



**Internship Report on Performance Analysis of  
Eastern Bank PLC.**



# **Internship Report on Performance Analysis of Eastern Bank PLC.**

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Date of Submission: 15<sup>th</sup> April, 2025.

# Letter of Transmittal

15<sup>th</sup> April, 2025

**Md. Anhar Sharif Mollah**

Assistant Professor.  
Department Of Business Administration.  
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Daffodil International University.

**Subject : Submission of Internship report on Performance Analysis of Eastern Bank PLC.**

Dear Sir,

I would like to thank you for giving me opportunity to made the internship report on the topic Financial Performance Analysis of Eastern Bank PLC. I have made the report various type of method under general banking, investment, financial and expected point of view. I try my best for make the report outstanding and gathering related data for made complete the papers. Without the proper direction of yours, it wasn't possible to made the report.

I hope that you will be assess my report consider the limits and mistake of the study report. Sincerely believe you will be find the study very exciting and informative.

Thank you

Sincerely yours,

*Mustakim*

---

**Mustakim Ahmed**

ID: 0242220004083039

Major : Finance

Program: MBA

Department of Business Administration.

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# Letter of Authorization

Date: 15<sup>th</sup> April, 2025

**Mr. Md. Anhar Sharif Mollah**

Assistant Professor.

Department Of Business Administration.

Faculty of Business and Entrepreneurship.

Daffodil International University.

**Subject: Declaration regarding validity of the Internship Report.**

Dear Sir,

Please be informed, this is my declaration to you that the report I have made is not a duplicate of any other internship report ever make by any student.

And i also express that my sincere authorization to support the fact that is report has never use before, satisfy any academic purposed and will be not distribute to any of other person in the future.

Sincerely yours,

**Mustakim Ahmed**

ID: 0242220004083039

## Certification of Supervisor

This is certified that **Mustakim Ahmed, ID: 0242220004083039, Program : MBA** is a regular student of **Department of Business Administration, Faculty of Business and Entrepreneurship, Daffodil International University**. He has complete his internship at Eastern Bank PLC. He has made his internship report about **Performance Analysis of Eastern Bank PLC** under my supervision.

The information given here in this internship report seems to be reliable. This internship report has been accept for presentation in the internship defense.

I wish him well.



---

**Md. Anhar Sharif Mollah**

Assistant Professor.

Department of Business Administration.

Faculty of Business and Entrepreneurship.

Daffodil International University.

## Acknowledgement

I want to start by expressing my heartfelt thanks to Almighty Allah for giving me the strength and opportunity to finish this report on time, Alhamdulillah.

I am incredibly grateful to many people for their support and guidance throughout this process. A special thanks goes to my academic supervisor, Mr. Md. Anhar Sharif Mollah, Assistant Professor in the Department of Business Administration at Daffodil International University, For his kindness and direction in helping me complete my internship report.

I also want to thank the Branch Manager, Mutashim Billah (SAVP), And Line Manager, Riwan Bin Mahbub (AVP), for allowing me to learn about EBL and for their support in creating this report. I appreciate Naznin Sultana, The Customer Service Manager at EBL Satmosjid Road Branch, for her guidance and cooperation.

This report, which includes practical insights into banking functions and activities, would not have been possible without the collaboration of the staff at the Satmosjid Road branch of EBL. They generously share their knowledge, making it easier to me for complete this report for my MBA program. I would like to extend my gratitude to Anamul Islam and Omit Rahman, as well as the authors and writers of the books, reports, and journals that assisted me in preparing my internship report.

Finally, I must acknowledge the supportive work environment in the bank, which allowed me for engage with and notice various banking activities during my internship.

## Executive Summary

This report has been made to meet the requirements of the MBA program at Daffodil International University. It highlights my two month internship experience at Eastern Bank PLC at the Satmosjid Road Branch. My goal was to give a detailed overview of EBL financial performance and investment activities. Founded in 1992 Eastern Bank PLC, often called EBL has grown to be one of the top financial institutions in Bangladesh. EBL has transformed from its humble beginnings into a name associated with excellent service, innovative product. It is recognized as the most awarded bank in Bangladesh and was the first to receive a rating from the respected Moody's rating agency, achieving a Ba3 rating that has been confirmed for three years, with its current rating at B1. In the energy sector, EBL has backed projects that can generate over 2100 MW of electricity. The bank accounts for 4.6% of Bangladesh's trade volume, totaling USD 3.6 billion. In aviation financing, EBL is a key player, having financed USD 194 million for 12 aircraft, including the national airline, Bangladesh Biman. The bank's strong IT solutions give it a significant edge in the market. EBL was the first to earn the PCIDSS certification for card security in 2021, A status reaffirmed in 2020 and 2021 by the respected cybersecurity authority, NCC Group from the UK.

The last section of my report discusses the future development plan and the welfare of EBL based on the analysis of UPDS and RDS. At the conclusion of the report, I present my findings, recommendations and reflections. Additionally, I summarize my conclusions regarding EASTERN BANK PLC and evaluate the performance of my study.

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# Chapter-01

## Introduction



## Introduction

The introduction of Eastern Bank PLC into the private sector represents a major milestone in the evolution of Bangladesh financial landscape. Founded as a public limited company on August 8, 1992, Eastern Bank PLC aimed to participate in various banking activities both within the country and abroad. On 16<sup>th</sup> August, 1992 the bank took over the operations, assets, debts, and financial issues of the former Bank of Credit and Commerce International Limited (BCCI) branches in Bangladesh. BCCI global bankruptcy and later closure in the country. After thorough discussions with BCCI employees and ensuring the safety of Depositors fund, Bangladesh Bank recommended the creation of Eastern Bank PLC. The bank started its journey with just four branches: Principal Branch in Dhaka, the Motijheel Branch in Dhaka, the Agrabad Branch in Chittagong, and the Khulna Branch. Eastern Bank PLC aimed to set a new standard in Bangladesh banking industry by providing top-notch advisory services and effective customer support.

## Background of Study

The internship is a crucial component of the MBA program at Daffodil International University's Business and Entrepreneurship Faculty. Students are required to create a report for an organization that combines both theoretical and real world perspectives. This report not only helps me gain hands-on experience with this organization but also played a significant role in my report on the Financial Performance Analysis of Eastern Bank PLC.

## Scope of Study

Investment methods are an important topic in the financial literature surrounding economic development. This topic covers a wide scope of financial discussion. However, this study focuses specifically on understanding the investment procedure of Eastern Bank PLC. It is important to note that this research is limited to this bank and does not include comparison with other conventional banks.

## Objective of the study

The primary objective of this report will be given a summary about the activities of the EBL for years of 2020-2022.

Other objectives are as below:

- To analyze different activities of the bank.
- To analyze financial statement and performance of the bank.
- To provide some recommendation about the problem of the bank.

## Methodology of the Study

When I start making the report, I'm utilize maximum of Primary and Secondary data sources. For the data I gathered information finished my own insights one-on-one discussion with the administration team. I collected their data and incorporated information from the yearly report of Eastern Bank PLC, obtained from their website, into this report.

### Primary Data Collection

- Personal inspection
- Face to face services to customer
- Personal conversation with the staff
- Study of office file while working in the company

### Secondary Data Collection

- Eastern Bank's Annual Report.
- Eastern Bank's Official Website.
- Article of Newspaper Journal and other of publications.

## Limitation of Study

Each organization possesses it is own confidential information that remains undisclosed to external parties. The data collected on EBL employees did not provide sufficient insight to maintain the organization's confidentiality. This study aims to conduct a full evaluation of the measures employed for loans, which encountered several challenges throughout the research process. These obstacles can be characterized as limitations of the study.

Those limits are as follow

- The knowledge collected was not enough for the analysis.
- The organization was unable to view confidential information.
- In many cases up to date information not published.

# Chapter-02

## Organization Overview



## History of Eastern Bank PLC

EBL commenced its operation in 1992, facing numerous challenges and the imperative to demonstrate its viability for growth and sustainability. Over the course of three decades, it has evolved into a company with an asset size of BDT 396 billion. Embracing a growth-oriented mindset, EBL has prioritized not only profitability but also a steadfast loyalty to the sustainable economic improvement of Bangladesh. In 2021, The bank disbursed BDT 35,827 million through sustainable and green financing initiatives, earning it recognition as one of the top ten sustainable banks by the Sustainable Finance Department of the central bank. The foundation of EBL's remarkable success lies in its adherence to corporate governance, its enthusiasm for innovation, and its unwavering dedication to service excellence. Regarded as a forward-thinking and dynamic institution in Bangladesh, EBL has become a symbol of stability in the financial sector.

## Mission

- We are committed to providing outstanding service to every customer, whether they are part of our organization or not.
- We will focus on increasing the value for our shareholders.
- We will continuously evaluate our systems, processes, and training to keep our team united and professional, aiming for top-notch service.
- We will foster a supportive atmosphere and promote a team-oriented culture where everyone can thrive.

## Vision

Our objective is to establish ourselves as the premier brand in the financial services sector in Bangladesh. Generating enduring value for our stakeholders and most importantly for the community in which we function. This will be achieved by innovating our business practices and fostering sustainable growth.

## Core Values

### Service Excellence

- We are dedicated to making our customers happy.
- We rely on customer satisfaction to boost our growth.
- We embrace change to provide quick solutions.

### Commitment

- We have a clear plan for our journey ahead.
- We are committed to always getting better.
- We take initiative and complete our work without needing reminders.

### Openness

- We present our business strategy.
- We promote open dialogue.
- We acknowledge successes and celebrate outcomes.

### Integrity

- We express our beliefs.
- We value every customer connection.
- We oppose the misuse of information power.

### Trust

- We look out for one by one
- We exchange ideas and information.
- We uplift and support our community.

## Responsible Corporate Citizen

- We follow the law as responsible citizens.
- We advocate for environmental protection for everyone.
- We adhere to all regulations, customs, beliefs, and values of our country

## Strategic Objectives

- To gain customer approval.
- To prioritize the well-being of banking services.
- To organize client welfare initiatives.
- To enhance the commercial culture.
- To meet international standards.
- To place greater emphasis on both human resources and financial assets.
- To encourage team members to take responsibility for their work.

## SWOT ANALYSIS OF EBL

Every banking sector has its own set of internal strengths and weaknesses, along with external opportunities and threats that affect it throughout its entire life cycle.

### Strengths

- EBL consistently delivers top-notch quality in all of its services, ensuring customer satisfaction every time.
- EBL is a stable and financially strong company.
- EBL has almost completed a good will among to their client.
- EBL has a explore division.
- EBL increasing social services.
- EBL offers its employees an excellent work environment.

## Weaknesses

- The method of credit facility takes a longer time to compare with other banks.
- Employees are not interested in the other area.
- EBL lacks aggressive advertising.

## Opportunities

- EBL is capable of providing more advanced and modern customer service.
- EBL can open several branches outside of Dhaka.
- Leadership corporate banking in the nation.
- EBL can train a skilled, efficient, and knowledgeable workforce due to its positive working environment.

## Threats

- Many new banks are entering the market with new services.
- The ongoing cuts in cash and the unstable foreign exchange rates are causing issues.
- Local competitors have the chance to gain a significant portion of the market by providing similar products.

## Chapter-03

# Activities of Eastern Bank PLC



# Products and Services

Under products and service Eastern Bank PLC. Here below in the sorts

## Retail Banking

- Retail Loan
- Retail Deposit
- EBL Insta Account Branch
- Digital Banking
- E Commerce
- EBL Cards
- Power Banking
- Priority Banking
- Supply Chain Financing
- Agent Banking
- Student Banking

## SME Banking

- SME Loan
- SME Deposit

## Corporate

- Corporate Bank Service.
- Corporate Business Relationship Unit.
- Cash Management Service.

## Loan Service

- Personal Financing Service
- Mortgage Financing Service
- Two Wheeler Financing Service
- Edu Finance Service

## Deposit Service

- Current Deposit Service
- RFCF Service
- Savings Deposit Service
- DPS Service
- Fixed Deposit Service

## Digital Banking

- Internet Banking Service
- SkyBanking Service
- POS Service

# FOREIGN EXCHANGE BUSINESS SERVICE

## Special Service

- ATM Service
- Student files
- Locker Service

## Others Investment

- Household Durables Service.
- Car Purchase Service.
- Micro Industries Financing Service.
- Agricultural Implement Financing Service.
- Investment Scheme for Doctor.
- Transport Financing Service.
- Small Business Financing Service.
- Women Entrepreneurs Financing Service.

# Chapter-04

## Performance Analysis of Eastern Bank PLC. (2020-2022)



## Theory of Ratio

The most effective approach for evaluating a company is through ratio analysis. This method enables businesses to make informed investment decisions. By comparing line item data from company financial statement, ratio analysis reveals discernment into profitability, liquid and overall financial health. It also allows for the assessment of a company performance over time as well as comparisons with other firms within the same industry or sector. To ensure accurate evaluations of their financial standing, individuals often develop various software tools.

### Liquidity Ratio Analysis

This ratio analysis is the use of several ratio to control the ability of any company to pay bill in a timely method. This analysis intentionally excludes inventory, as it is challenging to convert into cash. Current ratio comparisons total current asset in to total current liabilities.

Types of ratios include:

- Current Ratio.
- Quick Ratio.
- Cash Ratio.

### Profitability Ratio Analysis

The profitability ratio is utilized to assess a company quality to make income in relation to its cost and other costs incurred in the operation of income generation over a defined period. This ratio echoes the overall performance of the organization.

Types of ratios include:

- Net Profit Margin.
- Return on Equity.
- Gross Profit Margin.
- Return on Asset.
- Operating Profit Margin.
- Earnings Per Share.

### Operating Efficiency Ratio Analysis

The efficiency ratio is commonly used to measuring how well any company handles its internal resource, like asset and liabilities. This ratio help to analyzing how quick any company collect money owed to it and how well it is pay off it debt. It also give clearer picture of how many equity is being use and how effectively goods and equipment are organized.

Types of ratios include:

- Fixed Asset Turnover.
- Total Asset Turnover.
- Equity Turnover.
- Current Asset Turnover.

## Leverage Ratio Analysis

A leverage ratio refers to a cash metric that measure extent to which any company utilizes debt capital structure, as well as its capacity to fulfill financial obligations. Regulatory authorities impose oversight on the permissible levels of leverage that banks can maintain.

## Market Risk Analysis

Risk analysis entails an examination of how the outcomes and objectives of a project may be altered as a result of potential risk events. After recognizing these risks, a thorough analysis is conducted to measure the analysis of the risks on any task. The process modifies the enforcement of proper measure to mitigate the identified risks.

Types of ratios include:

- Currency Risk
- Equity Risk
- Inflation Risk
- Commodity Risk
- Interest Rate Risk

## Common Size Analysis

This analysis often to known horizontal analysis serves as a valuable for cash manager in the examination of financial statements. This method assesses cash statement by expressed every time item as a proportion of designated base on asset for the relevant time

## Trend Analysis

This analysis aims to predict the trajectory of a market, such as a bullish phase, and to capitalize on that trend until data indicates a potential reversal such as a transition to a bearish market. This analytical approach involves examining current trends to anticipate future movements and is regarded as a form of classic analysis.

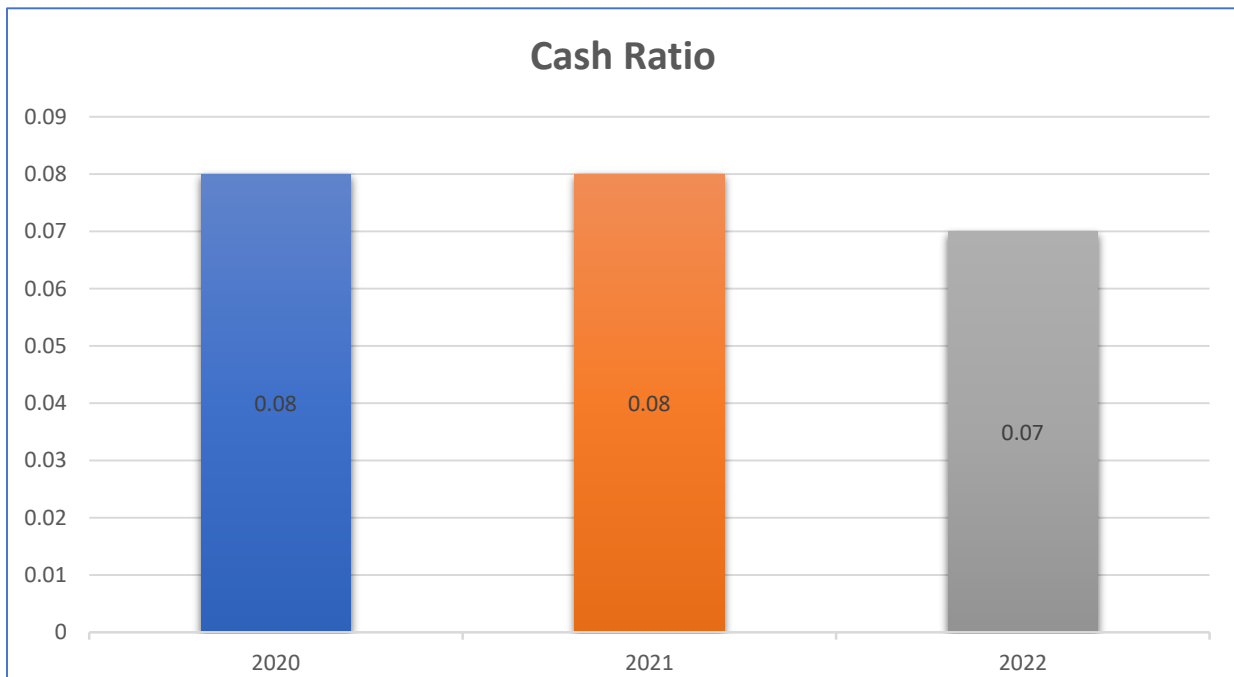
## Ratio Analysis of Eastern Bank PLC.

### Liquidity Ratio Analysis

**Cash Ratio :** This ratio serves an index of any organization liquidity representing the structure of cash in to current liabilities. This measured assesses a organization function to meet short term obligation. it in stock cash.

$$\text{Cash Ratio} = \text{Cash, Cash equivalent} / \text{Current liabilities.}$$

Particular	2020	2021	2022
<b>Cash Ratio.</b>	0.08	0.08	0.07



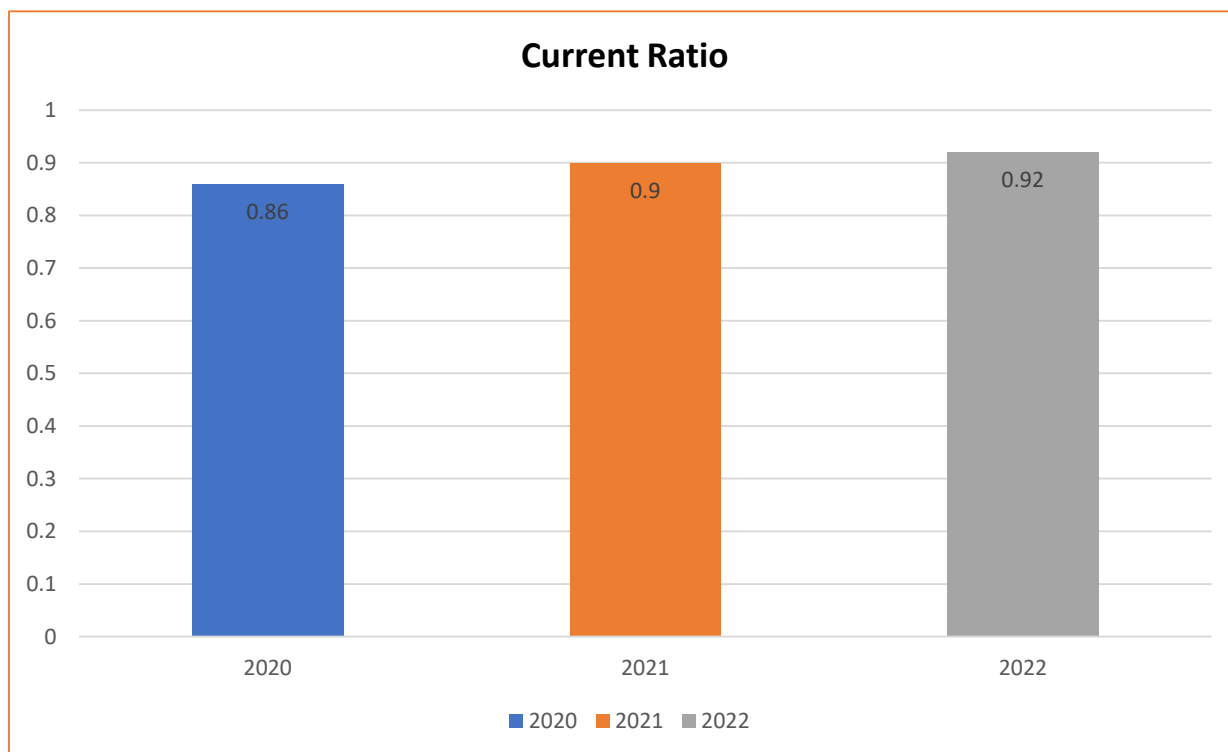
**Figure: Cash Ratio (2020 - 2022)**

Eastern Bank PLC maintains a low cash ratio, which is advantageous the organization. The organization utilizes it cash reserve to settle the liabilities.

**Current Ratio :** The current ratio is a measure of a company's liquidity, which helps determine if it can pay off its short-term debts that are due within a year. This ratio gives investors and analysts a clear view of how well a company can use its current assets, shown on its balance sheet, to cover its immediate liabilities and accounts payable.

$$\text{Current Ratio} = \text{Current asset} / \text{Current liabilities.}$$

Particular	2020	2021	2022
<b>Current Ratio.</b>	0.86	0.90	0.92



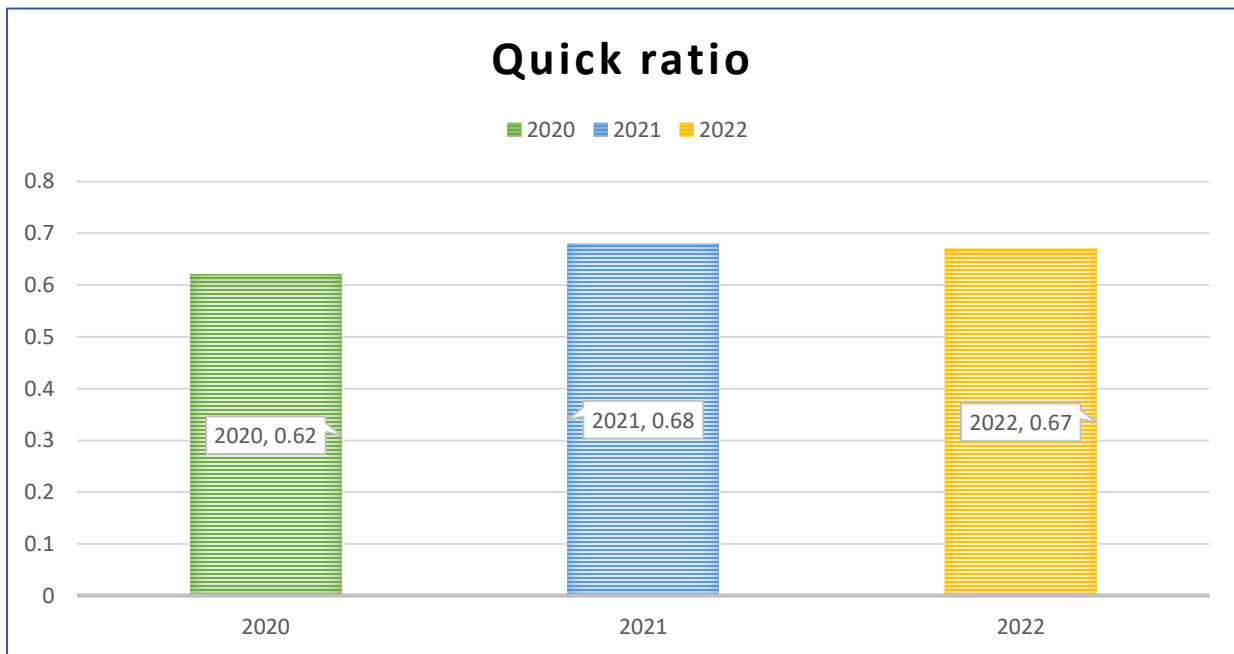
**Figure: Current Ratio (2020-2022)**

Eastern Bank PLC current ratio is not good enough, because it was increased in (2020-2022).

**Quick Ratio:** This ratio function as an indicator of any organization short term liquidity and ability to effect immediate obligations most liquid asset. By determining the firm function to quickly convert to liquid resource to address current liabilities, it is often referred to as the ratio.

$$\text{Quick Ratio} = (\text{Current Assets} - \text{Inventory}) / \text{Current liabilities.}$$

Particular	2020	2021	2022
Quick Ratio.	0.62	0.68	0.67



**Figure: Quick Ratio (2020 – 2022)**

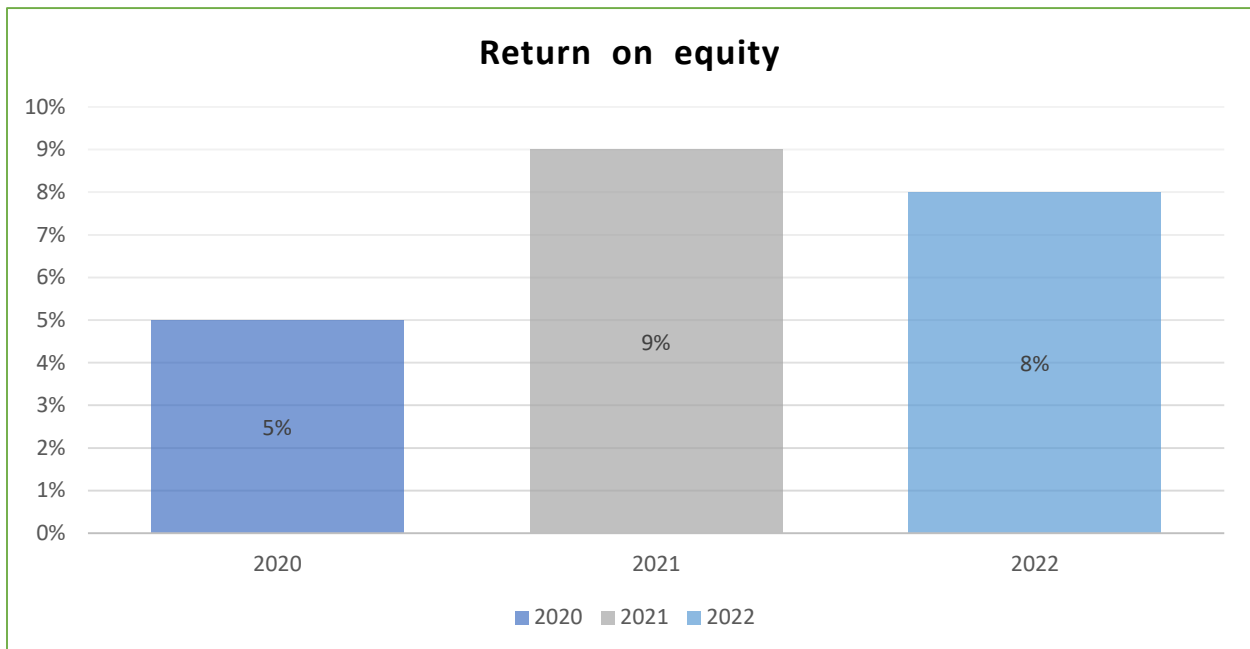
The quick ratio of Eastern Bank PLC is insufficient. It experienced an increase during the period of 2020-2021, followed by a relatively improved performance from 2021 to 2022.

## Profitability Ratio Analysis

**Return on Equity:** It is a financial function that provide investor with sensibility into the ratio which a company convert equity capital to make profit for its shareholders. ROE show that the company direction is more adept at produce cash and fostering growing the capital invested by stockholders.

$$\text{ROE} = \text{Net Income after Taxes} / \text{Total Equity Capital.}$$

Particular	2020	2021	2022
ROE.	5%	9%	8%



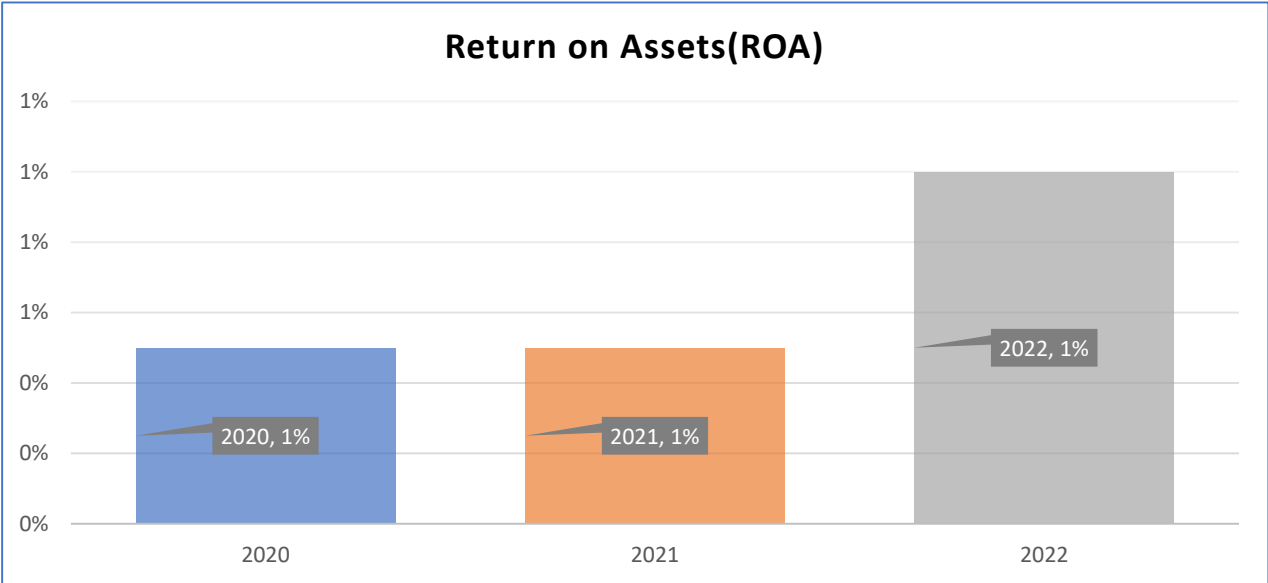
**Figure: Return on Equity Ratio (2020 - 2022)**

The return on equity (ROE) of Eastern Bank PLC exhibited variability between 2020 and 2022. In 2020, the ROE stood at 5 percent, which experienced a decline in 2021. However, despite this decrease, there was a notable improvement in the ROE during the same year. By 2022, the ROE fell by 1 percentage point, show the institution is not in effect leveraging capital make profit. This trend raises concerns regarding the financial health of the institution.

**Return on Assets :** This serves as an index of a company ratio in convert total assets to make income. This metric provides investors and analysts with insights into the effectiveness of a company direction in leverage its resources produce profits. Greater profitability and demonstrates the management's adeptness in optimizing financial resources.

$$\text{ROA} = \text{Net Income after Taxes} / \text{Total Assets.}$$

Particulars	2020	2021	2022
<b>ROA</b>	0.50%	1%	1%



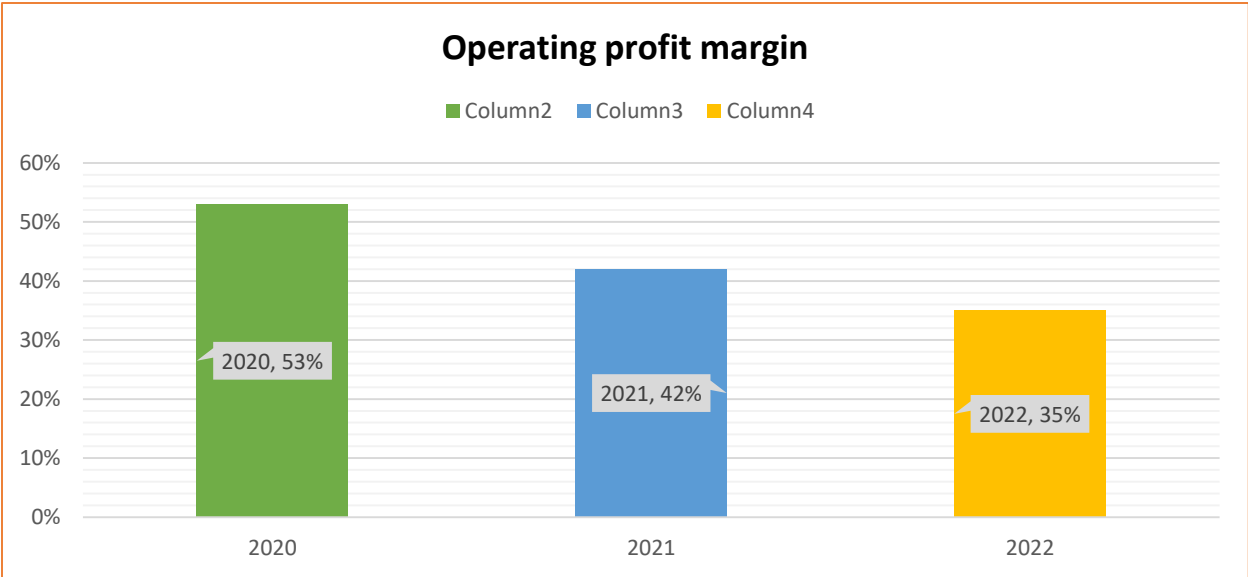
**Figure: Return on Asset Ratio (2020- 2022)**

The diagram shows that the ratio of ROA is shifting from 2020-2022. In 2022 Eastern Bank PLC has the maximum ROA as it is competently operated it is asset to make profit. In 2020 the ratio gradually the same but in 2020 and 2021 it is same to 1 percentage which is not a satisfactory result for the company. It is specified that the company does not use it is asset properly to make profit.

**Operating Profit Margin:** Operating margin assesses the extent to which a company retains earnings from its operations after accounting changeable cost associated with industry, salaries and goods This function is distinct from net income or taxes.

**Net Operating Margin = Operating profit / Sale.**

Particulars	2020	2021	2022
OPM	53%	42%	35%



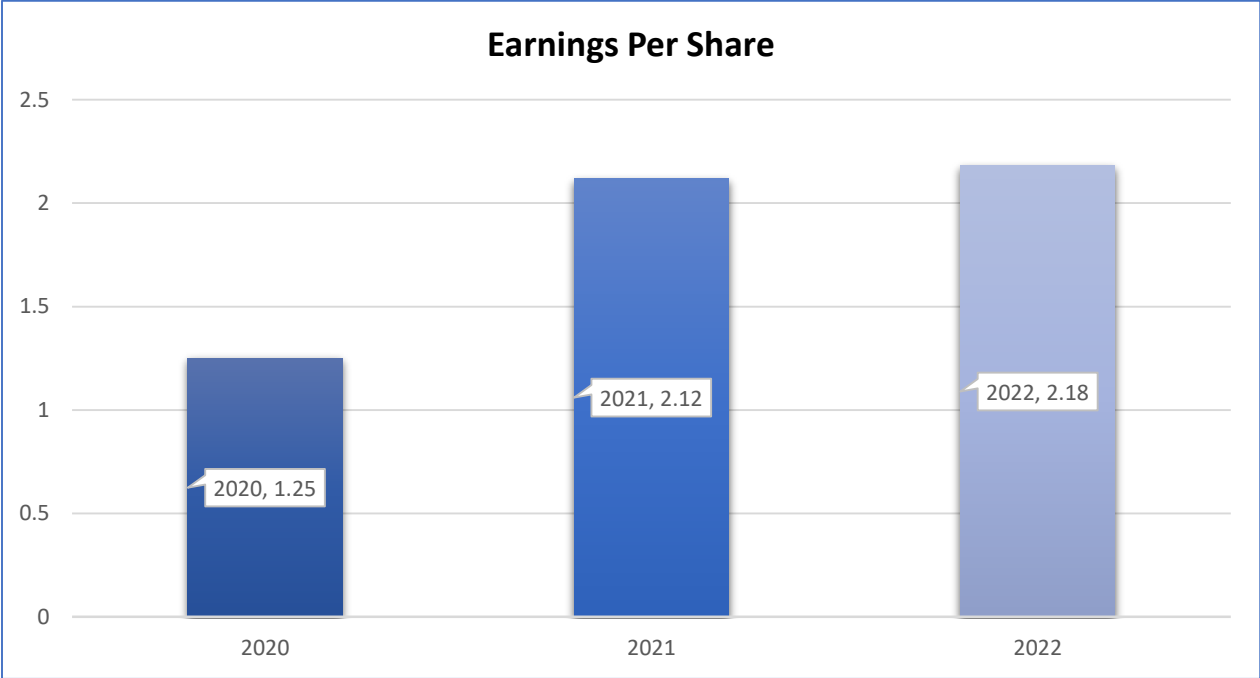
**Figure : Operating Profit Margin (2020 - 2022)**

This ratio Eastern Bank PLC exhibited variability across different years, with the highest ratio recorded in 2020.

**Earnings Per Share : it** is a financial measure that assesses the gain of any organization by measure income make individual to the number of outstanding shares. If a company's EPS demonstrates an increase compared to previous years or in relation to other companies, it indicates that the firm is generating greater income per share. Consequently, a higher EPS is generally viewed as favorable.

**EPS = Net Income After Taxes /Common Equity Shares Outstanding.**

Particulars	2020	2021	2022
<b>EPS</b>	1.25	2.12	2.18



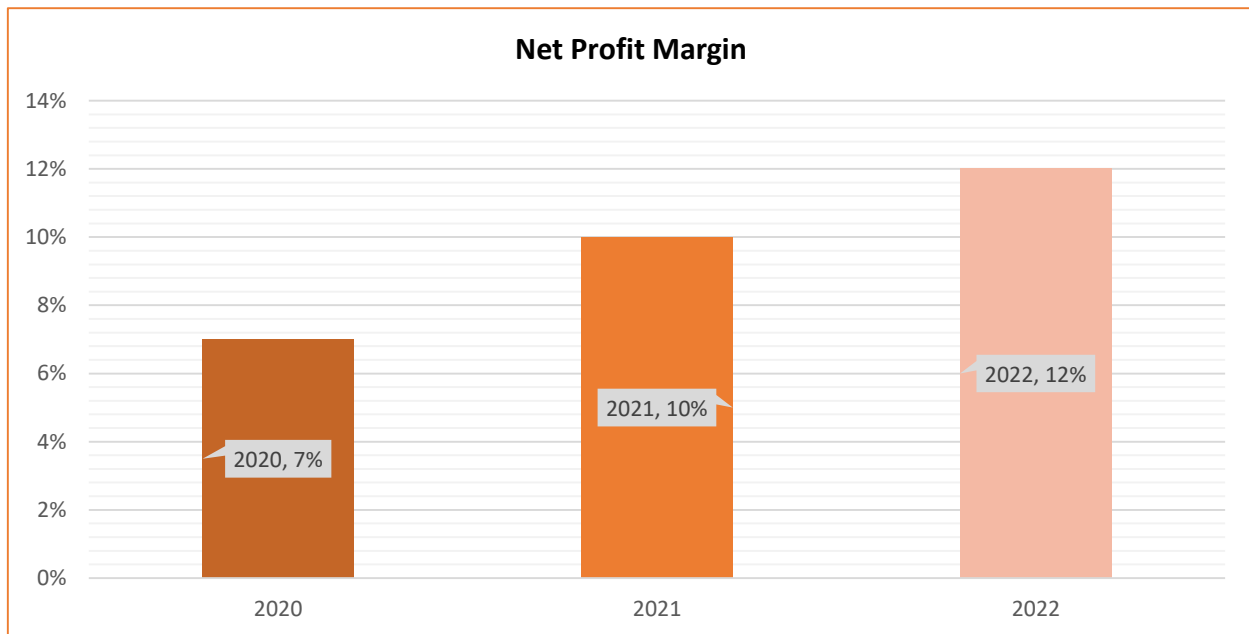
**Figure: Earnings per Share (2020 - 2022)**

EPS serves as an index number of the profit make by any organization for every share in stock. The graph illustrates fluctuations in EPS from 2020 to 2022. In 2020, Eastern Bank PLC reported an EPS of 1.25, which subsequently rose to 2.12 within the same year. However, the company faced significant challenges that adversely affected its earnings, resulting in a decline in EPS to 1.25 by the end of 2020.

**Net Profit Margin** : it is referred to the overall revenue financial function utilized the assess degree of profitability any organization return from it is entire income. This ratio show sum of net revenue any organization earn relative to its total income.

$$\text{NPM} = \text{Net Income after Taxes} / \text{Total Operating Revenues.}$$

Particulars	2020	2021	2022
<b>NPM</b>	7%	10%	12%



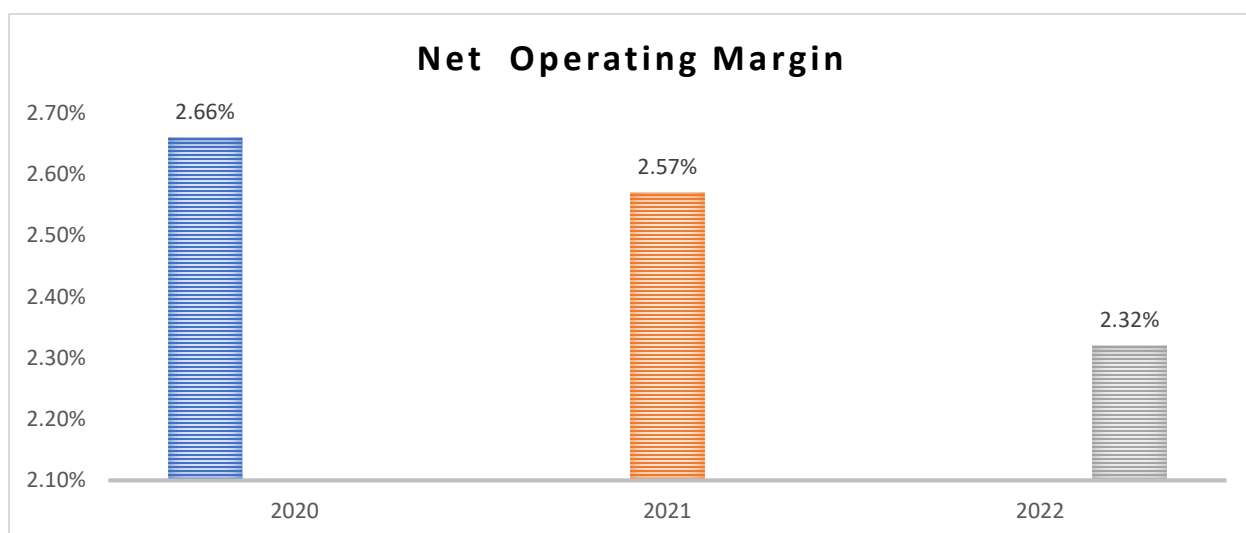
**Figure: Net Profit Margin Ratio (2020 – 2022)**

The Net Profit Margin (NPM) of Eastern Bank PLC exhibited variability between 2020 and 2022. Typically, 10% NPM is considered average for firms, although this benchmark can vary across different industries. In 2021, the NPM was recorded at 10%, while in 2022, it increased to 12%. This improvement is indicative of a positive outcome for the bank, suggesting that the institution successfully generated revenue in relation to its sales.

**Net Operating Margin :** Net operating margin reflects the disparity total operating revenue and total operating cost relation the overall capital. If any organization net operating margin demonstrates an increase compared to previous years or in comparison to other firms, it suggests that the company is generating greater operating profits relative to its total financial resources..

$$\text{Net Operating Margin} = \frac{(\text{Total Operating Revenues} - \text{Total Operating Expenses})}{\text{Total Assets}}$$

Particulars	2020	2021	2022
Net Operating Margin	2.66%	2.57%	2.32%



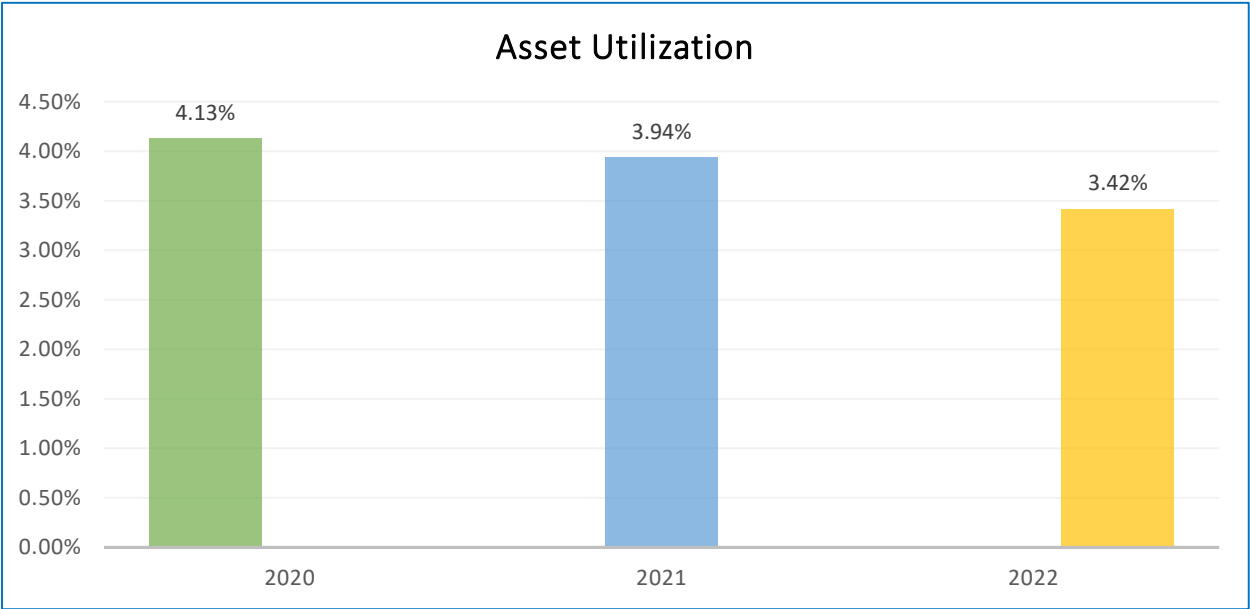
**Figure: Net Operating Margin (2020– 2022)**

The net operating margin ratio of Eastern Bank PLC exhibited fluctuations over the years, with 2020 marking the peak of this ratio. This indicates that the bank successfully managed to sustain profit growth despite increasing costs during that period. However, in the latter part of 2020, the bank quality to make profit relation to it cost diminished. Consequently, the bank demonstrated a decline in cost-effectiveness in its operations during 2021 and 2022 when compared to the preceding year.

**Asset Utilization:** It is showing the productivity which organization use it is asset to produce sales income to limit a satisfactory productivity tied.

$$AU = \text{Total Operating Revenue} / \text{Total Asset.}$$

Particulars	2020	2021	2022
<b>Asset Utilization</b>	4.13%	3.94%	3.42%



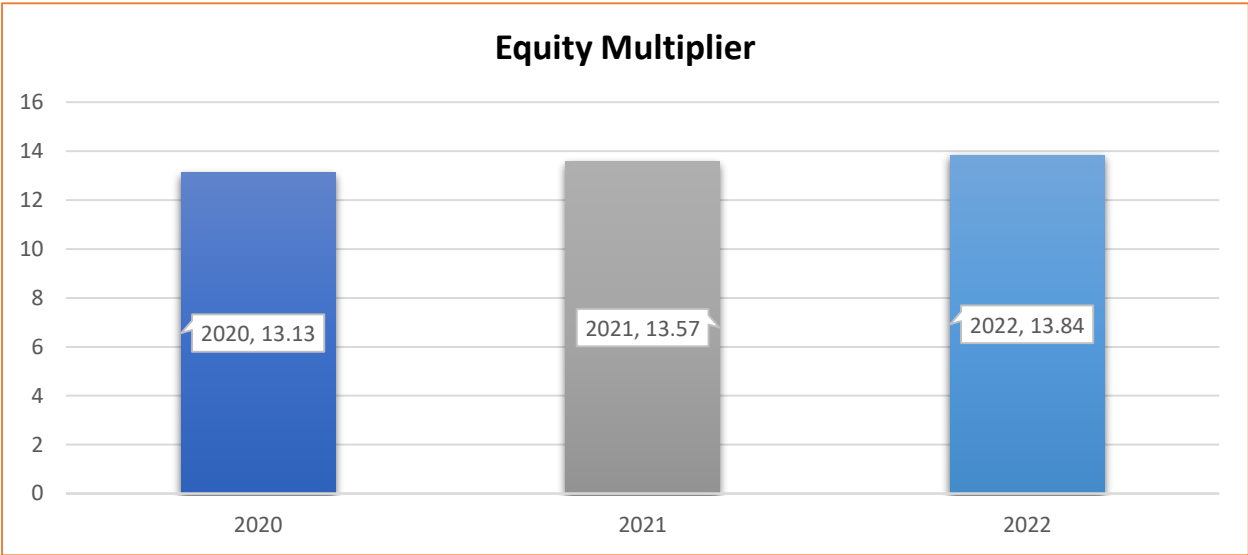
**Figure: Asset Utilization Ratio (2020 - 2022)**

The diagram indicates that Eastern Bank PLC effectively utilized its assets in 2020, achieving an asset utilization rate of 4.13 percent. The bank generated satisfactory sales revenue through the efficient management of its assets. However, in 2021 and 2022, there was a decline in this performance, suggesting that the bank did not optimize its asset usage adequately to generate sufficient returns.

**Equity Multiplier :** Equity number is financial leverage ratio assesses the balance of any organization capital that is support through interest. A full interest number show that important portion of any organization asset is funded by liability. Conversely any low equity number suggests that the firm may be unable to secure necessary financing from lenders, or that management is deliberately avoiding the use of debt to acquire funding.

**Equity Multiplier. = Total Assets / Total Equity Capital.**

Particulars	2020	2021	2022
Equity Multiplier	13.13	13.57	13.84



**Figure: Equity Multiplier Ratio (2020 - 2022)**

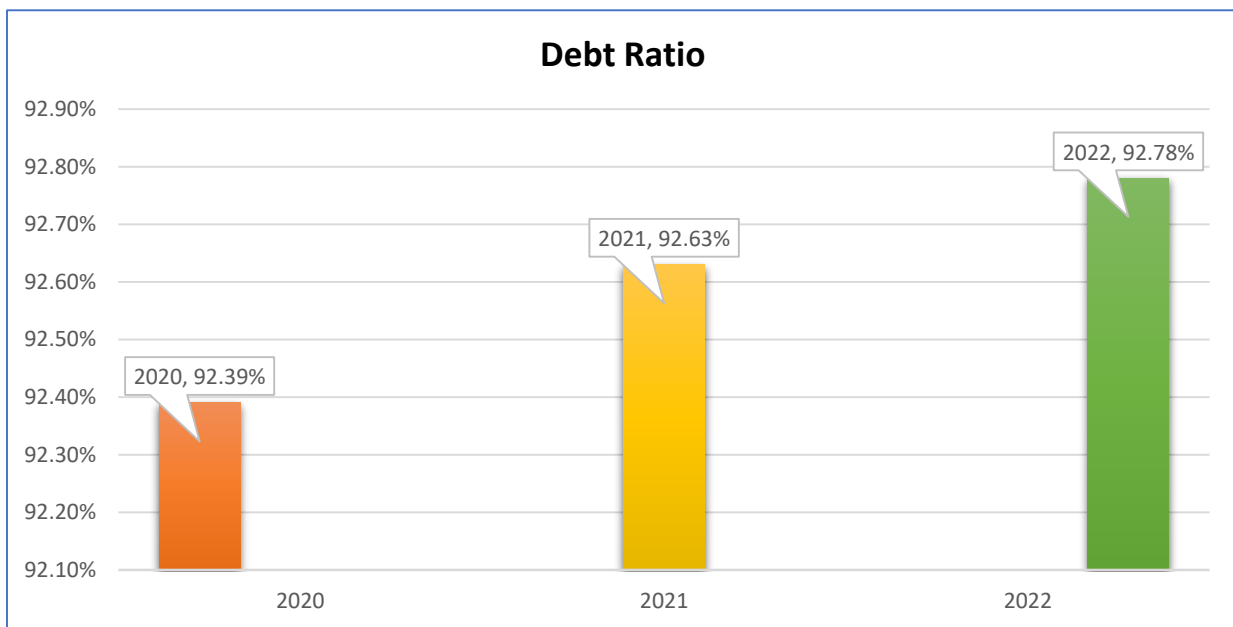
The diagram illustrates that in 2020, the Equity Multiplier stood at 13.13, indicating that the company relied more on debt financing than on equity capital. This ratio increased in 2021 and 2022, which may raise concerns for the bank. In contrast, Eastern Bank PLC was in a favorable position in 2020, as it financed its assets primarily through equity, resulting in a lower risk profile due to a reduced debt burden.

## Leverage Ratio Analysis

**Debt Ratio:** This ratio is financial metric that show the point of any organization supply. This ratio definite the full liability relative to the full capital explicit a numerical value. It is understood the balance of any organization asset that support through liability.

**Debt Ratio = Total liabilities / Total Asset.**

Particulars	2020	2021	2022
<b>Debt Ratio</b>	92.39%	92.63%	92.78%



**Figure: Debt Ratio (2020 - 2022)**

The diagram illustrates that the debt ratio of Eastern Bank PLC experienced fluctuations between 2020 and 2022. It is evident from this trend that the debt ratio has been increasing annually, which poses potential concerns for the financial health of the bank.

## Common Size Analysis

### **Eastern Bank PLC** **Balance Sheet (2020-2022)**

<b>Particular</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Cash	6.15%	6.11%	6.18%
Hand	0.73%	0.83%	0.89%
Balance Bangladesh bank	5.41%	5.28%	5.30%
Balance in other Bank	1.30%	1.39%	1.26%
In Bangladesh	0.84%	0.98%	0.94%
Money short notice	0.35%	1.46%	1.07%
Investment stock	22.57%	21.16%	18.54%
Government	20.18%	18.61%	14.80%
Loan	61.97%	62.60%	65.92%
Purchased	2.81%	3.15%	3.14%
Total	64.76%	65.75%	69.06%
Land	3.02%	3.07%	2.75%
Other asset	1.85%	1.06%	1.13%
Total asset	100%	100%	100%
Borrowing	3.24%	5.79%	5.61%
Current deposit	9.93%	11.43%	11.33%
Payable	0.91%	2.47%	1.57%
Deposit	7.89%	7.43%	7.62%
FDR	71.39%	65.37%	65.56%
Total Deposit	90.12%	86.70%	86.08%
Liabilities	6.64%	7.51%	8.31%
total liability	100%	100%	100%
Shareholder	99.97%	99.96%	99.97%
capital	33.69%	34.56%	35.49%
Statutory substitute	32.69%	34.56%	35.50%
Revaluation Reserved	21.93%	17.95%	17.95%
Foreign Currency	-0.10%	-0.09%	-0.05%
earning	10.86%	12.05%	10.51%
Reserve	0.91%	0.93%	0.95%
interest	0.03%	0.04%	0.04%
Total Equity	100%	100%	100%

The data presented in the table indicates that cash constituted 5.37% of total assets in 2022, a decrease from 6.16% in 2020. Similarly, investments accounted for 18.32% of total assets in 2022, down from 22.57% in 2020, reflecting a reduction over the two-year period. Conversely, the loans, cash credits, and overdrafts within the general investment category increased to 66.02% in 2022, compared to 61.92% in 2020, suggesting a strategic shift towards greater investment in financial sectors during this time frame.

**Eastern Bank PLC**  
**Income Statement (2020-2022)**

<b>Particular</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Income	100.00%	100.00%	100%
Deposits & borrowing	82.37%	75.21%	76.85%
Net interest	17.64%	24.79%	23.15%
Investment	28.29%	29.93%	32.01%
Commission	15.51%	17.10%	19.91%
Other operating income	3.08%	3.90%	5.01%
Total operating income	65.21%	75.13%	80.07%
Renty	3.70%	4.72%	5.35%
Salary	8.00%	10.25%	10.81%
Expenses	0.01%	0.00%	0.01%
Stamps	0.83%	0.98%	1.01%
Advertisement	0.63%	0.78%	0.86%
Fees	0.01%	0.02%	0.02%
Allowance	0.06%	0.07%	0.06%
Depreciation	1.91%	2.38%	2.62%
Total operating expense	20.06%	25.64%	27.99%
Operating Profit	45.15%	50.21%	52.08%
General Provision	1.15%	5.24%	5.81%
Others Provision	0.01%	2.15%	1.76%
Provision	14.14%	18.93%	28.05%
Profit before tax	31.01%	31.17%	24.03%
Provision for tax	13.76%	16.82%	17.32%
Net profit after tax for the year	17.26%	14.35%	6.72%

In this income statement, in 2022, the company allocated 8.27% of its resources to salaries and 0.64% to advertising, compared to 8.01% and 6.53% in 2020, indicating a relatively similar distribution of funds. Additionally, the company provided interest payments to shareholders, which amounted to 20.17% in 2022, a decrease from 28.89% in 2020. The net operating income, or earnings after interest and taxes, was recorded at 9.44% in 2020 and 17.36% in 2022. Analyzing the net income in relation to the previous year's figures allows for an assessment of the company's performance on an annual basis.

## Trend Analysis

### **Eastern Bank PLC** **Balance Sheet (2020-2022)**

<b>Particular</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Cash	100.00%	111.28%	131.14%
Hand	100.00%	127.81%	158.20%
Balance Bangladesh bank	100.00%	109.29%	127.49%
Balance in other Bank	100.00%	119.28%	126.19%
In Bangladesh	100.00%	130.23%	146.11%
Money short notice	100.00%	462.57%	394.60%
Investment stock	100.00%	104.93%	106.94%
Government	100.00%	103.19%	95.41%
Loan	100.00%	119.70%	204.66%
Purchased	100.00%	113.06%	138.44%
Total	100.00%	125.70%	145.58%
Land	100.00%	113.47%	118.22%
Other asset	100.00%	111.92%	130.14%
Total asset	100.00%	203.43%	232.66%
Borrowing	100.00%	307.86%	231.94%
Current deposit	100.00%	106.95%	129.73%
Payable	100.00%	104.04%	123.26%
Deposit	100.00%	109.29%	128.23%
FDR	100.00%	113.60%	134.24%
Total Deposit	100.00%	97.49%	94.92%
Liabilities	100.00%	100.00%	100.00%
total liability	100.00%	103.06%	103.06%

From the table of the above we can deduce that cash balance represents 20.34% of the assets in 2020 and 19.27% in 2020, in 2022 it is increase. In investment of different sectors characterizes 18.47% of the total assets in 2020 while it was 12.97% in 2020, from the last year 2022 it reduces.

**Eastern Bank PLC**  
**Income Statement (2020-2022)**

Particular	2020	2021	2022
Income	100.00%	95.38%	97.76%
Deposits & borrowing	100.00%	87.10%	91.24%
Net interest	100.00%	134.05%	128.33%
Investment	100.00%	98.27%	107.99%
Commission	100.00%	105.20%	125.49%
Other operating income	100.00%	120.93%	159.10%
Total operating income	100.00%	110.76%	120.07%
Renty	100.00%	121.69%	141.53%
Salary	100.00%	122.32%	132.10%
Expenses	100.00%	40.21%	122.82%
Stamps	100.00%	112.18%	119.64%
Advertisement	100.00%	117.44%	132.78%
Fees	100.00%	109.87%	142.80%
Allowance	100.00%	126.72%	106.22%
Depreciation	100.00%	153.84%	183.36%
Total operating expense	100.00%	118.99%	134.26%
Operating Profit	100.00%	124.35%	144.07%
General Provision	100.00%	121.81%	136.43%
Others Provision	100.00%	105.84%	112.80%
Provision	100.00%	105.84%	112.80%
Profit before tax	100.00%	115.75%	185.38%
Provision for tax	100.00%	433.56%	492.31%
Net profit after tax for the year	100.00%	149.74%	-80.60%
Income	100.00%	127.68%	193.91%
Deposits & borrowing	100.00%	95.83%	75.80%
Net interest	100.00%	120.90%	124.06%
Investment	100.00%	46.41%	107.23%
Commission	100.00%	116.62%	123.04%
Other operating income	100.00%	79.39%	38.04%

In the trend analysis of the income statement, it is evident that in 2022, the company allocated 17.16% of its funds to allowances and 5.87% to advertising. In contrast, these figures were 26.7% and 11.71%, respectively, in 2020. Additionally, the company distributed interest to stockholders, which amounted to 17.77% in 2022, a decrease from 21.72% in 2020. The net operating income, or earnings after interest and taxes, was recorded at 81.79% in 2020 and decreased to 79.34% in 2021.

## **Chapter-05**

# **Finding, Recommendation And Conclusion.**



## Findings

Working with Eastern Bank PLC was a new experience for me. Later on, collection and analyzing the information of Eastern Bank PLC. According to my study a number of operational and financial sector require significant attention. Some of the analysis findings are listed below.

- 1) The cash ratio of Eastern Bank PLC has decreased in 2020 and 2021. Given the Bank's liquidity, this is a critical issue that needs to be addressed.
- 2) From the year 2020 to 2022 Eastern Bank PLC Return on Equity has been decreasing.
- 3) Bank's operating revenue margin show a downward trend. In 2022, it had highest ratio 52 percentage.
- 4) In 2020, Eastern Bank PLC has the highest ROA as it efficiently utilized the assets.
- 5) Eastern Bank PLC effectively utilized its assets in 2020, achieving a higher asset utilization rate of 4.44 percent.
- 6) Bank's debt ratio show an upward trend. In 2022, it had highest ratio 92.78 percent which not good for the bank.

## Recommendations

Though Eastern Bank PLC (EBL) is performing well but it has some area to improve which are given in below

1. Eastern Bank PLC should to present new item and administration so the consumer can get better support and appreciate new help that will change their premium from different company. The company will have the option to obtain non premium pay.
2. Net overall revenue of Eastern Bank PLC was low in 2022 which is not useful for the company. The bank should try to increase profit margin.
3. Eastern Bank PLC should prioritize improving it is current and quick ratio. In the event of a liquidity crisis, the bank would be unable to meet it is current obligations.
4. Eastern Bank PLC cash ratio has been decreasing which might result in liquidity problem. In this situation the bank should take proper step to manage the liquidity of the bank. It should increase amount of cash.
5. Eastern Bank PLC is needed to reach the brand value to the customer for building up perfect relationship to create the loyal customer.
6. As increasing asset utilization mean the bank is being more efficient with each dollar of asset it has. In recent year there we found some low ratio. At this point the bank need to improve their investing process.

## Conclusion

Eastern Bank PLC represents a modern banking institution in Bangladesh. In my research on customer service and banking marketing, I adhered to the bank's established guidelines and regulations to incorporate them into my study to the best of my ability. As a financial intermediary, the bank plays a vital role in the economic framework of any nation. By collecting deposits from various sources and offering loans at higher interest rates than those paid depositors, the bank generates profit from the differential between interest rates. Established in 1992 Eastern Bank PLC has accumulated 28 years of experience in the banking sector. Throughout this time, the institution has navigated numerous economic, social, climatic, and political challenges, gaining substantial insights into the overall environment of Bangladesh. This extensive experience enables the bank to conduct its operations with confidence. Eastern Bank PLC significantly contributes to various sectors of the economy, including industry, trade, commerce, and transportation, as well as deposit mobilization. The bank is also engaged in various social welfare initiatives aimed at improving societal conditions, thereby facilitating employment for a significant number of individuals in the country, marking another important contribution to national development. Eastern Bank PLC stands as a prominent commercial banking institution, offering a comprehensive range of banking services to its clientele. The bank operates a fully centralized system alongside retail banking services, facilitated through its network of 85 branches and 297 ATM across Bangladesh. The bank's financial performance over the past year has been commendable.

## Reference

- Annual Report 2020 to 2022, Eastern Bank PLC.
- Auditors' report and consolidated financial statements of Eastern Bank PLC for the year ended December 31, 2022.

**Corporate governance auditor:** K.M. Hasan & Co., Chartered Accountants.

**Tax consultant:** ACNABIN Chartered Accountants .

**Legal advisors:** Sadat Sarwat & Associates.

### **Websites:**

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