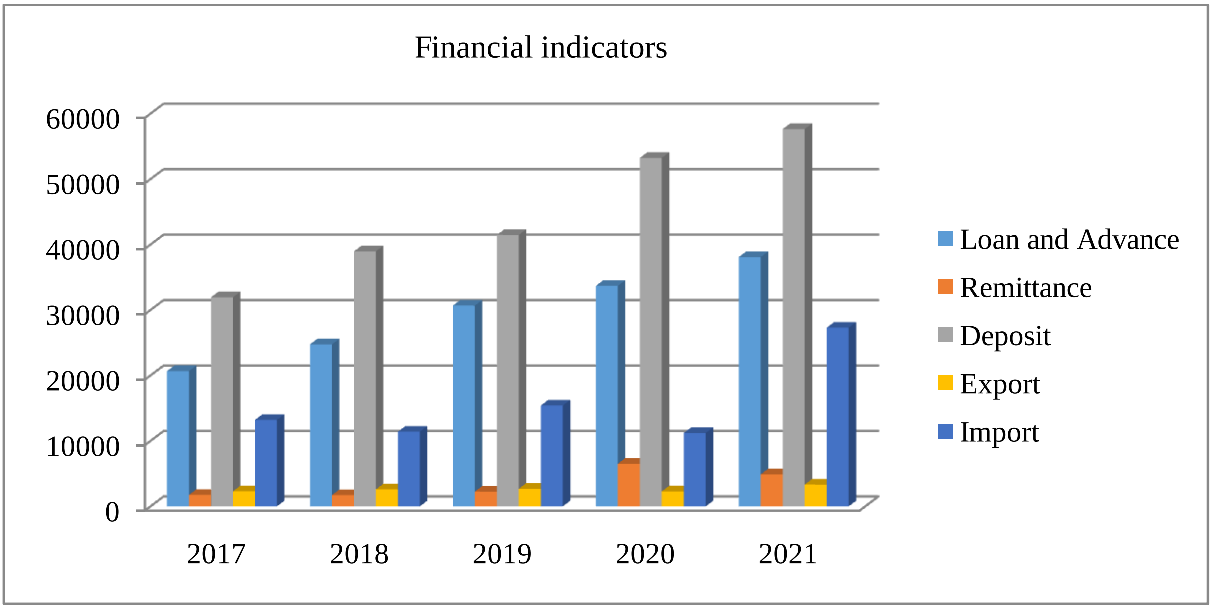


Figure 9: Major financial indicators of RBL 2017-2021

The table shows different economic indicators for the years 2017 to 2021. The loan and advance amounts increased steadily over the years, reaching 38,083.37 in 2021. Remittance amounts fluctuated but increased overall, with the highest amount of 6,505 in 2020. Deposit amounts also increased over the years, reaching 57,643.06 in 2021. Export amounts showed slight fluctuations, while import amounts fluctuated greatly, with a significant increase in 2021 to 27,300.22. These indicators provide insights into the performance of the economy, particularly in the areas of loans, remittances, deposits, and international trade.

CHAPTER 5
Findings and suggestions

5.1. Findings

- The non-performing loan percentage rate of RBL was in decreasing trend form 2017 to 2020, but in 2021 it start to increase due to Covid-19 impact, so it can be said that this is not a good sign for RBL
- Rupali bank Limited’s loan and advance portfolio is well-diversified, with a significant presence in the agriculture and SME sectors.
- Rupali Bank Limited’s deposit base has been growing steadily, and the bank has been successful in attracting a large number of low-cost deposits.
- Rupali Bank Limited’s has been investing heavily in digital transformation to improve customer experience and operational efficiency.
- Though the remittance earning of RBL is increasing trend but there is also a negative sign in 2021 due to COVID impact.

5.2 suggestions

- Though the Covid-19 placed a vast impact on global economic the overall performance of RBL was good enough exact remittance generation. These sort of troubles may be arise in the near future again. Therefore, this bank has to be proactive have imitate some attentive achiness for the remittance fighters.
- The bank may also focus on further growing its retail loan portfolio while maintaining prudent risk management practices.
- Rupali Bank Limited may be continuing its efforts to attract low-cost deposits and further diversify its deposit base.
- The war between Russia and Ukraine is changing the world economic landscape. Therefore, ensuring suitable foreign currency flows is vastly important.
- Another most important suggestion is to reduce the default risk through detecting problem.

CHAPTER 6

Conclusion, policy implications and future work

6.1. Conclusion

Based on the analysis of Rupali Bank Ltd (RBL), it can be concluded that the bank is performing well in terms of its financials. The bank has shown consistent growth in its deposits, loans and advance over the past few years. The analysis also indicates that the bank has managed to reduce its non-performing loans, which is a positive sign for the bank's overall health. The bank has a strong presence in the rural areas of Bangladesh, which is an advantage for RBL as it provides the bank with a large customer base. Rupali bank limited has a strong financial position, a large customer base, and a strong presence in the rural areas of Bangladesh. However, it needs to address the challenges it faces to sustain its growth in the highly competitive banking industry. The bank can explore new business opportunities to diversify its revenue streams and reduce its dependence on traditional banking services.

6.2. Policy implications.

It would be useful to carry out a more effective management decision on the major activity problem of RBL needs to focus on improving its operational efficiency, cost control, and revenue generation through a customer-centric approach, innovative products and services, and streamlined processes. Rupali bank limited needs to adopt a more proactive and dynamic risk management framework to identify, assess, and mitigate the emerging risks and uncertainties in the banking industry, such as cyber threats, climate change, and global economic volatility. RBL needs to invest in its human capital development, talent retention, and leadership succession planning to ensure a sustainable and resilient organizational culture and performance.

6.3. Future work

This study can be benevolent for some future works. This study can be helpful Future researchers students analyze RBL's financial performance over the past few years by examining its financial statements. They can analyze the bank's revenue, profit margins, return on equity, and other key financial metrics to evaluate its financial health. This study also helpful for future researcher students who are willing to work on the economic impact of RBL. New employees can also give focus on this study for taking an effective decision. Future researchers can conduct a market analysis of RBL's products and services to determine how competitive the bank is in the market. They can analyze the market share, customer demographics, and other key factors to determine RBL's position in the industry.

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