

Internship Report

on

“Financial Performance Analysis of Bangladesh Krishi Bank”





বাংলাদেশ কৃষি ব্যাংক
Bangladesh Krishi Bank
গ্রামবাংলার গণমানুষের ব্যাংক



Internship Report

on

“Financial Performance Analysis of Bangladesh Krishi Bank”

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Date of Submission: 30-01-2019



Letter of Transmittal

Date: 30-01-2019

Md. Arif Hassan

Assistant Professor

Department of Business Administration

Daffodil International University, Bangladesh.

Subject: Submission of Internship Report on “Financial Performance Analysis of Bangladesh Krishi Bank”

Dear Sir,

With due respect, I would like to inform you that it is a great pleasure for me to submit the report on “**Financial Performance Analysis of Bangladesh Krishi Bank**” as a mandatory requirement for MBA (Internship) program. While conducting the working report, I have gathered extensive knowledge on banking activities of Bangladesh Krishi Bank. Despite various constraints, I have finished this report at my best effort given. It would be a great honor for me if you would add your opinions and suggestions for the future.

Thank you once again for supervising me during this difficult transitional time of my career.

Sincerely yours;

..... Zannat

Kazi Zannatun Nessa

ID. 172-14-2393

Major. Finance,

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Daffodil International University.



Certificate of Approval

I am pleased to certify that the Internship report on **Financial Performance Analysis of Bangladesh Krishi Bank**, A Study on Kawran Bazar Corporate Branch, Dhaka conducted by Kazi Zannatun Nessa bearing ID No. 172-14-2393 of MBA Program, Department of Business Administration has been approved for presentation and defense. Kazi Zannatun Nessa worked with Bangladesh Krishi Bank, Kawran Bazar Corporate Branch, Dhaka as an intern under my supervision.

Kazi Zannatun Nessa bears a strong moral character and a very pleasing personality. It has indeed been a great pleasure working with him. I wish his all success in life.

.....

Md. Arif Hassan

Assistant Professor

Department of Business Administration,

Faculty of Business & Entrepreneurship,

Daffodil International University.



Acknowledgement

It gives me immense pleasure to thank a large number of individuals for their cordial cooperation and encouragement who have contributed directly or indirectly in preparing this report.

Firstly, I express my gratefulness to Almighty Allah who has enabled me to pursue my study.

I convey my gratitude to my honorable supervisor Md. Arif Hassan, Assistant Professor, Department of Business Administration Faculty of Business & Economics Daffodil International University, for his guidance and cooperation, which helps me immensely to prepare this report.

I am very much grateful to all the managers and the executives of Bangladesh Krishi Bank, who extended their wholehearted cooperation during my survey period. They are as good as anyone could hope for.

My chore also benefited greatly from many enlightening discussion of a number of professionals in Bangladesh Krishi Bank. And last but not the least; I would like to thank all other wonderful personnel working in Bangladesh Krishi Bank.

Special recognitions are due to those friends and classmates who provided their individual assistance and advice.

Again I am grateful for all the contribution and many others unknown to us, but remain responsible where I failed to heed their advice.

Finally, I would like to convey my gratitude to my Parents. Without their contribution it would not be possible for me to complete the three months internship.

.



Executive Summary

Bangladesh Krishi Bank is one of the leading and largest local banks in Bangladesh. BKB's mission is to achieve business excellence through quality by understanding, accepting, meeting and exceeding customer expectations.

This report has organized in five chapters. In this report introduction part has been discussed in chapter one. Introduction of the study, origin, objective, methodology and limitations of the study are discussed in chapter one.

In the second chapter overview of BKB has been discussed. This chapter contains BKB's background, mission, vision, values, products services and business.

Third chapter includes theoretical knowledge, financial tools, measurement techniques and the application of financial performance as like discussed about trend analysis, Common size statement and ratio analysis.

Fourth chapter is very significant part of the report, which comprises financial performance analysis. It includes the performance of trend analysis (Net interest income, operating expenditure, Net profit after tax, total assets, total liabilities and Owner's equity), Common size statement and ratio analysis (Liquidity, Activity, Debt, Profitability). From the analysis the result is quite satisfactory. And made some findings based on analysis.

Finally in the last or five chapters some suggestions provide for improvement in financial performance. And over all conclusions is given in this chapter.



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CHAPTER - 1

Introduction



1.1 Introduction:

Bank is the most critical money related foundation in the economy area in each nation. The monetary advancement of a nation relies upon the enhancement of keeping money area. The present current banks are giving customary managing an account benefits as well as augmenting numerous money related administrations. A managing an account organization is basic in an advanced society. It assumes a crucial job in the monetary improvement of a nation and structures the center at the currency showcase in any nation. Bangladesh Krishi Bank is a main and exceptional business bank in the field of keeping money business. To all goals and purposes its own time conveyed administration to the clients as interest is extensively superior to other bank. By mean of everyday client are expanding. The clients are being BKB educated worried about its contemporary and up to the moment contributed items effectively. It likewise feel that result of administrations conveys repletion to a bank and trusts that successful client care reinforces. The item information into clients minds all the more emphatically and definitely.

An organization's fiscal reports give different monetary data that speculators and loan bosses use to assess an organization's money related execution. Fiscal reports are likewise imperative to an organization's directors on the grounds that by distributing budget summaries, the executives can speak with intrigued outside gatherings about its achievement running the organization. Diverse fiscal summaries center around various zones of money related exhibitions.

In this report the budgetary exhibitions of BKB have been investigated by utilizing the assistance of some money related instruments and systems as like pattern examination, regular size pay articulation and proportion investigation.

1.2 Origin of the report:

As a feature of the Internship program of Masters' of Business Administration course prerequisite, I was appointed for doing my temporary position in Bangladesh Krishi Bank. The entry level position administrator, Md. Arif Hassan (Assistant Professor), Faculty of Business and Economics, Daffodil International University and Md. Shariat Hossain (Deputy General Manager), Bangla Krishi Bank, Kawran Bazar, corporate branch was picked "Budgetary execution Analysis of Bangladesh Krishi Bank" as a subject of this report. The aim of temporary



job program was to offer a chance to the understudies to increase some genuine experience by working in a functional domain.

1.3 Objectives of the report:

The primary goal of the report is to examine the budgetary execution of Bangladesh Krishi Bank Limited (BKB).

There are some particular goals that are given underneath:

- To accumulate the learning about the budgetary execution apparatuses to break down the monetary execution of BKB;
- To assess the bank's financial effectiveness and weakness through using different financial tools;
- To find out some lacking, short comings related to financial issues.
- To provide some suggestion based on findings.

1.4 Scope of the report:

The examination gives a ton of learning about money related exhibitions of Bangladesh Krishi Bank. As I was working with the yearly reports of Bangladesh Krishi Bank, I motivated the chance to learn diverse parts of fiscal summaries. It comprises of my perceptions and hands on encounters amid the temporary position time frame. This report fuses the monetary status and distinctive parts of proportion investigation of the organization.

1.5 Methodology of the report:

This report is made dependent on my hypothetical and viable learning and as venture report. "Bangladesh Krishi Bank" is one of the notable government business bank in Bangladesh. Its open revealing framework is apparent. Information are all around overseen. This game plan is legitimate that helps simple use of expository instrument.

➤ Study Design:

This report is descriptive in nature and so was conduct using assessment of different historical data along with other sources.



➤ **Sources of Data:**

In preparing this report both primary data and secondary data source of information have been used.

❖ **Primary Sources:**

- Face to Face conversation with respective officer of the branch.
- Personal observation.

❖ **Secondary Sources:**

- Annual report of Bangladesh Krishi Bank.
- Official website of Bangladesh Krishi Bank.
- Books, journals, research paper have been used for the study purpose.
- Files and documents of the branch.
- Manuals of Bangladesh Krishi Bank.

1.6 Limitation of the report:

- Time is a major imperative for my examination. I needed to do my everyday activity obligations. Subsequently, I had less time to spend on the report.
- Insufficient information is the primary limitation in getting ready of the report.
- Lack of involvement in temporary position report composing.
- Insufficient Records and productions have been another impediment in planning of the report.
- This report did exclude all the money related proportions to discover the genuine budgetary position of Bangladesh Krishi Bank.



CHAPTER – 2

Organizational Part

2.1 History of Bangladesh Krishi Bank:



The Agricultural Development Finance Corporation built up by the Government of Pakistan in 1952, began working from the center of 1953. Therefore the Government of Pakistan, set up Agricultural Bank of Pakistan in 1957, which began its task from mid-1958. These two state-possessed credit foundations were converged in February, 1961 and wound up Agricultural Development Bank of Pakistan.

On December 16, 1971, the Agricultural Development Bank of Pakistan wound up Agricultural Development Bank of Bangladesh and, in this manner, re-named as Bangladesh Krishi Bank.

Bangladesh Krishi Bank (BKB) is a state-claimed keeping money foundation. The Board of Directors of the Bank designated by the Government of the People's Republic of Bangladesh comprises of a Chairman and ten Directors comprising of eight authorities including the Managing Director and tow non-authorities. The Bank's approach is detailed by the Board of Directors. There is a three part Executive Committee made out of the Chairman, the Managing Director and a Director. The Executive Committee manages any issue inside the fitness of the Board of Directors.

The Primary target of BKB is to give credit offices to the ranchers for the advancement of farming and to business visionaries occupied with improvement of agro-based and bungalow ventures. About 85% of the aggregate populace of Bangladesh depends specifically or by implication on horticulture contributing essentially to GDP. The Bank is guided as per the strategies and standards of the Government of the People's Republic of Bangladesh. The bank began business working since 1977 with the target of creating increasingly loanable reserve from the inactive provincial and urban funds and contributing them for the improvement of the economy.

2.2 Mission:

Other than achieving managing an account office to the general population's doorsteps, giving agrarian, SME and agro based modern advances for accomplishing independence in sustenance generation and end of destitution.

2.3 Vision:



Giving advance offices to accomplishing independence in nourishment generation and reinforcing rustic economy.

BKB gets ready yearly work plan with a dream to achieve independence in sustenance through improvement of farming, delivering import substitute agro items, taking care of the developing requests for horticultural credit, and recognizing suitable regions for rural advancement undertakings to accomplish practical development in the part.

2.4 Core Objectives of Bangladesh Krishi Bank:

For appropriate usage of horticultural credit, Bangladesh Krishi Bank is the best national foundation. For the improvement of rustic zones, this Bank works for by and large advancement and picking up reliance in nourishment creation. The lot of farming advance is dispersed through this bank. In spite of the fact that it is a specific Bank in agrarian part, it capacities like all other business banks. The fundamental destinations are as per the following:

- To give modified administrations and keeps up agreeable financier customer relationship.
- To contribute towards arrangement capital, development of reserve funds and interest in exchange, business and modern parts.
- To stay a standout amongst the best banks in Bangladesh as far as productivity and resources quality.
- To guarantee a satisfactory rate of quantifiable profit.

2.5 Goals of Bangladesh Krishi Bank:

- ❖ Develop appropriate lending risk assessment system.
- ❖ Develop capital plan.
- ❖ Develop a system to make good advances.
- ❖ Develop a recruitment, compensation training and orientation plan.
- ❖ Develop a plan for offering better customers service.

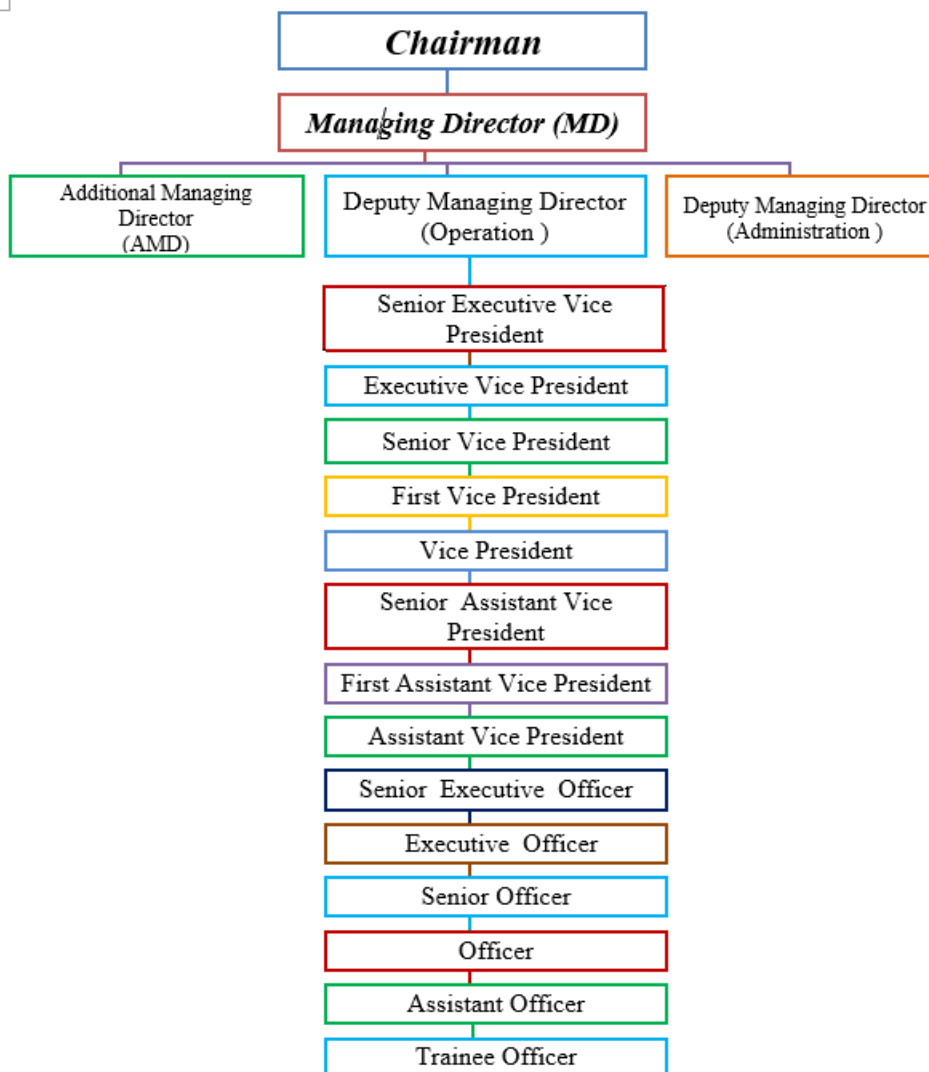


2.6 The Board of Directors:

SI. No.	Name of the Directors	Designation
01.	Mohammad Ismail	Chairman
02.	Md. Ali Hossain Prodhania	Managing Director
03.	Mohammad Shafiqul Azam	Director
04.	Muhammad Maududur Rashid Safdar	Director
05.	Md. Saiful Islam	Director
06.	Md. Nasir Uddin Ahmed	Director
07.	Dr A K M Munirul Haque	Director
08.	Md. Fashiar Rahman	Director
09.	Syed Kamruzzaman (Mahbub)	Director
10.	A. K. M Amirul Monjur	Secretary



2.7 Organizational Structure of Bangladesh Krishi Bank:



2.8 Strategies of Bangladesh Krishi Bank:

- To regulate and work the bank in the best method to enhance money related execution and to control cost of store.
- To gain ground toward customer unwaveringness through quality control and conveyance of auspicious administration.



- To perceive customers credit and other keeping cash needs and screen their acknowledgment towards our execution in meeting those composition.
- To study and invigorate gives and practices those palatable resources so customers need can be reasonably tended to.
- To advance legitimate sufficiency by direct passing on association structures, polices, practices and frameworks to laborers in an advantageous way.

2.9 Products of Bangladesh Krishi Bank:

In spite of the fact that the focal consideration of BKB is Agriculture, it doesn't forsake different fields of economy by any means. Every one of the organizations of the bank might be characterized as pursue:

- ⇒ Corporate Financing
- ⇒ Credit Program
- ⇒ Deposit Scheme
- ⇒ International Banking
- ⇒ Loan Services of BKB
- ⇒ Poverty Alleviation
- ⇒ Microcredit Program
- ⇒ Corporate Financing

2.10 Services of Bangladesh Krishi Bank:

Online Banking Service (CBS):

Center Banking Solution (CBS) is networking of branches, which empowers Customers to work their records, and profit keeping money administrations from any part of BKB on CBS arrange, paying little mind to where client looks after record. The brought together server in Data Center stores all the static and money related information of clients rather than the branch server. The



client is no more the client of a Branch; turns into the Bank's Customer. Directly Bangladesh Krishi Bank is giving Online Banking Services through its 356 online branches.

Key features of CBS:

- Real time Centralized Management.
- Any branch Withdrawal and Deposit facility through Online channel.
- Transaction Notification System.
- 24/7 banking through ATM Service.
- NPSB facilities.
- RTGS facilities.

ATM Service:

Bangladesh Krishi Bank has built up 06 ATM corners of its own and keeping up a solid Q-Cash ATM organize everywhere throughout the nation to improve the plastic installment card framework. BKB is dynamic individual from NPSB (National Payment System of Bangladesh) since 2015. At present BKB has presented Debit Card office.

Schedule of charges:

ATM Card Transaction Charges: ATM Card Issuance & Maintenance Charges:

Withdrawal Amount Tk. Card Issue Charge Tk.500/-

Own ATM No Charge Renewal Charge Tk.500/-

Q-Cash ATM Tk.10+Vat Duplicate Card Issue Charge Tk.300/-

NPSB Tk. 22.50 (Customer Tk.15+ Bank Tk.7.50). Duplicate Pin Issue Charge Tk.150/-

User can change password twice a day and can withdraw maximum Tk.20,000/- per day (Maximum 4times) with his/her debit card.



CHAPTER - 3

Financial Performance Analysis



3.1 What is performance?

The results of an organization's or investment's activities over a certain period of time.

(Investorsword.com)

The performance of a given task is measured according to the known pre-established standards of accuracy, integrity, cost and speed. In a contract, the service is considered the fulfillment of an obligation, in such a way as to release the executor of all the liabilities provided for by the contract,

(Business dictionary.com)

3.2 What is Financial Performance?

"Performance" originates from "parfourmen", which signifies "to do", "to perform" or "to do." It alludes to the demonstration of execution, execution, execution, similarity, and so forth. In the feeling of the limit, the exhibitions elude the satisfaction of a given errand, contrasted with pre-set up measures of accuracy, uprightness, expenses and speed.

3.3 Financial Performance Analysis

The examination of budgetary execution is the path toward recognizing the association's money related qualities and monetary shortcomings for property that sets up the association between the parts of the asset report and the benefit and misfortune account. It similarly helps in short and long estimates and improvement can be identified with the help of fiscal execution examination.

The significance of the word reference of 'examination' is to comprehend or seclude a thing in its segment or fragment parts to pursue its relationship with things all things considered and with each other. The spending examination is a technique of evaluating the association between the parts of the financial answer to gain a predominant understanding of the association's position and execution. This examination can be performed by the association the board or by social affairs not related with owners, loan specialists, and theorists.



3.4 Tools of Financial Performance Analysis:

Money related investigation devices are a standout amongst the most productive ways that can be utilized for guaranteeing great benefit from ventures. These monetary examination devices are profoundly useful in assessing the market and putting resources into a path to amplify the benefit from the speculation made. These money related examination apparatuses are valuable for interpreting both inner and outer data identified with an explicit business association. The examination and elucidation of budget summary is utilized to decide the budgetary position and consequences of activity too. The following are the tools that are used for analyzing the financial performance of the organization

- Horizontal Analysis
- Vertical or Common Size Analysis
- Ratio Analysis.

These three tools are discussed below:

1. Horizontal Analysis (Trend Analysis):

A company's financial statements for a single accounting period can reveal important information about its performance and financial health. We can compare financial statements for more than one period by using Horizontal Analysis. Horizontal analysis, also called "trend analysis," is used to discover trends in the earnings, assets and liabilities of a company over the course of several years. With horizontal analysis, we compare the amount changes of each item in a financial statement for two consecutive periods. In this horizontal analysis of the financial statement, here all the particulars from the 2012 to 2016 have shown by the amount, increase or decrease in the amount.

2. Common Size Statements:

The common-size statement is a financial statement that expresses all items as a percentage of total revenues, so it's simple to compare and analyze companies within an industry. The common-size income statement is generally used in financial statement analysis to compare companies that operate in the same or different industries or to compare time periods of the



same firm. We can simply say that, Common size statement is an income statement in which each account is expressed as a percentage of the value of sales. It is a famous tool to compare the financial statement of a company.

3. Financial Ratio Analysis:

Financial ratio analysis is a tool for investigating and comparing relationships between different pieces of financial information. Any company can use information from their company's income statement and balance sheet to calculate financial ratios. Ratio analysis is used to evaluate various aspects of a company's operating and financial performance such as its efficiency, liquidity, profitability and solvency. There are different kinds of ratio. The ratios are given below with explanation:

Categories of Financial Ratios:

The important categories of financial ratios for banks are:

- Liquidity Ratio,
- Profitability Ratio,
- Solvency Ratio,
- Activity Ratio,
- Market Ratios,
- Risk Ratios,
- Time interest earned ratio.

This extent exhibits the proportion of in general gain returned as a dimension of hard and fast stores. Benefit for store assesses an association's efficiency by revealing how much advantage an association makes with the money savers have kept in the bank. It shows an affiliation's adequacy in applying stores (liabilities) to win advantage.

A. Liquidity Ratio:

The liquidity of a firm is estimated by its capacity to fulfill its momentary out of this world due. Liquidity alludes to the indissolubility of the company's generally money related position—the straightforwardness with which it can pay its bills. Since a typical forerunner to budgetary



misery and insolvency is low or declining liquidity, these proportions are seen as great driving markers of income issues.

The basic measures of liquidity are:

- i. **Current Ratio:** The current ratio is a financial proportion that demonstrates the extent of current resources for current liabilities. The present proportion is utilized as a marker of an organization's liquidity. As it were, a lot of current resources in relationship to a little measure of current liabilities gives some affirmation that the commitments coming due will be paid. The perfect current proportion is 2:1. It is communicated as pursues:

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

- ii. **Net Working Capital Ratio:** The working capital ratio (Current Assets/Current Liabilities) shows whether an organization has enough momentary resources for cover it sort term obligation.

$$\text{Working Capital} = \text{Current Assets} - \text{Current Liabilities}$$

$$\text{Net Working Capital Ratio} = \frac{\text{Networking capital}}{\text{Net Assets}}$$

B. Profitability Ratio:

The Profitability Ratio measure the general execution of the organization regarding the complete income created from its activities. As it were, the proportions that measure the limit of a firm to create benefits out of the costs and the other expense acquired over a period are known as the Profitability Ratios. There are diverse kinds of Profitability Ratios. These are given:

- i. **Return on Asset (ROA):**

The return on assets ratio estimates the overall gain delivered by all out resources amid a period. At the end of the day, ROA measures how effectively an organization can deal with their advantages for produce livelihoods amid a period.

$$\text{Return on Asset (ROA)} = (\text{Net Profit after Tax} / \text{Total Assets}) \times 100$$



ii. Return on Equity (ROE):

Return on Equity (ROE) is calculated as:

$$\text{Return on Equity} = (\text{Net Profit after Tax} / \text{Total Equity Capital}) \times 100$$

C. Solvency Ratio:

There are different types of solvency ratio and these are:

i. Debt to Equity Ratio:

Debt to Equity ratio is calculated as:

$$\text{Debt to Equity Ratio} = \text{Total Liabilities} / \text{Total Equity}$$

ii. Total Debt to Total Asset Ratio:

Total debt to total assets is calculated as:

$$\text{Total Debt to Total Asset Ratio} = \text{Total Liabilities} / \text{Total Assets}$$

D. Activity Ratio:

Under activity ratio there are many ratios which are important for bank and one of them is **total assets turnover ratio**.

$$\text{Total Asset Turnover Ratio} = \text{Total Operating Income} / \text{Total Assets}$$

E. Risk Ratio:

For a bank it is important to analyze the risk for its outcome. Loans to total assets ratio and loans to total deposit ratio are under risk ratio.

i. Loans to Total Assets Ratio:

$$\text{Loans to Total Assets Ratio} = \text{Total Loans} / \text{Total Assets}$$

ii. Loans to Total Deposit Ratio:

$$\text{Loans to Total Deposit Ratio} = \text{Loans} / \text{Deposits}$$



CHAPTER - 4

Analysis and Findings



To analyze the financial performance all calculation as like horizontal analysis, Common size statements and ratio analysis are given as follow:

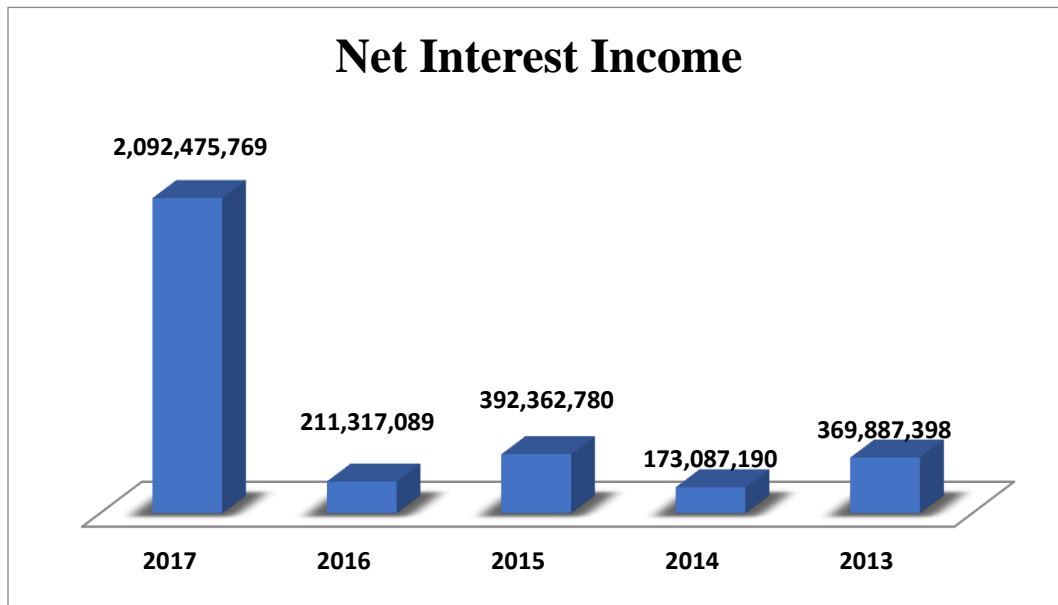
4.1. Horizontal Analysis (Trend Analysis):

The horizontal analyses of BKB are given below as a table:

i. Net Interest Income:

BKB 2013-2017 net interest income (amount in BD):

Particulars	2017	2016	2015	2014	2013
Net Interest Income	2092475769	211317089	392362780	173087190	369887398
Increase or Decrease	1881158680	(181045691)	219275590	(196800208)	



Interpretation:

Amid the five years (2013-2017) of concentrate the all out development of net intrigue pay of BKB were expanded. From the above table, there huge changes have happened in net intrigue pay in every year. As here, 2013 is the base year, so the adjustments in net intrigue pay have been expanded from 2014 to 2015. In 2017 the most elevated expanded, which was 89.90% in

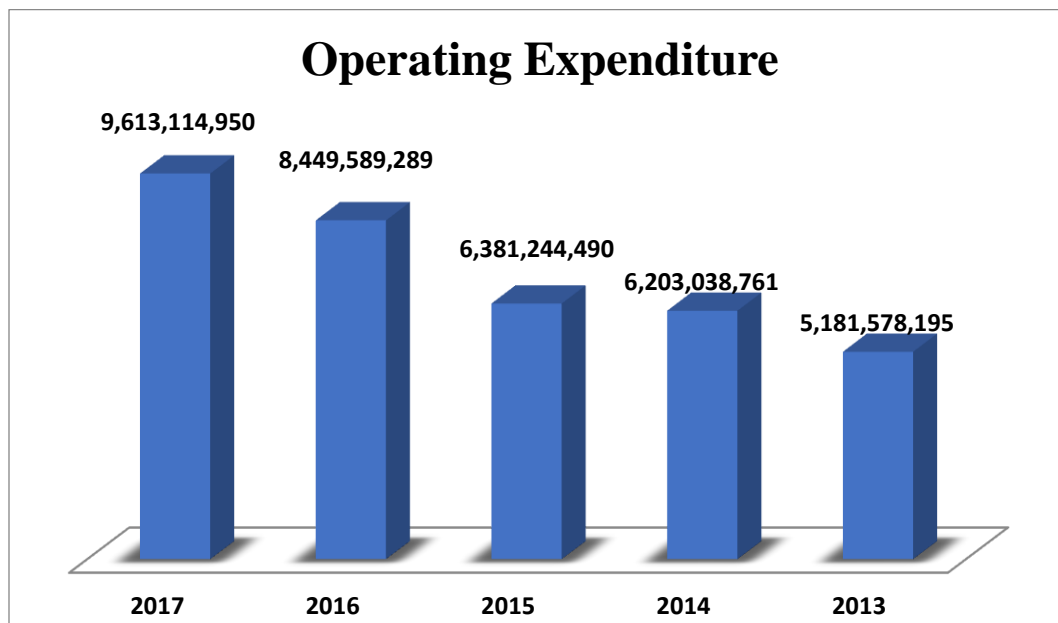


net intrigue salary have been happened contrasted and alternate years yet in 2016, the adjustments in net intrigue pay decay were 46.1% contrasted with 2015.

ii. Operating Expenditure:

BKB 2013-2017 Operating Expenditure (amount in BD):

Particulars	2017	2016	2015	2014	2013
Operating Expenditure	9613114950	8449589289	6381244490	6203038761	5181578195
Increase or Decrease	1163525661	2068344799	178205729	1021460566	



Interpretation:

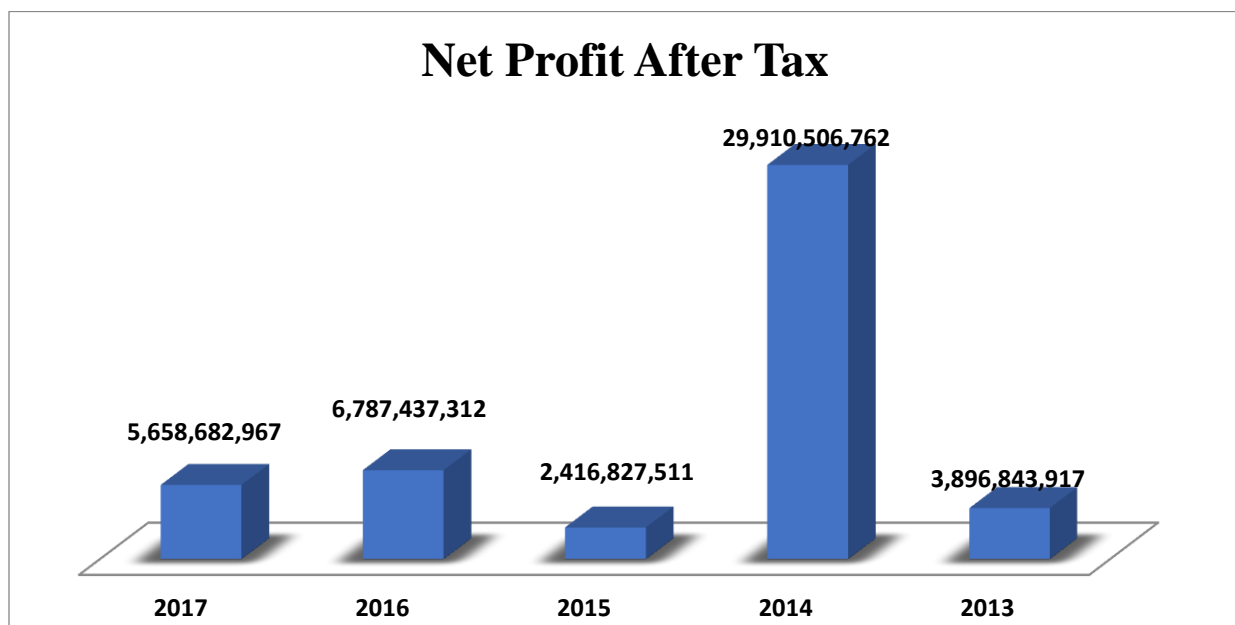
During the five years (2013-2017) of study the total growth of operating expenditure of BKB were increased. From the above table, there the changes have occurred in operating expenditure in each year. As here, 2013 is the base year, so the changes in operating expenditure have been increased from BDT 6203038761 to BDT 9613114950 respectively year from 2014 to 2017.



iii. Net Profit After Tax:

BKB 2013-2017 Net Profit/ Loss after Tax (amount in BD):

Particulars	2017	2016	2015	2014	2013
Net Profit after Tax	5658682967	6787437312	2152536327	29910506762	3896843917
Increase or Decrease	(1128754345)	4640609801	(27757970435)	26013662845	



Interpretation:

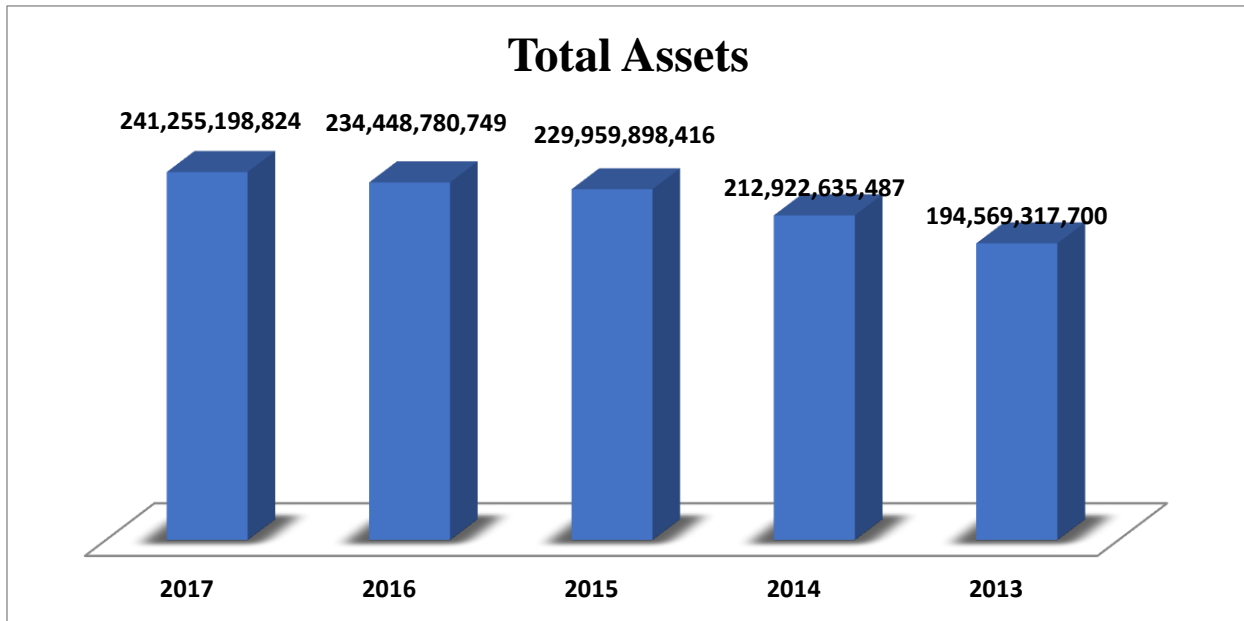
During the five years (2013-2017) of study the total growth of net profit after tax of BKB were fluctuated. There significant changes have occurred in net profit after tax in each year. As here, 2013 is the base year, so the changes in net profit after tax have been decreased from 2014 to 2015 and the amount was BDT 2152536327. In 2016 the net profit after tax has been increased from the previous year but in 2017, the changes in profit after tax slightly decline compared to 2016 and the declining amount was BDT 1128754345. So, in each year company's net profit after taxation is increasing which makes the company can invest more money for their business purpose as well as the company can pay more dividends to their shareholders.



iv. Total Assets:

BKB 2013-2017 Total Assets (amount in BD):

Particulars	2017	2016	2015	2014	2013
Total Assets	24125519882	23444878074	22995989841	21292263548	19456931770
	4	9	6	7	0
Increase or Decrease	6806418100	4488882300	17037262923	18353317787	



Interpretation:

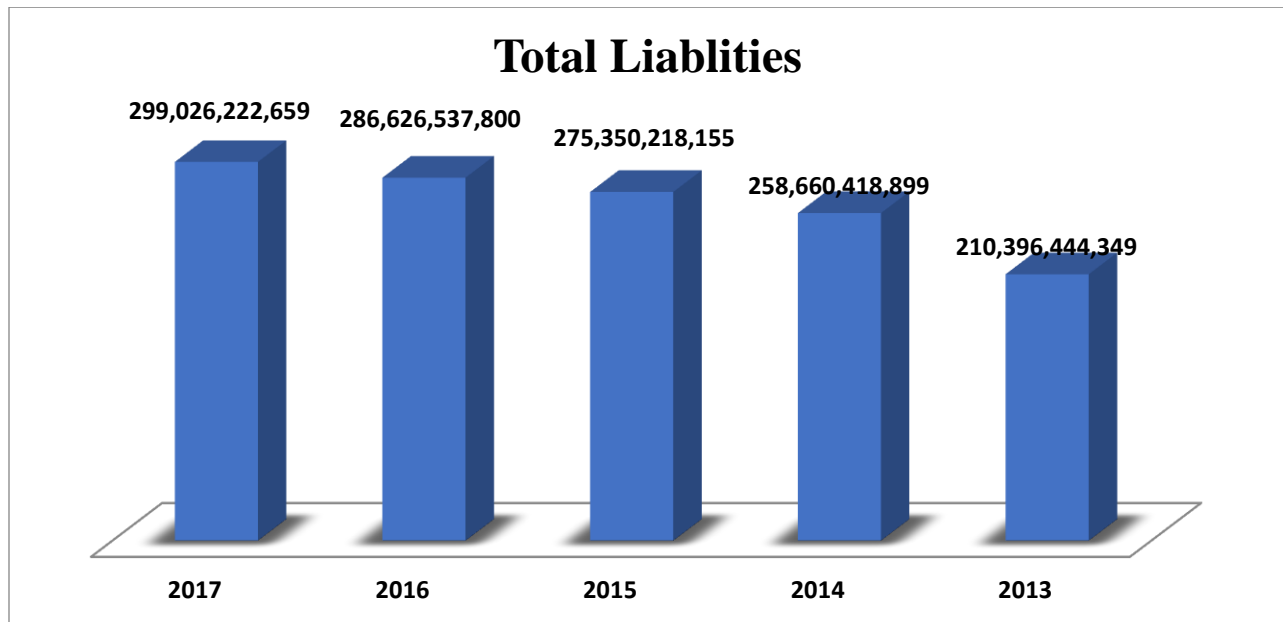
During the five years (2013-2017) of study the total growth of total assets of BKB were increased. There significant changes have occurred in total assets in each year. As here, 2013 is the base year, so the changes in total assets have been increased from 2014 to 2017. In 2016 the highest increase in total assets and that was 14.98%. In 2017, it has been clear that there is an increasing trend in the changes of total assets.



v. Total Liabilities:

BKB 2013-2017 Total Liabilities (amount in BD):

Particulars	2017	2016	2015	2014	2013
Total Liabilities	29902622265	28662653780	27535021815	25866041889	21039644434
Increase or Decrease	9	0	5	9	9



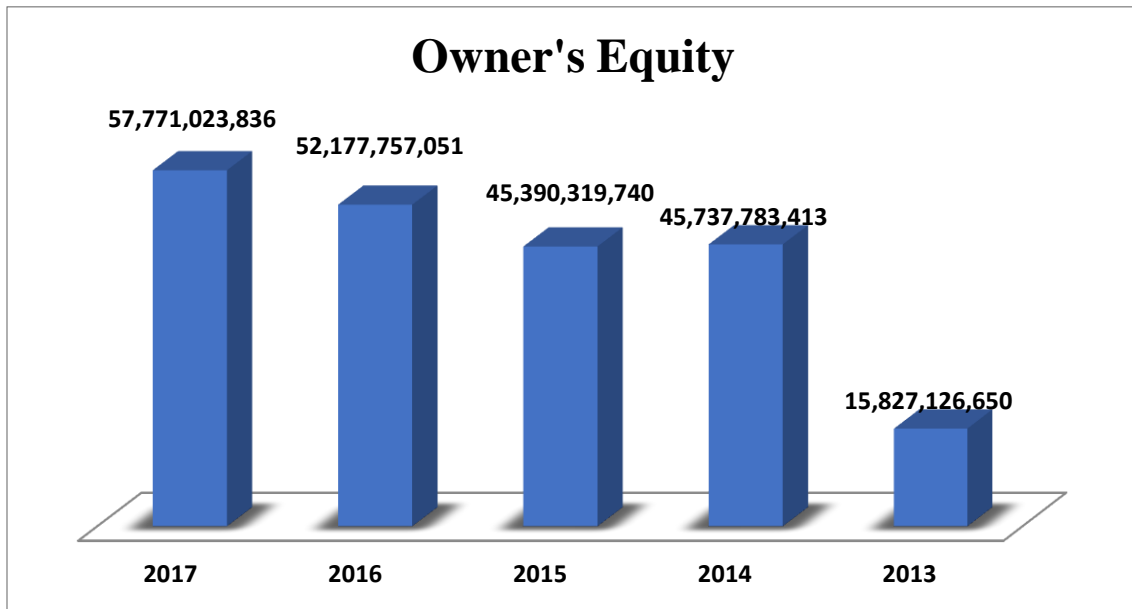
Interpretation:

During the five years (2013-2017) of study the total growth of total liabilities of BKB were increased. There significant changes have occurred in total liabilities in each year. As here, 2013 is the base year, so the changes in total liabilities have been increased in 2014 the percentage was 22.94%. In 2017, the changes in total liabilities highly increased compared to 2016 and that was 4.32%. So, in each year company's total liabilities is increasing which makes their lending capability is adequate.

vi. Owner's Equity:

BKB 2013-2017 Owner's Equity (amount in BD):

Particulars	2017	2016	2015	2014	2013
Owner's Equity	57771023836	52177757051	45390319740	45737783413	15827126650
Increase or Decrease	5593266780	6787437310	(347463670)	29910656763	



Interpretation:

During the five years (2013-2017) of study the total growth of owner's equity of BKB were fluctuated. There significant changes have occurred in owner's equity in each year. As here, 2013 is the base year, so the changes in owner's equity have been decreased from 2014 to 2015. In 2016 the highest increased in owner's equity that was BDT 6787437310 but in 2017, the changes in owner's equity slightly increase compared to 2016 and that was 10.72%. It is very clear that an increasing upward trend is there from 2016 to 2017. So, in each year company's total owners' equity is increasing which makes their value of share holders' is adequate.



4.2. Common size statement:

The common-size income statements of BKB are given below:

Common Size Analysis of Bangladesh Krishi Bank

Income Statement

For the Year Ended 2017 to 2013

Particular	2017	2016	2015	2014	2013
Operating Income:					
Interest Income	100%	100%	100%	100%	100%
Interest Paid on Deposits and Borrowings etc.	86.67%	98.53%	97.33%	101.19%	102.94%
Net Interest Income	13.33%	1.47%	2.67%	1.19%	2.94%
Investment Income	0.007%	0.007%	0.007%	0.007%	0.008%
Commission, Exchange and Brokerage	1.22%	1.74%	2.22%	5.61%	6.51%
Other Receipts	5.50%	8.32%	8.06%	4.03%	6.73%
Total Operating Income	20.06%	11.53%	12.96%	8.46%	10.31%
Operating Expenses					
Salary and Allowances	53.99%	51.51%	36.12%	35.62%	30.03%
Rent, Taxes, Insurance, Lighting etc.	2.29%	2.27%	2.10%	1.87%	1.81%
Legal Charges	0.011%	0.010%	0.006%	0.007%	0.013%
Postage, Telegram, Telephone & Stamps etc.	0.31%	0.27%	0.25%	0.002%	0.15%
Auditor's Fees	0.006%	0.006%	0.007%	0.007%	0.008%
Stationery, Printing & Advertisement	0.34%	0.33%	0.37%	0.34%	0.38%
Pay & Allowance of Managing Director	0.008%	0.009%	0.009%	0.009%	0.009%
Directors' Fees	0.013%	0.011%	0.009%	0.013%	0.013%
Depreciation & Repairs of Bank property	1.44%	1.31%	1.14%	1.04%	0.91%
Other expenditure	2.82%	2.86%	3.44%	3.33%	3.87%
Total Operating Expenses	61.24%	58.60%	43.46%	42.48%	41.19%
Profit before Provision & Tax	41.18%	47.07%	30.50%	34.02%	30.89%
Provision for Loans and Advances	5.13%	-	15.70%	131.79%	-
Provision for Diminution in Value of Investments	-	-	-	0.015%	0.099%
Other Provisions	-	-	0.17%	39.74%	-
Total Provision (D)	5.13%	-	15.87%	170.83%	0.099%
Total Profit before Taxes	36.05%	47.07%	14.62%	204.86%	30.98%
Provision for Income Tax	-	-	0.039%	-	-
Net Profit After Tax	36.05%	47.07%	14.66%	204.86%	30.98%



Interpretation:

This is the vertical analysis of income statement over the period 2013 to 2017. Basically it shows the relative size of each category in the income statement. Here interest income in the base amount and each item of income statement has been shown as a percent of interest income and compared it with five consecutive periods.

Mainly, we see that the major portions of interest income less interest paid on deposits and get net interest income which was 13.33% in 2017, 1.47% in 2016, 2.67% in 2015, 1.19% in 2014 & 2.94% in 2013. Noticeable, total operating income was increased 20.06% in 2017, 11.53% in 2016, 12.96% in 2015, 8.46% in 2014 & 10.31% in 2013. After calculating the entire operating expenses item then we can find, total operating expenses was increased 61.24% in 2017, 58.60% in 2016, 43.46% in 2015, and 42.48% in 2014 & 41.19% in 2013.

On the other hand, profit before provision & tax was increased in 2016 (47.07%), declined in 2015 (30.50%) and 2013 (30.89%). Likely, we observed that, total provision was increased in 2014 (170.83%), decreased in 2013 (0.099%) and 2017 (5.13%). For that reason, total profit before tax increased in 2014 (204.86%), decreased in 2015 (14.62%) & 2017 (36.05%).

Therefore it is not surprising that net profit after tax percentage of interest income decrease from 47.07% to 36.05% in 2017 and increased from 30.98% to 204.86% in 2014. Finally, I can say, the overall profit position of Bangladesh Krishi Bank was not good but the try to improve their position.

The common-size balance sheets of BKB are given below:

Common Size Analysis of Bangladesh Krishi Bank



Balance Sheet
For the Year Ended 2017 to 2013

Particular	2017	2016	2015	2014	2013
Property and Assets					
Cash	8.31%	8.29%	7.51%	6.76%	7.03%
Cash in Hand (including foreign currencies)	0.57%	0.31%	0.59%	0.61%	0.71%
Balance with Bangladesh Bank and its Agent Bank(s)	7.74%	7.98%	6.92%	6.14%	6.32%
Balance with Other Banks and Financial Institutions	1.32%	1.53%	2.43%	0.72%	1.67%
In Bangladesh	1.23%	1.20%	2.28%	0.59%	1.42%
Outside Bangladesh	0.09%	0.33%	6.15%	0.13%	0.24%
Money at Call and Short Notice	-	-	-	-	-
Investments	0.017%	0.17%	0.018%	0.02%	0.018%
Government Securities	0.003%	0.003%	0.003%	0.004%	-
Others Investments	0.014%	0.014%	0.015%	0.016%	-
Loans and Advances	80.28%	79.51%	78.26%	81.34%	79.26%
Loans, Cash Credits, Overdrafts etc.	77.53%	76.67%	75.52%	78.05%	76.02%
Bills Purchased and Discounted	2.75%	2.84%	2.74%	3.29%	3.24%
Fixed Assets including Land, Building, Furniture and Fixtures	2.71%	2.76%	2.78%	3.01%	3.20%
Other Assets	7.22%	7.75%	8.86%	8.09%	8.67%
Non-Banking Assets	0.14%	0.14%	0.14%	0.07%	0.16%
Total Property and Assets	100%	100%	100%	100%	100%
Liabilities and Capital:					
Liabilities					
Agents	11.13%	12.15%	13.10%	15.38%	18.49%
In Bangladesh	10.91%	11.96%	12.88%	15.24%	18.35%
Outside Bangladesh	0.22%	0.19%	0.22%	0.15%	0.15%
Deposits and Other Accounts	94.25%	90.35%	86.50%	83.60%	79.39%
Current Accounts and Contingency Accounts	7.10%	13.59%	14.36%	13.41%	12.85%
Bills Payable	0.47%	0.49%	0.64%	0.67%	0.69%
Savings Deposit	23.39%	21.46%	19.19%	18.57%	19.36%
Fixed Deposits	63.29%	54.81%	52.30%	50.95%	46.47%
Other Liabilities	18.57%	19.75%	20.14%	22.49%	10.25%
Total Liabilities	123.94%	122.25%	119.74%	121.48%	108.13%
Capital / Owner's equity					
Paid-up Capital	3.73%	3.73%	3.73%	4.23%	4.63%
Re-Capitalization	1.03%	1.03%	1.03%	-	-
Statutory Reserve	0.096%	0.096%	0.096%	0.11%	-
Other Reserve	2.53%	2.61%	2.96%	2.99%	3.30%
Retained Earnings Surplus	31.54%	29.87%	27.51%	28.72%	16.06%
Total Capital / Owners Equity	23.94%	22.25%	19.74%	21.48%	8.13%
Total Liabilities and Owners Equity	100%	101.95%	100%	100%	100%

Interpretation:



This is the vertical analysis of balance sheet over the period 2013 to 2017. Basically it shows the relative sizes of the different accounts on a financial statement. Here total assets are the base amount and each item of balance sheet has been shown as a percent of total assets and compared it with five consecutive periods.

Here cash in 2017 (8.31%), 2016 (8.29%), 2015 (7.51%), 2014 (6.76%) & 2013 (7.03%) and this is a good sign for the bank. On the other hand total liabilities in 2017 (123.94%), 2016 (122.25%), 2015 (119.74%), 2014 (121.48%) & 2013 (108.13%) and owners' equity in 2017 (23.94%), 2016 (22.25%), 2015 (19.74%), 2014 (21.48%) & 2013 (8.13%) which show that total liabilities have increased, as well as the owners' equity, which indicates that it has more debt financing than equity.

4.3 Financial Ratio Analysis:

The ratios are given below with explanations:

Financial Ratio Analysis Of BKB

Last five years financial data analysis of BKB:

Particulars	2017	2016	2015	2014	2013
Profit before Tax	5658682967	6787437312	2146827511	29910506762	3896843917
Profit after Tax	5658682967	6787437312	2152536327	29910506762	3896843917
Owner's Equity	57771023836	52177757051	45390319740	45737783413	15827126650
Current Assets	216961364401	209478538321	202863911744	189143846695	171164150349
Total Assets	241255198824	234448780749	229959898416	212922635487	194569317700
Current Liabilities	254225886244	240309474717	229041843345	210763487044	190450970569
Total Liabilities	299026222659	286626537800	275350218155	258660418899	210396444349

4.3.1 Liquidity Ratio:



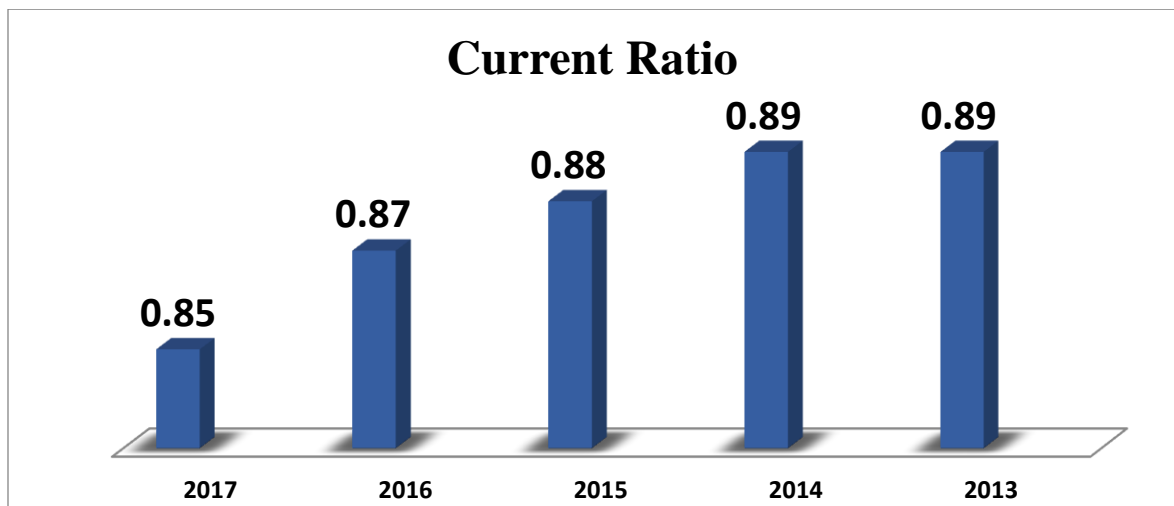
The two different types of liquidity are:

- i. Current Ratio,
- ii. Net Working Capital Ratio.

i. Current Ratio: The calculations of Current Ratio of BKB are given below:

BKB's 2013-2017 Current Ratio:

Particular	2017	2016	2015	2014	2013
Current Asset (BDT in Million)	216,961.36	209,478.54	202,825.53	189,143.85	171,164.15
Current Liabilities (BDT in Million)	254,225.89	240,309.47	229,041.76	210,763.49	190,450.97
Current Ratio	0.85 : 1	0.87 : 1	0.88 : 1	0.89:1	0.89:1



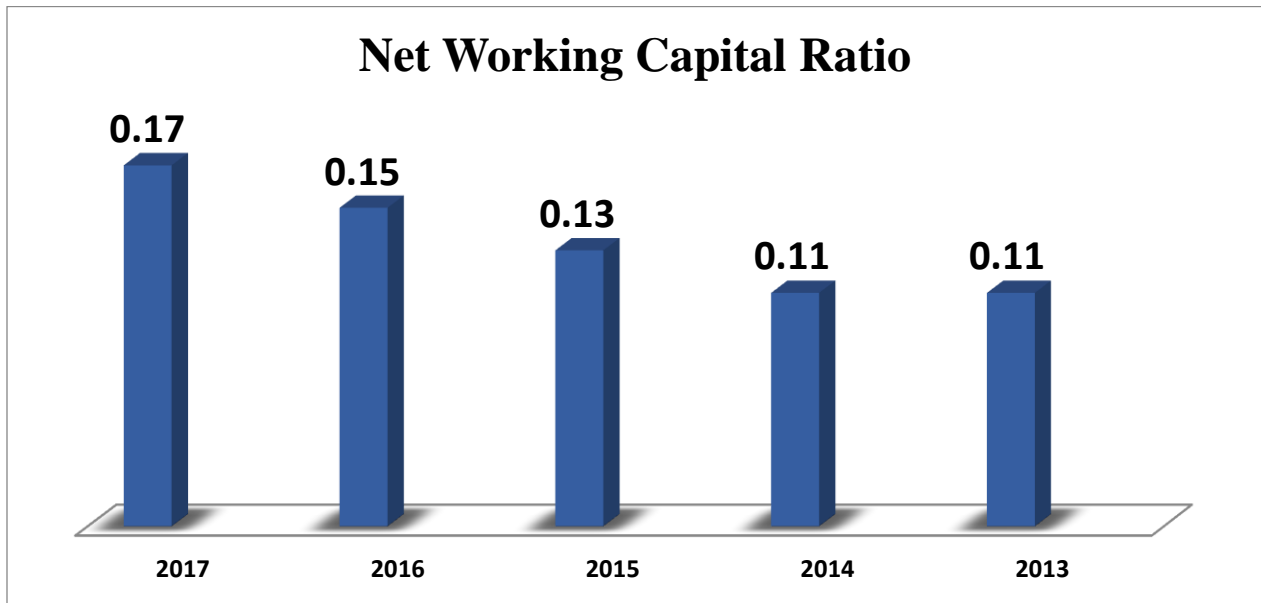
Interpretation: From the above Current Ratio of BKB, it appears that in any of the years the Current Ratio did not meet the standard which is 2:1. So the Current Ratio position of BKB is not good. BKB's current ratio was 0.89:1 in 2013 where the ratio was decreasing every next year. This graph shows that, the current ratio continuously decrease year by year, which is a bad sign for the bank.

ii) Net Working Capital Ratio: The Net working Capital ratio of BKB is calculated as follows:



BKB's 2013-2017 Net Working Capital (Amount in BDT):

Particulars	2017	2016	2015	2014	2013
Net Working capital	37264521843	30830936396	26177931601	21619640349	19286820220
Net Assets	216961364401	209478538321	202863911744	189143846695	171164150349
Net Working capital Ratio	0.17	0.15	0.13	0.11	0.11



Interpretation:

From the above table, it can be seen that the Net Working Capital Ratio of BKB was 0.17 in 2017 and it increased than the previous years. And it was a significant changed for BKB because in the previous three years the percentage of the ratio was low.

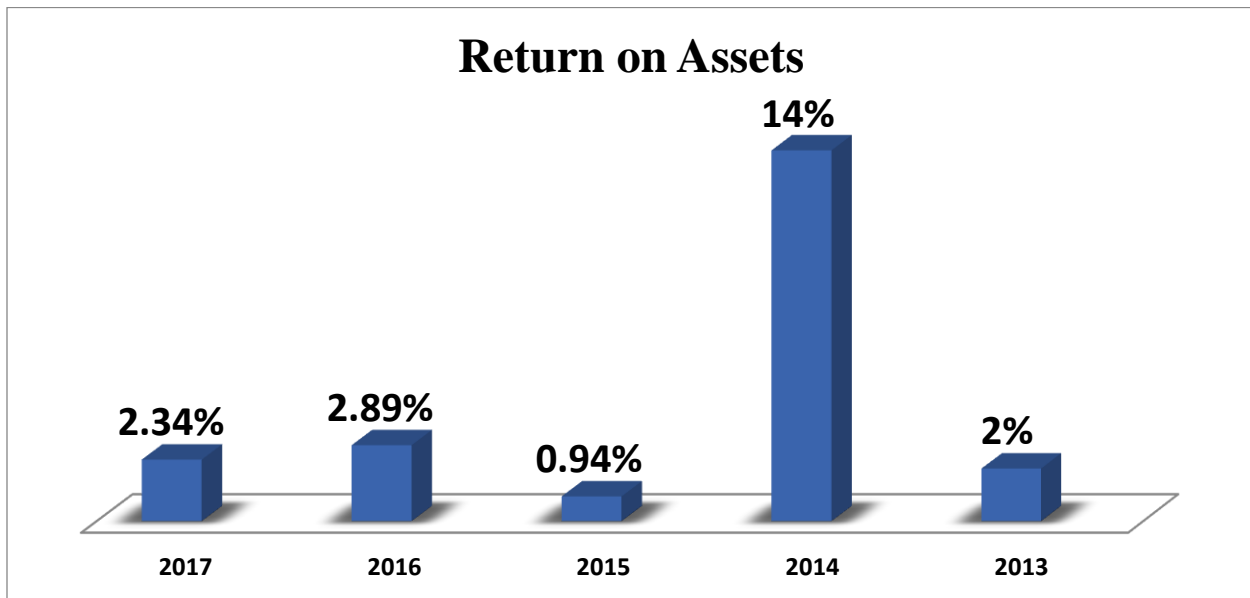
4.3.2 Profitability Ratio:



i. **Return on Assets (ROA):** The return on asset ratio of BKB is calculated as follows:

BKB's 2013-2017 ROA (Amount in BDT):

Particular	2017	2016	2015	2014	2013
Net Profit After Tax (BDT in Million)	5658.68	6787.44	2152.54	29910.51	3896.84
Total Assets (BDT in Million)	241,255.19	234,448.78	229,959.89	212,922.64	194,569.32
Return on Asset (ROA)	2.34%	2.89%	0.94%	14%	2%



Interpretation:

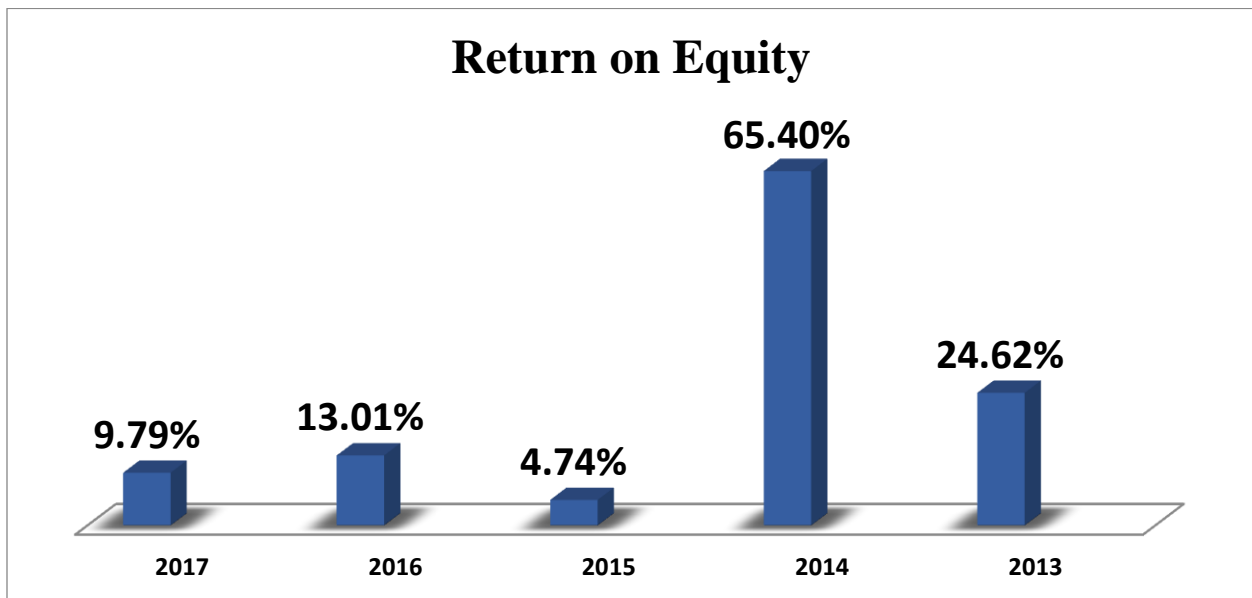
This ratio is calculated to measure the profit after tax compared to the amount invested in total assets to determine whether the assets are used correctly or not. Some authors believe that the rate of return of total assets from 10% to 12% is a reasonable standard. The ROA of BKB is not in a satisfactory position. In 2014 it was only 14%, which is higher in 4 years.

ii. **Return on Equity (ROE):** The return on equity of BKB is calculated as follows:



BKB's 2013-2017 ROE (Amount in BDT):

Particular	2017	2016	2015	2014	2013
Net Profit after Tax (BDT in Million)	5658.68	6787.44	2152.54	29910.51	3896.84
Total Equity Capital (BDT in Million)	57,771.02	52,177.76	45,390.32	45737.78	15827.13
Return on Equity (ROE)	9.79%	13.01%	4.74%	65.4%	24.62%



Interpretation:

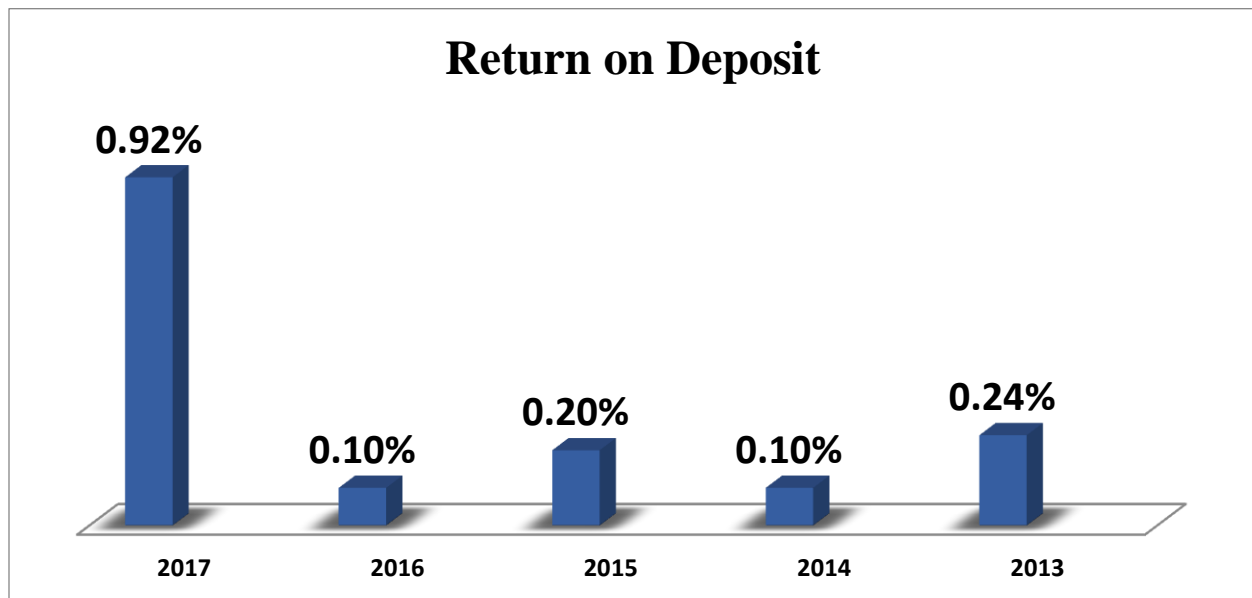
Here the ratio was 4.74% in 2015. This means that every Tk.1 of common shareholder's equity earned about 4.74 Paise this year. In other words, shareholders saw a 4.74 percent return on their investment. From 2013 to 2014 it was highly increased which was 65.4%. In 2017 it shows that, the ratio was slightly decreased by 9.79%. But considering a growing organization this percentage of return is acceptable.

iii. Return on Deposit Ratio: The return on deposit ratio of BKB is calculated as follows:



BKB's 2013-2017 return on deposit (Amount in BDT):

Particular	2017	2016	2015	2014	2013
Net interest Income (BDT in Million)	2092.47	211.32	392.36	173.09	369.89
Total Deposit (BDT in Million)	227,380.62	211,824.32	198,912.37	178,006.47	154,462.13
Return on Deposit (ROD)	0.92%	0.10%	0.20%	0.10%	0.24%



Interpretation:

This proportion demonstrates the measure of overall gain returned as a level of all out stores. Profit for store estimates a partnership's productivity by uncovering how much benefit an organization creates with the cash savers have kept in the bank. It demonstrates an association's effectiveness in applying stores (liabilities) to win benefit. Return on deposits was 0.92% in 2017, 0.10% in 2016, 0.20% in 2015, 0.10% in 2014 & 0.24% in 2013 which indicates a substantial increase in deposits and even greater decrease in net profit.

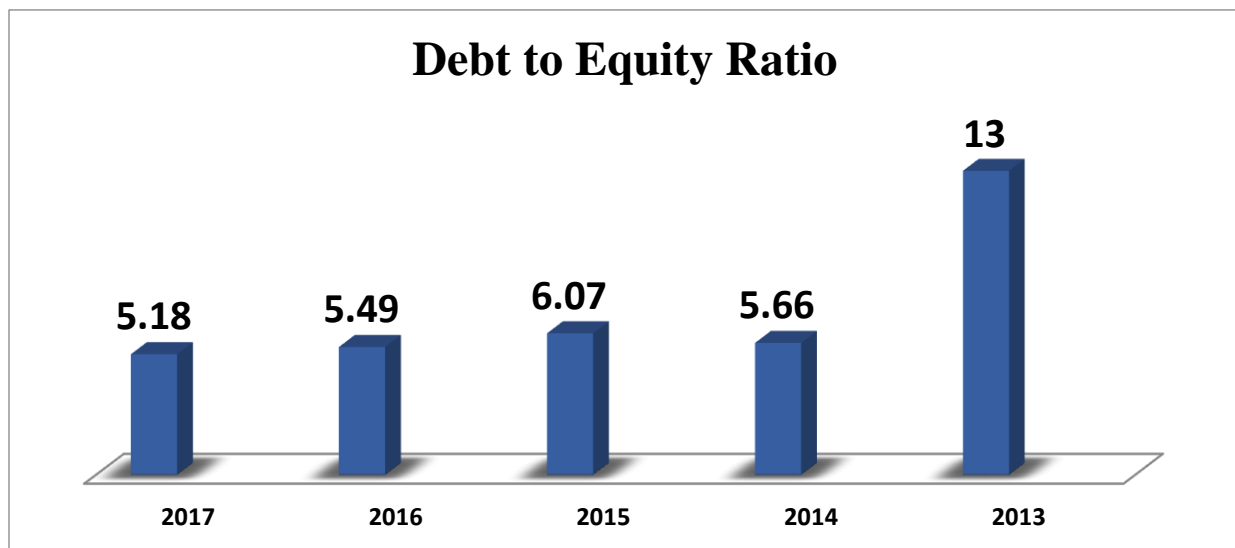


4.3.3 Solvency Ratio:

i) **Debt to Equity Ratio:** The debt to equity ratio of BKB is calculated as follows:

BKB's 2013-2017 debt to equity (Amount in BDT):

Particular	2017	2016	2015	2014	2013
Total Liabilities (BDT in Million)	299,026.22	286,626.54	275,350.22	258,660.42	210,396.44
Total Equity (BDT in Million)	57,771.02	52,177.76	45,390.32	45,737.78	15,827.13
Leverage Ratio	5.18 times	5.49 times	6.07 times	5.66 times	13 times



Interpretation:

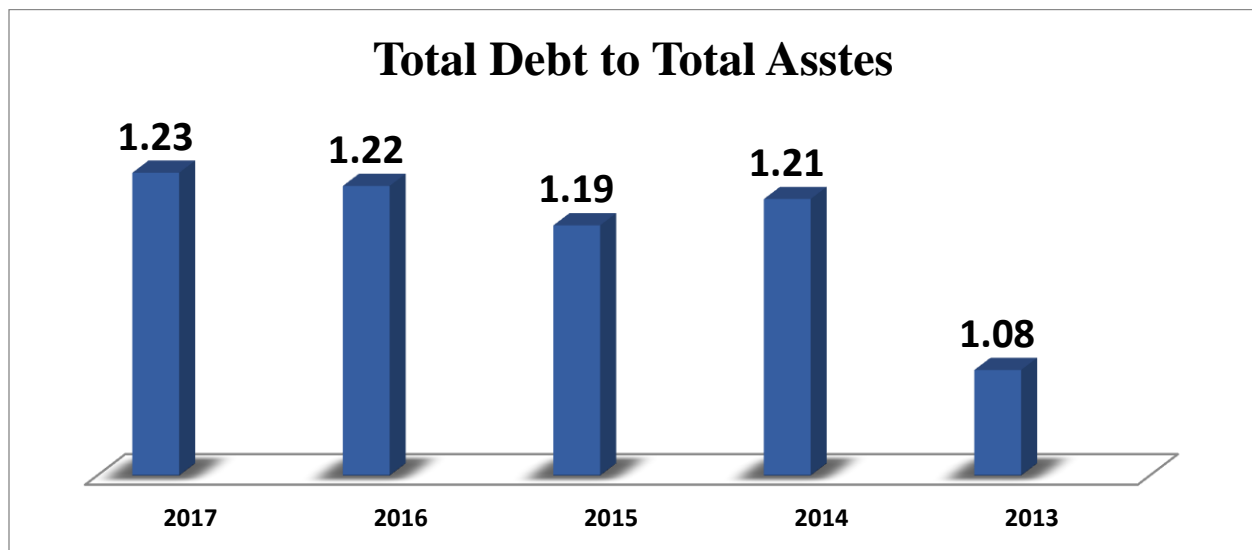
This ratio appears to have been decreased over the years. Only in 2015 has increased. This indicates that the debt is decreasing at a faster rate than equity. Once again, it shows that they depend more on deposits than on equity to manage their assets.



ii) **Total Debt to Total Asset Ratio:** Total debt to total assets ratio of BKB is calculated as follows:

BKB's 2013-2017 total debt to total assets (Amount in BDT):

Particular	2017	2016	2015	2014	2013
Total Liabilities (BDT in Million)	299,026.22	286,626.54	275,350.22	258,660.42	210,396.44
Total Assets (BDT in Million)	241,255.19	234,448.78	229,959.89	212,922.64	194,569.32
Total Debt to Total Asset Ratio	1.23	1.22	1.19	1.21	1.08



Interpretation:

Despite the fact that there are slight variances, Bangladesh Krishi Bank has possessed the capacity to keep up a normal obligation proportion of 1.21 from 2013 to 2017. Their absolute resource and their liabilities are expanding for the most part in same range. This is great from a hazard point of view, in light of the fact that higher use implies higher profit. Higher use



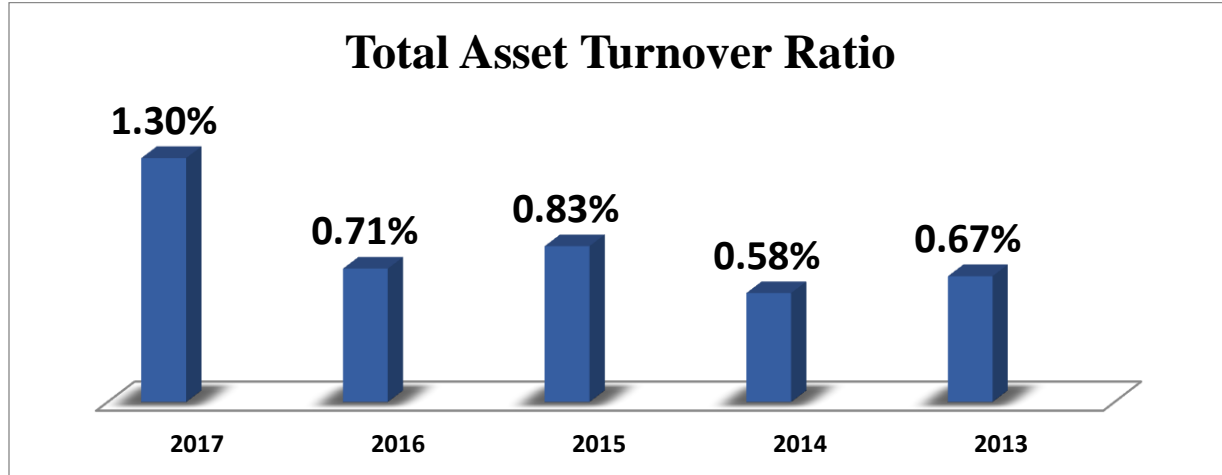
additionally infers that the bank is presented to higher hazard. Amid great occasions when incomes are high, monetary use is useful for a bank.

4.3.4 Activity Ratio:

- **Total Asset Turnover Ratio:** The total asset turnover ratio of BKB is calculated as follows:

BKB's 2013-2017 total asset turnover ratios (Amount in BDT):

Particular	2017	2016	2015	2014	2013
Total Operating Income (BDT in Million)	3,149.14	1,662.15	1902.94	1,235.69	1,297.31
Total Assets(BDT in Million)	241,255.19	234,448.78	229,959.89	212,922.64	194,569.32
Total Asset Turnover Ratio	1.30%	0.71%	0.83%	0.58%	0.67%



Interpretation:

From the analysis, total asset turnover ratio of Bangladesh Krishi Bank is increased 1.30% in 2017 compare to the rest to year 0.71% in 2016, 0.83% in 2015, 0.58 in 2014 & 0.76% in 2013. It is good sign for the bank.

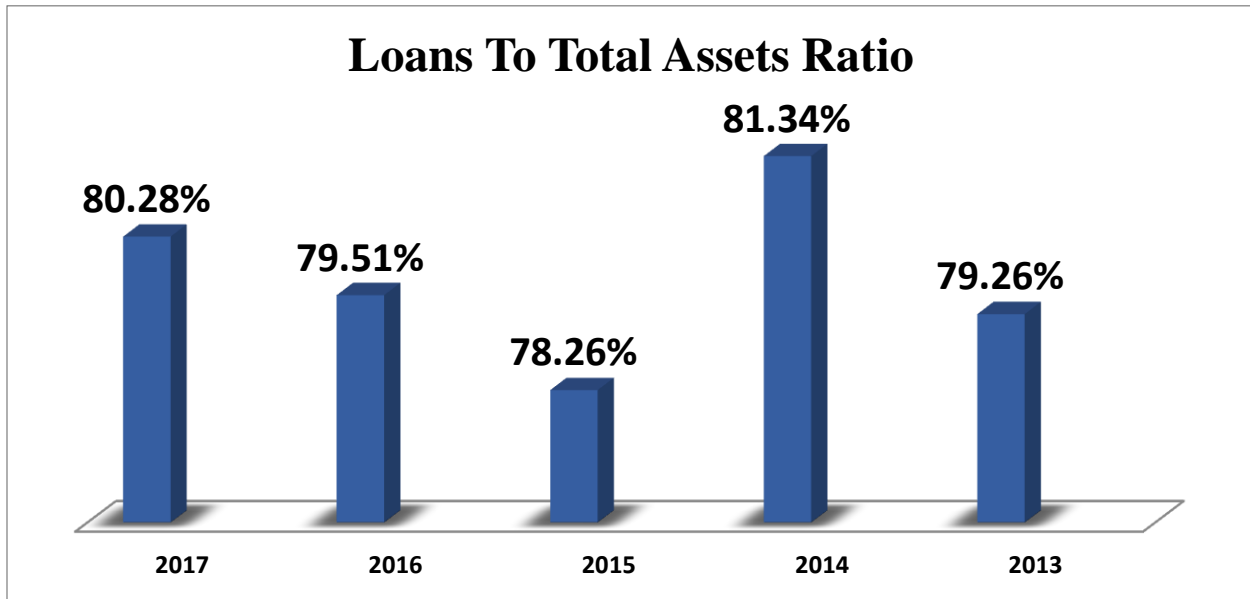


4.3.5 Risk Ratio:

- i. **Loans to Total Assets Ratio:** The loans to total assets ratio of BKB is calculated as follows:

BKB's 2013-2017 loans to total assets (Amount in BDT):

Particular	2017	2016	2015	2014	2013
Total Loans (BDT in Core)	19,367.26	18,642.00	17,996.02	17,318.97	15,421.47
Total Assets (BDT in Core)	24,125.52	23,444.88	22,995.99	21,292.26	19,456.93
Loans to Total Assets Ratio	80.28%	79.51%	78.26%	81.34%	79.26%



Interpretation:

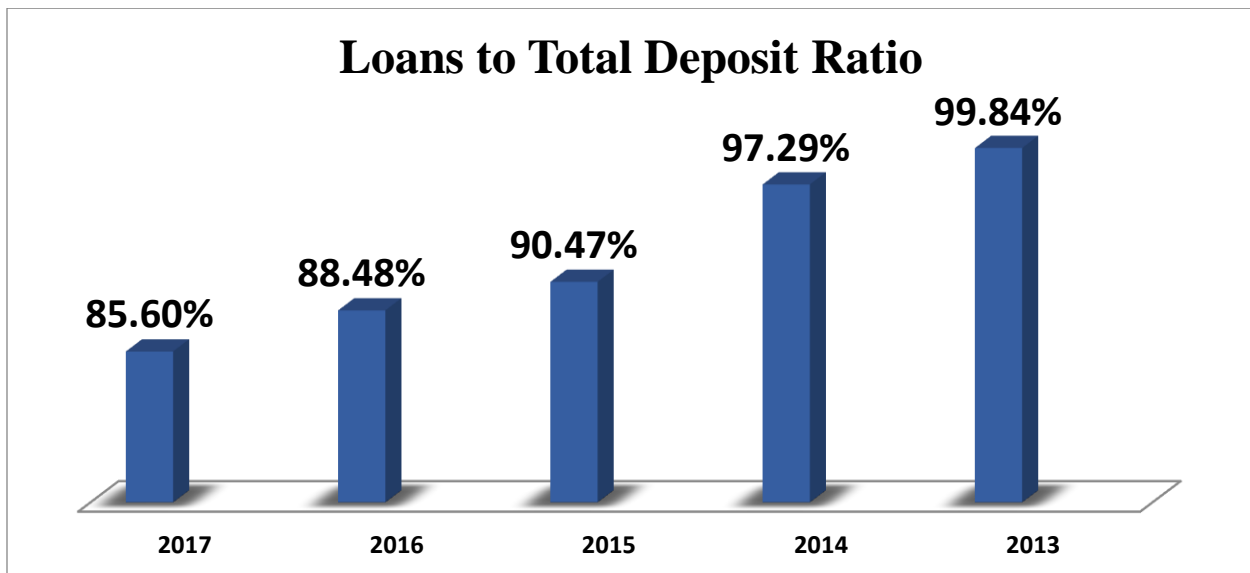
It had declined in 2015 (78.26%) from the previous year 2014 (81.34%) and began to increase from 79.51% in 2016 to 80.28% in 2017. This increase in ratio indicates a positive signal for the bank, as it is obtaining greater profits by increasing loans.



ii. **Loans to Total Deposit Ratio:** Loans to total deposit ratio of BKB is calculated as follows:

BKB's 2013-2017 loans to total deposit ratio (Amount in BDT):

Particular	2017	2016	2015	2014	2013
Total Loans (BDT in Core)	19,367.26	18,642.00	17,996.02	17,318.97	15,421.47
Total Deposit (BDT in Core)	22,624.66	21,067.66	19,891.37	17,800.65	15,446.21
Loans to Total Deposit Ratio	85.60%	88.48%	90.47%	97.29%	99.84%



Interpretation:

This graph shows that, loans to total deposit ratio of Bangladesh Krishi Bank is decreased year by year. It presents 85.60% in 2017, 88.48% in 2016, 91.15% in 2015, 97.29% in 2014 & 99.84% in 2013. This shows, Total credits became just marginally as the bank turn out to be somewhat careful in giving advances and surveying credit value so that there is progressing supports emergency. Nearly a bigger development in stores diminished the advances to add up to store proportion.

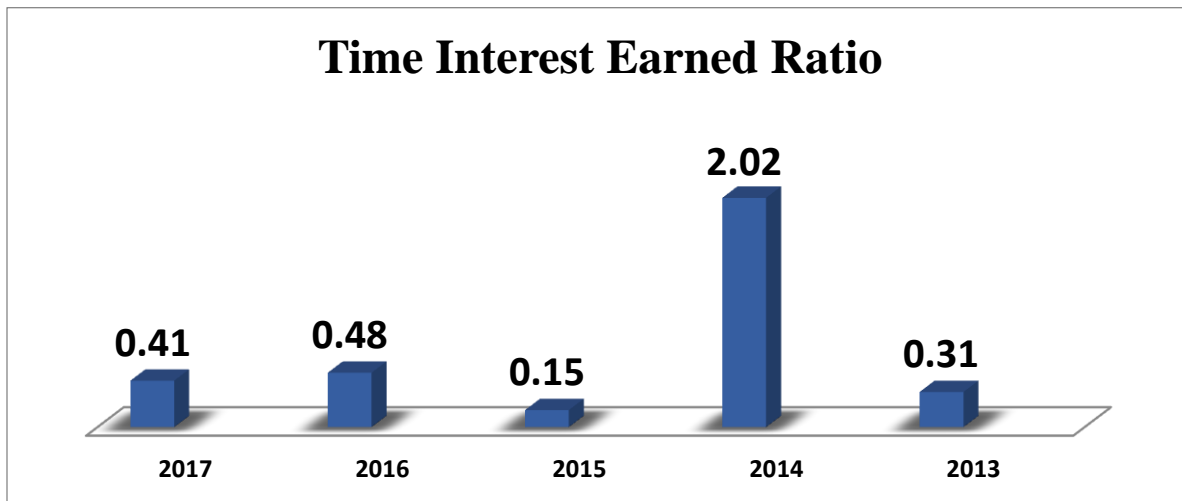


4.3.6 Time Interest Earned Ratio

The time interest earned ratio of BKB is calculated as follows:

BKB's 2013-2017 time interest earned (Amount in BDT):

Particular	2017	2016	2015	2014	2013
EBIT (BDT in Million)	5,658.68	6787.44	2,146.83	29,910.5	3,869.84
Interest Expense (BDT in Million)	13,604.78	14,206.77	14,291.64	14,773.7	12,950.3
Time Interest Earned Ratio	0.41	0.48	0.15	2.02	0.31



Interpretation:

From the above analysis time interest earned ratio on BKB's was not satisfying. It was decreased in 2017 (0.41) but increased in 2016 (0.48) and again decline in 2015 (0.15). But in 2014 the time interest earned ratio was highest and it was 2.02. For this reason, it is not good sign for the bank.



4.4 Findings:

The key functions which affect a company's liquidity and profitability are total assets, total liabilities, owner's equity, current ratio, debt to equity ratio and ROA. However, other ratios are also important since they also measure company's performance. Based on the financial performance analysis, both positive and negative findings can be observed. Overall finding that we observed from above ratio analysis of BKB are stated below:

4.4.1 Horizontal Analysis:

- i. **Net Interest Income:** There is an increasing trend in the changes of net interest income. But in 2017, the changes in net interest income were increased 89.90% compared to 2016. So, in each year company's total net interest income is increasing which leads to sale are adequate.
- ii. **Operating Expenditure:** Total growths of operating expenditure of BKB were increased (BDT 1163525661) in 2017 than the year of 2015 and 2014. That's not a good sign of this company.
- iii. **Net Profit after tax:** The average Profit After Tax BDT 1128754345 of BKB was decreasing in 2017 than in 2016.
- iv. **Total Assets:** The total growths of total assets of BKB were increased and the condition of total assets of this company is quite good.
- v. **Total Liabilities:** This Company's total liabilities are increasing and that percentage is 4.33%, which makes their lending capability is adequate.
- vi. **Owner' Equity:** There significant changes have occurred in owner's equity in each year that was increasing trend. Company's total owners' equity is increasing which makes their value of share holders' are adequate.

4.4.2. Common-size Analysis:

Common-size income statement: In this investigation all of rates of the salary proclamation things are expanding step by step. The net intrigue salary was expanded than the earlier years.



Net benefit after duty has recorded variety from 30.98% to 36.05 in 2013-2017. In the same way, profit before tax was also increased. So the financial position of BKB is sound.

Common-size balance sheet: In this analysis shows that total liabilities have increased, as well as the owners' equity, where total liabilities are 123.94% in 2017, 122.25% in 2016, 119.74% in 2015, 121.48% in 2014 & 108.13% in 2013 which indicates that it has more debt financing than equity.

4.4.3. Financial Ratio Analysis:

- a. **Liquidity Ratio:** The liquidity ratio of BKB is not so good. Here **Current Ratio** did not meet the standard which is 2:1. So the Current Ratio position 0.88:1 in 2017 of BKB is not good. And lower current ratio doesn't mean negative all the time. It may prove positive sign also. The **Net Working capital ratio** is also comparatively bad (0.17) in 2017 than the previous years.
- b. **Profitability Ratios:**
 - **Return on Assets** shows increasing trends, which is desirable. But in the last year it was slightly decreased which was 2.34%.
 - **Return on Equity** shows increasing trends. But in last year it was slightly reduced which was 9.79%. It was not bad for the company.
 - **Return on Deposit** there is an increasing trend which is good for the bank. In 2017 the highest ROD was happened and it was 0.92%.
- c. **Solvency Ratio:**
 - **Debt to equity ratio** in 2013 (13 times) was higher than 2014 (5.66 times), 2015 (6.07 times), 2016 (5.49 times) and 2017 (5.18 times).
 - **Total debt to total assets ratio** in 2017 (1.23) was higher than 2016 (1.22), 2015 (1.19), 2014 (1.21) & 2013 (1.08).
- d. **Activity Ratios:**
 - **Total assets turnover ratio** in 2017 (1.30%) was higher than 2016 (0.71%), 2015 (0.83%), 2014 (0.58%) & 2013 (0.67%).



e. **Risk Ratio:**

- **Loans to total asset ratio** in 2014 (81.28%) was higher than 2017(80.28%), 2016 (79.51%), 2015 (78.26%) & 2013 (79.26%). The ratios show a stable position of the bank in granting loans.
- **Loans to total deposit ratio** in 2013 (99.84%) was higher than 2017(85.60%), 2016 (88.48%), 2015 (85.60%) & 2014 (97.29%) which indicates that bank is giving loans continuously and assessing credit worthiness so that there is ongoing funds crisis.

f. **Time interest earned ratio:**

In 2014 (2.02) was higher than 2013 (0.31), 2015 (0.15), 2016 (0.41) and 2017 (0.41).



CHAPTER - 5

Recommendations & Conclusion



5.1 Recommendations:

This report is readied dependent on the money related execution investigation of Bangladesh Krishi Bank. The report looked to give subtleties on budgetary execution. While setting up the report, it is comprehended that money related execution is certifiably not a basic issue, yet that they are the guardians of any examination of a bank. Amid my entry level position period, it turned out to be straightforward all aspects of this area. In any case, it will suggest a few issues that will be helpful for the working of the budgetary and by and large execution.

- BKB should increment operational effectiveness by lessening cost, wastage, enhancing working and the executives' execution. Supply of working capital ought to be satisfactory.
- BKB should expand current resource and decline current liabilities for easily work their keeping money exercises. For instance if the owner makes an additional investment of the bank, the bank's total current assets will increase but there is no increase in its current liabilities.
- BKB should decrease operating expenses by reducing cost of embracing technology and sourcing, converting their phones to a cloud-based system. Bank should constantly review, measure and optimize their advertisement spend.
- BKB should take necessary steps to increase their net income.
- As BKB has the lower rate of deposit amount, they can use marketing strategies to increase deposits. For instance they can use multiple marketing channels to reach their desired audience and also can create an effective mobile presence.
- BKB should control the debtor's collection period which is most important part of current assets.
- The bank should make a team for taking collection of payment.
- BKB have to manage their assets carefully so that they can achieve maximum benefit from the investment and increase the return on asset ratio by increasing net income.



- BKB should built separate loan recovery division if it happen then their classified loan amount will reduce.
- A reasonable credit policy should be implemented, so that the main portion of profit does not spend in payment of fixed charges.

5.2 Conclusion:

There are various Nationalized Commercial Banks (NCBs), Local Private Commercial Banks (PCBs), Foreign Banks and Specialized Banks working their exercises in Bangladesh. The Krishi Bank is an administration claimed Specialized Bank. BKB is been made to meet the credit needs of the horticulture part. The voyage of BKB has begun in Bangladesh in the year 1973. Since beginning, Bangladesh Krishi Bank (BKB) has been rendering an essential administration in the improvement of economy of Bangladesh particularly rustic economy. Bangladesh Krishi Bank constantly attempted its dimension best to perform monetarily well. Notwithstanding attempting to do well in a few perspectives Bangladesh Krishi Bank confronted some monetary issues occasionally. A portion of the issues were-extreme awful credits, lack of advances and advances, shortage of money in hands because of vault limit and so forth. These issues stimulate time to time because of monetary lull, loan cost variance, developing capital market, expansion in the currency advertises, etc. Battling with every one of these issues and contending with different banks each minute the bank is attempting to improve the situation to best. On the off chance that this thing proceeds with we trust that Bangladesh Krishi Bank will grow significantly more later on.



5.3 References:

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