

# **Financial Performance Analysis of Dhaka Bank Limited**



# Internship Report On “Financial Performance Analysis of Dhaka Bank Limited”



**Daffodil**  
*International*  
**University**

## **Submitted To**

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(Assistant Professor)

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## **Submitted By**

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Program: BBA

Major in Finance

Department of Business Administration

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**Date of Submission: 28 September, 2021**

## Letter of Transmittal

**Mr. Md. Anhar Sharif Mollah**

(Assistant Professor)

Department of Business Administration

Faculty of Business & Entrepreneurship

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

Dear Sir,

With due respect and great pleasure, I am submitting my internship report on “**Financial Performance Analysis of Dhaka Bank Limited**” given by you as the essential requirement of my Bachelor of Business Administration (BBA) program. The three months’ internship programs give me a great experience and also provided me wide exposure to the professional environment. I have gone through the workings files of Dhaka Bank, web information, articles, journals and different books for collecting necessary information of the assigned topic.

I would like to thank you and the university for giving me the opportunity to do internship and for preparing the report. Nevertheless, you may need to be always happy to welcome any additional precision.

*Rasel*  
09.10.2021

Rasel Mahmud

ID: 181-11-573

Program: BBA Major in Finance

Department of Business Administration

Faculty of Business & Entrepreneurship

## Certificate of Approval

I am a student of Bachelor of Business Administration (BBA) Major in Finance of Daffodil International University do hereby announce that the internship report entitled “**Internship Report on Financial Performance Analysis of Dhaka Bank Limited**”. Which is submitted by me in partial contentment of the requirement for the honor of BBA program in Daffodil International University is my unique work and due acknowledgement have been made to the appropriate authority for materials used in the report. And I think it has not been submitted by me before for any Degree, Diploma and title or Recognition.

Handwritten signature and date: 09.10.2024

**Mr. Md. Anhar Sharif Mollah**

(Assistant Professor)

Department of Business Administration

Faculty of Business & Entrepreneurship

## Declaration

I am Rasel Mahmud, Bachelor of Business Administration student, ID: 181-11-573. I like to declare that I have submitted my Internship Report under the program of BBA and entitled “**Internship Report on Financial Performance Analysis of Dhaka Bank Limited**”.

My technical experience was secured by the goal of the study and it allowed me to relate the theoretical dimensions to the practical ways to complete the tasks.

*SR* 09.10.2024  
.....

**Mr. Md. Anhar Sharif Mollah**

(Assistant Professor)

Department of Business Administration

Faculty of Business & Entrepreneurship

## Acknowledgement

At first, I would like express my deep gratitude to Almighty Allah for supplying power and able to completing the report.

I am extremely grateful to my supervisor **Mr. Md. Anhar sharif Mollah**, Department of Business Administration, Faculty of Business & Entrepreneurship, Daffodil International University, for giving me right instructions that helped me vastly in preparing this report proficiently. He outlined and provided a complete direction, support and assistance for the data analysis and report writing and development of the report. He studied the draft report and gave valuable observations and recommendations that were extremely supportive in making this report on “**Financial Performance Analysis on Dhaka Bank Limited.**”

Heartfelt appreciation to all the delightful inhabits of **Daffodil International University** particularly my teachers, classmates and others.

Finally, I would like to express precise my parents, my friends whose encouragement and motivation have been able to complete this report.

## **Executive Summary**

This internship report is based on the 2020 financial statements of Dhaka Bank Ltd. During my internship period, I worked in general banking department. It was an excessive prospect to understanding and wrinkle knowledge of various kinds of banking activities. My faculty supervisor assisted me to choose the topic- **“Financial Performance Analysis of Dhaka Bank Limited”**.

Current modest commercial period, the private banking segment is increasingly valuable in Bangladesh. In this segment the supreme cast-off financial statement is the balance sheet and income statement where balance sheet demonstrations the financial position and shows the banks total income or net loss in the income statement. Analysis of the ratio relates to this statement.

The most popular tendency is the Ratio analysis to estimate the banks performance of the year or for other organization in the industry. In my report, the financial statements of Dhaka Bank Limited had to be analyzed in the last three years and analyzed to changing the financial condition. Analysis and interpretation of financial statements, ratio analysis to assess the performance has become an important strategy of the investor, financial expert, Managing Director and bankers, important decisions always depend on this ratio. The bank, the investors and the management’s team of any government organization always measures the efficiency of the liquidity ratio and the banks efficiency eligibility.

As part of my BBA program, I spent twelve weeks in financial performance analysis of Dhaka Bank Ltd, Jamgora, savar Branch studying general banking departments. To find out the ratio via past and present records, I analyzed the financial statements of Dhaka Bank Limited. After preparing this report, I found out that ratio of financial statement analysis helps to overcome previous weaknesses and create future decisions and strategies. Therefore, it is very important for each organization that the company’s size is made financially analyzed with the ratio.

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# Chapter- 01

## Introduction

## **1.1 Introduction:**

In general, we use the term "Bank" to consider only financial resources for handling cash. Usually by the word "Bank" we will simply perceive that the economic organization controls cash. Entire cases in the company in a rustic are often observed by inspecting the situation in the banking sector. The banking division contains an important part to show within the financial operations and improvements of any nation. There are different kinds of banks such as central banks, commercial banks, savings banks, investment banks, industrial banks and cooperative banks, etc. But in the past we used the term "Bank" without preface and restrictions, it refers to commercial banks. Commercial banks are the first contributing entities in the rural economy, e.g. our country. In our country, the commercial banks manage the economic area and macroeconomic supervision for the most part the rest of the commercial banks' performance together with the investment division. Several people believe that non-public banks should be allowed to give the development process positive motivation in connection with personal benefit. For the main time, diversity of banks in the non-public sector was allowed in the 80s. Dhaka Bank is one of them. Today, the banking idea is not maintained in the branches of the branches. The banks now carry out the banking business without a cabin. As a result, it is very important for every person to have some ideas about banks and banking systems. Currently, there are fifty-one route banks across the country. Of these, nine units are state-owned (including 5 specialist banks), 38 private commercial banks and the remaining 9 commercial banks. Although the banking segment is making a fundamental recovery in Bangladesh, it is still a victim of chronic weakening. The main disadvantage of the banking industry in Bangladesh is that the loan defaults on the loan. Numerous initiatives are accepted to block the non-paying down loan in Bangladesh. One of them is a credit policy and guidelines for procedures issued by Bangladesh Bank.

## **1.2 Origin of the Study:**

The internship program at Daffodil International University is a graduation requirement for BBA students, which is also a half-finished requirement in the internship program for the BBA prospectus. The main purpose of the office is to get the scholar to expose himself to the world of duty. Being associated in Nursing intern the most experiment was interpreting the theoretical ideas into real world expertise. The office program and also the

study have the following purposes:

- To analyze the financial performances of DBL
- To analyze the liquidity performance of Dhaka Bank Ltd.
- To analyze the profitability performance of DBL
- To provide recommendations on the basis of findings of the study.

To manage the office, I was located in Dhaka Bank Limited, Jamgora, Savar branch, under the guidance of Mr. Anhar Sharif Mollah, my academic supervisor. The subject of the report was authorized by the supervisor to meet the needs of the office and the satisfaction of the office schedule. As a requirement for completing the branch program, I had to submit this report, which provides an overview of the organization and analysis of the financial results of Dhaka Bank Limited.

### **1.3 Objective of the Study:**

The main purpose of the study will be to present Dhaka Bank Limited's financial performance analysis by meeting the requirements of the BBA program. However, the objectives behind this study are some broader things.

Objectives of the report are summarized in the following manner-

- To Present an overview of Dhaka Bank Limited
- To analyze the financial performance of DBL of Different years.
- To provide recommendations based on findings of the study

### **1.4 Scope of the Study:**

To keep up the pace of development, banks will need to connect with each other on the market as additional foreign companies. Demonstration of Dhaka Bank Limited's organizational structure and policies and inspection of applied policies constitute the purpose of this report. The company's foundations have been deepened and appear to be destined for the long term. The purpose of the report is limited to the general explanation of the company, its services, its situation in the industry, the analysis of its financial

performance and the practical progress in the operation.

## **1.5 Methodology of the Study:**

### **Primary Sources:**

- ✓ Face to face conversation with the officers
- ✓ Practical Deskwork
- ✓ Direct observations
- ✓ Direct lectures of honorable teachers of finance & Banking

### **Secondary Sources:**

- ✓ Some of my course part as associated with this report
- ✓ Various reports and articles related to study
- ✓ Different text books and journals
- ✓ Websites and newsletters are also used as major sources
- ✓ Internet is additionally used as a theoretical supply of data
- ✓ Annual report of DBL

## **1.6 Limitations of the Study:**

- ✓ Lack of experience in internship report writing
- ✓ It was very difficult to collect data and information from accounts division of Dhaka Bank Limited on the excuse on the confidentiality of the information
- ✓ All the interpretation and conclusion about the result of the study is based on the analyst own perspective
- ✓ The main constraint of the study is insufficiency of current information, relevant to the study
- ✓ The Executives of the Bank could not give adequate time because of their own work



# Chapter- 02

## Organizational Overview

### 2.1 History of DBL

Dhaka Bank Ltd is a group of committed entrepreneurs and visionaries in the field of

banking services. Founded on July 5, 1995, the bank currently chooses the provider of associated quality financial services and has firmly positioned itself in the strong minds of its customers. "Excellence in the banking sector" is our motto, and our goal is the most efficient active bank in the country. As the number one non-public deposit financing institution in our country, our reputation is supported by great products and services, increased knowledge and extreme staff to appreciate the customer's nightmares. We tend that the recognized four-sided measure of our intelligent authority applies compliance with normative orders and resilience to growing desires and adaptability to the eternally moving sphere. Since the month of the Gregorian calendar 2018, the bank has taken steps forward with the approval of Basel-3, because the degree of cooperation increases the control of capital and liquidity. In order to maintain the capital adequacy in accordance with Basel-3's needs, the bank will divide into competitive financial risks and regulatory framework for the new post-crisis, the bank has issued BDT Tk. 3,000,000,000 Non-convertible subordinated bonds in 2019. The concept of economic capital has served as a guarantee for the bank, especially in the global credit crisis. In 2019, he again saw the impact of credit risk and market volatility outside the bank's blue damage. As part of this campaign, it is important to manage the banking business in a risk-sensitive economic capital structure. Therefore, there is a tendency to put the balance on possible surprises and therefore the concept of economic capital attached to each activity to reduce the risk of the record and to protect the interests of the stakeholders. DBL is committed to forming a superior community by measuring the extent of the area by operating and donating some alternative sectors, including education, health, disaster management, sports and national priorities. The long 21-year journey can be a true reflection of our concern for the people involved in key CSR activities in our financial consolidation. DBL, on the other hand, has included the structure's policies in the bank's daily activities. The inexperienced banking cell works for tedious policies to develop, produce and oversee the bank's cheap financial activities. The Bank contains a strong team of highly trained and practiced professionals in partnership with the UN Agency's Associated Economic Board, which plays a significant role in expressing and enforcing the guidelines.

## 2.2 Mission

Being one of the leading institutions in the country to deliver top quality products and

services is supported by the latest technologies and also to provide superior banking services to a team of highly efficient staff.

## 2.3 Vision

At Dhaka Bank, we tend to draw inspiration from the distant star. Our vision is to make every bank have a pleasant efficiency. Our commitment is to provide the highest quality of accuracy, reliability, on-time delivery and leading technology and settlement solution for business needs, global trade and commerce and through a high return on investment.

Our people, products and methods are connected to meet the demand of our smart consumers. Our goal is to understand some caution. Our primary goal is to deliver high quality that reflects the true reflection of our prospects: banking superiority.

## 2.4 Corporate Values

- Customer Focus
- Integrity
- Quality
- Teamwork
- Respect for the Individual
- Responsible Citizenship

## 2.5 Corporate information

<b>Name of the Bank</b>	<b>Dhaka Bank Limited</b>
<b>Status</b>	<b>Public Limited Company</b>
<b>Date of Incorporation</b>	<b>April 06, 1995</b>
<b>Date of Commencement</b>	<b>July 05, 1995</b>



<b>Registered Office</b>	<b>Biman Bhaban (1<sup>st</sup> Floor) 100 Motijheel C/A, Dhaka- 1000, Bangladesh.</b>
<b>Company Registration No.</b>	<b>C-28146 (1992)/95</b>
<b>Bangladesh Bank License No.</b>	<b>BCD (D) 200/57-421/95</b>
<b>Telephone</b>	<b>9554514</b>
<b>Telex</b>	<b>9556584, 9571013, 9565011</b>
<b>Swift Code</b>	<b>DHBLBDDH</b>
<b>E-mail</b>	<b>info@dhakabank.com.bd</b>
<b>Web Page</b>	<b><a href="http://www.dhakabankltd.com">www.dhakabankltd.com</a></b>
<b>Chairman</b>	<b>Mr. Rashadur Rahman</b>
<b>Managing Director</b>	<b>Syed Mahbubur Rahman</b>
<b>No. of Branches</b>	<b>100</b>
<b>No. of ATMs</b>	<b>56</b>
<b>No. of ADMs</b>	<b>20</b>
<b>SME Services Centre</b>	<b>3</b>
<b>Off Shore Banking Unit</b>	<b>2</b>
<b>KIOSK</b>	<b>1</b>
<b>Logo</b>	

## 2.6 Objectives of DBL

- ✓ To create our state an inexperienced and clean soil we tend to square measure cautious regarding atmosphere and environmental condition modification andduteous
- ✓ To fulfillment of our responsibility to the govt. through paying entire vary of taxes and duties and imperishable by the oppositerules
- ✓ To promote employees success through enticing compensation packages, promoting employees moral through coaching, development andcareer

- ✓ To our communal as a company national and our corporate social responsibility is helpful in the progress of the state
- ✓ To spawn profit with qualitative business as a quality growing organization and increase honest revenue of our shareholders
- ✓ To provide customers with top quality products with regular economic, innovative and sophisticated delivery system
- ✓ To comportment clear and top class corporate operation supported arcade instrument among the lawful and public structure Tritium Spelt in our goal and mirrored in our dream

## **2.7 Products and Services**

Dhaka Bank recognizes that the needs of corporate clients vary from one to another and a tailor-made solution is critical to the success of their business. DBL Corporate Banking provides financial products and services that meet the diverse banking needs of large corporations, financial institutions and microcredit organizations.

Our product basket ranges from short-term financing of day-to-day business operations to long-term loans for business expansion. We work on understanding your specialist needs and designing tailor-made and structured solutions for your company.

### **2.7.1 Project Finance (Long, Mid & Short Term)**

Project financing is an innovative and timely financing technique that has been used to finance large corporate projects. It includes understanding the logic of project funding, preparing the financial plan, assessing risks, designing the funding mix and raising funds.

Dhaka Bank offers a full range of products and services to entrepreneurs completing a project, including structuring the form of financing, mitigating various risks and consulting on the successful completion of the project.

### **2.7.2 Products offered under project finance**

- ✓ Term Loan – Machineries

- ✓ Term Loan – Construction
- ✓ Lease Finance
- ✓ Foreign Currency Loans

Our experience with project financing covers a wide range of companies and sectors. You can especially benefit from our experience in the following areas:

- ✓ Healthcare
- ✓ Aviation
- ✓ Ship-building
- ✓ Renewable Energy
- ✓ Construction
- ✓ Chemicals and Pharmaceuticals
- ✓ Energy and Infrastructure
- ✓ Edible oil and consumer products
- ✓ Glassware
- ✓ Power sector
- ✓ Telecom, Media and Technology
- ✓ Jute Industry
- ✓ Paper & Packaging
- ✓ Steel & Engineering
- ✓ Cement
- ✓ Textile, Ready Made Garments

### **2.7.3 Working Capital Finance**

Working Capital is the lifeblood of all newly established projects. Dhaka Bank Working

Capital Financing includes all kinds of facilities for any sector of companies and industries in terms of operating mode. Our products and services for the financing of working capital depending on the nature of the structures can be segmented as:

**Non- Funded Facilities**

- ✓ Letter of Credit (LC, BTB, UPAS, EDF etc)
- ✓ Bank Guarantee (BB, PG, APG, Payment Guarantee, FC)

**Funded Facilities**

- ✓ Short Term Loan
- ✓ Overdraft – Others
- ✓ Overdraft – Work order
- ✓ Cash Credit
- ✓ Loan against Trust Receipt
- ✓ Time loan

**2.7.4 Trade Finance**

Since "Business" has become a problem beyond the geographical boundaries, foreign trade has been introduced as an important wing of the modern bank. To support our customers' companies, we have created a solid foundation for offering a wide range of Trade Finance-related products and services.

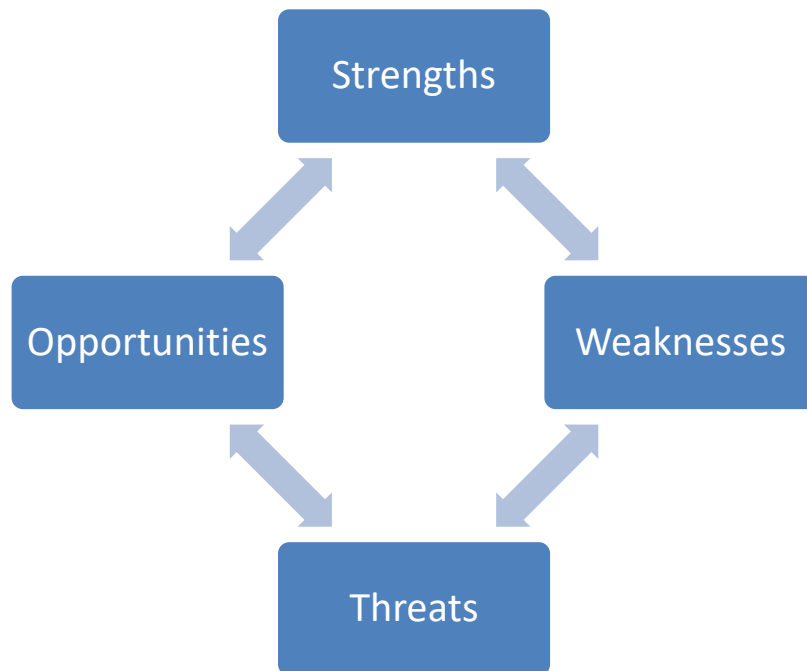
- ✓ OBU Financing
- ✓ EDF Loan
- ✓ Shipping Guarantee
- ✓ Import Bill Handling
- ✓ Import Finance
- ✓ Export Bill Negotiation / collection

- ✓ Export LC

### **2.7.5 Cash Management Solutions**

- ✓ Act as Banker to the issue of IPOs
- ✓ Managing IPOs as Lead Bank
- ✓ Hajj Remittance Processing
- ✓ Cash pickup & delivery
- ✓ Vendor/Salary Payment
- ✓ Utility Bill Collection
- ✓ Bulk cheque Processing
- ✓ Payment & collection solution

## 2.8 SWOT Analysis



### Strengths

- Strong Financial Position
- Young passionate workforce
- Reflect work force
- Expert performance
- Strong employee bonding and belongings
- Strong corporate identity

### Weaknesses

- Lack of Proper Motivation
- Diversification
- Absence of strong marketing activities

- Not enough innovative products
- High Cost for maintaining account
- High charges of L/C

### **Opportunities**

- Individual operating process
- Huge population
- Experienced managers
- Country wide network

### **Threats**

- Upcoming Banks/Branches
- Financial Crisis
- Industrial Downturn
- Incapacity Loan

# **Chapter- 03**

## **Financial Performance Analysis of DBL**



### 3.1 Ratio analysis

#### 3.1.1 Liquidity Ratio

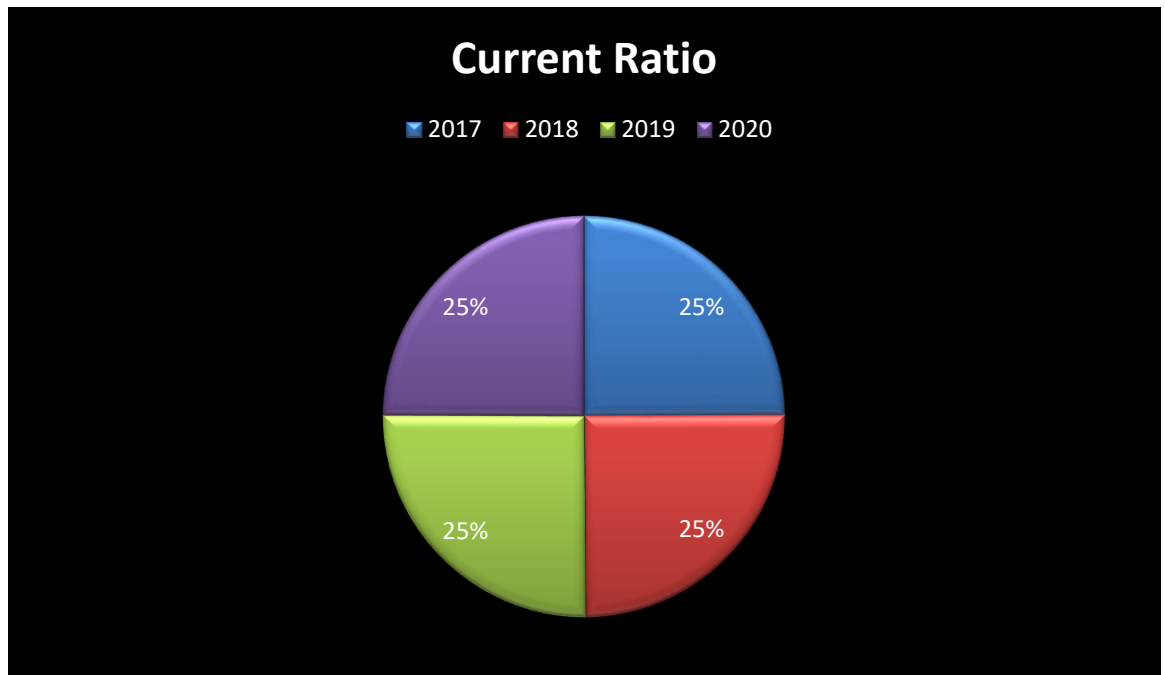
➤ **Current Ratio:**

The current measures a firm’s capability to pay its obligations in the specific period. It determines where an organization has adequate short-term assets to pay off its short-term liabilities.

**Formula: Current Ratio= Current Asset / Current Liabilities**

Year	2017	2018	2019	2020
<b>Current Asset (Taka in millions)</b>	154,766.58	172,239.32	197,974.88	225,166.79
<b>Current Liabilities (Taka in millions)</b>	144,002.03	161,573.80	183,945.87	211,207.61
<b>Current Ratio</b>	1.07:1	1.07:1	1.08:1	1.07:1

**Graphical Presentation:**



**Analysis:** The current ratio satisfactory standard is 1:1. So above 1 current ratio is more favourable sign for the company. As we can see DBL shows above 1 in every year.

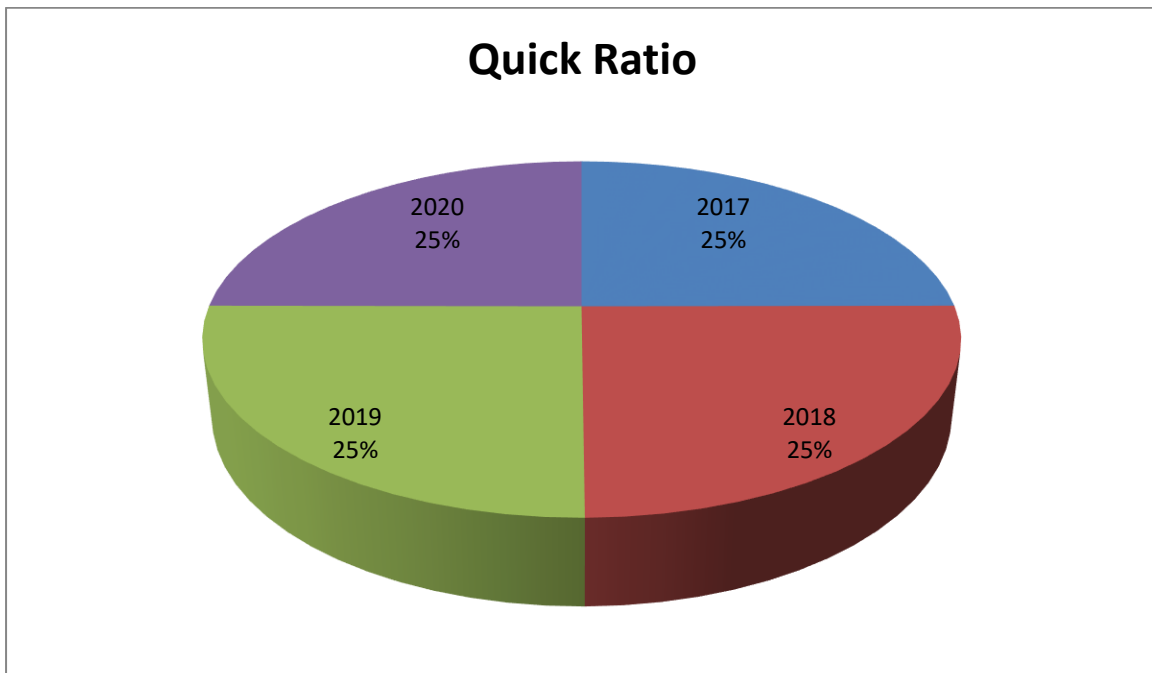
➤ **Quick Ratio or Acid Test Ratio:**

Quick ratio also called acid test or liquidity ratio. The Quick ratio is a ratio how well a company can pay its short term liabilities. The quick ratio is designed to show how quickly a company can pay its debts.

**Formula: Quick Ratio= (Cash & Equivalents + Marketable Securities + Accounts Receivable) / Current Liabilities**

Year	2017	2018	2019	2020
Quick Asset (Taka in millions)	154,766.58	172,239.32	197,974.88	225,166.79
Current Liabilities (Taka in millions)	144,002.03	161,573.80	183,945.87	211,207.61
Quick Ratio	1.07:1	1.07:1	1.08:1	1.07:1

**Graphical Presentation:**



**Analysis:** Quick ratio standard is 1:1. Ratio 1 indicates where current assets equal to its current liabilities. Ratio below 1 indicates where a firm can't cover properly. On the other hand, above 1 is good for every company because they have ability to pay off its liabilities. As we can see DBL quick ratio has above 1 which is good for them.

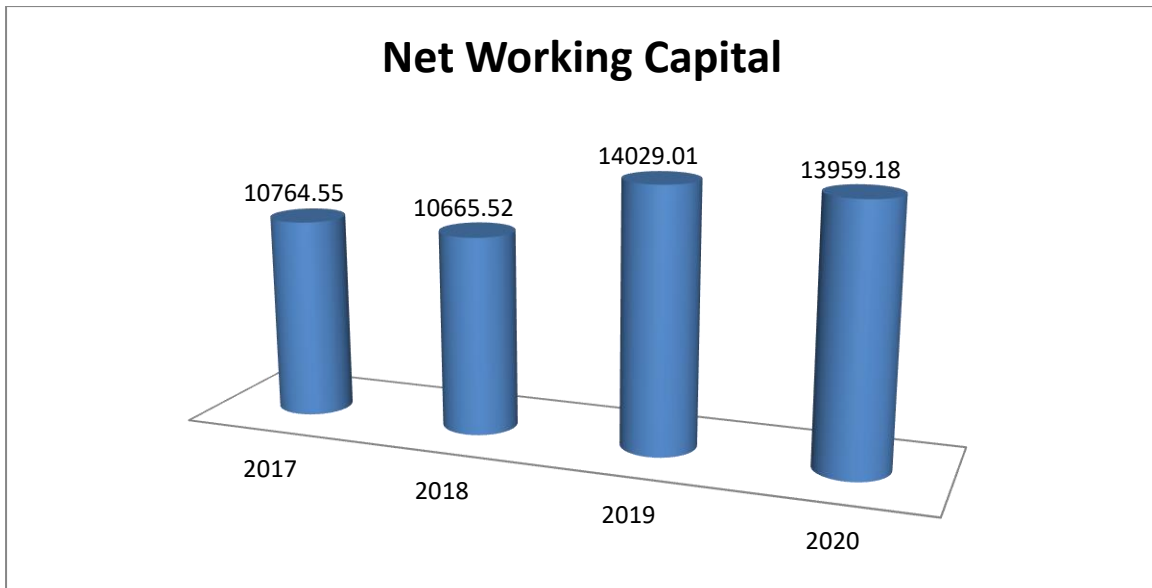
➤ **Net working capital**

The Working Capital is also known as the Net Working Capital. The Working Capital ratio measures the company's liquidity, where an organization's capability to pay its obligations. The working capital ratio is essential for transmitters because it presents the company's liquidity. This ratio shows the relative potential of an entity's current asset to its current liabilities with the ability to pay for its current liabilities.

**Formula: Net Working Capital = Current Assets - Current Liabilities**

Year	2017	2018	2019	2020
<b>Current Asset (Taka in millions)</b>	154,766.58	172,239.32	197,974.88	225,166.79
<b>Current Liabilities (Taka in millions)</b>	144,002.03	161,573.80	183,945.87	211,207.61
<b>Net Working Capital (Taka in millions)</b>	10,764.55	10,665.52	14,029.01	13,959.18

### Graphical Presentation:



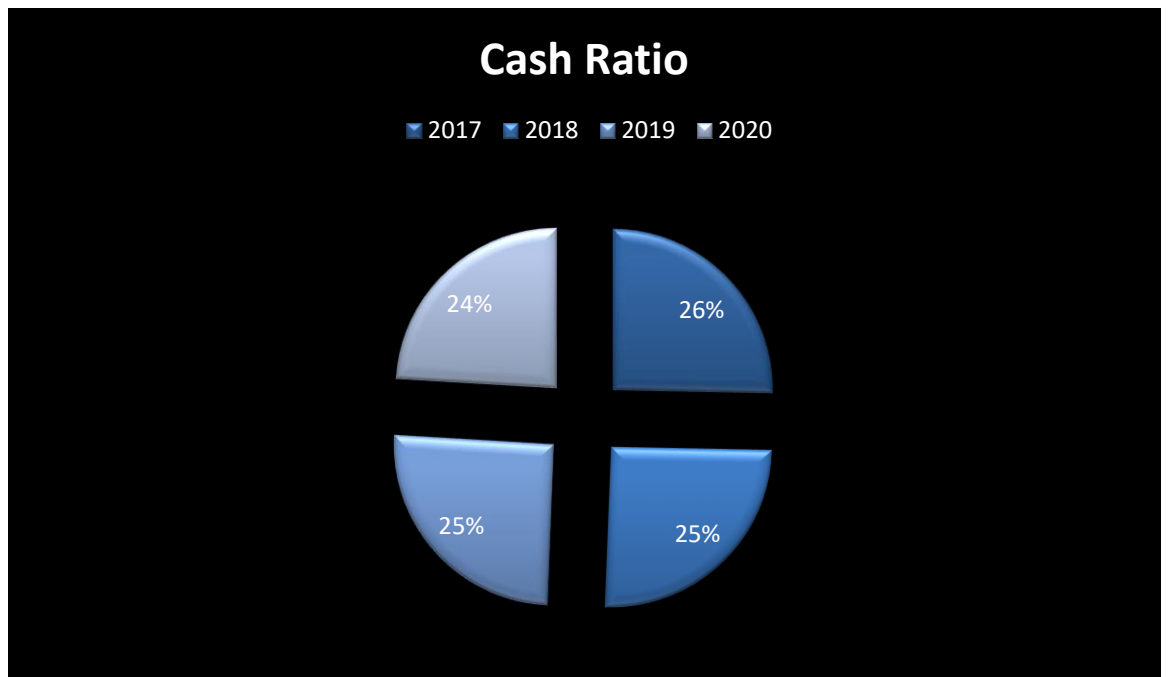
**Analysis:** A working capital ratio of 1 indicates the current assets equal current liabilities. It's not risky but not very safe. Below 1 is considered risky by creditors and investors because it can't cover current debt properly and above 1 indicates that the current assets over than current liabilities. As we can see DBL working capital is more than 1.

#### ➤ Cash Ratio:

The cash ratio is the ratio which measures a company's capability to pay off its current liabilities with the cash. The cash ratio also called cash coverage ratio or liquidity ratio. The cash ratio is a conservative measure of a firm's liquidity. This is extreme liquidity ratio because only cash and cash equivalents are compared with current liabilities.

Year	2017	2018	2019	2020
Cash Equivalents + Marketable Securities (Taka in millions)	145,399.20	163,800.87	184,931.96	202,108.32
Current Liabilities (Taka in millions)	144,002.03	161,573.80	183,945.87	211,207.61
Cash Ratio	1.01	1.01	1.01	0.96

### Graphical Presentation:



**Analysis:**The cash ratio shows how well any resources can pay for its current liabilities only with cash and cash equivalents. Cash ratio standard is 1:1. So this company's cash ratio presents above 1 than standard. It means that DBL can be paid with their cash over their current liabilities.

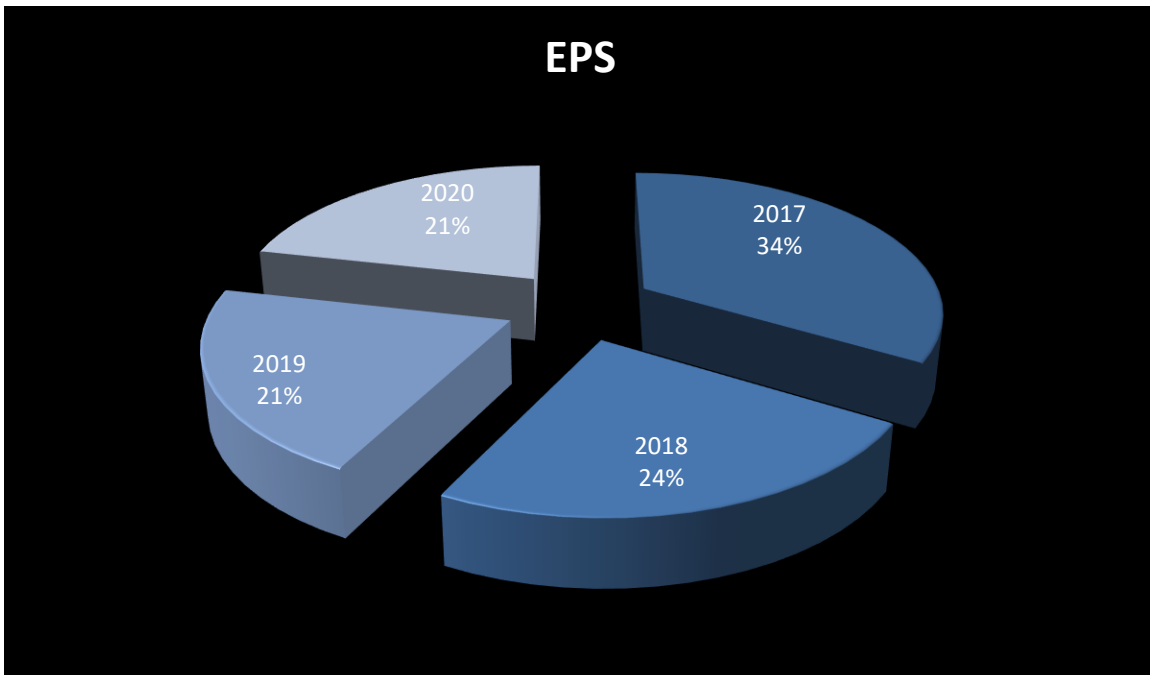
### 3.1.2 ProfitabilityRatio

#### ➤ Earnings per share(EPS)

Earnings per Share (EPS) ratio is market prospect ratio which measures the amount of net income have been earned by each common stock share. Generally it's also called profitability ratio. It is a popular measure of the company's overall profits and is generally stated incurrency.

Year	2017	2018	2019	2020
EPS (Tk.)	3.24	2.30	2.03	2.07

## Graphical Presentation:



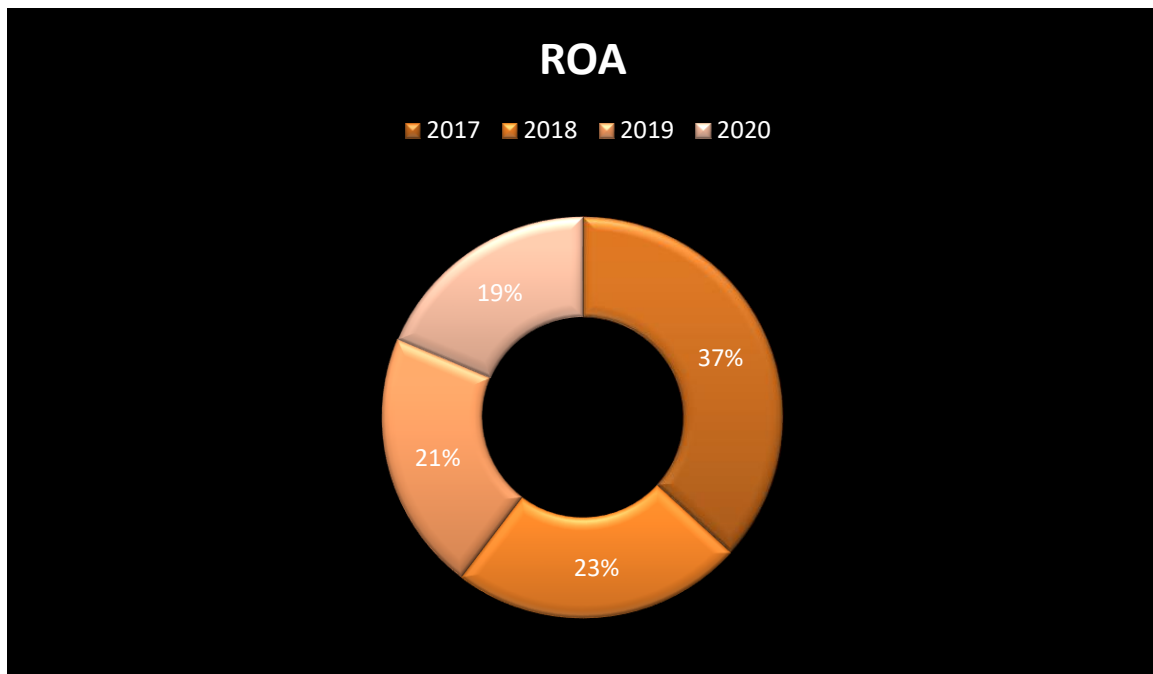
**Analysis:** Earnings per Share are a popular measure of overall profitability of the company and are usually expressed in dollars. The EPS illustrates unstable results above these years. In this four years, the value of ratio fluctuated from 2.03 to 3.24. In these four years, the best performance of the year 2020 and the year 2019 shows the worst performance. The main reason for the fall of this ratio in 2019 is that the total income decreases.

### ➤ Return on Asset (ROA)

The Return on Assets is a profitability ratio which measures the profit of the company produced like a percentage of the amount of its assets. It's also called Return on Investment. In the sense, the Return on Assets or ROA can be measured by a resource for generating profits during a specific period of time. ROA is generally defined where the net income is divided by its total assets. ROA ratio is usually presented as percentages.

Year	2017	2018	2019	2020
Net Income (Taka in millions)	2,028.99	1,437.58	1,465.92	1,495.37
Total Assets (Taka in millions)	158,747.54	176,362.47	202,191.59	229,452.85
ROA	1.28%	0.82%	0.73%	0.65%

**Graphical Presentation:**

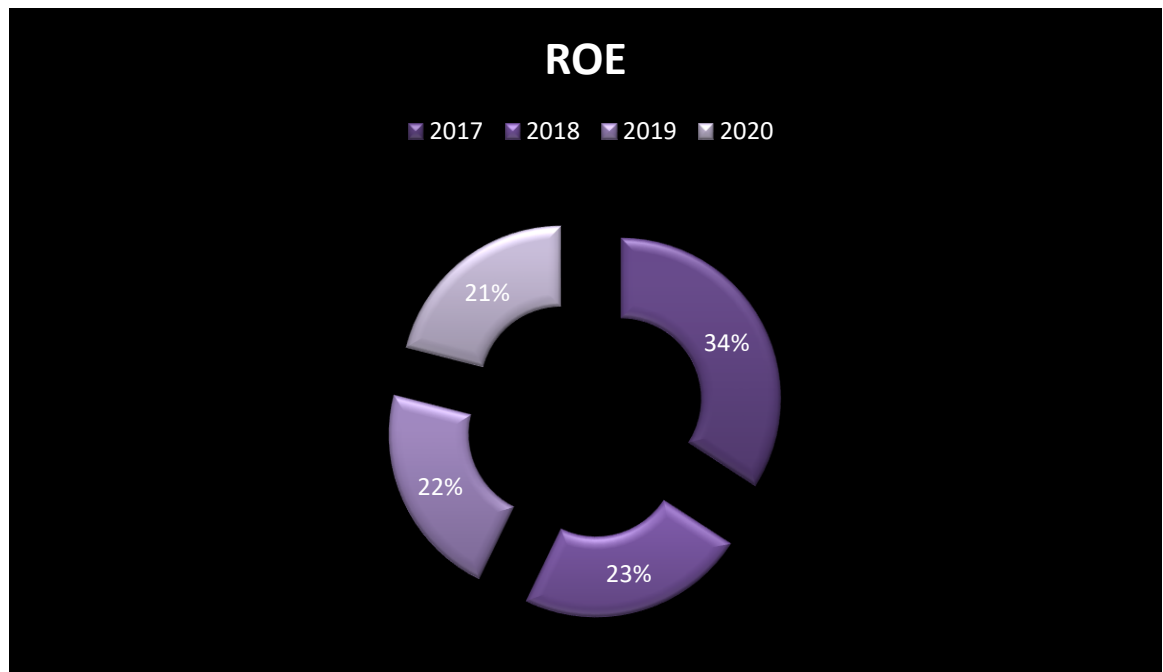


**Analysis:** The ROA illustrates unstable results above those years. In this four years, the value of ratio fluctuated from 0.65% to 1.28%. In these four years, the best performance of the year 2017 and the year 2020 shows the worst performance. The main reason for the fall of this ratio in the year 2020 is that the total income decreases.

➤ **Return onEquity:**

The Return on Equity Ratio or ROE is a profitability ratio which is essentially measure of financial performance considered by dividing the company’s net income with its shareholders equity. Since shareholders equity is less than the resources of an organization, ROE can be considered as returning to net assets. It signifies how good the return from equity to produce returns from its shareholders is.

Year	2017	2018	2019	2020
Net Income (Taka in millions)	2,028.99	1,437.58	1,465.92	1,495.37
Stockholders’ Equity (Taka in millions)	12,745.51	13,388.67	14,445.72	15,245.24
ROE	15.92%	10.74%	10.15%	9.81%





**Analysis:** The ROE display unstable results above these years. In this four years period, the value of ratio fluctuated from 9.81% to 15.92%. In these four years, the best performance of the year 2017 and the year 2020 shows the worst performance.

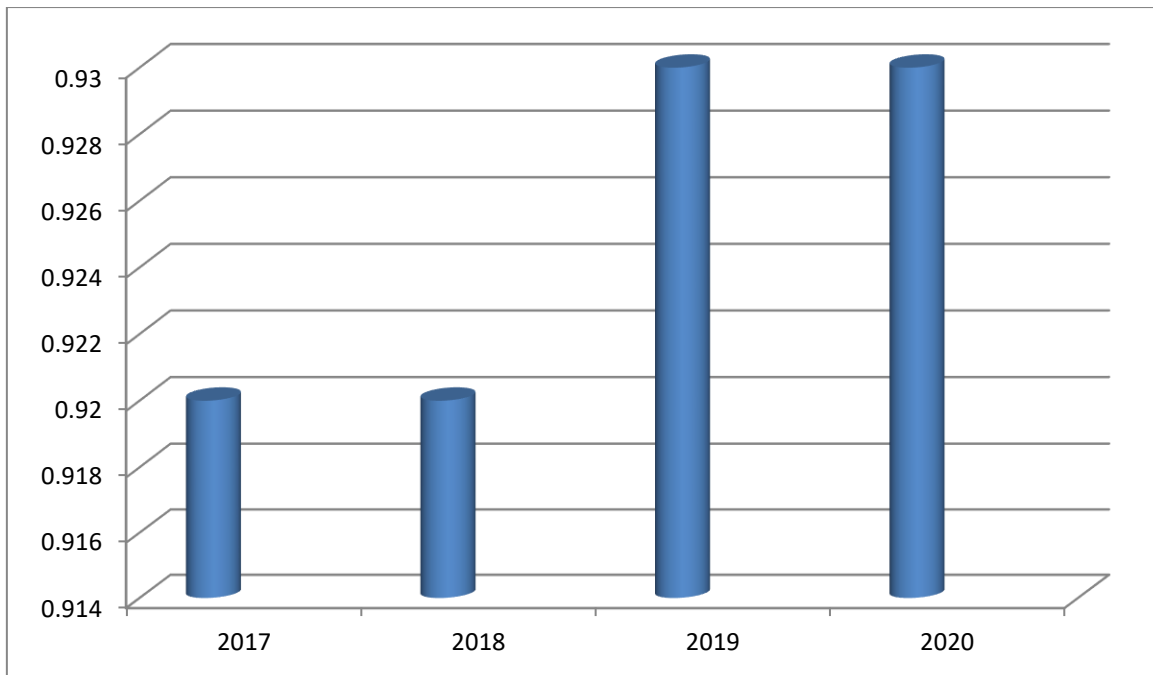
### 3.1.3 SolvencyRatio

➤ **DebtRatio:**

The Debt Ratio is a solvency ratio which compares a company's total liabilities to its total assets like a percentage. It measures the company's financial leverage. In other words, this ratio expresses how a company sells their assets by pay off to its liabilities.

**Formula: Debt Ratio= Total Liabilities / Total Assets**

Year	2017	2018	2019	2020
<b>Total Liabilities (Taka in millions)</b>	146,002.0 2	162,973.8 0	187,745.8 7	214,207.6 0
<b>Total Asset (Taka in millions)</b>	158,747.5 4	176,362.4 7	202,191.5 9	229,452.8 5
<b>Debt Ratio</b>	0.92	0.92	0.93	0.93



**Analysis:** The Debt ratio is a ration of the financial risk of a business, its risk is that it cannot be enough to pay its debt to the total assets of the business and its interests. Since the business cannot be harmful due to stop payment of debt and interest payments, the proportion of debt is an important indicator of the long term financial stability of abusiness.

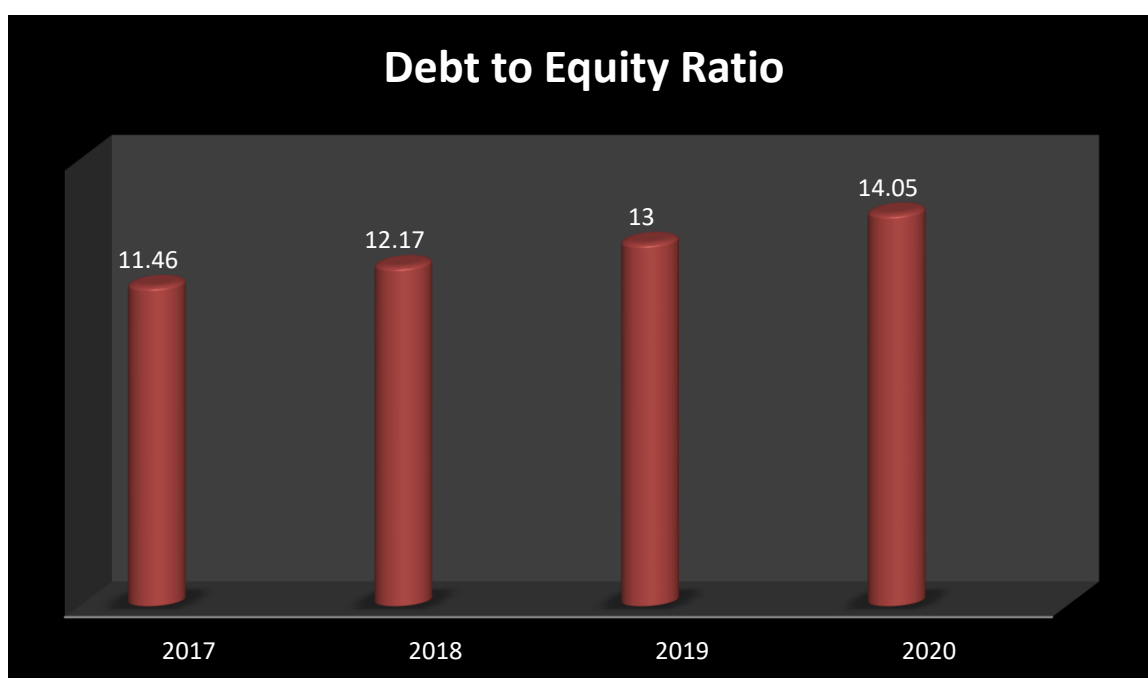
➤ **Debt to EquityRatio:**

The Debt to Equity Ratio is also a financial, liquidity ratio that calculates the company's total debt and liabilities by its shareholders equity. It's also called the debt equity ratio or risk ratio. This ratio highpoints how capital structure of an organization is heading towards debt or equity funding.

**Formula: Total Liabilities / Total Shareholders' Equity**

Year	2017	2018	2019	2020
<b>Total Liabilities (Taka in millions)</b>	146,002.02	162,973.80	187,745.87	214,207.60
<b>Total Shareholders' Equity (Taka in millions)</b>	12,745.51	13,388.67	14,445.72	15,245.24
<b>Debt to Equity Ratio</b>	11.46	12.17	13.00	14.05

### Graphical Presentation:



**Analysis:** The lower prices of debt-to-equity ratio are less appropriate to indicate. High debt-to-equity ratios of non-responsive because it means that the creditor depends on the business, so it is high risk especially high interest rates. The debt to equity ratio indicates unstable results over the years. In this four years period, the value of ratio fluctuated from 11.46 to 14.05. In these four years, the best performance of the year 2017 and the year 2020 shows the worst performance.

# **Chapter- 04**

## **Findings, Recommendations & Conclusion**

## Findings

- The Current Ratio (1.08:1) in 2019 was more than 2017, 2018 and 2020
- The Quick Ratio (1.08:1) in 2019 was higher than 2017, 2018 and 2020
- The Net Working Capital Tk. 14,029.01 million in 2019 was higher than 2017, 2018 and 2020
- The Cash Ration was (1.01:1) in 2017, 2018 and 2019 but its decrease to (0:96:1) in 2020
- The Earnings per Share Tk. 3.24 million in 2017 was more than 2018, 2019 and 2020
- The Return on Asset Ratio (1.28%) in 2017 was higher than 2018, 2019 and 2020
- The Return on Equity Ratio (15.92%) in 2017 was more than 2018, 2019 and 2020
- The Debt Ratio was (0.92) in 2017 and 2018 but its increase to (0.93) in 2020

## Recommendations:

- Dhaka Bank Ltd should increase their current asset and reduce current liabilities to manage their business
- Dhaka Bank Ltd would take essential footsteps to proliferation their Net Income
- In 2017 DBL Return on Asset Ratio was great. But in 2020 was the bad performance. So this organization would give extra emphasize on Return on Asset
- In this four year analysis, shows the best performance of the year 2019 and shows the worst performance of 2018. The main reason for this ratio of 2019 is due to Net Income reduction
- DBL should reduce long term liability.
- DBL should improve advertising policy.
- DBL should upturn Bank Branches and ATM Booths for provide better services to their customers

## **Conclusion:**

Dhaka Bank Ltd is one of the leading private banks in our country. A banker at the forefront thanks to the special and sophisticated banking services provided to consumers. To be competitive in market is constantly looking for ways to improve productivity and ways. Information technology uses its most important remnants. Dhaka Bank Ltd has played an important role in industry, agriculture, trade and trade, transport and many other sectors. It also plays an important role in creating human resources and creating innovative job opportunities. Implement many prosperity programs for the development of the general public. In terms of this research, this bank's results are satisfying. Various commercial parameters derive from this learning it is considered to assess the financial performance of this bank, and Dhaka Bank Ltd is available as a wildly emerging bank while it is doing well in virtually all expansions. To be constrained by this step forward and in development, they should now be more mindful of what their consumers should have and pay more attention while paying to customers to lower standard interest rates.

Customer loyalty at Dhaka Bank Ltd is increasing every day. All employees of Dhaka Bank Ltd are in a hurry to service the customers. Dhaka Bank Limited is committed to promoting the business environment for the development of human life.

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