Internship Report

on

Financial Statement Analysis of NRBC Bank PLC

Date of Submission: 22nd January, 2025

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on

Financial Statement Analysis of NRBC Bank PLC

Supervised by:

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Associate Professor

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MBA Program

Major in Finance

Department of Business Administration

Faculty of Business and Entrepreneurship

Daffodil International University

A landmark to create the Future

Date of Submission: 22nd January, 2025

Letter of Transmittal

22nd January, 2025

Mr. Mahbub Parvez

Associate Professor

Department of Tourism and Hospitality Management

Faculty of Business and Entrepreneurship

Daffodil International University

Subject: Submission of Internship Report on “Financial Statement Analysis of NRBC Bank PLC”

Dear Sir,

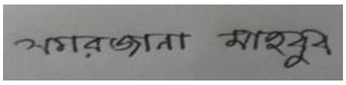
I am writing to submit my internship report titled “Financial Statement Analysis of NRBC Bank PLC” which I completed as part of my internship program under your supervision.

During my time at NRBC Bank PLC I gained valuable insights and experiences that I believe will greatly benefit my future professional endeavors. I have worked diligently to ensure that the report is precise, clear, and comprehensive, and I have made every effort to gather relevant and insightful data within the given timeframe and resources.

I would greatly appreciate your acceptance of this report.

Thank you for your guidance and support throughout my internship.

Sincerely yours



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Farjana Mahabub

ID: 182-14-828

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Daffodil International University

Certificate of Supervisor

This is to certify that Farjana Mahabub, ID No: 182-14-828, a student of the Department of Business Administration at Daffodil International University, has successfully completed her internship report titled "Financial Statement Analysis of NRBC Bank PLC" under my supervision.

Her internship was conducted at the NRBC Bank PLC. I am pleased to confirm that he has diligently followed all necessary steps to complete the report, which includes comprehensive data, information, analysis, and findings from credible sources. The report reflects a successful effort in his internship experience.

I wish her every success in his future endeavors.

…………………………………………

(Mahbub Parvez)

Associate Professor

Department of Tourism and Hospitality Management

Faculty of Business and Entrepreneurship

Daffodil International University

Acknowledgement

By the grace of Allah Almighty, I have successfully completed the internship report titled "Financial Statement Analysis of NRBC Bank PLC".

I would like to express my heartfelt gratitude to my supervisor, **Mahbub Parvez, Associate Professor**, for his constant support, inspiration, and invaluable guidance throughout my research and writing process. His mentorship has been instrumental in shaping this report, and I couldn't have asked for a better advisor.

I extend my sincere thanks to NRBC Bank PLC for their invaluable guidance and support, which were crucial in providing the necessary data and insights for my analysis. I appreciate the generosity and assistance of the entire team at NRBC Bank PLC., which greatly contributed to the success of this project.

I would also like to acknowledge my colleagues for their collaboration and encouragement during this endeavor.

This accomplishment would not have been possible without the support and cooperation of numerous individuals, and I am truly grateful to each of them.

Executive Summary

In the evolving landscape of Bangladesh's banking sector, private banks are becoming increasingly competitive. This section focuses on commonly used financial reports, such as balance sheets and profit-and-loss Statement, which reveal a bank's financial health and strengths and weaknesses.

Ratio analysis plays a crucial role in evaluating these reports. It allows for the assessment of a bank's performance over time or in comparison with industry peers. My report emphasizes the analysis of NRBC Bank's financial Statement to draw significant conclusions about its changing financial conditions. Through ratio analysis, evaluators—such as financial experts, board members, and bank managers—can make informed decisions based on these key metrics. Liquidity ratios and efficiency ratios are particularly important for bank monitoring groups and financial analysts.

As part of my MBA program, I completed a twelve weeks' internship at NRBC Bank PLC. During this time, I gained hands-on experience in general banking practices, including clearing checks and working at the cash counter. This practical experience allowed me to investigate NRBC Bank's financial ratios.

In preparing this report, I found that analyzing financial Statement through ratio analysis helps identify past mistakes and guides future decisions and strategies. Thus, it is essential for every organization to provide comprehensive financial Statement and analyze them quantitatively.

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Chapter-01

Introduction

1.1 Introduction

The banking sector is continuously modernizing and expanding its reach, adapting to various financial opportunities. The banking system is becoming faster, more accessible, and increasingly comprehensive. In this dynamic environment, banks are striving to enhance their services to better meet customer needs. Thus, understanding the banking structure and services is essential for everyone. An internship program, such as the Work Connection Program required for my MBA, provides valuable insights into real-world operations.

Given that banks play a crucial role in the financial system, I chose to intern at NRBC Bank PLC, one of the leading banks in the sector.

This internship report presents a detailed analysis of NRBC Bank PLC. The report is structured into several sections, following the guidelines of my supervisor. It covers the bank's operations through four distinct divisions:

- **Corporate & Investment Banking**
- **Retail Banking (including Cards)**
- **SME Banking**
- **Treasury & Market Risk**

These four business segments operate under a modern, online banking framework, ensuring efficient service delivery and robust IT support. This national-focused, division-based operational model enables the bank to provide tailored services to different customer segments effectively.

1.2 Background of the Study

After completing all the required courses for my MBA program at Daffodil International University, gaining practical experience in a professional environment became essential. To fulfill this requirement, I interned at NRBC Bank PLC for three months. This branch engages in a wide range of financial activities, including general banking, which provided me with valuable insights into both simple and complex financial operations.

For this internship report, I chose NRBC Bank PLC as my focal area. This report reflects the practical experiences and knowledge I gained during my internship, showcasing the skills and insights I developed throughout my time at the bank.

1.3 Scope of the Study

The main objective of this study is to evaluate the performance of NRBC Bank PLC. This report provides an overview of NRBC Bank's goals, functions, management, business policies, and other aspects related to its general banking activities. Additionally, I have included several recommendations aimed at further enhancing the performance of NRBC Bank.

1.4 Objectives of the Study

Board Objective: This report's primary objective is to evaluate financial performance of NRBC Bank PLC over five years from 2019 to 2023.

Specific Objectives

i. To measure the financial performance of NRBC Bank PLC.
ii. To determine the financial ratios of NRBC Bank PLC.
iii. To identify the problems related to financial performance of NRBC Bank PLC.
iv. To prescribe appropriate recommendations and suggestions to overcome existing problems of NRBC Bank PLC.

1.5 Methodology of the Study

1.5.1 Data Collection

To conduct this study, I utilized both primary and secondary data sources as outlined below:

Primary Data Sources: Primary data were collected through observation and interviews, which included:

1. Conversations with bank officers.
2. Face-to-face discussions with clients.
3. Practical desk work experience.

Secondary Data Sources: The following information was gathered from secondary sources:

1. Various published documents of NRBC Bank, such as annual reports and prospectuses.
2. The official website of NRBC Bank PLC.

1.5.2 Data Analysis

The data collected for this study were organized into tables and analyzed using ratios and percentages. This analysis highlights trends in the data for various variables, allowing for a comprehensive evaluation of NRBC Bank's performance.

1.7 Limitations of the Study

This report aims to provide a realistic and well-acknowledged evaluation of NRBC Bank PLC. However, several challenges arose during the study, and not all information is fully exhaustive. Some data are kept confidential and accessible only to select individuals. Despite these challenges, I made every effort to complete the report before the deadline and hope it meets the intended objectives, keeping the following limitations in mind:

- Limited in-depth knowledge and analytical skills for producing a comprehensive report.
- The bank’s policy restricts the disclosure of certain information, which could have been beneficial for the study.
- There was a scarcity of secondary information available for data collection, including limited access to relevant books, reports, and journals.
- Lack of experience in data analysis hindered my ability to interpret the findings effectively.
- The three-month duration of the internship included job rotation, which limited my time in each department and my understanding of their specific activities.
- Gathering information about banking performance proved challenging, leading me to rely on secondary sources such as annual reports, websites, and other banking documents.
- The banking sector is broad, and my limited knowledge in this area constrained the depth of my analysis.

Chapter-02

Overview of Bank

2.1 Overview of NRBC Bank PLC

JOURNEY START: 2ND APRIL 2013

AUTHORIZED CAPITAL: BDT 1000 CRORE

CAPITAL (EQUITY): 562.07 CRORE (AS OF HALF-YEARLY FINANCIAL REPORT-JUNE-2017)

NUMBER OF BRANCHES: 103

NUMBER OF AD BRANCHES: 9

NUMBER OF ATMS: 45

NUMBER OF AGENT POINTS: 563

NRBC Bank PLC is a bank in Bangladesh. SM Parvez Tamal is the chairperson of the bank. The bank is listed on the Dhaka and Chittagong stock exchanges. Golam Awalia is the CEO and managing director of the bank. NRBC was established on 2nd April 2013 with an authorized capital of Tk. 1000 Crore. It was the long & cherished desire of Bangladeshi expatriates in different countries of the world to establish a new bank for the economic development of the motherland through their hard-earned foreign currency. NRBC Bank PLC announced plans to go for an initial public offering in February 2021. Asia Frontier Capital Limited and Asian Tiger Capital Partners were the IPO managers of the bank. NRBC Bank PLC would be the first bank in 12 years to go for IPO in Bangladesh.

Golam Awalia was appointed the CEO and managing director of the bank in May 2021. In September 2021, Bangladesh Bank fined NRBC Bank PLC for investing more than the allowed limit in the stock market. It imposed another fine worth around half a million takas against NRB Bank for the same reason. In October 2021, NRBC Bank PLC stocks lost significant value index of the Dhaka Stock Exchange.

NRBC Bank Limited announced plans to issue 5-billion-taka worth of subordinated bonds.

For 2022, The Board of Directors of NRBC Bank PLC has recommended a 12 percent dividend comprising 7.50 percent cash and 4.5 percent stock dividend for the shareholders. According to the balance sheet, the consolidated Earnings per Share (EPS) of 2022 stands at Tk. 2.44, and solo EPS at Tk. 2.19.

2.2 Vision

To become a peerless bank in terms of providing efficient & innovative banking services, safeguarding depositors' interests, fulfilling shareholders' desires, supporting the economic growth of the country with particular attention to channelize regular inflow of foreign remittance of Bangladeshi expatriates working abroad, and also the inflow of idle and less remunerative fund held with wealthy NRBs.

2.3 Mission

To deliver excellence in sustainable business and organization management focusing on best practices while being led by integrity, leadership, cost effectivity, innovation, and learning, which satisfies the needs and exceeds the expectations of our customers.

2.4 Goal of NRBC Bank PLC

To become an exceptional brand in the financial sector, our goal is to deliver quality and service excellence for all stakeholders—including customers, shareholders, partners, society, and the economy. We aim to achieve this through a commitment to transparency, the adoption of advanced technology, continuous innovation, and unwavering integrity.

2.5 Strategic Objectives

The strategic objectives of NRBC Bank may vary based on its specific goals and priorities. However, here are some common strategic objectives that banks often pursue:

Profitability: One of the primary strategic objectives of NRBC Bank is likely to be achieving sustainable profitability. This involves maximizing revenues, controlling costs, and efficiently managing the bank's resources to generate consistent profits.

Customer Satisfaction: NRBC Bank may aim to enhance customer satisfaction as a strategic objective. This involves providing excellent customer service, delivering innovative banking products and services, and building strong relationships with customers.

Market Expansion: NRBC Bank might pursue a strategic objective of expanding its market presence. This can include opening new branches, entering new geographical locations, or targeting specific customer segments to capture a larger market share.

Risk Management: An important strategic objective for NRBC Bank is likely to be effective risk management. This involves identifying, assessing, and mitigating various types of risks, such as credit risk, operational risk, and market risk, to safeguard the bank's financial stability and reputation.

Technological Innovation: NRBC Bank may prioritize technological innovation as a strategic objective to stay competitive in the evolving banking industry. This can include investing in digital banking solutions, improving online and mobile banking services, and adopting emerging technologies to enhance operational efficiency.

2.6 Products of NRBC Bank PLC

NRBC Bank also has some products like most of the other banks in Bangladesh. These products are-

- Demand Deposit
- FDR
- Loan
- Savings
- Scheme

2.7 Functions of General Banking of NRBC Bank

The specific functions of general banking include:

- Establishing Banker-Customer Relationships: Opening accounts to create a formal relationship with customers.
- Funds Transfer: Facilitating the dispatch of customers' money from one location to another.
- Accepting Deposits: Collecting funds from customers for safekeeping.
- Honoring Cheques: Processing and honoring cheques presented by customers.

- Cheque Clearing: Managing the clearing process for cheques to ensure smooth transactions between banks.

2.8 SWOT Analysis of NRBC Bank

SWOT stands for a framework that analyzes a firm's internal strengths and weaknesses, as well as the external opportunities and threats it faces. When applying this analysis to NRBC Bank, the assessment of its strengths, weaknesses, opportunities, and threats would be as follows:

Strengths

- Strong brand reputation
- Excellent management
- Collaborative team culture
- Loyal customer base
- Partnership with SWIFT for international transactions
- Strong relationships with clients
- Solid financial position
- Extensive national and international network
- Continuous online banking services
- Unique dual-currency NRBC Visa Card in Bangladesh

Weaknesses

- Lack of proper incentives, training, and job rotation

- Inexperienced staff in junior-level management positions
- Perceived as a relatively new bank
- No proprietary ATM services
- Large branch network in rural areas, which may limit urban accessibility

Opportunities

- Growth potential in SME financing
- Expanding business sectors
- Increasing sales and transaction volumes
- Initiatives from Bangladesh Bank to support the banking sector
- Investment opportunities in technology

Threats

- Competition from foreign commercial banks (FCBs) and emerging third-generation banks
- Aggressive SME financing strategies from new competitors
- Risk of losing customers to other banks
- Entry of new private commercial banks
- Significant inflow of foreign direct investment (FDI) into the banking sector

Chapter-03

Theoretical Aspects

3.1 Financial Ratio

Financial performance measures how effectively a firm manages its assets to generate revenue. It assesses the overall financial health of the organization over a specific period and facilitates comparisons with similar firms within the same industry. By evaluating financial performance, stakeholders can gain insights into a company's efficiency, profitability, and growth potential.

3.2 Income Statement

An income statement provides a summary of a firm's operations over a specified period, typically covering one year, concluding on a specific date—often December 31st of the calendar year. This financial statement details the firm's revenues, expenses, and profits or losses, offering insights into its financial performance during that period.

3.3 Balance Sheet

A balance sheet presents a summary statement of a firm's financial position at a specific point in time. It details the company's assets, liabilities, and equity, providing a clear picture of its financial health and stability. This statement helps stakeholders understand the firm's resources and obligations at that moment.

3.4 Ratio Analysis

Ratio analysis is the method of interpreting and calculating financial information to analyze and monitor a firm's financial performance. This analysis is based on data from the firm's income statement and balance sheet, allowing stakeholders to evaluate various aspects of the company's operations, such as profitability, liquidity, and efficiency. By comparing these ratios over time or against industry benchmarks, analysts can gain insights into the firm's financial health and operational effectiveness.

3.5 Types of Comparison

- **Time Series Analysis:** This method evaluates a firm's financial performance over time, using historical financial data to identify trends, patterns, and changes in performance.

- **Cross-Sectional Analysis:** This approach involves comparing the financial ratios of different firms at the same point in time. It helps to benchmark a firm's performance against its competitors within the same industry, providing insights into relative strengths and weaknesses.

3.6 Significance of Using Ratio

- **To Compare with Other Ratios in the Same Financial Statement:** This allows for a comprehensive understanding of different aspects of the firm's performance by examining how various ratios relate to one another within the same financial context.
- **To Compare Same Ratios of Preceding Year Financial Statement:** This facilitates trend analysis, helping to identify improvements or declines in the firm's performance over time.
- **To Compare with Standards of Performance:** This involves assessing the firm’s ratios against industry benchmarks or established standards, enabling an evaluation of its relative performance and competitiveness.

3.7 Cautions

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

- **Sufficient Information Cannot Be Judged Through a Single Ratio:** Relying on one ratio alone can provide a misleading view of financial performance; a comprehensive analysis requires multiple ratios for a holistic understanding.
- **Ensure Consistency in Dates of Financial Statement:** When comparing ratios, it's crucial to ensure that the financial Statement being analyzed are for the same time period to maintain accuracy in interpretation.
- **Preference for Audited Financial Statement:** Using audited financial Statement is preferable for ratio calculations, as they offer a higher level of reliability and credibility compared to unaudited figures.

3.8 Groups of Ratios

- **Liquidity Ratio:** This measures a firm's ability to meet its short-term obligations. Common liquidity ratios include the current ratio and quick ratio, which assess the firm's capacity to convert assets into cash quickly.
- **Activity Ratio:** Also known as efficiency ratios, these measure how effectively a firm utilizes its assets to generate revenue. Examples include inventory turnover and accounts receivable turnover ratios.
- **Debt Ratio:** This indicates the proportion of a firm's assets that are financed by debt. A higher debt ratio suggests greater financial risk, while a lower ratio indicates more equity financing.
- **Profitability Ratio:** These ratios evaluate a firm's ability to generate profit relative to its sales, assets, or equity. Key profitability ratios include gross profit margin, net profit margin, and return on equity.
- **Market Ratio:** These ratios assess a firm's market performance and investor perception. Examples include earnings per share (EPS), price-to-earnings (P/E) ratio, and dividend yield.

3.8.1 Analyzing Liquidity Ratio

Net Working Capital

Net working capital is calculated by total current liabilities subtracting from total current assets.

Net Working Capital = Current Assets – Current Liabilities

Current Ratio

Organization is using current ratio to measure the firm’s ability to short-term obligation.

Current Ratio = Current Asset/Current Liabilities.

Quick Ratio

This ratio shows a firm’s ability to meet total current liabilities with its most liquid assets.

Quick Ratio = Cash+ Govt. securities + Receivable/total current asset.

Cash Ratio

Its measures the current extent to which a corporation or other entity c liquidate assets and convert short-term liabilities and therefore is of interest to short term creditors also called cash ratio.

Cash Ratio = (cash+ money at call &short notice+ marketable securities+ balance with other balance)/current liabilities.

3.8.2Analyzing Activity Ratio:

Total Asset Turnover

Total asset turnover ratio is calculated to indicate the efficiency with which the firm able to generate sales by using its assts.

Total Asset Turnover = Operating Income / Total Asset

Investment to Deposit Ratio

This ratio shows the operating efficiency of a bank which calculated through investment product by measuring the percentage of the total deposits disbursed by the bank.

Investment to Deposit Ratio = Total Investment / Total Deposit

Interest income to interest expenses ratio

This ratio measures the efficiency of management to generate interest income compared to interest expenses.

Interest income to interest expenses ratio=Interest income/Interest expenses.

3.8.3 Analyzing Debt Ratio

The debt position of that indicates the amount of other people's money being used in attempting to generate profit.

Debt Ratio

The proportion of assets provided by creditors is measured by Debt Ratio.

Debt Ratio = Total Liabilities / Total Assets

Equity Capital Ratio

The position of the Bank's owner's equity by measuring the portion of assets financed by shareholders invested fund is calculated through Equity Capital Ratio.

Equity Capital Ratio = Total Shareholder's Equity / Total Assets

<u>Time Interest Earned Ratio</u>

The organization's ability to meet its contractual interest payment which indicates that how well the company is able to pay their interest from income.

Time Interest Earned Ratio = Earnings before Interest and Taxes / Interest Expenses

3.8.4 Analyzing Profitability Ratio

Profitability ratio is evaluating to measure the bank's earning with respect to a level of sales, a certain level of assets, share value and the shareholder's investment. A firm cannot be able to attract outside investors without attractive profit.

<u>Operating Profit Margin</u>

The operating profit margin indicates that how much profit earned on each sales dollar. It is preferable to maintain high operating profit margin.

Operating Profit Margin = Operating Profit / Sales

<u>Net Profit Margin</u>

The net profit margin is the percentage of each sale to after tax net income. Maintaining higher profit margin is better for the company.

Net Profit Margin = Net profit / Total assets

<u>Return on Assets (ROA)</u>

Return on asset is measured the firm's ability to earning profit relative to its available assets. It also measures the effectiveness of the firm in generating profit.

Return on Asset = Net Profit / Total Asset

<u>Return on Equity (ROE)</u>

The return earned on the shareholder's investment is measured by ROE. Higher return on equity is better for the shareholders.

Return on Equity (ROE) = Net Income / Shareholders Equity

<u>Earnings Per Share</u>

Earnings per share are the earnings returned on the initial investment amount.

Earnings per Share = Earnings Available for Common Stockholders / No of Share of Common Stock Outstanding

3.8.5 Analyzing Market Ratio:

Market ratio relates the firm's market value, as measured by its current share price to certain accounting value (Gitman, page-69). It indicates how well investors in the marketplace feel the firm are doing in term of risk and return.

Price / Earnings Ratio

The price earnings ratio of a stock is measure of the price paid for a share relative to the income or profit earned by the firm per share.

Price Earnings Ratio = Market Price per Share of Common Stock / Earning per Share

Chapter-04

Analysis and Discussion

4.1Liquidity Ratio

Liquidity ratios are crucial financial metrics used to assess a company's ability to meet its short-term obligations without needing to secure additional external financing. The most commonly used liquidity ratios include:

- **Current Ratio**
- **Quick Ratio**

Both ratios provide valuable insights into a company's short-term financial health and its capacity to meet immediate obligations.

4.1.1 Current Ratio:

The **Current Ratio** is a liquidity ratio that measures an organization's ability to meet its short-term obligations, specifically those due within a year. It indicates how well a company can cover its current liabilities with its current assets.

Year	**2023**	**2022**	**2021**	**2020**	**2019**
Current Ratio	0.969	0.907	0.852	0.831	0.853

Table 4.1.1: Current Ratio of NRBC Bank

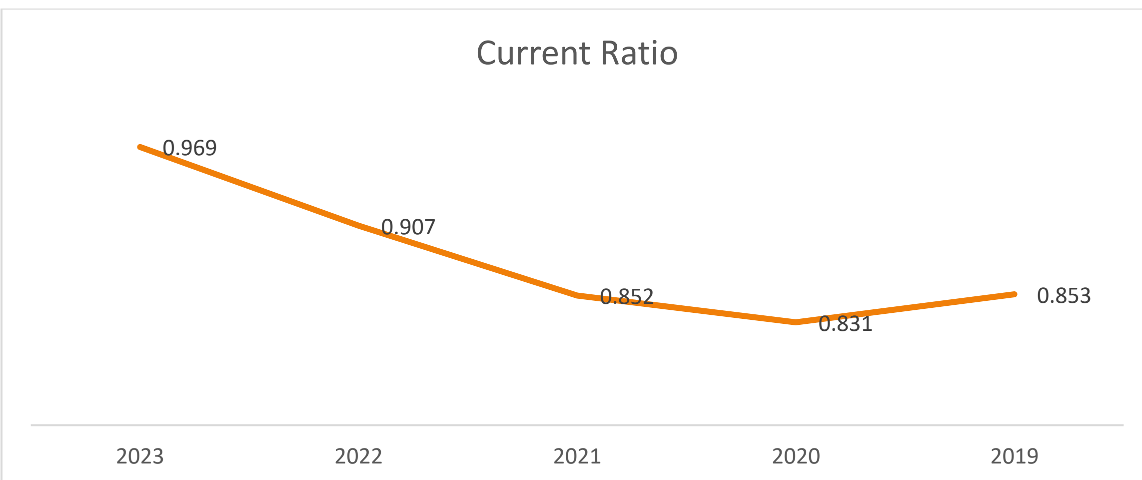

Figure 4.1.1: Current Ratio of NRBC Bank

Interpretation: The current ratio data provided reflects the company's ability to cover its short-term liabilities with its short-term assets over the last five years. A current ratio of less than 1 indicates that the company may not have enough assets to cover its liabilities, which can raise concerns about its liquidity and financial stability. Over the years, the company's current ratio has gradually improved from 0.853 in 2019 to 0.969 in 2023. Although this indicates progress, the ratio is still below the ideal threshold of 1, suggesting that the company may still face challenges in meeting its short-term obligations if they come due all at once. This trend of modest improvement could signal better management of working capital, but the company remains in a potentially risky position, as it doesn't yet have sufficient current assets to fully cover its current liabilities. The company may need to continue focusing on improving its liquidity to ensure it can maintain operational flexibility and avoid financial stress.

4.1.2 Quick Ratio

The Quick Ratio, also known as the acid-test ratio, is a liquidity metric that assesses a company's ability to meet its short-term obligations using its most liquid assets, excluding inventory. This ratio provides a more stringent measure of liquidity than the current ratio because it focuses on assets that can be quickly converted into cash.

Year	**2023**	**2022**	**2021**	**2020**	**2019**
Quick Ratio	0.107	0.096	0.078	0.061	0.108

Table 4.1.2: Quick Ratio of NRBC Bank

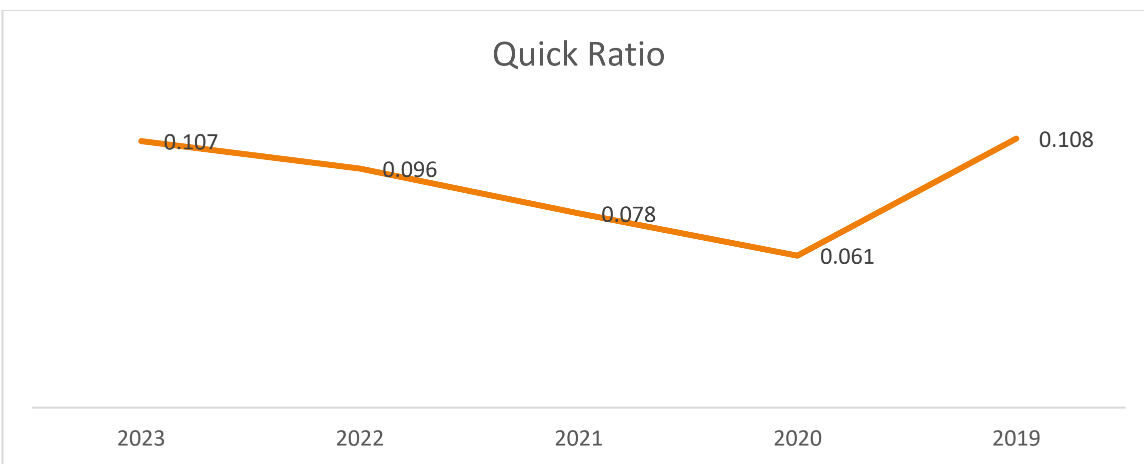

Figure 4.1.2: Quick Ratio of NRBC Bank

Interpretation: The quick ratio data over the past five years reveals a concerning trend regarding the company's short-term liquidity and ability to cover its immediate liabilities without relying on inventory. A quick ratio significantly below 1 indicates that the company may struggle to meet its short-term obligations if they come due, as it does not have enough liquid assets (such as cash, receivables, or marketable securities) to cover those liabilities. Over the period from 2019 to 2023, the quick ratio fluctuated between 0.061 and 0.108, with the 2023 ratio being 0.107, showing only a slight improvement from previous years. This consistently low ratio suggests that the company has limited access to liquid assets, and it could face challenges in covering its short-term debts without relying on inventory sales, which may not be easily converted into cash. While there is a small positive trend, the company's quick ratio remains dangerously low, signaling potential liquidity risks and a need for improved cash management or asset conversion strategies to avoid financial strain.

4.1.3 Cash Deposit Ratio

The Cash Deposit Ratio (CDR) is a financial metric that measures the proportion of a bank's total deposits that are held in cash. This ratio is crucial for assessing a bank's liquidity and financial stability. A higher CDR indicates that a larger portion of deposits is held in cash, suggesting that the bank is more liquid and can meet immediate withdrawal demands. Conversely, a lower CDR may indicate that the bank is investing more of its deposits in loans or other assets, which can yield higher returns but may pose liquidity risks.

Year	2023	2022	2021	2020	2019
Cash Deposit Ratio	84.50%	84.17%	78.66%	82.54%	85.91%

Table 4.1.3: Cash Deposit Ratio of NRBC Bank

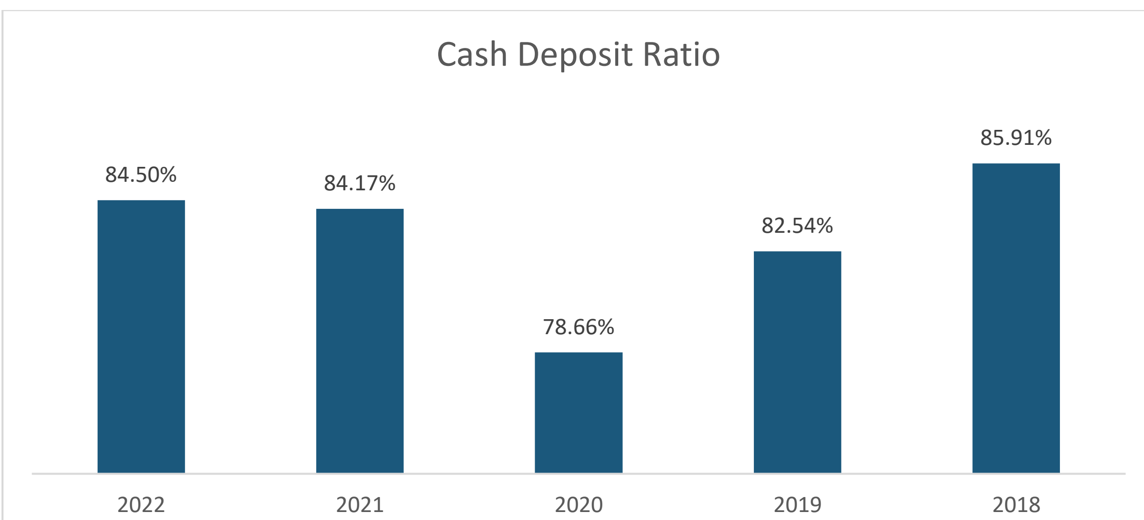

Figure 4.1.3: Cash Deposit Ratio of NRBC Bank

Interpretation: The cash deposit ratio data for the past five years reflects a relatively stable trend in the proportion of cash deposits relative to total deposits, indicating a consistent level of liquidity in the company's financial operations. The ratio for 2023 is 84.50%, slightly up from 84.17% in 2022, suggesting a modest increase in cash reserves in relation to total deposits. Overall, the ratio has remained high over the five-year period, ranging from 78.66% in 2021 to 85.91% in 2019, which shows the company has maintained a solid base of liquid assets. A higher cash deposit ratio typically signals that the company is more liquid, meaning it has a larger cushion of cash or near-cash assets that can be readily accessed for operations or emergencies. This stability in the cash deposit ratio implies that the company has generally managed to maintain its cash liquidity, which is crucial for covering short-term obligations, absorbing financial shocks, or taking advantage of growth opportunities. Despite minor fluctuations, the company's ability to keep a high percentage of its deposits in cash suggests prudent cash management practices.

4.2 Asset Utilization Ratio

The activity ratio is defined as a financial metric that measures how effectively a business utilizes its operating assets to generate sales or cash. These ratios help evaluate the productivity of a company's operations by analyzing fixed assets, inventory, and receivables. They provide insights into the financial health of a business and illustrate how well it manages its asset utilization.

The most common types of activity ratios include:

4.2.1 Total Asset Turnover:

Year	**2023**	**2022**	**2021**	**2020**	**2019**
Total Asset Turnover	0.095	0.099	0.099	0.096	0.082

Table 4.2.1: Total Asset Turnover of NRBC Bank

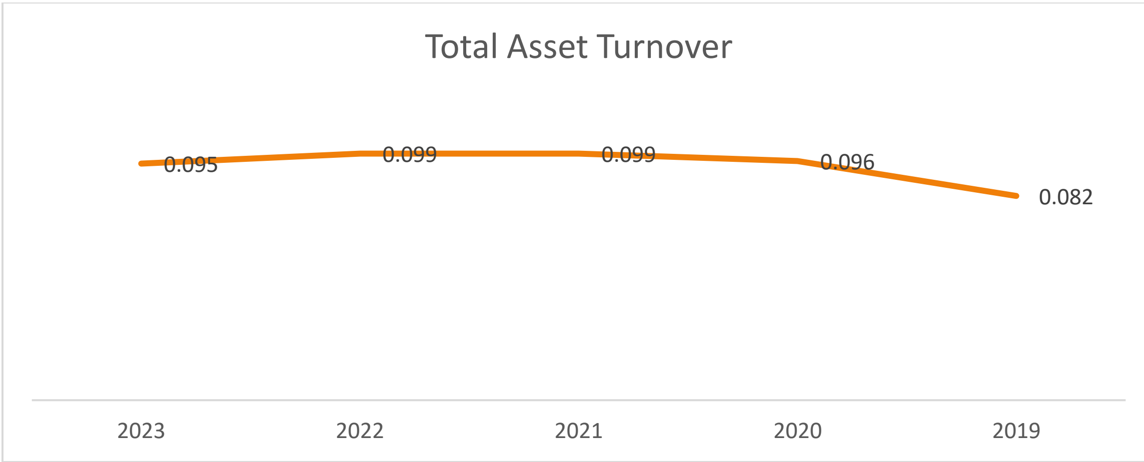

Figure 4.2.1: Total Asset Turnover of NRBC Bank

Interpretation: The total asset turnover ratio, which measures the efficiency of a company in using its assets to generate revenue, has shown slight fluctuations over the past five years. In 2023, the ratio stands at 0.095, a small decrease from 0.099 in 2022 and 2021, but still an improvement from 0.082 in 2019. This suggests that while the company's ability to generate revenue from its assets has remained relatively stable in recent years, there has been a slight decline in 2023. Generally, a lower total asset turnover ratio indicates that the company is less efficient in utilizing its assets to generate sales. However, the slight upward trend from 2019 to 2022 and the relatively stable performance over the past few years imply that the company has managed its asset base more effectively over time. Still, with the ratio below 0.1, there may be opportunities for the company to improve asset utilization, possibly by enhancing operational efficiency or optimizing asset allocation to drive greater sales with the same asset base. The slight decrease in 2023 warrants further attention to ensure the company doesn't experience a downward trend in asset efficiency.

4.2.2 Debt Ratio

The debt ratio is a financial metric that measures the extent of a company's leverage. It represents the proportion of a company's assets that are financed through debt, expressed as a decimal or percentage. Essentially, this ratio indicates the extent to which a company's assets are funded by borrowed money. A higher debt ratio suggests greater financial risk, as it implies that a larger portion of the company's assets is financed through debt, while a lower ratio indicates a more conservative approach to financing.

Year	**2023**	**2022**	**2021**	**2020**	**2019**
Debt Ratio	0.903	0.900	0.903	0.920	0.922

Table 4.2.2: Debt Ratio of NRBC Bank

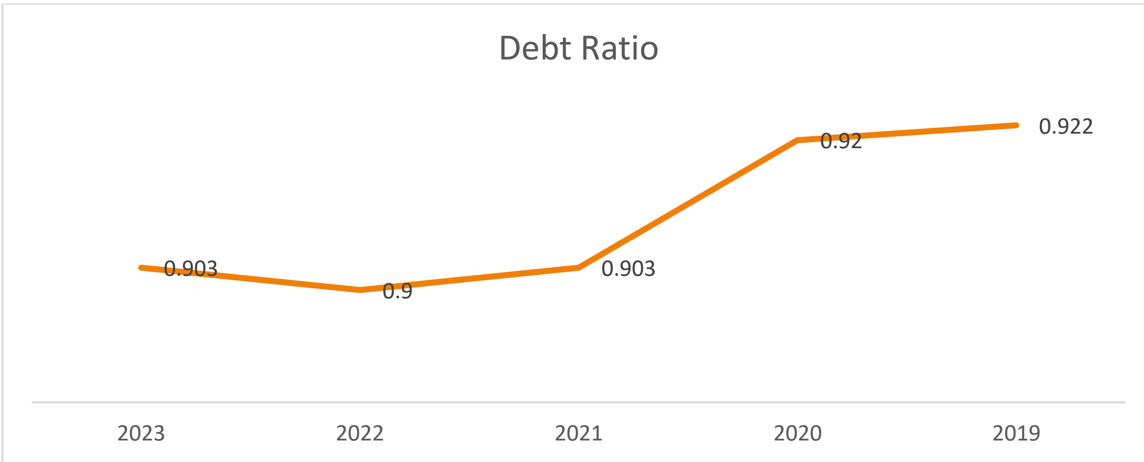

Figure 4.2.2: Debt Ratio of NRBC Bank

Interpretation: The debt ratio data from 2019 to 2023 indicates that the company has consistently relied heavily on debt to finance its assets. In 2023, the debt ratio stands at 0.903, which means that 90.3% of the company’s assets are financed through debt. This is only a slight improvement from 0.920 in 2020 and 0.922 in 2019, signaling that the company's debt reliance has remained high and relatively stable over the period. The small reduction from 0.922 to 0.903 suggests that the company may have slightly reduced its leverage in recent years, but the ratio still indicates a very high level of financial risk. A debt ratio this high means the company is highly leveraged, with a significant portion of its assets funded by borrowed capital. While this might enhance returns during periods of growth, it also exposes the company to greater risk, particularly if there are downturns or challenges in meeting debt obligations. Overall, the high debt ratio reflects potential financial vulnerability, and while the trend toward slight improvement is positive, the company may need to focus on reducing its reliance on debt to strengthen its financial stability.

4.2.3 Debt to Equity Ratio

The Debt-to-Equity Ratio (D/E) is a crucial financial metric that measures a company's financial leverage by comparing its total liabilities to shareholders' equity. A higher D/E ratio indicates that a company is relying more on debt to finance its operations, which can signify increased financial risk, particularly in volatile markets. Conversely, a lower ratio suggests a more conservative capital structure, relying more on equity financing. This ratio varies significantly across industries, making it essential to compare it with industry benchmarks for a meaningful assessment. Investors and analysts closely monitor the D/E ratio to evaluate a company's risk profile and potential return on investment, as high leverage can amplify both profits and losses.

Year	**2023**	**2022**	**2021**	**2020**	**2019**
Debt to Equity Ratio	128.60%	138.17%	87.12%	42.19%	15.75%

Table 4.2.3: Debt to Equity Ratio of NRBC Bank

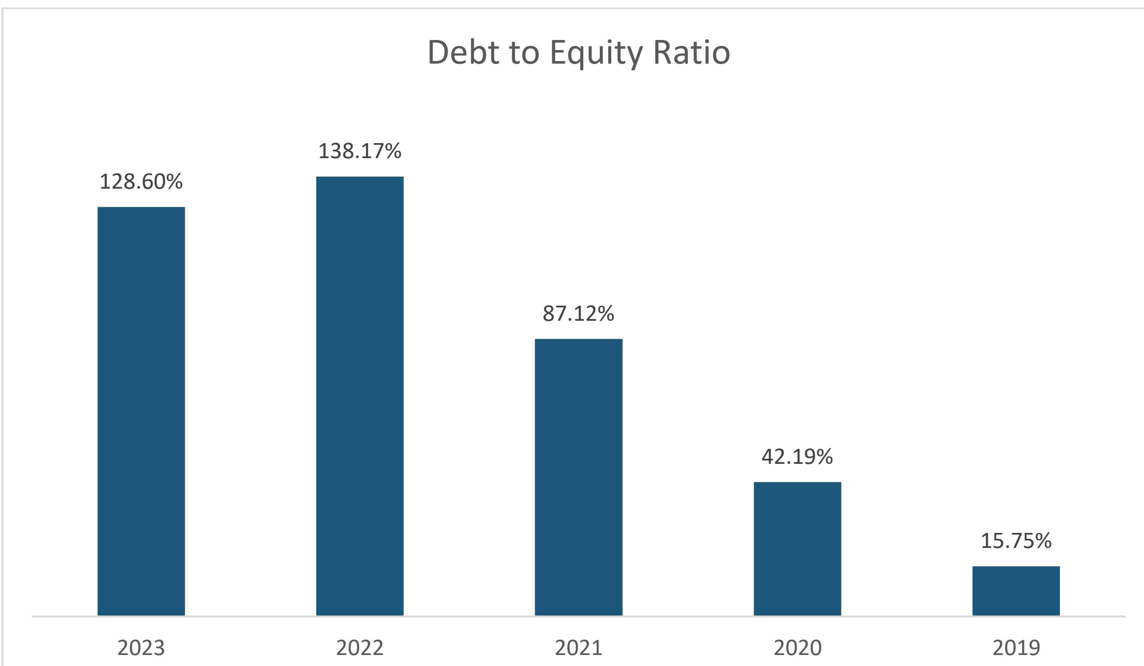

Figure 4.2.3: Debt to Equity Ratio of NRBC Bank

Interpretation: The debt-to-equity ratio data from 2019 to 2023 reflects a significant shift in the company's capital structure, particularly in how it balances debt and equity financing. In 2023, the debt-to-equity ratio is 128.60%, meaning the company has 1.29 of debt for every dollar of equity, a notable increase from 42.19% in 2020 and 15.75% in 2019. This sharp rise in leverage suggests that the company has become much more reliant on debt to finance its operations and growth in recent years. While the ratio stood at a relatively low 15.75% in 2019, it steadily increased over the following years, reaching its highest level in 2023. The sharp increase between 2021 and 2023 (from 87.12% to 128.60%) signals a significant shift in the company’s financial strategy, which could reflect efforts to take on more debt to fund expansion, acquisitions, or other investments.

4.3 Profitability Ratio

A profitability ratio is a category of financial metrics that a business employs to assess its ability to generate income relative to its expenses, assets, and equity over a specified period. These ratios provide valuable insights into a company's financial performance, helping stakeholders evaluate how effectively it converts resources into profits.

4.3.1 Net Profit Margin:

Year	**2023**	**2022**	**2021**	**2020**	**2019**
Net Profit Margin	10.70%	11.31%	16.45%	11.96%	12.35%

Table 4.3.1: Net Profit Margin of NRBC Bank

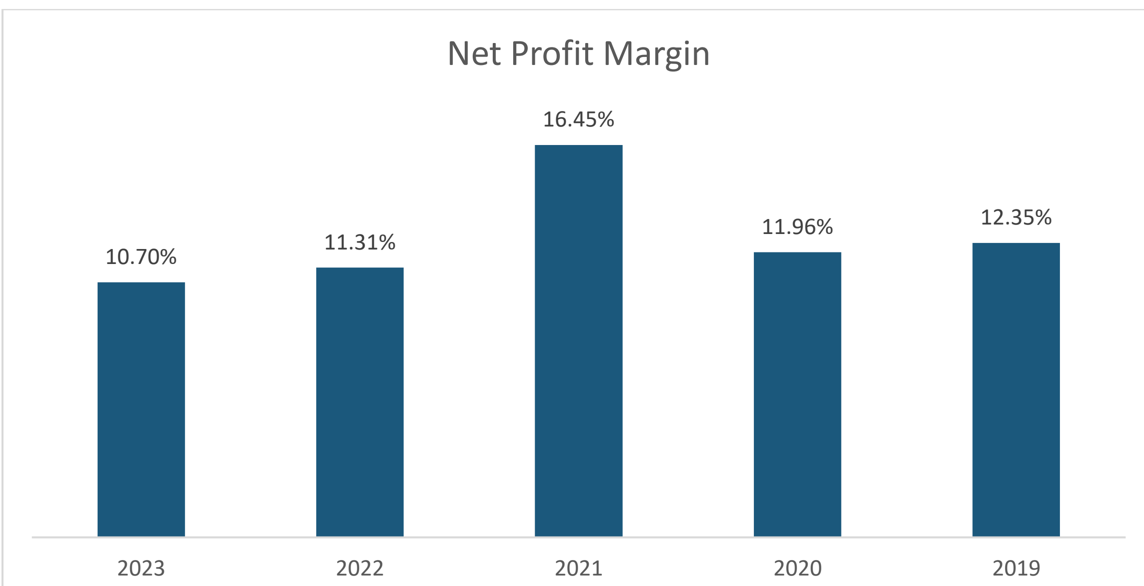

Figure 4.3.1: Net Profit Margin of NRBC Bank

Interpretation: The data shows the net profit margin over the past five years, with a general decline observed from 16.45% in 2021 to 10.70% in 2023. The net profit margin is an important indicator of a company's profitability, as it reflects the percentage of revenue that remains as profit after all expenses are deducted. The decrease in the margin over the period suggests that the company's profitability has been under pressure, with a notable drop between 2021 and 2023. This trend could be due to a variety of factors such as increased operating costs, higher competition, or reduced pricing power. However, the margin remains positive, indicating the company is still profitable, although not as much as in previous years. Comparing these figures to industry norms could provide further insights into whether this decline is specific to the company or part of broader economic or sector trends.

4.3.2 Return on Equity:

Year	2023	2022	2021	2020	2019
Return on Equity	13.62%	14.06%	19.29%	15.28%	15.04%

Table 4.3.2: Return on Equity of NRBC Bank

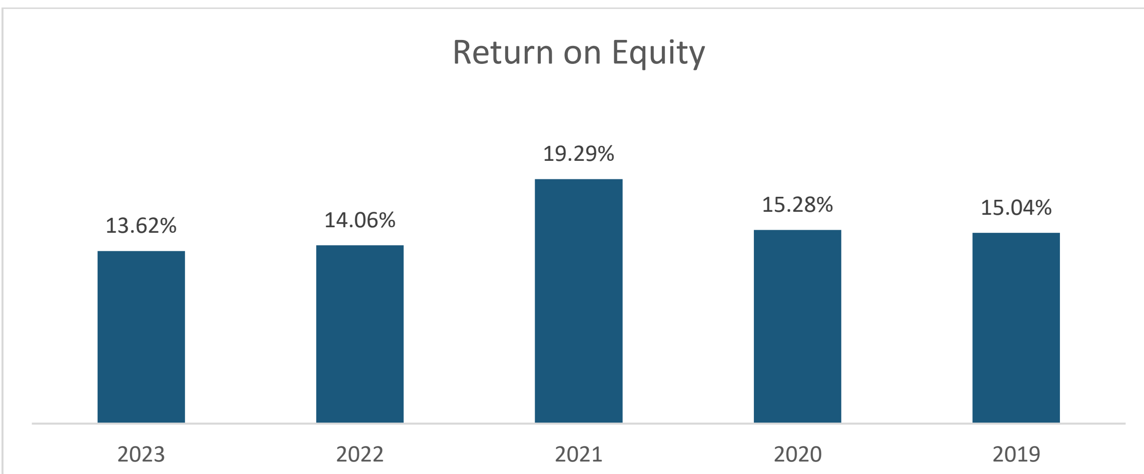

Figure 4.3.2: Return on Equity of NRBC Bank

Interpretation: The Return on Equity (ROE) data indicates a slight decline in the company's ability to generate profit from its shareholders' equity over the past five years. The ROE has decreased from 19.29% in 2021 to 13.62% in 2023. While this represents a drop, it is important to note that the company has maintained a relatively strong ROE above 13% during this period, signaling that it continues to deliver positive returns for its investors. The decrease in ROE may be reflective of factors such as lower profitability, higher equity base, or increased competition, which could be diluting the overall return. Despite the decline, the company's ROE is still relatively healthy compared to industry averages, suggesting it remains an efficient user of equity in generating profits, though there may be room for improvement in maximizing returns.

4.3.3 Return on Asset:

Year	**2023**	**2022**	**2021**	**2020**	**2019**
Return on Asset	0.88%	0.98%	1.54%	1.34%	1.47%

Table 4.3.3: Return on Asset of NRBC Bank

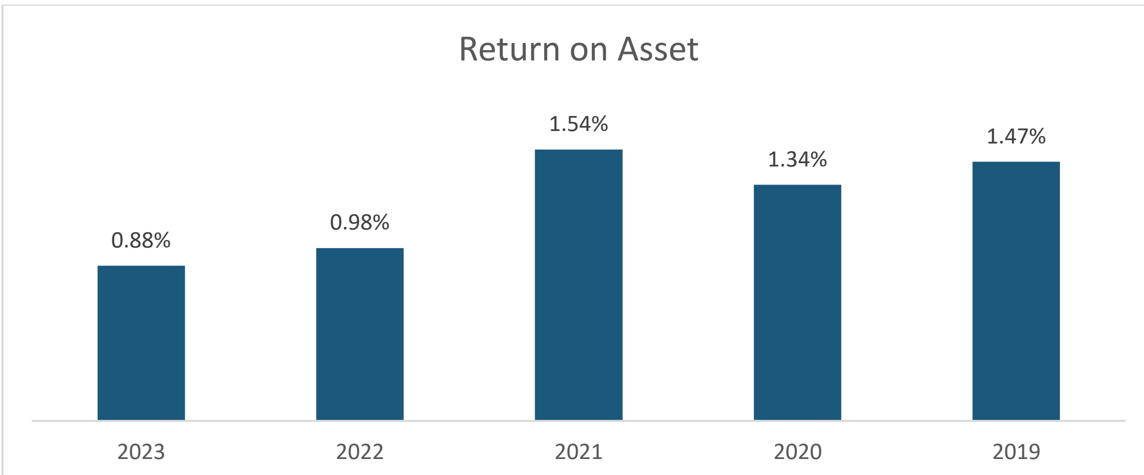

Figure 4.3.3: Return on Asset of NRBC Bank

Interpretation: The Return on Assets (ROA) data reflects a gradual decline in the company's ability to generate profit from its total assets over the past five years. The ROA decreased from 1.54% in 2021 to 0.88% in 2023, signaling a reduced efficiency in utilizing assets to generate earnings. This decline could be attributed to factors such as higher asset growth without a corresponding increase in profitability, or potential inefficiencies in asset utilization. While the company still maintains a positive ROA, the downward trend suggests that it may be facing challenges in leveraging its assets effectively. A lower ROA typically indicates either lower profitability or underutilized assets, which could be areas for the company to address in order to enhance its operational efficiency moving forward.

4.3.4 Net Interest Margin:

Net Interest Margin (NIM) is a key financial metric that measures the difference between the interest income generated by a financial institution and the interest paid out to depositors, expressed as a percentage of its interest-earning assets. A higher NIM indicates that a bank or financial institution is efficiently managing its assets to generate profit from interest, suggesting a strong ability to cover its costs and enhance profitability. Conversely, a declining NIM may signal challenges in interest rate environments or increased competition, impacting the institution's profitability.

Year	**2023**	**2022**	**2021**	**2020**	**2019**
Net Interest Margin	1.80%	2.54%	2.47%	1.84%	3.61%

Table 4.3.4: Net Interest Margin of NRBC Bank

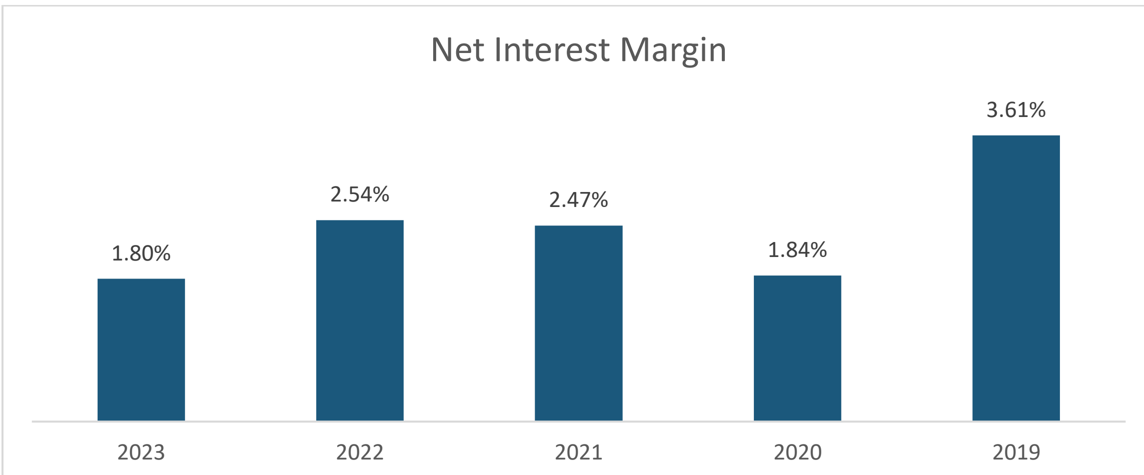

Figure 4.3.4: Net Interest Margin of NRBC Bank

Interpretation: The Net Interest Margin (NIM) has experienced a noticeable decline over the past five years, falling from 3.61% in 2019 to 1.80% in 2023. NIM is an important indicator for financial institutions, as it measures the difference between interest income earned on assets and interest paid on liabilities, expressed as a percentage of average earning assets. The drop in NIM suggests that the company has faced pressure on its core lending and investment activities. This could be due to a variety of factors, such as lower interest rates, increased competition in the financial sector, or a shift in the asset and liability mix that reduced the margin between interest earned and interest paid. Despite the decline, the company still maintains a positive NIM, but the trend indicates potential challenges in achieving the same level of profitability from interest-bearing activities as in prior years. Addressing this decline may require strategic adjustments in interest rate management or changes in asset allocation.

4.3.5 Operating Profit Margin:

Operating Profit Margin is a vital financial metric that measures the efficiency of a company in managing its core business operations. It is calculated by dividing operating profit. This margin indicates how much profit a company makes from its operations before accounting for interest and taxes. A higher operating profit margin suggests that a company is effectively controlling its operating expenses relative to its revenue, which can signal strong operational efficiency and profitability.

Year	**2023**	**2022**	**2021**	**2020**	**2019**
Operating Profit Margin	20.67%	26.27%	33.37%	27.33%	27.82%

Table 4.3.5: Operating Profit Margin of NRBC Bank

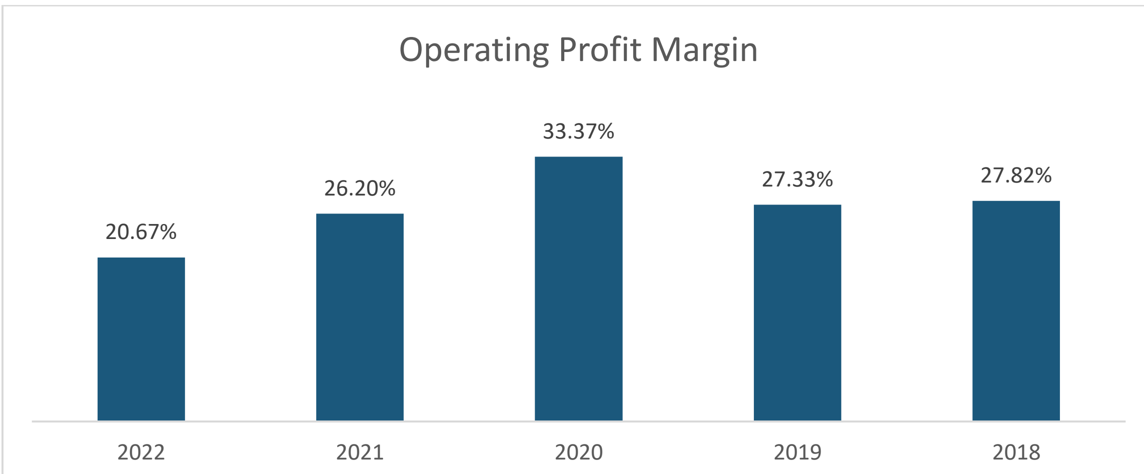

Figure 4.3.5: Operating Profit Margin of NRBC Bank

Interpretation: The Operating Profit Margin has shown a consistent decline over the past five years, dropping from 33.37% in 2021 to 20.67% in 2023. This margin reflects the company's ability to generate profit from its core business operations before accounting for interest and taxes. The decline in operating profit margin suggests that the company has faced increasing challenges in controlling its operating costs or maintaining its revenue levels relative to expenses. A possible reason for this could be rising production costs, higher overheads, or pricing pressures in the market, which may have eroded the profitability of its core operations. Despite the decline, the company still maintains a healthy operating margin, indicating that it remains profitable at the operational level, though there is a need for attention to cost management or operational efficiency moving forward.

4.3.6 Earnings Per Share:

Earnings Per Share (EPS) is a financial metric used to indicate a company's profitability on a per-share basis. It is calculated by dividing net income by the number of outstanding shares of common stock. EPS is important for investors as it helps assess a company's financial health and performance over time, making it easier to compare with other companies in the same industry. It’s also a key component in calculating the Price-to-Earnings (P/E) ratio, which is used to evaluate a stock's valuation.

Year	**2023**	**2022**	**2021**	**2020**	**2019**
Earnings Per Share	2.23	2.10	2.70	2.06	1.36

Table 4.3.6: EPS of NRBC Bank

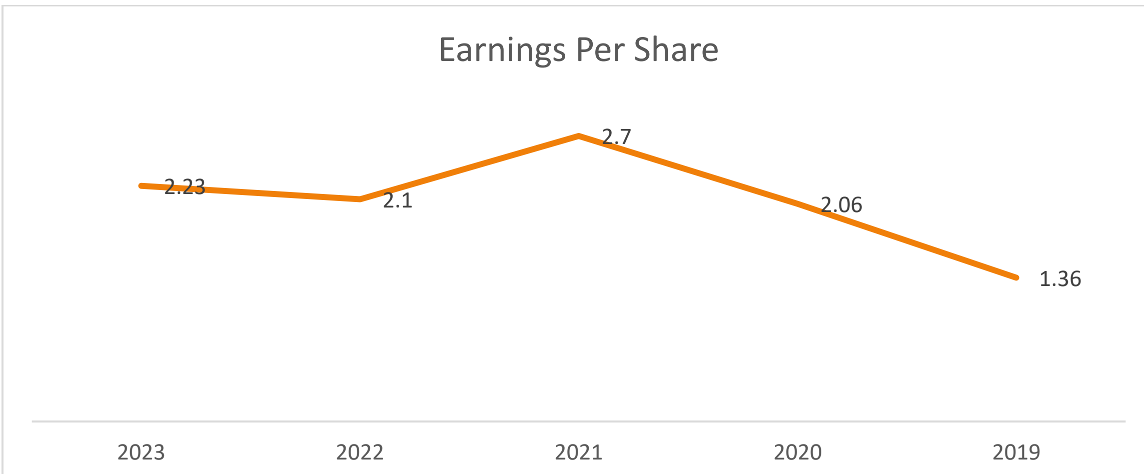

Figure 4.3.6: EPS of NRBC Bank

Interpretation: Earnings Per Share (EPS) has shown a generally positive trend over the past five years, increasing from 1.36 in 2019 to 2.23 in 2023. Although there was a slight dip in 2022, with EPS falling to 2.10 from 2.70 in 2021, the overall upward trajectory reflects the company’s growth in profitability on a per-share basis. This increase in EPS suggests that the company has been able to generate higher profits relative to the number of outstanding shares, which is a positive sign for investors. The drop in 2022 could have been due to temporary factors such as higher costs or lower revenues, but the rebound in 2023 indicates that the company has managed to improve its earnings. Overall, the steady rise in EPS over the period, with the exception of the minor dip, demonstrates solid financial performance and value creation for shareholders.

4.3.7 Dividend Payout Ratio:

The dividend payout ratio is a financial metric that shows the percentage of a company's earnings that is distributed to shareholders as dividends. A higher ratio indicates that a company is returning more of its profits to shareholders, while a lower ratio suggests it is reinvesting more in the business. This ratio helps investors assess a company’s financial health and its approach to returning capital to shareholders.

Year	**2023**	**2022**	**2021**	**2020**	**2019**
Dividend Payout Ratio	49.37%	54.70%	53.09%	65.39%	54.71%

Table 4.3.7: Dividend Payout Ratio of NRBC Bank

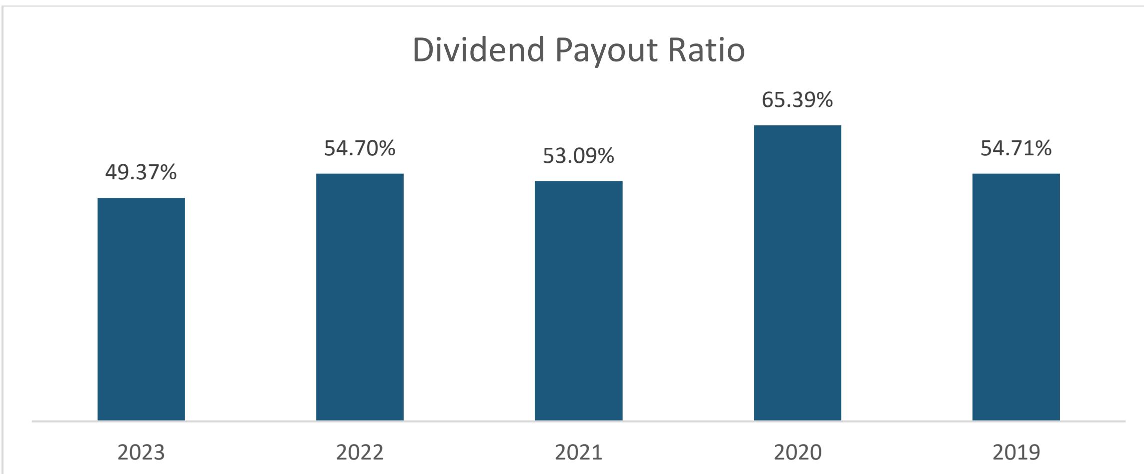

Figure 4.3.7: Dividend Payout Ratio of NRBC Bank

Interpretation: The Dividend Payout Ratio has fluctuated over the past five years, with a noticeable decline from 65.39% in 2020 to 49.37% in 2023. This ratio reflects the proportion of earnings that the company returns to its shareholders as dividends. A decreasing payout ratio, as seen in recent years, suggests that the company is retaining a larger portion of its earnings for reinvestment or to strengthen its financial position. This could be due to the company prioritizing growth, reducing debt, or managing cash flow more conservatively in response to external pressures or strategic objectives. Despite the reduction, the payout ratio remains relatively high, indicating that the company still values returning profits to shareholders, while also balancing the need for internal investment. Overall, the trend suggests a shift towards a more cautious approach to dividend distribution, possibly as part of a longer-term strategy for stability or expansion.

4.3.8 Cash Dividend Payout Ratio:

The Cash Dividend Payout Ratio is a financial metric that indicates the percentage of a company’s earnings paid out to shareholders in the form of cash dividends. It is a measure of how much of a company’s profits are being distributed to shareholders rather than being retained for reinvestment or other purposes.

Year	**2023**	**2022**	**2021**	**2020**	**2019**
Dividend Payout Ratio	49.37%	20.51%	26.55%	39.24%	44.76%

Table 4.3.8: Cash Dividend Payout Ratio of NRBC Bank

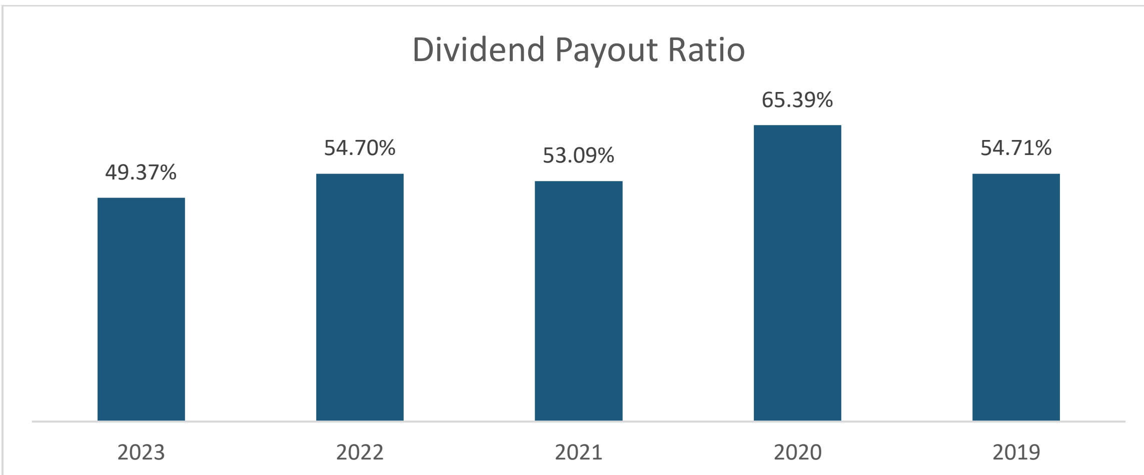

Figure 4.3.8: Cash Dividend Payout Ratio of NRBC Bank

Interpretation: Over the past five years, the company’s Dividend Payout Ratio has fluctuated, reflecting changes in its earnings and dividend policy. In 2023, the payout ratio significantly increased to 49.37%, which suggests that a larger portion of the company's profits was returned to shareholders compared to previous years. This may indicate a shift towards a more shareholder-friendly policy or a stable earnings environment that allowed for higher dividend payouts. In 2022, the ratio was notably lower at 20.51%, possibly reflecting a period of cautious financial management, where the company may have opted to retain more earnings for reinvestment or to address other financial priorities. The ratios for 2021 (26.55%) and 2020 (39.24%) also show variations, with the company distributing a moderate proportion of its profits as dividends, which is typical during periods of recovery or strategic investment. The 2019 ratio of 44.76% suggests a relatively higher payout, perhaps indicating stronger earnings or a deliberate decision to reward investors more generously.

4.3.9 Price Earnings Ratio:

The **Price-to-Earnings (P/E) Ratio** is a commonly used financial metric that compares a company's stock price to its earnings per share (EPS). It helps investors assess the valuation of a company, indicating how much investors are willing to pay for each dollar of earnings.

Year	**2023**	**2022**	**2021**	**2020**	**2019**
Price Earnings Ratio	16.58	11.87	13.38	-	-

Table 4.3.9: Price Earnings Ratio of NRBC Bank

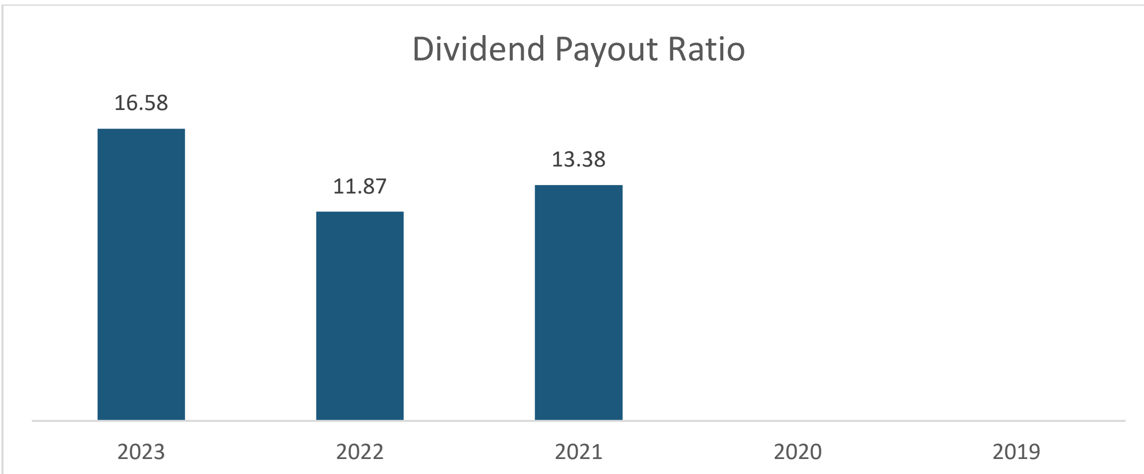

Figure 4.3.9: Price Earnings Ratio of NRBC Bank

Interpretation: The bank Price-to-Earnings (P/E) Ratio has fluctuated over the past few years, reflecting changes in its stock price relative to its earnings. In 2023, the P/E ratio stands at 16.58, indicating that investors are willing to pay about 16.6 times the company's earnings for each share. This is an increase from 2022, where the P/E ratio was 11.87, suggesting that the stock became relatively more expensive compared to the previous year, possibly due to improved earnings, investor optimism, or a higher stock price. In 2021, the ratio was 13.38, which is still modest compared to 2023, but higher than in 2022, signaling that the market had a slightly more positive outlook that year. For 2020 and 2019, the P/E ratio is unavailable (likely because the company experienced negative earnings or did not report consistent earnings). The upward trend in the P/E ratio from 2022 to 2023 may reflect improved market confidence in the company's future earnings potential or a shift towards growth expectations. However, investors should assess whether the increase in the P/E ratio is justified by the company's fundamentals and growth prospects, as a higher P/E could also signal that the stock is becoming overvalued.

Chapter-05

Findings, Recommendations and Conclusion

5.1 Findings of the Study

1) **Current Ratio:** NRBC Bank current ratio has shown a gradual improvement from 0.853 in 2019 to 0.969 in 2023, reflecting some progress in its ability to cover short-term liabilities with short-term assets.
2) **Quick Ratio:** The banks quick ratio data from 2019 to 2023 reveals a concerning trend in its short-term liquidity position. Over the past five years, the quick ratio has remained consistently low, fluctuating between 0.061 and 0.108, with the 2023 ratio standing at 0.107, showing only a slight improvement.
3) **Debt Ratio:** The debt ratio from 2019 to 2023 reveals a consistent and high reliance on debt to finance its assets. In 2023, the debt ratio stands at 0.903, meaning 90.3% of the company's assets are financed through debt.
4) **Debt to Equity Ratio:** The company's debt-to-equity ratio has increased dramatically from 15.75% in 2019 to 128.60% in 2023, indicating a significant shift in its capital structure. This sharp rise in leverage suggests that the company has become much more reliant on debt financing in recent years.
5) **Net Profit Margin:** NRBC Bank's net profit margin has experienced a consistent decline over the past five years, falling from 16.45% in 2021 to 10.70% in 2023. This decrease indicates that the company's profitability has been under pressure, with a significant drop observed between 2021 and 2023.
6) **Return on Equity:** Return on Equity (ROE) has experienced a gradual decline from 19.29% in 2021 to 13.62% in 2023, indicating a slight reduction in its ability to generate profit from shareholders' equity over the past five years.
7) **Return on Asset:** Return on Assets (ROA) has declined steadily from 1.54% in 2021 to 0.88% in 2023, indicating a decrease in its ability to effectively generate profit from its assets.
8) **Earnings Per Share:** Earnings Per Share (EPS) has demonstrated a generally positive trend over the past five years, increasing from 1.36 in 2019 to 2.23 in 2023. Despite a slight dip in 2022, where EPS fell to 2.10 from 2.70 in 2021, the overall upward trajectory indicates growth in profitability on a per-share basis.

5.2 Recommendations

1) **Current Ratio:** NRBC Bank should consider increasing its liquidity reserves to provide a buffer against unforeseen financial obligations. This can be achieved by maintaining a higher balance in cash equivalents or more liquid assets.
2) **Quick Ratio:** The bank should focus on improving the liquidity of its existing assets. This might include reviewing its investment portfolio and liquidating non-essential, non-liquid assets to increase cash flow, which can be used to meet short-term obligations.
3) **Debt Ratio:** NRBC Bank should explore refinancing opportunities to reduce high-interest debt and improve its capital structure. By lowering its debt ratio over time, the company can reduce its financial leverage, mitigate risk, and improve its ability to weather economic downturns or periods of financial stress.
4) **Debt to Equity Ratio:** NRBC Bank should carefully evaluate the long-term impact of its current debt strategy on financial flexibility and overall risk profile, ensuring that future growth initiatives are funded in a balanced and sustainable manner.
5) **Net Profit Margin:** NRBC Bank should focus on improving its cost management and operational efficiency. This could involve identifying and reducing unnecessary operating expenses, optimizing resource allocation, and streamlining processes to boost profitability.
6) **Return on Equity:** NRBC Bank should identify and reduce inefficiencies in its operations, streamline processes, and control costs. Improving cost management will help increase profit margins and boost overall returns on equity.
7) **Return on Asset:** NRBC Bank should focus on strategies to increase revenue and reduce costs to improve profitability. This could involve pricing adjustments, product innovation, or exploring new markets to drive higher returns.
8) **Earnings Per Share:** Given the growth in EPS and the positive trend, the bank may consider engaging in share repurchase programs if it has excess cash. Reducing the number of outstanding shares could help further boost EPS and provide additional value to shareholders.

5.3 Conclusion

NRBC Bank PLC is an emerging and dynamic player in the banking sector of our nation. The bank operates with strong confidence across various economic conditions, effectively competing with multinational banks, government-backed institutions, and local commercial banks. NRBC Bank PLC has consistently strived to maintain solid financial performance, despite encountering financial challenges along the way. Key issues include concerns over debt management, loan repayments, and liquidity constraints, which are compounded by economic downturns, fluctuations in debt expenditures, evolving capital markets, inflation, and stringent regulatory requirements. Despite these obstacles, the bank continues to exert significant effort to navigate the current landscape. If this determination persists, we anticipate that NRBC Bank PLC will achieve further improvements in the future.

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1. NRBC Bank PLC, Annual Report 2019
2. NRBC Bank PLC, Annual Report 2020
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5. NRBC Bank PLC, Annual Report 2023

C. Websites

1. www.google.com
2. www.nrbcommercialbank.com

Appendix

Figure in Million (BDT) Unless Specified

Particulars	2023	2022	2021	2020	2019
Balance Sheet Matrix					
Authorized Capital	10000	10000	10000	10000	10000
Paid up capital	8,286.49	7,929.66	7,929.66	7,376.43	5,825.17
Statutory Reserve	3,570.68	3,065.01	2,467.27	1,866.79	1,463.85
Stockholder Equity	14,180.44	12,935.32	11,808.62	9,797.54	8,189.94
Size of Balance Sheet	217,992.82	200,356.06	153,552.38	116,620.41	90,118.08
Deposit	175,669.92	161,149.66	124,626.36	95,311.13	71,857.90
Loans & Advances/Investment under Islamic Shahriah	145,086.65	136,174.05	104,898.31	74,835.73	62,015.02
Investment in Money and Capital Market	46,020.10	36,996.58	28,541.08	26,367.84	15,298.17
Fixed Assets	1,729.99	1,883.20	1,828.38	835.06	506.22
Off-balance sheet Items	52,441.01	50,265.91	53,600.42	35,446.63	27,408.20
Interest Earning Assets	197,689.58	179,598.56	136,555.98	104,117.82	80,400.10
Non-Interest Earning Assets	20,303.24	20,757.51	16,996.40	12,525.45	9,827.16
Income Statement Matrix					
Interest Income	12,346.03	11,178.65	7,902.90	6,620.95	7,024.97
Interest Expense	8,577.11	6,682.03	4,569.46	4,923.93	4,488.13
Net Interest Income	3,768.92	4,496.62	3,333.45	1,697.02	2,536.85
Investment income	3,067.46	2,531.56	3,006.03	3,586.65	1,284.16
Non-Interest Income	1,834.52	1,663.82	1,242.53	1,016.38	989.69
Operating income	17,248.02	15,374.03	12,151.47	11,223.98	9,298.82
Operating Expense	5,105.44	4,652.87	3,527.55	3,232.06	2,223.55
Total Expense	13,682.55	11,334.90	8,097.00	8,155.99	6,711.67
Operating Profit	3,565.47	4,039.13	4,054.46	3,068.00	2,587.14
Profit before tax	2,528.34	2,988.70	3,002.42	2,039.73	2,042.51
Provision for taxation	682.01	1,249.13	918.48	696.90	894.25
Profit after tax	1,846.33	1,739.57	2,083.94	1,342.83	1,148.26
Capital Measure					
Risk Weighted Assets	146,034.36	154,493.40	119,482.86	82,997.69	66,462.20
Capital Requirement Including Conservation Buffer	18,254.29	19,311.67	14,935.36	10,374.71	8,307.78
Core Capital (Tier I)	12,844.76	11,993.53	11,080.48	8,594.24	7,883.21
Supplementary Capital (Tier II)	7,163.25	7,227.74	4,988.85	1,796.99	1,024.04
Regulatory Capital [Tier I + II]	20,008.01	19,221.27	16,069.33	10,391.24	8,907.26
Capital Surplus/(Shortfall)	1,753.72	(90.40)	1,133.97	16.53	514.57
Tier – I Capital Ratio (%)	8.80%	7.76%	9.27%	10.35%	11.86%
Tier – II Capital Ratio (%)	4.91%	4.68%	4.18%	2.17%	1.54%
Total Capital to Risk Weighted Assets Ratio (CRAR) (%)	13.70%	12.44%	13.45%	12.52%	13.40%
Credit Quality					
Classified Loan	7,755.75	6,381.21	4,767.33	2,191.08	1,985.09
Percentage of Classified Loan (%)	5.35%	4.69%	4.56%	2.93%	3.20%

Provision for Unclassified Loan	1,207.92	1,303.16	1,508.06	1,504.42	663.29
Provision for classified Loan	3,594.26	2,522.23	1,803.94	1,102.23	846.92
Provision for Off-balance Items	435.33	441.19	480.79	289.1	220.16
Foreign Exchange Business					
Import	39,142.80	36,028.30	42,370.77	30,579.76	33,220.62
Export	31,928.70	33,735.60	30,652.26	28,070.50	29,216.00
Remittance	7,327.70	13,329.20	10,820.93	4,089.41	2,093.86
Particulars	2023	2022	2021	2020	2019
Operating Profit Ratio					
Net Interest Margin (NIM)	1.80%	2.54%	2.47%	1.84%	3.61%
Credit Deposit Ratio	82.59%	84.50%	84.17%	78.66%	82.54%
Cost of Deposits	4.63%	4.25%	4.25%	4.95%	6.98%
Operating Profit Margin	20.67%	26.27%	33.37%	27.33%	27.82%
Net Profit Margin	10.70%	11.31%	16.45%	11.96%	12.35%
Yield on Loan & Advances	8.78%	9.27%	8.79%	9.53%	12.88%
Administrative Cost	2.82%	3.06%	3.74%	3.25%	3.00%
Cost of Fund	7.47%	7.31%	7.56%	8.20%	9.98%
Spread (Cost of Deposit)	4.15%	5.02%	4.57%	4.61%	5.90%
Spread (Cost of fund)	1.31%	1.97%	1.23%	1.33%	2.90%
Return on Equity (ROE)	13.62%	14.06%	19.29%	15.28%	15.04%
Return on Assets (ROA)	0.88%	0.98%	1.54%	1.34%	1.47%
Equity Multiplier	15.37 * Times	15.48 * Times	13.00 *Times	11.90* (Times)	10.95* (Times)
Debt Equity Ratio	128.60%	138.17%	87.12%	42.19%	15.75%
Performance Ratio					
Profit Per Employee	1.46	1.05	1.11	1.43	2.53
Burden Ratio	38.04%	42.06%	67.49%	81.38%	58.49%
Interest Coverage Ratio	56.69%	49.71%	46.77%	57.30%	56.11%
Expense Coverage Ratio/Cost to Income Ratio	58.88%	53.77%	49.93%	51.30%	46.22%
Dividend					
Cash	11%	7.50%	7.50%	7.50%	9%
Stock	0%	4.50%	7.50%	5.00%	2%
Dividend Payout in Taka	911.51	951.56	1,106.46	878.14	628.2
Dividend Payout Ratio	49.37%	54.70%	53.09%	65.39%	54.71%
Cash Dividend Payout Ratio	49.37%	20.51%	26.55%	39.24%	44.76%
Share Information Matrix					
Share Outstanding	828.64	792.96	792.96	737.64	571.1
No. of Share Holder	18449	18440	18956	64	65
Price-Earnings (PE) Ratio	16.58	11.87	13.38	-	-
Earnings Per Share (Tk.)-Re-stated	2.23	2.10	2.70	2.06	1.36
Net Asset Value Per Share (Tk.)-Re-stated	17.11	15.61	15.32	14.97	9.69
Net Operating Cash flow per share (Tk.)-Re-stated	13.13	15.11	0.02	14.14	8.66

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