

**Internship Report**

**On**

A Comparative Analysis of Liquidity Management Performances of

Listed Banks of Bangladesh: Study on

**United Commercial Bank Limited**

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Subject:Internship Report Submission

Dear Sir,

With great pleasure, here I submit my internship report on “A Comparative Analysis of Liquidity Management performances of Listed Banks of Bangladesh: study on United Commercial Bank Limited” that I have prepared which you are assigned to me for my internship report.

The report is based on my knowledge and experience that I have learnt my internship period at United Commercial Bank Limited. I would be successful if you accepted my report and recognized my hard work. I have tried my best to bring out that I have learnt from my internship period.

I would like to thank you for your supervision, support, guideline and observation of my report which made it easy for me as well as provided knowledge of practical learning.

Sincerely Yours,

Sabiqun Nahar Joi

ID: 111142168

**Acknowledgement**

At first I would like to convey my sincere appreciation to God for giving me strength and ability to complete my internship and complete my internship report. Then I would like to express my gratitude to my sincere supervisor Rana Mazumder (Assistant Professor, UIU) for his guidelines, suggestion and encouragement to preparing this report.

I am also thankful to the head of human resources division of United Commercial Bank Limited for choosing me as an intern and giving me an opportunity to doing internship at their organization. Especially thanks to Mr. Golam Mohammad operation manager of the dhanmondi branch, for his sincere advice and support in my internship period. After that I am also thankful to all employees, junior and senior officers, UCLB (Dhanmondi branch) for their support and constant guideline time to time.

**Executive Summery**

This internship report is created about a comparative analysis of liquidity management performances of listed banks of Bangladesh: study on United Commercial Bank Limited. The report is divided into various parts. The first part is introduction that has been provided discussion about all the report included with objective, methodology and limitation of the study. The second part is organizational overview that is contained the overall information of United Commercial Bank Limited. The third part is literature review of Liquidity Management. The fourth part is analysis and findings of some financial activities that has been provided like average cash balance of all these banks versus UCBL, average cash from investing activities of all these banks versus UCBL, average cash flow from financing activity of all these banks versus UCBL, average working capital ratio of all these banks versus UCBL, average deposit of all these banks versus UCBL and average net interest revenue of all these banks versus UCBL. The fifth part is recommendation and conclusion that is included about recommend for better banking activity and conclusion part is closing part of report with better feeling. The last part of this report is references. I have tried my best for preparing this report mainly finding the comparative analysis of financial activities of all other banks with United Commercial Bank Limited.

Table of Contents

[CHAPTER – 1 8](#_Toc534802513)

[Introduction 8](#_Toc534802514)

[1.1Introduction of the Study: 9](#_Toc534802515)

[1.2 Objective of the Study: 10](#_Toc534802516)

[1.3 Methodology of the Study 10](#_Toc534802517)

[1.4 Limitation of the Study 11](#_Toc534802518)

[1.5 Scope of the study 12](#_Toc534802519)

[CHAPTER – 2 13](#_Toc534802520)

[Organizational Overview 13](#_Toc534802521)

[2.1 Introduction 14](#_Toc534802522)

[2.2 History of UCBL 15](#_Toc534802523)

[2.3 Corporate Information: 15](#_Toc534802524)

[2.4 Stock Summary: 16](#_Toc534802525)

[2.5 Vision of UCBL 16](#_Toc534802526)

[2.6 Mission of UCBL 17](#_Toc534802527)

[2.7 Core values 17](#_Toc534802528)

[2.8 Board of Directors 17](#_Toc534802529)

[2.9 Management 18](#_Toc534802530)

[2.10 UCBL Products and Services: 18](#_Toc534802531)

[I. Retail Banking 18](#_Toc534802532)

[II. SME Banking 20](#_Toc534802533)

[III. Corporate Banking 21](#_Toc534802534)

[IV. Services of Cash Division 22](#_Toc534802535)

[2.11 Five Years Financial Data: (Figure in million) 22](#_Toc534802536)

[CHAPTER – 3 24](#_Toc534802537)

[LITERATURE REVIEW 24](#_Toc534802538)

[ON 24](#_Toc534802539)

[LIQUIDITY MANAGEMENT 24](#_Toc534802540)

[3.1 Introduction 24](#_Toc534802541)

[3.2 Literature review on liquidity management 25](#_Toc534802542)

[3.3 Liquidity Risk Management System of UCBL 26](#_Toc534802543)

[CHAPTER - 4 27](#_Toc534802544)

[Analysis & Findings 27](#_Toc534802545)

[4.1 The Analysis of 10 Banks Financial Data 28](#_Toc534802546)

[Eastern Bank 28](#_Toc534802547)

[EXIM Bank 29](#_Toc534802548)

[FIRSTS Bank 30](#_Toc534802549)

[ISLAMI Bank 30](#_Toc534802550)

[JAMUNA Bank 31](#_Toc534802551)

[National Bank Limited 31](#_Toc534802552)

[NCC Bank 32](#_Toc534802553)

[PUBALI Bank 32](#_Toc534802554)

[RUPALI BANK 33](#_Toc534802555)

[UCBL 33](#_Toc534802556)

[4.2Points of Comparison 34](#_Toc534802557)

[*1)* *Average Cash Balance of all these Banks versus Cash Balance of UCBL* 34](#_Toc534802558)

[*2)* *Average Cash from Operating Activities of all these Banks Versus Cash Balance of UCBL* 35](#_Toc534802559)

[*3)* *Average Working Capital Ratio of all these Banks versus WC ratio of UCBL Bank* 36](#_Toc534802560)

[*4)* *Average Cash Balance of Financing Activities of all these Banks Versus Cash Balance of UCBL Bank* 37](#_Toc534802561)

[*5)* *Average Cash Balance of Investing Activities of all others Bank Versus Cash Balance of UCBL Bank* 37](#_Toc534802562)

[*6)* *Average Deposit of all Others Bank Versus Deposit of UCBL Bank* 38](#_Toc534802563)

[*7)* *Average Net Interest Revenue of all Other Banks Versus Net Interest Revenue of UCBL Bank* 39](#_Toc534802564)

[CHAPTER – 5 40](#_Toc534802565)

[RECOMMENDATION 40](#_Toc534802566)

[& 40](#_Toc534802567)

[CONCLUSION 40](#_Toc534802568)

[5.1 Recommendation 40](#_Toc534802569)

[5.2 Conclusion 41](#_Toc534802570)

[CHAPTER – 6 43](#_Toc534802571)

[REFERENCES 43](#_Toc534802572)

[6.1 References 43](#_Toc534802573)

# CHAPTER – 1

# Introduction

## 1.1Introduction of the Study:

The United International University is a large field of acquiring knowledge and it offer three months internship course for completing degree for the BBA students. This internship is helpful for a student in real life work. The main reason of this internship is acquiring knowledge from professional field and we can expose us in the job world that will make us future leader for the future professional field. It is very necessary for practical knowledge. I have done my internship at United Commercial Bank Limited and I am gained much knowledge about banking sector from my internship period. My field supervisor was Golam Mahmud(Operation Manager, UCBL Dhanmondi Branch) and academic supervisor was Rana Mazumder(Assistant Professor) , provide me guideline of internship report. The topic of my internship report was ‘a competitive analysis of liquidity management of listed banks of Bangladesh: study on United Commercial Bank Limited’. I have tried my best to learn about this topic for prepared internship report properly.

## 1.2 Objective of the Study:

The main objective of the report is:

* To compare liquidity management between UCBL and others bank
* To compare average cash balance of UCBL versus others bank
* To compare average cash flow from investing activities of UCBL versus others bank
* To compare average cash flow from financing activities of UCBL with others bank
* To compare working capital ratio of all others bank versus UCBL
* To compare average deposit of UCBL and all others bank
* To compare average net interest revenue of UCBL versus all others bank.

After the findings of all data, the analysis was the second objective of this report. I am successful to data collection and analyzing data for comparing with all others bank. Finally I can able to submit the internship report.

## 1.3 Methodology of the Study

The information of this report collected from two sources. The first source is primary data from the organization work related and second source is secondary data from website.

***Primary data:***

* From the cash counter experience
* From the front desk experience with dealing customer
* Discussion with customer
* From the officers in the branch.
* From foreign exchange department
* From general banking activities
* Discussion with operation manager

***Secondary data:***

* From the website of UCBL
* From the website of all other banks
* From the annual report of UCBL in 2016 and 2017
* From the annual report of all other banks in 2016 and 2017
* From the leaflets of UCBL

I have tried to collect all the information correctly that will be help to others in future.

## 1.4 Limitation of the Study

There was a lot of limitation when I was preparing this report. For ex ample, the first limitation is unable to collect all data and information from UCBL, dhanmondi branch. It was very tough to me collect all the information from bank. If I could collect information from bank it was easy for me. And the second limitation was to collect the data of all other ten banks appropriately. It was so tough for me.

Time limitation was a main limitation for prepare internship report properly. Three months is very short time for learning all the activities from the bank. The banking activities are so important and useful work. If I found enough time I will be able to making this report properly like guideline.

The internet connection is another big issue for collect all the information. Sometimes it worked slowly that was a problem for preparing this report in appropriate time.

Last of all, I had not any idea about liquidity management and during my internship period I did not any work related with liquidity management. So lack of experience is one of the biggest factor for prepare the report.

## 1.5 Scope of the study

The internship course is the biggest scope for learning some practical works. I found this scope from United Commercial Bank Limited and I learnt many practical works from my internship period. I learnt how to communicate with customers, how to behave with junior officers, senior officers and management team. I am able to doing all the assigned work with limited time period. Now I have enough knowledge about annual report of all the banks. Now I am able to learn how to given financial data in the annual report of a bank and how to compare it others bank.

I also have enough knowledge about account opening. During my internship period I learn how to open a personnel account, joint account, current account and imperial account. I also learn how to close an account. I learnt from cash division some special works like cash deposit, cash withdrawal, cash opening from the vault, cash closing etc. it was a big opportunity for me to learn many thing within a short period. I have tried my best to learn new things from bank and prepare report with my experience.

# CHAPTER – 2

# Organizational Overview

## 2.1 Introduction

Bank is a financial institution basically deals with money. There are different types of bank in the world like central banks, commercial banks, retail banks, merchant banks, agriculture banks, Islamic banks, savings banks, investment banks etc. In these banks also have private banks and government banks. United Commercial Bank Limited is a first generation commercial bank in Bangladesh which provides the range of banking service include with retail banking, NRB banking, SME banking, corporate banking, remittance banking and off -store banking. The retail banking is the most popular for all customers because customers gain this service from all local branches. Retail banking includes with account opening, account closing, balance checking, statement findings, cards issuing and finding loan facility. SME banking is also popular for low income people because it is helpful for creating entrepreneurs. It gives loan for low interest with lots of facilities. Corporate banking is mostly popular for business man for dealing their business operation through the banking activities. United Commercial Bank is also give remittance service for foreign exchange. It helps to foreign clients through incoming and outgoing remittance. United commercial bank limited doing always try to help customers through their outstanding performance. The first priority of this bank is customers. The negative feedbacks from the customer are taking like a new challenge.

## 2.2 History of UCBL

United Commercial Bank started its journey from mid of 1983. The rules and regulation are determined 3rd June, 1983 by Bangladesh Bank. The commitment of this bank was developing social and economic condition of Bangladesh. They started their journey with this commitment. After that United Commercial Bank Limited listed in Dhaka stock exchange in1986 and listed in Chittagong stock exchange in 1995. UCBL committed of sustainable development of Bangladesh. United Commercial Bank Limited has been able to establish itself one of the largest first generation bank in Bangladesh. At this moment it has 187 branches in the country. The local branches systematically developed. The founder of UCBL was late Shahjahan Kabir, he was very intelligent and experience in banking sector. Many successful and well qualified business man joined UCBL as chairman. They were able to successful in different field of business in the journey of UCBL.

Now a day, United Commercial Bank limited is a successful and well ranked private bank in Bangladesh. The chairman of UCBL is Mrs. Rukhmila Zaman and Managing Director is Mr. Mohammad Shawkat Jamil. The auditors of UCBL is Syful Shamsul Alam & Co. the tax consultant is Mr. Md. Mosharrof Hossain and legal consultant is T. I. M. Nurun Nabi Chowdhury.

## 2.3 Corporate Information:

|  |  |
| --- | --- |
| No of Branches | 187 |
| No of ATMs | 301 |
| No of SME centers | 2 |
| Off- store Banking Unit | 1 |
| No of employees | 4,449 |

## 2.4 Stock Summary:

|  |  |
| --- | --- |
| Authorized Capital | BDT 15000 Million |
| Paid up Capital | BDT 10,541.31 Million |
| Face value per Share | BDT 10 |

## 2.5 Vision of UCBL

To be the bank of first choice through maximizing value for their clients, shareholders and employees and contribution to the national economy with commitments.

## 2.6 Mission of UCBL

To offer financial solutions that create, manage and increase their clients wealth while improving the quality of life in the communities they serve.

## 2.7 Core values

1. They put their customers first
2. They emphasize on professional ethics
3. They maintain quality all levels
4. They believe in being a responsible corporate citizen
5. They say what they believe in
6. They foster participative management

## 2.8 Board of Directors

Board of director is the most important part for continue a corporate business. Especially it is very important for banking system. UCBL is not out of this system. The board size should be five to twenty members. UCBL consist twenty directors for their board of directors. There are three independent directors, one managing director and twelve general directors. It also include with chairman, vice chairman, chairman of executive committee, chairman of audit committee and chairman of risk management committee. For achieving the goal of organization the directors designed as flow chart. The board of directors hold meeting in a regular basis. In the meeting management provides information, references and detailed working papers for each agenda to all the directors.

## 2.9 Management

United Commercial Bank Limited consists with full of skilled and experienced bankers who are committed and dedicated to fulfill their commitment. The human resource management always hired young, dynamic, energetic and active officers who are vital part of success, growth and progress of the United Commercial Bank Limited.

## 2.10 UCBL Products and Services:

* Retail Banking
* NRB Banking
* SME Banking
* Corporate Banking

### Retail Banking

Retail Banking includes with accounts, fixed deposit, DPS, loans, Cards and others services.

**Accounts**

* Savings accounts
* Current accounts
* Dynamic benefits savings
* NRB savings
* Women’s savings
* Youngsters savings
* NFCD & RFCD
* Special notice deposits

**DPS**

* Super flex DPS
* DPS plus
* Women’s DPS plus
* RMG DPS
* NRB DPS plus
* Youngsters DPS

**Loans**

* Personal loan
* Auto loan
* Home loan

**Cards**

* Debit cards
* Credit cards

### SME Banking

SME banking include with SME loan, SME deposit and other SME facilities.

**SME Loan**

* UCB SME Installment Loan
* UCB Shopno
* UCB Dhrubo
* UCB Onkur
* UCB Durjoy
* UCB Jyoti
* UCB Dipti

**SME Deposit**

* Sonirvor Current Account
* Sabolombi Easy Account
* Prottoyi Monthly Deposit
* Uddomi Fixed Deposit

**Other SME facilities**

* Working capital finance
* Letter of credit
* Import finance
* House building finance

### Corporate Banking

Corporate banking includes with corporate banking loans, off-shore banking and structured finance.

**Corporate banking loans**

* Export & import finance
* House building finance
* Letter of credit
* Project finance
* Industrial loans

**Structured finance**

* Hybrid financing products
* Loan syndication
* Wealth management
* Long term dept instrument

***Others services***

* Travelers cheques
* Lockers service
* Inward and outwards remittance

### Services of Cash Division

* Opening vault
* Cash distribution to the cash officers
* Cash deposit, Cash withdrawal
* Credit card payment
* Authorization from authorized officers
* Software entry
* Closing the vault after all transaction

## 2.11 Five Years Financial Data: (Figure in million)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Result of operation | 2017 | 2016 | 2015 | 2014 | 2013 |
| Interest income | 21,034.16 | 20,832.15 | 22,434.57 | 22,360.83 | 22,999.36 |
| Interest expense | 12,087.29 | 12,194.04 | 14,711.18 | 14,430.24 | 15,919.86 |
| Net interest income | 8,946.77 | 7,703.97 | 7,723.38 | 7,930.59 | 7,079.50 |
| Gross Profit | 17,382.27 | 16,342.08 | 15,548.00 | 15,209.39 | 12,398.58 |
| Operating Profit | 7,951.41 | 7,587.38 | 8,402.34 | 8719.46 | 7,126.37 |
| Net profit | 2,433.91 | 2,628.63 | 3,977.34 | 3,668.73 | 3,065.41 |

# CHAPTER – 3

# LITERATURE REVIEW

# ON

# LIQUIDITY MANAGEMENT

## 3.1 Introduction

The liquidity management is the responsibility for the banks. The Bank is facing to regarding liquidity management two central issues. The first one is liquidity creation and second one is managing liquidity risk. Liquidity creation helps the depositors to stay liquate. Especially it is difficult to financing company when they running financial activities. The bank also aware of liquidity risk management to ensure the banks own liquidity, so that the bank can operate to serve their function.

## 3.2 Literature review on liquidity management

Liquidity is one of the central issues of all financial institution. Basically for the bank is very important issue of liquidity. When the financial crisis occurred in 2007 it has been a great deal of security on this issue. And this crisis is still affecting the economy today. There are many factors that affecting banks own liquidity. These factors have a purifying degree of influence on the balance between liquidity creation and liquidity risk. The assets and liability of a bank can play central roles in the balancing of liquidity risk and liquidity creation. The liabilities of a bank include all the bank sources of fund. A bank has three main sources of fund, they are deposits, borrowed funds and long term funds. The amount and source of funds affect a bank how much liquidity risk and how much liquidity can create. The act of balancing for banks between liquidity risk management and creation can also be strategic decision instead of one solely to meet demands and prevent the bank from failing.

The strategic decision can a bank is hold to more liquidity or a liquidity cushion. The normal time of economic condition, this will cause banks to miss out of some extent on new business. When the tough time of economic condition, this liquidity cushion will give banks a competitive advantage. There are two main reasons. One reason is banks that have higher liquidity before a crisis will be able to act as a liquidity provider. And the second main reason is that the banks that face the most liquidity pressures and have more cash outflow than inflow will have to sale assets.

In this situation most all banks will be facing increased liquidity pressures. And that time only have a few banks that buy these assets. The lack of liquidity can lead to fire sales of assets in the market.

## 3.3 Liquidity Risk Management System of UCBL

The sophistication of liquidity risk management process depends on the nature, size and complexity of banks activities. A sound liquidity risk management employed in measuring, monitoring and controlling liquidity risk is critical of a bank. The UCBL control the liquidity risk by ensuring the objectives of liquidity management:

* Maintenance of a reasonable amount of liquid assets.
* Measurement and protection of funding requirements and
* Management of access to funding sources.

CFP also provides direction for plausible actions in distress and emergency situations. In case of a sudden situation of liquidity stress it is important for the bank to be seemed organized and efficient to meet its obligations to the stakeholders.

# 

# CHAPTER - 4

# Analysis & Findings

**Analysis**

I have analyzed liquidity performances of ten listed banks of Bangladesh from two years annual report for comparing with united commercial bank limited. These ten banks are Eastern Bank limited, EXIM Bank, FIRSTS Bank, ISLAMI Bank, JAMUNA Bank, National Bank Limited, NCC Bank, PUBALI Bank, RUPALI Bank and UCBL. I found from these banks two years financial data and try to analyzed them with full of concentration.

## 4.1 The Analysis of 10 Banks Financial Data

### Eastern Bank

The overall financial condition of Eastern Bank Limited is not very bad. The amount of total deposit in2017 was BDT 167,348 million and 2016 was BDT 140,284 million. The condition of deposit is much better than previous year. The amount of total asset was 2016 BDT 3,928.30 million and 2017 was BDT 6,267.61 million. The condition of asset is also better than previous year. The amount of total cash in 2017 was BDT 9,215 million and 2016 was BDT 7,854 million. The Paid up capital of eastern bank is BDT 50.00 million. The net income was 2016 BDT 328.27 million and 2016 was 362.675 million. The condition of net income was decreases from 2016 to 2017. Total liability of eastern bank was BDT 190,613 million in 2016 and BDT 231,779 million. Here we can see that the overall condition is better for banking system.

BDT in Million

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Year | Cash | Deposit | Asset | Liability | Net Income |
| 2017 | 9,215 | 167,348 | 6,267.61 | 231,779 | 410,882 |
| 2016 | 7,854 | 140,284 | 3,928.30 | 190,613 | 362,675 |

### EXIM Bank

The financial performance of EXIM Bank is also good. The amount of total deposit was BDT 248,223.610 million in 2016 and BDT 283,643.960 million in 2017. The total asset was 291,133.91 million in2016 and 333,892.61 million in 2017. Net income of this bank was BDT 25,957.45 million in2016 and 26,850.02 million in 2017. So the financial performance of EXIm Bank is not worst. It is also a good condition for a bank.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Year | Cash | Deposit | Asset | Liability | Net Income |
| 2017 | 386,370 | 283,643 | 333,892 | 306,242 | 26,850 |
| 2016 | 318,625 | 248,223 | 291,133 | 264,666 | 25,957 |

### FIRSTS Bank

The overall condition is much good for FIRSTS Bank. The amount of total deposit was 2016 BDT 274,224.10 million and BDT 299,106.100 million in 2017. The total asset of 2017 was BDT 681,352.24 million and 2016 was BDT 615,359 million. The total cash amount was 2016 BDT 170,902.10 million and 2016 was BDT 1,691,454 million. Net income of 2017 was BDT 1,389 million and 2016 was 1,389 million.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Year | Cash | Deposit | Asset | Liability | Net Income |
| 2017 | 1,709 | 299,106 | 344,486 | 332,067 | 1,389 |
| 2016 | 1,691 | 274,224 | 301,669 | 290,608 | 1,410 |

### ISLAMI Bank

The overall condition of ISLAMI Bank is also good. The bank is always tried to be better for future. The amount of total deposit was 2017 BDT 615,352 million and 2016 was BDT 615,359 million. The amount of total asset was 2017 BDT 850,396 million and 2016 was BDT 797,926 million. The amount of total cash in hand was 2017 BDT 347,817 million and 2016 was BDT 497,944 million. The net income of this bank was 2017 BDT 61,557 million and 2016 was BDT 56,552 million.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Year | Cash | Deposit | Asset | Liability | Net Income |
| 2017 | 57,958 | 681,352 | 850,396 | 799,770 | 61,557 |
| 2016 | 50,556 | 615,359 | 797,926 | 749,080 | 56,552 |

### JAMUNA Bank

The total net income of JAMUNA Bank was 2017 BDT 8,897 million and 2016 was BDT 7,657million. Total deposit of this bank was BDT 167,563 and 141,505million randomly 2017 and 2016. The cash amount of BDT 8,645,700 million and BDT 3,912,010 million. The total amount of asset of the bank was BDT 197,058.54 million and BDT 168,418.0 million. The liability of this bank was BDT 1,033 million and BDT 986 million in 2017 and 2016.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Year | Cash | Deposit | Asset | Liability | Net Income |
| 2017 | 8,645 | 167,563 | 197,058 | 1,033 | 2,076 |
| 2016 | 3,912 | 141,505 | 168,418 | 986 | 1,791 |

### National Bank Limited

The National Bank Limited has deposit in 2017 BDT 272,771.32 million and 2016 BDT 241,329.88 million. The amount of deposit in 2017 has better than 2016. The total asset was 2017 BDT 350,692.00 million and BDT 305,617 million in 2017. The condition of asset is also better. The amount of total cash was 2017 BDT 705,895 million and 693,011 million was 2016.The condition of the total cash amount is also better than previous year. The net income of national bank limited in2017 was 4,696.01 million and 5,567.87 million was 2016. The condition of net income is not good. But overall situation of the financial statement is good.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Year | Cash | Deposit | Asset | Liability | Net Income |
| 2017 | 705,895 | 272,771 | 350,692 | 310,321 | 4,696 |
| 2016 | 693,011 | 241,329 | 305,617 | 269,413 | 5,567 |

### NCC Bank

The NCC Bank Limited has reached their target in 2016 and 2017. The total amount of deposit in 2017 was BDT 159,837 million and 2016 was 132,739 million. The total asset was 2017 was BDT 203,645 million and 174,067 million in 2016. The amount of total cash in 2017 was BDT 12,396 million and 10,446 million in 2016. The amount of net income was 2016 BDT 962,348 and BDT 81,159,922 was 2017. So the change of net income from 2016 to 2017 is big range and they have can fulfill their goal.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Year | Cash | Deposit | Asset | Liability | Net Income |
| 2017 | 12,396 | 159,837 | 203,645 | 186,460 | 8,116 |
| 2016 | 10,446 | 132,739 | 174,067 | 157,494 | 962 |

### PUBALI Bank

The amount of total deposit in this bank was BDT 271,708.96 million and BDT 247,278.50 million in 2017 and 2016. The total asset of this bank was 368,314.62 million in 2017 and 320,361.89 million in 2016. Cash in hand BDT 3,643.11 million in 2017 and 3,612 million in 2016. The net income of this bank was BDT 27,310.89 million in 2017 and BDT 24,407.21 million in 2016. The condition of PUBALI bank has also better than previous year.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Year | Cash | Deposit | Asset | Liability | Net Income |
| 2017 | 3,643 | 271,708 | 368,314 | 342,397 | 27,310 |
| 2016 | 3,612 | 247,278 | 320,361 | 296,179 | 24,407 |

### RUPALI BANK

This bank was under the section of government. At present it gone as a commercial bank so the condition of financial data is better than previous year. The net income of this bank in 2017 was BDT 11,299 million and 2016 was 16,443 million. The condition of net income is not very good.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Year | Cash | Deposit | Asset | Liability | Net Income |
| 2017 | 46,892 | 25,380 | 30,054 | 32,245 | 1,129 |
| 2016 | 45,291 | 27,911 | 33,410 | 28,784 | 1,644 |

### UCBL

The United Commercial Bank Limited is my main concentration. For the comparative analysis I has analyzed others bank. And the condition of UCB is better than previous year also. The total operating income of this bank BDT 17,382 million in 2017 and 16,342 million in 2016. The operating income has better than previous year. The net income of this bank was 2017 BDT 2,433 million and 2016 was BDT 2,628 million. The net income of 2017 is less than 2016 but it is not very bad. Overall condition is better because the amount of deposit in2017 is 278,195 million and BDT 257,704 million in 2016. The condition of deposit is better than previous year. The asset was 2016 BDT 329,720 million and 2017 BDT 329,720 million. And the cash balance of this bank was 2016 BDT 21,102 million and 2017 BDT 23,914 million. So we can say that the overall condition is better.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Year | Cash | Deposit | Asset | Liability | Net Income |
| 2017 | 23,914 | 278,195 | 363,314 | 18,511 | 2,433 |
| 2016 | 21,102 | 257,704 | 329,720 | 12,088 | 2,628 |

## 4.2Points of Comparison

In this section compare the liquidity under these seven section of all others bank versus united commercial bank limited. After the comparison interpretation has given of all these section that will be helpful to identify.

### *Average Cash Balance of all these Banks versus Cash Balance of UCBL*

**Comparison:**

|  |  |  |
| --- | --- | --- |
| Financial Year | UCBL | Average balance of others Bank |
| 2017 | 23,914,511,782 | 7,884,223,367 |
| 2016 | 21,102,743,897 | 7,345,117,135 |

**Interpretation:**

The average cash balance of all other banks is lower than the united commercial bank limited. The position of cash balance is good for the year of 2017 and 2016. The comparison is better for UCBL.

### *Average Cash from Operating Activities of all these Banks Versus Cash Balance of UCBL*

**Comparison:**

|  |  |  |
| --- | --- | --- |
| Financial Year | UCBL | Average balance of others Bank |
| 2017 | 1,711,783,268 | 3,227,360,400 |
| 2016 | 2,252,072,733 | 1,854,301,104 |

**Interpretation:**

The average cash flow from operating activities of all other banks has better than united commercial bank limited in the year of 2017. But the year of 2016 was better UCBL than the all other banks. So we can see that the condition of financial data has average in two years.

### *Average Working Capital Ratio of all these Banks versus WC ratio of UCBL Bank*

**Comparison:**

|  |  |  |
| --- | --- | --- |
| Financial Year | UCBL | Average balance of all other Banks |
| 2017 | 1.16 | 1.056 |
| 2016 | 1.16 | 1.066 |

**Interpretation:**

The working capital ratio is identified the position of a company. It can be negative and also can be positive. The positive working capital ratio is always better. Here we can see that the ratio of UCBL is positive for both financial years 2016 and 2017. The average working capital ratio of all other banks also have positive.

### *Average Cash Balance of Financing Activities of all these Banks Versus Cash Balance of UCBL Bank*

**Comparison:**

|  |  |  |
| --- | --- | --- |
| Financial Year | UCBL | Average balance of others Bank |
| 2017 | 6,700,097,519 | 3,210,592,858 |
| 2016 | 4,813,573,849 | 1,965,463,716 |

**Interpretation:**

The average cash balance from financing activities of UCBL is better than all others bank. The cash balance of financing activities in both year 2017 and 2016 was better. So the comparison was successful with all other banks.

### *Average Cash Balance of Investing Activities of all others Bank Versus Cash Balance of UCBL Bank*

**Comparison:**

|  |  |  |
| --- | --- | --- |
| Financial Year | UCBL | Average balance of others Bank |
| 2017 | -659,434,831 | 3,233,870,154 |
| 2016 | 98,830,184 | 1,863,853,381 |

**Interpretation:**

The United Commercial bank Limited was not better condition for the cash flow for investing activities in 2017and 2016 with average value of all others bank. The negative position for the year of 2017 that is not good. In 2016 it was positive but with comparison of others bank it was also not good condition.

### *Average Deposit of all Others Bank Versus Deposit of UCBL Bank*

**Comparison:**

|  |  |  |
| --- | --- | --- |
| Financial Year | UCBL | Average balance of others Bank |
| 2017 | 278,195 (million) | 258,745.7 (million) |
| 2016 | 257,704 (million) | 229,872.9 (million) |

**Interpretation:**

The condition of deposit of united commercial bank was better than all others bank. Both year of deposit in 2017 and 2016 were better than these banks. So it is a positive condition for the united commercial bank limited.

### *Average Net Interest Revenue of all Other Banks Versus Net Interest Revenue of UCBL Bank*

**Comparison:**

|  |  |  |
| --- | --- | --- |
| Financial Year | UCBL | Average balance of others Bank |
| 2017 | 8,947 (million) | 20,295 (million) |
| 2016 | 8,638 (million) | 16,864 (million) |

**Interpretation:**

The average net interest revenue of all these banks was better than the united commercial bank limited. But the condition was not bad. The positive balance is always better than negative balance of net interest income. So the overall condition of UCBL is better.

# 

# CHAPTER – 5

# RECOMMENDATION

# &

# CONCLUSION

## 5.1 Recommendation

The United Commercial Bank Limited can provide more benefits for their clients. UCBL have a minimal authority to its branches regarding giving out loans. I have some recommendation for the bank. These are given below:

* The bank can reduce their dependency of income foreign exchange division and loan division.
* The bank can confirm availability of proper information to make the manager duty easier
* The bank should reduce the interest rate to attract more SME borrower
* They need to set a good marketing plan to compete with others bank.
* They need to be more effective overall future forecasting
* The bank need more ATM booth in commercial place
* They have to make sure proper promotional activities
* The system of customer care should be developed

The overall condition of the United Commercial Bank Limited has better. The bank has reached their target in the recent five financial years. So finally I recommended them to be continued their hard work.

## 5.2 Conclusion

The United Commercial Bank Limited is completely committed to provide high quality services to its consumers as a first generation bank. They are committed to contribute to the growth of GDP and making opportunity to create employment prospect for the youth generation. So the society is automatically raising the standard of living. United Commercial Bank Limited is trying to their level best to give their customers the most excellent service and customers are also satisfied to their service. The slogan of this bank is united we achieve. This bank has good reputation especially for its online service. The journey of UCBL is almost 34 years. Within a long journey UCBL can able to setup it as an attractive brand in the banking sector of Bangladesh. The Bank has already established its network throughout the six divisions in Bangladesh. Due to its customer demands still the bank is establishing its new branches all over between several locations in Bangladesh.

# CHAPTER – 6

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