Internship Report On

Impact of Covid-19 on Financial Performance of City Bank PLC

Submitted For

Dr. Md. Azizur Rahman

Associate Professor and Head

Department of Business Administration

Faculty of Business & Entrepreneurship

Daffodil International University

Submitted By

Name: Umme Salma

ID: 211-11-6622

Major: Finance

Batch: 58

Department of Business Administration

Faculty of Business & Entrepreneurship

Daffodil International University

Date of Submission: 27 December, 2024

Letter of Transmittal

Dr. Md. Azizur Rahman
Associate Professor and Head
Department of Business Administration
Faculty of Business & Entrepreneurship
Daffodil International University

Subject: Submission of Internship Report on “Impact of Covid-19 on Financial Performance of City Bank PLC”

Dear Sir,

I am pleased to inform you that I’m Umme Salma, ID: 211-11-6622, a student of the Department of Business Administration at Daffodil International University, and I have finished my internship program that was a requirement for my BBA program. I completed my internship at City Bank PLC, and my internship topic is ―Impact of Covid-19 on Financial Performance of City Bank PLC.‖. In my report I highlighted and gathered data that I learned during my internship period and also highlighted the problem that faced City Bank PLC during the COVID-19 pandemic situations.

I have tried my best to prepare my report with all the requirements you have given me. And I am grateful to you for getting this opportunity to prepare my report under your supervision. I tried my best to meet your expectations from my report.

Sincerely Yours,

Umme Salma

Umme Salma
ID: 211-11-6622
Major: Finance
Batch: 58
Department of Business Administration
Daffodil International University

Declaration

I'm Umme Salma, hereby declare that this report titled ―Impact of Covid-19 on Financial Performance of City Bank PLC‖ is my personal work. I prepare my report following all of the requirements that are part of my BBA program.

I also inform you that this report is prepared only for my internship purpose, and I don't submit this report to any other institute. And I further declare that this data and information I collected from different sources.

Sincerely Yours,

Umme Salma

Umme Salma
ID: 211-11-6622
Major: Finance
Batch: 58
Department of Business Administration
Daffodil International University

Certificate of Supervisor Approval

This is to certify that Umme Salma, ID: 211-11-6622, a student of the Department of Business Administration at Daffodil International University, prepared the internship report entitled ―Impact of COVID-19 on Financial Performance of City Bank PLC.‖ It is an authentic work. This data and information have been collected from various resources to complete this report.

And I hereby grant her permission to submit her internship report for the final academic presentation.

I wish her every success in her academic and professional journey.

Sincerely Yours,

Dr. Md. Azizur Rahman
Associate Professor and Head
Department of Business Administration
Faculty of Business & Entrepreneurship
Daffodil International University

Acknowledgement

Through this report, I have gained valuable experience and knowledge, which has been truly remarkable for me. Firstly, I would like to thanks almighty Allah for granting me this ability to complete my all the semester and lastly my internship program with my dedication and hard work. And I am express my deepest respect to my university supervisor **Dr. Md. Azizur Rahman, Associate Professor and Head, Department of Business Administration, Faculty of Business & Entrepreneurship, Daffodil International University** for giving me fully support and Guidance in my whole internship period. Without my supervisor fully support and guidance it would have been very difficult for complete my report properly.

Then I would like to thanks and heartfelt gratitude to Mohammad Ikram Chowdhury, Manager, Kaliganj Branch of City Bank PLC for giving me this opportunity to complete my internship program. Without his support I would not be able to collect and gain knowledge in this sector.

Lastly, I am also thankful to university department.

Executive Summary

In this report I highlighted my 3-month internship experience at City Bank PLC and focused on the impact of the COVID-19 pandemic situation on City Bank PLC's financial performance. As an intern, I collected information from my supervisor and other officers about how the COVID-19 pandemic situation affected City Bank PLC's financial performance and the overall business functions.

In my report, I provide a detailed overview of the bank's financial performance over 5 years of City Bank PLC in 2018, 2019, 2020, 2021, & 2022, and I highlight the key indicators—earnings per share (EPS), return on assets (ROA), return on equity (ROE), and net profit margin—that clearly provide an overview of how the pandemic affected and how the bank adapted to the economic crisis.

Also in my report I provide the initiatives like digital transformation, loan restructuring, and support for government stimulus packages, employee safety measures, and community outreach through CSR initiatives that are taken by City Bank PLC.

In conclusion, this report aims to provide detailed information on how City Bank PLC managed the pandemic situations, both in terms of its financial performance and its efforts to support customers and employees during challenging times.

Table of Contents

Serial No		Title	Page No
Letter of Transmittal			ii
Declaration			iii
Certificate of Supervisor Approval			iv
Acknowledgement			v
Executive Summary			vi
Table of Contents			vii – viii
Chapter – 01		**Introduction**	01 - 03
	1.1	Introduction	02
	1.2	Background of the Study	02
	1.3	Scope of the Study	03
	1.4	Objective of the study	03
	1.5	Limitations of the Report	03
Chapter – 02		**Literature Review**	04 - 06
	2.1	Introduction to Literature Review	05
	2.2	Impact of COVID-19 on the Global Banking Sector	05
	2.3	Impact of COVID-19 on the Banking Sector in Bangladesh	06
Chapter – 03		**Methodology**	07 - 09
	3.1	Introduction to Methodology	08
	3.2	Research Design	08
	3.3	Data Collection Methods	08
		Secondary Data Collection Methods	08
	3.4	Limitations of the Methodology	09
Chapter – 04		**Findings and Analysis of City Bank PLC**	10 - 15
	4.1	Company Profile of City Bank PLC	11
	4.2	Impact of COVID-19 On Financial Performance of City Bank PLC	11
	4.3	Analysis of Financial Performance Metrics	12
		Efficiency Ratio	12
		Profitability Ratio	14
		Market Value Ratio	16

Chapter – 05		**Discussion Of Result**	18 - 20
	5.1	Summary Of Results: Impact Of Covid-19 Pandemic On Financial Ratios	19
	5.2	Probable Action Taken By City Bank PLC To Overcome The Covid-19 Effect	20
	5.2.1	Digital Transformation And Enhanced Online Banking Services	20
	5.3.2	Loan Restructuring And Repayment Deferrals	21
	5.2.3	Support To The Government's Stimulus Packages	21
	5.5.4	Employee Safety And Remote Working Measure	21
	5.4.5	Community Support and Corporate Social Responsibility	21
Chapter – 06		**Recommendations & Conclusions**	22 - 23
	6.1	Findings	23
	6.2	Recommendations	23
	6.3	Conclusion	24
	6.4	References	25

CHAPTER – 01

INTRODUCTION

1.1 INTRODUCTION

The COVID-19 pandemic situation has created an unprecedented challenge to the global economy that is affecting various sectors in our country, especially in the banking industry. The pandemic situation changed the banking sector to adapt to new technology and face new challenges such as economic uncertainty, increased credit risk, and the full banking industry transforming their activity to the digital banking sector. In my report I highlighted the impact of COVID-19 on the financial performance of City Bank PLC, one of the leading private commercial banks in Bangladesh. And City Bank PLC, a reputed bank in Bangladesh, faced significant change due to their financial performance during the COVID-19 pandemic situation.

This report highlights how the COVID-19 pandemic situation influenced the financial performance of City Bank PLC and also analyses how City Bank managed these crises and took steps to mitigate the negative effects on their financial health. Also in my report I provide how the bank navigated this situation and adapted their operations.

1.2 BACKGROUND OF THE STUDY

The internship program is a significant component of a student's academic journey and provides real-world corporate practical and theoretical knowledge. It provides the students with a big opportunity to be involved in practical job environments, and they can get a chance to apply their classroom learning.

As a part of my academic curriculum requirement, I completed my internship program at City Bank PLC, and my internship report topics were titled ―Effect of COVID-19 on the financial performance of City Bank PLC,‖ and my supervisor's name is Md. Azizur Rahman, Associate Professor & Head, Department of Business Administration, Daffodil International University, who helped me to complete my internship report.

1.3 SCOPE OF THE STUDY

This study focuses on examining the financial performance of City Bank PLC during the COVID-19 pandemic situation and the key financial indicator that compared their pre-pandemic and post-pandemic situations.

1.3.1 Analysis the key financial indicator that including the revenue, profit margin and other ratio of City Bank PLC.

1.3.2 Analysis the pandemic situation and pre-pandemic situation financial performance of City Bank PLC.

1.3.3 Included the COVID-19 pandemic situation banking services and that times activates of City Bank PLC.

1.4 OBJECTIVES OF THE STUDY

- To provide the overview of City Bank PLC.
- To examine the effects of covid-19 on financial performance of City Bank PLC.

1.5 LIMITATIONS

During my internship period, as an intern, I faced a lot of limitations when I was preparing my internship report on the impact of COVID-19 on the financial performance of City Bank PLC:

The major limitations of this research are:-

- During my internship, I did not have full access to all departments and internal activities within City Bank PLC that why some information was restricted and could not be disclosed to interns.
- Many bank's internal operations and financial strategies are confidential, and I was unable to access sensitive information that could have provided deeper insights into the financial performance during the pandemic. This limitation impacted the depth and scope of the analysis presented in the report.
- As an intern, my primary role was to assist with specific tasks, and my time was within the three-month internship period.

CHAPTER – 02
LITERATURE REVIEW

2.1 INTRODUCTION TO LITERATURE REVIEW

The Covid-19 pandemic situations disrupted the worldwide economy and all the industries. As a result, the government imposed lockdowns and travel restrictions, and maintaining social distance for that business and industries faced a lot of the challenges to operate their business. The banking sector is one of them that were affected during the Covid-19 pandemic situations that were unprecedented. The bank was transforming their banking activity and operation through digital banking services that increase the credit risk and economic uncertainty (Gazi M. A., (2022).

In the literature review section of my report, the most significant topics for understanding are how the ―Impact of COVID-19 on the financial performance of City Bank PLC‖ during the pandemic situation in 2019 & 2020. In this section I analyses how the global banking sector and Bangladeshi banking sector were affected during the pandemic situations. In the world, banks work as intermediaries, and banks are most important for the worldwide economy because all the transactions occur through banking channels (Lamisa, 2021).

In my literature review section, firstly I explain the impact faced during the pandemic situation on the banking sector. Where I include the liquidity challenge that faced the banking sector also reduces their profitability and hampers their day-to-day business operations. Also, I explain the Bangladeshi banking sector, where I analyses how to adapt during the pandemic situations in the Bangladeshi banking sector and how to recover the banking sector in these situations.

2.2 IMPACT OF COVID-19 ON THE GLOBAL BANKING SECTOR

The COVID-19 pandemic was an unpredictable situation that impacted the worldwide banking sector from 2019. All the financial institutions worldwide faced a lot of challenges during the COVID-19 pandemic situations that hampered the economy and market and increased the uncertainty, decreased the liquidity, and hampered the banking channels.

As a pandemic situation worldwide, the economy and market totally shut down; for that global banking scenario, it faced a lot of the challenges, and businesses faced losses that decreased the capacity of loan demand, increased the loan default, and hampered the banking operational channels in the developed country. To overcome this crisis situation, governments from all over the world provide different types of stimulus packages and monetary policies that have the main objective of supporting the economy (Shammi, 2021). Due to these challenges, banks face different kinds of challenges, like reducing the banks profit margin, people who are working in the bank are losing their jobs, and banks transform their banking activity through online banking channels (Marcu, 2021).

Financial institutions invest a huge amount of money in the technology to operate their daily banking activities online and transform their operations online and ensure customer services.

2.3 IMPACT OF COVID-19 ON THE BANKING SECTOR IN BANGLADESH

The Bangladesh banking sector, like other countries of the world, faced a lot of challenges due to this pandemic situation of COVID-19. Our country's banking sector faced a lot of problems; among these are declining loan demand and increasing loan defaults. The lockdowns and social distancing hamper the flow of business operations and slow down the economic activities for that many borrowers who borrow the loan from the bank; they struggle to meet their loan repayment because of their losses of business (Gazi M. A., 2022).

To overcome this situation Bangladesh Bank provides many packages to the banks that have the main objective of stabilizing the banking sector of Bangladesh. That includes loan repayment time durations and systems, increasing the interest rates, and other packages that mainly focus on operating the business operations in the pandemic situation because our country has all the business activities happen through the banking channels (Alam, 2020). Bangladesh Bank encourages all the banks to provide liquidity support to the borrowers to remove their distress. For support from Bangladesh Bank, the banking sector significantly increases the loan defaults, especially in the export sector, hospitality, and medical sector (Nahiduzzaman M.Gazi, 2022).

The pandemic also encouraged all the banks to transform and shift their banking channels activity through digital banking in a way that ensures the customers demand. Also, the pandemic situation affected the overall banking sector, causing remittances to go to slowdowns, country foreign currency exchange reserves to decrease, and the export-import for the restrictions due to the COVID-19 pandemic situation to decrease, decreasing the liquidity position of the banks. So, government support and digital banking adaptation are helping the banking sector to overcome the big challenging situations (Bari, 2020).

CHAPTER – 03

METHODOLOGY

3.1 INTRODUCTION TO METHODOLOGY

The methodology section I analyses the impact of COVID-19 on the financial performance of City Bank PLC. In this chapter, I discussed the research design that includes descriptive research, analytical research, comparative research, data collection methods, and a limited methodology of my research process. And my research relies on the secondary data collection method that includes financial ratios and overall performance of City Bank PLC during the pandemic period. And my research focuses and ensures an accurate result that understanding the effects of the pandemic on the bank.

3.2 RESEARCH DESIGN

In this research design section, I try to highlight the combination of descriptive and analytical approaches to the impact of City Bank PLC during the COVID-19 pandemic. In the descriptive research I provide, I analyses the financial data of City Bank PLC and the challenges that it faced during the pandemic situation. This approach provides clear information on the financial impact and challenges that faced City Bank PLC during the situations.

Additionally, in the analytical approaches, I evaluate the financial ratios, such as the efficiency ratio, including the cash ratio, cash-to-asset ratio, cash-to-deposit ratio, loan-to-asset ratio, and loan-to-total-asset ratio. Secondly, the profitability ratio, including the operating profit margin ratio, net profit margin ratio, return on assets ratio, and return on equity ratio. And thirdly, the market value ratio, including the price-to-earnings ratio and earnings per share ratio. This ratio provides clear information of the pandemic's impact on financial performance. Through these combined methodologies, my research's main focus is to deliver a comprehensive evaluation of City Bank PLC’s financial health and challenges during the COVID-19 pandemic situations.

3.3 DATA COLLECTION METHODS

This study relies on entirely on quantitative research on quantities data where data is collected from secondary sources.

SECONDARY DATA COLLECTION METHODS

3.3.1 Financial reports, including annual reports of City Bank PLC in the 2017, 2018, 2019, 2020, 2021.

3.3.2 Publications and research articles related to the banking sector and the COVID-19 pandemic.

3.3.3 Data from regulatory authorities such as the Bangladesh Bank for industry-wide performance metrics.

3.3.4 News articles, reports, and official statements related to the banking sector’s response to the pandemic.

3.4 LIMITATIONS OF THE METHODOLOGY

There are various limitations for getting the data from various sources that I faced while preparing my report. Access to the internal financial data of City Bank PLC is one of them where information of the financial data was not publicly available on line due to the restriction of City Bank PLC top management. Secondly, the limited duration of the internship period is why it was so difficult for me to collect data comprehensively within the given timeframe. Also, significant data of City Bank PLC that related to the COVID-19 pandemic were not available through the public portals. And lastly, due to the limited interview and the survey limitations that hamper my data collection and information-gaining insights from the management due to the strategies and decision-making processes of the bank during the pandemic.

CHAPTER – 04

FINDINGS AND ANALYSIS OF CITY BANK PLC

4.1 COMPANY PROFILE OF CITY BANK PLC

During the COVID-19 pandemic situations, City Bank PLC faced different kinds of challenges that affected the operations of City Bank. The most significant challenge they faced was daily operation disruptions due to government-imposed lockdowns and social distancing, which led to permanently closing all the branches activities and reducing the customer's access physically. At that moment the bank faced a strong digital banking services demand that suddenly hampered their activity due to the communication gaps.

The pandemic also increased the credit risk, especially in the SME, retail, and hospitality sectors, which slowed down the economy of our country. And the economic downfall increases the nonperforming loans as a result of borrowers struggling to meet their obligations. Maintaining customer engagement was too challenging for the city bank limited for the employees unfamiliar with the technology of the digital platforms. The compliance department introduced regulatory measures, such as loan moratoriums and stimulus programs, and they also added complexity to the bank's processes. The increase of digital transactions also exposed the bank to heightened cyber security risks. Additionally, ensuring employee well-being and adapting to the rapidly changing environment due to the pandemic, while reduced economic activity strained the bank's revenue streams. Despite these challenges, City Bank PLC worked to overcome the situations by using their innovation, agility, and customer-focused solutions.

4.2 IMPACT OF COVID-19 ON FINANCIAL PERFORMANCE OF CITY BANK PLC

The COVID-19 pandemic situations influenced the financial performance of City Bank PLC. Various financial ratios, like efficiency ratios, including the cash ratio, cash-to-asset ratio, and loan-to-asset ratio, showed due to liquidity management challenges and changes in asset allocation during the pandemic crisis. Profitability ratios, such as the operating profit margin, net profit margin, return on assets (ROA), and return on equity (ROE), reflected on the earnings and reduced operational efficiency amidst economic disruptions. Market value ratios, including price-to-earnings (P/E) and earnings per share (EPS), indicated fluctuations in investor confidence and the bank's overall market valuation during the pandemic. Based on the above ratios, I analyzed the performance of City Bank PLC, which faced challenges during the pandemic crisis over the last five years: 2018, 2019, 2020, 2021, and 2022. By using financial analysis data for these five years, I highlighted the financial performance of City Bank PLC operations that were affected during the pandemic situation and how the bank faced this crisis situation and overcame it.

4.3 ANALYSIS OF FINANCIAL PERFORMANCE OF CITY BANK PLC

4.3.1 EFFICIENCY RATIO

The efficiency ratio measures how effectively a company uses its assets and resources to generate income. It is commonly used in banking and finance to assess the operating efficiency by comparing operating expenses to revenue. A lower ratio indicates higher efficiency, as it shows the company is spending less to generate revenue.

Table-01: Financial Performance of Based on Efficiency Ratio

PARTICULURS	2018	2019	2020	2021	2022
Cash Ratio	0.32%	0.57%	0.38%	0.54%	0.38%
Cash to Asset Ratio	0.06%	0.07%	0.06%	0.07%	0.06%
Cash to Deposit Ratio	9.49%	10.51%	8.80%	10.71%	9.65%
Loan to Total Asset Ratio	70.92%	69.41%	69.29%	67.85%	69.20%

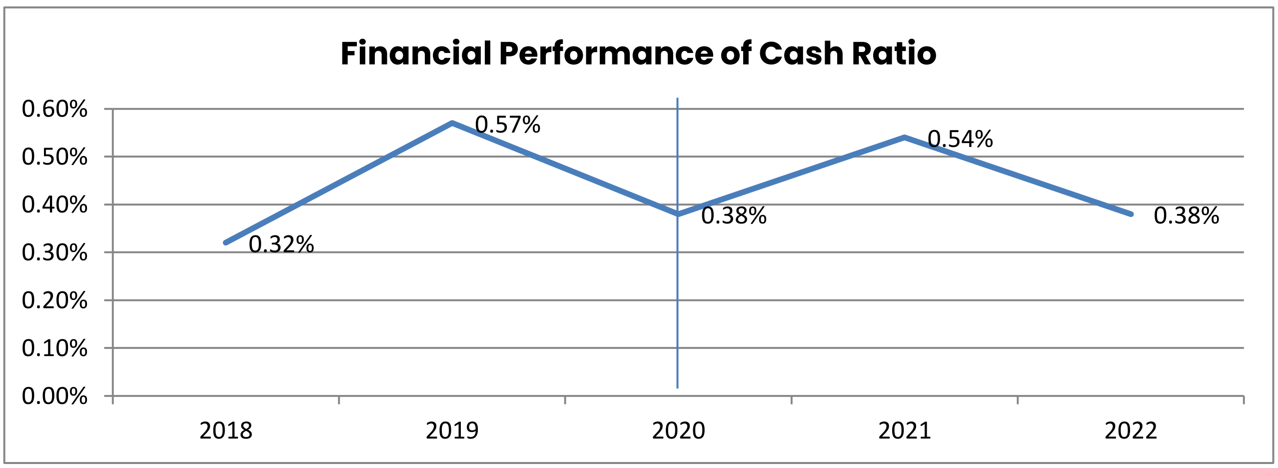

Table-1: Trend of the financial performance of City Bank PLC based on Efficiency Ratio

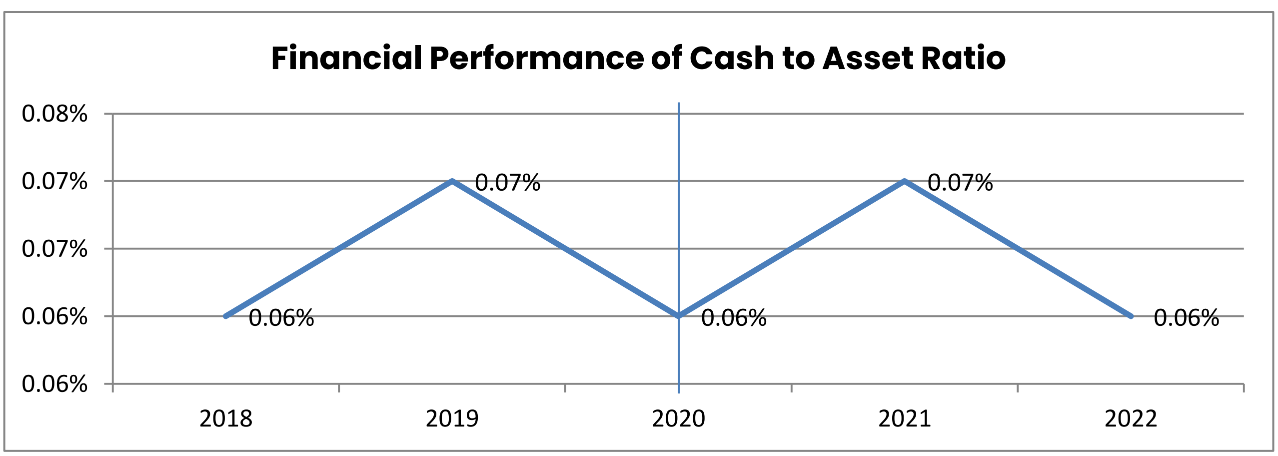

Table-1: Trend of the financial performance of City Bank PLC based on Efficiency Ratio

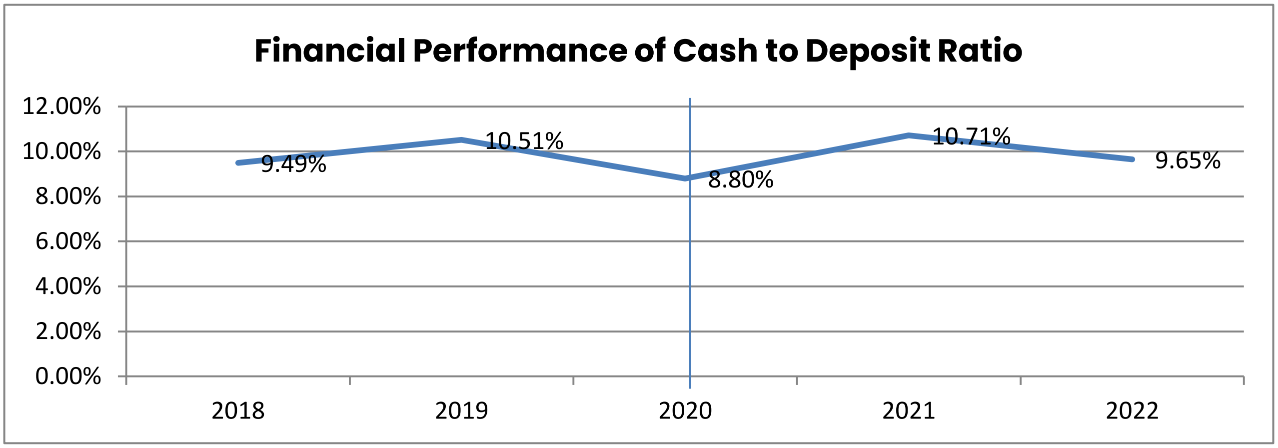

Table-1: Trend of the financial performance of City Bank PLC based on Efficiency Ratio

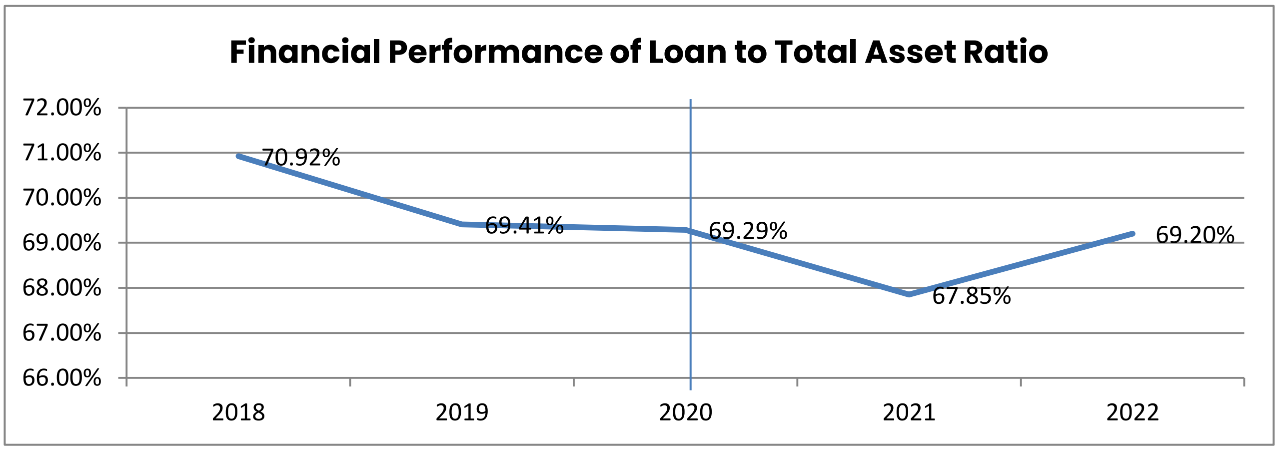

Table-1: Trend of the financial performance of City Bank PLC based on Efficiency Ratio

Table-1 represents the financial performance analysis of City Bank PLC based on Efficiency Ratio from 2018 to 2022. The efficiency ratio that indicates the company's operational performance of City Bank PLC, and efficiency ratios provide the overview of how effectively the company managed its resources during 2018–2022. The cash ratio increasing in 2019 but declining to 0.38% in 2020, likely reflecting liquidity challenges during the COVID-19 pandemic. Similarly, the cash-to-asset ratio remained consistent, with no significant impact observed in 2020. However, the cash-to-deposit ratio dropped to 8.80% in 2020 from 10.51% in 2019, indicating reduced liquidity management during the pandemic. The loan-to-total-asset ratio also slightly declined to 69.29% in 2020 from 69.41% in 2019, suggesting cautious lending policies amidst uncertain economic conditions. Overall, the pandemic moderately influenced these ratios, reflecting efforts.

So, due to the covid-19 pandemic, we see that all the efficiency ratios, including cash ratio, cash-to-assets ratio, cash-to-deposit ratio, and loan-to-assets ratio, have been affected by the covid-19 pandemic situations in 2020, and that affected City Bank PLC efficiency ratio in 2021.

4.3.2 PROFITABILITY RATIO

Profitability ratios indicates that a company's ability to generate profit relative to its revenue, assets, or equity. These ratios indicate financial health and operational efficiency. Higher profitability ratios signify better performance, showing the company's effectiveness in managing expenses and maximizing returns for shareholders.

Table-02: Financial Performance of Based on Profitability Ratio					
PARTICULURS	**2018**	**2019**	**2020**	**2021**	**2022**
Operating Profit Margin	42.00%	45.32%	42.06%	51.40%	48.10%
Net Profit Margin	12.69%	13.52%	23.97%	22.16%	18.33%
Return on Assets	0.88%	0.37%	0.69%	0.62%	0.47%
Return on Equity	9.06%	4.46%	9.17%	8.56%	7.14%

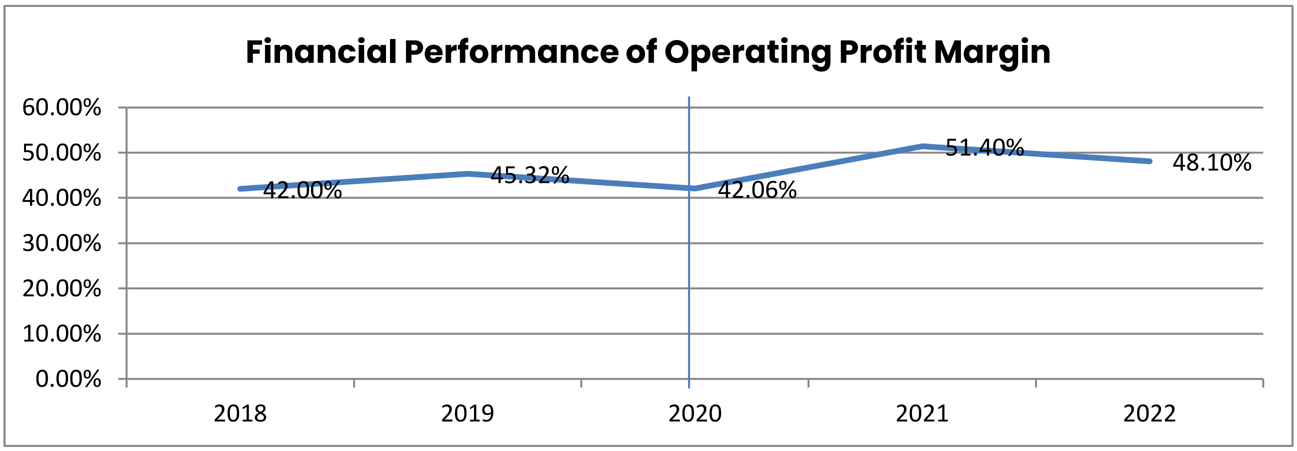

Table-2: Trend of the financial performance of City Bank PLC based on Profitability Ratio

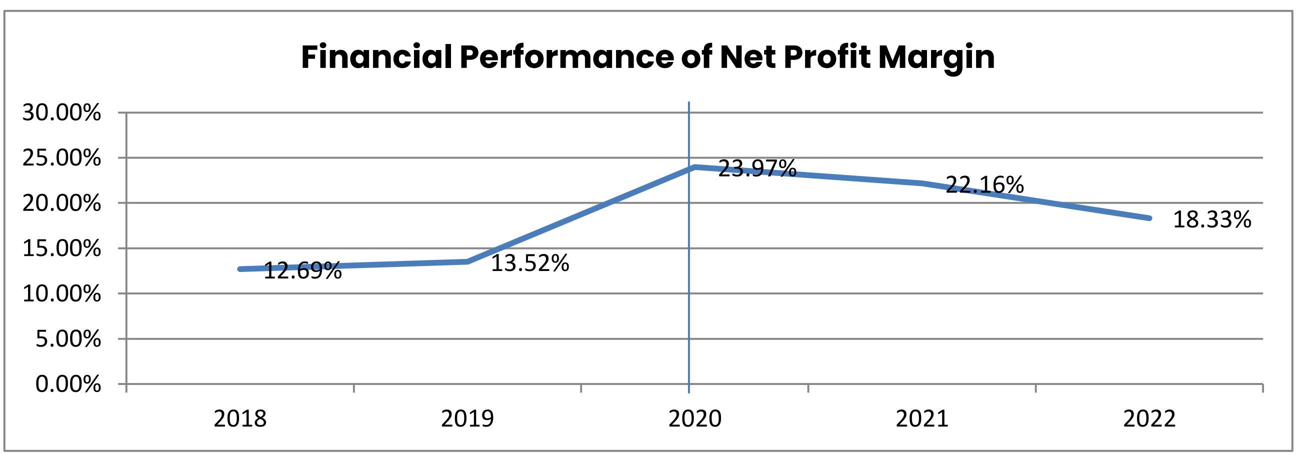

Table-2: Trend of the financial performance of City Bank PLC based on Profitability Ratio

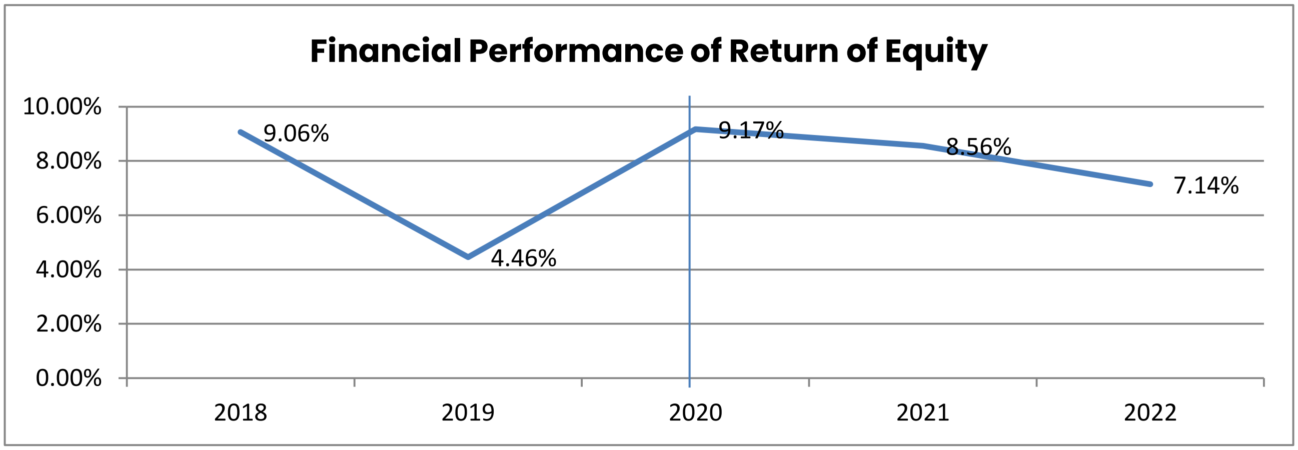

Table-2: Trend of the financial performance of City Bank PLC based on Profitability Ratio

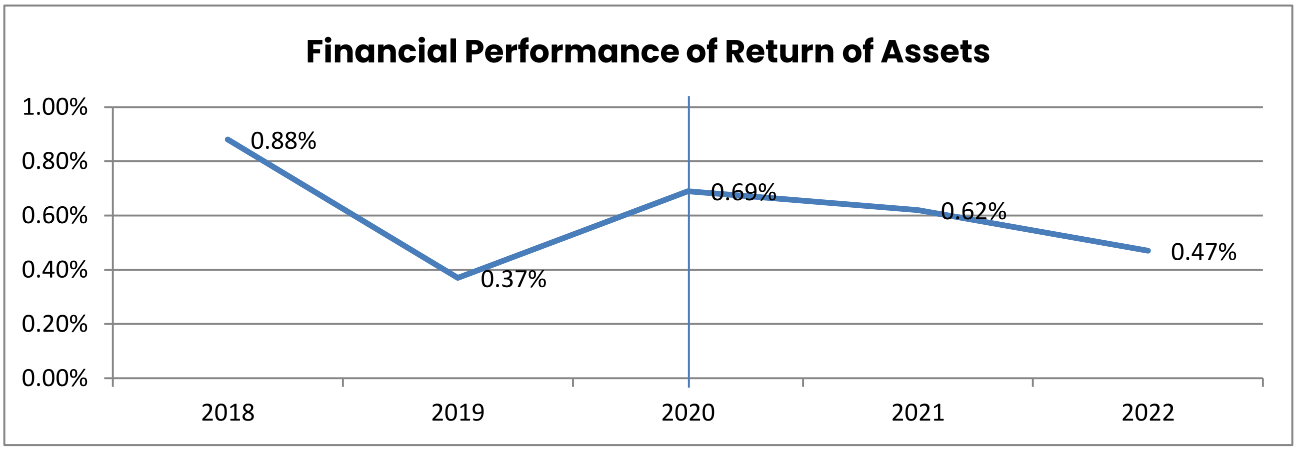

Table-2: Trend of the financial performance of City Bank PLC based on Profitability Ratio

Table-2 represents the financial performance analysis of City Bank PLC based on Profitability Ratio from 2018 to 2022. The profitability ratios highlight the company's performance and the impact of the COVID-19 pandemic in 2020. The operating profit margin stable, decreasing to 42.06% in 2020 from 45.32% in 2019, indicating operational efficiency in the pandemic. The net profit margin significantly increased to 23.97% in 2020 from 13.52% in 2019, suggesting that the cost income during the crisis. Return on assets improved to 0.69% in 2020 from 0.37% in 2019, that reflecting improved asset utilization. Similarly, return on equity increase to 9.17% in 2020 from 4.46% in 2019, indicating enhanced profitability for shareholders.

We can see in the graph that for the pandemic crisis every profitability ratio including operating profit margin, net profit margin, return on assets and return on equity affected in 2021 that hamper the company profitability.

4.3.3 MARKET VALUE RATIO:

Market value ratios assess a company's financial performance in relation to its stock price. They provide insights into the market's perception of the company and its future growth potential. Common market value ratios include **Earnings per Share (EPS)** and **Price-to-Earnings (P/E) Ratio**, which help investors evaluate profitability per share and the relative value of the stock, respectively. Higher values often indicate positive market sentiment and strong performance.

Table-03: Financial Performance of Based on Market Value Ratio

PARTICULURS	2018	2019	2020	2021	2022
Price-to-Earnings Ratio	14.50%	8.70%	6.30%	6.10%	5.80%
Earnings Per Shares	2.10%	2.40%	3.90%	4.40%	3.80%

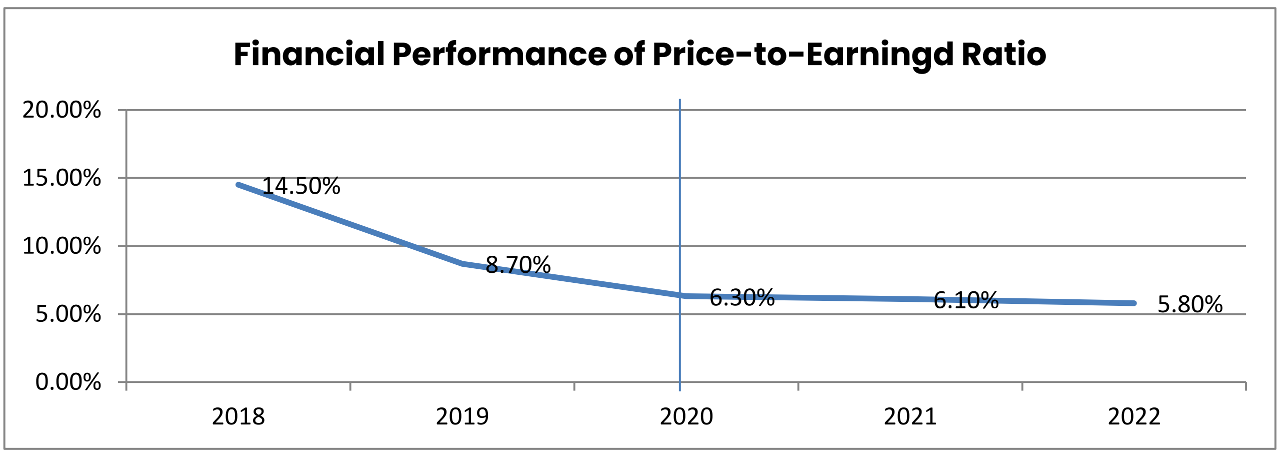

Table-3: Trend of the financial performance of City Bank PLC based on Market Value Ratio

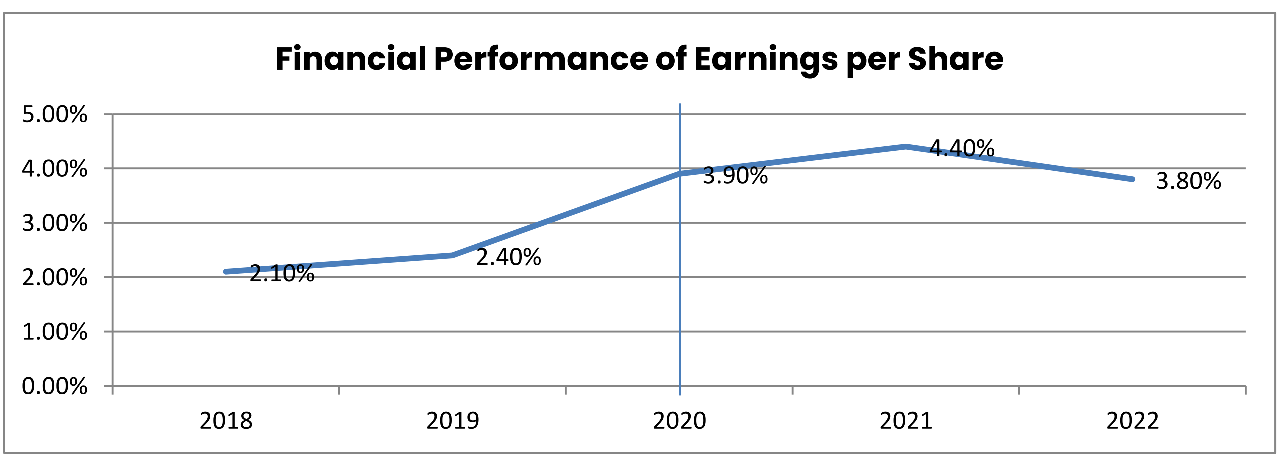

Table-3: Trend of the financial performance of City Bank PLC based on Market Value Ratio

Table-3 represents the financial performance analysis of City Bank PLC based on Market Value Ratio from 2018 to 2022.The market value ratios reveal the company's performance and investor perception during the COVID-19 pandemic in 2020. The price-to-earnings (P/E) ratio decrease significantly from 8.70% in 2019 to 6.30% in 2020, indicating reduced market confidence or a drop in stock price relative to earnings during the pandemic. However, earnings per share (EPS) increased sharply from 2.40% in 2019 to 3.90% in 2020, suggesting improved profitability per share despite the challenging environment. These trends reflect the pandemic's mixed impact, with improved internal profitability contrasting with diminished external market valuation.

Due to the covid-19 pandemic, we see that all that market value ratio, including price-to-earnings ratio & Earnings per share, have been affected by the covid-19 pandemic situations in 2020, and that affected City Bank PLC market value ratio in 2021.

CHAPTER – 05

DISCUSSION OF THE RESULT

5.1 SUMMARY OF RESULTS: IMPACT OF COVID-19 PANDEMIC ON FINANCIAL RATIOS

1. Cash Ratio: Cash ratio decreased from 0.57% in 2019 to 0.38% in 2020, reflecting that a decline in liquidity that indicates that the company faced challenges maintaining cash reserves during the COVID-19 pandemic. This has been happened due to increased expenditures and slowdown in cash inflows.

2. Cash to Asset Ratio: Cash-to-asset ratio stable at 0.06% from 2019 to 2020, indicate that company's cash holdings as a percentage of its total assets that did not significantly change during the covid-19 pandemic situations. This stability indicates that the company managed its asset base effectively during the pandemic situations.

3. Cash to Deposit Ratio: Cash-to-deposit ratio increase from 10.51% in 2019 to 8.80% in 2020 that decrease in cash reserves to deposits. This ratio indicates that the company relied more on deposit utilization during the pandemic, possibly to support operations or mitigate liquidity pressures.

4. Loan to Total Asset Ratio: Loan-to-total asset ratio decreased from 69.41% in 2019 to 69.29% in 2020 due to the pandemic situations that indicating a reduction in the company's reliance on loans relative to its total assets during the pandemic. This indicates that the approach asset management in response to the economic uncertainties caused by COVID-19.

5. Operating Profit Margin: The operating profit margin decreased from 45.32% in 2019 to 42.06% in 2020 that decline in operational efficiency during the covid-19 situations. This could have been due to increased costs or lower revenues, as the pandemic that hamper the regular business operations.

6. Net Profit Margin: The net profit margin increased from 13.52% in 2019 to 23.97% in 2020, indicating that due to the operational challenges that faced company in pandemic situations, the company managed to improve profitability. This could have been due to cost-cutting measures, government support, or other financial conditions during the pandemic.

7. Return on Assets: Return on assets decreased from 0.37% in 2019 to 0.69% in 2020, reflecting better asset utilization during the pandemic. Despite the tough economic environment, the company was able to generate relatively better returns from its assets, possibly due to asset optimization or lower asset depreciation.

8. 8. Return On Equity: Return on equity improved from 4.46% in 2019 to 9.17% in 2020, that indicating enhanced profitability for shareholders despite on the pandemic. This indicated to improved net profits, even though the company faced challenging market conditions and showing effective.

9. Price-To-Earnings Ratio: Price-to-earnings (P/E) ratio declined from 8.70% in 2019 to 6.30% in 2020, that reflecting lower investor confidence or reduced stock market valuations during the pandemic. This ratio indicates that the market ratio indicates higher risk or lower growth potential for the City Bank PLC due to the pandemic.

10. 1Earnings per Share: Earnings per share increased from 2.40% in 2019 to 3.90% in 2020, that indicates the company improved its profitability per share during the covid-19 pandemic. This positive trend suggests that the company was able to manage its costs and generate more profit despite the economic downturn.

5.2 PROBABLE ACTION TAKEN BY CITY BANK PLC TO OVERCOME THE COVID-19 EFFECT

5.2.1 DIGITAL TRANSFORMATION AND ENHANCED ONLINE BANKING SERVICES

City Bank PLC took digital transformation initiatives during the COVID-19 pandemic to meet customers' demands and changing their customers' needs. With physical presence restrictions in place, the bank focused on enhancing its digital platforms and online banking services, ensuring flexible access to financial services. Introduction of New Digital Tools: City Bank PLC upgraded the online platforms City touch internet banking for a smooth user experience, enabling customers to perform essential transactions like fund transfers, bill payments, purchasing, and account enquiries without visiting branches. Also, they launched mobile apps with improved features, including card management, digital loans, and instant customer support through Chabot's that meet their customers' demands. Expansion of Digital Payment Solutions: City Bank PLC in the pandemic situation they introduced online loan application portals in their City Touch apps and simplified approval processes to provide timely credit support to individuals and SMEs facing financial hardships.

5.2.2 LOAN RESTRUCTURING AND REPAYMENT DEFERRALS

City Bank PLC financial hardships faced by individuals and businesses during the pandemic, City Bank PLC implemented a comprehensive loan restructuring and repayment program. Those borrowers who are struggling to meet their financial obligations for repayment browsers were provided with options such as repayment deferrals, interest waivers, and restructured payment plans. For this restructuring and repayment program were particularly beneficial for small and medium-sized enterprises (SMEs), which were among the hardest hit by the economic downturn. By offering flexible repayment terms, the bank aimed to alleviate financial stress and support the recovery of its customers.

5.2.3 SUPPORT TO THE GOVERNMENT'S STIMULUS PACKAGES

During the COVID-19 pandemic situation, the Bangladesh government introduced different stimulus packages that mainly focused on supporting businesses, especially SMEs and the agricultural sector, which sector COVID-19 hit the hardest in that crisis. City Bank PLC actively participated in this distribution of stimulus packages that were designed for the Bangladesh Bank to recover the economy. The bank played a significant role in ensuring the timely disbursement of funds to businesses and individuals whose loans and other services were needed. The main focus of the Bangladesh Bank was on sectors such as healthcare, manufacturing, and agriculture, which were critical to sustaining the economy during the crisis. The bank's efficient handling of stimulus funds not only underscored its commitment to national economic recovery but also strengthened its relationship with customers.

5.2.4 EMPLOYEE SAFETY AND REMOTE WORKING MEASURES

City Bank PLC took several steps during the COVID-19 pandemic situation for their employees' safety and protocols across all of the branches and offices including using regular sanitization, provision of personal protective equipment (PPE), and temperature screenings., the bank implemented remote working policies for employees, supported by secure digital infrastructure and communication tools. For the front side employees who work in the office, City bank ensured to all of the employees medical support and introduced staggered shifts to reduce exposure risks. These measures demonstrated the bank's commitment to protecting its workforce while maintaining operational efficiency.

5.2.5 COMMUNITY SUPPORT AND CORPORATE SOCIAL RESPONSIBILITY (CSR)

City Bank PLC contributes their support to the community of our country through various CSR initiatives that taken caused by the pandemic. The bank provided financial support and essential supplies to unheeded communities and City Bank PLC distributed food and hygiene kits, and supported healthcare institutions with donations of medical equipment and funds. Moreover, the bank organized awareness campaigns to publicly on COVID-19 pandemic situations. By stepping beyond its core business functions, City Bank PLC reaffirmed its role as a socially responsible organization dedicated to the well-being of society. In conclusion, the initiatives undertaken by City Bank PLC during the COVID-19 pandemic reflect its adaptability, resilience, and commitment to their customer, community and unheeded people. Through a combination of technological innovation, financial support, employee welfare measures, and community outreach, the bank successfully navigated the challenges of the pandemic.

CHAPTER – 06

RECOMMENDATIONS & CONCLUSIONS

6.1 FINDINGS

- The cash ratio fluctuated significantly, the highest CR at 0.57% in 2019 but declining to 0.38% in 2022, indicating instable liquidity levels. The cash-to-deposit ratio also showed need to improvement, but still fluctuated over the years.
- The operating profit margin highest at 51.40% in 2021 but declined to 48.10% in 2022. Similarly, the net profit margin showed an upward trend up to 2020 but decreased, that reflecting a decrease in overall profitability.
- The return on assets decreased from 0.88% in 2018 to 0.47% in 2022 that suggesting a reduce in how effectively the bank is utilizing its assets to generate profit.
- The return on equity also reduces from 9.17% in 2020 to 7.14% in 2022, indicating that the bank is offering lower returns to its shareholders.
- The Price-to-Earnings (P/E) ratio decreased consistently from 14.50% in 2018 to 5.80% in 2022, signaling reduced investor confidence and market valuation.

6.2 RECOMMENDATIONS

- City Bank should work on improving its cash reserves and maintaining a more consistent cash ratio. Enhanced liquidity management will provide the bank with better flexibility to handle sudden economic shocks or customer demands.
- The bank should focus on controlling operational costs and increasing efficiencies to improve profit margins. Exploring new revenue streams or cost-reduction strategies can help boost profitability.
- To improve the return on assets, City Bank can optimize its asset portfolio by focusing on high performing, revenue-generating assets and reviewing its investment strategy.
- City Bank should focus on increasing shareholder returns by improving profitability and considering dividend payouts or share buybacks to boost investor confidence.
- To improve the P/E ratio, City Bank should focus on enhancing financial transparency, implementing growth strategies, and maintaining strong corporate governance to rebuild market confidence and attract long-term investors.

6.4 CONCLUSION

My analysis of my report based on City Bank PLC's financial performance during the COVID-19 pandemic where I highlights the effects of the global crisis on the bank's operational and financial metrics. The pandemic hamper normal business operations that significantly challenges in maintaining profitability, liquidity, and efficiency. Financial Key performance indicators, such as the operating profit margin, net profit margin, return on assets (ROA), and return on equity (ROE), all experienced reduce during the pandemic in 2020. Although the bank faced lot of the challenges and they recovery in certain areas by 2021, the effects of the crisis were evident, as some metrics continued changes after the pandemic situations.

Liquidity ratios, such as the cash-to-deposit ratio and loan-to-total-asset ratio that reflect the bank's to managing resources that main focus economic uncertainty. While the efficiency ratios remained relatively stable, the minor fluctuations suggest a balance between crisis management and operational efficiency.

Overall, the findings highlighted the importance of risk management practices, adaptability, and strategic planning in reduce the impact of unpredicted global disruptions. Despite the challenges, City Bank PLC's recovery path of post-COVID-19 evidence of its commitment to flexibility and sustainability in the economic environment. This report work for as a valuable reference for understanding the financial implications of pandemics on banking institutions and emphasizes the need for proactive measures to enhance long-term financial stability.

1. .

6.3 REFERENCES

2. Alam, M. S. (2020). *The impact of covid-19 pandemic on the economic growth in Bangladesh: a conceptual review.* American Economic & Social Review, 6(2), 1-12.
3. Bari, M. S. (2020). *Financial difficulty of banking management during COVID 19 in Bangladesh.* International Journal of Finance Research, 1(2), 93-102.
4. Gazi, M. A. ((2022).). *Impact of COVID-19 on financial performance and profitability of banking sector in special reference to private commercial banks: empirical evidence from Bangladesh.* Sustainability, 14(10), 6260.
5. Gazi, M. A. (2022). Impact of COVID-19 on financial performance and profitability of banking sector in special reference to private commercial banks: empirical evidence from Bangladesh. *Sustainability, 14(10), 6260.*
6. Lamisa, F. T. (2021). Profitability and liquidity analysis of The City Bank Ltd. *bracu.ac.bd*.
7. Marcu, M. R. (2021). *The impact of the COVID-19 pandemic on the banking sector.* Management Dynamics in the Knowledge Economy, 9(2), 205-223.
8. Nahiduzzaman M.Gazi, M. A. (2022). Impact of COVID-19 on financial performance and profitability of banking sector in special reference to private commercial banks: empirical evidence from Bangladesh. *Sustainability, 14(10), 6260.*
9. Shammi, M. B.-D. (2021). *Strategic assessment of COVID-19 pandemic in Bangladesh: comparative lockdown scenario analysis, public perception, and management for sustainability.* Environment, Development and Sustainability, 23, 6148-6191

Internship Report City Bank PLC of Umme Salma

ORIGINALITY REPORT

9%	7%	2%	5%
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS

PRIMARY SOURCES

1	Submitted to Daffodil International University Student Paper	2%
2	www.coursehero.com Internet Source	2%
3	dspace.daffodilvarsity.edu.bd:8080 Internet Source	1%
4	Submitted to Chester College of Higher Education Student Paper	<1%
5	ar.scribd.com Internet Source	<1%
6	Submitted to Vrije Universiteit Amsterdam Student Paper	<1%
7	dlib.hust.edu.vn:8080 Internet Source	<1%
8	www.stock-analysis-on.net Internet Source	<1%
9	www.financialforum.umb.edu Internet Source	<1%