Internship Report

On

"Financial Performance Analysis of Sonali Bank PLC"

Submitted To:

Mr. Repon Miah

Senior Lecturer

Department of Business Administration

Faculty of Business & Entrepreneurship

Daffodil International University

Submitted By:

Md Mohiuddin Saker

Id: 193-11-6324

Program: BBA

Major: Accounting

Department of Business Administration

Faculty of Business & Entrepreneurship

Daffodil International University

LETTER OF TRANSMITTAL

January 7, 2025

Mr. Repon Miah

Senior Lecturer

Department of Business Administration

Faculty of Business and Entrepreneurship

Daffodil International University

Subject: Submission of Internship Report on Financial Performance Analysis of Sonali Bank PLC.

Dear Sir,

With due respect, I humbly request your permission to submit my internship report on "Financial performance Analysis of Sonali Bank PLC." This task has given me the opportunity to gather practical experience and explore the financial activities of banking industry. The report includes an evaluation of the "Financial performance Analysis of Sonali Bank Limited." based on its activities. Being given the chance to work at this bank was a wonderful pleasure for me. I apologize for my any mistake that appear in the report despite my best effort.

Therefore, I pray and hope that you would be kind enough to approve my internship report and oblige thereby.

Sincerely

Yours,

Md Mohiuddin Saker

Id: 193-11-6324

Program: BBA. Major: Accounting

Department of Business Administration

Faculty of Business and Entrepreneurship

Daffodil International University.

DECLARATION

I, Md Mohiuddin Saker, Id: 193-11-6324, Program: BBA, Major Accounting, hereby declare that this Internship Report submitted to Daffodil International University is a genuine effort to complete the course in the B.B.A in Accounting. This work has been completed under the supervision Mr. Repon Miah, Senior Lecturer, Department: Department of Business Administration, Faculty: Faculty of Business & Entrepreneurship, Daffodil International University. I can also assure that this project paper has never been submitted in any university or institution for any reward or certificate.

.... SAKER
....

Md Mohiuddin Saker

Id: 193-11-6324

Program: BBA. Major: Accounting

Department of Business Administration

Faculty of Business and Entrepreneurship

Daffodil International University.

LETTER APPROVAL

Md Mohiuddin Saker, Id: 193-11-6324, Program: BBA, Major Accounting, has successfully completed her project paper under my supervision in the Fall Semester of 2024. He has completed his project paper with hard work and dedication. I believe this project is a genuine work and highlights his intellectual ability. All necessary information and findings presented in the project paper are original.

I wish him success in future career.

....

Mr. Repon Miah

Senior Lecturer

Department of Business Administration

Faculty of Business and Entrepreneurship

Daffodil International University.

ACKNOWLEDGEMENT

First of all, I want to express my gratitude to Almighty Allah for his favor in allowing me to complete my internship report on schedule.

I would want to thank my department for keeping internship credit in the graduating program curriculum and allowing me to sample the flavor of work related to my interests. I would want to thank Mr. Repon Miah, Senior Lecturer, Department of Business Administration, Faculty of Business & Entrepreneurship, Daffodil International University, for giving me the right direction on this topic and for supervising me through my internship. Sincere appreciation for her interest in my work and her guidance.

I also owe a great deal to Mahfuz Khan, my organization supervisor, and Imran Miah for their encouragement to complete my internship successfully, as well as for their kind support, direction, and helpful supervision.

EXECUTIVE SUMMARY

This report looks into the financial performance analysis of Sonali Bank PLC the largest state-owned commercial bank in Bangladesh, which plays a critical role in the nation's socioeconomic development. Established through the nationalization of key banks post-independence and later corporatized in 2007, Sonali bank operates with a vision of being a socially committed banking institution with a global presence. The bank offers an extensive range of services through a vast network of 1,100 branches and remains committed to innovation and customer-centric banking solutions.

The primary objective of this study is to analyze SBL's financial performance to evaluate its profitability, liquidity, and financial efficiency. Specific analyses include vertical and horizontal evaluations of income statements and balance sheets over recent years. The study also aims to identify areas for improvement and provide actionable recommendations for enhancing the bank's financial outcomes.

The report SBL's total assets have steadily increased, signaling strong growth and expansion. A significant rise in liabilities from 2022 to 2023 reflects increased financial obligations. Consistent growth in deposits showcases strong customer confidence in the bank. While Return on Investment (RoI) improved notably in 2023, Return on Loans and Advances declined, indicating challenges in lending profitability. Return on Equity (RoE) and Earnings Per Share (EPS) have shown positive trends, indicating increasing returns for shareholders. The Capital Adequacy Ratio (CAR) remained stable, reflecting sound capital management, while the Current Ratio slightly decreased, hinting at a reduced ability to cover short-term liabilities. A stable Gross Profit Ratio suggests consistent profitability from core operations.Rather than steady growth in assets and deposits, some metrics, such as declining returns on loans and advances and reduced liquidity, indicate areas of concern. Recommendations to address these challenges include optimizing lending practices, managing liabilities more efficiently, and enhancing operational efficiency to ensure sustainable growth.

This report is integral part of the internship program, bridging theoretical knowledge with practical application, and underscores the critical role of financial performance analysis in assessing a bank's overall stability and growth potential.

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Banks plays very important role in every economy. Individuals deposit money with banks, and bank give loan to business & business & another person. Nowadays, banks carry out several financial tasks and provide the greatest variety of financial services. Banks have thus demonstrated their importance to both industry and the economy. The largest bank in Bangladesh is Sonali Bank Limited. It is committed to providing high-quality customer service and is dynamic in its actions, honest in its dealings, just in its judgement, and fair in its approaches. All of these attributes help to boost the GDP of the nation by promoting trade and commerce, exporting goods, reducing poverty, improving the standard of living for those in lower income groups, and fostering overall sustainable socioeconomic development.

In order for the Bank to accomplish the aforementioned goals, a variety of banking operations must actively participate in helping customers by offering them financial support as well as management support as required. With their background in the banking industry, Sonali Bank PLC has filled a position that the others do not just fulfil. An overview of Sonali Bank PLC over the three months of the internship is included in the internship report. The report is divided into multiple sections in accordance with the organization's needs and requirements as well as the report supervisor's instruction.

1.2 Origin of the Study

To be eligible for a Bachelor of Business Administration (BBA) degree, each student must complete an internship. This course's primary goal is to expose students to the realities of business life and connect the information they learn in the classroom to real-world scenarios. This course, which lasts for three months, gives students the chance to work in a variety of settings and organizations to get real-world experience and practical expertise.

1.3 Justification of the Study

Participation in the internship program is required of all B.B.A. students enrolled in public universities. A beneficial trend in the professional sphere is a practical approach. A one- to three-month practical exposure has been added to the Bachelor of Business Administration program by the Department of Business Administration, in recognition of the value of real-world experience. My choice of bank for this internship programme is "Sonali Bank Limited," and the foundation of my internship report is the "Financial Performance Analysis of Sonali Bank Limited." Under the supervision of Mr. Repon Miah, Senior Lecturer, Department: Department of Business Administration, Faculty: Faculty of Business & Entrepreneurship, Daffodil International University have prepared this paper. Students mostly acquire theoretical information during their studies, but there is currently no alternative for actual work experience in the labor market. As a result, students should have some practical experience in their primary field of study before beginning a career that interests them.

1.4 Objectives of the Study

Broad Objective: To analyze the financial performance of Sonali Bank PLC.

Specific Objectives-

i. To perform liquidity, profitability and financial efficiency of SBL.
ii. To perform vertical and horizontal analysis of income statement and balance sheet.
iii. To recommend measures to improve financial performance based on findings.

1.5 Scope of the Study

The study includes financial performance analysis of Sonali Bank PLC. When gathering the information for my report, I had kept some formality. Sonali Bank PLC financial performance and the many divisions of its products and services will be made abundantly obvious by this study. Finally, the financial standing of the bank in the banking sector according to its performance during so many years.

1.6 Methodology of the study

From choosing the subject to writing the final report, the study necessitates a methodical process. Finding the study's major points required identifying and gathering data sources, classifying, analyzing, interpreting, and presenting them in a methodical way. The following summarizes the methodology's overall process:

Information have collected to furnish this report is both from primary and secondary sources.

1.6.1 Secondary data sources:

The important secondary data were collected from the following sources-

1.6.2 Data Collection: All the data from secondary sources were collected using text analysis approach.

- Annual Report of SBL
- Website of SBL
- Journal papes

1.6.3 Data Analysis: The collected data were analyzed using MS excel and narrated using MS Word.

1.7 Limitations of the study

It is difficult to analyze a bank's crucial financial business operations. Also, we might not create the report as well as it should be for the obvious reasons that I lack the necessary experience. However, we have made every effort to improve it as much as we can.

Here is the limitations –

- ➢ There wasn't much information available. We were unable to get all the data we required.
- ➢ Time is another major limitation to prepare the report.
- ➢ The bank authorities had a lot on their plate. Thus, they were unable to provide me with adequate time to explore a variety of issues.

The scope of proper analysis was limited by the lack of sufficient books, periodicals, data, and numbers. The report would have been more appealing and helpful if these restrictions had not been there.

CHAPTER TWO

OVERVIEW OF THE COMPANY

COMPANY Background

2.1 SBL Profile

Company Name	:	**Sonali Bank PLC**
Chairman	:	Dr. A.H.M. Habibur Rahman
CEO and Managing Director	:	Pradip Kumar Dutta
Company Secretary	:	Zaheed Hossain
Legal Status	:	Public Limited Company
Genesis	:	Emerged as Nationalized Commercial Bank in 1972, following the Bangladesh Bank (Nationalization) Order No. 1972(PO No.26 of 1972)
Date of Incorporation	:	03 June, 2007
Date of Vendor’s Agreement	:	15 November, 2007
Registered Office	:	35-42, 44 Motijheel Commercial Area, Dhaka, Bangladesh
Authorized Capital	:	Taka 2000.00 core
Paid-up Capital	:	Taka 1125.00 core
Number of Employee	:	21,839
Number of Branches	:	1201
Phone-PABX	:	9550426-31, 33, 34, 9552924
FAX	:	88-02-9561410, 9552007
SWIFT	:	BSONBDDH
Website	:	www.sonalibank.com.bd
E-mail	:	itd@sonalibank.net.bd”

2.2 About Sonali Bank Limited, Doyaganj Branch, Dhaka:

- “Year of establishment: 1990
- Name of the Manager: Md. Harun-or-Rashid.
- Number of Employees: 31.
- Total Deposit (as on 30-09-13): TK 1506,183,931,731
- Total Advances (as on 30-09-23): TK 372,932,637,077
- Address of the branch: Sonali Bank Limited, 65 Doyaganj, Dhaka.
- Way of Contact: Tel. - 7219936.

2.3 History of Sonali Bank Limited:

after getting nation gained its independence, Sonali Bank became one of the important nationalized commercial banks in Bangladesh, after the banks' nationalization order 1972 (Presidential Order-26) liquidated the Bank of Bhwalpur, Premier Bank, and the National Bank of Pakistan at the time. As a fully state-owned organization, the bank has been fulfilling its nation-building responsibilities by assuming various socio-economic projects entrusted to it by the government and engaging in money market operations of its own initiative, encompassing all economic sectors.
On November 15, 2007, the bank started operations as Sonali Bank Limited, taking over all of Sonali Bank's assets, liabilities, and activities after being converted to a Public Limited Company with 100% government ownership. The management of the bank has the necessary autonomy after corporatization to conduct its business efficiently and become competitive. A Board of Directors with eleven members governs Sonali Bank Limited. Heading the Bank is a well-known banker and respected professional, the Chief Executive Officer & Managing Director. The bank's corporate headquarters is situated in the capital's primary business district, Motijheel, Dhaka, Bangladesh.

2.4 Vision

“Socially committed leading banking institution with global presence”. (Sonali Bank, 2024)

2.5 Management of Sonali Bank

Management hierarchy of Sonali Bank is given blow:

Board of Directors (BOD)
CEO & Managing Director
Deputy Managing Director (DMD)
General Manager (GM)
Deputy General Manager (DGM)
Assistant General Manager (AGM)
Senior Executive Officer (SEO)
Executive Officer (EO)
Senior Officer
Officer

Figure 1: Management hierarchy of Sonali Bank(A)

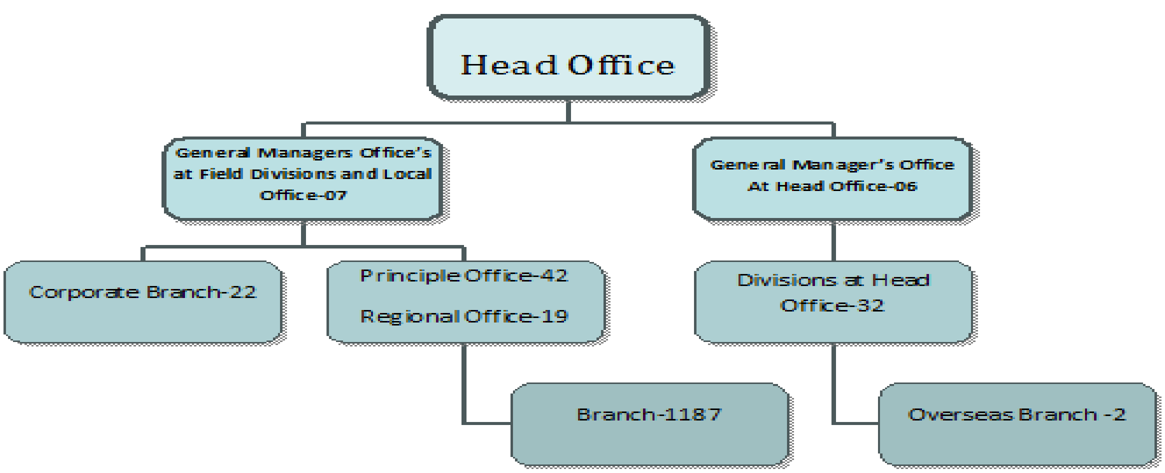

Figure 2: Management hierarchy of Sonali Bank(B)

2.6 Functional Structure

As far as commercial banks go in Bangladesh, Sonali Bank Limited leads. In all, it has 1201 branches across the union. It also maintains branches abroad. In Dhaka, the bank's head office is situated in the Motijheel. Banks divisions are seen by DGMs, and departments by AGMs. Under every department in the Head Office, there are other sections as well. An AGM oversees a regional office; a DGM is the head of the Principal Office. Local hubs of the bank's administrative zone in the districts are called principal offices. Principal offices are in charge and oversee the regional offices. The districts have the offices at the Thana level. Usually led by the DGMS, the corporate offices are almost like the GM offices. They offer every banking service including advance and loans, basic banking, etc.

2.7 Role of Sonali bank Limited in the National Economy

The banking sector and the economy are interdependent. Sonali Bank Limited has been making important contributions to the economic growth of the country. As of December 31, 2008, there were 26,085 individuals working for the Bank. In addition, Sonali Bank Limited has helped hundreds of individuals find work in the industries and projects that it has funded. Since the Bank's founding in 1997, it has provided funding for national trade and commerce. We have managed the imports and exports from numerous nations. The deposits that our bank was able to raise through its branch offices aided in the nation's capital formation. As of June 30, 2024, our lending to the borrower had reached Tk. 23163.18 million. Through a multiplying effect, it has aided in the country's industrialization and improved trade and commerce, which has ultimately increased economic growth and national welfare. VAT and tax on interest and profits earned by Bank customers have been collected. The country's victims of natural disasters received help and rehabilitation in 2007 from the bank in an amount specified by the donation.

2.8 Foreign Remittance

Sonali Bank Limited has been a major force in bringing Bangladeshi expats who work or reside overseas their hard-earned money through banking channels, therefore promoting the nation's infrastructure and economy. In order to this end, Sonali Bank Limited has founded Sonali Bank

(U.K.) and Sonali Exchange Company Inc. (SECI), USA, an exchange house. Our bank has also forged agreements with a number of Middle Eastern, Canadian, and Malaysian banks and exchange houses. By use of 1184 Sonali Bank Limited branches nationwide, remitters can conveniently transfer their hard-earned money to the beneficiaries in Bangladesh under this arrangement.

2.9 Trade Financing:

Table 1: Credit Facilities of Sonali Bank PLC

Credit Packages	***Interest Rate (Floating)***
1. Trade and Commerce Credit 14%	14%
2. Credit for water transport and power-driven vehicles	14%
3. Overdraft Against:	
Fixed Deposits Accounts	13%
SDPS Accounts	
Over a five years period	12%
Over a ten years period	14%
Insurance Policy/ Shares and Debenture of Public Ltd. Co.	14%
Work order of Govt./ Semi Govt. Corp	14%
Wage Earners Dev. Bond	13%
4. Housing Loan	
Residential	13.5%
Commercial	14%
5. Small Loan	14%
6. Consumers credit	14%
7. Loans To Public Sector Enterprise	14%
8. Cash Credit Facilities for Small Business enterprises	14%
9. Cash Credit Facilities against Bricks Manufacturing	14%

2.10 Training

To provide training of all types of Sonali Bank officers and staff, the bank has established a training program covering all banking activities through Sonali Bank Staff College , Dhaka, and four Training Institutes / Centers in Chittagong, Rajshahi, Khulna, and Bogra. The aforementioned training facility & Staff College offered 483 batches of various courses, workshops, and seminars in 2003, providing instruction to up to 15430 officers and staff members.

2.12 Library Facilities

The central library at Sonali Bank serves the purposes of enhancing the expertise and productivity of the bank's officers and employees. The library is located in the Head Office Building on the seventh floor. Its facilities have now been expanded, making it a modern library. The most recent works on a wide range of subjects, including banking, foreign exchange, computers, management, accounting, agriculture, industrial finance, economics, religion, and literature, have expanded it. Additionally, a variety of foreign periodicals covering political, economic, and other topics are provided here to draw readers in and encourage them to read.

CHAPTER THREE

LITERATURE REVIEW

A great deal of study has been done to quantify the corporate disclosure of both financial and non-financial firms. Generally, benchmarking, financial ratio analysis, performance against budget measurement, or a combination of these techniques have been used to assess the financial performance of banks and other financial organizations (Avkiran, 1995). Based on the magnitude of their assets, (Spathis and Doumpos, 2002) looked at how well Greek banks' financial situations were. Several standards were applied in their research to categories Greek banks based on operational and return aspects. They attempted to illustrate the variations in the efficiency and profitability of small and large banks.

The research paper entitled Efficiency about customer service and financing performance among Australian financial institutions found a positive correlation between customer service quality scores and all financial performance indicators, such as interest margin, return on assets, and capital adequacy. (Elizabeth Duncan, and Elliott, 2004).

Bakar and Tahir (2009) predicted bank performance using simulated neural networks and repeated analysis using linear regression approaches. Seven factors—liquidity, credit risk, cost to income ratio, size, and concentration ratio were employed as independent variables to the dependent variable ROA of bank performance. Their primary concern was looking at branches that were operating profitably and those that were not, and where efficiency may be increased. They discovered that a large number of branches were running on an insufficiently modest size and that by raising their operational scales, the bank might boost its overall efficiency.

Improved efficiency does not always translate into improved efficacy, as shown by (Raza et al., 2011; Tarawneh, 2006). Nonetheless, the research on asset and liability management for banks strongly implies that the banking sector should focus on risk management concerns and their consequences. Based on his research, (Jon R. Presely, 1992) came to the conclusion that improved risk management is necessary for more efficient portfolio management.

To spread and lower the risks of the bank, more emphasis must be placed on the nature of risk and return in the asset structure of the bank.

Moreover, according to Ho and Zhu (2004), the operational efficacy and efficiency have been the main emphasis of performance evaluations, which may directly affect the survival of the organization. Lastly, a performance analysis is a means of assessing the general financial performance of a business using several ratios that represent its financial status. An insight of the operational effectiveness and future prospects of the company is given by the study. Liquidity, profitability, activity and debt ratios are often used in financial performance analysis. Ratios are important markers of how successfully or poorly a company is doing.

CHAPTER FOUR

FINANCIAL PERFORMANCE OF SBL

4.1 Profitability Analysis

Sonali Bank (Amount in BDT)	2019	2020	2021	2022	2023
Total Assets	856,463,192,299	1,095,506,078,839	1,095,506,078,839	1,149,783,487,250	1,198,281,713,363
Total Liabilities	816,669,075,164	1,053,925,155,902	1,055,193,549,181	1,108,978,409,620	1,157,497,763,076
Total Deposits	175,257,428,467	259,953,245,624	258,617,937,894	206,730,955,043	236,118,101,155
RoI	5.98	6.07	5.87	4.83	7.36
RoA	0.2	0.21	0.21	0.21	0.35
RoE	3.92	4.21	4.26	4.70	7.70
EPS	5.98	7.14	7.63	8.19	14.38
CAR	10.09	10.02	10.04	10.05	10.07
Debt Equity Ratio	20.59	17.58	21.24	21.04	21.02
Return on loans and Advances	5.51	5.57	4.89	2.79	2.65
Current Ratio	1.87	1.89	1.93	1.83%	1.80
Gross Profit Ratio	22.26	25.39	22.26	26.09%	26.05

Analysis:

i. **Total Assets:** The bank's total assets have been increasing steadily over the years, indicating growth and expansion.

ii. **Total Liabilities:** While total liabilities have also been increasing, there was a significant jump from 2022 to 2023, suggesting increased borrowing or other liabilities.

iii. **Total Deposits:** The bank's total deposits have been consistently increasing, reflecting growing customer confidence and deposit base.

iv. **Return on Investment (RoI):** RoI has fluctuated over the years but experienced a notable increase in 2023. This could indicate improved efficiency in generating returns from investments.

v. **Return on Assets (RoA):** RoA has remained relatively stable, indicating consistent profitability relative to the size of the bank's assets.

vi. **Return on Equity (RoE):** RoE has been increasing steadily, indicating the bank's ability to generate higher returns for its shareholders.

vii. **Earnings Per Share (EPS):** EPS has shown consistent growth, reflecting improved profitability per share over the years.

viii. **Capital Adequacy Ratio (CAR):** CAR has remained relatively stable over the years, indicating the bank's ability to meet its capital requirements.

ix. **Debt Equity Ratio:** The bank has maintained a relatively low debt-equity ratio, suggesting a conservative approach to financing its operations.

x. **Return on Loans and Advances:** There has been a decline in the return on loans and advances from 2019 to 2023, indicating potentially lower profitability from lending activities.

xi. **Current Ratio:** The current ratio has been decreasing slightly, indicating a slight reduction in the bank's ability to cover its short-term liabilities with its current assets.

xii. **Gross Profit Ratio:** The gross profit ratio has been relatively stable, indicating consistent profitability from the bank's core operations.

4.2 Horizontal Analysis of Income Statement

Category	2023	2022	2021	2020	2019
OPERATING INCOME					
Interest and Revenue Income	145%	124%	101%	90%	100%
Interest Paid on Deposit, Borrowings	158%	137%	151%	111%	100%
Net Interest Income	86%	68%	-120%	-3%	100%
Investment Income	134%	130%	165%	125%	100%
Commission, Exchange, and Brokerage	251%	115%	191%	146%	100%
Other Operating Income	130%	117%	92%	94%	100%
Total Operating Income	138%	112%	94%	94%	100%
OPERATING EXPENSES					
Salaries & Allowances	104%	104%	105%	103%	100%
Rent, Tax, Insurance, Light,	92%	94%	91%	86%	100%
Law Charges	59%	67%	42%	44%	100%
Postage, Telegram & Stamp	48%	61%	64%	68%	100%
Stationery, Printing & Advertisement, etc.	133%	108%	103%	89%	100%

Chief Executive's Salary and Fees	86%	85%	86%	103%	100%
Directors' Fees & Allowances	133%	139%	118%	91%	100%
Auditors' Fees	104%	100%	107%	100%	100%
Depreciation & Repairs of Bank's Assets	149%	162%	123%	100%	100%
Other Expenditure	133%	53%	112%	143%	100%
Total Operating Expenses	109%	100%	105%	106%	100%
Profit/(Loss) before Provision & Tax	191%	134%	72%	74%	100%
EPS (Absolute Value)	5.34	6.63	-0.68	5.17	5.00

Interpretation

The horizontal analysis of the financial data of SBL from 2019 to 2023 reveals significant fluctuations in various categories. Interest and Revenue Income increased steadily, reaching 145% in 2023, while the Interest Paid on Deposits and Borrowings also saw a consistent rise, peaking at 158% in 2023. Net Interest Income showed a sharp decline in 2021, dipping to -120%, but partially recovered to 86% by 2023. Investment Income and Commission, Exchange, and Brokerage demonstrated strong growth, particularly in 2023, where the latter surged to 251%. Operating Expenses saw varied changes, with Salaries & Allowances remaining stable, while Rent, Tax, Insurance, etc., and Law Charges decreased over time. Notably, Postage, Telegram, & Stamp costs dropped significantly to 48% in 2023. The category for Provision for Loans and Advances showed substantial increases, particularly in 2023 at 210%, while the Provision for Diminution in the Value of Investment consistently decreased to -103% from 2020 onward. Overall, the Profit before Tax and Net Profit after Tax saw fluctuations, with Net Profit recovering to 64% in 2023 after a negative figure in 2020. The EPS reflected this variability, reaching 5.34 in 2023, indicating a recovery from earlier years. This analysis highlights both the volatility and the resilience in key financial metrics over the five-year period.

4.3 Vertical analysis of Income Statement

Income Statement (Vertical Analysis) of Sonali Bank PLC					
Particulars	***2019***	***2020***	***2021***	***2022***	***2023***
Operating Income					
Interest income	100%	100%	100%	100%	100%
Interest paid on deposit & borrowing	-111%	-132%	-127%	-94%	-90%
Net interest income	-11%	-32%	-27%	6%	10%
Investment income	78%	127%	114%	73%	78%
Commission, exchange and brokerage	33%	39%	39%	39%	30%
other operating income	3%	2%	1%	1%	1%
	114%	168%	154%	112%	109%
Total operating income	103%	136%	127%	118%	119%
	0%	0%	0%	0%	0%
Operating expense	0%	0%	0%	0%	0%
Salary and allowaances	39%	46%	44%	46%	38%
Rent, tax, insurance	3%	4%	4%	3%	3%
Legal expenses	0%	0%	0%	0%	0%
postage, stamps	0%	0%	0%	0%	0%
stationery, printings	1%	1%	1%	0%	0%
CEO salary and fees	0%	0%	0%	0%	0%
directions fees	0%	0%	0%	0%	0%
Auditors' fees	0%	0%	0%	0%	0%
Depreciation	2%	3%	2%	2%	2%
other expenses	10%	15%	13%	10%	8%
Total operting expense	55%	68%	65%	63%	52%
profit/loss before provision	48%	68%	62%	55%	67%
provision for loans and advances	26%	38%	18%	21%	32%
provision for duminution of value In	3%	-3%	-2%	3%	1%
other provisions	5%	16%	29%	14%	15%
Total provisions	34%	51%	45%	38%	48%
Profit/loss before taxes	13%	17%	17%	18%	19%
provision for Taxation	6%	7%	58%	9%	7%
Current tax	1%	2%	2%	1%	1%
Deferred tax	4%	5%	4%	7%	5%
	0%	0%	0%	0%	0%
Net profit/loss	8%	10%	11%	9%	13%

Interpretation

In this Vertical Analysis we can find out some differences of Income and Expenses from 2019 to 2023. Investment income had increased in 2020 78% to 127% , but in 2023 that return to again 78%. Other operating income gradually decreased from 3% to 1% in 2023. On the other hand Total Operating income Increased massively in 2020 than again decrease slightly in 2021 and ended up 119% in 2023.we can also find out that total operating expenses and other expenses were stable from the beginning of the time period. Profit were increase rapidly in every year from 2019 to 2023 which is 48% to 67% respectively.

4.4 **Vertical Analysis of Balance Sheet**

Category	2023	2022	2021	2020	2019
PROPERTY AND ASSETS					
Cash	5.35%	4.69%	3.83%	10.19%	5.29%
Cash in hand (including foreign currencies)	0.80%	1.03%	0.71%	0.51%	0.65%
Balance with Bangladesh Bank and its agent bank (including FC)	4.55%	3.67%	3.12%	9.68%	4.64%
Balance with Other Banks and Financial Institutions	3.60%	4.37%	5.23%	5.32%	8.12%
In Bangladesh	3.37%	3.66%	4.48%	4.36%	7.11%
Outside Bangladesh	0.22%	0.71%	0.75%	0.96%	1.01%
Money at Call and Short Notice	0.04%	0.24%	0.92%	2.12%	0.06%
Investments	20.67%	19.59%	32.66%	27.10%	23.38%
Government	14.49%	12.12%	25.48%	19.14%	13.87%
Others	6.18%	7.47%	7.18%	7.95%	9.52%
Loans and advances	61.50%	63.44%	50.03%	47.52%	54.55%
Loans, cash credit & overdraft etc.	61.32%	63.11%	49.54%	47.14%	54.01%
Bills discounted and purchased	0.18%	0.33%	0.49%	0.38%	0.54%
Fixed assets including land, building, furniture, and fixtures	1.45%	1.43%	1.34%	1.45%	1.71%
Other Assets	7.40%	6.24%	5.97%	6.29%	6.88%
Total Assets	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**
LIABILITIES AND CAPITAL					
Borrowings from Other Banks, Financial Institutions, and Agents	2.27%	2.71%	1.33%	1.22%	2.18%
Deposit and Other Accounts	80.35%	80.95%	84.40%	84.35%	81.07%
Current deposits & other accounts	18.29%	17.98%	19.75%	23.78%	20.53%
Bills payable	1.29%	1.29%	1.11%	0.90%	1.08%
Savings bank deposits	23.87%	24.04%	22.38%	21.49%	23.84%
Fixed deposits	36.90%	37.64%	41.16%	38.18%	35.61%
Other Liabilities	14.01%	12.79%	10.87%	10.58%	11.79%
Total Liabilities	**96.63%**	**96.45%**	**96.60%**	**96.15%**	**95.03%**

Interpretation

The financial data from 2019 to 2023 of SBL reveals notable trends in the composition of assets and liabilities. Over the period, the proportion of cash and cash equivalents has generally decreased, particularly cash in hand and money at call and short notice, suggesting a shift towards other forms of liquidity management. Investments have fluctuated, with a significant increase in 2023, reflecting a strategic focus on government securities. The proportion of loans and advances has grown from 50.03% in 2021 to 61.50% in 2023, indicating a higher emphasis on lending activities. Fixed assets and other assets have remained relatively stable, while liabilities have shown a consistent high proportion of deposits and other accounts. Specifically, fixed deposits have decreased slightly, while savings bank deposits have increased, possibly indicating a shift in depositor preference. Overall, the data points to a strategic adjustment towards increased lending and investment, coupled with stable but slightly shifting deposit and liability structures.

4.5 **Horizontal analysis of Balance sheet**

Balance sheet (Horizontal Analysis) of Sonali Bank PLC					
Particulars	***2019***	***2020***	***2021***	***2022***	***2023***
Property and Assets					
Cash					
Cash in hand	100%	95%	101%	127%	128%
Balance with Bangladesh bank	100%	83%	69%	79%	102%
	100%	84%	71%	83%	104%
Balance with other banks & financial institution					
In Bangladesh	100%	52%	37%	42%	43%
Outside Bangladesh	100%	131%	109%	66%	89%
	100%	60%	44%	44%	48%
Money at call on short notice	100%	55%	57%	20%	112%
Investments					
Government	100%	129%	144%	130%	134%
Others	100%	108%	97%	84%	74%
	100%	126%	137%	123%	125%
Loans and advances					
Loans, cash credit, Overdrats etc	100%	106%	125%	155%	185%
Bills purchased and discounted	100%	104%	219%	211%	194%
	100%	106%	127%	157%	185%
Fixed assets	100%	101%	102%	102%	104%
Other assets	100%	108%	95%	88%	77%
Non-Banking Assets				100%	104%
Total Assets	100%	108%	116%	122%	135%
Liabilitties **and capital**					
borrowing from other banks, Agents	100%	93%	488%	944%	3226%
Deposits and other Accounts					
current Accounts and other accounts	100%	100%	95%	101%	103%
Bills payables	100%	101%	117%	136%	124%
Savings Bank Deposits	100%	117%	136%	152%	164%
Fixed deposits	100%	107%	112%	111%	117%
other deposits		100%	820%	842%	1097%
	100%	109%	117%	123%	130%
Other liabilities	100%	101%	114%	117%	152%
Total liabilities	100%	107%	116%	122%	135%
Shareholders **Equity**					

Paid up capital	100%	100%	100%	100%	100%
statutory reserve	100%	109%	117%	129%	146%
other reserve	100%	139%	219%	210%	884%
revalution reserve	100%	164%	109%	113%	107%
Retained earnings	100%	82%	58%	36%	1%
Non-controlling interest			100%	113%	135%
	100%	126%	119%	127%	137%
Total Liabilities and equity	100%	108%	11%	122%	135%

Interpretation

Horizontal analysis of Balance sheet of Sonali bank PLC limited discloses evident changes of assests and liabilities from time period 2019 to 2023. Cash increases significantly from 2019 to 2023 which finishes 100% to 128%. Investment from the Government gradually increased over the time period. On the other hand others investment face a decrease 100% to 74%. Fixed asset were pretty much stable. Loans, cash credit, overdrafts increase rapidly , in 2023 that reached 185% from 100%. Total assets increased in a stable way . In Liabilities other deposits and borrowing from other banks grow greatly which reached 1097% and 3226% respectively. Total liablities also raise in the Time period from 2019 to 2023 and it reached 100% to 135%.

CHAPTER FIVE

FINDINGS , RECOMMENDATIONS , AND CONCLUSION

5.1 Findings

- Total Asset Growth: The bank has grown its total assets over time, indicating expansion and financial strength.
- Despite a slight decrease in growth rate, total deposits have been steadily increasing, indicating customer trust and deposit inflows.
- Return Ratios: Return on Assets (RoA) remained stable, indicating consistent profitability relative to asset size. Return on Equity (RoE) fluctuated but increased, indicating shareholder profitability.
- EPS has grown over time, indicating improved profitability per share and improving the bank's financial performance.
- The bank's Capital Adequacy Ratio (CAR) remained stable, indicating its ability to maintain sufficient capital for operations. The Debt Equity Ratio fluctuated but stayed within a reasonable range, indicating conservative financing.
- The bank's ability to cover short-term liabilities with current assets decreased slightly over time, as the current ratio fluctuated.
- Total liabilities have increased , particularly from 2022 to 2023 , suggesting higher obligations that could affect the banks financial health
- Volatility in Return Metrics: Return on Investment (RoI) fluctuated, but increased in 2023, suggesting better investment returns. However, Return on Loans and Advances declined over time, suggesting lending profits were difficult to generate.

5.2 Recommendations

Here are some recommendations based on overall analysis:

- Improvement of Cash Flow Management: The bank should reduce collection and payment delays by ensuring that payables and receivables are managed more skillfully. This can help maintain a healthy cash position and improve the current ratio.
- Cost optimization: The bank should evaluate its cost structure and look for methods to reduce wasteful expenditure or streamline operations in order to increase profitability, cash flow, and liability management.
- Diversification the Investment Portfolio: The bank should ensure investment portfolio is diversified to achieve a balance between risk and return. To reduce volatility and ensure steady returns, a range of asset types, such as equities, bonds, real estate, and alternative assets, can be employed. It should consider focusing on markets or sectors that are expected to grow steadily.

Conclusion:

To strengthen its financial position and long-term sustainability, the bank must prioritize efficient cash flow management, implement cost optimization strategies, and maintain a well-diversified investment portfolio. These measures will enhance profitability, mitigate risks, and ensure steady growth in an increasingly dynamic market environment.

References

1. Annual Report of Sonali Bank PLC (2019 – 2023)
2. Bakar, N.M.A. and Tahir, I.M., 2009. Using neural networks and multivariate linear regression to forecast bank performance. International Business Research, 2(4), p.176.
3. Elliott, G., and Duncan, E. (2004). Australian financial institutions' financial performance, customer service, and efficiency. International Journal of bank marketing, 22(5), p.319- 342.
4. Ho, C.T. and Zhu, D.S., 2004. Performance measurement of Taiwan's commercial banks. International Journal of Productivity and Performance Management, 53(5), p.425-434.
5. Kemal Avkiran, N. (1994). Creating a tool to gauge branch banks customer service excellence. Journal of International Bank Marketing, 12(6), pp. 10–18.
6. Presley, J.R., 1992. The problem of Risk management in banking in Oil-rich Gulf Economies. International Journal of bank marketing, 10(1), p.36-40. 53
7. Website of Sonali Bank PLC (https://www.sonalibank.com.bd/)

APPENDIX

Balance Sheet (2019-2023)

PROPERTIES	2023 Amount in BDT	2022 Amount in BDT	2021 Amount in BDT	2020 Amount in BDT	2019 Amount in BDT
PROPERTY & ASSETS					
Cash: 3(a)	45,813,797,732	53,978,820,551	111,509,085,159	111,509,085,159	45,263,115,221
Cash in hand (including foreign currencies)	8,536,769,465	11,832,602,526	111,509,085,159	5,670,670,494	5,647,909,621
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	37,277,028,267	42,146,218,025	111,509,085,159	105,838,414,665	39,615,205,600
Balance with Other Banks and Financial Institutions: 4(a)	62,865,001,360	50,267,096,330	111,509,085,159	58,524,275,251	69,638,979,186
In Bangladesh	53,681,985,200	42,081,313,234	111,509,085,159	47,735,148,741	60,725,747,554
Outside Bangladesh	9,183,016,160	8,185,783,096	111,509,085,159	10,789,126,510	8,913,231,632
Money at Call and Short Notice 5	11,040,000,000	2,810,000,000	111,509,085,159	23,190,000,000	530,000,000
Investments: 6(a)	398,776,718,343	225,186,842,447	111,509,085,159	305,447,148,009	208,827,238,424
Government	304,502,796,766	139,307,017,760	111,509,085,159	209,264,167,847	118,417,287,345
Others	94,273,921,577	85,879,824,687	111,509,085,159	96,182,980,162	90,409,951,079
Loans and Advances: 7(a).1	597,818,603,199	729,381,951,854	111,509,085,159	517,523,390,454	464,267,064,956

Loans, cash credit & overdraft etc.	591,916,243,705	725,624,952,911	111,509,085,159	513,384,715,467	459,622,675,721
Bills discounted and purchased	5,902,359,494	3,756,998,943	111,509,085,159	4,138,674,987	4,644,389,235
Fixed Assets including land, building, furniture and fixtures 8(a)	15,697,408,347	18,243,880,581	111,509,085,159	15,982,551,009	14,625,773,183
Other Assets 9(a)	65,839,731,385	69,496,572,920	111,509,085,159	62,899,175,960	52,898,266,701
Non-banking Assets 9.5	430,452,997	418,322,567	111,509,085,159	430,452,997	412,754,628
Total Assets	**1,198,281,713,363**	**1,149,783,487,250**	111,509,085,159	**1,095,506,078,839**	**856,463,192,299**
LIABILITIES & CAPITAL					
Borrowings from Other Banks, Financial Institutions and Agents 10(a)	11,472,877,232	27,565,166,846	8,912,797,205	7,577,489,475	11,587,700,882
Subordinated debt 10.5	4,400,000,000	3,600,000,000	5,800,000,000	5,800,000,000	7,000,000,000
Deposit and Other Accounts: 11(a)	1,008,698,268,851	930,770,571,948	920,636,228,156	921,971,535,886	692,194,999,019
Current deposits & other accounts	236,118,101,155	206,730,955,043	258,617,937,894	259,953,245,624	175,257,428,467
Bills payable	13,301,382,276	14,849,265,604	9,830,029,826	9,830,029,826	9,251,661,857
Savings bank deposits	267,448,580,822	276,417,725,623	234,881,742,035	234,881,742,035	203,618,624,785
Fixed deposits	491,830,204,598	432,772,625,678	417,306,518,401	417,306,518,401	304,067,283,910
Other	132,926,616,9	147,042,670,8	119,844,523,8	118,576,130,5	105,886,375,

Liabilities 12(a)	93	26	20	41	263
Total Liabilities	**1,157,497,763,076**	**1,108,978,409,620**	**1,055,193,549,181**	**1,053,925,155,902**	**816,669,075,164**
Capital/Shareholders' Equity					
Paid-up capital 13.2	20,722,940,400	20,722,940,400	20,722,940,400	20,722,940,400	20,722,940,400
Reserve:	21,381,515,452	21,446,190,809	21,032,767,076	21,653,502,139	21,021,420,751
Statutory reserve 14(a)	9,702,649,565	9,854,416,186	9,353,901,189	9,974,636,252	9,341,213,926
General reserve 15(a)	603,286,599	548,555,335	603,286,599	603,286,599	603,286,599
Risk fund 15.1(a)	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000
Asset revaluation reserve 16(a)	10,975,579,288	10,943,219,288	10,975,579,288	10,975,579,288	10,976,920,226
Revaluation & amortization reserve 17(a)	299,005,028	161,428,308	2,023,740,474	2,023,740,474	1,027,274,722
Retained surplus/(deficit) 18(a).2	-1,660,345,708	1525481887	-3,511,000,080	-2,863,341,864	-3,011,951,864
Foreign currency translation reserve 19	40,985,389	(Data needed)	44,078,101	44,078,101	34,430,737
Minority interest 20	3,689	(Data needed)	3,689	3,687	2,389
Total Shareholders' Equity	**41,583,466,232**	**40,805,077,630**	**40,312,529,464**	**41,580,922,937**	**39,794,117,135**
Total Liabilities and Shareholders' Equity	**1,198,281,713,363**	**1,149,783,487,250**	**1,095,506,078,839**	**1,095,506,078,839**	**856,463,192,299**

Income Statement (2019-2023)

Income Statement of Sonali Bank PLC					
Particulars	***2,019***	***2,020***	***2,021***	***2,022***	***2,023***
Operating Income					
Interest income	36,024,281	31,714,933	34,312,674	43,750,245	58,735,535
Interest paid on deposit & borrowing	- 40,084,176	- 41,917,359	- 43,697,085	- 41,097,510	- 52,764,542
Net interest income	- 4,059,894	- 10,202,426	- 9,384,411	2,652,735	5,970,993
Investment income	28,163,434	40,351,456	39,093,736	31,858,863	45,988,291
Commission, exchange and brokerage	11,785,474	12,488,534	13,389,344	16,897,382	17,457,824
other operating income	1,087,855	550,852	492,531	288,708	356,916
	41,036,763	53,390,842	52,975,612	49,044,954	63,803,031
Total operating income	36,976,869	43,188,417	43,591,200	51,697,690	69,774,024
Operating expense					
Salary and allowaances	14,055,971	14,508,321	15,146,575	20,139,674	22,247,412
Rent, tax, insurance	1,231,231	1,158,059	1,302,168	1,420,064	1,781,118
Legal expenses	41,762	36,768	149,139	88,804	84,377
postage, stamps	50,996	46,261	54,831	53,399	57,169
stationery, printings	199,160	164,967	176,441	204,729	244,793
Chief excutives salary and fees	9,276	14,164	14,377	20,931	24,740
directions fees	5,708	4,369	21,464	21,085	20,641
Auditors fees	5,960	6,552	42,207	46,744	37,279
Depreciation	582,371	795,406	826,668	1,082,948	1,033,779
other expenses	3,634,996	4,821,292	4,533,376	4,351,863	4,775,091
Total operting expense	19,817,431	21,556,159	22,267,246	27,430,244	30,306,399
profit/loss before provision	17,159,433	21,632,251	21,323,949	24,267,445	39,467,625
provision for loans and advances	9,377,420	11,919,329	6,110,627	9,228,977	18,578,320
provision for duminution of value In	1,087,688	- 884,216	- 632,860	1,275,456	542,123
other provisions	1,884,222	5,153,169	10,044,439	5,937,512	9,008,599
Total provisions	12,349,330	16,188,282	15,522,206	16,441,946	28,129,042
Profit/loss before taxes	4,810,101	5,443,969	5,801,742	7,825,498	11,338,579
provision for Taxation	2,066,089	2,123,135	19,995,786	3,743,716	3,864,074
Current tax	479,628	522,384	574,880	640,499	738,908
Deferred tax	1,586,461	1,600,750	1,420,906	3,103,216	3,125,165
Net profit/loss	2,744,011	3,320,834	3,805,955	4,081,782	7,474,505

Annual reports

Sonali Bank Limited and its Subsidiaries
Consolidated Balance Sheet
As at 31 December 2021

Particulars	Notes	2021 Taka	2020 Taka
PROPERTY AND ASSETS			
Cash			
Cash in Hand (Including Foreign Currencies)		7,856,537,591	7,428,996,911
Balance with Bangladesh Bank and its agent Bank(s) (Including Foreign Currencies)		69,801,130,063	83,801,297,347
	3.00	77,657,667,655	91,230,294,258
Balance with other Banks & Financial Institutions			
In Bangladesh		28,673,656,597	40,680,382,215
Outside Bangladesh		9,935,745,481	11,893,927,285
	4.00	38,609,402,078	52,574,309,500
Money at Call on Short Notice	5.00	9,267,059,326	9,031,300,000
Investments			
Government		614,398,995,875	550,695,158,356
Others		71,451,580,633	79,920,906,731
	6.00	685,850,576,508	630,616,065,087
Loans and Advances			
Loans, Cash Credit, Overdrafts etc.		675,898,197,556	574,511,908,573
Bills Purchased and Discounted		28,378,782,999	13,437,589,499
	7.00	704,276,980,555	587,949,498,072
Fixed Asset including Premises, Furniture and Fixture	8.00	34,013,939,878	33,892,536,141
Other Assets	9.00	164,797,775,477	187,114,867,441
Non-Banking Assets	10.00	-	-
Total Assets		1,714,473,401,477	1,592,408,870,500
LIABILITIES AND CAPITAL			
Liabilities			
Borrowing from other Banks, Financial Institutions & Agents	11.00	2,951,166,478	562,665,859
Deposits and Other Accounts			
Current Accounts & Other Accounts etc.		231,074,841,683	242,819,548,854
Bills Payable		12,814,684,803	11,043,066,246
Savings Bank Deposits		528,620,042,413	451,471,060,424
Fixed Deposits		577,891,093,980	553,247,976,484
Other Deposits		97,505,675	11,888,727
	12.00	1,350,498,168,555	1,258,593,540,735
Other Liabilities	13.00	280,016,928,802	247,644,721,131
Total Liabilities		1,633,466,263,835	1,506,800,927,726
Shareholders' Equity			
Paid-up Capital	14.00	45,300,000,000	45,300,000,000
Statutory Reserve	15.00	14,547,096,640	13,469,002,429
Other Reserve	16.00	261,888,441	165,713,816
Revaluation Reserve	17.00	24,082,604,301	36,328,464,917
Non-Controlling Interest		3,692,200,485	-

Sonali Bank PLC and its Subsidiaries
Consolidated Balance Sheet
As at 31 December 2023

Particulars	Notes	2023 Taka	2022 Taka
PROPERTY AND ASSETS	3.00		
Cash			
Cash in Hand (Including Foreign Currencies)		10,010,552,936	9,961,709,956
Balance with Bangladesh Bank and its agent Bank(s) (Including Foreign Currencies)		102,942,238,504	80,274,430,747
		112,952,791,440	**90,236,140,703**
Balance with other Banks & Financial Institutions	4.00		
In Bangladesh		33,772,238,662	32,500,902,190
Outside Bangladesh		8,134,251,730	6,045,912,778
		41,906,490,392	**38,546,814,968**
Money at Call on Short Notice	5.00	**18,294,193,123**	**3,255,092,645**
Investments	6.00		
Government		571,733,542,209	555,029,815,556
Others		54,610,633,498	61,965,820,412
		626,344,175,707	**616,995,635,968**
Loans and Advances	7.00		
Loans, Cash Credit, Overdrafts etc.		998,831,882,668	838,709,996,747
Bills Purchased and Discounted		25,162,590,594	27,328,197,325
		1,023,994,473,262	**866,038,194,071**
Fixed Asset including Premises, Furniture and Fixture	8.00	**34,646,379,478**	**34,126,975,047**
Other Assets	9.00	**133,285,682,602**	**152,216,603,703**
Non-Banking Assets	10.00	**42,765,706**	**41,038,796**
Total Assets		**1,991,466,951,710**	**1,801,456,575,981**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowing from other Banks, Financial Institutions & Agents	11.00	**19,492,226,397**	**5,706,268,165**
Deposits and Other Accounts	12.00		
Current Accounts and Other Accounts		249,444,001,634	244,134,571,996
Bills Payable		13,549,022,870	14,817,246,120
Savings Bank Deposits		636,606,889,386	587,362,193,073
Fixed Deposits		606,332,995,685	573,800,970,173
Other Deposits		130,446,594	100,133,935
		1,506,063,356,169	**1,420,215,115,296**
Other Liabilities	13.00	**372,932,637,077**	**289,153,600,579**
Total Liabilities		**1,898,488,219,643**	**1,715,074,984,041**
Shareholders' Equity			
Paid-up Capital	14.00	45,300,000,000	45,300,000,000
Statutory Reserve	15.00	18,093,248,941	16,022,482,465
Other Reserve	16.00	1,054,964,212	250,132,274
Revaluation Reserve	17.00	23,696,386,963	24,895,027,235
Surplus in Profit and Loss Account/Retained Earnings	18.00	(168,724,906)	(4,264,333,102)
Non-Controlling Interest	18.(a)	5,002,856,856	4,178,283,068
		92,978,732,067	**86,381,591,939**
Total Liabilities and Shareholders' Equity		**1,991,466,951,710**	**1,801,45[illegible]**

10

Dhaka

Sonali Bank Limited and its Subsidiaries
Consolidated Profit and Loss Account
For the year ended 31 December 2020

Particulars	Notes	2020 Taka	2019 Taka
Operating Income			
Interest income	21.00	31,714,933,522	36,024,281,699
Interest paid on deposit and borrowing etc.	22.00	(41,917,359,748)	(40,084,176,039)
Net Interest Income		**(10,202,426,226)**	**(4,059,894,340)**
Investment income	23.00	40,351,456,620	28,163,434,077
Commission, exchange and brokerage	24.00	12,488,534,651	11,785,474,559
Other operating income	25.00	550,852,048	1,087,855,608
		53,390,843,318	**41,036,764,243**
Total Operating Income (A)		**43,188,417,093**	**36,976,869,903**
Operating Expenses			
Salary and allowances	26.00	14,508,321,704	14,055,971,485
Rent, tax, insurance, electricity etc.	27.00	1,158,059,570	1,231,231,610
Legal expenses	28.00	36,768,592	41,762,074
Postage, stamps and telecommunication etc.	29.00	46,261,924	50,996,941
Printings, stationery, advertisements etc.	30.00	164,967,821	199,160,939
Chief Executive's salary and fees	31.00	14,164,947	9,276,394
Directors' fees	32.00	4,369,200	5,708,193
Auditors' fees	33.00	6,552,495	5,960,538
Depreciation & repair to bank's assets	34.00	795,406,035	582,371,872
Other expenses	35.00	4,821,292,878	3,634,996,816
Total Operating Expenses (B)		**21,556,165,165**	**19,817,436,861**
Profit Before Provision, Amortization and Taxes C=(A-B)		**21,632,251,928**	**17,159,433,042**
Provision for loans & advances	36.00	11,919,329,137	9,377,420,114
Provision for diminution in value of investment	37.00	(884,216,807)	1,087,688,842
Other Provision	38.00	5,153,169,873	1,884,222,185
Total Provision (D)		**16,188,282,202**	**12,349,331,141**
Total Profit/(Loss) before Taxes E =(C-D)		**5,443,969,725**	**4,810,101,902**
Provision for Taxation (F)		**2,123,135,048**	**2,066,089,971**
Current tax	13.06	522,384,698	479,628,131
Deferred tax	9.08.01	1,600,750,351	1,586,461,840
Net Profit/(Loss) after Tax G=(E-F)		**3,320,834,677**	**2,744,011,931**

Consolidated Balance Sheet
As at 31 December 2020

Particulars	Notes	2020 Taka	2019 Taka
PROPERTY AND ASSETS			
Cash			
Cash in Hand (Including Foreign Currencies)		7,428,996,911	7,815,153,994
Balance with Bangladesh Bank and its agent Bank(s) (Including Foreign Currencies)		83,801,297,347	101,072,999,337
	3.00	**91,230,294,258**	**108,888,153,331**
Balance with other Banks & Financial Institutions			
In Bangladesh		40,680,382,215	78,207,701,186
Outside Bangladesh		11,893,927,285	9,111,386,179
	4.00	**52,574,309,500**	**87,319,087,365**
Money at Call on Short Notice	5.00	**9,031,300,000**	**16,274,409,000**
Investments			
Government		550,695,158,356	426,936,594,330
Others		79,930,521,522	73,897,736,558
	6.00	**630,625,679,878**	**500,834,330,888**
Loans and Advances			
Loans, Cash Credit, Overdrafts etc.		574,511,908,573	540,146,606,603
Bills Purchased and Discounted		13,437,589,499	12,981,839,923
	7.00	**587,949,498,072**	**553,128,446,526**
Fixed Asset including Premises, Furniture and Fixture	8.00	**33,092,536,141**	**33,467,819,402**
Other Assets	9.00	**187,105,252,651**	**173,571,702,143**
Non-Banking Assets	10.00	-	-
Total Assets		**1,592,408,870,500**	**1,473,483,948,655**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowing from other Banks, Financial Institutions & Agents	11.00	**562,665,859**	**604,175,183**
Deposits and Other Accounts			
Current Accounts & Other Accounts etc.		242,819,548,854	242,142,019,430
Bills Payable		11,043,066,246	10,909,899,482
Savings Bank Deposits		451,471,060,424	387,366,063,760
Fixed Deposits		553,247,976,484	518,225,712,555
Other Deposits		11,888,727	-
	12.00	**1,258,593,540,735**	**1,158,643,695,226**
Other Liabilities	13.00	**247,644,721,131**	**246,137,533,500**
Total Liabilities		**1,506,800,927,726**	**1,405,385,403,910**
Shareholders' Equity			
Paid up Capital	14.00	45,300,000,000	45,300,000,000
Statutory Reserve	15.00	13,469,002,429	12,400,572,516
Other Reserve	16.00	165,713,816	119,378,090
Revaluation Reserve	17.00	36,328,464,917	22,121,180,839
Surplus in Profit and Loss Account/Retained Earnings	18.00	(9,655,238,388)	(11,842,586,699)
		85,607,942,774	**68,098,544,745**
Total Liabilities and Shareholders' Equity		**1,592,408,870,500**	**1,473,483,948,655**

Sonali Bank PLC and its Subsidiaries
Consolidated Profit and Loss Account
For the year ended 31 December 2023

Particulars	Notes	2023 Taka	2022 Taka
Operating Income			
Interest income	21.00	58,735,535,906	43,750,245,779
Interest paid on deposit and borrowing etc.	22.00	(52,764,542,441)	(41,097,510,586)
Net Interest Income		**5,970,993,465**	**2,652,735,193**
Investment income	23.00	45,988,291,568	31,858,863,305
Commission, exchange and brokerage	24.00	17,457,824,470	16,897,382,947
Other operating income	25.00	356,916,177	288,708,596
		63,803,032,215	**49,044,954,848**
Total Operating Income (A)		**69,774,025,681**	**51,697,690,041**
Operating Expenses			
Salary and allowances	26.00	22,247,412,008	20,139,674,077
Rent, tax, insurance, electricity etc.	27.00	1,781,118,799	1,420,064,702
Legal expenses	28.00	84,377,116	88,804,100
Postage, stamps and telecommunication etc.	29.00	57,169,243	53,399,578
Stationery, printings, advertisements etc.	30.00	244,793,575	204,729,342
Chief Executive's salary and fees	31.00	24,740,155	20,931,298
Directors' fees	32.00	20,641,680	21,085,609
Auditors' fees	33.00	37,279,831	46,744,291
Depreciation and repair of bank's assets	34.00	1,033,779,349	1,082,948,619
Other expenses	35.00	4,775,091,795	4,351,863,105
Total Operating Expenses (B)		**30,306,403,551**	**27,430,244,721**
Profit/Loss before Provision (C=A-B)		**39,467,622,130**	**24,267,445,320**
Provision for loans & advances	36.00	18,578,320,093	9,228,977,909
Provision for diminution in value of investment	37.00	542,123,016	1,275,456,080
Other Provisions	38.00	9,008,599,030	5,937,512,402
Total Provision (D)		**28,129,042,139**	**16,441,946,391**
Total Profit/(Loss) before Taxes (E =C-D)		**11,338,579,991**	**7,825,498,929**
Provision for Taxation (F)		**3,864,074,311**	**3,743,716,569**
Current tax	13.06	738,908,903	640,499,609
Deferred tax	9.08.01	3,125,165,408	3,103,216,960
Net Profit after Taxation (G=E-F)		**7,474,505,680**	**4,081,782,360**

Sonali Bank Limited and its Subsidiaries

Consolidated Profit and Loss Account

For the year ended 31 December 2021

Particulars	Notes	2021 Taka	2020 Taka
Operating Income			
Interest income	21.00	34,312,674,100	32,008,439,984
Interest paid on deposit and borrowing etc.	22.00	(43,697,085,916)	(41,917,359,748)
Net Interest Income		**(9,384,411,816)**	**(9,908,919,764)**
Investment income	23.00	39,093,736,978	40,057,950,158
Commission, exchange and brokerage	24.00	13,389,344,647	12,488,534,651
Other operating income	25.00	492,531,100	550,852,048
		52,975,612,725	**53,097,336,857**
Total Operating Income (A)		**43,591,200,909**	**43,188,417,092**
Operating Expenses			
Salary and allowances	26.00	15,146,575,924	14,508,321,704
Rent, tax, insurance, electricity etc.	27.00	1,302,168,310	1,158,059,570
Legal expenses	28.00	149,139,354	36,768,592
Postage, stamps and telecommunication etc.	29.00	54,831,589	46,261,924
Printings, stationery, advertisements etc.	30.00	176,441,844	164,967,821
Chief Executive's salary and fees	31.00	14,377,350	14,164,947
Directors' fees	32.00	21,464,755	4,369,200
Auditors' fees	33.00	42,207,854	6,552,495
Depreciation & repair of bank's assets	34.00	826,668,845	795,406,035
Other expenses	35.00	4,533,376,080	4,821,292,878
Total Operating Expenses (B)		**22,267,251,905**	**21,556,165,165**
Profit Before Provision, Amortization and Taxes C=(A-B)		**21,323,949,004**	**21,632,251,927**
Provision for loans & advances	36.00	6,110,627,970	11,919,329,137
Provision for diminution in value of investment	37.00	(632,860,461)	(884,216,807)
Other Provision	38.00	10,044,439,275	5,153,169,873
Total Provision (D)		**15,522,206,784**	**16,188,282,202**
Total Profit/(Loss) before Taxes E =(C-D)		**5,801,742,221**	**5,443,969,725**
Provision for Taxation (F)		**1,995,786,945**	**2,123,135,049**
Current tax	13.06	574,880,590	522,384,698
Deferred tax	9.08.01	1,420,906,356	1,600,750,351
Net Profit/(Loss) after Tax G=(E-F)		**3,805,955,276**	**3,320,834,677**

Internship Report On “Financial Performance Analysis of Sonali Bank PLC”

ORIGINALITY REPORT

22%	19%	2%	13%
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS

PRIMARY SOURCES

1	www.coursehero.com Internet Source	3%
2	islamicmarkets.com Internet Source	2%
3	www.sonalibank.com.bd Internet Source	2%
4	dspace.daffodilvarsity.edu.bd:8080 Internet Source	1%
5	Submitted to Daffodil International University Student Paper	1%
6	assignmentpoint.com Internet Source	1%
7	www.slideshare.net Internet Source	1%
8	www.studymode.com Internet Source	1%
9	www.assignmentpoint.com Internet Source	1%

10	dspace.uiu.ac.bd Internet Source	1 %
11	Submitted to University of Dhaka Student Paper	1 %
12	suspace.su.edu.bd Internet Source	<1 %
13	Submitted to Higher Education Commission Pakistan Student Paper	<1 %
14	Submitted to Jose Rizal Memorial State University - Main Student Paper	<1 %
15	Submitted to Troy University Student Paper	<1 %
16	Submitted to Bangladesh University of Professionals Student Paper	<1 %
17	Submitted to George Bush High School Student Paper	<1 %
18	issuu.com Internet Source	<1 %
19	abbl.com Internet Source	<1 %
20	banksinfobd.com Internet Source	<1 %

21	www.researchgate.net Internet Source	<1%
22	pdfcoffee.com Internet Source	<1%
23	uttarafinance.com Internet Source	<1%
24	Submitted to United International University Student Paper	<1%
25	www.cliffsnotes.com Internet Source	<1%
26	www.ilomata.org Internet Source	<1%
27	www.businesstudynotes.com Internet Source	<1%
28	www.iproject.com.ng Internet Source	<1%
29	Submitted to Independent University Bangladesh Student Paper	<1%
30	Submitted to North South University Student Paper	<1%
31	www.secbd.org Internet Source	<1%
32	www.thewomenachiever.com Internet Source	

<1%

33	elibrary.tucl.edu.np	Internet Source	<1%
34	12.realinfo.tv	Internet Source	<1%
35	docs.google.com	Internet Source	<1%
36	docshare.tips	Internet Source	<1%
37	eeslindia.org	Internet Source	<1%

Exclude quotes	Off	Exclude matches	Off
Exclude bibliography	Off		