

INTERNSHIP REPORT

ON

FINANCIAL PERFORMANCE ANALYSIS OF

BANK ASIA LIMITED

(2016-2020)



Topic Name
Financial Performance Analysis of Bank Asia Limited from (2016-2020)



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Date of Submission: 28th November 2021

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LETTER OF TRANSMITTAL

November 28, 2021

Nusrat Nargis

Assistant Professor

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Subject: Submission of report on “Financial Analysis of Bank Asia Limited”

Dear mam,

This is a great pleasure for me to submit my internship report on “Financial Performance Analysis of Bank Asia Limited”. Writing this report has been a great pleasure & an interesting experience. I have done growth analysis, ratio analysis, common size analysis, trend analysis, and financial highlights to receive financial analysis. I did my best to complete this internship report adequately covered this internship research. I gathered information from multiple of websites to analyze the performance of Bank Asia Limited. This project helped me tremendously to understand the implication of theoretical knowledge in the practical field. It has also shaped some of my basic views like how to communicate & carry oneself in the world of business. I have undertaken sincere effort for successful completion of the report. I shall be gratified to answer any sort of queries you think necessary regarding this report.

Therefore, I expect your kind consideration in this regard, I will be very grateful if you accept my report and oblige thereby.



Sincerely,

Md. Ruhul Islam Saidey

ID: 181-11-5710

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DECLARATION BY STUDENT

I am Md. Ruhul Islam Saidey with student id 181-11-5710 declared that this internship report "**Financial Performance Analysis of Bank Asia Limited**" prepared under the direct supervision of Nusrat Nargis mam, Assistant Professor, Department of Business Administration, Daffodil International University. The supervisor is not responsible for any plagiarism or copyright infringement in this document.

I further announce that I have not previously applied this report for an academic qualification, certification, diploma, or degree to any other university/institute. I also verify that the document is done entirely for educational reasons.

Sincerely yours-



Md. Ruhul Islam Saidey

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Program: BBA

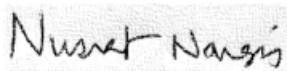
Major in Finance

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SUPERVISOR'S DECLARATION

This is to assure that Md Ruhul Islam Saidey, a student of the Faculty of Business & Entrepreneurship's at Bachelor of Business Administration (BBA) program with ID number 181-11-5710, majoring in Finance, has finally finished the Internship Program over the report on "**Financial Performance Analysis of Bank Asia Limited**". I reviewed the document and found it to be well developed. Under my oversight, he finished the document on his own.

He is allowed to submit in his internship report.



28/11/2021

Nusrat Nargis

Assistant Professor

Faculty of Business & Entrepreneurship

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ABSTRACT

This report is about the financial performance of the Bank Asia Ltd. I have analyzed the past 5 year's information to know how the company's condition is. So that I can make better decisions for the company.

I have calculated & analyzed the ratios of last five years from 2016 to 2020. In liquidity ratio I have calculated the current Ratios & cash ratios & made a year to year analysis. In the efficiency activity ratio I have calculated the Total Assets Turnover, Current Assets Turnover, Fixed Assets Turnover, Equity Turn over & I also analyzed based on last 5 years.

I have also calculated, Debt to Asset Ratio, Debt Equity Ratio, and Time Interest Earned Ratio from Solvency Ratio. I have also calculated P/E Ratio from Market ratio. From Profitability Ratio I have calculated and analyzed Return on Asset Ratio, Return on Equity Ratio, Earning per Share and Dividend Payout Ratio.

I have also calculated Growth an analysis of last 5 years Income Statement and Balance Sheet of Bank Asia. In this report I have also calculated the Common Size Analysis, Trend analysis.

I have also discussed the economic analysis and the strategy analysis. Later on I also determined the Weighted Average Cost Of capital in that process I also determined the Cost of Equity & Cost of debt.

Acknowledgement

First and foremost, I want to thank Allah, the Almighty, for giving me the confidence to carry out my responsibilities as an intern and finish the report properly.

I also like to express my gratitude to Nusrat Nargis mam, Assistant Professor, Department of Business Administration, DIU, Dhaka, for her constant monitoring, advice, and encouragement in helping me complete my internship report.

The Post Office Department of Bank Asia Ltd. of Palton was quite helpful in giving me with practical knowledge of general banking, Agent Banking, Post Office Agent Banking as well as other information needed for the development of this document. I'm also grateful to the person in charge & Head of Post Office Banking Quazi Mortuza Ali, the Assistant Vice President of Post Office Banking Suman Roy Sir, HR Manager Suzana Yesmin and all the coworkers who instructed me in giving valuable guidance.

All of my lecturers, parents, and peers deserve a lot of credit. They assist in the data collection process in a variety of ways. I would be unable to complete my internship summary, as well as all other duties, without their assistance. They provide me with a lot of motivation.

I truly enjoyed every bit of my internship. And I believe that in the future, that would be extremely advantageous to me as a professional. Finally, I'd like to express my gratitude to everyone who helped me put this report together.

Executive summary

I attempted to examine Bank Asia Ltd.'s financial results using the analysis methodology. For the financial statements analysis from 2016 to 2020, Lankabd.com provided the crucial facts for Bank Asia Ltd. I also gather data from Bank Asia's official website and the last five years' Annual Financial Statement Report.

It is critical to have a thorough understanding of the organization, its services, and the important products it offers to its customers. In this portion, I attempted to reflect on the bank's founding history, goal and vision, important divisions and business units, as well as key goods and services.

Then I focus on my main point for Financial Performance Analysis, which involves Ratio Data Analysis in different ratios. The five essential components of banking operations that have been performed utilizing ratio analysis are liquidity, profitability, efficiency, solvency, and market features.

Profitability ratios are used to determine a bank's overall production and success. I came to the conclusion that Bank Asia's Return on Equity is optimistic. Management is successful in generating profit by utilizing shareholder equity.

The Earnings-per-share-ratio (EPSR) demonstrates that the market believes Bank Asia will perform well in the future. As a result, I believe Bank Asia's total profitability is appropriate.

According to an internal analysis of Bank Asia of the overall Asset Turnover Ratio and Inventory Turnover Ratio, Bank Asia manages its Internal Assets and liabilities very well.

The Liquidity Ratio of Bank Asia shows how easily it can convert its cash into currency. As a result, we can say that Bank Asia's liquidity status is satisfactory.

A financial statement that is constructed as a percentage of a single utilized number is known as a Common-Size Financial Statement. When financial statements are all the same size, it's easier to analyze a company over time and compare it to competitors. Using Common-Size Financial Statements, a raw financial statement cannot reveal.

A Trend Analysis is a financial statement analysis method that shows changes in the numbers of associated financial statement parts over time. There are two or more periods in which the statements are employed.

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CHAPTER 1

INTRODUCTION

1.1 Introduction

This is the financial performance analysis of Bank Asia Ltd. In analyzing Bank Asia's Financial Performance I have collected the last 5 years data from lankaBD.com. In this 5 years data I have calculated & analyzed the ratios. I have analyzed the past 5 year's information to know how the company's condition is. So that I can make better decisions for the company.

I have calculated & analyzed the Bank Asia's ratios of last five years from 2016 to 2020. In liquidity ratio I have calculated the current Ratios & cash ratios & made a year to year analysis. In the efficiency activity ratio I have calculated the Total Assets Turnover, Current Assets Turnover, Fixed Assets Turnover, Equity Turn over & I also analyzed based on last 5 years performance.

I have also calculated, Debt to Asset Ratio, Debt Equity Ratio, and Time Interest Earned Ratio from Solvency Ratio. I have also calculated P/E Ratio from Market ratio. From Profitability Ratio I have calculated and analyzed Return on Asset Ratio, Return on Equity Ratio, Earning per Share and Dividend Payout Ratio.

I have also calculated Growth an analysis of last 5 years Income Statement and Balance Sheet of Bank Asia. In this report I have also calculated the Common Size Analysis, Trend analysis.

I have also discussed the economic analysis and the strategy analysis. Later on I also determined the Weighted Average Cost Of capital in that process I also determined the Cost of Equity & Cost of debt.

In liquidity ratio i have calculated the current Ratios, quick ratios, cash ratios & made a year to year analysis.

1.2 Background of the study

The Financial Performance Analysis of bank Asia ltd. from 2016 to 2020 is the subject of this research. The purpose of this report was to fulfill the criteria for the Bachelor of Business Administration (BBA) degree at Daffodil International University. My internship was with Bank Asia Ltd., a well-known name in Bangladesh's banking business. I am extremely appreciative for the opportunity to intern at Bank Asia Limited.

1.3 Objectives of the study:

1. To analyze the financial activities of Bank Asia Limited.
2. To evaluate the financial performance of the bank from 2016-2020.
3. To identify the problems of the bank regarding financial performance.
4. To provide some recommendations about the problems of the bank.

1.4 Methodology

1.4.1 Data Source:

The majority of this study is based on yearly reports of Bank Asia and the Dhaka Stock Exchange. The data was gathered using Secondary data that was available on the internet as well as the DSE library. Lnakabd.com, the DSE Data Archive Company's website, and Investing.com, Trading Economics were my primary sources of secondary data.

1.4.2 Time Frame

To prepare the report I took the data set of previous **4-5 years** data of Bank Asia Ltd. I used last 5 years financial statements data which was published on yearly report.

1.4.3 Data analysis:

- Word (Microsoft).
- Excel (Microsoft).
- Ratio measurement formula.
- There are some graphs.

1.5 Scope of Report

This research is based on my observations and studies while interning at Bank Asia Limited's Palton Branch's Post Office Department. The main focus was on key themes related to the bank's financial performance from 2016 through 2020. The scope of my research is limited to Bank Asia Limited. During my three-month internship program, I was observed in practically every section in Post office Department. However, the financial accounts of Bank Asia Ltd. are examined from many perspectives in this study. This report may be useful to those who want to learn more about Bank Asia Limited and compare its performance to that of other banks.

My main focus of this report is to analyze:

- Valuation of the Firm
- Ratio Analysis
- Growth Analysis
- Common Size Analysis
- Trend Analysis

1.6 Limitation of the study

Without a doubt, every study has its limitations. As a result, I encountered certain limitations while producing my report. The following are the restrictions:

1. This study relied solely on government records and annual reports.
2. All of the tasks in the Post Office Department are related to Post Office Agent Banking. It's difficult to get help and talk about Bank Asia's financial performance.
3. Despite the fact that the annual report provides a lot of information, it is insufficient to acquire a better knowledge of the performance of Bank Asia.
4. The study period was kept to a minimum in order to obtain a better understanding of banking as a whole.
5. Some of the material used to create this report is extremely sensitive, and Bank Asia did not approve full dissemination.
6. Some data is difficult to come by because they do all of their analyses using specialized software that includes instructions on how to account for assets, liabilities, and taxes.
7. Analyzing the performance of the Bank is a difficult process.

CHAPTER 2

AN OVERVIEW OF BANK ASIA LIMITED

2.1 About Bank Asia

Bank Asia Ltd begins with a simple thought. Bank Asia Ltd was founded in 1999 by a group of accomplished business people with a solid reputation in the community. The Bank's executive team is managed by veteran bankers with decades of expertise in both domestic and foreign markets. A collection of specialists, many of whom have experience in the worldwide market, assist the top management team.

It made history when it acquired the business activities of the Bank of Nova Scotia in Dhaka, the first of its kind in Bangladeshi banking history. It duplicated its success by acquiring Muslim Commercial Bank Ltd (MCB), a well-known Pakistani Bank Bangladesh ,s operations.

In the year 2003, the Bank made headlines once again when its Initial Public Offering of shares was oversubscribed by 55 times, setting a new record in Bangladesh's capital market history.

Over the years, asset and liability growth has been phenomenal. Bank Asia has been engaged in the local money market as well as the international currency market without putting the bank in any risky situations. The Bank's holdings of Treasury Bills and other securities increased significantly, presenting potential for revenue growth in the context of a progressive interest rate drop.

Bank Asia Limited began operations with the goal of providing customers with modern and innovative banking products and services at a reasonable cost. The bank's commitment is to deliver modern, value-added banking services to all segments of society while maintaining the highest standards possible in a globalized world, using technology breakthroughs.

Bank Asia Limited has been a significant promoter of financial inclusion in Bangladesh, bringing banking services to the country's most remote areas through the pioneering of "Agent Banking" services in Bangladesh in 2014. Since then, it's been a wonderful narrative of financial inclusion in Bangladesh's rural communities, with over 3500 shops and 3 million users.

With the goal of creating a poverty-free Bangladesh, Bank Asia hopes to open a bank account for every able individual in the country, regardless of socioeconomic status, by expanding the Agent Banking Network to include a financial kiosk in every hamlet. By modernizing traditional banking with the use of modern technology, we also hope to build Bangladesh's first ever Digital Bank for the next generation.

2.2 Vision

Bank Asia's vision is for Bangladesh to be poverty-free in a generation in the new millennium, matching the national dream. Our vision is to create a society where human dignity and human rights, as well as poverty reduction, are emphasized.

2.3 Mission

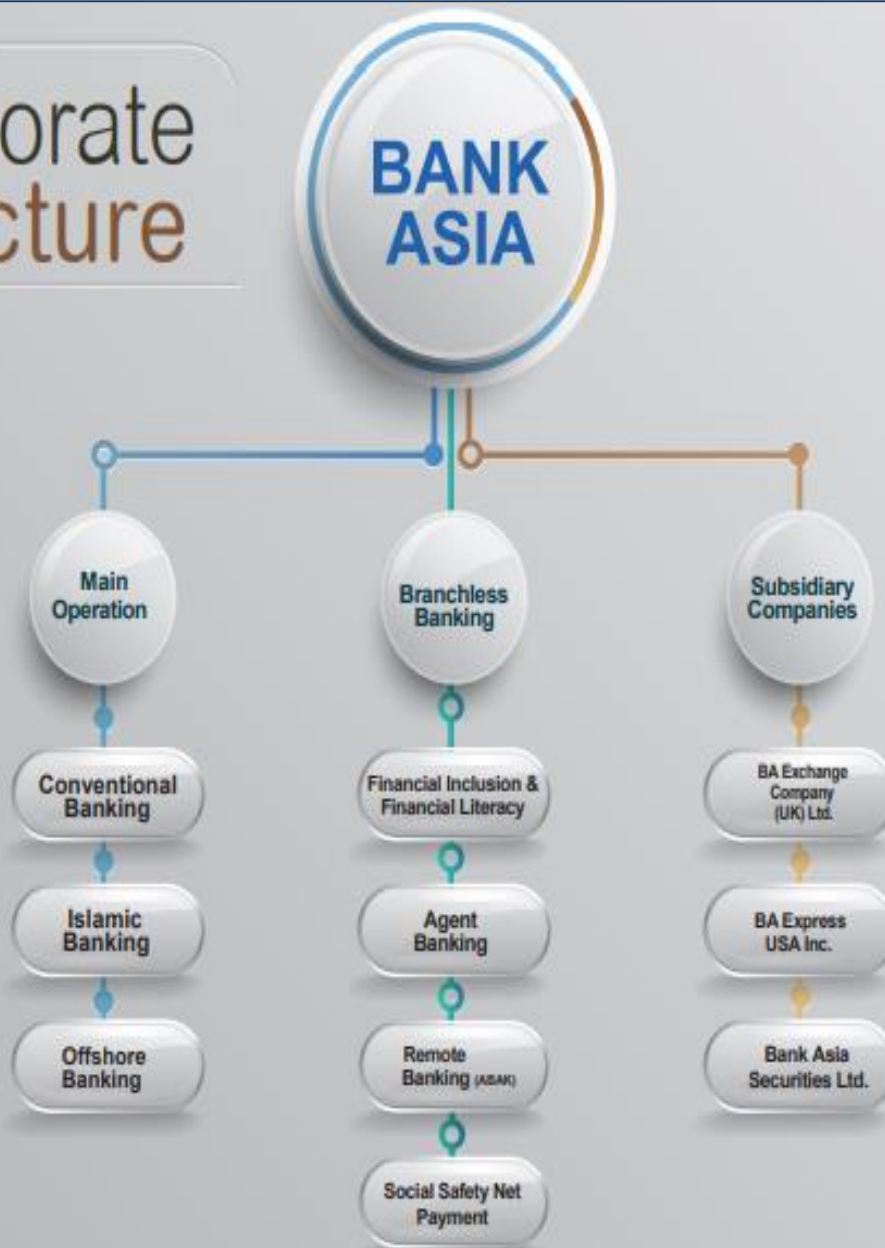
1. To help provide high-quality service to our consumers while also contributing to the growth and expansion of our country's economy.
2. To uphold high ethical standards and provide complete satisfaction to our clients, shareholders, and staff.
3. To become the most desirable bank in the country, with a focused team of professionals providing technology-driven creative services.

2.4 Core Values

1. Prioritize the interests and happiness of customers by offering tailored banking goods and services.
2. Additional value to stakeholders by achieving excellence in banking operations.
3. Adhere to a strict code of ethics and do business in an open and transparent manner.
4. Ensure that your organization is authorized by complying with all regulatory regulations.
5. Make a substantial contribution to the betterment of society.
6. Ensure a more motivating and dignified work environment for our people capital, while also maintaining an appropriate work-life balance.
7. Determined to go green and protect the environment.

2.5 Corporate Structure

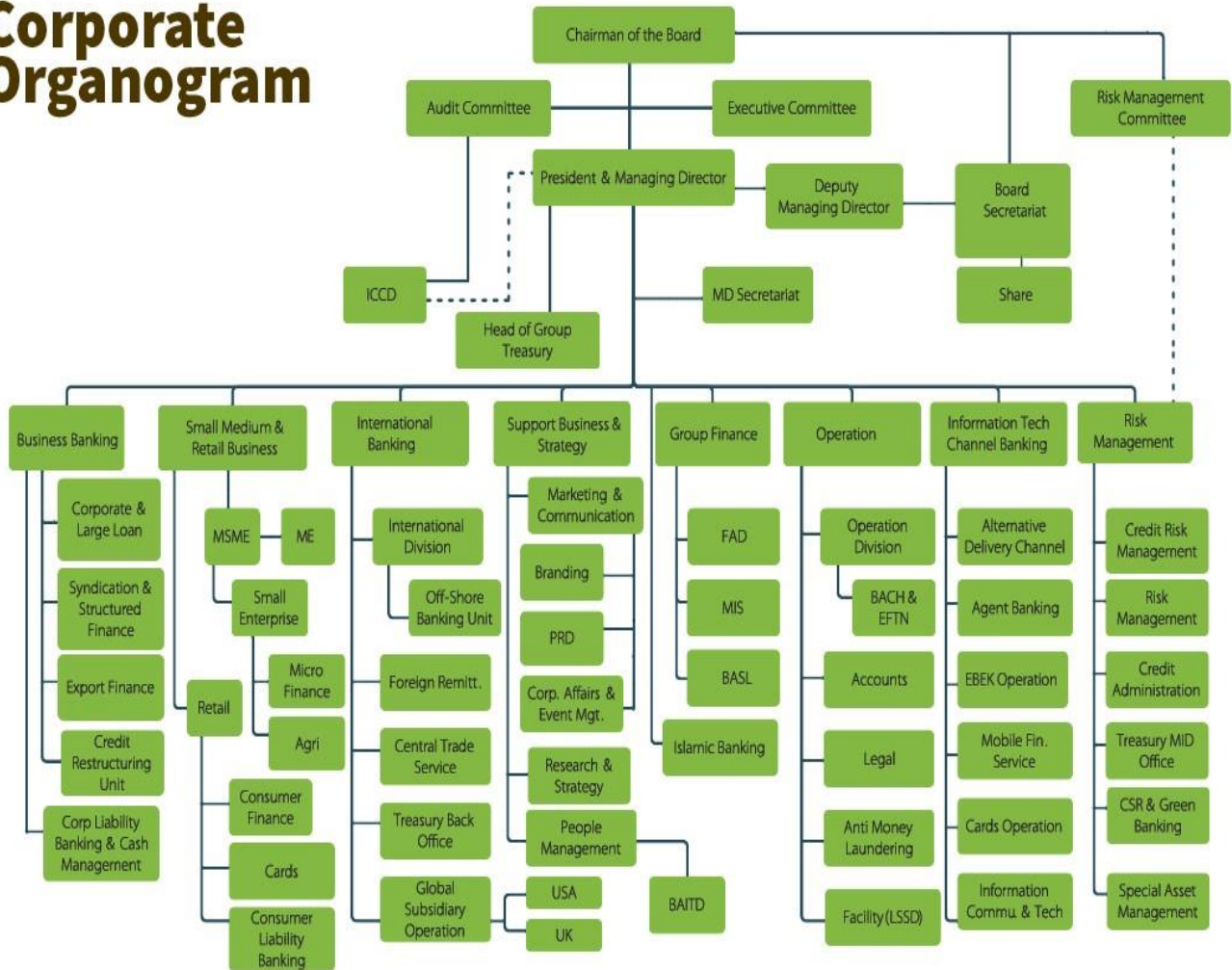
corporate structure



Islamic banking is available in all the distribution channels of Bank Asia

2.6 Corporate Organogram:

Corporate Organogram



2.7 Salient Features of Bank Asia Ltd

1. Bank Asia Is the Only Bangladeshi Bank to acquire (Purchase) operations of 02 (two) foreign banks namely:

- a) Bank of Nova Scotia of Canada
- b) Muslim Commercial Bank of Pakistan

2. Majority stakeholder of ERA INFOTECH (A joint Venture IT Company)

3. Centralized Trade Services Operation (Facilitates Export/ Import and Inward and Outward Remittance foreign-AD Branches).

4. Central Clearing Fully Automated

5. Credit Rating (valid up to June 2019)

- a) Long Term: AA2
- b) Short Term: ST2

6. No. of Shareholders (up to December 2017): 10,681

2.8 Product and Services:

1. RETAIL BANKING PRODUCTS	<ul style="list-style-type: none"> a) Retail Deposits Product Low Cost/No Cost Deposit Accounts b) Term Deposit (s) c) Scheme Deposit (s)
2. Retail Loan Product	<ul style="list-style-type: none"> a) Consumer Finance b) Credit Card c) Islamic Credit Card
3. ISLAMIC BANKING PRODUCTS	<ul style="list-style-type: none"> a) Deposit Products b) Investment Products
4. MICRO, SMALL, MEDIUM AND AGRICULTURE BANKING PRODUCTS	<ul style="list-style-type: none"> 1. Deposits Product 2. Micro & Small Enterprise Finance 3. Medium Enterprise Finance <ul style="list-style-type: none"> 3.1. Funded Products. 3.2. Non Funded Products

	4. Agriculture Finance
5. CORPORATE BANKING	<ul style="list-style-type: none"> a) Cash Management Products b) Funded Products c) Non Funded Products d) Structured Financing
7. SERVICES OFF-SHORE BANKING UNIT (OBU) PRODUCTS	<ul style="list-style-type: none"> a) Term Loan (Short/Mid/Long) b) Overdraft. c) Loan against Trust Receipt. d) Packing Credit. e) Lease Finance. f) Syndication Loan. g) Loan Syndication. h) Agency related service
8. AGENT BANKING PRODUCTS & SERVICES	<ul style="list-style-type: none"> a) Cash Deposit b) Cash Withdraw c) Cash Transfer d) Inward foreign Remittance e) Utility Bill Payment f) Social Safety Net Cash Payment g) Balance Inquiry h) Account Statement i) Insurance Premium j) SME Loan Processing k) Agricultural Loan processing l) Debit & Credit Card Paper Processing
9. TREASURY PRODUCTS & SERVICES	<ul style="list-style-type: none"> a) Money Market b) Fixed Income c) Capital Market Services d) Foreign Exchange Services
10. CAPITAL MARKET SERVICES	<ul style="list-style-type: none"> a) Attractive Commission Rate b) Wide Branch Network c) Panel Broking d) Institute and Foreign Trade e) Brokerage services f) CDBL Services g) Research h) Daily Market Updates and News Summary i) Internet & Smartphone Trading j) Margin loan k) Portfolio & Risk management

CHAPTER 3

FINANCIAL ACTIVITIES OF BANK ASIA LIMITED

3.1 Financial Activities of Bank Asia Ltd

Generally the activities of a Conventional bank is collecting deposit from customer on low interest and lending the borrower on high interest rate. But when it comes to Islamic Banking it changes. An Islamic bank is prohibited from investing in debt or fixed-income securities; it may only invest in regular bonds, whereas an interest-based bank or conventional bank is permitted to invest in debt and a variety of securities. Bank Asia is not only providing conventional banking services but also providing Islamic Banking, Offshore Banking, and Agent banking services.

Financial Activities of a Bank include 3 factors:

1. **Investing Activities:** Cash flows from investing operations are cash Bank transactions associated with a company's long-term asset investments. They are often identifiable by changes in the Fixed Assets area of the balance sheet's long-term assets component.
2. **Financing Activities:** Cash flows from financing activities are cash transactions related to the Bank raising funds from debt or stock, or repaying that debt. They can be identified by changes in long-term liabilities and equity.
3. **Operating Activities:** The operations a Bank or a Financial Institution uses to generate net income generate cash flows from operating activities.

3.2 Investment Activities of Bank Asia Limited

3.2.1 **Investment in securities:** All securities (bills and bonds) investments are originally recognized at their purchase price, less commissions and collected coupon interest. The investments are divided into two categories.

1. **Held to maturity:** Debt securities that a company intends to keep until they mature. Because these are reported at amortized cost, they are unaffected by financial market fluctuations.
2. **Held for trading:** Securities held for trading are those that are held with the goal of selling for a profit. Securities held for trading are revalued at market value.

3.2.2 Securities Bank Asia Invest

1. Government treasury bills and bonds (HFT) At present value (using marked to market concept)
2. Government treasury bills and bonds (HTM) At present value (using amortization concept)
3. Zero coupon bonds At present value (using amortization concept)
4. Prize bonds and other bonds At cost
5. Debentures At cost Unquoted shares (ordinary) At cost (as per BRPD circular 14 dated June 25, 2003)
6. Quoted shares (ordinary) At cost (provision made for any shortfall arising due to reduce market price from cost price)

3.2.3 Government Securities

- 1) Treasury bills
 - a) 91days treasury bills
 - b) 182 days treasury bills
 - c) 364 days treasury bills
- 2) Treasury bonds
 - a. Bangladesh Bank Gov.t Investment Sukuk
 - b. Bangladesh Bank Islamic bond
 - c. 2 years Bangladesh Government treasury bonds
 - d. 5 years Bangladesh Government treasury bonds
 - e. 10 years Bangladesh Government treasury bonds
 - f. 15 years Bangladesh Government treasury bonds
 - g. 20 years Bangladesh Government treasury bonds

3.2.4 Conventional and Islamic banking

1. Ordinary shares
 - a. Quoted shares
 - b. Unquoted share
2. Mutual Fund
 - a) 1st Janata Bank Mutual fund
 - b) EBL NRB 1st Mutual Fund
 - c) 1st Bangladesh Fixed Income Fund
 - d) MBL 1st Mutual Fund
 - e) EXIM Bank 1st Mutual Fund
3. Debentures
 - a. Beximco Denims Limited
 - b. Beximco Textiles Limited

4. Bonds Zero Coupon Bond –
 - a) BSRM Steels Limited
 - b) Non-Convertible Subordinated Bond - Premier Bank
 - c) Subordinated Bond - Mutual Trust Bank
 - d) Second Subordinated Bond - United Commercial Bank
 - e) Fourth Subordinated Bond - United Commercial Bank
 - f) Subordinated Mudaraba Bond - Social Islami Bank Limited
 - g) Second Subordinated Mudaraba Bond - Social Islami Bank Limited
 - h) 5 Year Preference Share - Meghna Cement Mills Ltd
 - i) 5 Year Preference Share - Kushiara Power Co. Ltd
 - j) 5 Year Preference Share - Summit LNG Terminal Co (Pvt) Ltd
 - k) 5 Year Preference Share - Summit Gazipur II Power Ltd
 - l) 7 Year Preference Share - Summit Barishal Power Ltd

3.2.5 Sectors for Investment

Through its many investment solutions, Bank Asia Islamic Banking allows its clients to run and build their businesses in a Shariah-compliant manner. Currently, the Bank provides investment opportunities in the following sectors:

- a. Working capital Finance
- b. Term & Project Finance
- c. Foreign Trade Finance
- d. House Finance
- e. Car Finance
- f. Consumer Finance
- g. SME Finance

To provide investment facility in the said sectors the Banks follows different kinds of investment modes

- a. Bai Murabaha Muajjal
- b. Hire-Purchase Under Shirkatul Melk (HPSM)
- c. Musharaka
- d. Quard against Accepted Bills
- e. Quard against Deposit

3.2.6 Modes of Investment

Bai Murabaha Muajjal

Shariah-approved transaction is known as Bai-Murabaha (Islamic Jurisprudence). At the moment, Islamic banks mostly use this manner of investment / credit as one of their investment / credit options. Bai-Murabaha refers to a profit-making or mark-up sale. In this approach, the bank purchases items that its client has indented and sells them to him at a profit. One of the most important characteristics of Bai-Murabaha is that the buyer has the right to know the cost price of the items from the vendor.

Sectors to use the mode of finance

The technique of finance known as Bai-Murabaha Mu'ajjal is utilized to purchase fungible products for both individual and institutional clients. The mode is utilized in the following financial sectors:

- a) Working Capital Finance: To purchase any commercial goods for further trade like RMG, food grain etc.
- b) Post Import: To ensure post-import facility for commercial goods
- c) SME finance sector as working capital etc.

3.3 Financing Activities of Bank Asia Ltd

3.3.1 Issuance of Share:

Bank Asia collect financing by issuing Common stock. The Bank went for public issue of its shares on 23 September 2003 and its shares are listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

3.3.2 Issuance of Bond:

Bank Asia also financing through Bond. In 2015 Bank Asia Successfully issued of Tk. 3,000 million 7 year Non-convertible Subordinated Bond .Bank Asia's board of directors has agreed to raise Take 5.0 billion through the issuing of perpetual bonds in order to strengthen the bank's capital basis. The bank stated in a filing with the Dhaka Stock Exchange (DSE) on Sunday that it will offer the bond through private placement to raise money as extra Tier-1 capital to support the bank's BASEL-III compliance in line with Bangladesh Bank rules on risk-based capital adequacy.

3.4 Operating Activities of Bank Asia Ltd

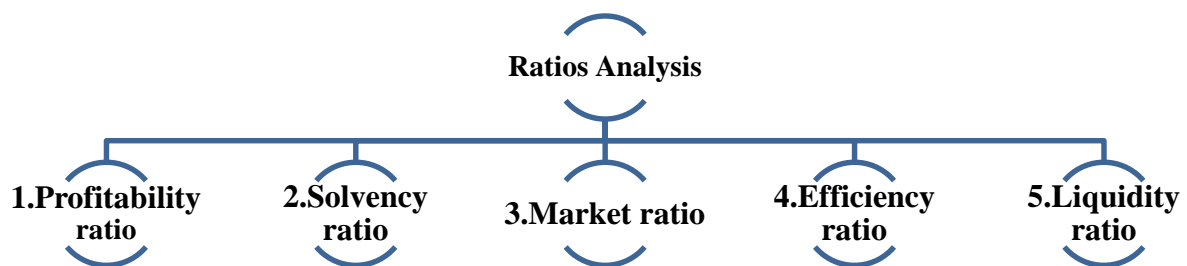
- 3.4.1 **Home loans:** Bank Asia provides house loans to assist you in realizing your dream home. A home loan is a long-term loan that can be used to buy a house or a flat, build a structure, renovate a house or flat, or establish a semi-permanent construction (tin shed).
- 3.4.2 **Auto Loan:** Bank Asia also provide Auto loan as a term loan from Retail Banking that can be used to buy a brand new or refurbished automobile for personal use. The car is exclusively hypothecated to the bank in this arrangement.
- 3.4.3 **Unsecured Personal Loan:** (UPL) is a term loan instrument offered by the Bank's Retail Banking Division to individual salaried persons in locations where the Bank operates to meet their personal needs. This is an "any purpose" loan as well. The applicant must, however, explicitly state the objective of the loan in the loan application.
- 3.4.4 **Loan for Professional:** Professionals provide services to our community and the nation, but they occasionally suffer financial constraints that prevent them from offering better service. Bank Asia provides loans for self-employed professionals to help them.
- 3.4.5 **Senior Citizen Support:** SCS is an unsecured personal loan program for senior citizens with a monthly fixed income (rent, pension, interest, etc.) to help them meet their financial needs. Any Bangladeshi citizen who meets the criteria for the applicant's segment of the loan and has the financial means to repay it is eligible to apply.
- 3.4.6 **Deposit:** Bank have to pay interest on Deposits. Bank Asia have a number of Deposit Scheme.
- 1) Current Deposit Account
 - 2) Star Savings Account
 - 3) Foreign Currency Account
 - 4) Savings Bank Account Short Notice
 - 5) Deposit Account for Under-privileged Section (10 Taka, Street Urchin, Beneficiaries of National Service program, Cleaners, Garment Workers, Technicians of Small Industries, etc.
 - 6) Fixed Deposit Regular as term Deposit
 - 7) Monthly Benefit Plus
 - 8) Bhromon(Travellers)
 - 9) Bank Asia Sanchay Plus
 - 10) Anchol(Women)
 - 11) Double Benefit Plus
 - 12) Deposit Pension Scheme Plus
 - 13) Nirvabona(Senior Citizens)
 - 14) Triple Benefit Plus
 - 15) Shonchoy E KotiPoti

CHAPTER 4

FINANCIAL PERFORMANCE ANALYSIS OF BANK ASIA LIMITED (2016-2020)

4.1 Ratio Analysis of Bank Asia:

This report's primary goal is to analyze the financial performance of Bank Asia Limited. Bank Asia Limited has been audited from 2016 to 2020 for its financial statements. There are five different types of ratios presented here:



1. **Profitability ratio**, which shows how much money a company generates compared to how much it spends.
2. **Solvency ratio** is a metric that assesses a company's capacity to pay down long-term debts.
3. **The market ratio** refers to a company's propensity to exceed intended market expectations.
4. **The efficiency ratio** is used to assess how successfully a company manages its assets in order to make profits.
5. **Liquidity ratios** show how quickly a financial asset can be converted into money.

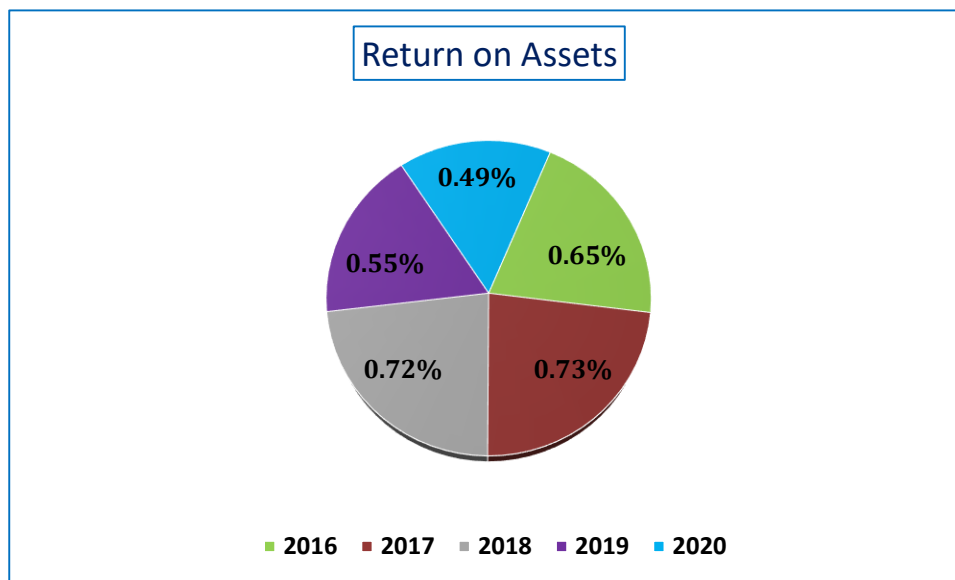
4.1.1 Profitability Ratio of Bank Asia:

Profitability Analysis – Calculates a company's profit based on its revenues and invested capital. **Return on Asset, Return on Equity, Earning per Share & Dividend payout ratio** will decide profitability of Bank Asia Ltd.

A. Return on Assets:

I calculated Return on Asset of Bank Asia as: $ROA = \frac{\text{Net Income of bank Asia}}{\text{Total Assets of bank Asia}}$

Return On Assets					
Particulars	2016	2017	2018	2019	2020
ROA	0.65%	0.73%	0.72%	0.55%	0.49%



Return on Assets:

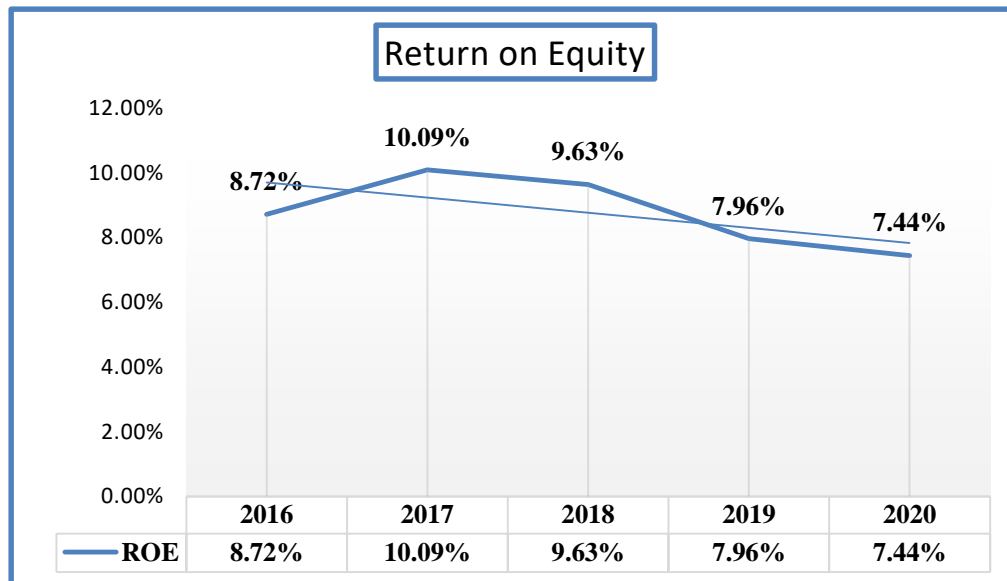
Define: means by using the assets how much the company is making profits. Here we should prefer higher ratio.

Year to Year Analysis: In 2016 the ROA of Bank Asia was positive 0.65. In 2017 ROA of Bank Asia increased to 0.73%. Though in 2018 ROA decreased a little & ROA was .72%. But in 2019 it decreased to 0.55% and again in 2020 it decreased to 0.49%. Which is worst of all the year's ROA. Bank Asia's return on Asset was best at the year 2017 because that year Bank Asia increased its profit margin to 0.73%. We can see that return on Asset for Bank Asia for last 3 years is declining meaning they are making lower profit on Assets.

B. Return on Equity:

I calculated Return on Equity of Bank Asia as: $ROE = \text{Net Income of bank Asia} / \text{Total Equity of bank Asia}$.

Return on Equity					
Particulars	2016	2017	2018	2019	2020
ROE	8.72%	10.09%	9.63%	7.96%	7.44%



Return on Equity:

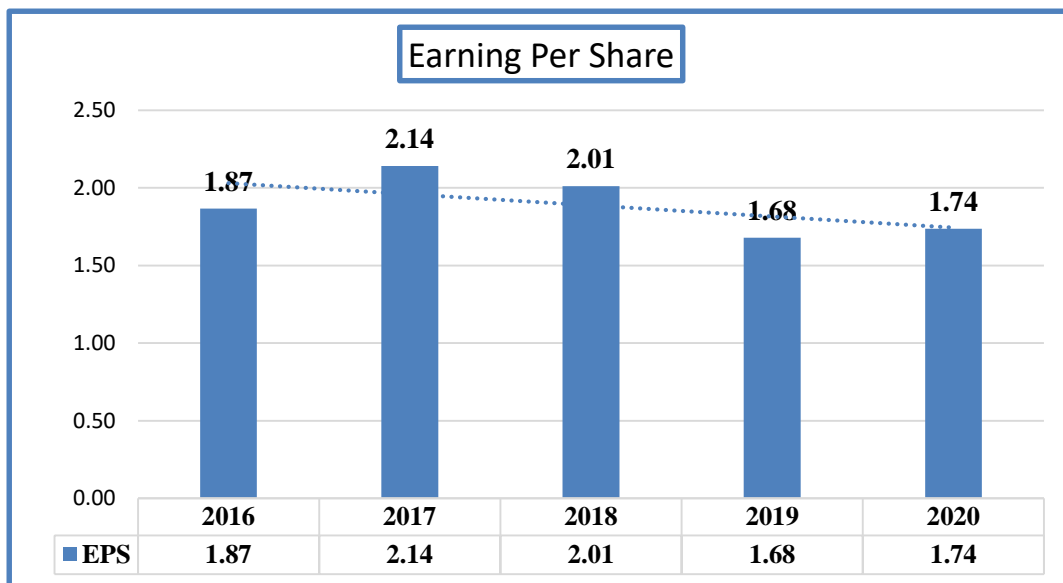
Define: means by using the Owners' Equity how much the company is making profits.

Year to Year: In 2016 the ROE of Bank Asia was 8.72%. In 2017 it increased to 10.09%. But from 2018 we can see that ROE is continually decreasing. In 2018 it decreased to 9.63% in 2019 it reached to 7.96% and in 2020 it again decreased to 7.44% So far 2020 is the worst year and 2017 is the best year.

c. Earnings per Share:

I calculated Earnings per Share of Bank Asia as: Net Income of Bank Asia/Number of share outstanding of Bank Asia.

Earnings Per Share					
Particulars	2016	2017	2018	2019	2020
EPS	1.87	2.14	2.01	1.68	1.74



Earnings per Share:

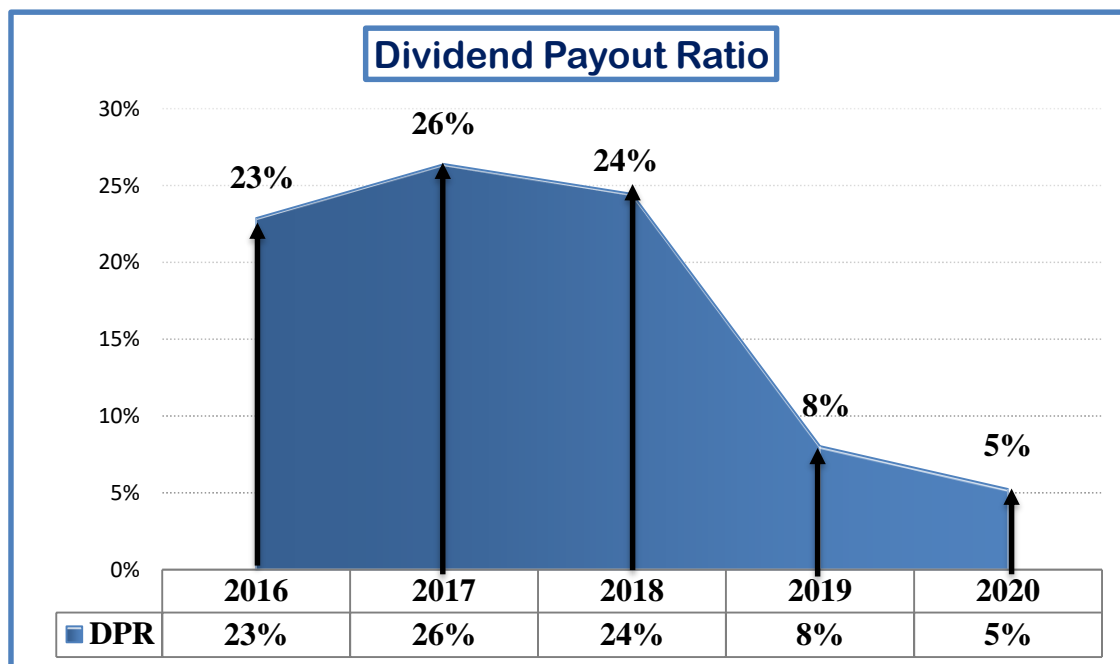
Define: means how much of a company's net income is allocated to existing shares.

Year to Year: In 2016 Earnings per share of Bank Asia was 1.87 taka. Means that Bank Asia is giving 1.87 taka dividend for each share. In 2017 it increased to 2.14 taka. But in 2018 it decreased a little and reached 2.01 taka. In 2019 it decreased again to 1.68 taka. This is the worst year because it provide lowest income. In 2020 it increased to 1.74 taka. This means Bank Asia is recovering and making profit again. Even though in 2020 it increased still it's lower than year 2017 and 2018. 2017 is the best year for bank Asia.

D. Dividend Payout Ratio:

I have calculated Dividend Payout Ratio of Bank Asia as: Dividend per Share of Bank Asia / Earning per Share of Bank Asia.

Dividend Payout Ratio					
Particulars	2016	2017	2018	2019	2020
DPR	23%	26%	24%	8%	5%



Dividend Payout Ratio:

Define: means how proportion of a company's net income to the total amount of dividends is paid out to the shareholders.

Year to Year: In 2016 Bank Asia Ltd paid 23% dividend of total income to its shareholders'. In 2017 Bank Asia paid 26% Dividend to the shareholders' as its income increased. But Dividend payout ratio slightly decreased to 24% in 2018. In 2019 DPR decreased at huge percentage which was 8% and again in 2020 DPR was 5%. Even though Bank Asia made profit every year and paid dividend every year 2020 was the worst and 2017 was the best year.

4.1.2 Solvency Ratio of Bank Asia:

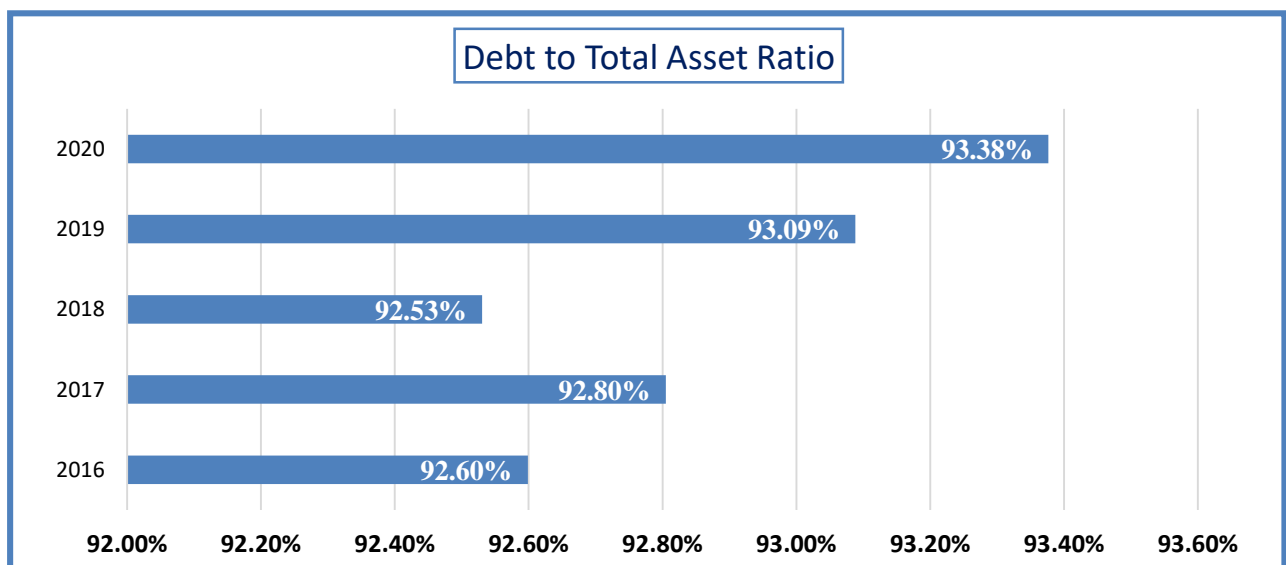
Solvency Analysis — examines a company's capital structure in terms of the debt financing sources it uses and its capacity to meet long-term debt and investment obligations.

Solvency rates are used to assess a company's capacity to meet long-term obligations. The debt-to-total-asset ratio of Bank Asia is greater, indicating that it is using more leverage. **The debt-to-total-asset ratio, debt-to-equity ratio, capital adequacy, and net interest margin percentages** will be used to determine Bank Asia's solvency.

A. The Debt to Total Assets Ratio:

I calculated Debt to Total Asset Ratio of Bank Asia as: $D/A = \text{Total Liabilities of bank Asia} / \text{Total Assets of bank Asia}$.

Debt To Total Asset Ratio					
Particulars	2016	2017	2018	2019	2020
Debt Ratio or D/A Ratio	92.60%	92.80%	92.53%	93.09%	93.38%



Debt to Total Asset Ratio:

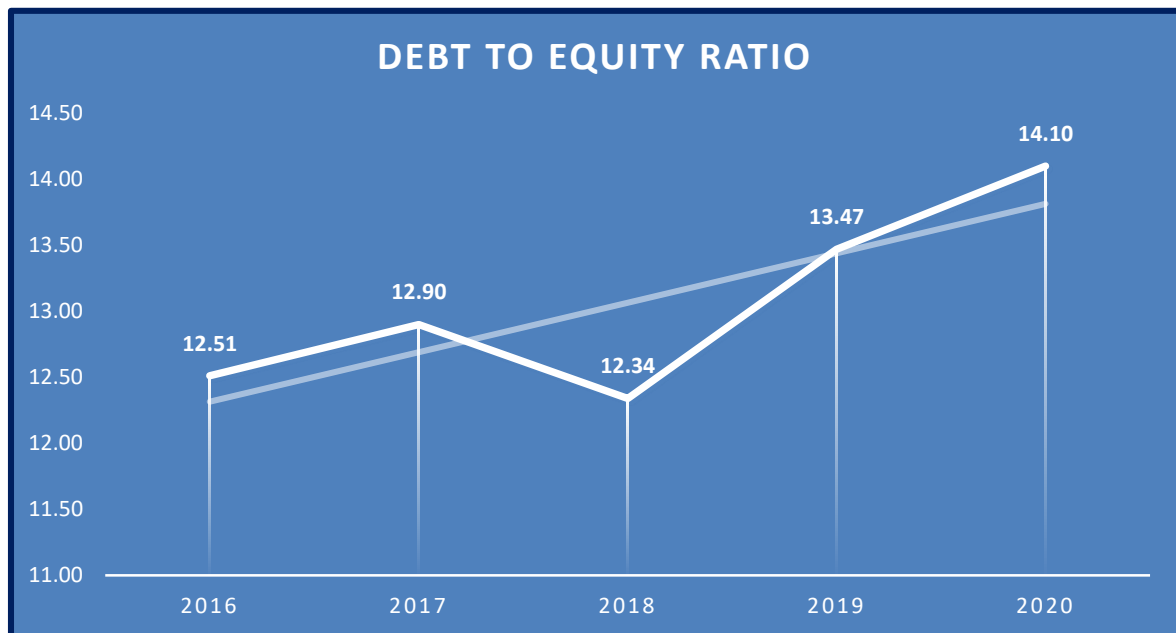
Define: How much of the company's total assets comes from liability & owner's equity.

Year to Year: In 2016 debt to total asset ratio of Bank Asia was 92.60% & it increases in 2017 as 92.80% & in 2018 it decreases to 92.53%. But in 2019 it increases to 93.09% and in 2020 it again increases to 93.38%, meaning that the company is using more leverage and has a low equity base.

B. The Debt to Equity Ratio:

I calculated Debt to Total Equity Ratio of Bank Asia as: $D/E = \text{Total Long term Debt of bank Asia} / \text{Total Equity of bank Asia}$.

Debt to Total Equity Ratio					
Particulars	2016	2017	2018	2019	2020
D/E Ratio	12.51	12.90	12.34	13.47	14.10



Debt to Equity Ratio:

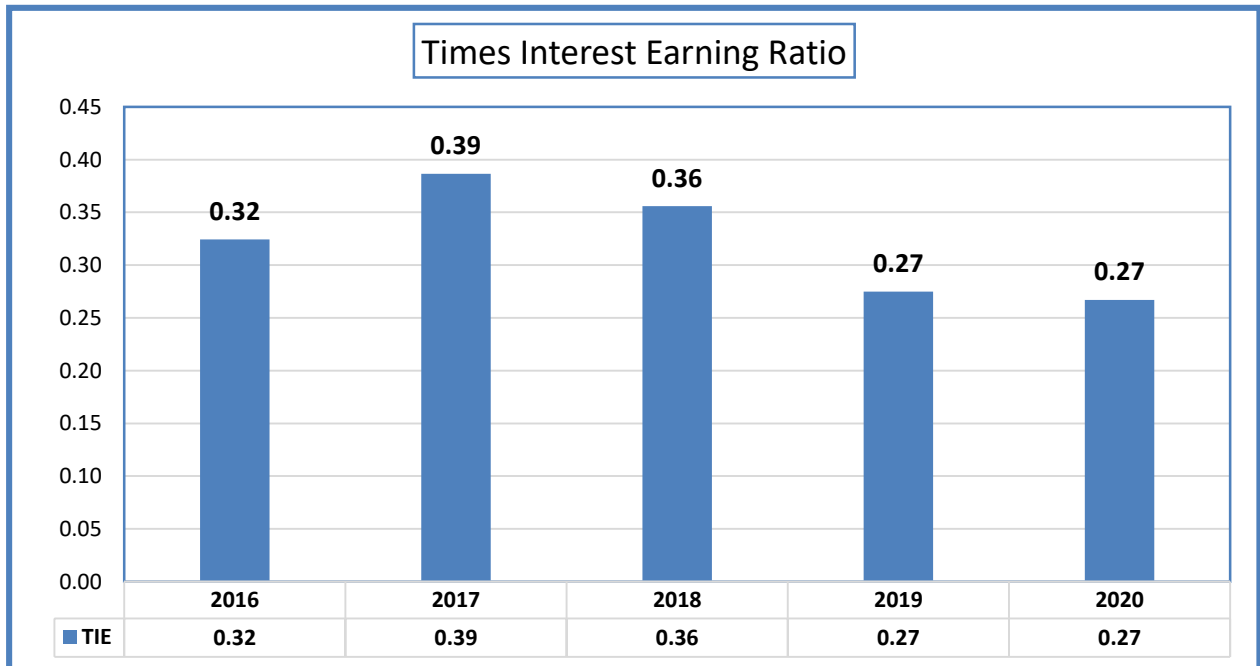
Define: How much portion of the total capital is collected from the debt & the equity.

Year to Year: In 2016 D/E ratio of Bank Asia was 12.51 & in 2017 it increased to 12.90 & in 2018 it decreased to 12.34 & in 2019 it increased to 13.47 & again in 2020 it increased to 14.10. This means 2020 was good because here Bank Asia took more loans.

C. The Times Earning Interest Ratio:

I calculated Times Earning Interest Ratio of Bank Asia as: $TIE = \text{EBIT of Bank Asia} / \text{Total Interest Expense of Bank Asia}$.

Times Interest Earning Ratio					
Particulars	2016	2017	2018	2019	2020
TIE	0.32	0.39	0.36	0.27	0.27



Times Interest Earning Ratio:

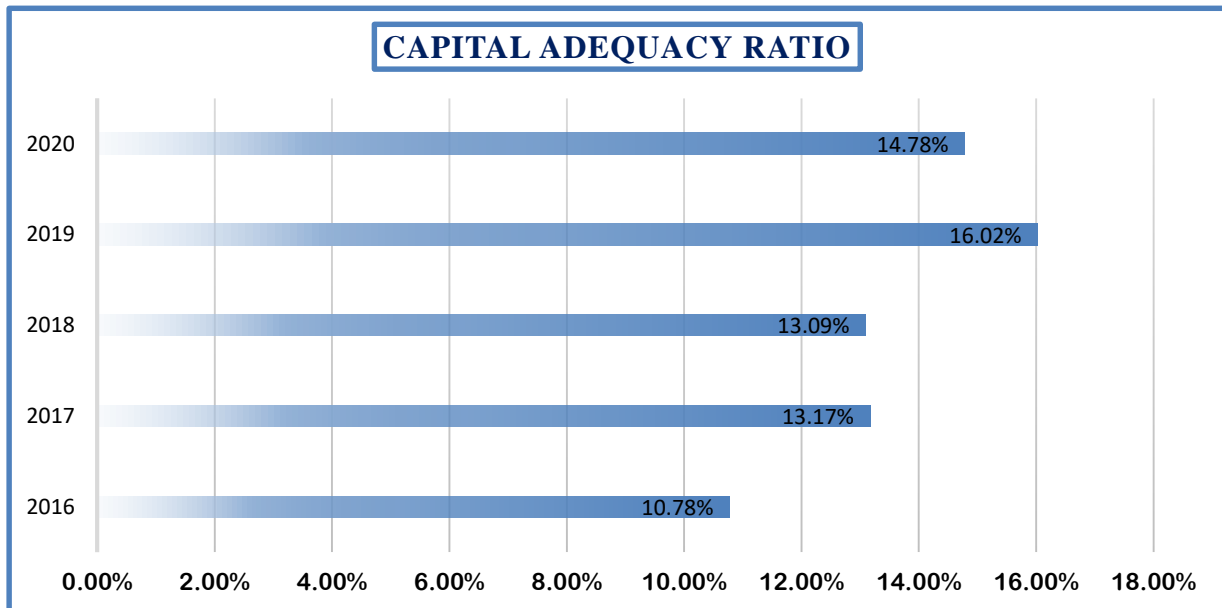
Define: It means ability of the company to pay interest expense from its EBIT.

Year to Year: In 2016 Bank Asia's TIE was 0.32 but in 2017 it increased to 0.39, in 2018 it decreased to .36 in 2019 it again decreased to .27 & it remains the same in 2020. This means 2017 is the best year for Bank Asia. Because that year Bank Asia had more ability to pay the interest expense from its EBIT.

D. Capital Adequacy Ratio:

I calculated Capital Adequacy Ratio of Bank Asia as: $CAR = (\text{Tier I Capital} + \text{Tier II Capital}) / \text{Risk Awaited Assets of Bank Asia}$.

Capital Adequacy Ratio					
Particulars	2016	2017	2018	2019	2020
Capital Adequacy Ratio	10.78%	13.17%	13.09%	16.02%	14.78%



Capital Adequacy Ratio:

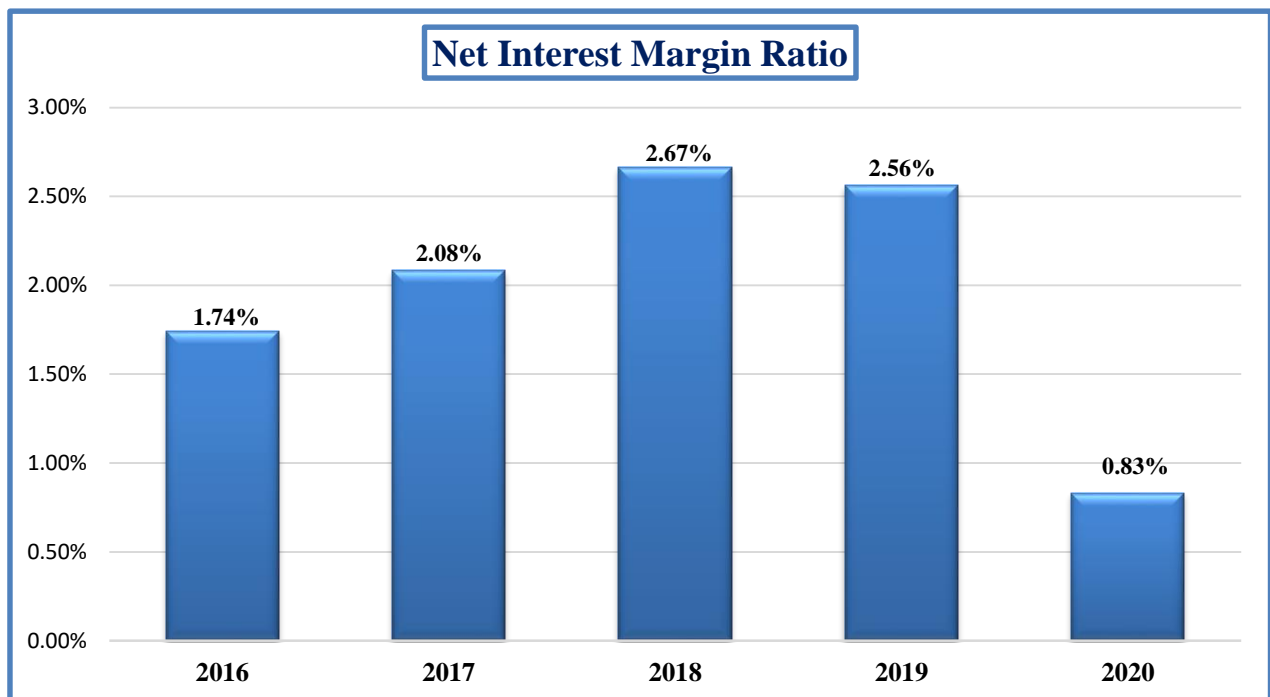
Define: It measure of how much capital a bank has available. The goal is to ensure that banks have adequate capital on hand to handle a specific amount of losses before they risk becoming insolvent.

Year to Year: In 2016 Bank Asia's CAR was 10.78% but in 2017 it increased to 13.17%, in 2018 it decreased a little and reached to 13.09%. But in 2019 it increased to 16.02% & it again decreased to 14.78%. This means 2017 is the best year for Bank Asia. Because that year Bank Asia had more available capital.

E. Net Interest Margin Ratio:

I calculated Net Interest Margin Ratio of Bank Asia as: $NIM = \frac{\text{Net Interest Income of Bank Asia}}{\text{Average Total Asset of Bank Asia}}$.

Net Interest Margin Ratio					
Particulars	2016	2017	2018	2019	2020
Net Interest Margin Ratio	1.74%	2.08%	2.67%	2.56%	0.83%



Net Interest Margin Ratio:

Define: It measure how much a firm compares its revenue and cost when making investment decisions.

Year to Year: In 2016 Bank Asia's NIM was 1.74% but in 2017 it increased to 2.08%, in 2018 it again increased and reached to 2.67%. But in 2019 it decreased to 2.56% & it again decreased to huge amount 2020 which is 0.83%. This means that till 2019 Bank Asia was making good investment decisions.

4.1.3 Market Ratio of Bank Asia:

Market Ratio - Relate a company's market value to particular accounting values. Market value ratios are used to assess the current share price of shares in a publicly traded corporation. Current and potential investors use these ratios to judge if a company's shares are overpriced or underpriced. Here I have only calculated the Price to Earnings Ratio to asses Bank Asia's Market Ratio.

A. Price to Earnings Ratio:

I calculated Price to Earnings Ratio of Bank Asia as: $P/E = \text{Current Share Price of bank Asia} / \text{Earnings per Share of Bank Asia}$.

Price to Earnings Ratio					
Particulars	2016	2017	2018	2019	2020
P/E Ratio	7.25	9.14	8.48	10.84	10.48



Price to Earnings Ratio:

Define: The P/E ratio assists investors in determining the market value of a stock in relation to its earnings. The P/E ratio shows how much customers are prepared to pay for each dollar of profit recorded.

Year to Year: In 2016 Bank Asia's P/E was 7.25 times but in 2017 it increased to 9.14 times, in 2018 it decreased a little and reached to 8.48 times . But in 2019 it increased to 10.84 times & it again decreased a little in 2020 which is 10.48 times. Higher values indicate that the market expects this bank to do well in the future.

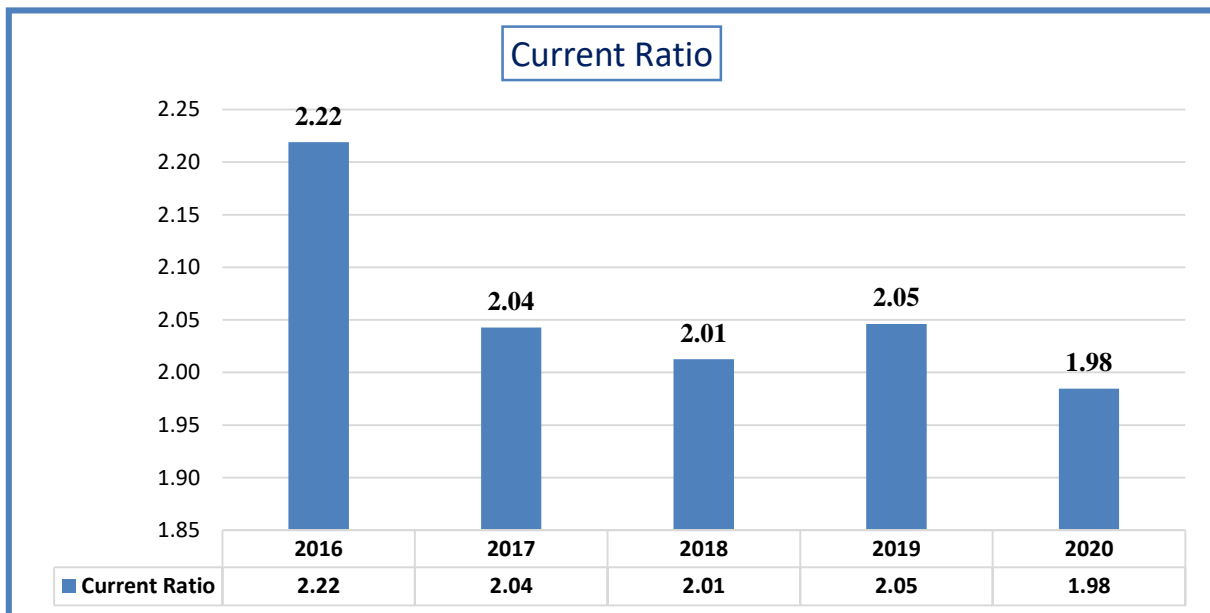
4.1.4 Liquidity Ratio of Bank Asia:

Liquidity Ratio is used to judge a firm's ability to meet short-term (recurring) financial obligations. Here I have calculated the current ratio of Bank Asia to measure its liquidity situation.

A. Current Ratio of Bank Asia:

I calculated Current Ratio of Bank Asia as: $CR = \text{Current Asset of bank Asia} / \text{Current Liability of Bank Asia}$.

Current Ratio					
Particular	2016	2017	2018	2019	2020
Current Ratio	2.22	2.04	2.01	2.05	1.98



Current Ratio:

Definition: The Ability of the company to pay its current liability from current assets. A higher ratio is beneficial to the bank because it aids in the protection of default.

Year to Year: If we look at the year 2016 we can see that current ratio is 2.22 times means to pay 1 taka liability Bank Asia had 2.22 taka current assets. In 2017 it decreases to 2.04 & in 2018 it again decreases to 2.01 times & 2019 it increases to 2.05 times. But in 2020 it again decreases to 1.98 times. This means Bank Asia's current assets are in good condition. Even though it decreased it's enough for Bank Asia.

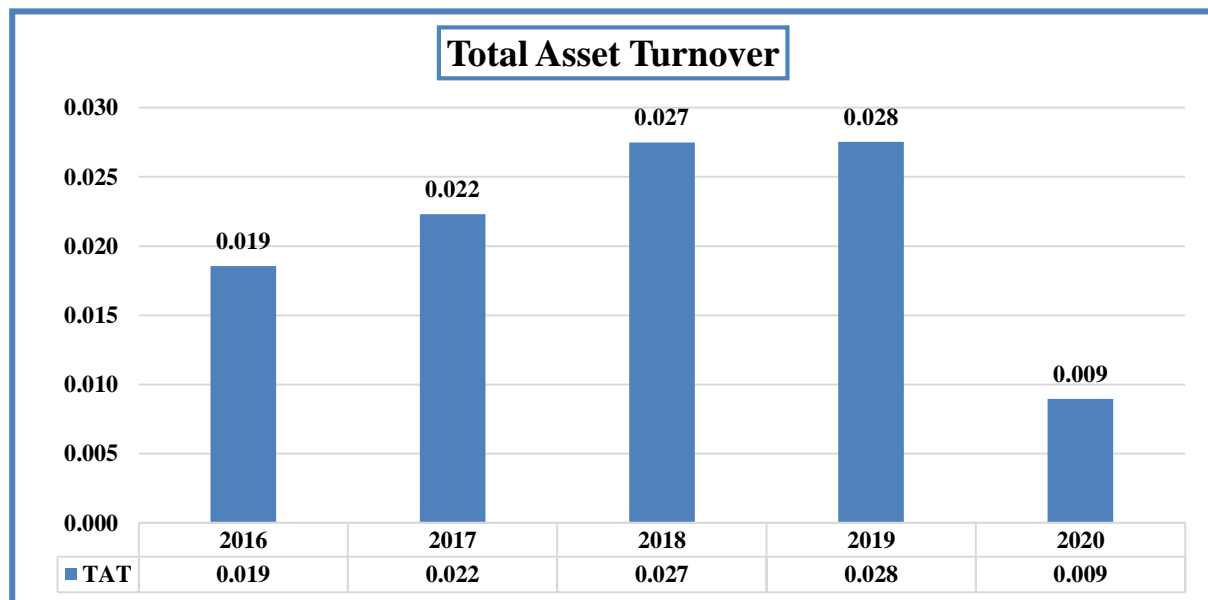
4.1.5 Efficiency Ratio of Bank Asia:

An efficiency ratio assesses a company's capacity to generate revenue from its assets. Here I have calculated the **Total Assets turnover Ratio**, **Current Asset Turnover Ratio**, **Fixed Asset Turnover Ratio** & **Equity Turnover Ratio** to find out the Efficiency of Bank Asia.

A. Total Asset Turnover Ratio:

I calculated Total Asset Turnover Ratio of Bank Asia as: $TAT = \text{Net Interest Income of bank Asia} / \text{Total Asset of Bank Asia}$.

Total Asset Turnover					
Particulars	2016	2017	2018	2019	2020
TAT	0.019	0.022	0.027	0.028	0.009



Total Asset Turnover:

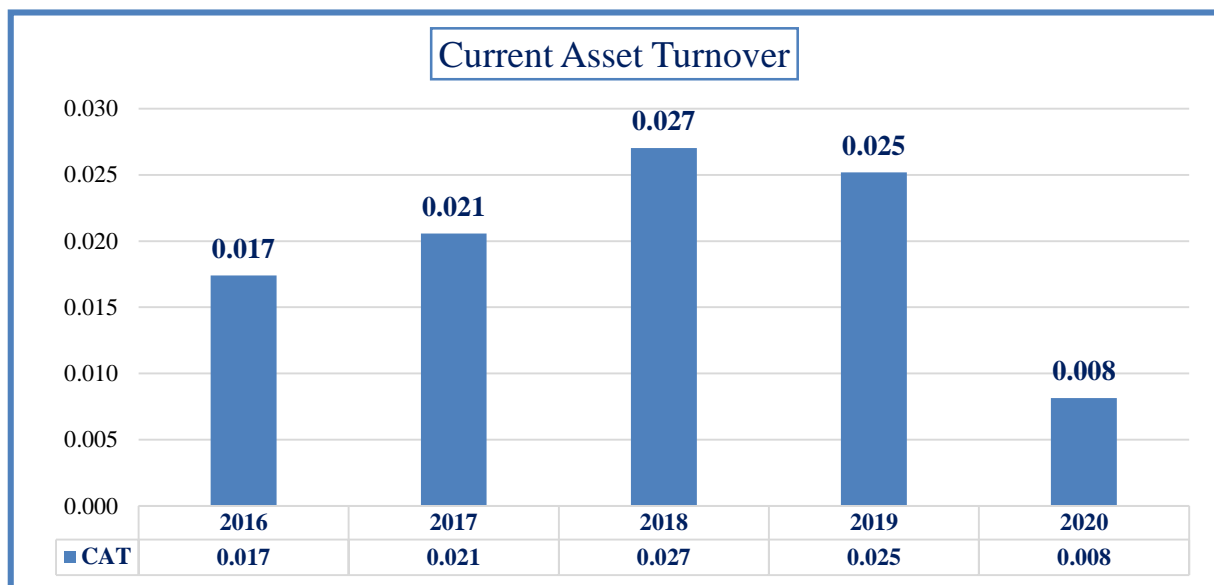
Define: How effectively a company using their total assets to generate sales/ revenue.

Year to Year: In 2016 TAT of Bank Asia was 0.019 means for each taka total assets Bank Asia is able to generate 0.019 taka sales .In 2017 it increased to 0.022 and in 2018 it increased again to 0.027 & in 2019 it was also increased to 0.028. But in 2020 it decreased to 0.009. It means that 2019 was the best condition.

B. Current Asset Turnover Ratio:

I calculated Current Asset Turnover Ratio of Bank Asia as: $CAT = \text{Net Interest Income of bank Asia} / \text{Total Current of Bank Asia}$.

Current Asset Turnover					
Particulars	2016	2017	2018	2019	2020
CAT	0.017	0.021	0.027	0.025	0.008



Current Asset Turnover:

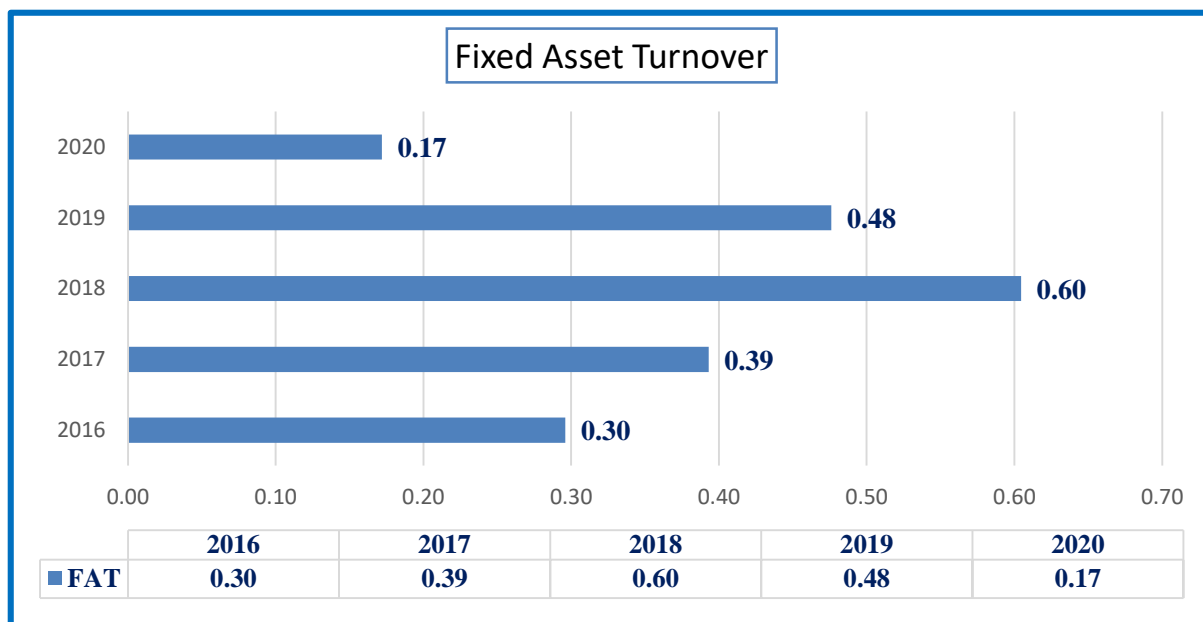
Define: How effectively a company using their current assets to generate sales.

Year to Year: In 2016 CAT of Bank Asia was 0.017 means by using 1 taka current asset it can generate 0.017 taka sales. In 2017 it increased to 0.021 & in 2018 it again increased to 0.027 & in 2019 it decreased to 0.025. But in 2020 it declined at a huge amount and reached to 0.008. It means that 2018 was the best.

C. Fixed Asset Turnover Ratio:

I calculated Fixed Asset Turnover Ratio of Bank Asia as: $CAT = \text{Net Interest Income of bank Asia} / \text{Total Fixed Asset of Bank Asia}$.

Fixed Asset Turnover					
Particulars	2016	2017	2018	2019	2020
FAT	0.30	0.39	0.60	0.48	0.17



Fixed Assets Turnover:

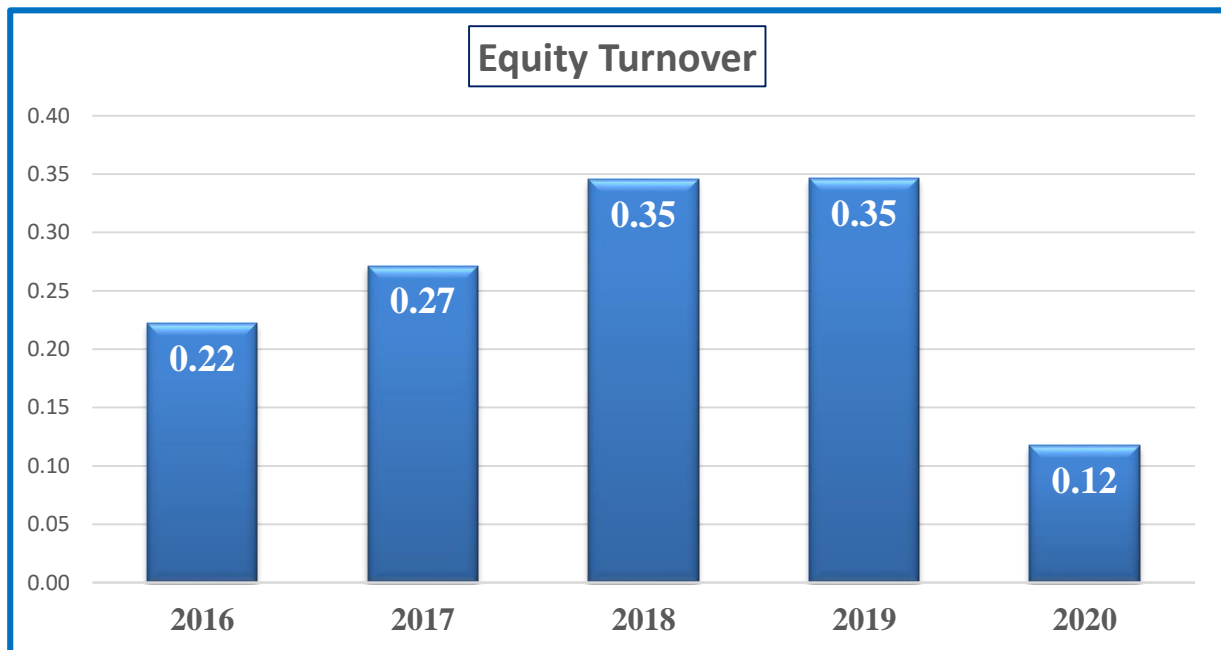
Define: How effectively a company is using their fixed assets to generate sales.

Year to Year: Bank Asia was using 1 taka fixed assets to generate 0.30 taka sales in 2016. In 2017 FAT increased to 0.39 and in 2018 it again increased to 0.60 but in 2019 it decreased a little & reached to 0.48. But in 2020 it declined to huge amount and reached to .017. So 2018 was the best year.

D. Equity Turnover Ratio:

I calculated Equity Turnover Ratio of Bank Asia as: $ET = \frac{\text{Net Interest Income of bank Asia}}{\text{Total Equity of Bank Asia}}$.

Equity Turnover					
Particulars	2016	2017	2018	2019	2020
ET	0.22	0.27	0.35	0.35	0.12



Equity Turnover:

Define: How much the company is making sales by using Equity holder money.

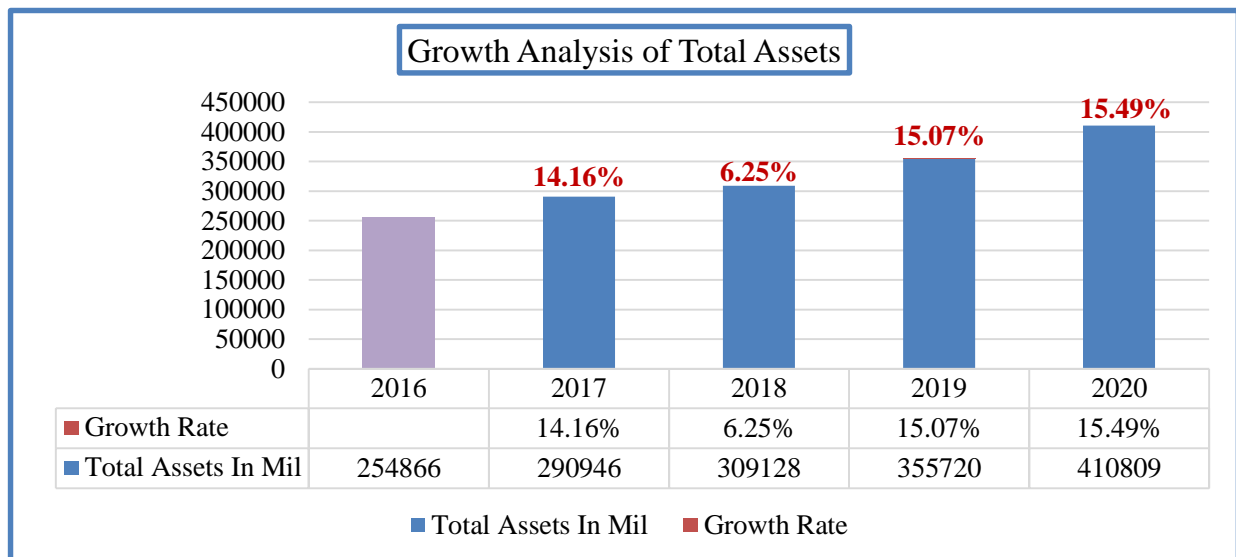
Year to Year: In 2016 ET ratio of Bank Asia was 0.22 time's means by 1 taka Equity Bank Asia was generating 0.22 taka sales. In 2017 it increased to 0.27 & in 2018 it again increased to 0.35 & it remain same in 2019. But in 2020 it decreased to 0.12. That means 2018 & 2019 was the best years for Bank Asia & 2020 is the worst year.

4.2 Growth Analysis of Bank Asia:

Growth analysis can be used to assess Bank Asia Limited's operational and financial success during the last five years. We can discover financial growth of Bank Asia Ltd over the last five years by using Growth Analysis of **Total Asset, Long-Term Liabilities, and Term Deposit, Shareholder's Equity, Net Interest Income, Operational Income, Operational Expense, Net Profit after Tax, and Net Asset Value per Share.**

4.2.1 Growth Analysis of Total Asset

Growth Analysis of Total Assets					
Year	2016	2017	2018	2019	2020
Total Assets In Million Taka	254866	290946	309128	355720	410809
Growth Rate		14.16%	6.25%	15.07%	15.49%

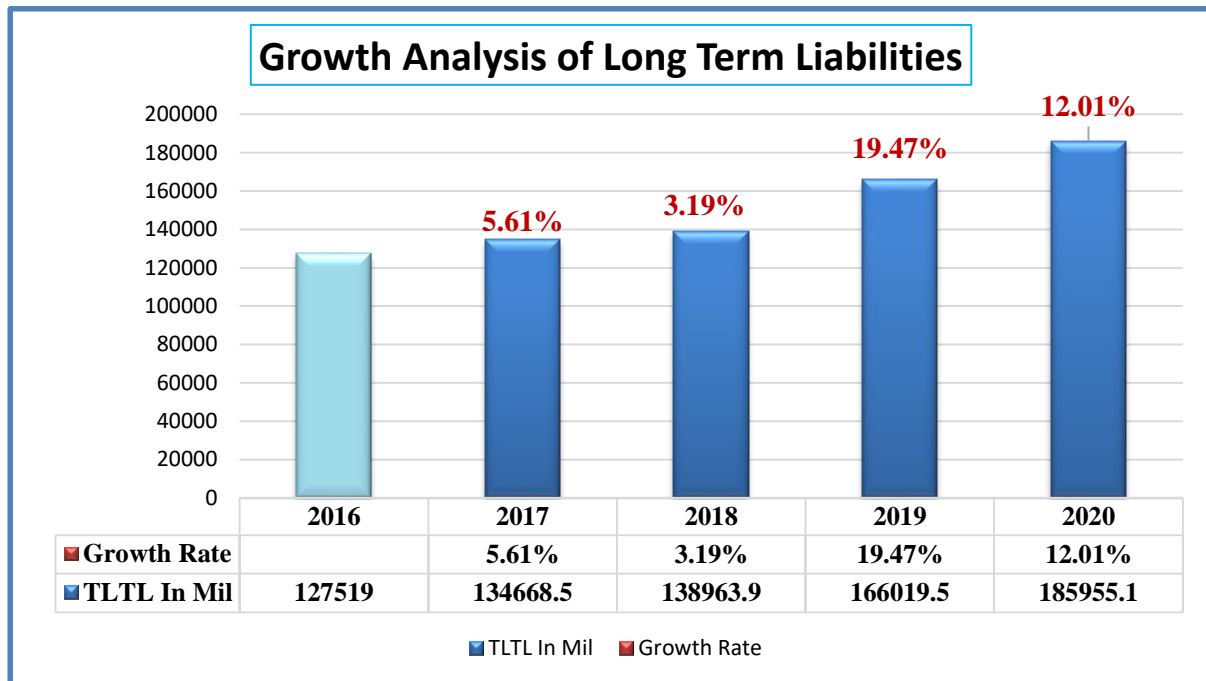


Interpretation:

Here in the Chart we can see that in 2016 Total Asset of Bank Asia was 254866 million Taka. This Total Asset of Bank Asia increased 14.16% in 2017 and in 2018 it increased lower than previous year which was 6.25% but in 2019 Total Asset increased 15.07% more than 2018 & again in 2020 Total Asset of Bank Asia increased 15.49% then 2019. That means 2020 have highest growth rate of Assets.

4.2.2 Growth Analysis of Long Term Liabilities

Growth Analysis of Long Term Liabilities					
Year	2016	2017	2018	2019	2020
TLTL In Millions Taka	127519	134668.5	138963.9	166019.5	185955.1
Growth Rate		5.61%	3.19%	19.47%	12.01%

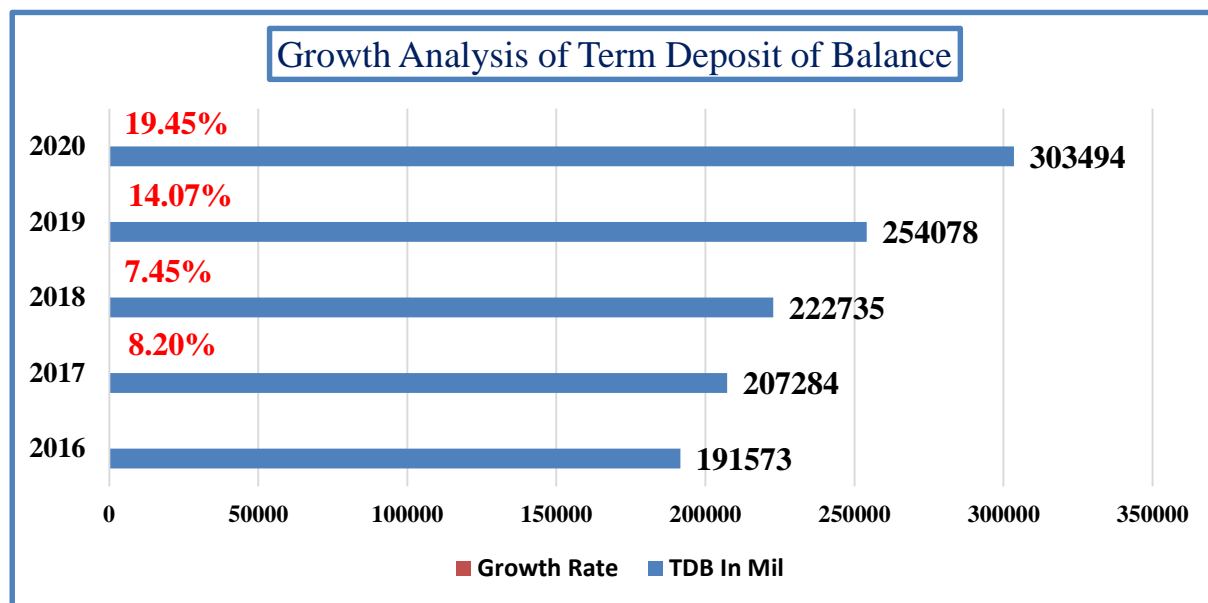


Interpretation:

Here in the Chart we can see that in 2016 Total Long Term Liabilities of Bank Asia was 127519 million Taka. This Total Long Term Liabilities of Bank Asia increased 5.61% in 2017 and in 2018 it increased lower than previous year which was 3.19% but in 2019 Total Asset increased 19.47% more than 2018 & again in 2020 Total Long Term Liabilities of Bank Asia increased at a decreasing rate of 12.01% then 2019. That means 2019 have highest growth rate of Total Long Term Liabilities. Bank Asia should Finance from long term liabilities in the future.

4.2.3 Growth Analysis of Term Deposit of Balance

Growth Analysis of Term Deposit Balance					
Year	2016	2017	2018	2019	2020
Term Deposit of Balance In Million Taka	191573	207284	222735	254078	303494
Growth Rate		8.20%	7.45%	14.07%	19.45%

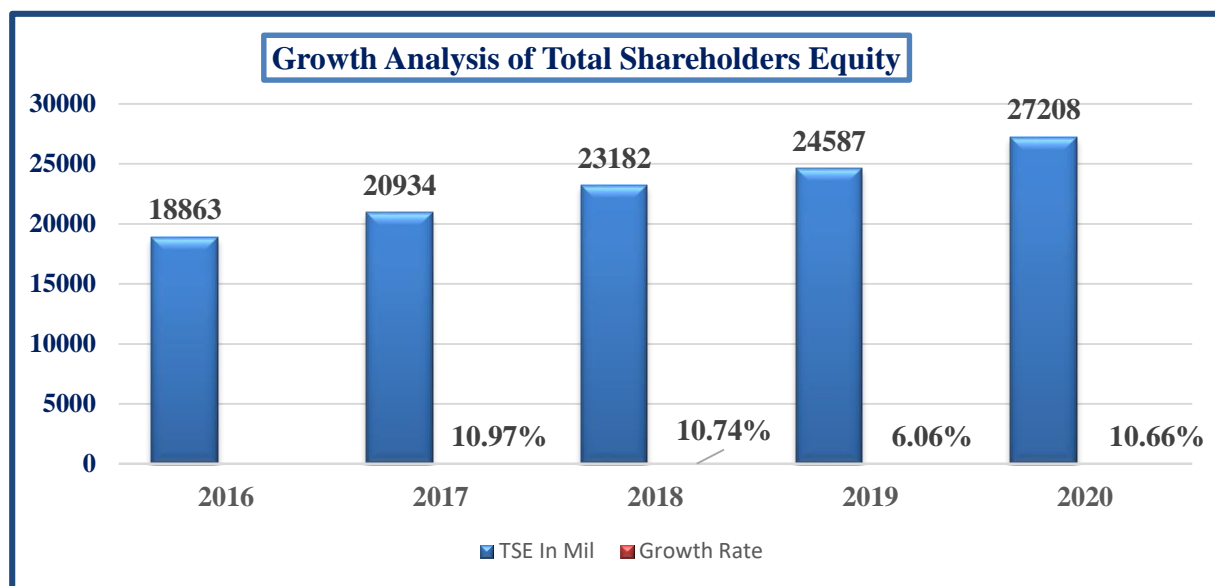


Interpretation:

Here in the Graph we can see that in 2016 Term Deposit of Balance of Bank Asia was 191573 million Taka. This Term Deposit of Balance of Bank Asia increased 8.20% in 2017 and in 2018 it increased lower than previous year which was 7.45% but in 2019 Term Deposit of Balance increased 14.07% more than 2018 & 2017 but in 2020 Term Deposit of Balance of Bank Asia Again increase to 19.45% which is greater than last five years. That means 2020 have highest growth rate of Term Deposit of Balance.

4.2.4 Growth Analysis of Shareholder's Equity

Growth Analysis of Total Shareholders' Equity					
Year	2016	2017	2018	2019	2020
Total Shareholder's Equity In Millions	18863	20934	23182	24587	27208
Growth Rate		10.97%	10.74%	6.06%	10.66%

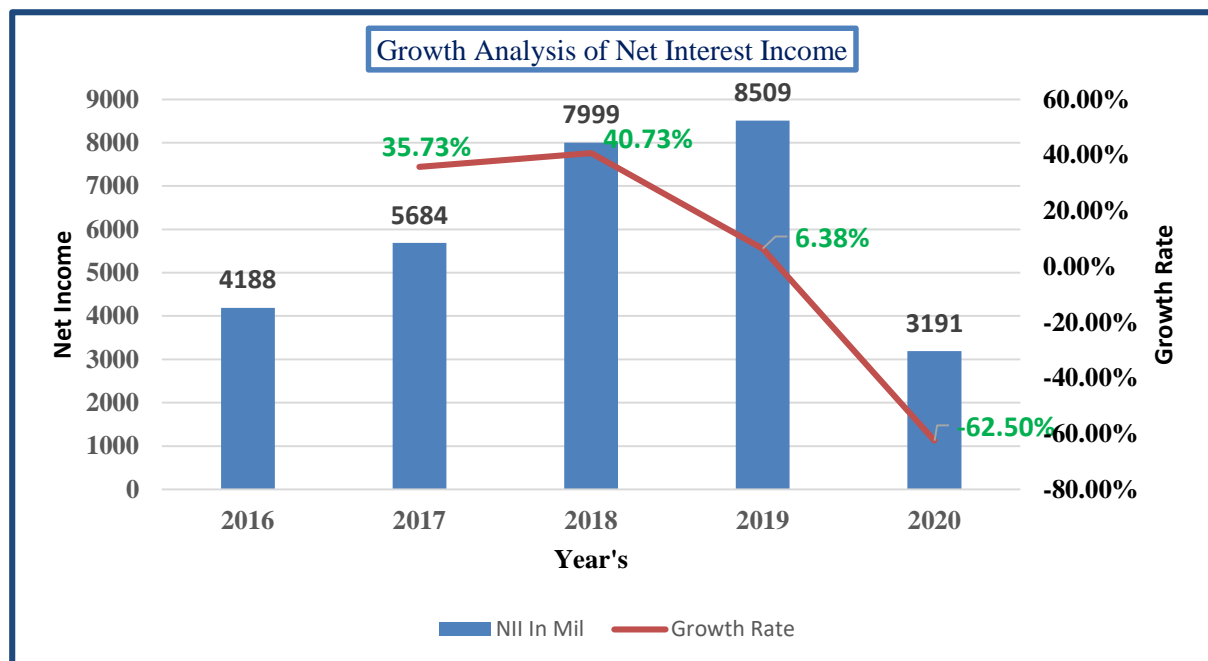


Interpretation:

Here in the Graph we can see that in 2016 Total Shareholder's Equity of Bank Asia was 18863 million Taka. This Total Shareholder's Equity of Bank Asia increased to 10.97% in 2017 and in 2018 it increased lower than previous year which was 10.78% but in 2019 Total Shareholder's Equity increased at decreasing rate of 6.06% lower than 2018 & 2017 but in 2020 Total Shareholder's Equity of Bank Asia Again increase to 10.66%. That means 2017 have highest growth rate of Total Shareholder's Equity.

4.2.5 Growth Analysis of Net Interest Income

Growth Analysis of Net Interest Income					
Year	2016	2017	2018	2019	2020
Net Interest Income In Million Taka	4188	5684	7999	8509	3191
Growth Rate		35.73%	40.73%	6.38%	-62.50%

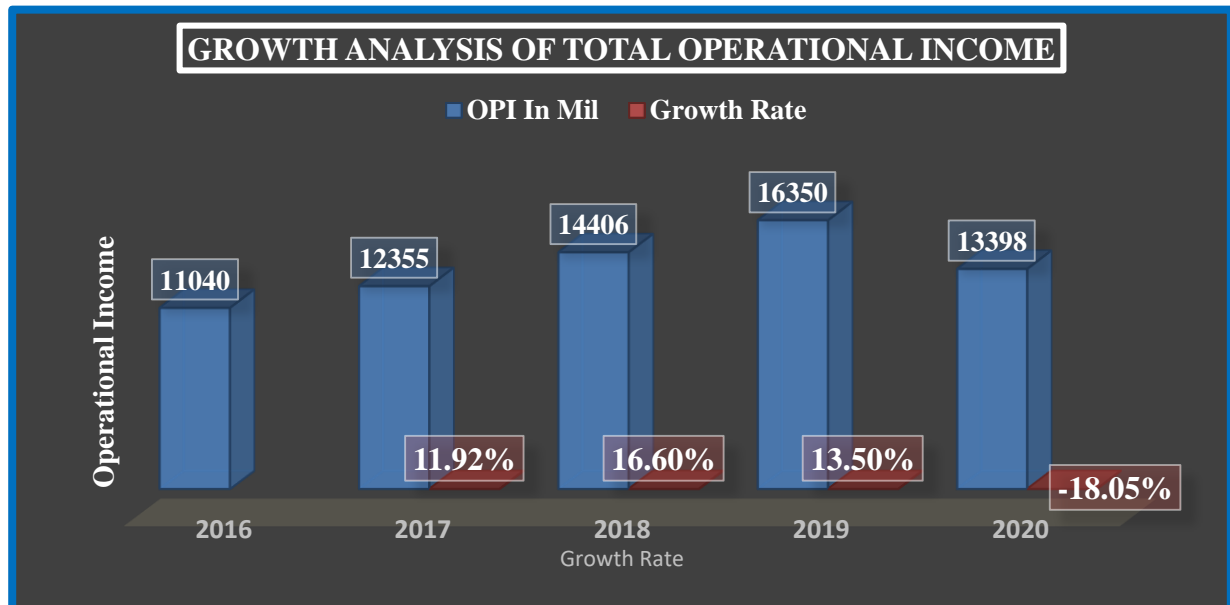


Interpretation:

Here in the Graph we can see that in 2016 Net Interest Income of Bank Asia was 4188 million Taka. This Net interest Income of Bank Asia increased to 35.73% in 2017 and in 2018 it increased more than previous year which was 40.73% but in 2019 Net interest Income increased at decreasing rate of 6.38% lower than 2018 & 2017 but in 2020 Net interest Income of Bank Asia finally decreased for the first time in the last 5 years and reached to negative 62.50%. That means in 2020 Bank Asia have faced loss in Net interest Income.

4.2.6 Growth Analysis of Total Operational Income

Growth Analysis of Total Operational Income					
Year	2016	2017	2018	2019	2020
Operational Income in Millions	11040	12355	14406	16350	13398
Growth Rate		11.92%	16.60%	13.50%	-18.05%

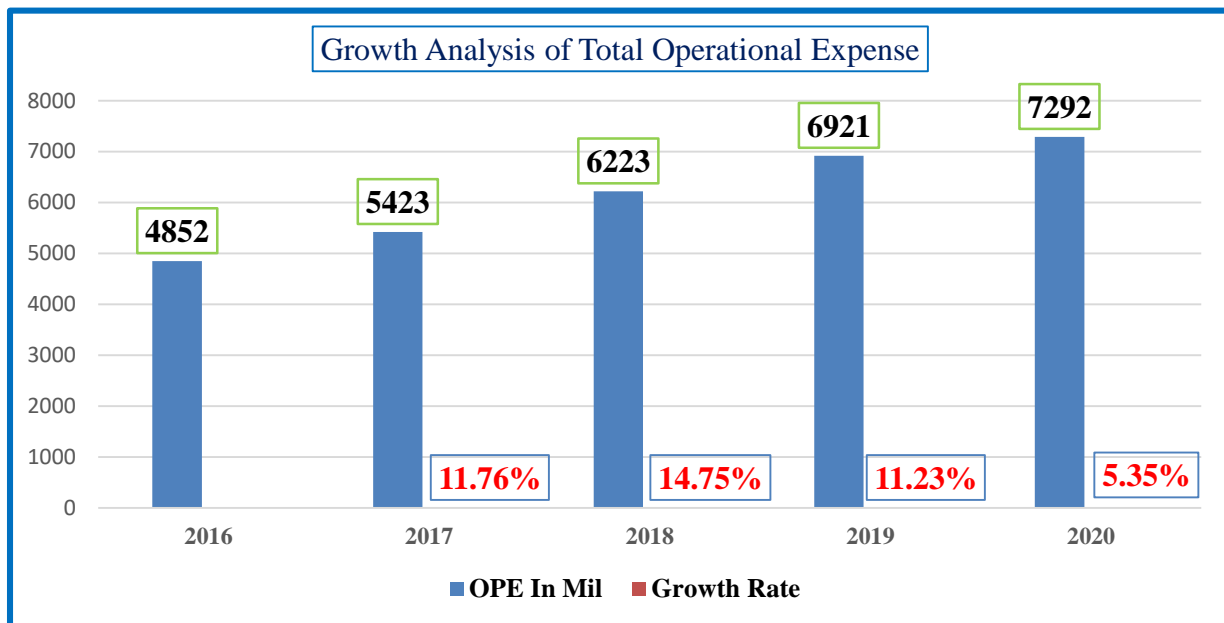


Interpretation:

Here in the Graph we can see that in 2016 Total Operational Income of Bank Asia was 11040 million Taka. This Total Operational Income of Bank Asia increased to 11.92% in 2017 and in 2018 it increased more than previous year which was 16.60% but in 2019 Total Operational Income increased at decreasing rate of 13.50% lower than 2018 & 2017 but in 2020 Total Operational Income of Bank Asia finally decreased for the first time in the last 5 years and reached to negative 18.05%. That means in 2020 Bank Asia had face loss in Total Operational Income.

4.2.7 Growth Analysis of Total Operational Expense

Growth Analysis of Total Operational Expense					
Year	2016	2017	2018	2019	2020
Total Operational Expense In Millions Taka	4852	5423	6223	6921	7292
Growth Rate		11.76%	14.75%	11.23%	5.35%

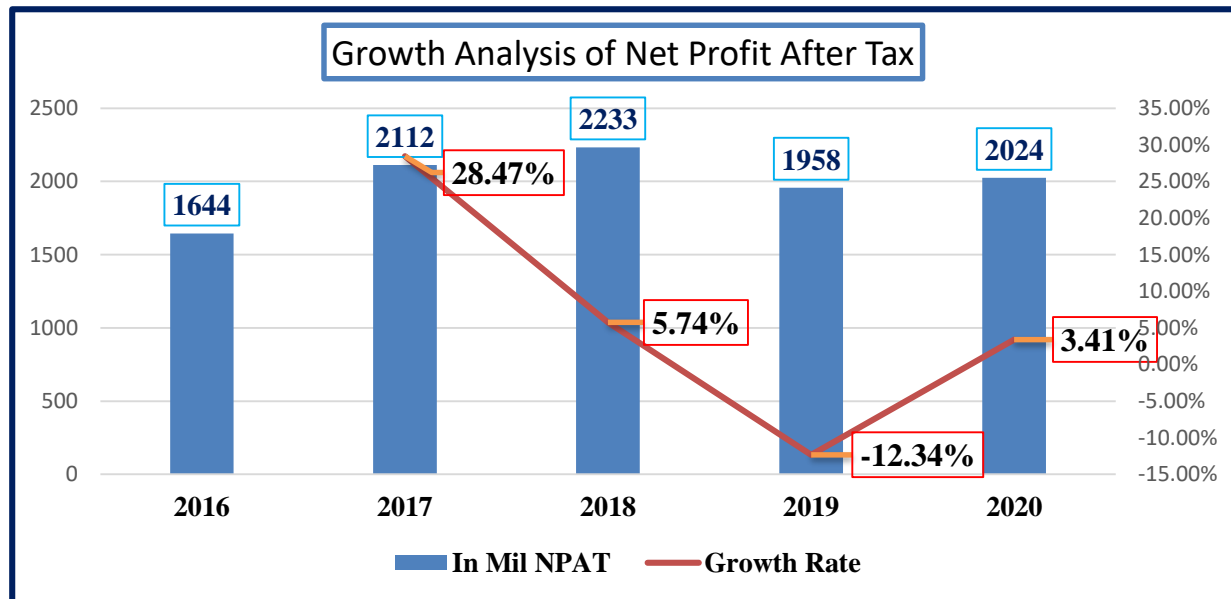


Interpretation:

Here in the Graph we can see that in 2016 Total Operational Expense of Bank Asia was 4852 million Taka. This Total Operational Expense of Bank Asia increased to 11.76% in 2017 and in 2018 it increased more than previous year which was 14.75% but in 2019 Total Operational Expense increased at decreasing rate of 11.23% lower than 2018 & 2017 but in 2020 Total Operational Expense of Bank Asia increased at a decreasing rate and reached to 5.35%. That means in 2018 Bank Asia had most operational expense in this five years. This means in 2020 Bank Asia had lower operational cost.

4.2.8 Growth Analysis of Net Profit after Tax

Growth Analysis of Net Profit After Tax					
Year	2016	2017	2018	2019	2020
NPAT In Millions Taka	1644	2112	2233	1958	2024
Growth Rate		28.47%	5.74%	-12.34%	3.41%

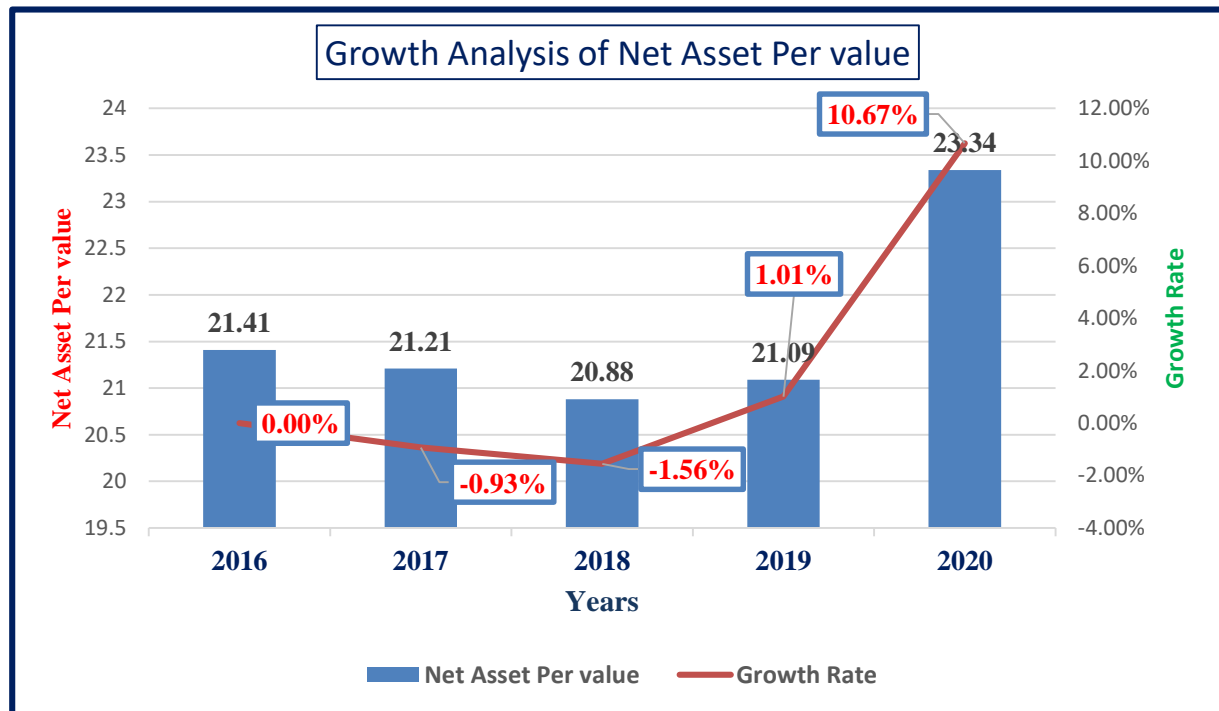


Interpretation:

Here in the Graph we can see that in 2016 Net Profit after Tax of Bank Asia was 1644 million Taka. This Net Profit after Tax of Bank Asia increased to 28.47% in 2017 and in 2018 it increased less than previous year which was 5.74% but in 2019 Net Profit after Tax decreased for the first time in five years and it reached to negative 12.34% lower than 2018 & 2017. That means in 2019 Asia faced hard times because they have negative Net Profit After tax. But in 2020 Net Profit after Tax of Bank Asia increased & reached to 3.41%. That means in 2017 Bank Asia had most Net Profit after Tax in this five years. This means in 2020 Bank Asia Started recovering immediately.

4.2.9 Growth Analysis of Net Asset per Value

Growth Analysis of Net Asset Per value					
Year	2016	2017	2018	2019	2020
Net Asset Per value Taka	21.41	21.21	20.88	21.09	23.34
Growth Rate		-0.93%	-1.56%	1.01%	10.67%



Interpretation:

Here in the Graph we can see that in 2016 Net Asset per Value of Bank Asia was 21.41 Taka. This Net Asset per Value of Bank Asia decreased to negative 0.93% in 2017 and in 2018 it again decreased to negative 1.56%. But in 2019 Net Asset per Value increased for the first time in five years and it reached to Positive 1.01% higher than 2018 & 2017. Again in 2020 Net Asset per Value of Bank Asia increased & reached to 23.34%. That means Bank Asia will grow day by day. So 2020 have higher Net Asset Per value.

4.3 Trend Analysis of Bank Asia Ltd

Bank Asia Ltd.					
Balance Sheet Statement					
As on December 31, from 2016 to 2020					
Particulars	2016 (Base Year)	2017	2018	2019	2020
Property & Assets					
Cash					
In hand (Including foreign currencies)	100%	96%	129%	156%	143%
Balances with Bangladesh bank and sonali bank (Including foreign currencies)	100%	115%	93%	149%	107%
Cash Total	100%	112%	97%	150%	112%
Balance with other banks and financial institution					
In Bangladesh	100%	265%	216%	181%	273%
Outside Bangladesh	100%	38%	95%	143%	81%
TOTAL Balance with other banks and financial institution	100%	221%	193%	174%	236%
Money at call and short notice Investment	100%	0%	2%	94%	0%
Investment in shares & securities					
Government	100%	68%	92%	145%	249%
Others	100%	103%	95%	93%	135%
Total Investment in shares & securities	100%	71%	92%	140%	239%
Loans and advances/investments					
Loans, cash credits, overdrafts/General Investments	100%	117%	125%	133%	146%
Bills discounted and purchased	100%	186%	243%	224%	188%
Total Loans and advances/investments	100%	120%	131%	138%	149%
Total Current Assets	100%	115%	123%	140%	163%
Total Fixed Assets/ Non-Current Assets					
Land, building, furniture and fixtures (Including leased assets)	100%	102%	103%	134%	129%
Other assets	100%	103%	88%	122%	132%
Total Fixed Assets	100%	102%	94%	126%	131%
Total assets	100.0%	114.16%	121.33%	139.57%	161.19%
Liabilities & Capital					
Liabilities					
Current Liabilities					

Borrowings from other banks, financial institutions and agents	100%	161%	165%	181%	190%
Other liabilities	100%	109%	110%	139%	152%
Current /Al-Wadeeah current and other deposit accounts	100%	122%	137%	138%	173%
Bills payable	100%	81%	84%	76%	76%
Savings deposits/Mudaraba Savings Deposits	100%	124%	142%	174%	231%
Total Current Liabilities	100%	125%	136%	152%	182%
Non-current Liabilities					
Subordinated Debt/Mudaraba bond	100%	253%	231%	369%	319%
Mudarabba/ Term and Fixed deposits	100%	102%	106%	124%	141%
Total Non- Current Liabilities	100%	106%	109%	130%	146%
Deposit and other A/C					
Current /Al-Wadeeah current and other deposit accounts	100%	122%	137%	138%	173%
Bills payable	100%	81%	84%	76%	76%
Savings deposits/Mudaraba Savings Deposits	100%	124%	142%	174%	231%
Mudarabba/ Term and Fixed deposits	100%	102%	106%	124%	141%
Total Deposits	100%	108%	116%	133%	158%
Total Liabilities	100%	114%	121%	140%	163%
Capital /Shareholders' Equity:					
Paid up capital	100%	112%	126%	132%	132%
Statutory reserve	100%	112%	127%	139%	151%
Revaluation Reserve on Govt. Securities/ Revaluation Reserve	100%	96%	95%	92%	169%
Foreign Currency Translation Gain	100%	106%	168%	57%	59%
Retained earnings	100%	123%	133%	142%	151%
General reserves and others	100%	100%	100%	100%	100%
Minority Interest	100%	103%	104%	90%	90%
Total Equity	100%	111%	123%	130%	144%

Bank Asia Ltd.					
Income Statement					
For the Year Ended 31, from 2016 to 2020					
Particulars	2016(Base Year)	2017	2018	2019	2020
Operating Income					
Interest income	100%	112%	142%	155%	122%
Interest paid on deposits and borrowings	100%	102%	123%	136%	141%
Net interest income	100%	136%	191%	203%	76%
Income from investments	100%	71%	65%	93%	183%
Commission, exchange and brokerage Income	100%	127%	119%	133%	101%
Other operating income	100%	118%	144%	154%	156%
Total operating income (A)	100%	112%	130%	148%	121%
Operating Expense					
Rent, Taxes, Insurance, Electricity etc.	100%	115%	128%	84%	83%
Salaries and allowances	100%	108%	123%	140%	151%
Legal Expenses	100%	143%	152%	123%	76%
Postage, Stamps, Telecommunication etc.	100%	110%	132%	151%	153%
Stationery, Printing, Advertisement etc.	100%	109%	149%	174%	164%
Directors' Fees and Expenses	100%	96%	114%	109%	102%
Salary and allowances paid to MD or CEO	100%	89%	89%	106%	123%
Auditors' Fee	100%	93%	87%	103%	89%
Depreciation and Repairs to Bank's Assets	100%	98%	102%	178%	185%
Other Expenses	100%	124%	147%	159%	166%
Total operating expenses (B)	100%	112%	128%	143%	150%
Operating Profit/ Profit before Provision	100%	112%	132%	152%	99%
Profit before provision C = (A-B)	100%	112%	132%	152%	99%
Provision for loans & Advance /investment					
Specific provision (Loan and Advances)	100%	69%	141%	147%	-21%
General Provision	100%	211%	178%	512%	390%
Off balance sheet items	100%	160%	124%	-141%	31%
Diminution in value of investment	100%	1%	8%	-54%	148%
Others Provision					
Total provision (D)	100%	100%	129%	199%	77%
Profit for the year before taxation E=(C-D)	100%	122%	134%	116%	116%
Current Tax	100%	118%	138%	116%	113%
Deferred tax	100%	66%	0%	0%	0%
Provision for tax	100%	116%	133%	112%	109%
Net profit after tax for the year	100%	128%	136%	119%	123%

Interpretation:

Trend Analysis: Trend analysis is also called **Growth Analysis**. We do trend analysis to measure the growth. Trend analysis is the idea that what has happened in the past gives traders an idea of what will happen in the future.

If we look at the **Balance Sheet Statement of the Bank Asia Ltd. Total Asset** increased 14.16% in 2017 & it again increased in 2018 as 21.33% & in 2019 it increased 39.57% & continues to increase in 2020 as 61.19%. Now if we look at more closely **Total non-current assets** increased in 2017 was 2% then it increased at a decreasing rate .94% in 2018 but it again increased in 2019 as 26%, & in 2020 it again increased to 31%. Now if we look at the **current assets** then we can see that it increased in 2017 as 15% & It increased in 2018 to 23% again in 2019 it increased to 40% & in 2020 it continues to grow to 61%. It means Bank Asia is increasing both its fixed assets and current assets with a balance.

If we look at **total shareholder's equity** then we can see that it increased in 2017 as 6% again it increased in 2018 as 9% & in 2019 it increased as 30% & in 2020 it reaches to 46%. Share capital continues to increase throughout the years reached to 32% in 2020. General Reserve remain same throughout the years. Statutory reserve increased to 51% and minority Interest Decreased to .90 % at the end of 2020.

Now if we look at the **liability** side we can see that in 2017 it increased 14% but in 2018 it increased to 21% again in 2019 it increased from previous year as 19% (40%), & it's continues to increase in 2020 as 63%. Now if we look at the long term loans we can see that it increased to 6% in 2017 again in 2018 it increased to 9% but in 2019 it increased to 21 % (30%) & in 2020 it grows to 46%. Now if we look at the short term loan then we can see that it increased 25% in 2017 & again in 2018 it increased to 36% but in 2019 it increased much high from previous year as 52% & in 2020 it increased again to 82. That means Bank Asia is taking more short term loans.

Now if we look at the Bank Asia's Income Statements **Net Interest Income** was increased from 2017 to 2018 as 36%, 91% & from 2019 to 2020 it increased at a decreasing rate as 33%, 01%. Now if we look at **Total Operating income** we can see that it increases from 2017 to 2019 as 12%, 30% & 48% & in 2020 it increased at a decreasing rate as 21. Now if we look at **Total Operating expense** we can see that it increases from 2017 to 2020 as 12%, 28% & 43% & 50% in 2020. In **PBIT** we can see that it increased from 2017 to 2018 as 18% & 38% & 16% & 16% increased at a decreasing rate from 2019 to 2020. Now if we talk about the **Net profit** we can see that it's increasing from 2017 to 2018 as 28% & 36% & 19% & 23% in 2020 which increased at a decreasing rate.

4.4 Common Size Analysis of Bank Asia Ltd

Bank Asia Ltd.					
Balance Sheet Statement					
As on December 31, from 2016 to 2020					
Particulars	2016	2017	2018	2019	2020
Property & Assets					
Cash					
In hand (Including foreign currencies)	1%	1%	1%	1%	1%
Balances with Bangladesh bank and sonali bank (Including foreign currencies)	5%	5%	4%	6%	4%
Cash Total	6%	6%	5%	7%	4%
Balance with other banks and financial institution					
In Bangladesh	4%	10%	8%	6%	7%
Outside Bangladesh	1%	0%	1%	1%	1%
TOTAL Balance with other banks and financial institution	5%	10%	8%	7%	8%
Money at call and short notice Investment	2%	0%	0%	1%	0%
Investment in shares & securities					
Government	14%	8%	11%	15%	22%
Others	1%	1%	1%	1%	1%
Total Investment in shares & securities	16%	10%	12%	16%	23%
Loans and advances/investments					
Loans, cash credits, overdrafts/General Investments	62%	63%	64%	59%	56%
Bills discounted and purchased	3%	6%	7%	5%	4%
Total Loans and advances/investments	65%	69%	70%	65%	60%
Total Current Assets	94%	95%	96%	95%	95%
Total Fixed Assets/ Non-Current Asset					
Land, building, furniture and fixtures (Including leased assets)	2%	2%	2%	2%	2%
Other assets	3%	3%	3%	3%	3%
Total Fixed Assets/ Non-Current Asset	6%	5%	4%	5%	5%
Total assets	100%	100%	100%	100%	100%
Current Liabilities					
Borrowings from other banks, financial institutions and agents	8%	11%	11%	10%	9%
Other liabilities	9%	9%	9%	9%	9%
Current /Al-Wadeeah current and other deposit accounts	15%	16%	17%	14%	16%
Bills payable	2%	1%	1%	1%	1%
Savings deposits/Mudaraba Savings Deposits	12%	13%	14%	15%	17%
Total Current Liabilities	46%	50%	51%	50%	52%
Non-current Liabilities					

Subordinated Debt/Mudaraba bond	1%	3%	3%	4%	3%
Mudarabba/ Term and Fixed deposits	53%	47%	46%	47%	46%
Total Non- Current Liabilities	54%	50%	49%	50%	48%
Deposit and other A/C					
Current /Al-Wadeeah current and other deposit accounts	15%	16%	17%	14%	16%
Bills payable	2%	1%	1%	1%	1%
Savings deposits/Mudaraba Savings Deposits	12%	13%	14%	15%	17%
Mudarabba/ Term and Fixed deposits	53%	47%	46%	47%	46%
Total Deposits	81%	77%	78%	77%	79%
Total Liabilities	100%	100%	100%	100%	100%
Capital /Shareholders" Equity:					
Paid up capital	47%	47%	48%	47%	43%
Statutory reserve	35%	35%	36%	37%	36%
Revaluation Reserve on Govt. Securities/ Revaluation Reserve	12%	10%	9%	8%	14%
Foreign Currency Translation Gain	0%	0%	0%	0%	0%
Retained earnings	7%	7%	7%	7%	7%
General reserves and others	0%	0%	0%	0%	0%
Minority Interest	0%	0%	0%	0%	0%
Total Equity	100%	100%	100%	100%	100%

Bank Asia Ltd.					
Income Statement					
For the Year Ended 31, from 2016 to 2020					
Particulars	2016	2017	2018	2019	2020
Operating Income					
Interest income/Revenue/sales	100%	100%	100%	100%	100%
Interest paid on deposits and borrowings	72%	66%	62%	63%	82%
Net interest income	28%	34%	38%	37%	18%
Income from investments	24%	15%	11%	14%	36%
Commission, exchange and brokerage Income	18%	20%	15%	15%	15%
Other operating income	5%	5%	5%	5%	6%
Total operating income (A)	75%	75%	69%	71%	74%
Operating Expense	0%	0%	0%	0%	0%
Rent, Taxes, Insurance, Electricity etc.	4%	4%	3%	2%	3%
Salaries and allowances	16%	16%	14%	15%	20%
Legal Expenses	0%	0%	0%	0%	0%
Postage, Stamps, Telecommunication etc.	1%	1%	1%	1%	1%
Stationery, Printing, Advertisement etc.	1%	1%	1%	1%	1%
Directors' Fees and Expenses	0%	0%	0%	0%	0%
Salary and allowances paid to Managing director/Chief Executive	0%	0%	0%	0%	0%
Auditors' Fee	0%	0%	0%	0%	0%
Depreciation and Repairs to Bank's Assets	3%	3%	2%	4%	5%
Other Expenses	8%	9%	8%	8%	11%
Total operating expenses (B)	33%	33%	30%	30%	40%
Operating Profit/ Profit before Provision	42%	42%	39%	41%	34%
Profit before provision C = (A-B)	42%	42%	39%	41%	34%
Provision for loans & Advance /investment	0%	0%	0%	0%	0%
Specific provision (Loan and Advances)	13%	8%	13%	12%	-2%
General Provision	4%	7%	5%	12%	12%
Off balance sheet items	1%	1%	-1%	-1%	0%
Diminution in value of investment	1%	0%	0%	0%	1%
Others Provision	0%	0%	0%	0%	1%
Total provision (D)	19%	17%	17%	24%	12%
Profit for the year before taxation E=(C-D)	23%	25%	22%	17%	22%
Current Tax	12%	12%	11%	9%	11%
Deferred tax	0%	0%	0%	0%	0%
Provision for tax	12%	13%	11%	9%	11%
Net profit after tax for the year	11%	13%	11%	9%	11%

Interpretation:

Common Size Analysis:

A financial statement that is created as a percentage of a single common number is known as a common-size financial statement. When financial statements are all the same size, it's easier to analyze a company over time and compare it to competitors. Using common-size financial statements, a raw financial report cannot reveal.

If we see the Balance sheet statement of Bank Asia from 2016 to 2020 we can see that in 2016 from the total assets total **non-current assets** was only 6% in 2016 but in 2017 it decreased to 5% again in 2018 it decreased to 4%. In 2019 & 2020 it increased to 5% again & remain same. Now if we look at the **total current assets** it continues to increase from 2016 to 2018 as 94%, 95%, 96% & in 2019 & 2020 it remain 95%. That means Bank Asia Ltd had a lot of cash assets.

Now if we look at the **shareholder's equity** we can see that **paid up capital** is the 47% of the total shareholder's equity & it remain same in 2017. It increased in 48% in 2018 but it decreased a little in the year 2019 as 47%. Again in 2020 it decreased to 43%.

Now if we look at the **liability** side we can see that **long term liability** was 54% of the total Liability in 2016 but it decreased in last 5 years and became as 48% 2019. But if we look at the **short term loans** then we can see that it was 46% & in 2016 and in 2017 it increased 52% in the last 5 years.

Now if we look at the Income Statement of **Bank Asia Ltd** we can see that **Net Interest Income** is the 28% of the Revenue in 2016. It Decreased to 18% in the last 5 years. Now if we look at the **Total Operating Income** we can see that in 2016 it was 75% over the last 5 years it decreased a little & reached at 74% at 2020. Even though it's decreased in the last 5 years it is the highest figure in the income statement. If Asia is able to reduce the **cost** of Salary & allowance & other costs, Total operating Expense will decrease & Revenue margin will increase. PBIT in 2016 was 23% of the Revenue but it decreased in the last 5 years a little as 22% at the year 2020. Now if we look at the net profit we can see that it was 11% of the total sales but in the last 5 years it increased & also decreased but at the year 2020 it was same as 2016 which is 11%. It means Bank Asia is making profit.

CHAPTER 5

FINDINGS, RECOMMENDATIONS AND CONCLUSIONS

5.1 FINDINGS

1. The overall asset growth rate of Bank Asia changes from year to year. The growth rate was high in 2017, 2019, and 2020. However, it was at an all-time low in 2018. Long-term liabilities fluctuated from 2017 to 2020, with the amount being higher in 2019 and 2020 than in 2017 and 2018.
2. The Term Deposit's growth rate indicates that Bank Asia has more cash available for new spending. Bank Asia is looking for low-cost deposits to invest in. The operational income of Bank Asia is gradually expanding. As a result, the bank has tremendous earning control over the operating procedure. Despite this, operating cost has risen steadily over the last five years.
3. Despite negative results in 2018 and 2019, Bank Asia's net profit after tax decreased in 2018 and increased in 2020. I noticed that the number of shareholders in Bank Asia exploded only in 2016, and then rose at a consistent rate the following year. Aside from that, the NAV (Net Asset Value) per share of Bank Asia is slow. In 2020, the increase in net asset value per share was higher.
4. From 2016 to 2018, shareholders' equity increased at a steady rate of 10.97 percent to 10.74 percent, however this trend has reversed in 2019. In the year 2018, it climbed at a decreasing pace of 6.06 percent. However, by 2020, it will have recovered to 10.66 percent. In the year 2019, there was a -1.66 percent decrease. Bank Asia is significantly increasing shareholder capital, as evidenced by the rising trend in shareholders' equity.
5. From 2018 to 2020, Bank Asia's Return on Asset has been decreasing, showing that its assets are not being managed competently. Return on Equity increased from 2016 to 2017, but decreased from 2018 to 2020, as a result of the numbers, Bank Asia's owners will be discouraged.
6. Bank Asia's earnings per share climbed from 2016 to 2017, but decreased from 2018 to 2019 before increasing in 2020. As a result, it has a good and negative impact on future events. Nonetheless, considering the recent acceleration, we may deduce that the market believes this bank will perform better in the future.
7. Another thing to consider is that Bank Asia's Dividend Coverage Ratio has increased from 2016 to 2018, which bodes well for Bank Asia's stakeholders. However, Bank Asia's total profitability is not satisfactory because the Dividend Coverage Ratio is

dropping from 2019 to 2020. Nonetheless, given the rising rate in the past, we may deduce that the bank's stakeholders can make investments that will benefit the bank in the future.

8. Another concerning factor is that the debt-to-total-asset ratio has been steadily increasing, implying that Bank Asia is heavily reliant on risky leverage. Bank Asia has gotten more lucrative while taking on more obligation and becoming less solvent by increasing its debt to equity ratio.
9. The SIBL's capital adequacy ratio has been increasing since 2016, making it more appealing to lenders than other businesses. The Bank's capital adequacy ratio in 2019 was 16.02 percent, up from 10.78 percent in 2016. However, in 2020, it fell once more.
10. In addition, Bank Asia's gross solvency ratios are high, indicating that the company is consuming more credit and investing less in equity.
11. Bank Asia's P/E ratios have been steadily rising for the past five years, indicating that it is less risky.
12. Bank Asia's liquidity is in poor shape, as seen by the steady drop in the current ratio from 2016 to 2020. They are consistently slipping in liquidity management.
13. Finally, the net interest margin might assist potential investors in making a beneficial option. Its net operating income was good until 2019, but it fell in 2020, putting it in a poor position compared to most financial institutions.
14. Because the revenues of this bank fluctuated, they increased slowly year after year. As a result, it's a good sign for this institution.
15. Over the year under examination, the Bank's total profitability was impacted by high deposit rates, increases in remuneration, depreciation on fixed assets, and other capital expenditure.

5.2 RECOMMENDATIONS

Banks are essentially service industries. The world's most well-known and prosperous banking organizations profit by continuously providing new service instruments to clients.

1. Bank Asia should concentrate on **return on assets (ROA)**, as a higher ROA indicates greater asset efficiency. In the last five years, Bank Asia's ROA has decreased, implying that the bank is utilizing more resources in terms of profitability. When we compare similar banks or when we compare a bank to its own historical performance, we get the best ROA.

2. Bank Asia should concentrate on its **return on equity (ROE)**, as a higher ROE shows more profitability in relation to stockholders' equity. We know that the return on investment (ROI) is determined by three factors: net profit margin, total asset turnover, and equity multiplier. We could have determined which factor is more sensitive for ROE if we had performed a sensitivity analysis. The higher the factor's positive value, the more sensitive it is. We've noticed a steady

reduction in recent years, from 2018 to 2020. For the bank, this is a bad omen. They must identify the sensitive component and efficiently control it.

3. **Earnings per share (EPS)** is a metric that shows how much money a bank makes for each share of its stock. A higher value suggests that investors are willing to pay a higher price for the bank's stock. However, the earnings per share have been dropping from 2018 to 2019, indicating that investors are less interested in paying more for it.

4. Bank Asia should pay attention to the **dividend payout ratio**, since it has not increased in the last two years, but has fallen from previous years. The dividend payout ratio shows how much money a bank is giving to shareholders versus how much cash it has on hand to reinvest.

5. Bank Asia should pay attention to the **debt-to-total-asset ratio** because a rising trend implies that the bank will be unable to repay its loan if it suffers any losses. The increased debt-to-total-asset-ratio indicates that the bank is using more leverage and has a smaller equity base. As a result, Bank Asia faces a greater debt risk.

6. Bank Asia should pay special attention to its **capital adequacy ratio** because a high capital adequacy ratio is considered safe and indicates that the bank will be able to meet its financial obligations. In 2019, the capital adequacy ratio is higher than in 2020. As a result, the bank should make an effort to raise the ratio.

7. The **current ratio** should be a priority for Bank Asia. The current ratio was good in 2016, but it has declined in recent years, from 2017 to 2020. Because it has a larger proportion of short-term asset value relative to the value of its short-term liabilities, a bank with a higher current ratio is more capable of meeting its obligations.

8. Bank Asia should focus on its **operating income** since, while the growth rate of its operating income was good until 2018, it has been dropping year after year since then. Operating costs, on the other hand, are increasing at a steady rate, which is not good for Bank Asia. They must cut operational costs in order to enhance interest income.

9. Bank Asia's **Times Interest Earnings Ratio** should be a priority. It assesses Bank Asia's ability to cover interest expenses from PBIT. When we look at the rise of the TIE ratio from 2018 to 2020, we can see that it is dropping. That means Bank Asia will no longer be able to deduct interest expense from its PBIT.

10. Bank Asia's **Total Asset Turnover Ratio** should be a priority. It will assist Bank Asia in determining how successfully their overall assets are being used to produce revenue. However, if we look at the graph, we can see that starting in 2020, they will be unable to produce money from entire assets.

5.3 CONCLUSIONS

In conclusion, Bank Asia Limited's efficiency has been satisfactory. In this study, the overall performance of Bank Asia has been tracked and reviewed from 2016 through 2020. The positive and negative features of Bank Asia have been identified as a result of analyzing its entire performance. Even in the Covid-19, Bank Asia is performing well. Its overall achievement is satisfactory, but its financial performance should be improved.

Shareholders who wish to purchase Bank Asia's stock will be able to do so without difficulty. Bank Asia's profitability is expected to rise in the long run, according to this ratio. In 2018, the profit is higher than in previous years.

I identified certain issues with Bank Asia and attempted to address them with a few necessary fixes so that they could improve their results.

After reading this report, I'd like to mention that Bank Asia's profits report is not particularly impressive and that it will likely improve in the future, as it has been declining since the beginning. The efficiency ratio reveals that this bank is also not performing well in this segment because their efficiency ratio is fluctuating, implying that a strong mind should be assigned to that task. However, the liquidity ratio is satisfactory, despite the fact that it has been decreasing for the past few years. The total output of Bank Asia is average, but its financial performance must be improved.

Bank Asia is grateful to the government of the People's Republic of Bangladesh and Bangladesh Bank for their help and relevant information. Bank Asia also takes this opportunity to thank its valued customers, patrons, well-wishers, correspondents, and shareholders for their ongoing support and patronage throughout the year. Bank Asia Ltd also thanks the bank's staff and management for their contributions to the bank's long-term viability and development. Bangladesh Bank, the Ministry of Finance, the post office, and other government organizations, as well as bank executives and staff, trusted associates, customers, and the general public, must continue to actively support and cooperate with Bank Asia.

5.4 BANK ASIA AT A GLANCE

Bank Asia Ltd.					
Balance Sheet Statement					
As on December 31, from 2016 to 2020					
Particulars	2016	2017	2018	2019	2020
Property & Assets					
Cash Total	15983718054.00	17933208773.00	15555719854.00	23986604446.00	17902027343.00
In hand (Including foreign currencies)	2079897416.00	1994978583.00	2683207852.00	3242877542.00	2965195036.00
Balances with Bangladesh bank and sonali bank (Including foreign currencies)	13903820638.00	15938230190.00	12872512002.00	20743726904.00	14936832307.00
Balance with other banks and financial institution	13615107372.00	30077880452.00	26243135322.00	23634997570.00	32103518897.00
In Bangladesh	10983805427.00	29087820840.00	23753126357.00	19875113514.00	29965987826.00
Outside Bangladesh	2631301945.00	990059612.00	2490008965.00	3759884056.00	2137531071.00
Money at call and short notice Investment	4870000000.00	0.00	1000000000.00	4600000000.00	0.00
Investment in shares & securities	39711806539.00	28145350291.00	36544202442.00	55526971926.00	94906810728.00
Government	36112473144.00	24431255000.00	33133291838.00	52197323349.00	90042129622.00
Others	3599333395.00	3714095291.00	3410910604.00	3329648577.00	4864681106.00
Loans and advances/investments					
Loans, cash credits, overdrafts/General Investments	157946507822.00	184322321558.00	196655897163.00	210835675997.00	231157148714.00
Bills discounted and purchased	8593408568.00	16006102273.00	20897034672.00	19259535874.00	16174699568.00
Total Loans and advances/investments	166539916390.00	200328423831.00	217552931835.00	230095211871.00	247331848282.00
cash & Cash Equivalent	211121722929.00	228473774122.00	254197134277.00	290222183797.00	342238659010.00
Total Current Assets	240720548355.00	276484863347.00	295995989453.00	337843785813.00	392244205250.00
Total Fixed Assets	14145571843.00	14461409437.00	13231881205.00	17876441465.00	18565165661.00
Land, building, furniture and fixtures (Including leased assets)	5263148467.00	5344230907.00	5445867834.00	7065893231.00	6814103400.00
Other assets	8882423376.00	9117178530.00	7786013371.00	10810548234.00	11751062261.00
Total assets	254866120198.00	290946272784.00	309127870658.00	355720227278.00	410809370911.00
Liabilities & Capital					
Liabilities					
Borrowings from other banks, financial institutions and agents 1	18978976940.00	30465558247.00	31379916599.00	34382128495.00	35971854941.00
Subordinated Debt/Mudaraba bond 2	3197214016.00	8092588885.00	7400000000.00	11800000000.00	10200000000.00
Other liabilities 3	22253446819.00	24170500633.00	24523223592.00	30873993667.00	33935202895.00
Total	44429637775.00	62728647765.00	63303140191.00	77056122162.00	80107057836.00
Deposit and other A/C					
Current /Al-Wadeeah current and other deposit accounts	34554219481.00	42242103482.00	47487805711.00	47821635983.00	59823653764.00
Bills payable	4902979613.00	3968967652.00	4124678804.00	3742697471.00	3747868764.00
Savings deposits/Mudaraba Savings Deposits	27793803978.00	34496938426.00	39558517712.00	48293710027.00	64167247193.00
Mudarabba/ Term and Fixed deposits	124322040516.00	126575936127.00	131563889550.00	154219483187.00	175755144727.00
Total Deposits	191573043588.00	207283945687.00	222734891777.00	254077526668.00	303493914448.00
Total Current Liabilities	108483426831.00	135344068440.00	147074142418.00	165114165643.00	197645827557.00
Total Non-Current Liabilities	127519254532.00	134668525012.00	138963889550.00	166019483187.00	185955144727.00
Total liabilities	236002681363.00	270012593452.00	286038031968.00	331133648830.00	383600972284.00
Capital /Shareholders' Equity:	18863427480.00	20933667608.00	23181660745.00	24586568252.00	27208388429.00
Paid up capital	8812599100.00	9870110990.00	11103874860.00	11659068600.00	11659068600.00
Statutory reserve	6533632030.00	7345137782.00	8268393179.00	9052555407.00	9844096744.00
Revaluation Reserve on Govt. Securities/ Revaluation Reserve	2239612377.00	2154384193.00	2120032204.00	2065683636.00	3777946202.00
Foreign Currency Translation Gain	1462526.00	1551777.00	2462381.00	836486.00	856701.00
Retained earnings	1267955303.00	1554316722.00	1686898121.00	1800257979.00	1918254038.00
General reserves and others	8166144.00	8166144.00	8166144.00	8166144.00	8166144.00
Minority Interest	11355.00	11723.00	11799.00	10196.00	10198.00
Total Equity	18863438835.00	20933679331.00	23181672544.00	24586578448.00	27208398627.00
Total liabilities and shareholders' equity	254866120198.00	290946272783.00	309219704512.00	355720227278.00	410809370911.00
NAV- (Net Assets Per value)	21.41	21.21	20.88	21.09	23.00

Bank Asia Ltd.

Income Statement

For the Year Ended 31, from 2016 to 2020

Particulars	2016	2017	2018	2019	2020
Operating Income					
Interest income	14795577265.00	16537474861.00	21010148200.00	22974067272.00	18117563686.00
Interest paid on deposits and borrowings	10607924671.00	10853728866.00	13011217964.00	14464586306.00	14926706536.00
Net interest income	4187652594.00	5683745995.00	7998930236.00	8509480966.00	3190857150.00
Income from investments	3548303241.00	2535391259.00	2311462131.00	3293064994.00	6484398100.00
Commission, exchange and brokerage Income	2620174212.00	3326668802.00	3110434216.00	3495510223.00	2653972061.00
Other operating income	683489936.00	809479684.00	985191390.00	1052116649.00	1069174361.00
Total operating income (A)	11039619983.00	12355285740.00	14406017973.00	16350172832.00	13398401672.00
Operating Expense					
Rent, Taxes, Insurance, Electricity etc.	558761586.00	640514240.00	714978997.00	471721301.00	463933944.00
Salaries and allowances	2403117832.00	2595054425.00	2963638772.00	3360493052.00	3638898248.00
Legal Expenses	18046458.00	25877298.00	27388071.00	22218779.00	13751716.00
Postage, Stamps, Telecommunication etc.	84071480.00	92453590.00	111154986.00	126842671.00	128312780.00
Stationery, Printing, Advertisement etc.	91527800.00	100166466.00	136747954.00	159503843.00	150030731.00
Directors' Fees and Expenses	3422000.00	3286400.00	3886000.00	3726400.00	3483000.00
Salary and allowances paid to Managing director/Chief Executive	15689899.00	13900000.00	13900000.00	16572420.00	19262968.00
Auditors' Fee	3339006.00	3106584.00	2913042.00	3440259.00	2978246.00
Depreciation and Repairs to Bank's Assets	473133169.00	464055824.00	480859178.00	842466683.00	875119333.00
Other Expenses	1201053151.00	1484175539.00	1767128995.00	1914318567.00	1995821074.00
Total operating expenses (B)	4852162381.00	5422590366.00	6222595995.00	6921303975.00	7291592040.00
Operating Profit/ Profit before Provision	6187457602.00	6932695374.00	8183421978.00	9428868857.00	6106809632.00
Profit before provision C = (A-B)	6187457602.00	6932695374.00	8183421978.00	9428868857.00	6106809632.00
Provision for loans & Advance /investment					
Specific provision (Loan and Advances)	1928486005.00	1339895000.00	2714517014.00	2841142562.00	-405359577.00
General Provision	555793056.00	1171754018.00	990055890.00	2847887484.00	2166139871.00
Off balance sheet items	139449902.00	223379000.00	-172971972.00	-196376913.00	43349415.00
Diminution in value of investment	121619793.00	906056.00	1000000.00	-66065312.00	18000000.00
Others Provision	0.00	0.00	12500000.00	25000000.00	137000000.00
Total provision (D)	2745348756.00	2735934074.00	3554100932.00	5451587821.00	2121129709.00
Profit for the year before taxation E=(C-D)	3442108846.00	4196761300.00	4629321046.00	3977281036.00	3985679923.00
Current Tax	1735042600.00	2043171957.00	2395930537.00	2019469389.00	1961192514.00
Deferred tax	63000000.00	41500000.00	0.00	0.00	0.00
Provision for tax	1798042600.00	2084671957.00	2395930537.00	2019469389.00	1961192514.00
Net profit after tax for the year	1644066246.00	2112089343.00	2233390509.00	1957811647.00	2024487409.00
EPS	1.67	1.90	1.92	1.68	1.74