



Daffodil International University

Internship Report on

Financial Performance Analysis of Sonali Bank Ltd.

Submitted To:

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LETTER OF TRANSMITTAL

Date: 07 December, 2018

Mahbub Parvez

Associate Professor

Faculty of Business & Entrepreneurship

Daffodil International University

Subject: Submission of internship report on “*Financial Performance Analysis Of Sonali Bank Ltd.*”

Dear Sir,

It is an incredible delight for me to present my entry level position give an account of "*Financial Performance Analysis Of Sonali Bank Ltd.*" It was an extraordinary open door for me to secure learning and involvement in regard of the capacities, systems, and operational component of a business bank dependent on regular saving money standard while working in Khalilpur Branch of Sonali Bank Ltd. I trust that the learning and experience I have assembled amid my entry level position period will gigantically help me in my expert and functional life. I have given my earnest attempts to accomplish the destinations of the reasonable introduction and expectation that my undertaking will fill the need. Notwithstanding, I will dependably be upbeat to welcome further elucidation that you may require.

Sincerely Yours

Maniruzzaman Mridha

ID: 172-14-2388

Program: MBA

Batch: 47th

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Certificate of Approval



I am pleased to certify that the internship report on “***Financial Performance Analysis Of Sonali Bank Ltd.***” prepared by Maniruzzaman Mridha bearing ID: 172-14-2388 of the Department of Business Administration is permitted for presentation and defense. Under my supervision, he worked with ***Sonali Bank Ltd.*** as an intern. He has completed the work during the Summer 2018.

I am pleased to certify that the data and findings presented in the report seem to be authentic. I wish him all success in life.

.....

Mahbub Parvez

Associate Professor

Faculty of Business & Entrepreneurship

Daffodil International University

Acknowledgement

Most importantly I am appreciative to all-powerful Allah for gift me in finishing the report, "No respectable accomplishment can be accomplished by a person without help of others". I am obligated to various individuals for their benevolent suggestion, accommodation, bearing, co-task, and their coordinated effort.

It was a great pleasure for preparing Internship report on *Financial performance Analysis of Sonali Bank Ltd*. I would like to thank and convey my gratitude to honorable supervisor, Mr. Mahbub Parvez Associate Professor Faculty of Business & Entrepreneurship, Daffodil International University, for letting me to prepare this report and I would also like to express my sincere appreciation to him for his wholehearted support and guidance.

I am also grateful to the management of The SBL for offering me the Internship training. My special thanks to Md. Belayed Hosen (Officer), Md. Abbas (senior Officer), Khan Masud(Officer) & Md. Mamun (Officer) who teach me about overall banking system of SBL with significant, vital, imperative, and essential information during face-to- face conversation, by providing some papers etc. and I also like to thanks Mr. Ratul (Officer) who help me from core of her heart as like as a younger brother in learning about remittance section of SBL.

I am also owed to each person who I bothered inside and outside of SBL Khalilpur Branch, in carrying out this report.

Executive Summary

This report is prepared as a partial fulfillment for the MBA program of Faculty of Business & Entrepreneurship under Daffodil International University. The report is prepared to study the *Financial Performance Analysis Of Sonali Bank Ltd.* at Khalilpur branch, Faridpur. I have an opportunity of spending a period of three months with a reputable bank where I observed & learned the banking operation.

Banking sector of our country is playing an important role in our economic situation. There are a large number of bank operating in our country successfully. Now a day banking business has been facing more competition locally & globally. As a second generation commercial bank, SBL established a landmark in a banking community in Bangladesh. The bank expends its activities by offering diversified quality product & service to their customer.

In my internship period, I have worked in the several sector of the SBL. I have divided the whole report into four major parts.

In the first part, I included the origin of the report, objective of the study, Methodology of the study, Scope of Study, Limitations of the Study.

Second part is the organizational part. In organization part, I try to show an overview of SBL. & there historical background, Branch Information, Vision, Mission, Management Team, Organizational Structure of SBL .

Third is learning part of my report. Where I try to *Evaluate the Performance Of Sonali Bank Ltd.* Which include Common size Statement, Horizontal analysis, vertical analysis, Comparative Financial Statement, Trend Analysis & Ratio analysis.

In Final part I identify some problems of SBL and provide some recommendations for improve their services.

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Chapter: 1

INTRODUCTION

1.1 Introduction:

A bank is the financial institution that deals with money. Banking is an essential institution to develop an economy. It is the place we regularly twist up when we're looking for an advance to buy another car, educational cost for school or exchange school, monetary exhortation on the most proficient method to contribute our reserve funds, credit to start another business, a sheltered store box to protect our profitable reports, a financial records or Credit Card to monitor when and where we spend our cash. Truth be told, bank is fundamental to present day economy. Created and composed saving money framework is an essential of each sort of economy Capitalist, communist, and created and undeveloped nations whatever it might be. Today's banking is continually becoming new offering-new services, merging and consolidating into much larger and more complex business, and facing a new the banks that serve their citizen. Bangladesh is not exception in this case. Marketing strategies for banking business is one of the most vital issues now in Bangladesh. After liberation, the government of the people's republic of Bangladesh formally took over the charge of administration of different banks. The banking institutions are the custodian's private savings and by powerful instrument to provide credit. They mobilize resources of the saving by accepting deposits. At that time, all the existing 15 banks were nationalizing. During this year, many new haves emerged to cater the needs of the customer. They are continually trying to attract people towards them by offering new types of product and services to face competition and challenges thrown by their rival. During my Three months internship program, I've try to know about the banking products services offered by Sonali bank limited, the problems faced by bank and the prospect they will enjoy.

1.2 Origin of the Report:

Now a day, education is not just limited to books and classrooms. In this day and age, instruction is the apparatus to comprehend this present reality and apply learning for the advancement of the general public and in addition business. From training the hypothetical information is gotten from courses of study, which is just the most of the way of the topic. Pragmatic learning has no option. The ideal coordination among hypothesis and practice is of vital significance with regards to the cutting edge business world so as to determine the polarity between these two zones. In this way, an open door is offered by Daffodil Global College, for its potential business graduates to get three months viable experience, which is referred to is as "Temporary position Program". For the opposition of this entry level position program, the

creator of the investigation was set in a bank to be specific, "The Sonali Bank Constrained". Entry level position Program conveys an understudy nearer to the genuine circumstance and in this way dispatches a vocation with some related knowledge. This paper is titled "***Financial Performance Analysis Of Sonali Bank Ltd***" originated from the fulfillment of the MBA program. For the internship program, each student is attached with an organization. My internship was at The SBL, Khalilpur branch, Faridpur. During my internship, I had to prepare a report under the supervision of **Mahbub Parvez** Associate Professor, Faculty of Business & Entrepreneurship, Daffodil International University.

1.3 Objective of the Study:

There are certain objectives to carry out this report, these are

1. To know the current position of the bank through ratio analysis.
2. To forecast the situation of the bank by analyzing the financial trend of the bank.
3. To Evaluate the performance of the bank by analyzing financial data.
4. To identify problems & to provide some recommendations to improve service quality of Sonali Bank Ltd.

1.4 Methodology of the study:

Explanatory research has been conducted for gathering better information that will give a better understanding on various customer services. Both primary and secondary sources of data collection procedure have been used in the report. These are:

➤ **Primary Sources:**

- ∟ Face to Face conversation with the respective officers and staffs.
- ∟ Interviewing officers and staffs.
- ∟ Sharing practical knowledge of officials.
- ∟ In-depth study of selected cases.

➤ **Secondary Sources:**

- ∟ Annual Report of Sonali Bank Ltd.
- ∟ Website
- ∟ Relevant Books, Research Papers, Newspapers and Journals.
- ∟ Internet and Study of selected reports.

❖ **Data Processing and Analysis:**

Gathered data have then handled and ordered with the guide of MS Word, Exceed expectations and other related PC programming. Essential tables have been set up based on gathered information and different factual procedures have been connected to examinations based on arranged data. Detail clarification and examination have additionally been fused in the report.

1.5 Scope of the Study:

This report has been set up based on experience assembled amid the time of temporary job. This examination is connected with Money related Execution Investigation Of Sonali Bank Ltd. The greater part of the information utilized in the revealing of the examination are from auxiliary sources. Every one of the information identified with the detailing prerequisites are not accessible because of classified reservation practice to help the association.

1.6 Limitations of the Study:

To give current data and to make the report read commendable, bolsters from different sources is fundamental. Regardless of having my wholehearted exertion, I couldn't gather some data required at the season of the examination. So this investigation isn't free from the accompanying confinements:

- ∟ Unavailability to required published documents.
- ∟ Lack of my experience and efficiency to prepare the standard report.
- ∟ Large scale research was not possible due to constrains and restriction posed by the bank.
- ∟ The bankers are very busy with their jobs, so they were not always able to provide enough time to enlighten the internee students every time, even if they had the intention to do so.
- ∟ Learning all the banking functions within just three months was really difficult.
- ∟ Another limitation of this report is banks policy of not disclosing some data and information for obvious reason, which could be very much helpful.

Chapter: 2

AN OVERVIEW OF Sonali

BANK LTD.



2.1 Introduction:

Not long after freedom of the nation Sonali Bank rose as the biggest and driving Nationalized Business Bank by decree of the Banks' Nationalization Request 1972 (Presidential Request 26) exchanging the then National Bank of Pakistan, Head Bank and Bank of Bhawalpur. As a completely state possessed foundation, the bank had been releasing its country building obligations by embraced government endowed distinctive financial plans and in addition currency advertise exercises of its own volition, covering all circles of the economy.

The bank has been changed over to an Open Restricted Organization with 100% responsibility for government and began working as Sonali Bank Constrained from November 15, 2007 assuming control over all advantages, liabilities and business of Sonali Bank. After corporatization, the administration of the bank has been given expected self-rule to make the bank focused and to maintain its business viably.

Sonali Bank Constrained is administered by a Top managerial staff comprising of 11 (Eleven) individuals. The Bank is going by the Chief and Overseeing Executive, who is an outstanding Broker and a rumored proficient. The corporate head quarter of the bank is situated at Motijheel, Dhaka, Bangladesh, the fundamental business focal point of the capital.

2.2 Corporate Profile

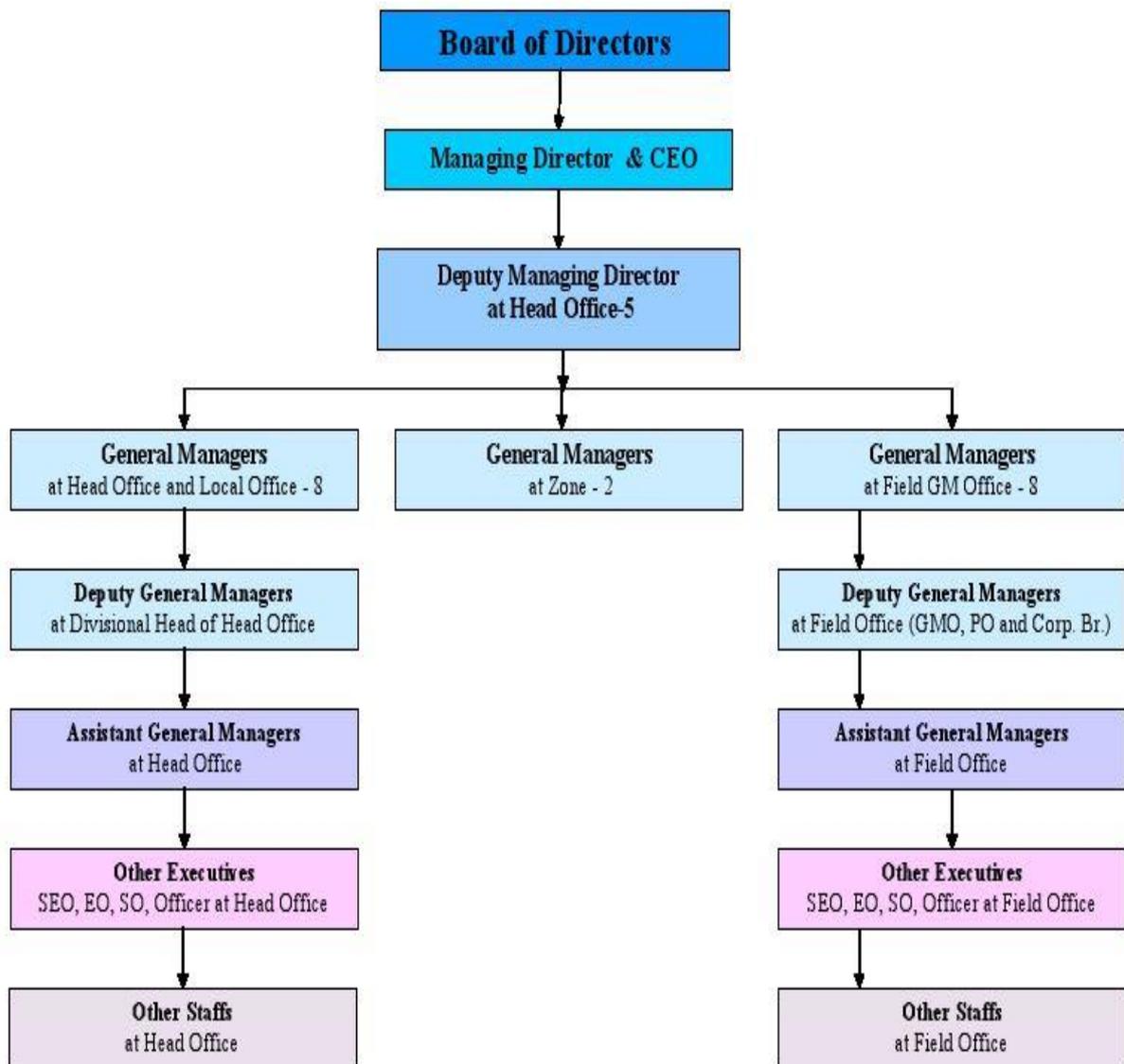
Name of the Company	: Sonali Bank Limited
Chairman	: Mr. Md. Ashraful Moqbul
CEO & Managing Director	: Mr. Md. Obayed Ullah Al Masud
Company Secretary	: Mr Md. Ataur Rahman
Legal Status	: Public Limited Company
Genesis	: Emerged as Nationalised Commercial Bank in 1972, following the Bangladesh Bank (Nationlisation) 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
Authorised Capital	: Taka 6000.00 Crore
Paid-up Capital	: Taka 4130.00 Crore
Number of Employee	: 18,167
Number of Branches	: 1212
Phone-PABX	: 9550426-31, 33, 34, 9552924
FAX	: 88-02-9561410, 9552007
SWIFT	: BSONBDDH
Website	: www.sonalibank.com.bd
E-mail	: itd@sonalibank.com.bd

2.4 Board of Directors:

The members of board of director at Sonali Bank are:

d. Ashraful Moqbul Director and Chairman Former Senior Secretary Bangladesh National Parliament Secretariat Govt. of the People's Republic of Bangladesh
Mr. Md. Fazlul Haque Director Additional Secretary Bank & Financial Institutions Division, Ministry of Finance Govt. of the People's Republic of Bangladesh
Mr. Md. Mahboob Hossain Director Former Joint Secretary Govt. of the People's Republic of Bangladesh
Mrs. Sabera Aktari Jamal Director Former Deputy Managing Director, Uttara Bank Limited
Mr. Afzal Hossain Director Freedom Fighter, Former Director, BDBL(BSRS) and Scout Leader
Mr. Muhammed Asadullah Director Retired UN Executive
Mr. A.K.M Kamrul Islam, FCA, FCS Director
Dr. Md. Nurul Alam Talukder Director Ex-Managing Director Bangladesh House Building Finance Corporation
Mr. Md. Obayed Ullah Al Masud CEO & Managing Director Sonali Bank Limited

2.5 Organizational Structure of SONALI BANK:



2.6 Vision:

Socially committed leading banking institution with global presence.

2.7 Mission:

Dedicated to extend a whole range of quality products that support divergent needs of people aiming at enriching their lives, creating value for the stakeholders and contributing towards socio-economic development of the country.

2.8 Slogan:

Your trusted partner in innovating banking.

2.9 Social Services:

- Old age allowances.
- Widows, divorcees and destitute women allowances.
- Freedom Fighters' allowances.
- Rehabilitation allowances for acid survival women.
- Maternal allowances for poor women.
- Disability allowances.

2.10 Sale & Encashment/Purchase:

- Savings Certificates.
- ICB Unit Certificates.
- Prize Bonds.
- Wage Earner's Development Bonds.
- US Dollar Premium & Investment Bond.
- Lottery tickets of different Semi-Govt. and Autonomous Bodies.
- Public Service Commission's application form.
- Judicial Service Commission's application form.
- Exchange of soiled / torn notes.

2.11 Misc. Services:

- Bank a/c information of tax payer client according to demand of NBR.

- Local Governance Support Project.
- Enlist of Non-Government Insurance Company.

2.12 Sonali Bank core Businesses

- Corporate Banking
- Project Finance
- SME Finance
- Remittance
- Lease Finance
- Consumer Credit
- Trade Finance
- Loan Syndication
- Foreign Exchange Dealing
- International Trade
- NGO-Linkage Loan
- Consumer Credit
- Investment
- Government Treasury Function
- Money Market Operation
- Rural and Micro credit
- Capital Market Operation
- Special Small Loan

2.13 Digitalization status of Sonali Bank Limited

1. Branch Computerization: 1204 inland branches are now computerized.

2. Foreign Remittance : Bank's very own in-house programming "Settlement The executives Framework" (RMS+), having, among others, the element of paying remote settlement in a split second over the counter is being actualized at all branches. This online programming gives computerized administrations to the ostracizes through its extraordinary leeway of sending affirmation message to the cell phone of the remitter/recipient.

3. ATM : Sonali Bank Restricted is an individual from Q-Money Consortium, National Installment Switch Bangladesh (NPSB) and VISA. Clients can appreciate nonstop money withdrawal office from 75 possess ATM(s) and around 6500+ shared ATM corners the nation over. Sonali Bank as of late propelled Visa.

Q-Cash ATM Network:

- Sonali Bank Limited has presented Proprietary Debit and Credit cards.
- Card holder can without much of a stretch pay service charges like-Water, Telephone, Gas and so forth.
- It is anything but difficult to transmit assets among the partaking parts of the Bank.
- 24 hours Transactions is accessible.
- It is a hazard less Cash Carrying office.
- Cashless buy can be produced using explicit Point of Sales (POS).
- Only structured Branches of Bangladesh bargain Q-Cash cards.
- Branches of District and Upazilla level will present Sonali Bank Q-Cash card inside most limited conceivable time.

4 Online & SMS banking: At present 1203 parts of Sonali Banks are incorporated into the Online Any Branch Saving money (ABB) organize. SMS keeping money benefit is running in 818+ branches. 1203 branches are presently in computerization organize inside 1207 branches at home. Add up to number of CBS running branch is 818 and all CBS branches bolster sms saving money The bank is truly taking a shot at interfacing all branches in the Ongoing Internet Saving money arrange step by step. Branches having ABB office are additionally rendering SMS saving money administrations. RTGS empowered branch no is 19.

2.14: Green banking: Sujla Sufla Crocodile is our favorite motherland. As a result of global warming and unusual climate change, our motherland Bangladesh is at serious risk like other countries in the world. In recent times, the "Environmental Protection Movement" has spread widely around the world. An important aspect of this movement is to implement green banking and environmentally friendly banking activities. In order to prevent environmental disaster and to save the world, Bangladesh Government has taken various programs with the highest

priority. Implement. As the country's largest commercial bank, Social Banking Limited has already started an environmentally-friendly banking program very strong for social responsibility policy and implementation of the government's program. Bangladesh Bank has formulated a full-fledged environmentally-friendly banking policy in line with world-class in the interest of a strong and sustainable banking system. According to the guidelines of the policy, the successive details of the programs taken by Sonali Bank Limited are given below for implementation of green banking activities.

1 Preparation of Green Banking Policy: The main objective of Green Banking policy is to create an environmentally friendly and sustainable banking system. "Green Banking Policy" has been formulated by explaining the objectives and key objectives of environment-friendly banking or green banking to protect the environment by ensuring financing and overall activities of any bank, which do not directly or indirectly cause environmental disaster. In order to comply with the changed business conditions, the need to amend the existing "Green Banking Policy" has been corrected and sent to all the offices / branches of the bank by amending / modifying / disseminating it.

2 Green Office Guide 'Formulated: In-house Environmental Management Guidelines / Process General Instructions have been issued for implementation of Green Banking activities of Sonali Bank Limited. Through which all the offices and branches of this bank have given utmost importance to reducing paper usage, regulating water usage, electricity and fuel economics.

3 Development of internal environment management: In order to utilize various materials in the bank's internal environment management, instructions for ensuring environment-friendly or cost-effective banking through Reduce, Reuse, Recycle, have been instructed. 36 branches and 2 Automated Teller Machine (ATM) of this bank are being operated through solar power. The solar panel of 10,000-watt pickup power has been installed in the roof of the main office in 2012.

4 Including environmental risks in debt risk management: The risk of climate change and climate change risk (CRM) has been included. In the case of new loan grants and renewal, the risk of the project is being assessed as well as environmental risk assessment. According to the Environmental Due-diligence (EDD) checklist covered by the Bangladesh Bank Guidelines On

Environmental Risk Management (ERM) for the assessment of environmental risk, Environmental Risk Rating (EnvRR) is being funded and financed by the bank.

5 Green funding launched: To set up Effluent Treatment Plant (ETP) in industrial projects, to set up Hybrid Hofman Kiln (HHK) in brick kilns, expansion of renewable energy projects, expansion of renewable energy projects, Bio-Fertilizer Plant, Bio-Gas Plant, PET bottle, Non-Green Finance is being funded by financing the Fire Block Brick Manufacturing Plant, Vermicompost etc. Till the year 2017, the Direct Environmental funding of this bank is 13.03 crore taka.

6 Launching Green Marketing: Initiatives have been initiated for innovation, production, marketing and marketing of environmentally friendly products and services. Ensuring production, marketing and marketing of environmentally safe and risk-free products (industrial / business) in a funded and financing project by the bank.

7 Establishment of Green Branch: In order to establish a green branch, probability has already been verified. After getting specific criteria from Bangladesh Bank, the matter will be finalized.

8 Climate Risk Fund: The provision of low interest for financing natural disaster affected areas including flood, drought, cyclone, water logging, salinity and river erosion have been arranged. In addition to environmental and climate change, due to the risks of climate change, it is being used as a part of Corporate Social Responsibility (CSR) under Environmental Banking for various areas, for the purpose of funding the development of natural disaster affected areas. Till this year, Tk 5.87 crore has been spent in this sector.

9 Online banking facility: Under the environment-friendly banking program, 1209 branches of the bank are offering online banking facility to customers through any branch banking and 1209 core banking solutions (CBS) and SMS Banking.

10 Bank's own ATM setup: 103 private ones are issued by debit card and credit card and 1985 Automated Teller Machine (ATM) of other banks are being provided to 24 hours service to customers.

11 Preparation of Green Strategic Planning: Green Strategic Planning has been formulated and sent through e-mail to implement the bank in all areas.

Steps have been taken to achieve the timely and money-saving and circular issuance of non-paperless banking through all the correspondence banks website and e-mail.

Green banking activities of this bank are regularly reported to them in the prescribed format of Bangladesh Bank per quarter.

Recently, according to the instructions of the Bangladesh Bank, a separate "Sustainable Finance Unit" has been formed under the Risk Management Division, abolishing the existing CSR Cell and Green Banking Unit.

Chapter: 3

Learning part



Financial Statement Analysis

Financial statement analysis is the way toward dissecting an organization's budget summaries for basic leadership purposes and to comprehend the general wellbeing of an association. Budget reports record money related information, which must be assessed through fiscal summary investigation to end up progressively valuable to financial specialists, investors, directors, and other invested individuals.

3.1 Ratio Analysis

Cash related extents are useful pointers of an affiliation's execution and budgetary condition. Money related proportions can be used to separate examples and to balance the affiliation's financials with those of various firms. Extent examination is the check and connection of extents which are gotten from the information in an association's financial reports. Cash related extents are by and large imparted as a percent or as times per period. Extent examination is a comprehensively used gadget of budgetary examination. It is portrayed as the deliberate use of extent to translate the spending reports with the objective that the quality and inadequacies of a firm and moreover its recorded execution and current fiscal condition can be settled. The term extent implies the numerical or quantitative association between two variables. With the help of extent examination end can be drawn review a couple of points, for instance, cash related prosperity, profit and operational efficiency of the undertaking. Extent points out the working viability of the firm i.e. despite whether the organization has utilized the organization's focal points precisely, to extend the examiner's wealth. It ensures a sensible return to its proprietors and grapples perfect utilization of organization's advantages. Extent examination helps in the middle of firm examination by giving imperative data. A cover firm relationship exhibits relative position. It gives the imperative data to the examination of the execution of different divisions. If connection exhibits a vacillation, the possible reasons of assortments may be perceived and if results are negative, the movement may be begun in a split second to get them line. One more segment of handiness or extent examination, critical from the View reason for the board is that it hurls light on the degree profitability in the distinctive activity extents appraises this kind of operational adequacy.

- a) Liquidity Ratios**
- b) Leverage Ratios**
- c) Profitability Ratios**
- d) Activity Ratios**

e) Market Ratios

f) Statements of Cash Flow

3.1.1 Liquidity Ratios

Liquidity ratios measure a firm's ability to meet its current obligations. These include:

Current Ratio:

Current Ratio = Current Assets / Current Liabilities

Current Ratio shows the degree to which current liabilities are secured by those advantages anticipated that would be changed over to trade out the not so distant future. Current resources ordinarily incorporate money, Offset with BB and Its specialist bank, attractive securities, accounts receivables, and inventories. Current liabilities comprise of records payable, transient notes payable, current developments of long haul obligation, gathered duties, and other accumulated costs. Current resources are essential to organizations since they are the advantages that are utilized to finance everyday activities and pay continuous costs.

year	2012	2013	2014	2015	2016
Current Assets	587,018,337,223	687,420,211,814	762,727,400,081	857,873,213,680	975,909,908,390
Current Liabilities	333,748,572,035	331,090,359,814	365,783,435,567	403,628,027,050	535,525,624,774
Current Ratio	1.76	2.08	2.09	2.13	1.82

Interpretation

The current ratio for the year 2012, 2013, 2014, 2015 & 2016 is 1.76, 2.08, 2.09, 2.13 & 1.82 respectively. compared to standard ratio 2:1, ratio is lower in year 2012 & 2016 which shows low short-term liquidity efficiency at the same time holding less than sufficient current assets mean inefficient use of resources.

Sales to Working Capital = Sales / Working Capital

Sales to working capital give a sign of the turnover in working capital every year. A low working capital shows an unfruitful utilization of working capital.

year	2012	2013	2014	2015	2016
Sales	22,395,085,969	14,922,170,541	21,457,027,045	22,702,412,359	23,626,445,630
Working Capital	253,269,765,188	356,329,852,000	396,943,964,514	454,245,186,630	440,384,283,616
Sales to Working Capital	8.84%	4.19%	5.41%	5.00%	5.36%

Interpretation

SBL's Sales to Working Capital is very lower in year 2013 and higher in year 2012. But last year SBL increased its Sales to Working Capital that's mean SBL is going profitable use of working capital.

Working Capital:

Working Capital = Current Assets – Current Liabilities

A proportion of both an organization's effectiveness and its momentary money related wellbeing. Positive working capital implies that the organization can satisfy its transient liabilities. Negative working capital implies that an organization as of now can't meet its transient liabilities with its present resources (money, records of sales and stock). Otherwise called "net working capital", or the "working capital proportion".

year	2012	2013	2014	2015	2016
Current Assets	587,018,337,223	687,420,211,814	762,727,400,081	857,873,213,680	975,909,908,390
Current Liabilities	333,748,572,035	331,090,359,814	365,783,435,567	403,628,027,050	535,525,624,774
Working Capital	253,269,765,188	356,329,852,000	396,943,964,514	454,245,186,630	440,384,283,616

Interpretation

It is very clear from the above calculations that the working capital of the bank is gradually increasing over the years, which shows good short-term liquidity efficiency, except year 2016.

Cash Position Indicator

Cash position pointer is the proportion of money and stores due from vault foundations, to add up to resources, where a more prominent extent of money infers the bank is in a more grounded position to deal with quick money needs. Sonali Bank Ltd's money position marker is given beneath.

$$\text{Cash Position Indicator} = \{(\text{Cash} + \text{Deposits}) / \text{Total Assets}\} \times 100$$

year	2012	2013	2014	2015	2016
Cash + Deposits	486,774,641,979	579,895,935,751	656,219,042,097	751,247,761,353	864,340,236,344
Total & Assets	753,949,685,755	852,223,550,362	934,592,315,146	1,026,108,505,771	1,200,589,972,325
CPI	64.56%	68.05%	70.21%	73.21%	71.99%

3.1.2 Leverage Ratios

By utilizing a mix of benefits, obligation, value, and intrigue installments, use proportion's are utilized to comprehend an organization's capacity to meet it long haul budgetary commitments.

Use proportions measure the level of security of providers of long haul reserves. The dimension of use relies upon a ton of elements, for example, accessibility of security, quality of working income and duty medicines. In this manner, speculators ought to be cautious about looking at money related use between organizations from various ventures. For instance organizations in the saving money industry normally works with a high use as guarantee their advantages are effectively collateralized. These include:

Time Interest Earned:

$$\text{TIE Ratio} = \text{EBIT} / \text{Interest Charges}$$

The intrigue inclusion proportion reveals to us how effectively an organization can pay interest costs related to the obligation they at present have. The proportion is intended to comprehend the measure of enthusiasm due as a component of organization's income before intrigue and expenses (EBIT). This proportion estimates the degree to which working salary can decay before the firm can't meet its yearly intrigue cost.

year	2012	2013	2014	2015	2016
EBIT	4,649,598,274	41,338,425,454	49,125,536,186	44,429,796,259	50,769,574,740
Interest Charge	32,917,128,567	38,797,127,707	43,284,063,049	46,699,338,149	47,352,528,207
TIE Ratio	0.14	1.07	1.13	0.95	1.07

Interpretation

TIE ratio was very low but gradually increased last year. We can see from this ratio analysis that, our bank has covered their interest expenses 0.14, 1.07, 1.13, 0.95 & 1.07 respectively year 2012 to 2016. It means they have performed pretty much same in 2013 and 2016, but has taken a different look in 2012. In year 2012 & 2015 EBIT does not reach to the total interest expense.

Debt Ratio = Total Debt / Total Assets

The proportion of aggregate obligation to add up to resources, by and large called the obligation proportion, generally called the commitment extent, measures the dimension of advantages given by the advance supervisors. The degree of an affiliation's total assets that are being financed with procured resources. The commitment extent is dictated by parceling hard and fast whole deal and transient liabilities by total assets. The higher the extent, the more utilize the association is using and the more peril it is tolerating. Assets and liabilities are found on an association's advantage report.

year	2012	2013	2014	2015	2016
Total Debt	731,559,685,793	802,214,864,640	875,013,271,181	967,725,348,911	1,133,215,216,149
Total asset	753,949,685,755	852,223,550,362	934,592,315,146	1,026,108,505,771	1,200,589,972,325
Debt Ratio	0.97	0.94	0.94	0.94	0.94

Interpretation

The ratio was high in year 2012 but sharply decreased in year 2023 to present. SBL's debt ratio were decreasing trend that indicates positive sign

Debt to Equity Ratio:

Debt to Equity Ratio = Total debt / Total Equity

The debt to equity ratio is the most mainstream use proportion and it gives detail around the measure of use (liabilities assumed) that an organization has in connection to the monies given by investors. As should be obvious through the equation underneath, the lower the number, the less use that an organization is utilizing. The obligation to value proportion gives the extent of an organization (or person's) resources that are financed by obligation versus value. It is a typical proportion of the long haul reason-ability of an organization's the same old thing and, alongside current proportion, a proportion of its liquidity, or its capacity to cover its costs. Thus, obligation to value estimations frequently just incorporates long haul obligation as opposed to an organization's aggregate liabilities. A high obligation to value proportion infers that the organization has been forcefully financing its exercises through obligation and along these lines must pay enthusiasm on this financing.

year	2012	2013	2014	2015	2016
Total debt	731,559,685,793	802,214,864,640	875,013,271,181	967,725,348,911	1,133,215,216,149
Total Equity	22,389,999,962	50,008,685,720	59,579,043,966	58,383,156,860	67,374,756,175
D/E Ratio	33	16	15	17	17

Interpretation

We can see from the above calculations that the bank highly used debt capital in year 2012 against total equity capital. But in year 2013 & 2014 gradually decreased it's D/E ratio by using more equity capital. In year 2015 & 2016 the ratio increases than previous years.

3.1.3 Profitability Ratios: Profitability is the net consequence of various strategies and choices. This segment of the talks about the distinctive proportions of corporate Profitability and monetary execution. These proportions, much like the operational execution proportions, give clients a decent comprehension of how well the organization used its assets in producing benefit and investor esteem. The long-haul productivity of an organization is crucial for both the survivability of the organization and also the advantage gotten by investors. It is these proportions that can give understanding into the exceptionally imperative "benefit". Productivity proportions demonstrate the consolidated impacts of liquidity, resource the

executives and obligation on working outcomes. These proportions analyze the benefit made by the firm and contrast these figures and the measure of the firm, the advantages utilized by the firm or its dimension of offers. There are four imperative Profitability proportions that I am will investigate.

Net Profit Margin:

Net Profit margin = Net Profit / Sales x 100

Net Profit Margin gives us the net benefit that the business is acquiring per dollar of offers. This edge demonstrates the benefit after every one of the expenses have been caused it demonstrates that what % of turnover is spoken to by the net benefit. An expansion in the proportions shows that a firm is delivering higher net benefit of offers than previously.

year	2012	2013	2014	2015	2016
Net Profit	(24,959,225,308)	3,580,184,237	6,054,643,543	586,198,274	1,516,237,670
Sales	30,651,965,867	27,802,389,301	29,903,879,988	32,313,077,239	31,009,974,505
Net Profit Margin	-81.43%	12.88%	20.25%	1.81%	4.89%

Interpretation

Since the bank is in losses position in year 2012 so profit margin also negative. Every year Net Profit Margin of the SBL bank is fluctuating. In year 2014 indicated that SBL is producing higher net profit of sales than other year.

Return on Assets:

Return on Assets (ROA) = Profit after Taxation / Average Total assets x 100

ROA, A proportion of an organization's productivity, equivalent to a monetary year's profit isolated by its aggregate resources, communicated as a rate. This is an imperative proportion for organizations choosing whether or not to start another task. The premise of this proportion is that if an organization will begin a task they hope to procure an arrival on it, ROA is the arrival they would get. Basically, on the off chance that ROA is over the rate that the organization acquires at, the task ought to be acknowledged, in the event that not, it is rejected.

year	2012	2013	2014	2015	2016
Profit after Taxation	(24,959,225,308)	3,580,184,237	6,054,643,543	586,198,274	1,516,237,670
Average Total assets	753,949,685,755	803,086,618,059	893,407,932,754	980,350,410,459	1,113,349,239,048
ROA	-3.31%	0.45%	0.68%	0.06%	0.14%

Interpretation

SBL earned 0.45%, 0.68%, 0.06% & 0.14% on their total assets in year 2013-2016 respectively. Return on Assets of SBL is fluctuating every year. But good thing is that, last year SBL increased ROA.

Return on Equity (ROE):

Return on Total Equity = Profit after taxation x 10

Total Equity

Return on Equity measures the amount of Net Income earned by utilizing each dollar/Taka(Currency) of Total common equity. This proportion clarify between net benefit and value investor's assets. It is the most vital of the "Primary concern" proportion. By this, we can discover how much the investors will get for their offers. This proportion shows how gainful an organization is by contrasting its overall gain with its normal investors' value. The arrival on value proportion (ROE) measures how much the investors earned for their interest in the organization. The higher the proportion rate, the more productive administration is in using its value base and the better return is to financial specialists.

year	2012	2013	2014	2015	2016
Profit after	(24,959,225,308)	3,580,184,237	6,054,643,543	586,198,274	1,516,237,670

taxatio n					
Total Equity	22,389,999,962	50,008,685,7 20	59,579,043,9 66	58,383,156,8 60	67,374,756,1 75
ROE	-111.47%	7.16%	10.16%	1.00%	2.25%

Interpretation

In year 2013 & 2014 return on equity is higher than other. And year 2012 is not satisfaction result. Year 2014 is the best ROE for SBL.

3.1.4 Activity Ratios

Activity ratio are sometimes are called efficiency ratios. Activity ratios are concerned with how efficiency the assets of the firm are managed. These ratios express relationship between level of sales and the investment in various assets inventories, receivables, fixed assets etc.

Total Asset Turnover:

$$\text{Total Asset Turnover} = \text{Operating profit} / \text{Total Assets} * 100$$

The measure of offers produced for each dollar of advantages. It is calculated by dividing sales in dollars/taka by assets in dollars/taka. Resource turnover estimates a company's productivity at utilizing its advantages in creating deals or income - the higher the number the better. It likewise demonstrates valuing technique: organizations with low overall revenues will in general have high resource turnover, while those with high net revenues have low resource turnover.

year	2012	2013	2014	2015	2016
Operati ng profit	22,395,085,9 69	14,922,170,5 41	21,457,027,0 45	22,702,412,35 9	23,626,445,63 0
Total Assets	753,949,685, 755	852,223,550, 362	934,592,315, 146	1,026,108,505, 771	1,200,589,972, 325
Total Asset Turnov er	2.97%	1.75%	2.30%	2.21%	1.97%

Interpretation

$$\text{Capacity ratio} = \text{Total Loan \& Advances} / \text{Total Assets} * 100$$

Capacity ratio is the ratio of net loan and advance to total asset. It is a negative liquidity indicator, because loan & advance are often among the most illiquid asset that a bank can hold SBL's capacity ratio is

year	2012	2013	2014	2015	2016
Loan & Advances	378,147,055,602	343,450,525,505	337,554,433,143	346,346,340,867	384,538,118,238
Total Assets	753,949,685,755	852,223,550,362	934,592,315,146	1,026,108,505,771	1,200,589,972,325
Capacity ratio	50.16%	40.30%	36.12%	33.75%	32.03%

Interpretation

The lower the capacity ratio of a bank, the better the position. The ratio is decreasing gradually since 2012 to present. Its mean that SBL performing well.

3.1.5 Market Ratios

Market Value Ratios relate an observable market value, the stock price, to book values obtained from the firm's financial statements.

Earning Per Share- EPS:

$$\text{Earning Per Share} = \text{Profit after Taxation/Number of Shares}$$

The bit of an organization's benefit designated to each exceptional offer of normal stock. Income per share fill in as a marker of an organization's productivity. Profit per share are commonly viewed as the absolute most vital variable in deciding an offer's cost. It is likewise a noteworthy part used to compute the cost to-income valuation proportion.

year	2012	2013	2014	2015	2016
Profit after Taxation	(24,959,225,308)	3,580,184,237	6,054,643,543	586,198,274	1,516,237,670
No. of share	112,500,000	112,500,000	188,473,973	383,000,000	383,000,000
EPS	(221.86)	31.82	32.12	1.53	3.96

Interpretation

Share holder's can earned taka (221.86), 31.82, 32.12, 1.53, 3.96 in year 2012-2016 respectively. Year 2014 is represented higher EPS and 2012 represent lower (loss)

Price Earning Ratio:

Price / Earning Ratio = Stock Price Per Share/Earning Per Shares

The P/E Proportion demonstrates how much financial specialists will pay per dollar/taka of current income. In that capacity, high P/E Proportions are related with development stocks. (Financial specialists who will pay a high cost for a dollar/Taka of current income clearly expect high profit later on.) thusly, the P/E Proportion likewise shows how costly a specific stock is. This proportion isn't important, notwithstanding, if the firm has almost no or negative income. The Value Profit Proportion is determined by isolating the present market cost per offer of the stock by income per share (EPS). (Earnings per share are calculated by dividing net income by the number of shares outstanding.)

year	2012	2013	2014	2015	2016
Stock Price Per Share	199.02	444.52	316.11	152.44	175.91
Earning Per Shares	(221.86)	31.82	32.12	1.53	3.96
Price / Earning Ratio	N/A	13.97	9.84	99.63	44.42

Interpretation

Year 2014 is the best which represent 9.84. its means to earn taka 1 we need to invest taka 9.84.

3.2 Common Size Analysis

Common Size Analysis helps express a specific thing as a proportion or rate in connection to explicit base thing. For instance, in salary articulation as a rule the base thing is add up to income and in monetary record the basic base thing in reference to which others are communicated or assessed are resources. Normal size investigation comprehends the effect and impact of everything of budget summary and its commitment to the resultant. For instance, basic size investigation on salary explanation can enable us to comprehend that how huge are managerial expenses in connection to deals and the amount of the income is devoured by authoritative costs alone.

Kinds of Common-size Analysis There are for the most part two manners by which normal size examination can be directed:

1. Horizontal examination
2. Vertical examination

Horizontal investigation helps examinations a detail by contrasting it with comparable line in either past period or ensuing period. In basic words horizontal examination helps look at two changed eras.

Vertical investigation examinations an explicit detail of one fiscal summary in connection to base-thing inside same money related period. In basic words vertical investigation help express details in connection to line thing of our decision like aggregate income.3.3

Comparative Financial Statement

A comparative statement is a document that compares a particular financial statement with prior period statements or with the same financial report generated by another company. Analysts and business managers use the income statement, balance sheet and cash flow statement for comparative purposes.

Common Size Balance Sheet

Particulars	2012(Taka)	2013(Taka)	2014(Taka)	2015(Taka)	2016(Taka)	2,012	2,013	2,014	2,015	2,016
Property & Assets										
Cash	41,690,269,401	49,491,493,642	53,382,074,145	70,477,626,670	80,083,451,762	5.53%	5.81%	5.71%	6.87%	6.67%
In hand(Inc. foreign Currency)	6,478,812,163	9,201,593,012	6,866,617,665	5,854,843,846	6,289,949,137	0.86%	1.08%	0.73%	0.57%	0.52%
Balance with BB & its agent bank	35,211,457,238	40,289,900,630	46,515,456,480	64,622,782,824	73,793,502,625	4.67%	4.73%	4.98%	6.30%	6.15%
Balance with other bank & Financial Inst	10,521,825,081	17,760,332,986	39,838,384,042	28,572,059,359	38,820,750,116	1.40%	2.08%	4.26%	2.78%	3.23%
In Bangladesh	4,838,819,000	9,535,319,000	31,105,819,000	17,895,819,000	35,445,142,558	0.64%	1.12%	3.33%	1.74%	2.95%
outside Bangladesh	5,683,006,081	8,225,013,986	8,732,565,042	10,676,240,359	3,375,607,558	0.75%	0.97%	0.93%	1.04%	0.28%
Money at call on short notice	7,748,948,670	4,461,595,150	9,225,682,000	4,521,712,000	3,586,282,000	1.03%	0.52%	0.99%	0.44%	0.30%
Investment	148,910,238,469	272,256,264,531	322,726,926,751	407,955,474,784	468,881,306,274	19.75%	31.95%	34.53%	39.76%	39.05%
Government	129,999,474,753	253,779,613,829	300,775,983,800	381,600,397,662	437,987,987,654	17.24%	29.78%	32.18%	37.19%	36.48%
Others	18,910,763,716	18,476,650,702	21,950,942,951	26,355,077,122	30,893,318,620	2.51%	2.17%	2.35%	2.57%	2.57%
Loan & Advances	378,147,055,602	343,450,525,505	337,554,433,143	346,346,340,867	384,538,118,238	50.16%	40.30%	36.12%	33.75%	32.03%
Loans, Cash Credit overdraft etc	338,333,244,074	314,721,206,691	323,104,662,556	335,298,299,782	375,277,891,226	44.87%	36.93%	34.57%	32.68%	31.26%
Bills purchases & Discounted	39,813,811,528	28,729,318,814	14,449,770,587	11,048,041,085	9,260,227,012	5.28%	3.37%	1.55%	1.08%	0.77%
Fixed asset including Premises, Furniture other assets	23,122,398,424	32,502,611,072	32,767,568,369	33,016,011,697	33,113,961,804	3.07%	3.81%	3.51%	3.22%	2.76%
Non Banking Assets	143,808,950,108	132,300,727,476	139,097,346,696	135,219,280,394	191,566,102,131	19.07%	15.52%	14.88%	13.18%	15.96%
Total Property & Assets	753,949,685,755	852,223,550,362	934,592,315,146	1,026,108,505,771	1,200,589,972,325	100.00%	100.00%	100.00%	100.00%	100.00%
Liabilities & Capital										
Liabilities :										
Borrowing from other banks, Fis & Agen Deposits & Other Accounts	9,994,300,253	938,079,370	881,709,418	825,502,895	769,625,629	1.33%	0.11%	0.09%	0.08%	0.06%
Current Account & other A/C etc	599,293,702,110	685,894,589,395	778,042,688,391	866,012,281,779	1,031,608,235,011	79.49%	80.48%	83.25%	84.40%	85.93%
Bills payable	144,306,694,511	147,060,091,620	162,529,378,799	176,230,885,281	192,731,770,071	19.14%	17.26%	17.39%	17.17%	16.05%
savings bank deposits	9,902,635,021	8,430,055,666	12,676,341,550	9,011,261,815	54,619,680,358	1.31%	0.99%	1.36%	0.88%	4.55%
Fixed deposits	169,544,942,250	174,662,133,158	189,696,005,800	217,560,377,059	287,404,548,716	22.49%	20.49%	20.30%	21.20%	23.94%
Other deposits	275,539,430,328	355,742,308,951	413,140,962,152	463,209,757,624	496,852,235,866	36.55%	41.74%	44.21%	45.14%	41.38%
Other Liabilities	122,271,683,430	115,382,195,875	96,088,873,462	100,887,564,237	100,837,355,509	16.22%	13.54%	10.28%	9.83%	8.40%
Total Liabilities	731,559,685,793	802,214,864,640	875,013,271,181	967,725,348,911	1,133,215,216,149	97.03%	94.13%	93.63%	94.31%	94.39%
Capital/Shareholder's Equity:										
Paid up Capital	11,250,000,000	11,250,000,000	31,200,000,000	38,300,000,000	38,300,000,000	1.49%	1.32%	3.34%	3.73%	3.19%
Share Money Deposit	-	19,950,000,000	7,100,000,000	-	-	0.00%	2.34%	0.76%	0.00%	0.00%
Statutory Reserve	5,924,918,206	6,433,177,755	7,601,472,379	7,601,472,379	8,284,876,285	0.79%	0.75%	0.81%	0.74%	0.69%
Retained Earnings	(18,738,512,778)	(21,683,844,947)	(14,604,492,472)	(20,652,314,925)	(13,051,604,275)	-2.49%	-2.54%	-1.56%	-2.01%	-1.09%
Other Reserve	23,953,594,534	34,059,352,912	28,282,064,059	33,133,999,406	33,841,484,165	3.18%	4.00%	3.03%	3.23%	2.82%
Total Shareholder's Equity	22,389,999,962	50,008,685,720	59,579,043,966	58,383,156,860	67,374,756,175	2.97%	5.87%	6.37%	5.69%	5.61%
Total Liabilities & Shareholder's Equity	753,949,685,755	852,223,550,360	934,592,315,147	1,026,108,505,771	1,200,589,972,324	100.00%	100.00%	100.00%	100.00%	100.00%
Off-Balance Sheet Items:										
Acceptances & Endorsements	198,936,405,232	175,802,795,405	229,929,738,014	251,952,892,975	196,926,074,997	0.00%	0.00%	0.00%	0.00%	0.00%
Letters Of Guarantee	6,174,454,543	5,534,630,077	4,524,516,271	2,834,121,418	2,312,598,135	0.82%	0.65%	0.48%	0.28%	0.19%
Irrevocable Letters of credit	176,464,434,639	155,822,496,087	206,390,740,160	242,443,332,567	187,750,197,605	23.41%	18.28%	22.08%	23.63%	15.64%
Bills for collection	16,297,516,050	14,445,669,241	19,014,481,583	6,675,438,990	6,863,279,257	2.16%	1.70%	2.03%	0.65%	0.57%
Other	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%
Other Commitments	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%
Other Memorandum Items	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%
Total Off-Balance Sheet	198,936,405,232	175,802,795,405	229,929,738,014	251,952,892,975	196,926,074,997	26.39%	20.63%	24.60%	24.55%	16.40%

Common Size Income Statement

Particulars	2012(Taka)	2013(Taka)	2014(Taka)	2015(Taka)	2016(Taka)	2012	2013	2014	2015	2016
Operating Income:										
Interest Income	30,651,965,867	27,802,389,301	29,903,879,988	32,313,077,239	31,009,974,505	100.00%	100.00%	100.00%	100.00%	100.00%
(Less): Interest paid on deposit	37,917,128,567	38,797,127,707	43,284,063,049	46,699,338,149	47,352,528,207	107.39%	139.55%	144.74%	144.52%	152.70%
Net Interest Income	(2,265,162,700)	(10,994,738,406)	(13,380,183,061)	(14,386,260,910)	(16,342,553,702)	-7.39%	-39.55%	-44.74%	-44.52%	-52.70%
Investment Income	10,841,515,813	15,536,433,969	23,136,318,700	27,400,014,402	30,967,665,178	35.37%	55.88%	77.37%	84.80%	99.86%
Commission, Exchange & Broke	11,263,628,929	8,856,851,243	10,526,892,935	9,155,665,790	8,326,585,055	36.75%	31.86%	35.20%	28.33%	26.85%
Other operating Income	2,555,103,927	1,523,623,735	1,173,998,471	532,993,077	674,749,099	8.34%	5.48%	3.93%	1.65%	2.18%
Total Operating Income (A)	24,660,248,669	25,916,908,947	34,837,210,106	37,088,673,269	39,968,999,332	80.45%	93.22%	116.50%	114.78%	128.89%
Less: Operating Expenses:										
salary & allowances	7,805,475,562	7,891,860,692	8,550,475,795	9,425,641,252	14,312,926,177	25.46%	28.39%	28.59%	29.17%	46.16%
Rent,tax, insurance Etc	644,641,768	797,475,557	775,904,540	831,669,908	973,679,062	2.10%	2.85%	2.59%	2.57%	3.14%
Legal expenses	20,991,145	19,488,424	33,265,161	34,135,856	46,629,546	0.07%	0.07%	0.11%	0.11%	0.15%
Postages, stamps, telecommuni	62,459,589	71,220,675	73,931,894	78,093,893	69,980,894	0.20%	0.26%	0.25%	0.24%	0.23%
Printing, stationery advertisement	199,502,006	197,614,185	218,921,922	209,335,116	225,341,621	0.65%	0.71%	0.73%	0.65%	0.73%
Chief Exe's salary & fees	6,477,496	7,234,159	8,254,707	7,220,087	7,932,942	0.02%	0.03%	0.03%	0.02%	0.03%
Director's fees	2,947,959	4,744,805	5,304,933	4,132,042	4,808,677	0.01%	0.02%	0.02%	0.01%	0.02%
Auditor's fees	3,338,819	2,669,118	2,847,516	2,616,695	3,156,603	0.01%	0.01%	0.01%	0.01%	0.01%
Charges on loan loss	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%
Depreciation & Repair to bank /	489,313,241	509,942,630	553,899,752	570,052,168	567,503,260	1.60%	1.83%	1.89%	1.76%	1.83%
other expenses	2,123,616,190	2,453,719,716	2,676,880,920	2,888,859,390	3,163,114,075	6.93%	8.83%	8.95%	8.94%	10.20%
Total Operating Expenses (B)	11,358,763,775	11,950,969,961	12,909,687,440	14,051,756,407	19,375,072,857	37.06%	42.99%	43.17%	43.49%	62.48%
Profit Before provision & taxes	11,036,322,194	2,971,200,580	8,547,339,905	8,650,655,952	4,251,372,773	36.01%	10.69%	28.58%	26.77%	13.71%
Provision for loans & advances	37,016,725,418	161,768,986	-	8,227,793,118	-	120.76%	0.58%	0.00%	25.46%	0.00%
provision for diminution in valu	-	-	-	156,900,000	-	0.00%	0.00%	0.00%	0.49%	0.00%
Amortization of lut sector	-	268,133,847	-	-	-	0.00%	0.96%	0.00%	0.00%	0.00%
other provision	2,287,127,069	-	2,705,866,768	2,535,504,724	834,326,240	7.46%	0.00%	9.05%	7.85%	2.69%
Total provision (D)	39,303,852,487	429,902,833	2,705,866,768	10,920,197,842	834,326,240	128.23%	1.55%	9.05%	33.79%	2.69%
Total profit/loss before taxes(E)	(28,267,530,293)	2,541,297,747	5,841,473,137	(2,269,541,890)	3,417,046,533	-92.22%	9.14%	19.53%	-7.02%	11.02%
Provision for taxes(F)	3,308,304,985	1,038,886,490	(213,170,406)	(2,855,740,164)	1,900,808,863	10.79%	3.74%	-0.71%	-8.84%	6.13%
Current tax	(435,696,168)	(236,741,717)	199,401,664	197,184,155	416,118,748	-1.42%	-0.85%	0.67%	0.61%	1.34%
Deferred tax	3,744,001,153	1,275,628,207	(412,572,070)	(3,052,924,319)	1,484,690,115	12.21%	4.59%	-1.38%	-9.45%	4.79%
Net profit/loss after taxes(G=E-F)	(24,959,225,308)	3,580,184,237	6,054,643,543	586,198,274	1,516,237,670	-81.43%	12.88%	20.25%	1.81%	4.89%
no. of share	112,500,000	112,500,000	188,473,973	383,000,000	383,000,000					
eps										

Comparable Balance Sheet

Particulars	2012(Taka)	2013(Taka)	2014(Taka)	2015(Taka)	2016(Taka)	2.013	2.014	2.015	2.016
Property & Assets									
Cash	41,690,269,401	49,491,493,642	53,382,074,145	70,477,626,670	80,083,451,762	18.71%	7.86%	32.02%	13.63%
In hand/In.c. foreign Currency	6,478,812,163	9,201,593,012	6,866,617,665	5,854,843,846	6,289,949,137	42.03%	-25.38%	-14.73%	7.43%
Balance with BB & Its agent bank	35,211,457,238	40,289,900,630	46,515,456,480	64,672,782,824	73,793,502,625	14.42%	15.45%	38.93%	14.19%
Balance with other bank & Financial Institution	10,521,825,081	17,760,332,986	39,838,384,042	28,572,059,359	38,820,750,116	68.80%	124.31%	-28.28%	35.87%
In Bangladesh	4,838,819,000	9,535,019,000	31,105,819,000	17,895,819,000	35,445,142,558	97.05%	226.23%	-42.47%	98.06%
outside Bangladesh	5,683,006,081	8,225,313,986	8,732,565,042	10,676,240,359	3,375,607,558	44.74%	6.17%	22.26%	-68.38%
Money at call on short notice	7,748,948,670	4,461,595,150	9,225,582,000	4,521,712,000	3,586,282,000	-42.42%	106.78%	-50.99%	-20.69%
Investment	148,910,238,469	272,256,264,531	322,726,926,751	407,955,474,784	468,881,306,274	82.83%	18.54%	26.41%	14.93%
Government	129,999,474,753	253,779,613,829	300,775,983,800	381,600,397,662	437,987,987,654	95.22%	18.52%	26.87%	14.78%
Others	18,910,763,716	18,476,650,702	21,950,942,951	26,355,077,122	30,893,318,620	-2.30%	18.80%	20.06%	17.22%
Loan & Advances	378,147,055,602	343,450,525,505	337,554,433,143	346,346,340,867	384,538,118,238	-9.18%	-1.72%	2.60%	11.03%
Loans, Cash Credit overdraft etc	338,333,244,074	314,721,206,691	323,104,662,556	335,298,299,782	375,277,891,226	-6.98%	2.66%	3.77%	11.92%
Bills purchases & Discounted	39,813,811,528	28,729,318,814	14,449,770,587	11,048,041,085	9,260,227,012	-27.84%	-49.70%	-23.54%	-16.18%
Fixed asset including Premises, Furniture & Fixer other Assets	23,122,398,424	32,502,611,072	32,767,568,369	33,016,011,697	33,113,961,804	40.57%	0.82%	0.76%	0.30%
other assets	143,808,950,108	132,300,727,476	139,097,346,696	135,219,280,394	191,566,102,131	-8.00%	5.14%	-2.79%	41.67%
Non Banking Assets	-	-	-	-	-	-	-	-	-
Total Property & Assets	753,949,685,755	852,223,550,362	934,592,315,146	1,026,108,505,771	1,200,589,972,325	13.03%	9.67%	9.79%	17.00%
Liabilities & Capital									
Liabilities :									
Borrowing from other banks, Fis & Agent	9,994,300,253	938,079,370	881,709,418	825,502,895	769,625,629	-90.61%	-6.01%	-6.37%	-6.77%
Deposits & Other Accounts	599,293,702,110	685,894,589,395	778,042,688,301	866,012,281,779	1,031,608,235,011	14.45%	13.43%	11.31%	19.12%
Current Account & other A/C etc	144,306,694,511	147,060,091,620	162,529,378,799	176,230,885,281	192,731,770,071	1.91%	10.52%	8.43%	9.36%
Bills payable	9,902,635,021	8,430,055,666	12,676,341,550	9,011,261,815	54,619,680,358	-14.87%	50.37%	-28.91%	506.13%
savings bank deposits	169,544,942,250	174,662,133,158	189,696,005,800	217,560,377,059	287,404,548,716	3.02%	8.61%	14.69%	32.10%
Fixed deposits	275,539,430,328	355,742,308,951	413,140,962,152	463,209,757,624	496,852,235,866	29.11%	16.13%	12.12%	7.26%
Other deposits	-	-	-	-	-	-	-	-	-
Other Liabilities	122,271,683,430	115,382,195,875	96,088,873,462	100,887,564,237	100,837,355,509	-5.63%	-16.72%	4.99%	-0.05%
Total Liabilities	731,559,685,793	802,214,864,640	875,013,271,181	967,725,348,911	1,133,215,216,149	9.66%	9.07%	10.60%	17.10%
Capital/Shareholder's Equity:									
Paid up Capital	11,250,000,000	11,250,000,000	31,200,000,000	38,300,000,000	38,300,000,000	0.00%	177.33%	22.76%	0.00%
Share Money Deposit	-	19,950,000,000	7,100,000,000	-	-	100.00%	-64.41%	-100.00%	-
Statutory Reserve	5,924,918,206	6,433,177,755	7,601,472,379	7,601,472,379	8,284,876,285	8.58%	18.16%	0.00%	8.99%
Retained Earnings	(18,738,512,778)	(21,683,844,947)	(14,604,492,472)	(20,652,314,925)	(13,051,604,275)	15.72%	-32.65%	41.41%	-36.80%
Other Reserve	23,953,594,534	34,059,352,912	28,282,064,059	33,133,999,406	33,841,484,165	42.19%	-16.96%	17.16%	2.14%
Total Shareholder's Equity	22,389,999,962	50,008,685,720	59,579,043,966	58,383,156,860	67,374,756,175	123.35%	19.14%	-2.01%	15.40%
Total Liabilities & Shareholder's Equity	753,949,685,755	852,223,550,360	934,592,315,147	1,026,108,505,771	1,200,589,972,324	13.03%	9.67%	9.79%	17.00%
Off-Balance Sheet Items:									
Contingent Liabilities:									
Acceptances & Endorsements	198,936,405,232	175,802,795,405	229,929,738,014	251,952,892,975	196,926,074,997	-11.63%	30.79%	9.58%	-21.84%
Letters Of Guarantee	6,174,454,543	5,534,630,077	4,524,516,271	2,834,121,418	2,312,598,135	-10.36%	-18.25%	-37.36%	-18.40%
Irrevocable Letters of credit	176,464,434,639	155,822,496,087	206,390,740,160	242,443,332,567	187,750,197,605	-11.70%	32.45%	17.47%	-22.56%
Bills for collection	16,297,516,050	14,445,669,241	19,014,481,583	6,675,438,990	6,863,279,257	-11.36%	31.63%	-64.89%	2.81%
Other	-	-	-	-	-	-	-	-	-
Other Commitments	-	-	-	-	-	-	-	-	-
Other Memorandum Items	-	-	-	-	-	-	-	-	-
Total Off-Balance Sheet	198,936,405,232	175,802,795,405	229,929,738,014	251,952,892,975	196,926,074,997	-11.63%	30.79%	9.58%	-21.84%

Comparable Income Statement

Particulars	2012(Taka)	2013(Taka)	2014(Taka)	2015(Taka)	2016(Taka)	2013	2014	2,015	2,016
Operating Income:									
Interest Income	30,651,965,867	27,802,389,301	29,903,879,988	32,313,077,239	31,009,974,505	-9.30%	7.56%	8.06%	-4.03%
(Less): Interest paid on deposit & borrowing etc	37,917,128,567	38,797,127,707	43,284,063,049	46,699,338,149	47,352,528,207	17.66%	11.57%	7.89%	1.40%
Net Interest Income	(2,265,162,700)	(10,994,738,406)	(13,380,183,061)	(14,386,260,910)	(16,342,553,702)	385.38%	21.70%	7.52%	13.60%
Investment Income	10,841,515,813	15,536,433,969	23,136,318,700	27,400,014,402	30,967,665,178	43.30%	48.92%	18.43%	13.02%
Commission, Exchange & Brokerage	11,263,628,929	8,856,851,243	10,526,892,935	9,155,665,790	8,326,585,055	-21.37%	18.86%	-13.03%	-9.06%
Other operating Income	2,555,103,927	1,523,623,735	1,173,998,471	532,993,077	674,749,099	-40.37%	-22.95%	-54.60%	26.60%
	24,660,248,669	25,916,908,947	34,837,210,106	37,088,673,269	39,968,999,332	5.10%	34.42%	6.46%	7.77%
Total Operating Income (A)	22,395,085,969	14,922,170,541	21,457,027,045	22,702,412,359	23,626,445,630	-33.37%	43.79%	5.80%	4.07%
Less: Operating Expenses:									
salary & allowances	7,805,475,562	7,891,860,692	8,550,475,795	9,425,641,252	14,312,926,177	1.11%	8.35%	10.24%	51.85%
Rent, tax, insurance Etc	644,641,768	792,475,557	775,904,540	831,669,908	973,679,062	22.93%	-2.09%	7.19%	17.08%
Legal expenses	20,991,145	19,488,424	33,265,161	34,135,856	46,629,546	-7.16%	70.69%	2.62%	36.60%
Postages, stamps, telecommunication etc	62,459,589	71,220,675	73,931,894	78,093,893	69,980,894	14.03%	3.81%	5.63%	-10.39%
Printing, stationery advertisement etc	199,502,006	197,614,185	218,921,922	209,335,116	225,341,621	-0.95%	10.78%	-4.38%	7.65%
Chief Exec's salary & fees	6,477,496	7,234,159	8,254,707	7,220,087	7,932,942	11.68%	14.11%	-12.53%	9.87%
Director's fees	2,947,959	4,744,805	5,304,933	4,132,042	4,808,677	60.95%	11.81%	-22.11%	16.38%
Auditor's fees	3,338,819	2,669,118	2,847,516	2,616,695	3,156,603	-20.06%	6.68%	-8.11%	20.63%
Charges on loan loss	-	-	-	-	-				
Depreciation & Repair to bank Assets	489,313,241	509,942,630	563,899,752	570,052,168	567,503,260	4.22%	10.58%	1.09%	-0.45%
other expenses	2,123,616,190	2,453,719,716	2,676,880,920	2,888,839,390	3,163,114,075	15.54%	9.09%	7.92%	9.49%
Total Operating Expenses (B)	11,358,763,775	11,950,969,961	12,909,687,140	14,051,756,407	19,375,072,857	5.21%	8.02%	8.85%	37.88%
Profit Before provision & taxes(C=A-B)	11,036,322,194	2,971,200,580	8,547,339,905	8,650,655,952	4,251,372,773	-73.08%	187.67%	1.21%	-50.85%
Provision for loans & advances	37,016,725,418	161,768,986	-	8,227,793,118	-	-99.56%	-100.00%	100.00%	-100.00%
provision for diminution in value of investment	-	-	-	156,900,000	-			100.00%	-100.00%
Amortization of Jut sector	-	268,133,847	-	-	-	100.00%			
other provision	2,287,127,069	-	2,705,866,768	2,535,504,724	834,326,240	-100.00%	100.00%	-6.30%	-67.09%
Total provision (D)	39,303,852,487	429,902,833	2,705,866,768	10,920,197,842	834,326,240	-98.91%	529.41%	303.57%	-92.36%
Total profit/loss before taxes(E=C-D)	(28,267,530,293)	2,541,297,747	5,841,473,137	(2,269,541,890)	3,417,046,533	-108.99%	129.86%	-138.85%	-250.56%
Provision for taxes(F)	3,308,304,985	1,038,886,490	(213,170,406)	(2,855,740,164)	1,900,808,863	-68.60%	-120.52%	1239.65%	-166.56%
Current tax	(435,696,168)	(236,741,717)	199,401,664	197,184,155	416,118,748	-45.66%	-184.23%	-1.11%	111.03%
Deferred tax	3,744,001,153	1,275,628,207	(412,572,070)	(3,052,924,319)	1,484,690,115	-65.93%	-132.34%	639.97%	-148.63%
Net profit/loss after taxes(G=E-F)	(24,959,225,308)	3,580,184,237	6,054,643,543	586,198,274	1,516,237,670	-114.34%	69.12%	-90.32%	158.66%
no. of share	112,500,000.00	112,500,000.00	188,473,973.00	383,000,000.00	383,000,000.00	0.00%	67.53%	240.44%	240.44%

3.4 Trend Analysis

A company's present position is contrasted and its past and anticipated that future proportions would decide if the organization's money related condition is enhancing or disintegrating after some time. Trend analysis studies the financial history of a firm for examination. By taking a gander at the trend of a particular ratio, one sees whether the proportion is falling, rising, or remaining generally consistent. This identifies issues or watch great administration.

Year	2012	2013	2014	2015	2016	Trend
Current Ratio	1.76	2.08	2.09	2.13	1.82	Increasing from 2012-15, but decreased in year 2016
Sales to Working Capital	8.84%	4.19%	5.41%	5.00%	5.36%	Last year increase SWC
TIE Ratio	0.14	1.07	1.13	0.95	1.07	Going better position than previous year
Debt Ratio	0.97	0.94	0.94	0.94	0.94	No change in debt ratio
D/E Ratio	33	16	15	17	17	Last 2year SBL didn't Change their D/E position
Net Profit Margin	(81.43%)	12.88%	20.25%	1.81%	4.89%	Comparatively increase from previous year
ROA	-3.31%	0.45%	0.68%	0.06%	0.14%	Year 2013/14 increased but 2015 highly decreased ROA
ROE	(111.47%)	7.16%	10.16%	1.00%	2.25%	Year 2013/14 increased but 2015 highly decreased ROE
Total Asset Turnover	2.97%	1.75%	2.30%	2.21%	1.97%	Few % decreased in year 2016

Financial Performance Analysis Of Sonali Bank Ltd

Capacity ratio	50.16%	40.30%	36.12%	33.75%	32.03%	Last 3year
EPS	(221.86)	31.82	32.12	1.53	3.96	Year 2013/14 EPS better than other time. Last year few amounts increase EPS than previous year
Price Earning Ratio /	N/A	13.97	9.84	99.63	44.42	Very good position in year 2014.

Chapter: 4

FINDING & RECOMANDATION

4.1 Findings:

The major findings of the study are given below:

1. Total Liabilities of SBL is continuously increasing year by year.
2. Every year Investment income of the bank is increasing.
3. Working capital of the bank is gradually increasing over the year (2012-2016).
4. SBL has already established a favorable reputation in the banking industry of the country. It is one of the leading private sector commercial banks in Bangladesh. The bank has already shown a tremendous growth in profits and in deposit sectors.
5. Bank's Interest expenses is increasing more than interest income, which means the amount of loans & advances is decreasing year by year.
6. Interest paid on deposit & borrowing is higher than interest income.
7. Every year Total Property & Assets is increasing. (from year 2012-2016).
8. Salary & allowances expenses increase highly in the year 2016 which alternately decreases profit.
9. Net profit after taxes of the bank is maximum in year 2014 & minimum in year 2012.
10. The bank highly used debt capital in year 2012 against total equity capital.
11. Return on assets & equity of the bank is fluctuating every year.
12. The price earning ratio is very high which is not a good for the shareholders.

4.2 Recommendation:

After completing three months internship program in **Sonali** Bank Limited, it can be said that as a new bank overall performance of all department of Sonali bank is satisfactory. From the comparative analysis and findings of the study, the following generalized recommendations can be made for improvement:

1. It should increase its potential customer to earn more profit.
2. The bank should minimize their total liability.
3. SBL should control their Total Operating Expenses.
4. SBL should control their interest expenses, because interest expenses increase faster the interest income.
5. Since the interest cost is increasing, they have to reduce their total liability (Borrowing fund).
6. Director's interference in case of giving loan should be less because in this way risk may increase and bad debt may also increase.
7. The bank should increase the non-funded income in order to increase the operating income ratio.
8. Before giving long-term loan, a bank should consider that whether a bank has long term deposit or not. Otherwise the bank will surely face the liquidity problem.
9. Since the return on Asset is very low so SBL should increase their return on asset.
10. SBL should reduce their price earning ratio.

4.3 Conclusion

The Sonali Bank Ltd. Is not only commercial bank but also government bank. In all monetary state of our nation SBL has been working with incredible certainty and contending hugely with others Government arranged bank, neighborhood business banks alongside the global banks moreover. SBL constantly attempted its dimension best to perform fiscally well. Disregarding attempting to do well in a few angles SBL confronted some money related issues every once in a while. A portion of the issues were-exorbitant awful credits, deficiency of advances and advances, shortage of money in hands because of vault limit and so forth. These issues stir time to time because of financial lull, loan cost change, developing capital market, expansion in the currency showcase, etc. Battling with every one of these issues and contending with different banks each minute the bank is endeavoring to improve the situation to best. On the off chance that this thing proceeds with, we trust that SBL will grow considerably more later on.

Website References:

- ∟ www.bangladesh-bank.org.bd
- ∟ Websites of Sonali Bank Limited: <https://www.sonalibank.com.bd>
- ∟ <http://dspace.daffodilvarsity.edu.bd:8080/bitstream/handle/20.500.11948/1431/P05446.pdf?sequence=1&isAllowed=y>

Articles:

- ∟ Annual report of SBL 2012
- ∟ Annual report of SBL 2013
- ∟ Annual report of SBL 2014
- ∟ Annual report of SBL 2015
- ∟ Annual report of SBL 2016
- ∟ Study some previous internship report from DIU library.