

Internship Report
On
Financial Performance Analysis of Mutual Trust Bank Limited



Supervised By:

Md. Anhar Sharif Mollah

Assistant Professor]]]]

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Faculty of Business & Entrepreneurship
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Prepared By:

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Major in Finance

Department of Business Administration
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Date of Submission: December 11,2022

Letter of Transmittal

Date:

To

Md. Anhar Sharif Mollah

Assistant Professor

Department of Business Administration

Faculty of Business & Entrepreneurship

Subject: Submission of Internship report on “Financial Performance of Mutual Trust Bank Limited”.

Sir,

With all due respect, I would like to state that I am Saheda Akter student of the BBA Program, ID:191-11-732, of Daffodil International University, and that I have completed the partial requirement for the BBA program, a dissertation report paper based on the topic, "Financial Performance Analysis of Mutual Trust Bank Limited." I made an effort to get all the necessary information from all the resources that were available to me. I made an effort to create a thorough report in the allotted time.

I firmly believe that this honest evaluation will help you get a favorable opinion of me. I would be happy to provide you with any more information you may require in this respect. I will be appreciative to you if you recognize my report.

Your assistance is greatly appreciated.

Yours sincerely,

Name: Saheda Akter

ID:191-11-732

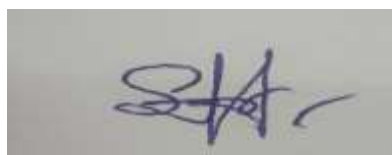
Department of Business Administration

Faculty of Business and Entrepreneurship

Letter of Acceptance

To describe it simply, Saheda Akter, a student in the Department of Business Administration at the Faculty of Business and Entrepreneurship with the ID number 191-11-732, has completed his internship at the Mutual Trust Bank Limited, Panthapath branch, and using the knowledge he has gained, has created this report on the subject of financial performance analysis. He created this report with my approval. On the other hand, I found the report to be extremely detailed and helpful in its approach to further study and development. I have read through this report in its entirety and have not discovered anything suspicious or that can contradict any people or subjects. I believe this report is prepared for presentation.

I, therefore, provide my consent for him to present this report, and I wish him luck with his presentation so that he can earn his graduation.



Md. Anhar Sharif Mollah

Assistant Professor

Department of Business Administration

Faculty of Business & Entrepreneurship

Daffodil International University

Declaration

The following internship report on the subject of "Financial Performance of Mutual Trust Bank (MTB) Limited" was specifically created by me after completing a twelve-week internship at Mutual Trust Bank (MTB) Limited. I also certify that I created this paper only for academic purposes. This work hasn't been published in journals, magazines, universities, or other organizations for student fellowships, apprenticeship programs, or other degree programs.

Additionally, I certify that this report is all my creation and that it was exclusively written to satisfy a requirement for the BBA program.



Name: Saheda Akter

Student Id: 191-11-732

Department of Business Administration

Faculty of Business & Entrepreneurship

Daffodil International University

Acknowledgment

By the grace of Almighty Allah, without whom it would have been impossible to publish this report and provide me the ability to finish it on schedule, I had a lot of difficulties when writing my report, which made it challenging to finish. We are grateful to everyone who contributed to overcoming the challenges. I would especially want to thank MD. Anhar Sharif Mollah, Professor of Daffodil International University's Department of Business Administration. He demonstrated to me the best strategy to use with this report and any potential obstacles that may arise that would make my task more difficult. Finally, I can state that his instruction was successful in completing this report.

Then, I'd like to express my sincere gratitude to MD. Khairul Islam (EVP), Managing Director, and MD. Shakhawat Hossain, Vice President and Branch Operations Manager of Mutual Trust Bank (MTB) Limited, for providing me with the opportunity to complete my internship program at their company, for enabling me to gather valuable information, and for supporting me in every way possible while I was writing the internship report. Without the assistance of instructors like MD. Shariful Islam, Sabina Yasmin, Nazmun Nahar Lima, and MD. Golam Rabby from Mutual Trust Bank (MTB) Limited, I would not be able to learn about the real-life working environment at Mutual Trust Bank (MTB) Limited. My appreciation for my parent's and family members' kind assistance and support is much appreciated.

Finally, I would like to express my heartfelt appreciation to the Daffodil International University Authority for organizing this internship program for all of the students. I would also like to thank all of my well-wishers for their support throughout this crucial endeavor in my career.

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Chapter 1
Introductory Part

1.1 Introduction

The English word "bank" is derived from the Italian word "banco." The modern economy's lifeblood is the bank. In the same way that a person, a community, and a country cannot function without money, we are unable to even consider money or its promotion in the absence of a bank. Every nation has a bank that produces currency and is in charge of its messaging. The development of a bank does not take place overnight. Following the introduction of money, one group of individuals first looked for the security of the money, while another group of people looked for the origins of the money. A person learned the true meaning of a bank when they completed many tasks at once, like this type of job. Although we are business majors at an academic institution, we have no real-world experience with banks or their internal workings. By staying in a genuine banking environment, the internship program provides me with the opportunity to acquire both theoretical and practical expertise. Being an intern at Mutual Trust Bank (MTB) Limited gives me a fantastic opportunity to gain some real-world experience. The topic of my paper is the financial performance analysis of Mutual Trust Bank (MTB) Limited. I have tried to show financial performance analysis over the previous 8 years using various ratio analyses. With the assistance of my banker's supervisor, I have learned about Mutual Trust Bank's (MTB) limited internal banking practices over these twelve weeks of my internship. I now know about several kinds of account openings. Three divisions made up my internship experience at the Mutual Trust Bank Limited branch in Panthapath. I worked for the General Banking Department for the first two months, and for the last month, I worked for the Loan Department and Student Banking. I have worked with everyone in every area of the General Department for the first two months. As a result, I have worked in several areas of the department.

Every employee at Mutual Trust Bank Ltd. (MTB) is treated with respect. I never experienced being treated as a guest throughout my internship. Because of the mutual admiration between coworkers, each person works diligently and fulfills their responsibilities as required. The workers have given me a lot of expectations and responsibilities as an intern. It seemed hard to complete at first, but after a few days of working on it, I started to acquire experience. The duties become less difficult for me day by day. In the end, I completed my commitments and ambitions. They see me as having fulfilled the requirements of my internship.

1.2 The Report's Origin

A student at the Daffodil International University's Department of Business Administration must take the internship after completing 123 credits. CDC, a teacher, or a student may take placement on their own. A student must apply for an internship for a defined period regardless of who arranges it (1-3 months). Each student participating in this internship works under the supervision of a teacher. With the help of that supervisor, a student is required to submit an

Internship Report showing the findings from their internship time. This method also reveals the origin of the data in the report.

1.3 Significance and Study's Reasoning

The banking sector is one of the essential tools that contribute to the development and progress of a country's global economy, protecting assets and providing credit to both people and companies. In our nation, the third generation of private commercial banking began in the years 1999 to 2000. A private commercial bank with the sole purpose of receiving deposits from the general public through various savings plans and giving small loans to numerous industries. A portfolio of assets and liabilities is chosen while adhering to appropriate risk analysis and compliance. The bank's cash flow priority includes both short- and long-term financing as well as working capital, and the bank primarily serves the RMG and textile industries in the industrial sector. The bank's unsubsidized business has grown considerably with the rise in RMG. The bank has taken steps to enhance SMEs' exposure and broaden the market for small business owners. MTB has established a Visa debit and credit card, an ATM, e-banking, mobile banking, etc. by utilizing real-time online banking and cutting-edge technology.

1.4 Research problems

The financial performance analysis of Mutual Trust Bank (MTB) Limited serves as the basis for this study. An example of a third-generation private commercial bank is Mutual Trust Bank (MTB.) Limited. We already know that the MTB aspires to be one of the nation's most respected banks, a renowned innovator, and a customer-focused company. However, the financial performance of Mutual Trust Bank Limited is the main emphasis of this study. In this document, I analyze Mutual Trust Bank (MTB.) Limited's financial statements for the previous 8 years. We can learn more about the service and the company as a whole from this report on Mutual Trust Bank (MTB.) Limited. The problem is pertinent because, to understand the current state of a company, it is necessary to examine its financial performance. This will give us insight into the firm's current ratio, working capital, debt ratio, total debt-to-asset ratio, total debt-to-equity ratio, and profitability ratio. To understand the company's operations and general position in the market, we also need to understand the service offered by the business. The main goal of this research issue is to determine Mutual Trust Bank's (MTB) limited financial performance. I used the financial statements of Mutual Trust Bank to study several types of ratios to determine the purpose of this report (MTB.)

1.5 The Objectives of Study

1. To evaluate the financial performance of Mutual Trust Bank Limited from 2014-2021.
2. Identify the area of problems from the liquidity and profitability.
3. Arise some recommendations which give the idea about whether the ratios should increase or decrease.

1.6 Scope of the study:

The primary goal of this study is to evaluate the financial performance of Mutual Trust Bank (MTB) Limited. The last three (3) months are the period used for this analysis. I made an effort to analyze Mutual Trust Bank (MTB) Limited financial performance using various graphs and charts that were based on ratio analysis of the financial statement throughout the years. Based on this research, pertinent recommendations are offered. To analyze overall performance, a quick study of Mutual Trust Bank (MTB.) Limited's financial status is done.

1.7 Methodology of the Study

I used both primary and secondary data for my survey when deciding on the sources of information that would be needed for the study. When presenting the performance and rating of the bank, I have also added my viewpoint as good first-hand information.

(a) Primary data

The main information for this report was gathered by:

- ✚ My Observation
- ✚ Direct questioning and discussion with the officers
- ✚ Experiences in the real world gained from the Mutual Trust Bank branch office.

(b) Secondary Data:

The following methods were used to gather secondary data for this report:

- ✚ Documents about electronic banking.
- ✚ Annual Report for the year from Mutual Trust Bank Limited.
- ✚ Provided by Mutual Trust Bank Limited in the form of printed outlines and paperwork.
- ✚ The Mutual Trust Bank Limited website
- ✚ Online resources
- ✚ Expert judgment.

1.7 Restrictions of the study:

I encountered a lot of challenges while writing this report. The following are some of the study's constraints that I encountered while getting ready:

- ✚ I have to rely on the website since Mutual Trust Bank (MTB) Limited does not have a large and diverse collection of journals, yet due to security issues, I have encountered some challenges.
- ✚ The annual report and financial figures were not properly available on the Internet. Not all of the material was arranged logically.
- ✚ A large-scale study was not possible because of company-imposed limitations. because I have no prior expertise in the banking industry.
- ✚ Certain financial information must never be disclosed outside of high management. Since we are aware that qualitative information is not as reliable as quantitative data, some qualitative data rather than quantitative data is utilized in the report.
- ✚ Although twelve weeks is insufficient for such a thorough investigation, it can be claimed that the report has lost some accuracy for secondary data due to the usage of certain data from secondary sources.
- ✚ It is incredibly challenging to gather all the necessary information in such a short amount of time.

Given these constraints, I did my utmost effort to prepare the report. Please be considerate enough to make a note of any errors you identify.

Chapter Two
Literature Review

2.1 Literature Review:

Several studies on various elements of the financial performance of Mutual Trust Bank Bangladesh have already been done. These scholars have helped me learn more about Bangladesh's Third Generation Private Commercial Bank and the nation's broader banking sector. The third generation of private commercial banking began to emerge in Bangladesh between 1999 and 2000. Banks are essential to the development of every country's financial system. They hold control over a sizable portion of the supply of money in circulation.

This study is intended to evaluate the performance of chosen private regional banks (five), listed on both the Dhaka Stock Exchange and the Chittagong Stock Exchange, in Bangladesh through extensive use of economic ratios, particularly those that specifically indicate the adequacy of the risk-based capital, credit growth, credit concentration, and non-acting capital. Three indicators—namely, internal-based total performance as measured by return on assets, market-based total performance as measured by Tobin's Q version (price/book ratio), and economic-based total performance as measured by economic value upload have been used to grade the financial performance of the selected banks. To understand the impact of bank size, credit risk, operational performance, and asset control on financial overall performance measured by way of the three signs and to create a good-match regression model to predict future financial overall performance, annual time collection data from 2008 to 2012 of the chosen banks from their respective audited annual reports (secondary data) have been used. According to statistical conjecture, Bangladeshi commercial banks' financial overall performance is significantly impacted by factors including bank size, credit score risk, operational performance, and asset control. (Rashed Al Karim and Tamima Alam, 2013).

In particular, personal banks have played a significant role in the financial boom in the United States of America. As a result, the current analysis focuses on the performance of the top three regional banks that are listed on both the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE). Financial ratios are used to statistically assess the overall performance of banks. There are three key indicators: Return on Assets (ROA), which measures internal performance, Tobin's Q model (price/book ratio), which measures market performance, and Return on Equity (ROE), which is a key profitability ratio that investors use to gauge the percentage of a bank's profits that are returned to shareholders. The chosen private banks' economic performance was graded based on fairness. The chosen banks' facts have been settled upon for the years 2006 to 2017. The size, credit risk, asset management, operational performance, and debt ratio of the bank as well as other independent variables have been utilized to determine the financial performance as assessed by way of the three indicators. The findings imply that each of the selected ratios has an impact on the overall economic performance of private commercial banks. (NS Nataraja, Nagaraja Rao Chilale & L Ganesh, 2018)

This analysis attempts to broadly gauge the financial success of a select group of personal business banks in Bangladesh from 2006 to 2011 and determine whether there is a relationship between a financial institution's operating years and performance. Five banks were chosen from exceptional generations for this reason. The following four factors were used to evaluate the financial performances of those banks: 1) profitability; 2) liquidity; 3) credit risk; and 4) efficiency. The analysis found no special relationship between the technology used by banks and their efficiency. Bank success is more closely correlated with the ability of the control to create strategic plans and implement those goals sustainably study's findings may help regulate to improve their financial performance and create regulations aimed at improving that performance. The analysis also identified certain areas that each financial institution should focus on to ensure sustainable growth for those banks. (Amina Haque,2021)

Through carefully arranged links between the items of the balance sheet and revenue and loss account, the gift analyses efforts to identify the financial strengths and weaknesses of the Indian public sector pharmaceutical firms. The examination includes publicly traded pharmaceutical and drug companies that are listed on the BSE. The twelve-year period covered by the examination was from 1997–1998 to 2008–2009, and the crucial data were obtained from the CMIE database. The liquidity role strengthened for each of the selected 10 companies, demonstrating their ability to make timely payments on short-term obligations and their increased reliance on borrowing outside of their normal budgets for long-term obligations. This decreased the level of security provided to creditors. The financial balance of all the selected companies has shown to be negative, and the pharmaceutical companies financial balance has been sharply declining. The analysis no longer compares with local private pharmaceutical companies and only uses publicly available financial data from the public sector. . This is the main challenge facing the study. The evaluation is crucial in determining the firm's liquidity, solvency, profitability, balance, and other indications that the business is run rationally and normally, ensuring sufficient returns to the shareholders to maintain as little as possible its market value. The analysis will help customers determine the nature of the Indian pharmaceutical industry and will also help them make an investment decision. (Amalendu Bhunia, Sri Somnath Mukhuti & Sri Gautam Roy,2011)

Chapter 3 :
Organizational Overview

3.1 Company profile

A third-generation private commercial bank with its headquarters in Dhaka, Bangladesh, Mutual Trust Bank Ltd. (MTB) was recognized as the Best Financial Institution of 2014 at the DHL-Daily Star Business Awards 2015. On September 29, 1999, Mutual Trust Bank LTD was established as a public company limited by shares under the Companies Act of 1994 with an authorized capital of TK 38,00,000,000 divided into 38,000 ordinary shares at TK 100 each. The company does all types of banking business. On the same day, the Company received its Certificate for the Start of Business. On October 5, 1999, Bangladesh Bank gave it a license under the Banking Companies Act of 1991, and on October 24, 1999, it began operating as a bank. The firm began operating as a bank by the terms of its memorandum of association and with a license granted by Bangladesh Bank in accordance Act of 1991. This gave it the right to engage in the following banking activities. The first-ever "SME Bank of the Year" and "Women Entrepreneurs' Friendly Bank of the Year" awards were previously given to MTB by Bangladesh Bank and SME Foundation. The Institute of Chartered Accountants of Bangladesh has recognized MTB as having the third-best presented annual report in the Private Banks category. MTB wants to be known as a cutting-edge, customer-focused business and one of the most admired banks in the country. MTB has 200 Agent Banking Centers, 119 main branches, and 33 sub-branches.

Registered Name Of The Company

Mutual Trust Bank Limited

Company Logo:



Registered Office/ Headquarters:

MTB Centre, 26 Gulshan Avenue

Gulshan 1

Plot 5, Block SE(D), Gulshan 1, Dhaka 1212, Bangladesh.

3.2 Mission and Vision of MTBL

MISSION

Its goal is to become the most acclaimed financial institution in the nation, known for being a dynamic, creative, and customer-focused business that provides a range of goods and services in the pursuit of excellence and generates a significant amount of economic value.

VISION

The MTB3V concept serves as the foundation for Mutual Trust Bank's mission. MTB's vision is:

- ✚ One of the top-performing banks in Bangladesh.
- ✚ The bank of choice;
- ✚ A world-class bank.

3.3 MTB Core Values:

Commitment:

- ❖ Shareholders: Create long-term economic benefits for its shareholders by using an ethical and effective business strategy.
- ❖ Community: Dedicated to serving society through generating jobs, supporting neighborhood initiatives, and acting as a good corporate citizen.
- ❖ Clients: Provide cutting-edge service to their customers by providing a variety of goods and aiming to fully satisfy their banking needs.
- ❖ Employees: They respect their relationship as a member of this prestigious financial organization and rely on the inherent merits of our employees. They collaborate to recognize and reframe the many experiences, perspectives, abilities, and skills of everyone working there, regardless of their position.

Accountability:

As a bank, they accept and anticipate that we will only be evaluated on how well we fulfill our responsibilities. They're responsible for offering the best possible service while also adhering to rigid regulatory standards and moral corporate conduct.

Agility:

They can view things from several angles; we are adaptable and not constrained by our prior practices. To fulfill the demands of stakeholders and accomplish our objectives, we may act quickly and change our way of operation.

Trust:

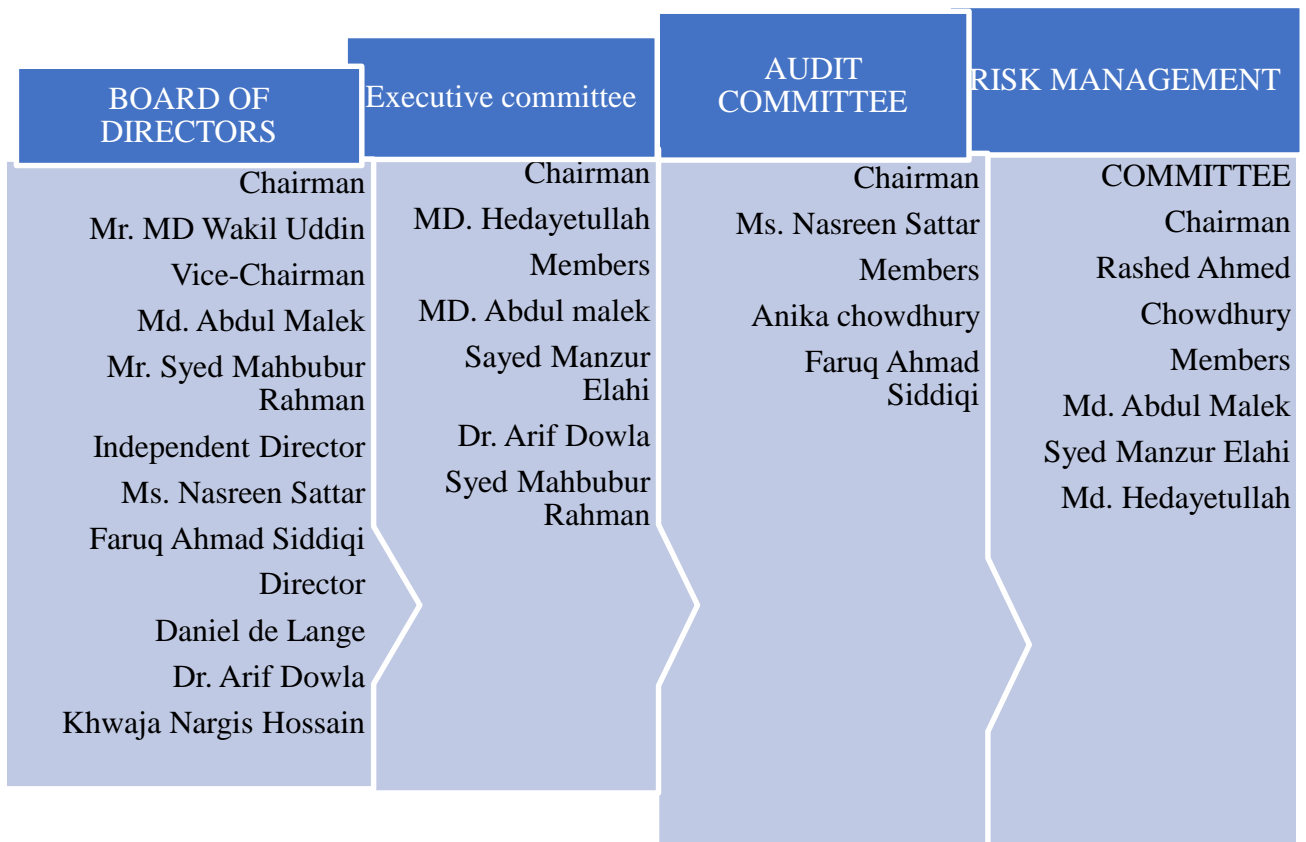
Place a high priority on mutual trust, which includes open and honest communication between all parties.

3.4 Objectives:

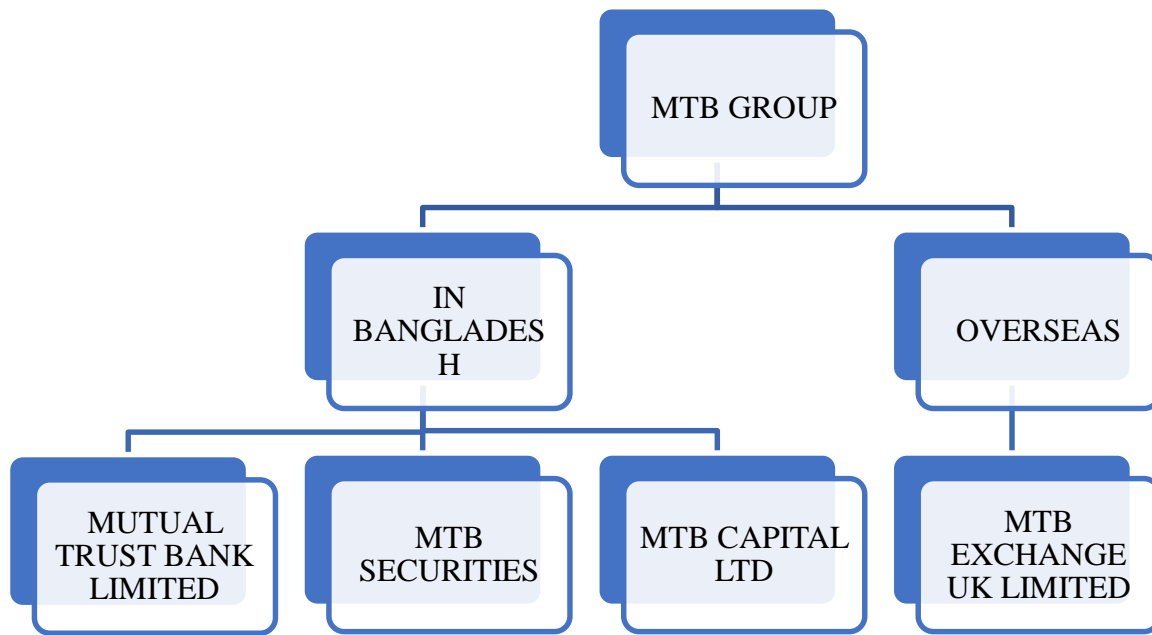
The Mutual Trust Bank Limited's (MTBL) principal goal is to provide a global standard banking service system in the financial sector. In addition, the bank began operating in the nation to achieve the following goals:

- ✚ To build a connection of collaboration with clients and do away with the debtor-creditor structure of traditional banks,
- ✚ To create a financial system that is welfare-oriented. to direct funds toward profitable industries.
- ✚ To make investments with a profit-and-risk split.
- ✚ Accept payments based on a profit-and-loss split.
- ✚ To generate employment by distributing savings to potential economic areas.
- ✚ To provide banking services to society's poor, defenseless, and low-income groups to raise their level of living.
- ✚ To aid in the building of a just and equitable economic system.
- ✚ Establish fairness in the country's economic trade and commerce.
- ✚ To provide services that will aid in the country's economic growth.

3.5 The board and its committee



3.6 MTB corporation structure



3.7 Functions Of MTB

The following are the roles that Mutual Trust Bank Limited performs: To manage all kinds of deposit accounts with online features.

- ✚ To do our currency exchange business.
- ✚ expand other financial services.
- ✚ To carry out charitable endeavors.

3.8: Management Hierarchy Structure of Mutual Trust Bank Limited



3.9.: Product and Services of Mutual Trust Bank Limited

<p>(a) Retail and deposit product: 1.1.1</p>	<p>1.MTB SAVINGS ACCOUNT: MTB Care MTB Extreme Savings Account MTB Inspire MTB Inspire MTB Senior 2.MTB Current Account 3. MTB Deposit Scheme MTB Brick By Brick MTB Kotipati MTB Millionaire Plan 4. MTB Fixed Deposits MTB Double Saver MTB Fixed Deposit MTB Monthly Benefit Plan MTB Quarterly Benefit Plan</p>
<p>(b) Retail Loan Product</p>	<p>1. MTB Retail Loan MTB Auto Loan MTB Cash Line MTB Grameen Griho Reen MTB Home Equity Loan</p>
<p>(c) MTB Credit Card</p>	<p>MTB Gold Credit Card MTB Mastercard Titanium Credit Card MTB Mastercard World Credit Card MTB VISA Platinum Credit Card MTB Visa Signature Credit Card</p>
<p>(c) MTB Payroll Banking</p>	<p>1. Salary Segment: payroll Premium salary BDT 100,000 and above. Payroll Savers salary BDT 20,000 and less than BDT 100,000. Payroll e-Savers salary less than BDT 20,000.</p>
<p>MTB Student banking</p>	<p>1. MTB Student Savings Account MTB Graduate MTB Junior 2. MTB Student Deposit Scheme MTB Children Education Deposit Scheme MTB Education Plan 3. MTB Student Loan MTB EDU Finance</p>
<p>(e)MTB Angona</p>	<p>1. Angona products Angona Savings Account Angona Premium Account Angona Fixed Deposit</p>






Corporate Banking

1. Team Finance
2. Trade Finance
3. Working Capital Finance

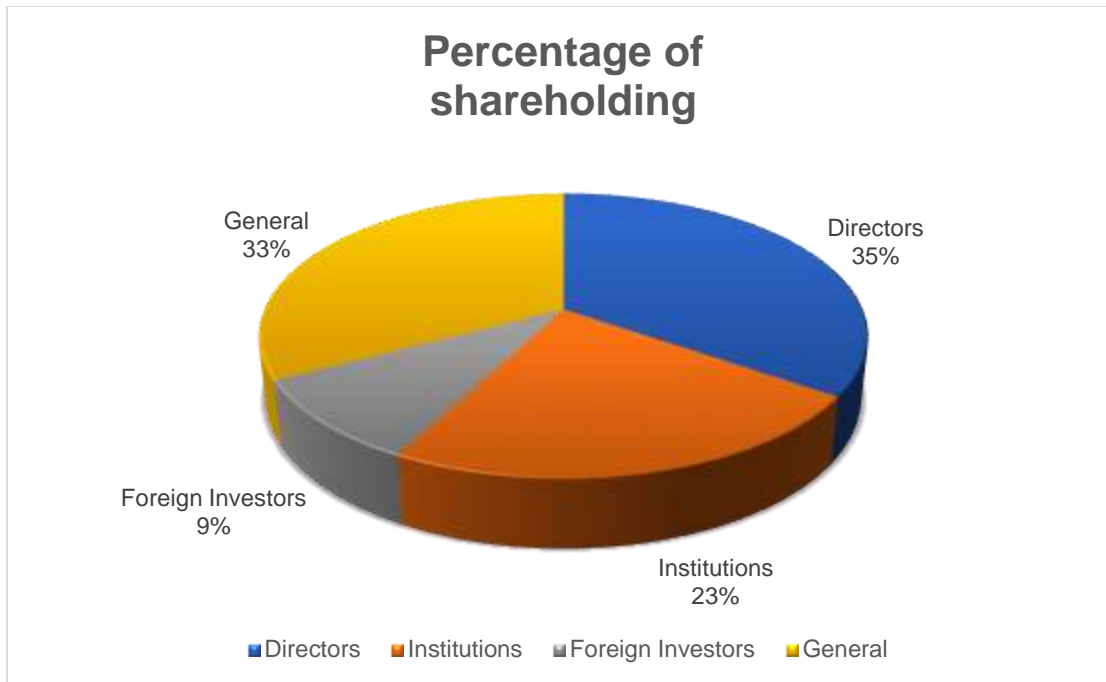
SME Banking

1. MTB Bhagyoboti
2. MTB Krishi
3. MTB Mousumi
4. MTB Revolving Loan
5. MTB Small Business Loan
6. Micro Digoon

3.10: Treasury service of MTB

-  Desk for Asset-Liability Management
-  Desk of Corporate Sales
-  Trading in currencies and foreign exchange
-  Public Sector Securities (T-Bill, T-Bond)
-  Money Market Instruments

3.11: Shareholder Structure of MTB



3.12: My Internship Experience At Mutual Trust Bank Ltd

The Panthapath branch of MTB offered me a job in their general banking department and student banking. It's the place where any banking interactions must begin. This section offers a wide variety of assistance including account opening, pay order issuance, bank statement delivery, debit/credit card delivery, and student banking. In addition to being able to check their balance and get a copy of their statement, customers can get answers to any questions they may have about banking here as well. Throughout my internship, I have helped out in a variety of different areas of the bank. Even though I was never officially transferred to any specific department, I was exposed to multiple divisions at once. I was also tasked with answering customers' inquiries about their accounts and other matters. I was able to provide direct service to the clientele. As a bonus, I was always available to assist clients who needed assistance with things like filling out deposit slips, writing checks, or anything else.

3.13: My job responsibilities

To begin with, there are 3 wonderful classes in popular banking. They are – Front Desk- GB (general banking), Accounts Department, and student banking. I became especially assigned to paintings withinside the front table, the front table of well-known banking is the place to begin all banking sports the overall banking branch allows in receiving deposits and

additionally offers a few offerings, it gives to the clients who go too often and people who come Banking hours to avail offerings. In a few ordinary banking operations, there may be no courting between the banker and the purchaser who will simplest receive a carrier 31 shape the financial institution. On the opposite hand, there are clients with whom the financial institution is doing common business. It is the branch, which presents daily offerings to clients. Every day it accepts deposits from clients and fulfills their coins wishes via way of means of issuing cheques. It opens new accounts, deposits funds, problems with financial institution drafts and pay orders, etc. In the Credit/Loan Department, I have worked to prepare credit card applications.

As an intern at MTBL (Panthapath branch), there have been numerous sports wherein I turned involved. Activities are given below:

- ✚ Opening both individual & non-individual accounts
- ✚ Customer service
- ✚ Filling out incomplete forms
- ✚ Filling KYC, TP & Segments.
- ✚ Writing cheques & pay the order
- ✚ completion of missing documentation for existing account opening forms
- ✚ Calling customers for debit cards, and credit cards and delivering them along with the PIN when a customer comes to collect it
- ✚ Collecting required files from clients like a photocopy of countrywide identification cards, Passport, Trade License Etc.
- ✚ Putting a seal on cheque book
- ✚ Recording inward register
- ✚ Receiving calls
- ✚ Scanning files
- ✚ Recording the remittance inwards.
- ✚ Talking to the customer for student banking, collecting the necessary documents, and taking the customer's signature.
- ✚ Assigning special account numbers to distinct clients.
- ✚ Verify signatures of clients even as issuing cheques.

3.14 Lessons from Internship Experience:

Some of my internship experiences have helped me reflect on my growth and the evolution of the banking industry. I believe this will be instrumental in my professional development going forward. Certain of them were-

- ✚ Becoming more socially aware as I've formed strong bonds with coworkers and even some customers.
- ✚ Always being on time for work is essential in the banking industry, as employees are expected to arrive at the office by 10 am and wrap up their customer service duties by 6 pm daily.

- ✚ I learned a lot about the banking system by taking the advice of senior officers and listening to them.
- ✚ Being proactive requires the ability to multitask.
- ✚ I've learned to set priorities so I can give my best effort at work.
- ✚ I gained valuable insight from my mistakes, and I took extra care in the future to avoid repeating them.
- ✚ It is my responsibility to respond to every one of my customers' questions, so I must exercise extreme patience whenever I interact with them.
- ✚ I learned to be professional and to treat my seniors with respect.
- ✚ Maintaining composure and reason in trying circumstances.
- ✚ I found that being a good listener was crucial to earning my customers' confidence.

3.15: Profile of mutual trust bank panthapath branch:

A branch of mutual trust Bank Limited has situated nearby the bosundhara shopping mall, chandhrashila suvastu tower, panthapath Dhaka, and close to one's expected location. To learn about the physical address, location, contact number, routing number, SWIFT code, service hours, and what times and days the panthapath branch will be open and closed and have a great experience with its best services check out the following information:

Bank	Mutual Trust Bank Limited
Branch name	Panthapath Branch
Address	Chandrashila Suvastu Tower, 69/1 Panthapath, Dhaka
E-Mail	panthapath.br@mutualtrustbank.com
Service Hours	Sunday: 09:00 am - 3:00 pm Monday: 09:00 am - 3:00 pm Tuesday: 09:00 am - 3:00 pm Wednesday: 09:00 am - 3:00 pm Thursday: 09:00 am - 3:00 pm Friday: Closed Saturday: Closed
Loan deposit ratio	18%
Routing Number	145263610

3.16: People of the Panthapath Branch

MD. Khairul Islam - Branch Manager (BM)

MD. Shakhawat Hossain - Deputy Manager (DM)

Mohammad Shibbirul Islam Bhuiyan - Assistant Vice President

MD. Golam Rabby – Associate Mohammad

Jahirul Alam – Assistant Relationship Manager

Rockibuzaman – Designation Officer

Rupa Roy – Accounts Officer

MD. Rayhan Siddique – Associate RM

MD. Zahid Mahmud Khan – Associate RM

Sabina Yeasmin – Senior Business Development Officer

Sabiha Sharmin – AVP & Senior Relationship Manager

Saidur Rahman Razib – Junior Officer

Chapter 4






Financial Performance Analysis Of Mutual Trust Bank Limited

4.1: Financial ratio analysis:

Analysis of financial ratios is used to assess a company's financial health and performance. Its goal is to give users, both internal and external, information about the company entity so they can make decisions. For instance, ratio analysis is a factor that creditors consider when making loan choices, and prospective shareholders may use this data to decide what to invest in. The information needed to make a variety of operating and financial decisions is also made available to the firm's managers through the financial ratio analysis.

4.2: Financial Performance Analysis Using Ratio

Five general ratio categories:

-  **Liquidity analysis:** Measures the capacity of a company's financial resources to cover its immediate cash commitments.
-  **Efficiency or Activity:** Analyze the production and revenues produced by the firm's assets using efficiency or activity analysis.
-  **Leverage or Solvency:** Analyzes the firm's capital structure in terms of the variety of debt financing sources it uses and its capacity to meet its longer-term debt and investment obligations.
-  **Profitability:** The profitability analysis calculates the firm's income from its sales and capital expenditures.
-  **Market Ratio:** Relate a company's market worth, as determined by the price of its present market share, to certain accounting values.

4.3: Liquidity analysis of mutual trust bank limited:

Current Ratio:

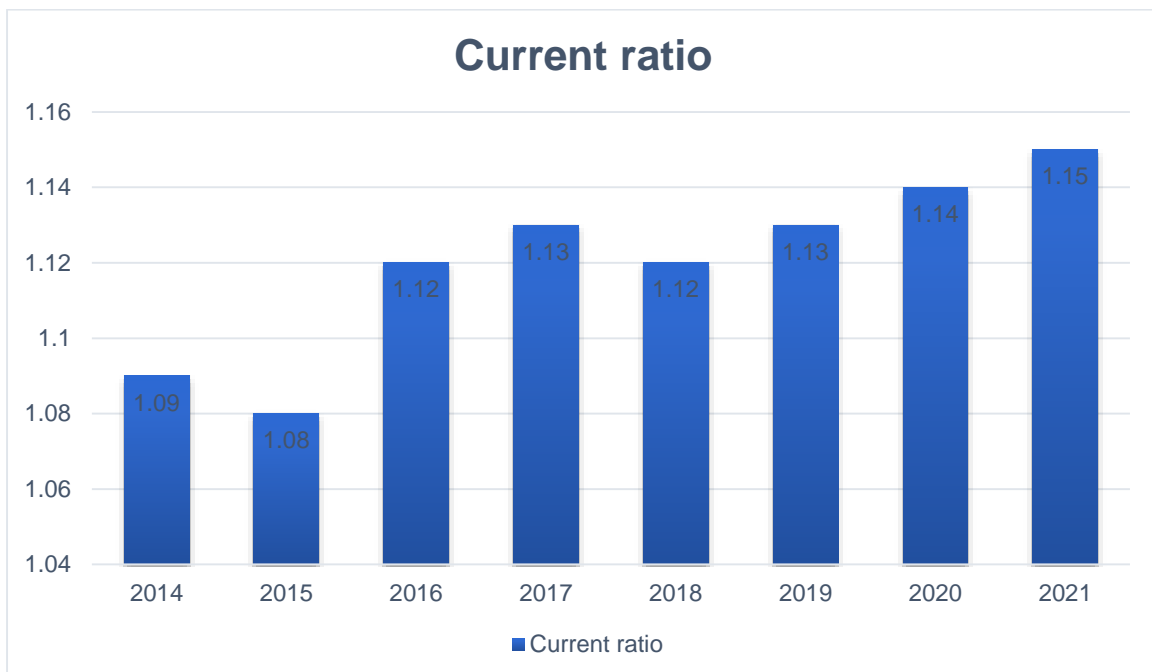
Current sources generally are appealing securities, money, inventories, and statistics receivables. Current liabilities are brief notes payable, present-day trends of long-haul obligation, creditor liabilities, collected responsibilities, and different amassed costs.

Current Ratio = Current Assets of MTB / Current Liabilities of MTB

Table 1:Current Ratio:

Years	Current asset	Current liabilities	Ratio
2021	287,414,639,224	248,162,723,498	1.15
2020	253,762,313,900	220,068,084,812	1.14
2019	242,077,604,961	212,648,901,836	1.13
2018	218,886,908,399	198,796,433,627	1.12
2017	191,277,276,097	168,193,543,599	1.13
2016	156,699,284,757	140,600,284,757	1.12
2015	94,636,043,535	87,010,707,111	1.08
2014	109,016,153,337	99,809,149,462	1.09

Graph:



Definition: The business's capacity to cover current liabilities with current assets. A greater ratio is advantageous to the bank because it helps with default protection.

Year to year: Looking into 2014, we can observe that the current ratio is 1.09 times what it means to pay one taka's obligation Current assets for Bank Asia totaled 1.09 taka. 2015 sees a drop to 1.08 and In 2016 it increased to 1.12 times once more, and in 2017 it rose to 1.13 times and it increased. In 2021 current ratio is 1.15. This indicates that the current assets of the mutual trust bank are in good shape. Mutual trust bank has more current assets to pay their current liabilities. But more current asset is not good for a company. Mutual trust bank can invest their asset .

Cash Ratio :

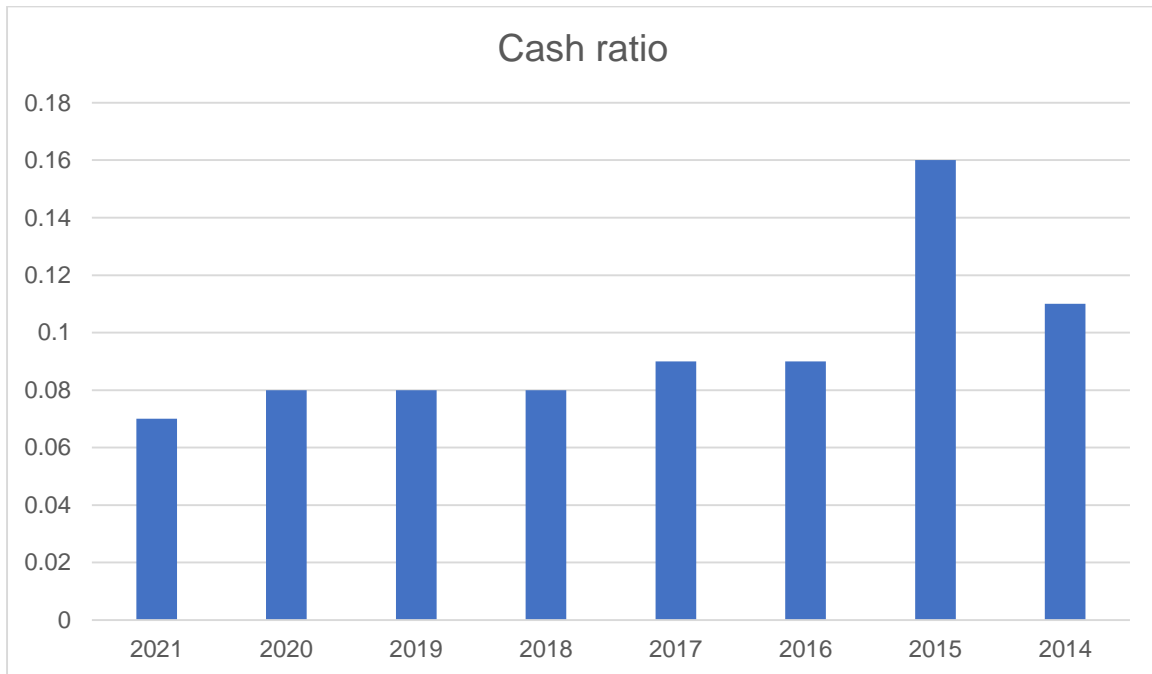
Cash and marketable securities total value divided by current liabilities.

Cash Ratio= (Cash and cash equivalents /Current Liabilities)

Cash equivalents mean money at call & short notice, marketable securities, and bank balance from another bank.

Table 2:Cash Ratio

Year	Cash and cash equivalents	Current liabilities	Cash ratio
2021	18,714,016,620	248,162,723,498	0.07
2020	17,532,257,617	220,068,084,812	0.08
2019	17,972,240,898	212,648,901,836	0.08
2018	17,057,651,343	198,796,433,627	0.08
2017	20,565,380,181	168,193,543,599	0.09
2016	13,101,462,988	135,699,284,757	0.09
2015	14,415,500,316	87,010,707,111	0.16
2014	11,107,388,959	99,809,149,462	0.11



Definition:

A company's capacity to meet its short-term commitments entirely with cash and cash equivalents is demonstrated by the cash ratio, which is a liquidity indicator. The cash ratio is calculated by multiplying a company's total current liabilities by the sum of its cash and near-cash securities reserves.

Year to year:

The mutual trust bank cash ratio decreased from 2014 to 2021. In 2015 it was 0.16 but in the next 6 years cash ratio decreased and in 2021 cash ratio was 0.07. The cash ratio yields a better result when determining how much cash the bank has available to cover its current liabilities. We might conclude that the management did not effectively use the cash, which is a significant loss for a bank.

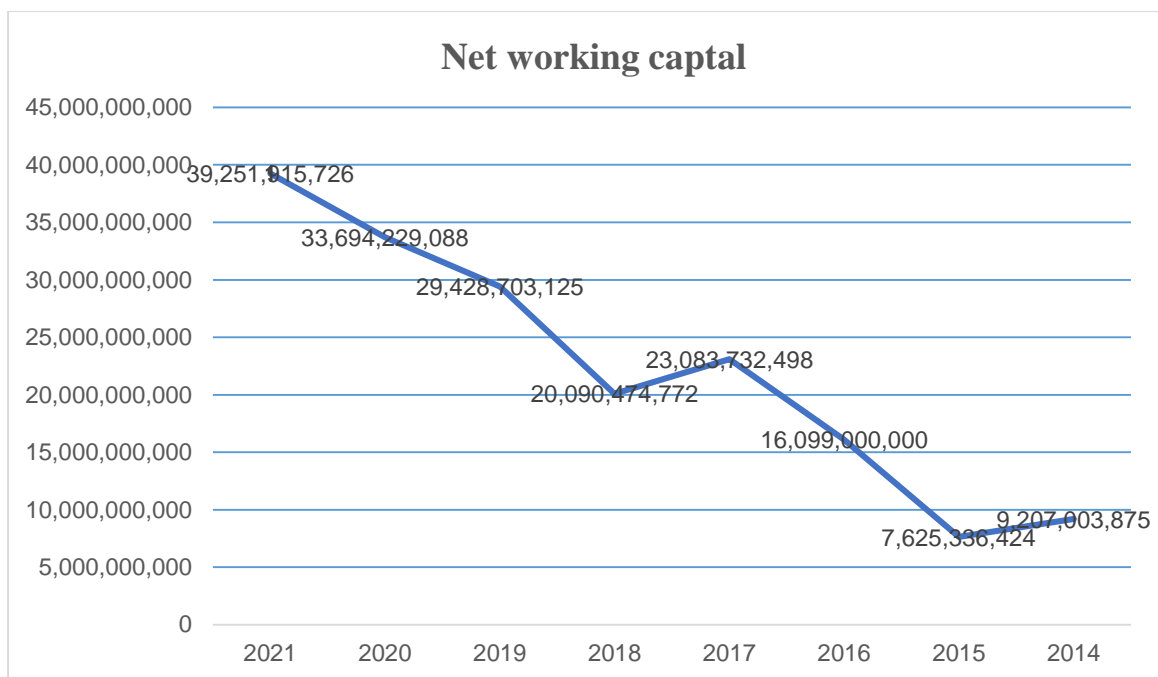
Net Working Capital

Working Capital is referred to as internet running capital, it displays the distinction between a company's modern belongings and cutting-edge liabilities. Current belongings are cash, inventories of uncooked substances and completed goods, bills receivable, and Current Liabilities are debts payable.

Net Working Capital = Current Assets – Current Liabilities

Table 3: Net Working Capital

Year	Current asset	Current liabilities	Net working capital
2021	287,414,639,224	248,162,723,498	39,251,915,726
2020	253,762,313,900	220,068,084,812	33,694,229,088
2019	242,077,604,961	212,648,901,836	29,428,703,125
2018	218,886,908,399	198,796,433,627	20,090,474,772
2017	191,277,276,097	168,193,543,599	23,083,732,498
2016	156,699,284,757	135,699,284,757	16,099,000,000
2015	94,636,043,535	87,010,707,111	7,625,336,424
2014	109,016,153,337	99,809, 149,462	9,207,003,875



Interpretation: There was a downward trend from 2014 to 2015. However, the net working capital has increased from 16,099,000,000 in 2016 to 23,083,732,498 in 2017. But there is a decreasing trend in 2018 because current liabilities increased in large proportion to current in 2018. But in 2019, 2020 and 2019 net working capital is increasing. In 2021 was 39,251,915,726. It may be very clear that the capital working funding for MTB is growing steadily after 2019. Because from 2019-2021 the graph indicates the growth for MTB.

4.4 Efficiency or Activity Ratio:

Analyze the production and revenues produced by the firm's assets using efficiency or activity analysis.

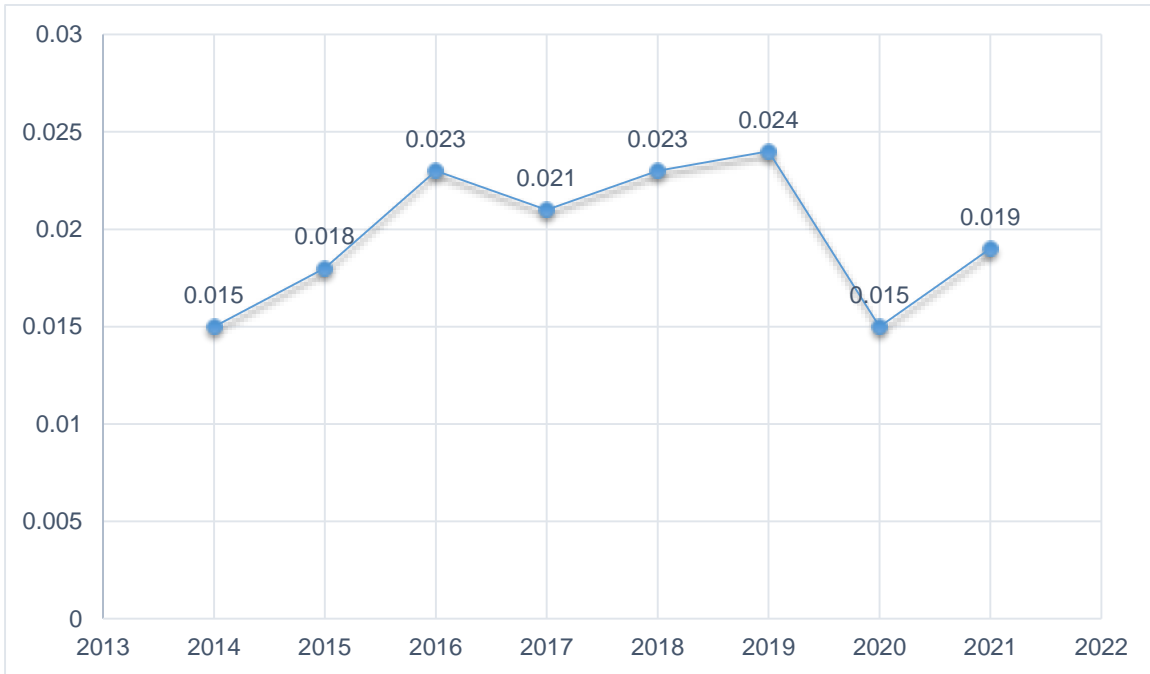
Total Asset Turnover :

Net sales of MTB / Total assets of MTB

Table 4: Total Asset Turnover

Year	Net sales	Total asset	Turnover
2021	5747085772	306500925149	0.019
2020	3945252413	269269259576	0.015
2019	5629712864	239643765984	0.024
2018	5251214186	222444897850	0.023
2017	4307675291	201153934194	0.021
2016	3878278089	165370686869	0.023

2015	2864114900	146078316135	0.018
2014	1835023163	116300961975	0.015



Define: How well a corporation uses all of its resources to produce sales and income.

Year to year: For every taka in total assets, the mutual trust bank was able to create 0.019 taka in sales in 2014, according to its TAT. In 2015 and 2016 it increased. But in 2017 as dropped. Then in 2018 and 2019 increases continue. But in 2020 and 2021 TAT ratio decreased. It implies that 2019 was in the highest condition. The mutual trust bank total asset turnover ratio is on the decline in 2021 other than in previous years which is terrible news for the company.

Current Asset Turnover

Current Asset Turnover Ratio: I calculated the Current Asset Turnover Ratio of the mutual trust bank as:

$$\text{Current asset ratio} = \text{Net Interest Income} / \text{Total Current asset}$$

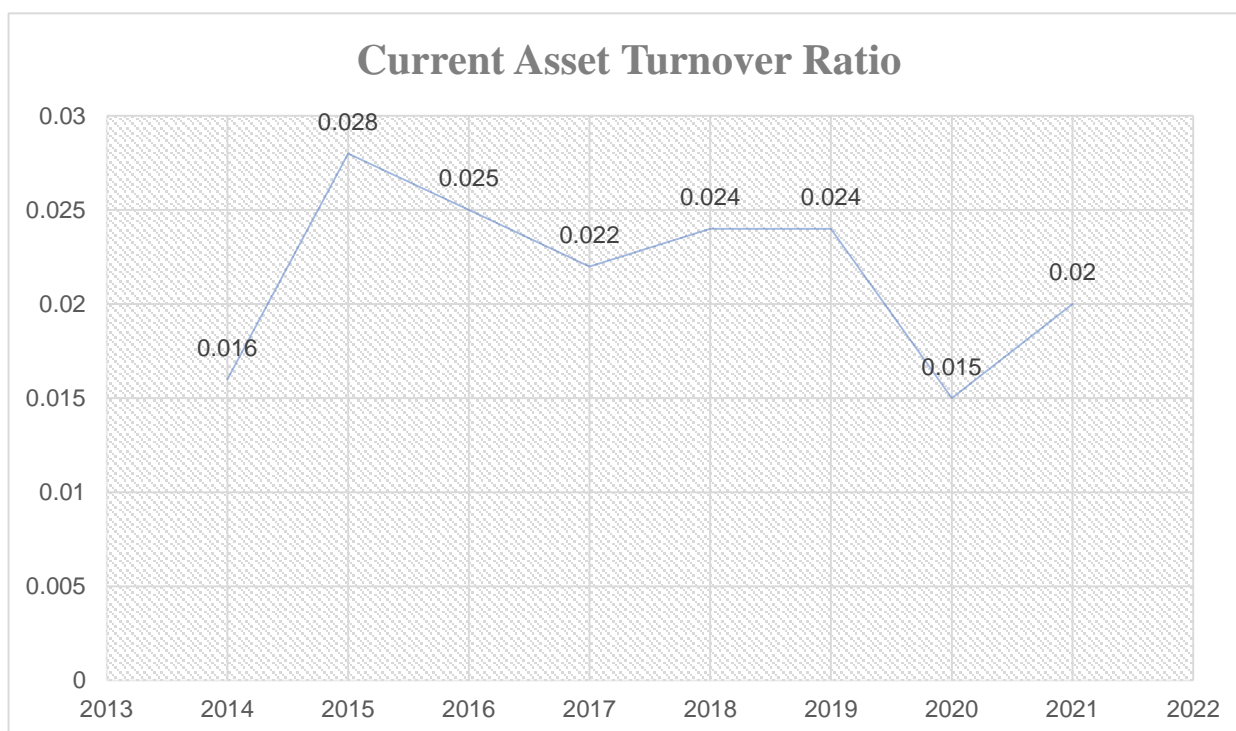
Table 5: Current asset ratio

Year	Net sales	Total current asset	Current turnover asset
2021	5747085772	287,414,639,224	0.020
2020	3945252413	253,762,313,900	0.015
2019	5629712864	242,077,604,961	0.024

2018	5251214186	218,886,908,399	0.024
2017	4307675291	191,277,276,097	0.022
2016	3878278089	156,699,284,757	0.025
2015	2864114900	94,636,043,535	0.028
2014	1835023163	109,016,153,337	0.016

Define : The efficiency with which a business generates sales with its current assets.

Year to year: In 2014, the mutual trust bank's current asset ratio was 0.016, which suggests that it can produce 0.016 Taka in sales from a single Taka in current assets. It increases to 0.028 in 2015, 0.025 in 2016, and in 2017 it decreased. In 2018 and 2019 current asset ratio is the same it was 0.024. In 2020 it was more decreased. But in 2021 current asset ratio is increased to the previous year. Therefore, 2015 was the finest year ever.

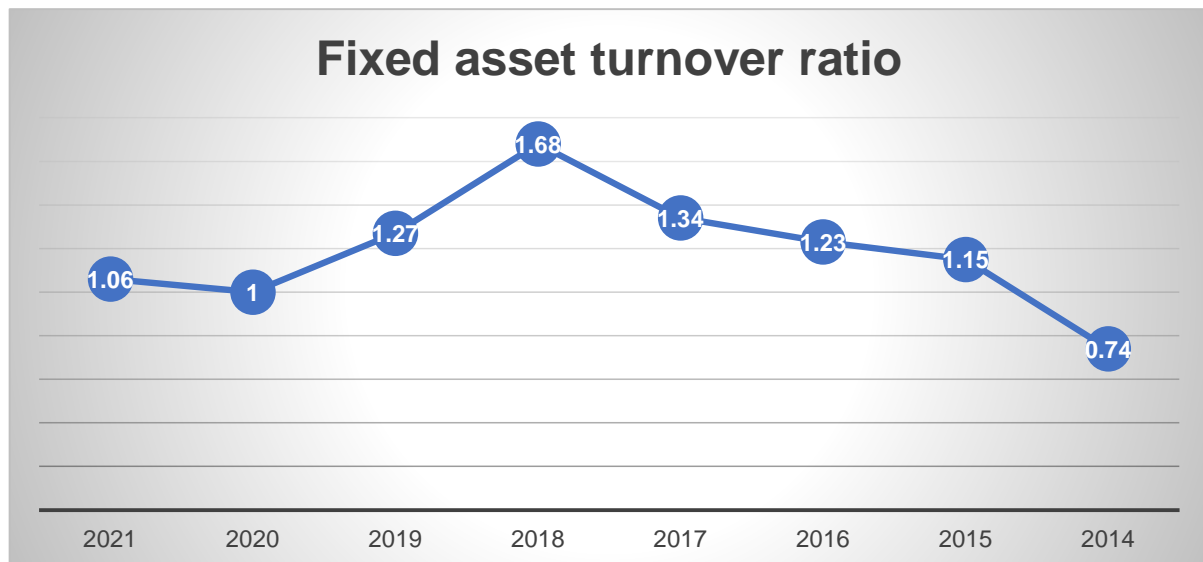


Fixed Asset Turnover Ratio: I calculated the Fixed Asset Turnover Ratio of the mutual trust bank as:

$$\text{FAT} = \text{Net Interest Income of MTB} / \text{Total fixed Asset of MTB}$$

Table 6: Fixed Asset Turnover Ratio

Year	Net sales	Total fixed asset	Fixed asset turnover ratio
2021	5747085772	5394493735	1.06
2020	3945252413	4896306425	1.00
2019	5429712862	4276584398	1.27
2018	5251214186	3128176263	1.68
2017	4307675291	3211265364	1.34
2016	3878278089	3140971243	1.23
2015	2864114900	2488892429	1.15
2014	1835023163	2458193366	0.74



Define: The efficiency with which a business generates sales by utilizing its fixed assets.

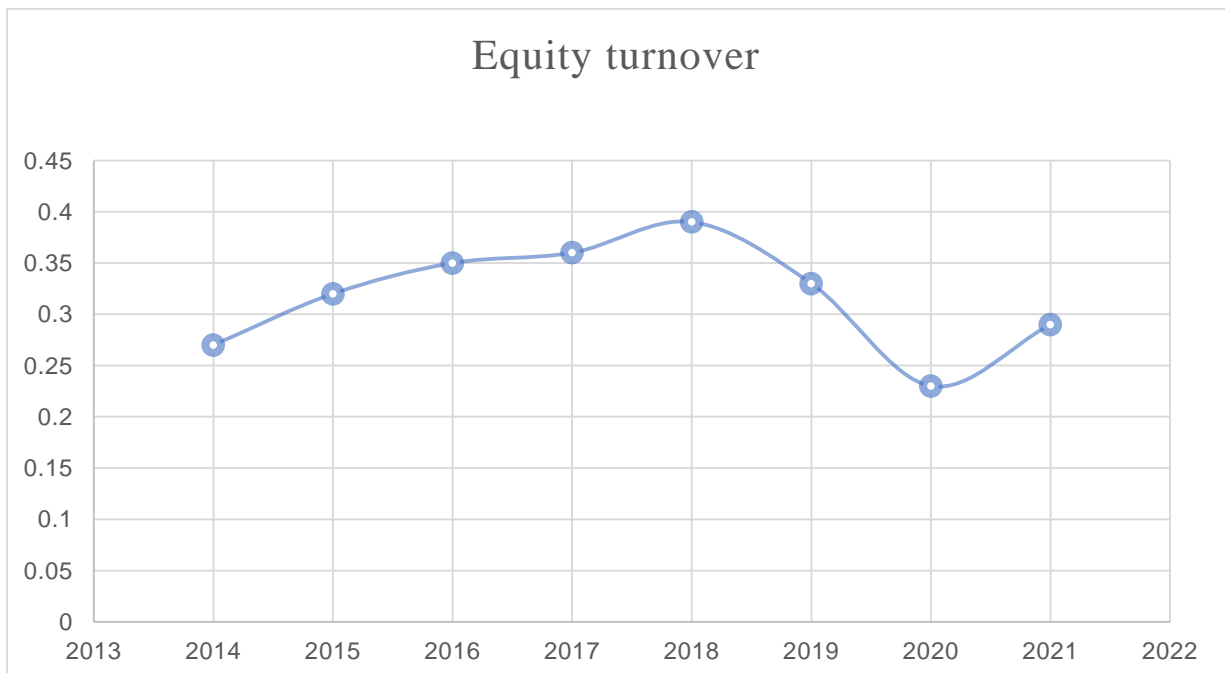
Year to year: In 2014, the mutual trust bank used 1 taka in fixed assets to produce 0.74 taka in sales. The fixed asset turnover ratio increased to 1.15 in 2015, 1.23 in 2016, and 1.34 in 2017 which also increase in 2018. However, it declined somewhat in 2019 and 2020. But in 2021 it increased more than the previous year which was 1.06. So, the finest year was 2018.

Equity turnover

Equity turnover ratio : Net sales of MTB / total equity of MTB Table

Table 7: Equity Turnover Ratio

Years	Net sales	Total equity	Equity turnover ratio
2021	5747085772	19654773315	0.29
2020	3945252413	17011160732	0.23
2019	5429712862	16269867060	0.33
2018	5251214186	13278877972	0.39
2017	4307675291	11761062068	0.36
2016	3878278089	10974560034	0.35
2015	2864114900	8929187802	0.32
2014	1835023163	6770408013	0.27



Define: The number of sales the firm is generating with equity holder funds.

Year to year: In 2014, the mutual trust bank ET ratio was 0.27 times, which implies that for every 1 Taka in equity, the company generated 0.27 Taka in revenue. It increases from 2015 to 2018. However, it dropped in 2019 and 2020. Then the next year it increased by 0.29.

Therefore, the greatest years for mutual trust banks were 2018, while the worst years were 2014.

4.5 Profitability Ratio of mutual trust bank:

Return on Assets: I calculated the Return on Asset of MTB as

$$\text{ROA} = \text{Net Income of MTB} / \text{Total Assets of MTB}$$

Table 8: Return on Assets ratio

Year	Net income	Total asset	ROA
2021	5747085772	306500925149	0.019
2020	3945252413	269269259576	0.015
2019	5629712864	239643765984	0.024
2018	5251214186	222444897850	0.023
2017	4307675291	201153934194	0.021
2016	3878278089	165370686869	0.023
2015	2864114900	146078316135	0.018
2014	1835023163	116300961975	0.015



Define: ROA implies how much money the corporation is earning from its assets. Here, a larger ratio should be preferred.

Year to year: Analysis from year to year MTB ROA for 2014 was 0.015 in favor. The ROA of MTB improved to 0.018 in 2015. However, ROA was 0.023 in 2016 a little decline from

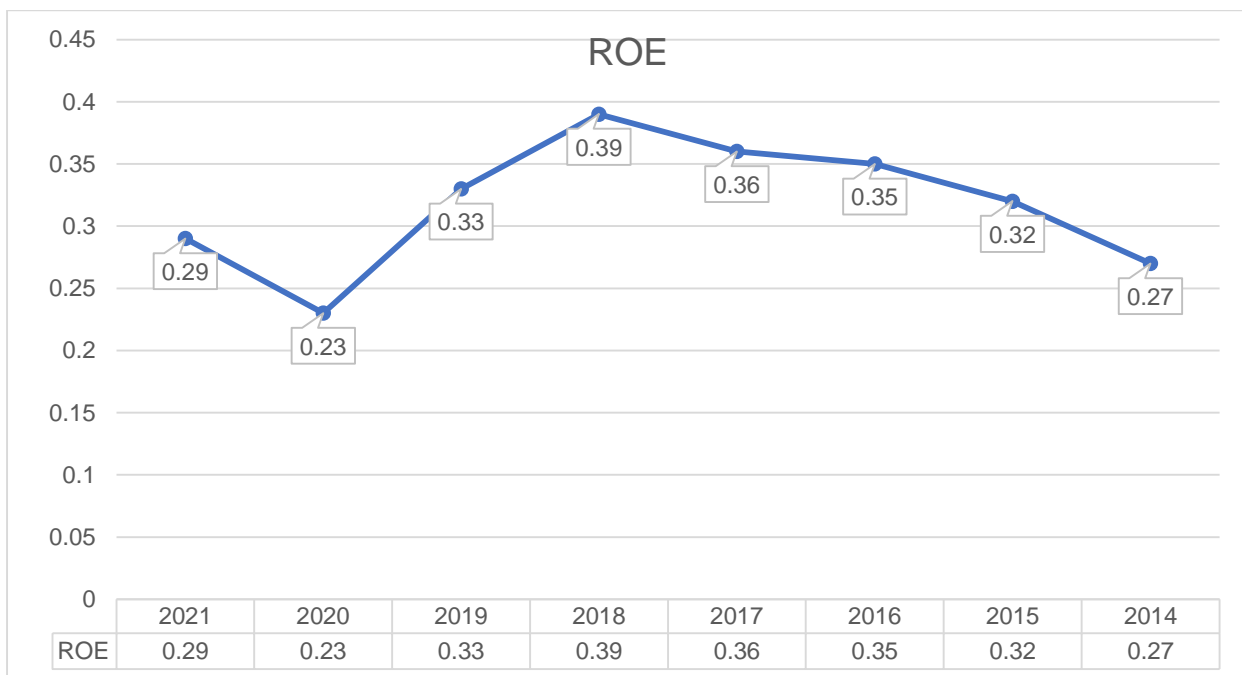
2017. But in 2018 and 2019 it increased. and in 2020 it fell once more to 0.015 which is the year's ROA worst. But in 2021 ROA ratio increased to the previous year which was 0.019. The best return on assets for MTB came in 2018 when the company boosted its profit margin to 0.023 .As we see that MTB has had a diminishing return on assets over the last two years, which translates to lower profit on assets.

Return on Equity: I calculated the Return on Equity of MTB as:

$$\text{ROE} = \text{Net Income of MTB} / \text{Total Equity of MTB}$$

Table 9: Return on Equity Ratio

Years	Net income	Total equity	ROE
2021	5747085772	19654773315	0.29
2020	3945252413	17011160732	0.23
2019	5429712862	16269867060	0.33
2018	5251214186	13278877972	0.39
2017	4307675291	11761062068	0.36
2016	3878278089	10974560034	0.35
2015	2864114900	8929187802	0.32
2014	1835023163	6770408013	0.27



Define: ROE refers to calculating the number of profits the firm is producing utilizing its Owners' Equity.

Year to year: In 2014 ROE was 0. 27%. It went up to 0.32 % in 2015. And in 2015 to 2018 ROE ratio was increasing. But starting in 2019, it is clear that ROE is falling. It was 0.33% in

2019 and again decrease by 0.23% in 2020. but in 2021 it was 0.29% which was than the previous year The worst year thus far is 2020, while the finest year is 2018.

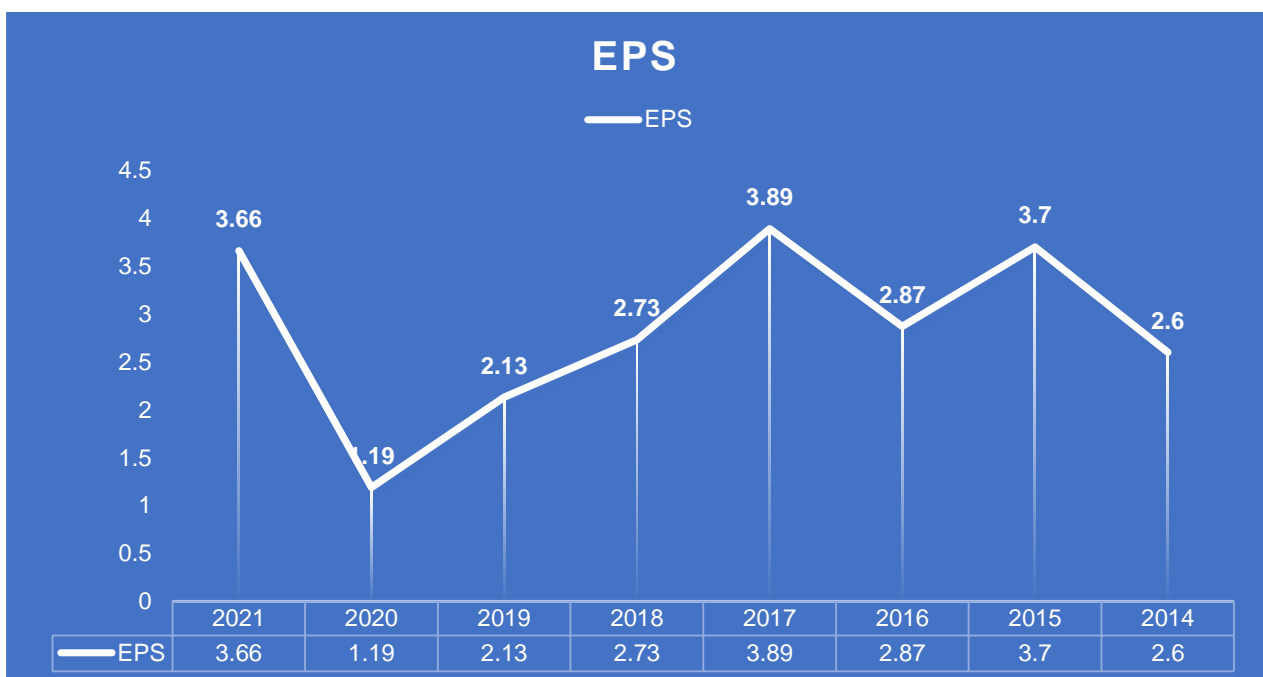
Earnings per Share:

I calculated the Earnings per Share of MTB as:

Net Income of MTB /Number of shares outstanding of MTB

Table 10: Earnings per Share

Years	2021	2020	2019	2018	2017	2016	2015	2014
EPS	3.66	1.19	2.03	2.73	3.89	2.87	3.70	2.60



Define: EPS refers to how much of a company's net profits are distributed to its stockholders.

Year to year: MTB ‘s earnings were 2.6 taka per share in 2014. translates to a dividend of 2.6 taka per share from MTB. It went up to 3.7 taka in 2015. However, it slightly fell and reached 2.87 taka in 2016. It increased in 2017 to 3.89 taka. In 2018 EPS decrease by 2.73 taka . 2019

and 2020 it was also decreasing. But 2021 EPS was increased than the previous year which was 3.66. This indicates that MTB has recovered and is now making a profit.

4.6 Solvency Ratio of Mutual trust bank

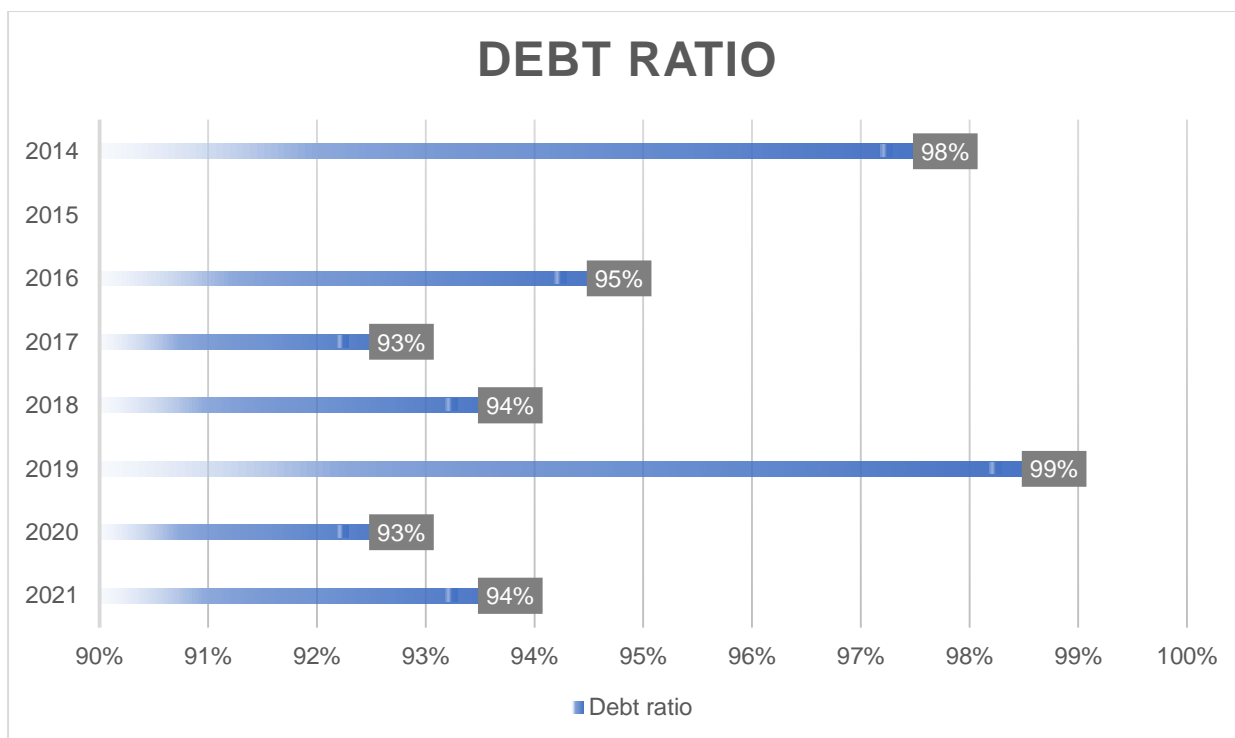
Debt ratio:

I calculated Debt to Total Asset Ratio of MTB as:

$$D/A = \text{Total Liabilities of MTB} / \text{Total Assets of MTB}$$

Table 11: Debt ratio

Year	Total liability	Total asset	Debt ratio
2021	286,846,018,576	306500925149	0.94
2020	252,257,967,102	269269259576	0.93
2019	238,623,169,339	239643765984	0.99
2018	209,165,979,928	222444897850	0.94
2017	189,998,872,126	201153934194	0.93
2016	160,165,941,427	165370686869	0.95
2015	140,001,847,439	146078316135	0.96
2014	112,530,434,816	116300961975	0.98



Define: The proportion of liabilities and owner equity in the total assets of the firm.

Year to year: MTB 's debt-to-total-assets ratio was 98% in 2014; it decreased to 96% in 2015; also decreasing in 2016 and 2017. Then in 2018, it rises to 94%, and 99% in 2019. but in 2020 it fell by 93%. However, in 2021 debt ratio was increased by 94%, indicating that the business is utilizing greater leverage and has a low asset base.

Debt-equity ratio:

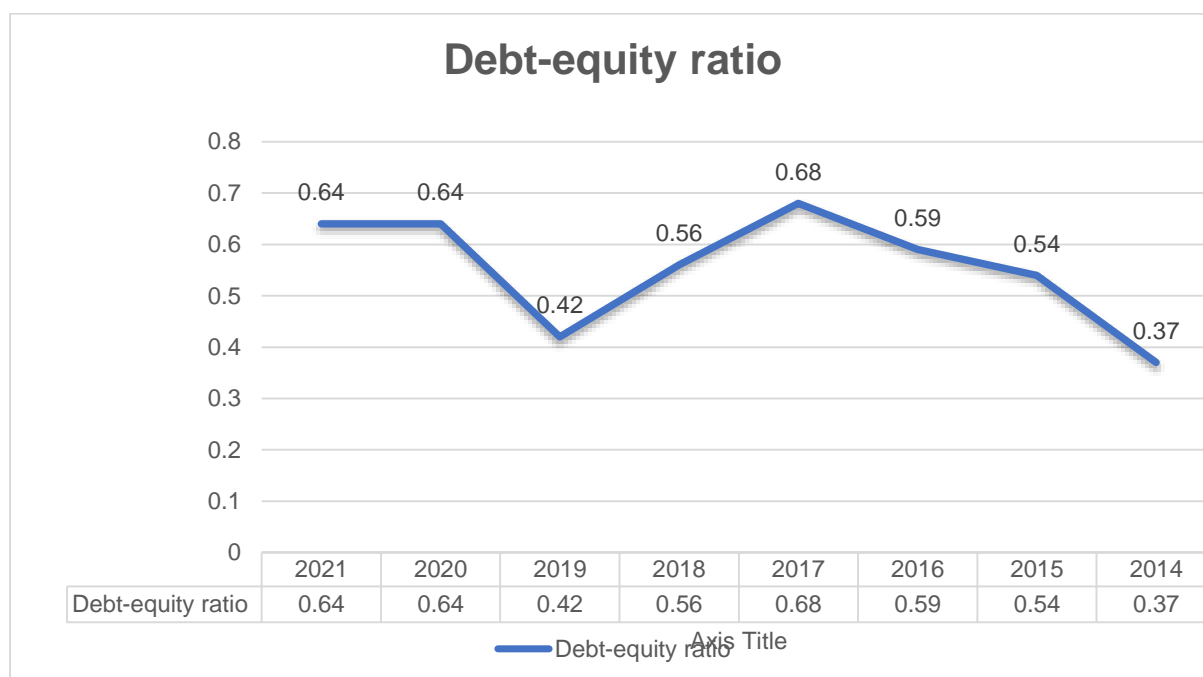
I calculated Debt to Total Equity Ratio of the mutual trust bank as:

$$D/E = \text{Total Long -term Debt of MTB} / \text{Total Equity of MTB}$$

Table 12: Debt-equity ratio

Years	Long term debt	Total equity	Debt-equity ratio
2021	12,600,000,000	19654773315	0.64
2020	10,850,000,000	17011160732	0.64
2019	6,800,000,000	16269867060	0.42
2018	7,400,000,000	13278877972	0.56
2017	8,000,000,000	11761062068	0.68
2016	6,500,000,000	10974560034	0.59
2015	4,875,000,000	8929187802	0.54

2014	2,500,000,000	6770408013	0.37
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Define: The percentage of the total amount of capital that is raised through debt and equity.

Year to year: Bank Asia's D/E ratio was 0.37 in 2014, grew to 0.59 in 2015, and again grew in 2016 and 2017. Declined to 0.56 in 2018, and in 2019 it was 0.42. jumped to 0.64 in 2020 and 2021. This indicates that 2020 and 2021 were good since MTB borrowed more money.

The Times Earning Interest Ratio: I calculated the Times Earning Interest Ratio of MTB as:

$$\text{TIE} = \text{EBIT of MTB} / \text{Total Interest Expense of MTB}$$

Table 13: The Times Earning Interest Ratio

Years	2021	2020	2019	2018	2017	2016	2015	2014
TIE	1.79	1.78	1.80	1.87	1.48	1.42	1.41	1.18

Define: It refers to a company's capacity to deduct interest expense from EBIT.

Year to Year: In 2014 MTB's TIE was 1.18 but in 2015 it increase to 1.41 and also increase from 2016 to 2018. In 2019 it decrease by 1.80, and stayed the same decrease in 2020 and 2021. As a result, MTB had its greatest year in 2018. Because MTB was better able to use its EBIT to cover interest expenses in that year.



4.7 Market Ratio of Mutual trust bank :

Price to Earnings Ratio:

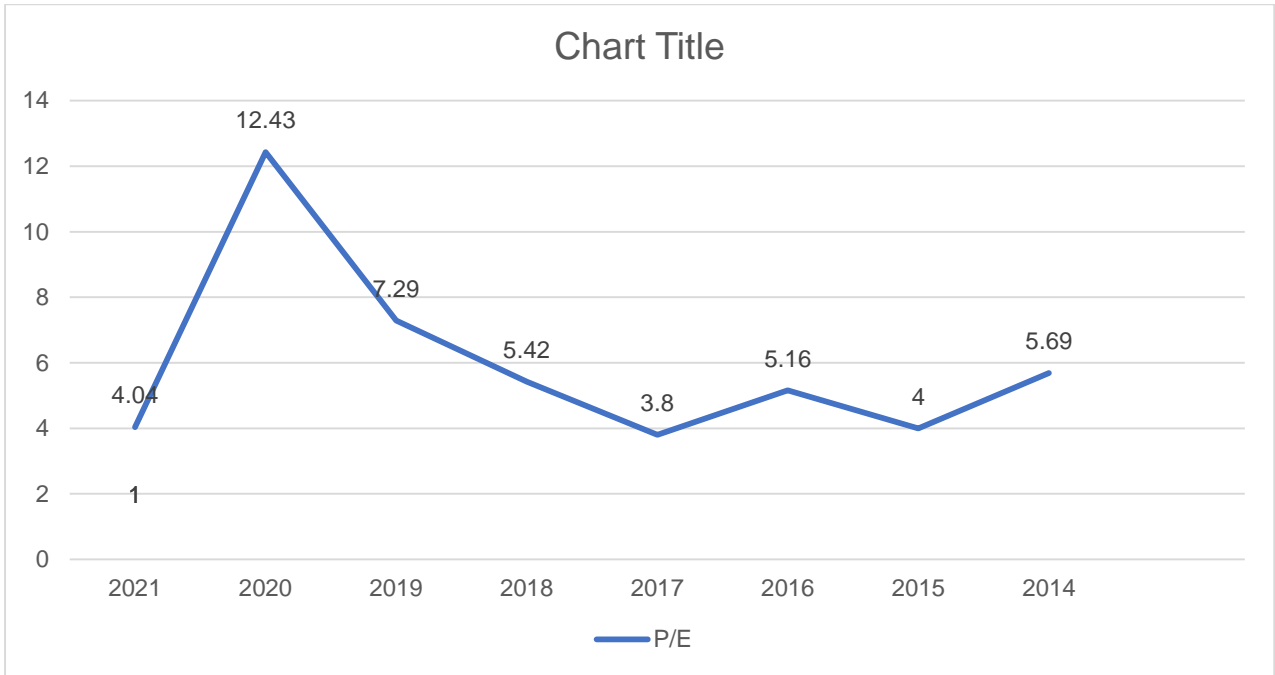
I calculated Price to Earnings Ratio of the mutual trust bank as:

$$P/E = \text{Current Share Price of MTB} / \text{Earnings per Share of MTB}$$

Table 14: Price to Earnings Ratio

Years	Current share price	Earning per share	P/E
2021	14.8	3.66	4.04
2020	14.8	1.19	12.43
2019	14.8	2.03	7.29

2018	14.8	2.73	5.42
2017	14.8	3.89	3.80
2016	14.8	2.87	5.16
2015	14.8	3.70	4
2014	14.8	2.60	5.69



Define: Investors can use the P/E ratio to calculate the market value of a firm in proportion to its earnings. The P/E ratio demonstrates how much consumers are willing to spend for every dollar of profit that is reported.

Year to year :

P/E for MTB went from 5.69 times in 2014 to falling 4 times in 2015. It increase in 2016 and reached 5.16 times. But in 2017 P/E ratio decreased by 3.80 times. However, in 2018 it went up to 5.42 times. It also increased in 2019 and 2020. Additionally, it somewhat fell again in 2021 by 4.04 time The lowest value indicates that the market ratio is not good.

4.8 Common size analysis of mutual trust bank:

Mutual trust bank

Balance sheet

As on December 31, 2021 to 2014

Details	2021	2020	2019	2018	2017	2016	2015	2014
property and asset								
cash	4.80%	3.90%	5.60%	5.50%	6.40%	6.00%	1.68%	1.17%
cash in hand (including foreign currency)	1.10%	0.90%	1.10%	1.10%	1%	1%	5.41%	5.65%
balance with Bangladesh bank and agent bank	3.50%	3%	4.40%	4.30%	4.50%	4.00%	1.05%	0.35%
Balance with other banks and institutions	0.50%	1.60%	1.40%	1.40%	1.50%	1.50%	1.36%	1.14%
in Bangladesh	0.70%	1.15%	0.20%	0.40%	0.70%	1.00%	1.05%	0.36%
outside Bangladesh	0.60%	0.50%	1.00%	1%	1%	1%	0.31%	0.78%
money at call on short notice	0.06%	0.30%	0.09%	0.70%	23%	20%	0.45%	0.42%
investment	15%	12%	13%	12%	12%	13%	23.63%	22.88%
govt	13%	11%	12%	10.90%	11%	11%	1.80%	1.97%
others	2.00%	2%	1.20%	0.90%	1.30%	1.30%	25.44%	24.86%
loan and advance	73.00%	68%	73%	74%	72%	70%	57%	56.70%
loans, cash credit, overdraft, etc	72%	67%	72%	73%	70%	69%	55%	54.20%
bills purchased and discounted	1%	1%	1%	1%	2%	1%	1.59%	2.50%
fixed assets including premises, furniture, and fixture	1.70%	1.60%	1.60%	1.80%	1.80%	1.60%	2.32%	3.20%
other assets								
non-bankings asset	2%	1.40%	4.10%	3%	2%	2%	5.62%	5.30%
total property and assets	100%	100%	100%	100%	100%	100%	100%	100%
liabilities and capital								
borrowing from another bank, financial institutions	1.20%	1%	8.40%	8%	0.80%	0.70%	2.63%	6.42%

deposit and other accounts	73.80%	69%	74%	74%	75%	74%	85.02%	82%
current deposits and other accounts	9.30%	6.60%	6.40%	10%	7.30%	7.30%	11.03%	9.95%
bills payable	0.06%	0.05%	0.60%	0.70%	1.30%	1.30%	0.78%	1.97%
saving deposit	12%	11%	11%	13%	13%	11%	11.03%	9%
fixed deposit	3.10%	3%	35%	4%	5.80%	5.80%	4.05%	4%
special notices deposited	0.60%	0.50%	5%	0.70%	3.30%	3.00%	0.67%	0.60%
deposit products	8.20%	8%	15%	9.10%	14%	14%		
other liabilities	9%	8%	8.20%	10%	6.80%	6.80%	5.40%	4.43%
bond	4.40%	3.20%	2.30%	5.40%	3.90%	3.90%	5.00%	4.40%
perpetual bond	2.00%	1%		2.60%	6.80%	6.80%	1.50%	1.49%
subordinated debts	2.40%	2.20%	2.30%	3.50%	4.50%	4.50%	2.50%	2.4%
Total liabilities	88%	85%	93%	90%	89%	90%	92%	94%
capital /shareholders' equity								
Paid-up capital	3%	3%	2.90%	4%	2.90%	2.90%	2.77%	2.74%
statutory reserve	1.90%	1.80%	1.80%	2%	1.50%	1.50%	1.91%	1.73%
Share premium	1%	1%	0.60%	1%	3%	3%	1%	1%
revolution reserve	0.06%	0.04%	0.10%	0.07%	8.50%	8.50%	0.05%	0.04%
foreign currency translational gain	0.00%	0%	0%	0%	0.00%	0.00%	0%	0%
general reserve	3%	2%	0.30%	4%	0.30%	0.30%	0.27%	0.30%
surplus in profit	1.20%	1.10%	1%	2.20%	8%	8%	2%	2.10%
total shareholders equity	6.80%	5%	6.50%	7.80%	5.80%	5.80%	5.45%	5.34%
non cortoring interest	4.64%	4.31%		5%		3%	4%	3.90%
total liability and total shareholder equity	100%	100%	100%	100%	100%	100%	100%	100%

Common Size Analysis: A common-size financial statement is calculated as a percentage of a single common figure. It is simpler to analyze financial accounts when they are of the same size. Analyze a business over time and evaluate it against rivals. Utilizing typical-size financial uncooked financial reports cannot expose some statements. if we look at mutual trust bank balance sheet statements from 2014 to 2021 then we saw that 3.20% of the fixed assets were in 2014 but fell to 1.70% in 2021. It falls 1.50% for 8 years. Now, if we examine the loan and advance in 2014 it was 56.70% and in 2021 it increased by 73%. When we examine the total liabilities, we can observe that in 2014 it was 94%, and in 2021 it was 88%, which is good for the company. And we saw that total shareholders' equity, in 2014 was 5.34% and in 2021 it was 6.80%.

Chapter 5
Findings, Recommendations,
And Conclusions

5.1 Finding

The most crucial tool and method for evaluating a company's profitability and liquidity and methods for evaluating a company's profitability and liquidity are ratio analysis. It measures how effectively our capital, owned or borrowed, can be utilized without it is owned or borrowed, can be utilized without adding additional costs. Giving them effective asset management methods through ratio analysis management methods through ratio analysis also aids in sustaining an organization's ability to repay debt. Because to the fact that ratio analysis is the most popular and trustworthy source of financial result analysis, it also aids in enhancing a company's performance through intra-firm comparison. The results of this study may now be summarized as follows.

- ✚ Net Working Capital: As a result of 2018's greater current liabilities than 2017, net working capital is lower in 2018 than in 2017. In 2019, net working capital was 29428703125, up from 33694229088 in 2020. However, there was a downward trend in 2018, but from 2019 to 2021 it was an upward trend.
- ✚ The mutual trust Bank's total debt ratio climbed from 0.99 in 2019 to 0.93 in 2020, however, in 2021 it was increasing but it was not more than the previous year, it indicating that the bank's debt versus assets has declined.
- ✚ Cash Ratio: From 2020 to 2021, the Mutual Trust Bank's cash ratio fell. The cash ratio yields a better result when determining how much cash the bank has available to cover its current liabilities. We might conclude that the management did not appropriately use the funds, which is a significant loss for a bank.
- ✚ Equity turnover ratio: In 2020 Mutual trust bank's equity turnover ratio decreased. However, in 2021 it was increasing but it was no more increase than in previous years. so the bank should concern about its total equity.
- ✚ Fixed asset turnover ratio: In 2020 and 2021 bank's fixed asset turnover ratio is downward sloping. Banks should take a step in their fixed asset turnover.
- ✚ Return on Equity: Over time, the ROE of mutual trust banks has similarly declined in 2020. However, in 2021 it increased but it was not more increase than in previous years. Bank's ROE is consistently below the industry average. This suggests that Bank's ROE performance has to be improved.
- ✚ Return on asset: It is also the same as ROE. So mutual trust banks also improve their ROA.
- ✚ Price Earnings Ratio: In 2021 mutual trust Bank Limited has a price-earnings ratio that is lower than the industry average. This indicates that investors have lower levels of confidence in the company's performance than the majority of banks in the banking sector.

5.2 Recommendations

In Bangladesh, MTBL is the third largest technology bank. Meanwhile, it influences Bangladesh's socioeconomic situation. I noticed fewer things impeding MTBL from realizing its closing aspirations while I was training for the record and ran in MTBL. I do believe that the concept and advice provided below will noticeably improve MTBL's performance.

- ❖ The Mutual Trust Financial Institution shifted its concentration to provide credit score centers in specific city zones. Rural areas continue to be disregarded. Although they may profit from the agricultural sector, Mutual Trust Bank must provide additional credit score centers in rural areas.
- ❖ To optimize its Market Capital, a proper and potent tracking machine must be developed.
- ❖ The software that they utilize for banking is no longer up to date. They should thus increase their software.
- ❖ For a financial institution, adequate capital is essential.
- ❖ Mutual Trust Bank should maintain its cash ratio since it has taken on more importance.
- ❖ The degree of the MTBL asset regularly changes. It no longer has to be extradited as regularly.
- ❖ As a higher ROA denotes greater asset efficiency, Mutual trust banks should focus on return on assets (ROA). Mutual trust Bank's ROA has fallen in 2019, but in 2021 it was increasing more than the previous year. which suggests that the bank is using more resources to increase profitability. The best ROA is obtained when comparing banks that are comparable to one another or when comparing a bank to its previous performance.
- ❖ MTB has to pay close attention to its return on equity (ROE) since a higher ROE indicates more profitability in proportion to stockholders' equity. We are aware that three variables net profit margin, total asset ratio, and equity ratio affect the return on investment (ROI). If a sensitivity study had been done, we may have discovered which factor is more sensitive for ROE. The greater positive the factor's value, the more sensitive it is. Between 2014 and 2021 it decreased. This portends ill for the bank. To effectively regulate it, they must locate the sensitive component. MTBL has to keep its debt-to-equity ratio in a manageable range.
- ❖ The figure known as earnings per share (EPS) demonstrates how much money a bank generates for each share of its stock. An increase in value implies that stockholders are prepared to pay more for the bank's shares. But, since 2021, the earnings per share have been declining. however, the 2021 EPS ratio is increased, meaning that investors are willing to pay for it more.
- ❖ The cash ratio needs to be the mutual trust bank's top concern. In the recent year 2021, the cash ratio has decreased after being strong in 2019 and 2020. The cash ratio, a liquidity

measure, shows how well a firm can satisfy its short-term obligations fully with cash and cash equivalents. Therefore, the bank should decrease its cost of funds, operational costs, and service area to have a rising trend in the amount of cash that is available to pay down its debt.

- ❖ Mutual trust banks need concern about their price-to-earnings ratio. Because the P/E ratio demonstrates how much consumers are willing to spend for every dollar of profit that is reported. In 2021 mutual trust bank's P/E decreased. The lowest value indicates that the market ratio is not good.

5.3 Conclusion :

Financial analysis plays a crucial role in providing decision-makers with data and statistics. Ratios will function as an assessment tool in the hands of economic analysis in a similar manner. The analysis is given a great deal of consideration these days when decision-makers are trying to decide what to do and what to stop doing. They must look into the facts to see if they support their needs. Through my record, I have also examined the financial roles and effects of the conditions, and I have also evaluated the records. Despite some restrictions, I make an effort to accurately research and analyze the facts and statistics. Last but not least, this record helps me understand the practical aspects of the corporate world. For all other Bangladeshi banks, Mutual Trust Bank Ltd. has a reliable retail banking system. By offering a third-generation banking framework, Mutual Trust Bank is beginning to gain more customers. Additionally, the services offered by MTB are highly praised by current clients. For me, joining this progressive bank in Bangladesh was a privilege and a once-in-a-lifetime opportunity. This essay captures my three-month journey's viewpoint. By analyzing it, I may assert that Mutual Trust Bank runs a conventional retail banking system that serves as a model for all other banks in Bangladesh. Studies reveal that the business has maintained a good level of financial performance throughout the years, but businesses should concentrate on lowering liability and for use of their resources. The corporation should prioritize enhancing returns on assets, returns on equity, and its liquidity position. As a result of creating these two project statements, Mutual Trust Bank is assured that one day it will achieve its goal of being a role model in the banking industry of Bangladesh by having a specialized retail banking system and financial performance.

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