

In the supervision of

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Title of The Report

Credit Management of Janata Bank Ltd.(JBL)

Objectives

- **General Objective** : The general objective of this report is to analyze credit management of Janata Bank Ltd.
- **Specific objectives:**

To fulfill the general objective, some specific areas were analyzed which will be called tangible objectives. The tangible objectives can be started as under :

- To know the credit management of Janata bank Ltd.
- To explain the credit approval process of Janata bank Ltd.
- To derive some findings and recommend some suggestion for the important in credit management of Janata bank Ltd.

Methodology

Data have been composed from secondary sources.

- Annual reports of Janata bank ltd (2016-2017)
- Different bank related text books
- Various pdf files, balance sheet and various documents related banking.
- Periodical published by Bangladesh bank.

Analysis

- Internship
- Credit Management
- Credit Managing Process of Janata Bank Limited
- Credit Policy of Janata Bank Limited

Credit management

Banks are important financial organizations, which equivalent between lender borrowers and lender. They movement funds from peoples at low rate of and lend the same to the highest rate of return to maximize profit to other groups of peoples . So credit management involves an effective Processing of the entire loan transactions, proper evaluation of credit risk, accurate documentation of the loan, security agreements and systematic monitoring of the process of the loan that will help to minimize loan defaults.

Credit Managing Process of Janata Bank Limited

The loan and credit department is a very important department of every bank. The money mobilized from ultimate surplus units are allocated through this department to the ultimate deficit unit (borrower). The success of this department keeps a great influence over the profit of a bank. Failure of this department may lead the bank to huge losses or even to bankruptcy.

Credit Policy of JBL

- Valuation of the client's appeal, truthfulness and preparedness to pay back will form basis of loaning.
- Clients having capability and capacity to refund shall only be sent.
- Chance of defaulting will be functioned out before loaning.
- Diversified credit portfolio to remain built and maintained.
- Be proactive in identifying, managing and communicating credit risk.

Findings

- Janata Bank Limited provides the highest portion of loans in Wholesale/retail trading and Personal sector and lowest portion of the loans in Transport, storage & communication and Ship breakings. The trend of giving loans and advances by Janata Bank Limited in power sector is increasing over the years.
- Due to increased cost of fund, the bank has to charge high interest rate on loan. Due to this high interest rate, the bank can't attract more customers for investment. But now the bank decrease interest rate on loan to attract more customers.

Recommendations

Janata Bank is one of the most successful Bank of Bangladesh with comprehensive development chances in the business. The examination on the clients of Janata Bank was directed with an aim of refining the total client pleasure at Janata Bank Ltd. Janata Bank has strong structural asset can effectively utilize the chances and overcome its fault.

- Janata Bank Limited should focus more on rural areas to provide loans and advances.
- Bank should be sure about the creditworthiness of the client before providing the loan
- Bank make huge amount of profit by lending fund in different sectors, so interest rate should be reduced for attracting more clients.

Thank You