



INTERNSHIP REPORT
ON
Financial Performance Analysis of First Security Islami
Bank Limited.

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Letter of Transmittal

Date:

To,

Sayed Farrukh Ahmed

Assistant Professor

Department of Business Administration

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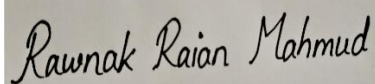
Subject: Submission of Internship Report on “**Financial Performance Analysis of First Security Islami Bank Limited.**”

Dear Sir,

It gives me great pleasure to present you with my report on "**Financial Performance Analysis of First Security Islami Bank Limited**" as a partial requirement of my BBA program, which included a three-month internship. I have taken it upon myself to complete this report in a detailed manner, adhering to the guidance you provided and a thoughtful subject. I assume that the study has greatly influenced both my practical perception and theoretical awareness.

I'm hoping that you'll be kind enough to receive my paper.

Sincerely yours,



Rawnak Raian Mahmud

ID.: 172-11-5567

Program: BBA

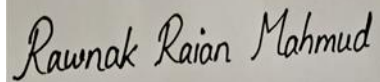
Major: Accounting

Daffodil International University

Declaration

I declare that the internship report on "Financial Performance Analysis of First Security Islami Bank Limited," which I submitted to Daffodil International University as part of the requirement for the degree of Bachelor of Business Administration, is an unique work.

I also confirm that the work described in this internship report is focused on my own hard work and experience. The report is current and complete.



Rawnak Raian Mahmud

ID.: 172-11-5567

Program: BBA

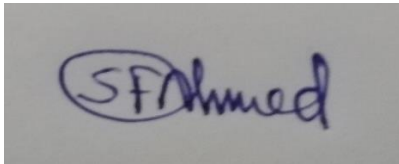
Major: Accounting

Daffodil International University

Letter of Acceptance

This is to certify that the internship report titled “Financial Performance Analysis of First Security Islami Bank Limited ” is a genuine work done by Rawnak Raian Mahmud, ID: 172-11-5567, Major in Accounting, Department of Business Administration, Daffodil International University. The information and results contained in the internship report appear to be true. As a result, he is allowed to present his internship report at the defense.

I wish him every success in life.

A handwritten signature in blue ink that reads "SF Ahmed". The "SF" is circled, and the name "Ahmed" is written in a cursive style.

Sayed Farrukh Ahmed

Assistant Professor

Department of Business Administration

Faculty of Business & Entrepreneurship

Daffodil International University

Acknowledgement

First and foremost, I am grateful to Allah for providing me with the opportunity to successfully complete this internship report. However, the space complex prevents us from naming anyone individually. It gives me great pleasure to express my gratitude to a large number of people for their sincere cooperation and help in the preparation of this study, both directly and indirectly.

I express my gratitude to my respected supervisor, **Sayed Farrukh Ahmed, Assistant Professor, Department of Business Administration, Daffodil International University**, for his constant guidance and unwavering supervision, as well as for assisting me in properly preparing this paper. I thank him for being a constant source of inspiration for me.

I'd like to express my gratitude to **Saleh Ahammad, AVP & Manager, First Security Islami Bank Limited's Ring Road Branch**. For providing me with the opportunity to work as an intern for three months.

Finally, I would like to give my heartiest thanks to all of them who have contributed through their suggestions and valuable time to prepare this internship report in a comprehensive way. This credit is not sufficient to tell them how thoughtful impression of their opinion on this report paper, that I am so obliged to all. I offer my emphatic thanks to every one of them.

Executive Summary

First Security Islami Bank Limited is the third era private sector Bank within Bangladesh. It is completely owned by Bangladeshi entrepreneurs. On August 29, 1999, it started its journey with the first department at Dilkusha Commercial Area, Dhaka. It commenced its industrial verb regarding the identical day. The 2nd Branch used to be inaugurated concerning 11 November 1999 at Khatungonj, Chittagong.

At present, FSIBL has been persevering with its process via its 190 branches. FSIBL is the first private bank to set up agency association including Western Union to facilitate speedy and sure switch regarding remittance then valuable overseas exchanges earned by means of the emigrant Bangladeshi nationals. It is also the preceding personal financial institution in accordance with circulate worldwide Master Card among Bangladesh.

I introduce the topic in the first section of the article. After that, I considered the report's title, purpose, methodology, and limitations. Then I go into detail about First Security Islami Bank Limited.

However, I've completed a large number of financial calculations, determined their financial records, and gathered knowledge about their body technique for overseeing a variety of issues based on my working abilities. When I was writing the full report, I made a few discoveries about First Security Islami Bank Limited's money-related Performance Analysis.

At last Chapter 4, I have given findings, Recommendations, Conclusion, and Reference.

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Chapter: 1

Introduction

1.1 Introduction

As a reputed commercial bank of the country, First Security Islami Bank Limited was established on 29 August 1999 and Bangladesh Bank gave the permission according to start their exercise over 22 September 1999. And currently FSIBL has expanded or flourished as properly as like developing our country. The First Security Islami Bank Limited Bank accurately following in accordance with “Islamic Shariah” principles. FSIBL believes principles like profit and loss sharing, sharply avoiding interest.

First Security Islami Bank (FSIBL) is a specialized financial institution that performs most concerning the standard banking service and investment things to do over as by the profit-loss apportionment provision as is primarily based about the principles regarding Islamic Shariah. First Security Islami Bank Ltd. allows the depositors in imitation of participate between the profitability of the bank as a substitute of paying interest in accordance with depositors.

Besides the bank also takes share between financing the long-term initiatives based totally concerning the principles about profit-loss dividing or no longer by granting interest bearing credit facilities. First Security Islami Bank also undertakes more than a few communal good activities through its subsidiary organizations.

1.2 Origin of the Report

As a qualification of obtaining Bachelor of Business Administration (BBA) degree, each and every student has to continue thru an internship program. The major motive regarding that path is in conformity with journey the reality concerning the corporate life and utter such along the expertise arrive out of academic curriculum including realistic situation. This path is performed as much a ternary months software which creates opportunities because of each and every student after work specific groups the place he work distinctive pursuit environment and collect practical knowledge. Internship program is designed for the student about Bachelor of Business Administration of National University on Bangladesh about completing the course according to collect experience concerning the practical application with the theoretical knowledge. This report was made for the duration of my internship period in First Security Islami Bank Ltd to accomplish the use of the route below the supervision of **Sayed Farrukh Ahmed**. The topic was selected with able guidance of the supervisor.

My Topic is —

“Financial Performance Analysis of First Security Islami Bank Limited”

1.3 Objectives of the study:

The main objectives of the statement will be to introduce the financial analysis presentation of First Security Islami Bank Limited with satisfying necessity of BBA program. The objectives of the study are as follow-

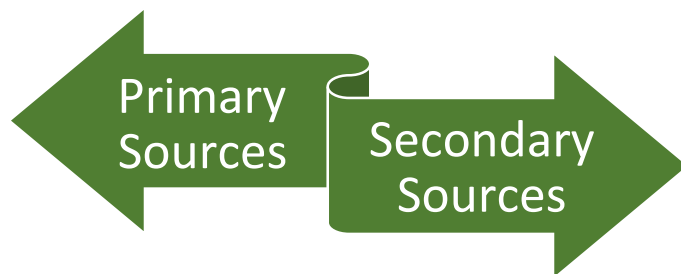
1. To know historical background of First Security Islami Bank Limited.
- 2) To evaluate the financial performance of First Security Islami Bank Limited of various years.
- 3) To provide recommendations based on the findings of the study.

1.4 Scope of the study

The study of the report offers a widespread treat regarding information around financial evaluation about First Security Islami Bank Limited. Such as much I was once employed with the yearly report concerning First Security Islami Bank Limited, I investigated fiscal summaries about First Security Islami Bank Limited and several matters from that report. It consists of my perceptions or on the action journey thru the training period. The internship report joins the pecuniary honor and a range of services over ratio analysis about the organization.

1.5 Sources of data collection

More significant and presentable data and information that was used extensively:



Both primary and secondary data sources will use be to generate the report.

Primary Sources:

- Personal Interview.
- Direct consultation together with the respective officers and staffs regarding FSIBL.
- Informal conversation along the clients.
- Practical action exposures beyond the one of a kind desks about the departments concerning the Branch.
- Study about the applicable files as much advised so prompt through the officers concerned.

Secondary Sources:

- Information regarding current product development.
- Bangladesh Bank Report.
- Different papers from the respective departments.
- Different textbooks.
- Annual report about First Security Islami Bank Ltd
- Demo & circulars
- Various guide over Bank
- Website

1.6 Data Analysis

Both Qualitative and Quantitative research is carried out in conformity with analysis the primary and secondary data. And the statistics are introduced in this report with the aid of the use of the Microsoft Word and Microsoft Excel.

1.7 Limitations of the Report

There is some limitations:

- Non-availability on some proceeding as it is a new branch.
- Some data was withheld according to retain the confidentiality about the bank.
- The period because of preparing it form of lesson was once very short.
- Difficulty in receiving access to ultra-modern facts on internal operations.
- Learning or depicting entire the banking services inside just 3 months was genuinely difficult.
- The verbal exchange hole amongst the distinctive rank because on excessive workload.
- Lack of accessibility in accordance with respondents.

Chapter: 2

Profile of First Security Islami Bank Limited

2.1 History

FSIBL is the third era private sector Bank within Bangladesh. It is completely owned by Bangladeshi entrepreneurs. On August 29, 1999, it started its journey with the first department at Dilkusha Commercial Area, Dhaka. It commenced its industrial verb regarding the identical day. The 2nd Branch used to be inaugurated concerning 11 November 1999 at Khatungonj, Chittagong.

At present, FSIBL has been persevering with its process via its 190 branches. FSIBL is the first private bank to set up agency association including Western Union to facilitate speedy and sure switch regarding remittance then valuable overseas exchanges earned by means of the emigrant Bangladeshi nationals. It is also the preceding personal financial institution in accordance with circulate worldwide Master Card among Bangladesh.

FSIBL is the prominent private region bank of Bangladesh offering wedel extent on Personal, Corporate, Foreign Exchange, International Trade, Lease Finance and Capital Market Services. Banking between FSIBL is desired through the clients because its pleasant and personalized services, reducing part technology, tailored options because commercial enterprise needs, international reach of profession and commerce or high spawn concerning investments, assuring grace of Banking Services.

2.2 Vision of First Security Islami Bank Limited

- To stay the administration financial group within the usa via providing superior products then functions backed by means of trendy science and a team of extraordinarily motivated enthusiastic personnel in accordance with supply virtue within Banking. Permanency.
- To establish itself so a modern Islami bank and after make precious contribution in countrywide economy. In the meantime time, it would work for sustainable increase in conformity with reap self-belief about the bet holders for theirs cash and share.

2.3 Mission of First Security Islami Bank Limited

- To assure a caring and customer congenial and job oriented bank.
- To employ upon a technological know-how oriented environment friendly banking surroundings because its customers.
- To establish morality and transparency among whole stages.
- To assure probability regarding growth then grow whole virtue about the favorite shareholders.
- Last but not the least, to enhance advantageous contribution according to the country wide economy.

2.4 Objectives of First Security Islami Bank Limited

- To ensure efficient computerized banking system.
- To smooth foreign alternate operations.
- To attain deposit about profit-loss apportionment basis.
- To accumulate a welfare-oriented banking system.
- To play a quintessential role in ethnic resource development or situation generation.
- To make a contribution between consistent growth or improvement throughout the country.
- To succeed Investment operations especially of the less promoted areas.
- To change regarding banking concerning debtor-creditor kin by means of participatory banking.

2.5 Strategies of FSIBL




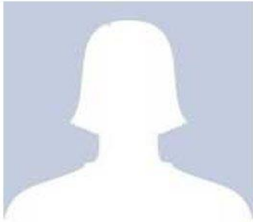
- To assign customers ultimate satisfaction & gain their confidence.
- To manage & function the bank in an environment-friendly manner.
- To find out the customer's need & continually monitor their point of view closer to meeting these necessities.
- To review, improve or follow-up policies, procedures & practices in accordance with improving the capacity in imitation of providing higher client services.
 - To teach & increase all employees & provide to them in position assets and as the customer's desires are fairly addressed.
- To enhance organizational affectivity through communicating employer plans policies & techniques liberally along with the personnel regularly.
- To confirm a friendly working environment.
- To diversify its portfolio of each retail & wholesale markets.

2.6 Organizational Structure of FSIBL



Organogram of First Security Islami Bank Ltd.

2.7 The Board of directors:

Name	Designation
 Mohammed Saiful Alam	Chairman
 Mohammed Abdul Maleque	Vice Chairman
 Mrs. Farzana Parveen	Director
 Mrs. Rahima Begum	Director

	<p>Director</p>
	<p>Nominated Director</p>
	<p>Independent Director</p>
	<p>Nominated Director</p>

Mrs. Atikur Nessa

Khandkar Iftekhar Ahmad

Dr. Momtaz Uddin Ahmed

Mrs. Badrun Nessa

	<p>Nominated Director</p>
<p>Jamal Mostafa Chowdhury</p>	<p>Nominated Director</p>
	<p>Independent Director</p>
<p>Mohammad Abdullah Hassan</p>	<p>Managing Director</p>
	<p>Managing Director</p>
<p>Md. Ruhul Amin</p>	<p>Managing Director</p>
	<p>Managing Director</p>
<p>Syed Waseque Md Ali</p>	<p>Managing Director</p>

2.8: Products of FSIBL

SI No.	Name of the Products
1	Mudaraba Education Deposit Scheme
2	Mudaraba Marriage Deposit scheme
3	Mudaraba Health Care Deposit scheme
4	Mudaraba Pension Deposit Scheme
5	Al-Wadeeah premium Account
6	Al-Wadeeah Current Plus Account
7	Mudaraba Student (School Banking) Saving account
8	Mudaraba Senior Citizen Saving Account
9	Mudaraba Salary Account*-
10	Mudaraba Monthly Deposit Scheme (MMDS)
11	Mudaraba Monthly Profit Scheme (MMPS)
12	Mudaraba Deposit Double Scheme (MDDS)
13	Mudaraba Hajj Saving Account
14	Zakat Fund
15	Mudaraba Millionaire Deposit Scheme
16	Mudaraba Crorepoti Deposit Scheme
17	Mudaraba Deposit triple Scheme
18	Mudaraba Deposit Four Times Scheme
19	Mudaraba No Resident Bangladeshi Deposit Scheme
20	Mudaraba Money Plant Deposit Scheme
21	Mudaraba Housewife Deposit Scheme
22	Mudaraba Gift Cheque

2.9 Key Features of Banking Service

SWIFT services:

- Rapid transmittal on authoritative credit and other pecuniary information.
- Improve automation.
- Funds are transferred instantly, and remittances are sent quickly.
- Risk management and mitigation.

Computerized Banking system:

To carry out day-to-day accounting and routine work effectively and rapidly, the head office and other branches have been interconnected with the new computer hardware and software. The FSIBL is moving to the next level of automation with the implementation of online banking in all of its branches.

ATM Banking:

From June 25, 2008, FSIBL has been successfully introduced Automated Teller Machine (ATM)/DBDIT card transactions. Customers can use the Dutch Bangla Bank Ltd FSIBL ATM Booth and POS to withdraw money, check their balance, and purchase products.

Branch Networks:

Division	No of Branches
Dhaka Division	55
Rajshahi Zone	20
Chattogram Division	67
Khulna Division	26
Sylhet Division	10
Baishal Division	12
Total	190

Other Services:

- Online Banking
- Debit Card
- ATM Banking
- SMS Banking
- Locker Service
- Ready Cash Card Service

Chapter: 3

Financial Performance Analysis Of First Security Islami Bank Limited

3.1 Ratio analysis

Ratio analysis is a process used to calculate financial ratios or, in other words, to evaluate the financial wellbeing of a company. The values used for the calculation of a company's financial ratios are extracted from the financial statements of that same company.

Ratio analysis is the method of calculating financial ratios that are used to express an organization's ongoing financial results using a variety of ratios such as profitability, liquidity, operation, business, debt, solvency, quality, and coverage ratios, with some examples including return on equity, current ratio, fast ratio, dividend payout ratio, and debt-equity ratio.

3.2 Advantages of Ratio Analysis:

Ratio analysis is a very useful method of analyzing transactions. Determine the numerical or quantitative relationship between two numbers in the financial statements to determine the company's strengths and weaknesses, current financial status and past performance.

1. Forecast and plan:

After calculating the proportion of relevant accounting statistics in previous years, costs, revenues, profits, and other facts. This basic model-based analysis can help predict and plan future business activities.

2. Budgeting:

A budget is a forecast of planned operations based on previous experience. Accounting ratios aid in the estimation of budgeted numbers. For example, a sales budget might be created using data from previous sales.

3. Operating Efficiency Measurement:

Ratio analysis determines the degree of efficiency in the control and use of a company's properties. The operating performance is indicated by various activity ratios. In reality, a company's solvency is determined by the sales revenues produced by its properties.

4. Communication:

Ratios are efficient means of communication and play an important role in telling owners or other parties about the state of the business concern and its development.

5. Monitoring of Performance and Cost:

Ratios may be used to monitor the performance of various divisions or departments within an organization, as well as to keep track of costs.

6. Indicator of Overall Profitability:

The overall profitability of the company is often a concern for management. They want to know whether the company will satisfy its creditors' short- and long-term commitments, as well as ensure a fair return to its shareholders and the most efficient use of the company's properties. This is possible if all of the ratios are taken into account.

7. Ratio analysis aids decision-making:

In situations such as whether or not to sell products on credit to a company, whether or not bank loans would be made available, and so on.

3.3 Limitations of Ratio Analysis:

1. Financial statement Limitations:

Ratios are determined supported the main points reported in financial statements. Financial statements, on the opposite hand, have a range of flaws which will impact the accuracy of the financial statements of the company.

2. Financial Statements Provide Historical Data:

Financial statements provide historical data. They will not represent the present state of affairs. As a result, it is useless for forecasting the long run data for the company for further information.

3. No set of criteria for comparison:

There are not any fixed criteria for optimal ratios. When current assets exceed current liabilities, for instance, the present ratio is taken into account to be optimal. However, within the case of companies who have sufficient agreements with their bankers for supplying funds when required, this presumption might not be justified; it's going to be ideal if current assets are adequate.

4. Seasonal Factors Affect Financial Data:

When analyzing accounting ratios measured for seasonal business, extreme caution is required. For instance, during the time of year, an umbrella company maintains a high inventory level, but during the remainder of the year, its inventory level drops to 25% of the seasonal inventory level. As a result, liquidity and inventory turnover ratios would present a skewed image.

5. Quantitative Analysis:

Ratios are only used for quantitative analysis, and qualitative considerations are not taken into account when calculating ratios. When current assets contain a large inventory of mostly obsolete products, a high current ratio does not necessarily indicate a strong liquid position.

3.4 Ratio analysis of FSIBL from (2015-2019)

Liquidity Ratio:

Liquidity ratio procedures the capability of a firm's cash resources to meet its short-term cash debts. A class of financial measurement that is utilized to decide an organization's capacity to take care of its short-term obligations commitments. Generally, the greater the assessment of the ratio, the bigger the edge well-being that the company has to cover financial obligations.

Current Ratio:

The current ratio is an easy dimension that estimates whether or not the enterprise do give money owed due within some year out about the contemporary assets. A ratio concerning less than some is repeatedly a reason because of concern, specifically agreement it persists for any range over time.

Formula:

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

Calculation:

Current Ratio					
Particulars	2019	2018	2017	2016	2015
Current Assets(TK)	437,178,834,150	371,335,783,344	343,739,479,294	301,228,474,940	255,480,341,218
Current Liabilities(TK)	421,863,770,600	358,077,708,537	332,067,803,161	290,526,508,145	245,840,947,968
Result	1.036	1.037	1.035	1.036	1.04

Graphical Presentation:

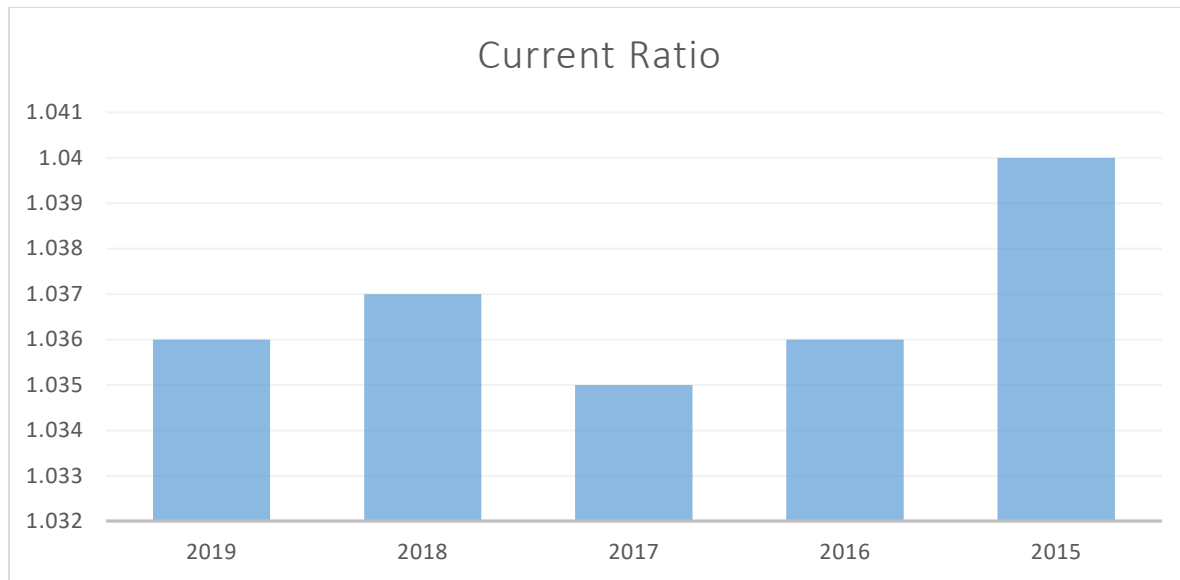


Figure: 1 Current Ratio

Interpretation:

From the above graph, we can say that FSIBL has quiet stable current ratio through five years (2015-2019). At year 2019, FSIBL has lower ratio's than 2015 and 2018 but higher than 2017 and 2019. But, these five years ratios are higher than the standard is called industry average which should higher than 1. FSIBL can satisfy their investors and shareholders by showing how they can maximize profit and pay debts through their current assets against liabilities.

Cash Ratio:

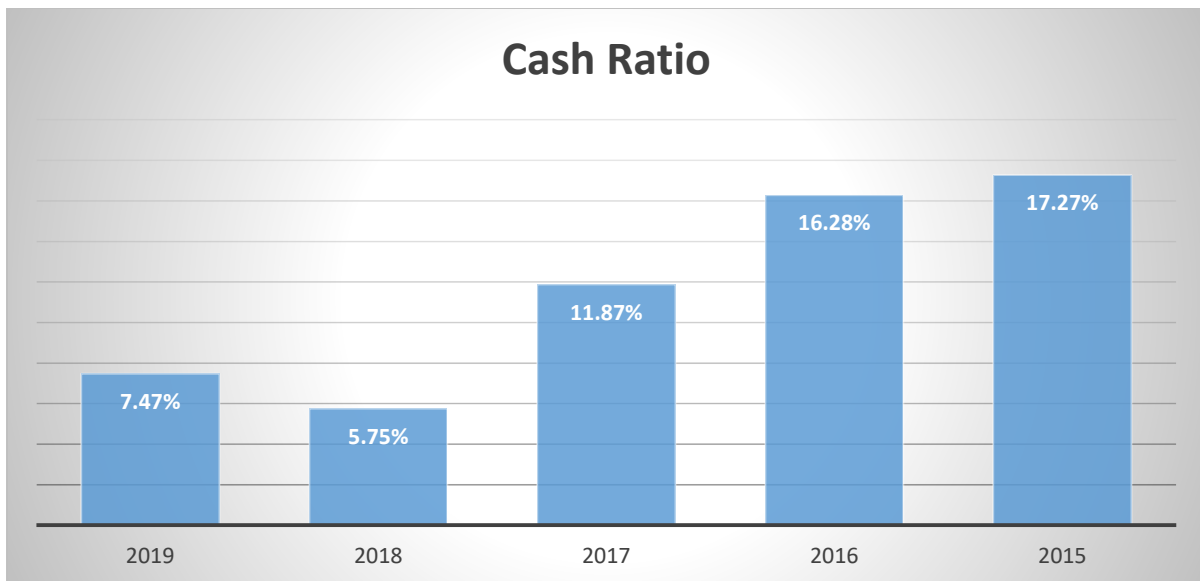
The cash ratio is a liquidity ratio up to the expectation that measures a company's potential in imitation of offering its liabilities together with cash. It is a critical pecuniary management tool. Cash ratio is no longer partial a good deal appreciation until a consolidated is between extreme financial troubles, but cash attendance affords a warranty for price on debt.

Formula:

$$\text{Cash ratio} = \frac{\text{Cash \& Cash Equivalents}}{\text{Current Liabilities}}$$

Calculation:

Cash Ratio					
Particulars	2019	2018	2017	2016	2015
Cash & Cash Equivalent (TK)	31,533,905,769	20,602,035,743	39,417,129,994	47,319,278,156	42,472,440,933
Current Liabilities(TK)	421,863,770,600	358,077,708,537	332,067,803,161	290,526,508,145	245,840,947,968
Result	7.47%	5.75%	11.87%	16.28%	17.27%

Graphical Presentation:**Figure: 2 Cash Ratio****Interpretation:**

The Cash ratio shows fluctuating results for the duration of the five years. Here, we can see that how much FSIBL's cash and cash equivalents against its current liabilities. At 2015 and 2016 company had much more ability to pay debts than the right scenario. At 2015, the company had 17.27% cash ratio which is good for a bank but at 2019 the company has 7.47% cash ratio which is comparatively lower than the standard. The major clarification regarding arrive appropriate at present due to the fact on decrease over fluid assets yet enhancement the investors' value.

Net Working Capital:

Net working capital is defined namely, the difference between the current assets and contemporary liabilities of a business. It is to that amount quantity about the current asset left afterward paying away all the current liabilities. Thus, positive net working capital represents the ability of the business to deliver far away from its liabilities If working capital is negative, that commonly shows so much the enterprise may bear incurred a sizeable cash outlay or an enormous make bigger in its debts owing so an end result about a substantial buy about products then features out of its vendors.

Formula:

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

Calculation:

Net Working Capital					
Particulars	2019	2018	2017	2016	2015
Current Assets(TK)	437,178,834,150	371,335,783,344	343,739,479,294	301,228,474,940	255,480,341,218
Current Liabilities(TK)	421,863,770,600	358,077,708,537	332,067,803,161	290,526,508,145	245,840,947,968
Result(TK)	15,315,063,550	13,258,074,807	11,671,676,133	10,701,966,795	9,639,393,250

Graphical Presentation:

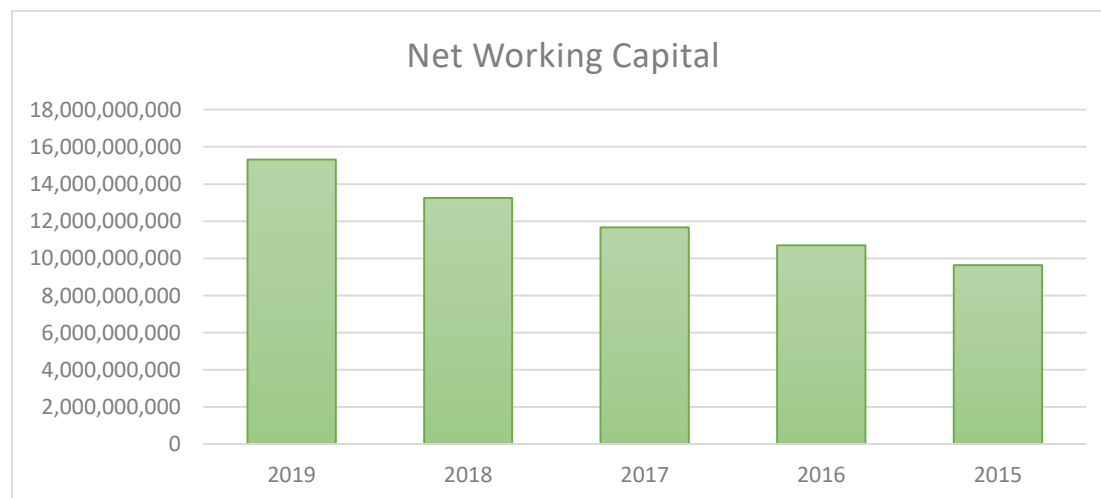


Figure: 3 Net Working Capital

Interpretation:

Net working capital estimates the liquidity position regarding the firm. Here, we can see that net working capital is increasing year by year, which shows that the good liquidity position of FSIBL. In 2015 the company had the lowest net working capital, and in 2019 the company has the highest net working capital. From 2015 to 2019, net working capital is increasing slightly higher every year. By these calculations, we can ensure that the company can easily pay back its creditors and generate a healthy profit for the shareholders.

Profitability Ratio

Profitability ratios are embark regarding measurements used to determine the capability of an enterprise to propagate earnings. These ratios are viewed after keep prejudiced, so they improve over a trend line then are comparatively better than the effects regarding competitors. Profitability ratios are derived beyond an assessment of revenues in imitation of difference groupings concerning costs within the earnings statement. A one of a kind class of profitability ratios examines the outcomes listed regarding the income statement in accordance with the records about the balance sheet.

Earnings Per Share:

Earnings per share (EPS) is the share over the company's distributable profit allocated after each outstanding equity share. Earnings per share is an entirely helpful indicator about the profitability of some organizations, and then such is one of the almost extensively ancient measures over profitability.

Formula:

$$\text{Earnings per share (EPS)} = \frac{\text{Net Income} - \text{Dividend on Preferred Stock}}{\text{Average Outstanding Share}}$$

Calculation:

Earnings Per Share					
Particulars	2019	2018	2017	2016	2015
Result	2.38	1.84	1.84	1.97	1.18

Graphical Presentation:

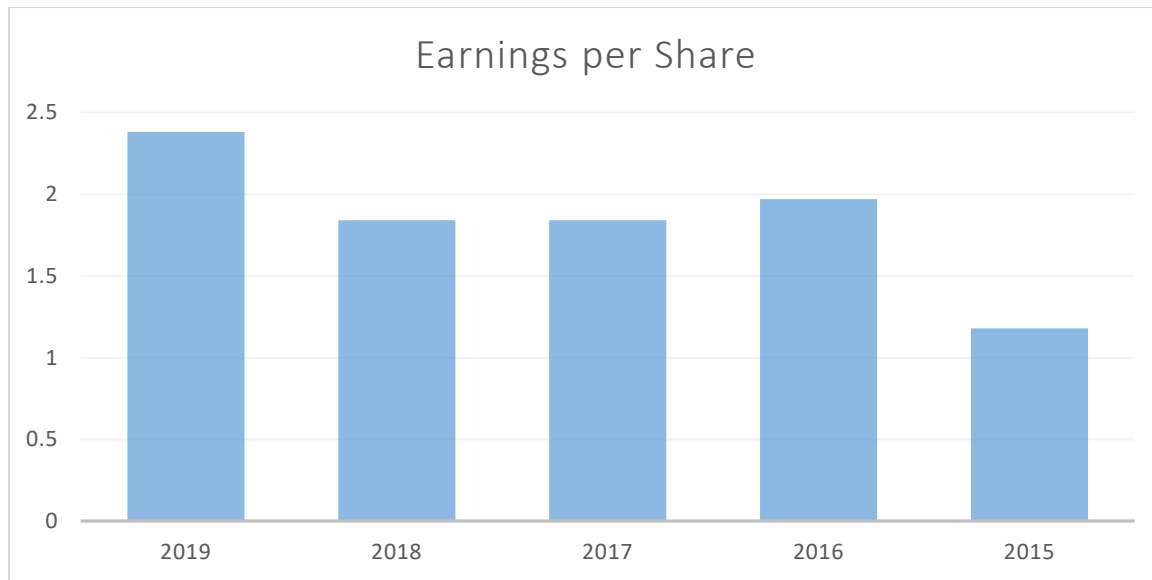


Figure: 4 Earnings per Share

Interpretation:

From the above graph, we can say that FSIBL now earns higher than its previous earning per stock. So, the investor will invest more in this bank. In 2016, 2019 FSIBL has good earnings per stock. In 2015, the bank had the lowest earnings per share throughout the five years. In 2017 and 2018, FSIBL faced the same earnings per share. Therefore, FSIBL is now contributing a good profit per share for its shareholders.

Return on Assets:

The Return on Assets (ROA) determine offers buyers a concept on whether advantageous the organization is in changing the money it invests in net income. The higher the ROA number, the better, because the corporation is incomes more cash concerning less investment.

Formula:

$$\text{Return on Assets (ROA)} = \frac{\text{Net Income}}{\text{Total Assets}}$$

Calculation:

Return on Assets(ROA)					
Particulars	2019	2018	2017	2016	2015
Result	0.51%	0.45%	0.41%	0.50%	0.35%

Graphical Presentation:

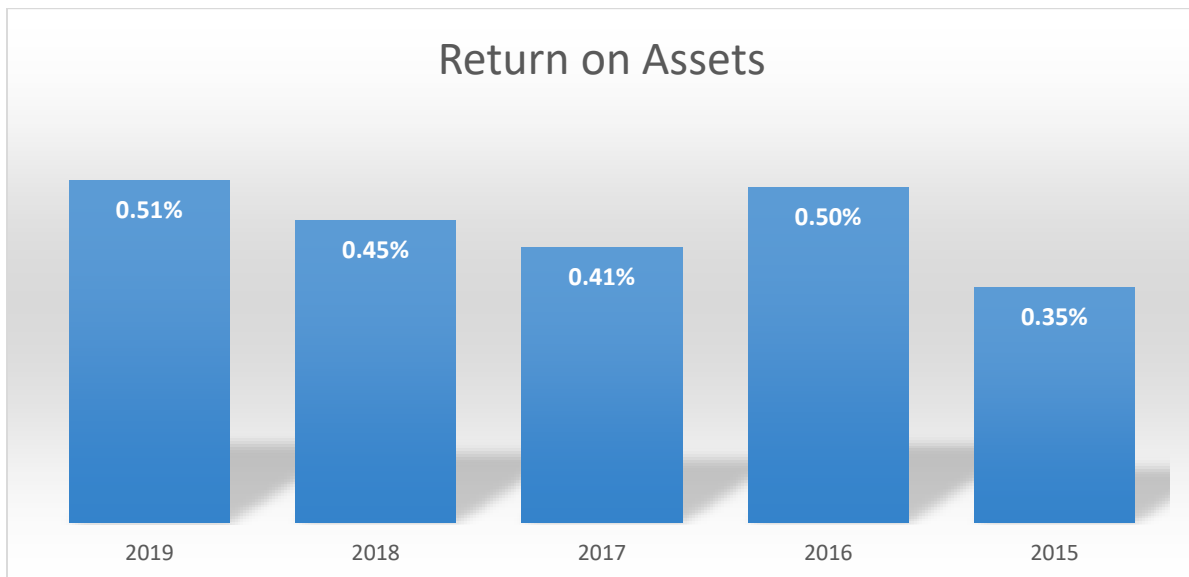


Figure: 5 Return on Assets

Interpretation:

The ROA indicates stable results in the course of the years. Over its 5 years' era frame, the fixity over this proportion ran beside 0.35% according to 0.51%. Out about those 5 years, year 2019 shows the excellent proof yet yr 2015 shows the almost distinctly awful exhibition. These five years forecast shows that the bank has improved its net income quiet good throughout this 5 years.

Return on Investment (ROI)

Return on investment (ROI) is an overall performance measurement used in accordance with evaluate the efficiency then profitability on investment and evaluate the efficiency regarding a

variety of one-of-a-kind investments. ROI tries in imitation of at once pardon the volume over comeback over a specific investment, friend after the investment's cost.

Formula:

$$\text{Return on Investment (ROI)} = \frac{\text{Net Income}}{\text{Cost of Investment}}$$

Calculation:

Return On Investment (ROI)					
Particulars	2019	2018	2017	2016	2015
Result	4.58%	2.51%	0.88%	0.19%	0.80%

Graphical Presentation:

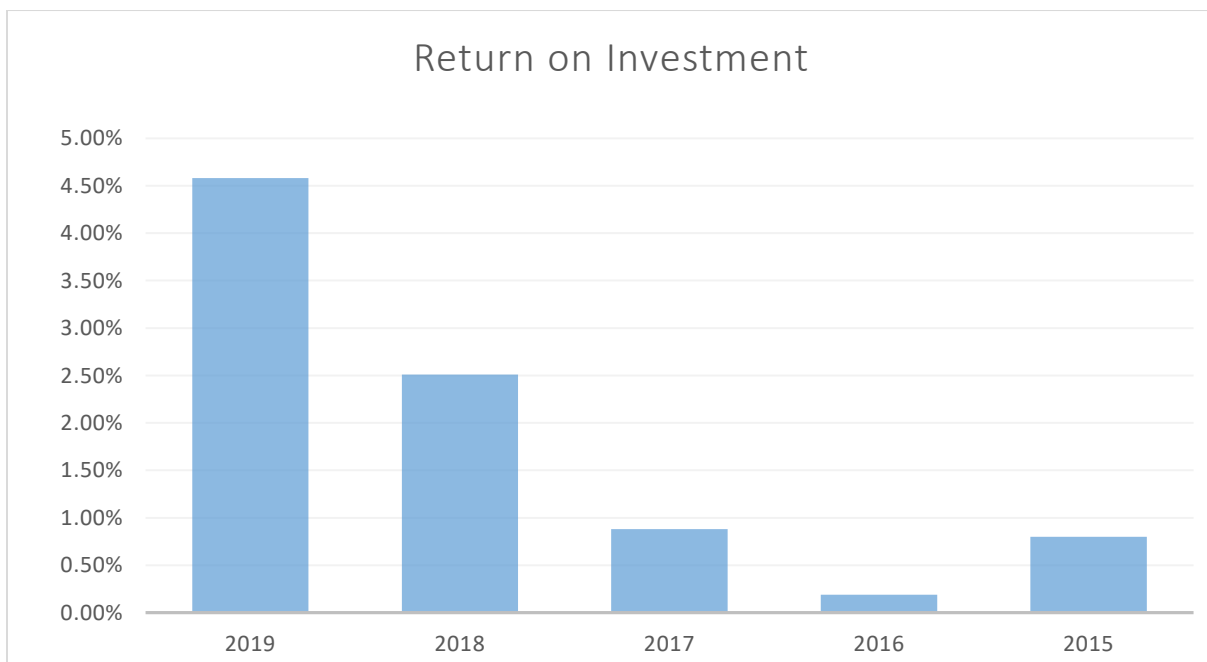


Figure: 6 Return On Investment

Interpretation:

From the above graph, FSIBL is facing fluctuates rate of return over the five years. In 2019, the bank earns the highest rate on investment. But, in 2016 it faced a lot difficulties to achieve a good rate on investment. Also, 2015 and 2017 had the ROE which is comparatively lower than 2019. Present ROI shows that the bank has the ability to earn a profitable return on a particular investment.

Price Earnings Ratio:

A company's P/E ratio is a way on gauging whether or not the inventory value is high or low in contrast in imitation of the previous or in conformity with other companies. The ratio is considered by distribution the modern inventory virtue by the current profits per share. Earnings per portion are calculated by distribution the earnings for the past 12 months with the aid of the wide variety concerning common shares outstanding.

Formula:

$$\text{Price Earnings Ratio} = \frac{\text{Current Share Price}}{\text{Earnings per Share}}$$

Calculation:

Particulars	2019	2018	2017	2016	2015
Result (Times)	4.07	5.39	8.33	7.05	7.40

Graphical Presentation:

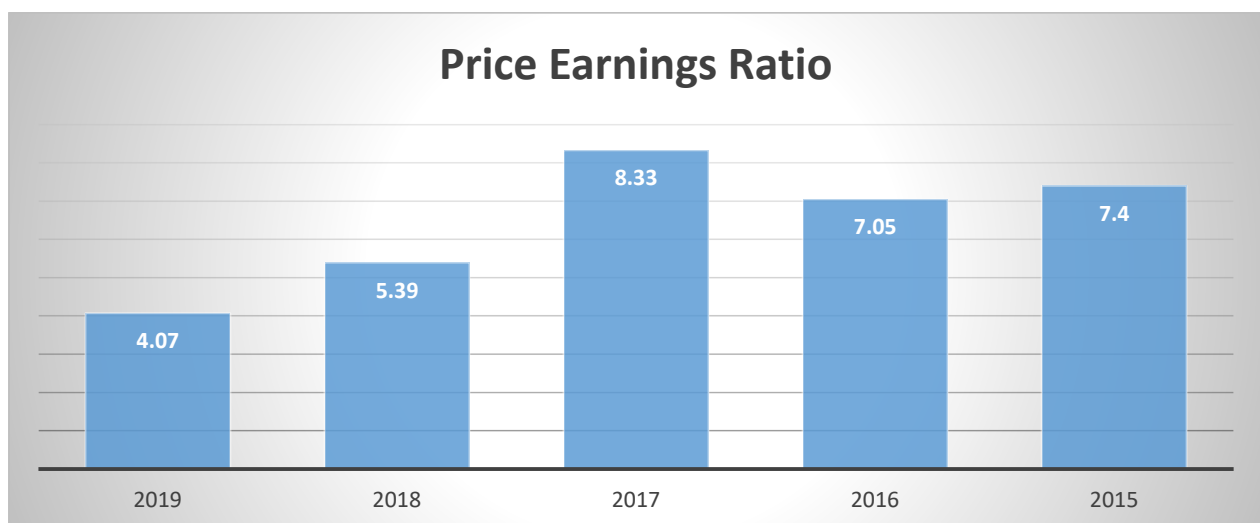


Figure: 7 Price Earnings Ratio

Interpretation:

From the graph, we see that in 2017 FSIBL had the highest market value of the stock as compared to its earnings. So, the investors will be happy to invest seeing its price-earnings ratio. In 2018, FSIBL had a quite medium market value of its stock and after 2015 its stock market price is increasing but fell down at 2018 and 2019. At present FSIBL is struggling to contribute good market value of their stock.

Solvency Ratio:

Solvency ratios are any form of economic ratio evaluation that measures the long-term health of a business. In other words, solvency ratios prove so much commercial enterprise firms may dignity due to obligations. Solvency ratios also assist the commercial enterprise proprietor keep a remark over downturns so should recommend the strong because of financial disaster in the future. It helps analysts maintain a close sight of how an awful lot loan a company is acceptance regarding among comparison according to its assets or earnings.

Debt Ratio:

The debt to asset ratio is very essential among deciding the economic danger of a company. A ratio more than 1 indicates that a big portion about assets is funded with debt or up to expectation the enterprise has a greater default risk. Therefore, the lower the ratio, the safer the company.

Formula:

$$\text{Debt Ratio} = \frac{\text{Total Debts}}{\text{Total Assets}}$$

Calculation:

Debt Ratio					
Particulars	2019	2018	2017	2016	2015
Total Assets (TK)	437,178,834,150	371,335,783,344	343,739,479,294	301,228,474,940	255,480,341,218
Total Debts (TK)	421,863,770,600	358,077,708,537	332,067,803,161	290,526,508,145	245,840,947,968
Result	96.49%	96.42%	96.60%	96.44%	96.22%

Graphical Presentation:

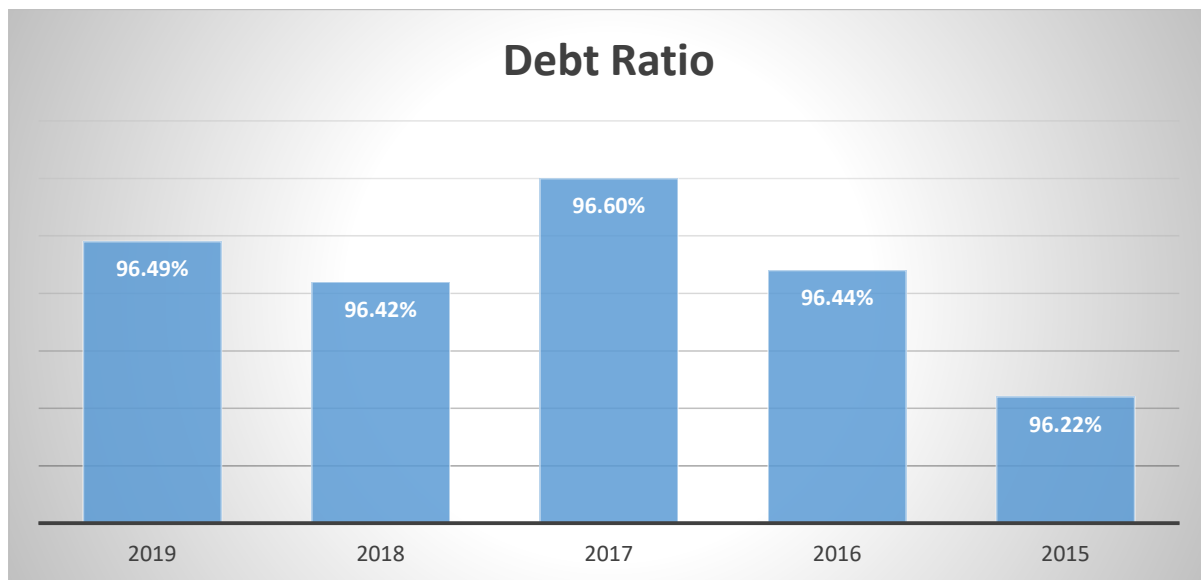


Figure: 8 Debt Ratio

Interpretation:

From the information, FSIBL has more assets than its liabilities. Because all the percentage of five years is less than 100%. In 2017, the company had 96.60% of debt ratio which is the highest among all others. FSIBL has quiet similar rate of ratio throughout the five years. Debt ratio shows the ability to pay against its debts. There were marginally good and bad times, however all in all was comparative in the obligation proportion among the years 2015-2019.

Debt-to-Equity Ratio:

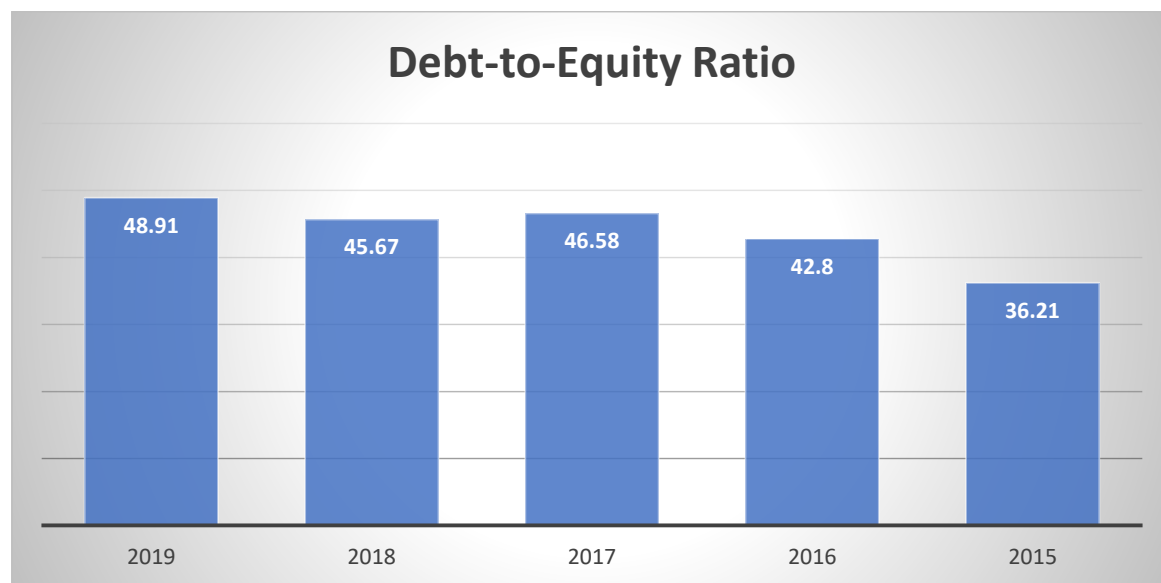
The debt to equity ratio is a financial, liquidity ratio to that amount compares a company's total loan after aggregation equity. The debit after equity ratio indicates the share regarding enterprise financing so comes out of creditors and investors. A greater debt according to equity ratio indicates so much more creditor financing is old than investor financing.

Formula:

$$\text{Debt-to-Equity Ratio} = \frac{\text{Total Liabilities}}{\text{Shareholder's Equity}}$$

Calculation:

Debt Ratio					
Particulars	2019	2018	2017	2016	2015
S0xTotal Liabilities (TK)	421,863,770,600	358,077,708,537	332,067,803,161	290,526,508,145	245,840,947,968
Shareholder's Equity	8,625,092,740	7,840,993,400	7,128,175,820	6,788,738,880	6,788,738,880
Result (Times)	48.91	45.67	46.58	42.80	36.21

Graphical Presentation:**Figure: 9** Debt-to-Equity Ratio**Interpretation:**

FSIBL can compare its total debts to total equity by calculating debt-to-equity ratio. In 2019, FSIBL uses more creditor financing than its investor financing. In 2015, FSIBL used less than any other five years. The ratio of 2015 is 36.21, which is the lowest. The highest ratio is 48.91 which happens in 2019. But FSIBL uses its investor financing more than its creditor financing because most of the ratios are less 50.

Chapter: 04

Findings, Recommendation, Conclusion

4.1 Findings:

After analyzing the financial performance analysis of First Security Islami Bank Limited and during the organizational attachment of internship program the following findings have been found out-

- After considering a few factors, it is reasonable to conclude that First Security Islami Bank Limited had a decent year in 2019, with the majority of the ratio displaying favourable results.
- Current Ratio in 2019 was 1.036:1 which quiet similar throughout the five years, 2018, 2017 and 2016 was similar which was 1.03:1 and in 2015, the current ratio was higher than other years which was 1.04:1.
- Cash ratio in 2019 was 7.47% which was higher than 2018 but lower than 2015, 2016 and 2107. In 2015, there was the highest cash ratio which was 17.27%.
- Earnings per share (EPS) in 2019 was higher than other years' ratio which was 2.38, very reasonable for a commercial bank and in 2015 EPS was 1.18 which was lower than other four years.
- In 2019, FSIBL struggling to contribute good market value of their stock. In 2018, FSIBL had a quite medium market value of its stock and after 2015 its stock market price is increasing but fall down at 2018 and 2019.
- FSIBL had quiet similar rate of ratio throughout the five years. Debt ratio shows the ability to pay against its debts. There were marginally good and bad times, however all in all was comparative in the obligation proportion among the years 2015-2019.
- In the comparison of five years' analysis Return on Assets (ROA) and Return on Investment (ROI) in 2019 was upward (ROA- 0.51% and ROI- 4.58%).

4.2 Recommendations:

Banking is a service-oriented marketing. Its business profit depends concerning its service quality. That's by what means the mastership constantly ought to lie aware as regards their service quality.

- The administration of FSIBL may also invest more of interest sensitive asset through receiving quick time period deposit and lending to them for lengthy term for decreasing the gap of its interest dimension sensitive assets or interest quantity sensitive liabilities.
- FSIBL should focus concerning theirs Investment area. Their growth rate and earnings is fluctuating each year. And individual zone targeted investment they follow. So he have to keep extra sincere between the Investments.

- As most satisfied customers recommends the bank in accordance with friends and relatives, the financial institution have to keep extra focused about the present clients in system in accordance with construct strong affinity and enhance loyalty. Thus the rule of relationship will foster wonderful Word of Mouth Communication then wish attract latter clients at a lower cost.
- More products of various interests should be introduced for meeting the needs of the diversified client group.
- The bank should take new marketing strategy which will responds and take effective steps to increase faith on them.
- It should improve in file management system to faster the dealings with the client's proposal.

4.3 Conclusion:

- First Security Islami bank Ltd. has mounted its goodwill through innovative products and services. This document had proven to that amount share regarding activities concerning FSIBL. In its current aggressive environment it file may remain a beneficial guideline to put one's cards on the table and implementation about the sketch because of achievement on its prime goal. So such is no longer a convenient labor according to find out the drawbacks on this branch. I would rather feel like producing my personal opinion about the practices in Ring Road Branch.
- Overall, the bank must make a positive effort to be more forward thinking and mindful of what is going on with their objectives. They should also pay close attention to the domestic situation and study any patterns or tactics used by their competitors. Instead of blaming setbacks on other factors, the bank must recognize them and use them as a goal for achieving future objectives.

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- Website of Bangladesh Bank :<https://www.bb.org.bd/>
- Different types of Brochures of First Security Islami Bank Limited.