Internship Report
on
Financial Performance Analysis of Jatri Services Limited

Submitted by:

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ID: BBA1903018103
Program: Bachelor of Business Administration
Major: Accounting
Semester: Fall-2023

Submitted to:

Department of Business Administration
Sonargaon University (SU)
Submitted for the partial fulfillment of the degree of
Bachelor of Business Administration



Sonargaon University (SU)
147/I, Green Road, Tejgaon, Dhaka-1215, Bangladesh.

Date of Submission: January 05, 2024

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Md. Masud Rana
Associate Professor & Head
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Letter of Transmittal

January 05, 2024

Md. Masud Rana

Associate Professor & Head
Department of Business Administration Sonargaon University (SU)

Subject: Submission of Internship Report on "Financial Performance Analysis of Jatri Services Limited".

Dear Sir,
With most respectfully to state that I am pleased to submit my internship report titled **"Financial Performance Analysis of Jatri Services Limited".** This report is an essential part of my BBA degree requirements, and I had the privilege of completing my internship at Blue-Ribbon Associates under your guidance.

This report reflects the current marketing practices employed by organizations in our country. I have made an effort to include relevant details while keeping the report concise.

I kindly request your assessment of this report. Your feedback would be greatly appreciated. Thank you for your time and consideration.

Yours Sincerely

_____

Md. Nasrullah
ID: BBA1903018103
Program: BBA Major: Accounting
Department of Business Administration Sonargaon University (SU)

Certificate of Supervisor

I hereby confirm that the internship report titled **"Financial Performance Analysis of Jatri Services Limited".** has been created in fulfillment of the BBA program requirements at the Department of Business Administration, Sonargaon University (SU). The report was conducted by Md. Nasrullah, with ID BBA1903018103, under my guidance. I assure you that the report and its contents will not be utilized for any other

_____

Md. Masud Rana
Associate Professor & Head
Department of Business Administration Sonargaon
University (SU)

Declaration of Student

I am Md. Nasrullah, a student in the Bachelor of Business Administration program with ID BBA1903018103 at Sonargaon University. I want to sincerely state that the report titled **"Financial Performance Analysis of Jatri Services Limited".** has been genuinely created by me. During the preparation of this report, I ensured full compliance with international copyright regulations. I also want to clarify that this report has not been submitted anywhere else for the purpose of obtaining a degree.

Yours Sincerely

Md. Nasrullah
ID: 1903018103
Program: BBA Major:
Accounting
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Letter of Authorization

I hereby confirm that the project report titled titled **"Financial Performance Analysis of Jatri Services Limited".** is a genuine effort by Md. Nasrullah. The research was conducted under my guidance. I also affirm that, to the best of my knowledge, the content presented in this report has not been included in any other project report or dissertation that led to the award of a degree to any candidate earlier, whether in the same context or a different one.

_____

Md. Masud Rana
Associate Professor & Head
Department of Business Administration Sonargaon
University (SU)

ACKNOWLEDGEMENT

I want to express my gratitude to Allah for endowing me with the capacity to work diligently and successfully. Internship report is an essential part of the BBA program and to complete the process I have worked in **Jatri Services Limited**.

I would like to express my deep gratitude to all those who have been helpful in the preparation of this internship report. It certainly would not have been possible without the help of many people and I would like to acknowledge my pleasure to all those who had helped me during this entire process.

Throughout the internship, **Md. Masud Rana**, Assistant Professor & Head, Department of Business Administration, **Sonargaon University** , provided me with invaluable insights and advice that helped me to grow as a professional. His constructive feedback helped me to improve my skills and approach to my tasks, and their encouragement kept me motivated and focused. I am deeply indebted to him for whole-hearted supervision during my organizational attachment period.

I am also grateful to all employees of **Jatri Services Limited** for providing several documents, papers, data, figures and services as well as sharing their experience with me and teaching me different techniques to build the computer network for to operate effectively and efficiently. Thus, the time in **Jatri Services Limited** very audacious and supportive to my career through which I have gained valuable work experience that will help definitely makes a favorable impression on me as a prospective future employer.

I am grateful to my parents who guided me through the entire studies and had helped me more morally and spiritually.

Thanking you,

Md.Nasrullah

ECUTIVE SUMMARY

I have completed my internship report using knowledge of 3 internship knowledge. I was assigned to pursue internship on Financial Performance on Jatri Services Limited, Gulshan (HQ). There are some differences between theories and practice. Due to complete the report, I worked at HQ, Gulshan. The employee who are associated with Accounts & Finance the help me to complete the report by providing various information. From them, I have learnt much practical activity. Jatri is a public transport journey planner, digital ticketing, fleet management and mobility marketplace, driving productivity by helping drivers to offer reliable transport to the commuters through our state-of-the-art technology. Jatri is a bus tracking and digital ticketing platform. The company founded in 2019. It aims to transform public transportation in Bangladesh and beyond by improving the experience of public transportation, enabling bus operators to run more efficiently, and empowering cities to improve public transportation systems by using technology.

The Report "Financial Performance Analysis of Jatri Services Limited" opens up with an overall introduction on how this topic come to be and why it was chosen for the internship program including the sources of data collection and constraints faced during the 12-week work experience. Current ratio of Jatri Services Limited fluctuated over the years and thereby it has increased liquidity risk over the years. The management of Jatri Services Limited was not efficient enough in utilizing its asset for the year of analysis. Assets turnover ratio fluctuated over the year of analysis. The cost of income ratio of it has increased over the analysis. The fluctuating trend in current ratio will increase the liquidity risk of the company. The management should try to maintain of optimum amount of liquidity by carefully maintaining its current assets in relative to its current liabilities because excess liquidity could affect its profitability. Jatri Services Limited should try to increase its total assets turnover by increasing its operating income. The cost income ratio of Sonali Bank Limited as increased over the years. Therefore, the company should reduce cost of fund and operating expense to increase the profitability. To generate positive net profit margin, ROA and ROE Jatri Services Limited have to generate optimum level of profit. And of achieving this company needs to reduce its operating expenses and increased operating income.

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CHAPTER 1
INTRODUCTION

1.1 Introduction of the Report

Jatri is a public transport journey planner, digital ticketing, fleet management and mobility marketplace, driving productivity by helping drivers to offer reliable transport to the commuters through our state-of- the-art technology. Transportation has been a major pain point for the people of Bangladesh for many years, and Jatri aims to eradicate these issues with cutting-edge technology. This report provides an overview of the financial performance of the company for the period of 2019 to 2022, including an analysis of the income statement, balance sheet, and cash flow statement. Additionally, I will discuss the financial ratios used to evaluate the financial health of the company, such as liquidity, profitability, and solvency ratios. The purpose of this report is to provide an accurate and comprehensive analysis of the financial performance of the company during the internship period, and to identify areas for improvement. Through this report, I hope to demonstrate my skills and knowledge in financial analysis and reporting, as well as contribute to the growth and success of Jatri.

1.2 Origin of the Report

This report is the result of my internship in the Accounts & Finance department of Jatri. The internship was a requirement for the completion of my BBA Program at Bangladesh University of Business & Technology. I was assigned to Accounts & Finance department for a period of 3 months, during which I worked under the guidance and supervision. The purpose of the internship was to gain practical experience in financial analysis and reporting, as well as to contribute to the growth and success of Jatri. My primary responsibilities during the internship included analyzing financial statements, transactions tracking, daily revenue categorize, and providing support for the accounting and finance teams.

Throughout the internship, I had the opportunity to work on a variety of projects and tasks that allowed me to develop my skills and gain valuable experience in the field of finance.

1.3 Scope of the Report

This financial report covers the financial performance of a specific industry, such as the IT Services and IT consulting industry, during the past four years. The report includes an analysis of the industry's revenues, expenses, net income, and cash flow, as well as a discussion of the major players in the industry and their financial performance. The report may also include forecasts for the industry's financial performance in the coming years.

1.4 Objectives of the Study

1.4.1 General Objectives

The general objective of this report is to fulfill the requirement of the course: INT 499 (Internship) under the supervision of my faculty Md. Zakir Hosain. Another objective is to present my three months internship experience in Jatri Services Limited through a formal report.

1.4.2 Specific Objectives

- To gain practical experience and develop skills in a specific field or industry.
- To learn about the day-to-day operations and keep a record of financial movements.
- To apply academic knowledge and skills to real-world situations and projects.

- To learn to generate billing statements including purchase orders.
- To manage cash flow by monitoring accounts receivable.
- To network and build professional relationships within Jatri Services Limited.

1.5 Methodology of the Study

Methodology refers to the comprehensive actions of research in my internship report. To achieve the required results to establish the objective, some methods are used. This section will clarify the methods I used to do this project.

The methodology section typically includes a detailed description of the research design, data collection and analysis methods, and any limitations or assumptions that were made during the study. The following technique was used to collect data and information for the development of this report over the course of this investigation.

1.5.1 Research Design

This is "Descriptive Research" which briefly reveals the financial performance of Jatri Services Limited. It focuses on the financial performance analysis of Jatri Services Limited.

1.5.2 Data Used in the Study

In order to prepare this report, secondary data are mainly used. Data has been taken for the period of last four years from 2019 to 2021. The use of primary data is very limited in the report.

1.5.3 Sources of Data

Secondary source is the major stream of information for this report. List of the secondary source is

- Annual report
- Website
- Social Network Sites
- Text books
- Several other reports
- And other sources

1.5.4 Data Analyzing and Reporting

The study, evaluation of financial performance of Jatri Services Limited is conducted using ratio analysis. This has been conducted in form of trend analysis. Computer software, Microsoft Word, Microsoft Excel are also used for analyzing and reporting purposes of collection data.

1.5.5 Limitation of the Report

Since working in Jatri Services Limited is obviously a matter of luck. However without a doubt, every study has its limitations. As a result, I encountered certain limitations while producing my report. The following are the restrictions:

- **Lack of Time:** There was very little time for details about a rapidly growing organization such as Jatri Services Limited. Because of time shortage, many related areas cannot be focused in depth.
- **Inadequate Data:** The lack of available information of Jatri Services Limited made it difficult to collect the required information.

- **Non-Disclosure Policy:** An organization can't revile all its data and statistics to public because of its policy of secrecy. So all these secret matters have not been possible to collect and to incorporate in the report which may consequence in a lesser amount of acceptability.
- **Confidentiality:** Due to confidentiality clauses within the organization, it was not possible to gather some more information that could make the report much greater from all aspects.
- **Other Limitation:** Actually, adjusting with the new environment is difficult for every human being. A sudden change of studentship to an internship like a job is a problem.

CHAPTER 2

AN OVERVIEW OF JATRI SERVICES LIMITED

AN OVERVIEW OF JATRI SERVICES LIMITED

2.1 About Jatri Services Limited

Jatri is the first on-demand tracking and ticketing platform for intracity public transport. With its state-of- the-art technology, it battles one of the biggest problems of Bangladesh- the public bus service.
Introducing a unique, systematic and tangible solution to traditional bus usage, Jatri aims to bring relief to the life of every commuter.

- **For passengers:** The company offers real-time tracking and digital ticketing services of buses via an app-based platform – users can subscribe to Jatri services, plan their trips, and track buses and secure tickets.
- **For bus owners:** Jatri constantly collects real-time information on bus locations, data on passenger quantity and reviews from customers to ensure that every bus ride is smooth and seamless. The company helps bus operators with accurate analytics on their bus trips.
- **Buses on Jatri platform:** Some of the buses on Jatri platform are Trust Transport AC Service, Agradut Services, Achim Paribahan, and Green Dhaka AC Service, Projapati Paribahan, Rajdhani Super Service etc.

The state of business: The company says it now has over 100 buses on its platform and growing every day and some 30 lac+ users, who have used Jatri digital ticketing service to purchase 100 million+ tickets and it has 60 thousand+ rental partners.

Funding: Jatri raised an undisclosed amount seed investor from a diverse set of investors early this year.

With its wide array of features and services, Jatri serves a significantly large portion of the population where 47% out of 30 million trips happens by intracity bus in Dhaka. The key issues and problems faced by passengers and operators in the bus industry are as follows:

- Longer travel times
- No predetermined schedules of buses
- Waiting time at bus stands
- Mismanagement by bus companies
- Insufficient number of seats
- Lack of transparency between operator and bus conductors

Jatri solves these issues by:

- Jatri shows the live location of the bus, showing passengers exactly how far away it is.
- ETA (Estimated Time of Arrival) bubble of the bus enables commuters to avoid

waiting at bus stands.

- Offline and online ticketing provided with cashless payment facilities.
- Jatri provides coach service for corporate employees as a safe and sustainable way to get to work.
- Operators are given accurate data on their bus location, expenditure, and analytics.
- Dashboard for tracking and proper management.
- Analytics for the bus companies to optimize services.

2.2 Mission

Jatri aims to improve and digitize the transportation industry with tech.

2.3 Vision

Jatri hopes to transform the lives of commuters, bus operators and transportation regulators by making commute enjoyable and accessible to all.

2.4 Services

- Ticketing services allow passengers to purchase tickets from the counter and inside bus also in water transports. It supports digital payment such as bKash, Nagad and other online payment system.
- Fleet Management is for bus & water transport owners. It is used to keep track of buses, expenses and accounts all in one app.
- Jatri Rental is used to book vehicles for vacations and trips. Users can complete their ride booking and pricing, negotiations through the app.
- Corporate transport is a smart solution for the daily commute of corporate employees. It includes bus tracking, dashboard and other exciting features.
- Jatri Online ticketing is used to book bus tickets for daily use. Users can book their required tickets through the app and website.

2.5 Progress in Numbers

- More than 5 Crore tickets served till date
- 80+ bus companies with 1200+ Buses
- 200+ Bus Routes
- 200k+ Registered users
- 10,000+ rental merchants
- 25+ Launch Companies with 10+ Routes

2.6 Device that is used for Ticketing:

Device Name: Sunmi V2 Pro

2.7 Evolution of Jatri

Feb 2019
Founded

AZIZ ARMAN
KHANDOKER TASWAR ZAHIN
ZIA UDDIN



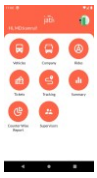
March 2019
App-based Ticketing



August 2019
Journey Planner



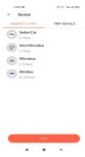
Feb 2020
Counter based Ticketing



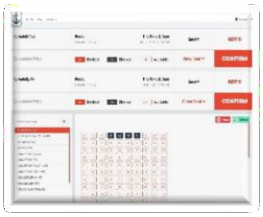
Feb 2020
Fleet Management



September 2020
Inside Bus
Ticketing



April 2021
Rentals



September 2021
Water Transport
Ticketing



January 2022
Online Bus Ticketing

CHAPTER 3

THEORETICAL ASPECTS

THEORETICAL ASPECTS

3.1 Financial Performance Analysis

Financial performance is a subjective measure of how well a firm can use its assets from business and generate revenues. Financial performance term is also used as a general measure of a firms overall situation over a given period of time, and can be used to compare with similar firms across the same industry or to compare industries or sectors in aggregation.

Financial performance analysis refers to an assessment of the viability, stability and profitability of a business, sub business or project. It is performed by professionals who prepare reports sing ratios that make use of information taken from financial statements and other reports. These reports are usually presented to top level management as one of their bases in making business decision. Based on these reports, management may take decision. Financial performance analysis is vital to get a financial overview about a company. Generally, it is consist of the interpretation of balance sheet and income statement. Ratio analysis and trend analysis can be done by using these two statements. These analyses are the major tools analyzing the company's financial performance.

3.2 Components of Financial Statement

A complete set of financial statements is used to give readers an overview of the financial results and condition of a business. The financial statements are comprised of four basic reports, which are as follows:

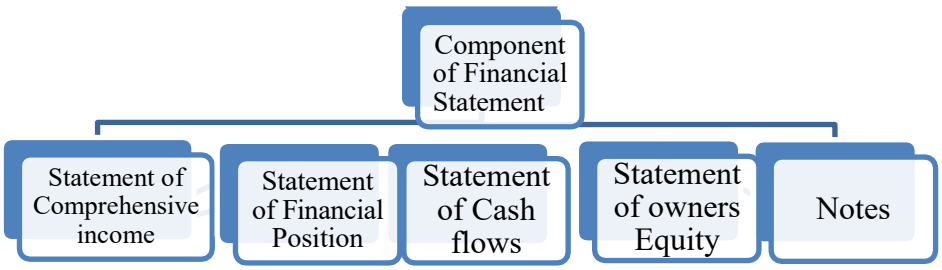


Fig-3.1 Component of Financial Statements

Statement of Comprehensive Income: Presents the revenues, expenses and profit / losses generated during the reporting period. This is usually considered the most important of the financial statements, since it presents the operating results of an entity.

Statement of Financial Position: Presents the assets, liabilities and equity of the entity as of the reporting date. Thus, the information presented is as a specific point in time. The report format is structured so that the total of all assets equals the total of all liabilities and equity. This is typically considered the second most important financial statement, since it provides information about the liquidity and capitalization of an organization.

Statement of Cash Flows: Presents the cash inflows and outflows that occurred during the reporting period. This can provide a useful comparison to then income statement, especially when the amount of profit or loss reported does not reflect the cash flows experienced by the business. This statement may be presented when issuing financial statement to outside parties.

Statement of Owners Equity: presents changed in equity during the reporting period. The report format varies, but can include the sale or repurchase of stock, dividend payments, and changes caused by reported profits or losses. This is the least used of the financial statement and commonly only included in the audited financial statement package.

3.3 Ratio Analysis

A tool used by individuals to conduct a quantitative analysis of information in a company's financial statements. Ratios are calculated from current year numbers and are then compared to previous years, other companies, the industry, or even the economy to judge the performance of the company. The basic inputs to ratio analysis are the firm's income statement and balance sheet for the periods to be examined. Ratio analysis predominately used by proponents of fundamental analysis

3.4 Significance of Using Ratios

The significance of a ratio can only truly be appreciated when:

1. It is compared with other ratios in the same set of financial statements.
2. It is compared with the same ratio precious financial statements (Trend analysis).
3. It is compared with a standard of performance (industry average). Such a standard may be either the ratio which represents the typical performance of the trade or industry, or the ratio which represents the target set by management as desirable for the business.

3.5 Types of Ratio Comparisons

Ratio analysis is not merely the application of a formula to financial date to calculate a given ratio. More important is the interpretation of the ratio value. To answer such questions as is it too high or too low? Three types of ratio comparisons can be:

1. Cross Sectional
2. Time series Analysis
3. Combined Analysis

Time Series Analysis: Time series analysis evaluated performance over time. Comparison of current to past performance, using ratios, allows the firm to determine whether it is progressing as planned. Additionally, time series analysis is often helpful in checking the reasonableness of a firm's projected financial statements.

Cross Section Analysis: Cross sectional analysis evaluated performance of different firms financial ratios at the same point in time.

Combined Analysis: The most informative approach to ratio analysis is one combines cross sectional and time series analysis. A combined view permits assessment of the trend in the behavior of ratio in relation to the trend for the industry.

3.6 Cautions about Ratio Analysis

Before discussing specific ratios, we should consider the following cautions:

- A single ratio does not generally provide sufficient information from which to judge the overall performance of the firm.
- Be sure that the dates of the financial statements being compared are the same.
- It is preferable to use audited financial statements for ratio analysis.

3.7 Group of Financial Ratios

Group of financial ratio can be divided into 5 categories:

1. Liquidity Ratio
2. Assets Utilization Ratio
3. Debt Ratio
4. Profitability Ratio
5. Market Ratio

3.7.1 Liquidity Ratio

Liquidity ratios are a class of financial metrics used to determine a company's ability to pay off its short terms debts obligations. Generally, the higher the value of the ratio, the larger the margin o safety that the company possesses to cover short term debts.

A. Current Ratio: One of the most general and frequently used of these liquidity ratios is the current ratio. Organizations use current ratio to measure the firm's ability to meet short term obligations. Its shows the banks ability to cover its current liabilities with its current assets. The current ratio is calculated by dividing current assets by current liabilities.

Current Ratio= Current Asset / Current Liabilities

B. Net Working Capital: Net working capital is a common measure of firms overall liquidity. A measure of liquidity is calculated by subtracting total current liabilities from total current assets.

Net Working Capital= Total Current Asset – Total Current Liabilities

3.7.2 Asset Utilization Ratio

Activity ratios measure the speed with which accounts are converted into sale or cash. With regard to current account measured of liquidity are generally inadequate because differences in the composition of firm's current accounts can significantly affect its true liquidity.

A. Asset Turnover Ratio: The total asset turnover indicates the efficiency with which the firm is able to use or its generate sales.

$$\textbf{Asset Turnover} = \frac{\boldsymbol{OperatingIncome}}{\boldsymbol{TotalAsset}}$$

B. **Credit to Deposit Ratio:** It basically gives information that where bank using their deposit may be development, economy wealth and may other sector where bank put their money for investment so that bank earn profit. This ratio is calculate as follows:

$$\text{Credit to Deposit Ratio} = \frac{TotalCredit}{TotalAsset} * 100$$

3.7.3 Debt Ratios

Debt ratio is a solvency ratio that measure a firms total liabilities a percentage of its total assets. In a sense, the debt ratio shows a company ability to pay off its liabilities with its assets.

A. **Debt Ratio:** The debt ratio measure the proportion of total assets provided the firms creditors.

$$\text{Debt Ratio} = \frac{\text{Total Liabilities}}{Total\ Assets}$$

B. **Debt Equity Ratio:** Total debt to equity ratio measure the portion of total assets financed by the debt from the creditor and owners equity the formula calculation as follows

$$\text{Debt Equity Ratio} = \frac{Total\ Liabilities}{Shareholders\ Equity}$$

3.7.4 Profitability Ratios:

Profitability ratios are a class of financial metrics that are used assess a business ability to generate earnings as compared to its expenses and other relevant cost incurred during a specific period of time.

A. **Net Profit Margin:** The net profit margin (NPM) ratio measures the percentage of each tk. Sales remaining after paying up all cost, taxes and dividends. The higher the NPM is better. The formula calculation as follows:

$$\textbf{Net Profit Margin} = \frac{\textbf{\textit{Net Profit after Taxes}}}{\textbf{\textit{Operating Income}}}$$

B. **Return on Asset (ROA):** Return on assets is an indicator of how profitable a company is relative to its total assets. ROA gives an idea as to how efficient management is using its asset to generate earnings. Calculated by dividing a company's annual earnings by its total assets, ROA is displayed as a percentage.

$$\textbf{Return on Asset} = \frac{\textbf{\textit{Net profit after Taxes}}}{\textbf{\textit{Total Assets}}}$$

C. **Return on Equity:** The return on equity measure the return owners on the owners investment. Generally the higher this return, the better off the owners. ROE is expressed as a percentage and calculation as follows:

$$\textbf{Return on Equity(ROE)} = \frac{\textbf{\textit{Net Profit after Taxes}}}{\textbf{\textit{Shareholders Equity}}}$$

D. **Earning per Share:** Earning per Share (EPS) is the portion of a company profit allocated to each outstanding share of common stock. Earning per share serve as an indicator of a company's profitability. The formula calculation as follows:

$$\textbf{Earning per Share(EPS)} = \frac{\boldsymbol{Net\ Income}}{\boldsymbol{No.\ of\ share\ outstanding}}$$

E. **Cost to Income Ratio:** It measure as a particular bank operating efficiency by measuring the percentage of the total operating income that the bank spends operates its daily activities. The formula calculation as follows:

$$\textbf{Cost to Income Ratio} = \frac{\textbf{Total Operating Cost}}{\boldsymbol{Total\ Operating\ Income}}$$

3.7.5 Market Ratio

A ration used to find the value of a company by comparing the book value of a firm its market value. Book value is calculated by looking at the firms historical cost, or accounting value. Market value is determined in the stock market through its market capitalization.

Price Earnings Ratio (P/E Ratio): A valuation ratio of a company's current share price compared to its per share earnings.

$$\textbf{Price Earnings Ratio} = \frac{\boldsymbol{Market\ Price\ per\ share}}{\boldsymbol{Earning\ per\ share}}$$

CHAPTER 4

ANALYSIS OF FINANCIAL PERFORMANCE

4.1 Analysis of Liquidity Ratio

Liquidity ratio attempts to measure a company's ability to pay off its short term debt obligations. This is done by comparing a company's most liquidity assets and its short term liabilities.

Current Ratio = Current Assets / Current liabilities

4.1.1 Current Ratio

Particular	2019	2020	2021	2022
Current Asset	960,631	2,605,128	3,398,554	26,112,675
Current Liabilities	10,000	180,301	94,276	3,648,235
Current Ratio	96.06	14.45	36.05	7.16

Table 4.1.1- Current Ratio

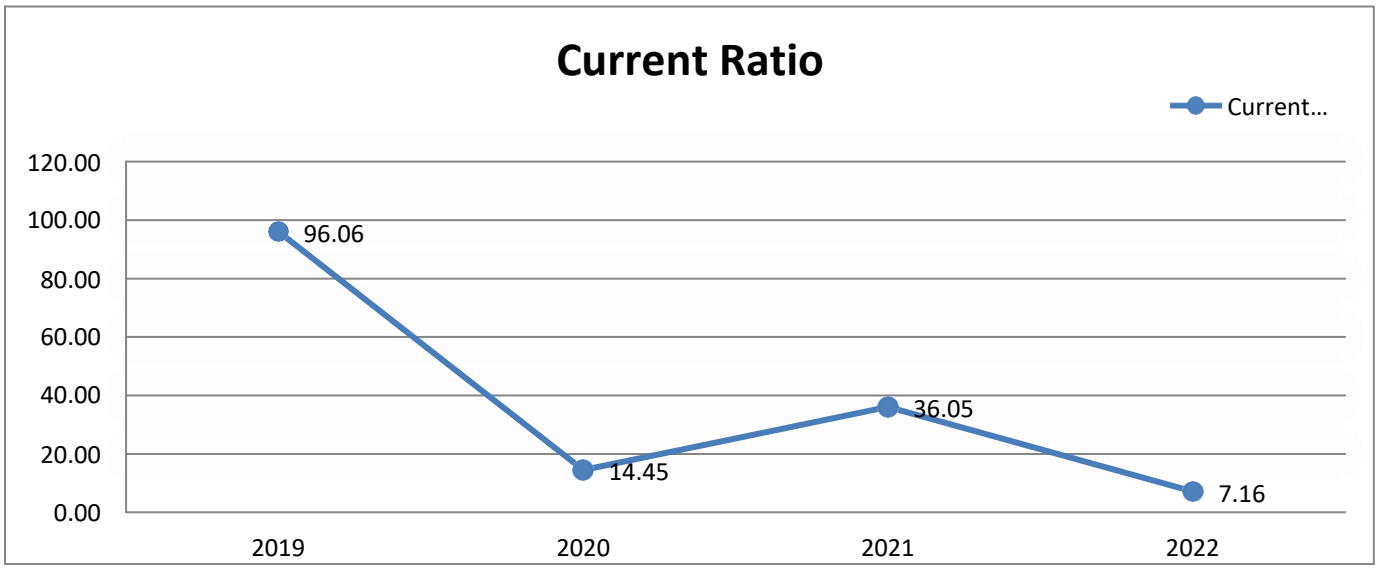


Chart 4.1.1: Current Ratio

Interpretation: The higher the current ratio the more liquid the firm is considered to be. The current ratio of 2019 should not be considered, because it was the first year of their operation. It did not expend their operation that much. Except that, the graph shows that current ratio of Jatri Services Limited has fluctuated over the years. The current ratio decreased from 2019 to 2020 but the ratio slightly increased in 2021 and again decreased in 2020. This indicates that liquidity position of the company?

4.1.2 Net Working Capital

Networking Capital = Current Assets – Current liabilities

Particular	**2019**	**2020**	**2021**	**2022**
Current Asset	960,631	2,605,128	3,398,554	26,112,675
Current Liabilities	10,000	180,301	94,276	3,648,235
Net Working Capital	950631	2424827	3304278	22464440

Table 4.1.2- Net Working Capital

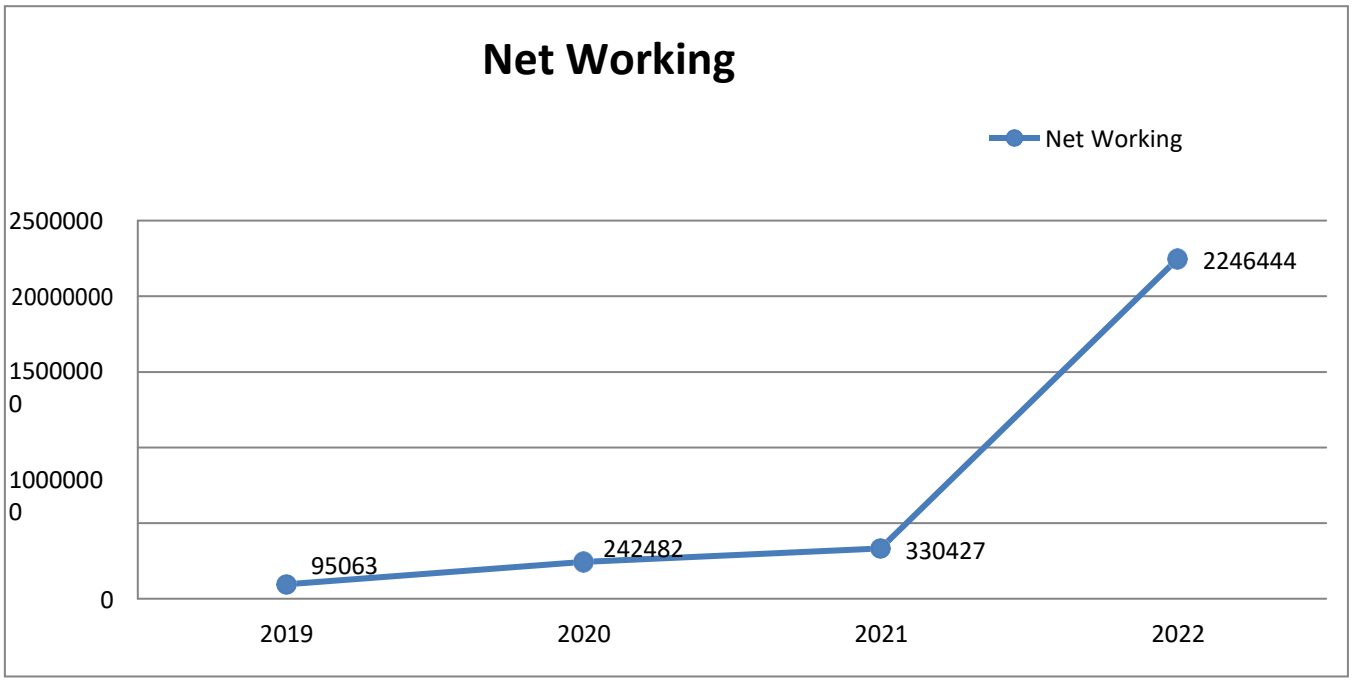


Chart 4.1.2: Net Working Capital

Interpretation: Net working capital of SBL decreasing from 2017 and 2018. It's increased from 2019 and 2020. So the bank able to meet up its current obligation.

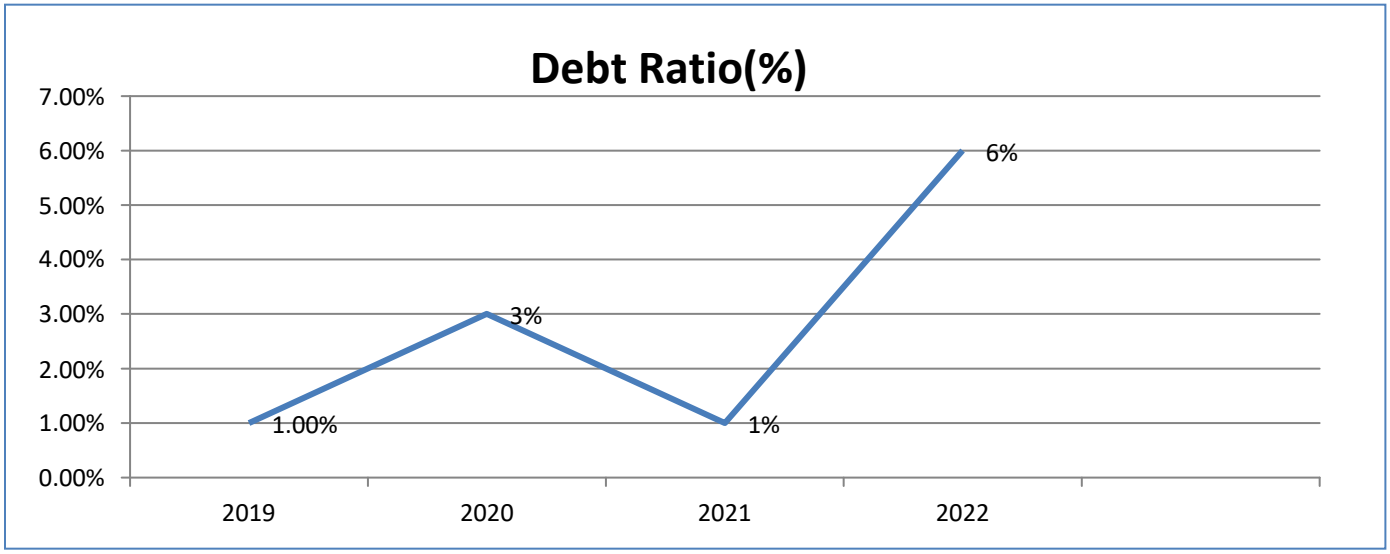
4.1.3 Analysis of Debt Ratio:

Debt ratio:

Debt Ratio = Total Liabilities/ Total Assets

Particular	2019	2020	2021	2022
Total Liabilities	10,000	180,301	94,276	3,648,235
Total Asset	1,454,580	5,882,397	11,162,837	56,626,843
Debt Ratio(%)	1%	3%	1%	6%

Table 4.1.3- Debt ratio



Interpretation: This graph shows that, the debt ratio was low in 2019 but it's increased in 2020. The debt ratio measures, the proportion of total assets provides by the firm's creditors. Their debt ratio were fluctuating trend indicates negative sign.

CHAPTER-5

FINDINGS, RECOMMENDATION &CONCLUSION

FINDINGS, RECOMMENDATION & CONCLUSION

5.1 Findings

Analysis of the financial performance of Jatri Services Limited from reveals the following major findings:

- ✓ Current ratio of Jatri Services Limited has decreased but slightly increased one year. The company should maintain this trend.
- ✓ Debt ratio of the company fluctuated over the year, So the company may face financial risk in future.
- ✓ Return on assets is now in good position it not affect the profitability.

5.2 Recommendations

The following recommendations can be made to improve the financial performance of Jatri:

1. Jatri should increase its current assets to meet up its short term obligations in time.
2. The company management should try to maintain optimum amount of liquidity by carefully maintaining its current assets in relative to its current liabilities because excess liquidity could affect its profitability.
3. Jatri had lower debt ratios over the years, it should maintain the debt ratios to be able to repay its term obligations in future time period.
4. Jatri should try to increase its net profit margin by increasing its operating income.

5.3 Conclusion

The Report “Financial Performance Analysis of Jatri Services Limited” opens up with an overall introduction on how this topic come to be and why it was chosen for the internship program including the sources of data collection and constraints faced during the 12-week work experience. Current ratio of Jatri Services Limited fluctuated over the years and thereby it has increased liquidity risk over the years. The management of Jatri Services Limited was not efficient enough in utilizing its asset for the year of analysis. Assets turnover ratio fluctuated over the year of analysis. The cost of income ratio of it has increased over the analysis. The fluctuating trend in current ratio will increase the liquidity risk of the company. The management should try to maintain of optimum amount of liquidity by carefully maintaining its current assets in relative to its current liabilities because excess liquidity could affect its profitability. Jatri Services Limited should try to increase its total assets turnover by increasing its operating income. The cost income ratio of Sonali Bank Limited as increased over the years. Therefore, the company should reduce cost of fund and operating expense to increase the profitability. To generate positive net profit margin, ROA and ROE Jatri Services Limited have to generate optimum level of profit. And of achieving this company needs to reduce its operating expenses and increased operating income.

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