



Internal Performance Evaluation of Mercantile Bank Limited through CAMEL rating.

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Letter of Transmittal

29th November, 2018

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Subject: Submission of internship report.

Dear Sir,

I am delighted to enclose my internship report and present before you the paper titled “Internal performance evaluation of Mercantile Bank Ltd through CAMEL Rating” as per your permission. I want to let you know that this paper helped me to apply my academic knowledge regarding the subject of evaluating the performance of banks and relate this on the context of Bangladesh. My massive gratification towards you for giving me this opportunity to prepare the paper on the mentioned title under your guidance.

My humble request is to accept my internship report submission, in a proper way. Along with that, feel free to contact me for any further queries.

Thanking You,

Moajjam Hossain

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Acknowledgment

First of all, I want to give thanks to the almighty Allah for giving me the chance to do my internship at a top level organization in our country. Without the help of almighty it is not possible for me to submit the report on time.

I admit my earnest thankfulness to my respectable faculty Mr. Saif Hossain, Assistant Professor, BRAC Business School, BRAC University whose noble attitude and proper direction helped me to prepare this paper. My firm gratefulness towards him for his kind help, supervision and patience while preparing this paper.

In the end of my admiration, I would also like to show my gratitude towards those who also supported and guided me with their generosity and time throughout the completion of this report.

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Executive Summary

Throughout this report, my main objectives were to show a picture of some core banking activities and evaluate the internal performance of banking sector in the context of Bangladesh.

In the first part of this report, it has been shown the basic general banking activities at Mohakhali Branch of Mercantile Bank Ltd. By this report, the entire internship responsibilities are tried to displayed. The history of this bank, operational structure of this bank and most importantly foreign exchange operations of this branch. Since, majority of its profit come from its foreign exchange department.

In the second part of this report I have told about my job responsibilities and my daily activities during the internship period. I tried to explain different aspects of job performance and based on my observation gave some recommendation for better performance.

In the main part of this report, I have tried to evaluate the internal performance of MBL through CAMEL rating which is widely popular for analyzing bank's performance. I have choose top Five Banks of Bangladesh to compare Mercantile Bank's performance with those five. Those banks has chosen based on their operating profit, organizational structure and the nature of the operational activities.

Moreover, by using the Bank's performance measurement tool called CAMEL rating techniques, I have tried to provide my observations about the performance and give constructive recommendation for the betterment of the banks.

1.1: Background of Mercantile Bank Limited

Bank based economy like Bangladesh is growing rapidly with the help of enormous contribution from its banking sector. Among many, Mercantile Bank Ltd. (MBL) is from the top seven banks of Bangladesh. So it can be easily predicted that the contribution in the economy is quite big and vast. MBL has started its journey in 1999 by Abdul Jalil to empower the dynamic growth. MBL is partnering for sustainable growth with the team of 2043 employees and 130 branches all over the country.

They have trained their employees and specialized their branches to provide services like –

- Corporate Banking services
- SME Banking services
- Foreign Trade Services
- E-Banking services
- Off-shore banking services and many more.

The profitability trend of MBL over 17 years was mesmerizing. MBL is very committed reading stakeholders value. MBL playing very important role in the socio-Economy by offering different financial instruments as well as high quality service. MBL has very good network coverage locally and overseas. Efficiency is the mantra of success of Mercantile Bank Limited.

1.2: Mission of Mercantile Bank Ltd. (MBL)

According to the recent annual report (2017), “Will become most caring, focused for equitable growth based on diversified deployment of resources, and nevertheless would remain healthy and gainfully profitable Bank” is the mission of Mercantile Bank Ltd.

1.3: Vision of Mercantile Bank Ltd. (MBL)

The vision mentioned in their website is- “Would make finest corporate citizen” MBL dreams of becoming the general public’s “Bank of Choice “comprising both the consumer and the corporate clients. MBL appreciate fresh blood of professionals in the banking sector because they believe young professionals can boost up the productivity and profitability of the bank by new dimension of service skills.



1.4: Strategic Objective

- Increase shareholder's Value
- Achieve Economic Value Edition
- Become The Market leader regarding Product Innovation
- To be the Top Three Efficient Financial Institutors in Bangladesh.
- To be the Top Five Financial Market Leading Organization in Bangladesh.

1:5 Corporate Profile*:

Name	Mercantile Bank Limited
Status	Public Limited Company
Date of Incorporation	May 20, 1999.
Subscriptions of shares	October 22, 2003.
Listed in Dhaka Stock Exchange(DSE)	February 16, 2004
Listed in Chottogram Stock Exchange(CSE)	February 26, 2004
Head Office	61, Dilkhusa Commercial Area, Dhaka-1000
Chairman	A.K.M. Shaheed Reza
No of Branches	130
No of Employees	2043
Technology uses	Member of SWIFT, Unix Based software- PC Banking, & Temonous, Online Banking.
Website	http://www.mblbd.com/

*Source: <http://www.mblbd.com/>

1.6: Products & Services of MBL

To weathered all the hurdles MBL has continuously innovating different services to make the banking service easier for all. MBL has launched Diversified and a healthy list of financial instruments and service from its beginning. These instruments and services are divided into five different sectors which is given below-

Retail Banking Service*:

a) Deposits	b) Loan	c) Cards
<ul style="list-style-type: none"> • Current Deposit Account • Saving Deposit Account • Fixed Deposit Account • Double Benefit Deposit Scheme • Family maintenance Deposit • School Banking • Educational Planning Deposit Scheme • Super Benefit Deposit Scheme 	<ul style="list-style-type: none"> • Consumer credit scheme • Doctor credit scheme • Rural planning scheme • Lease Financing • Any purpose loan • Educational loan • Car loan • Home loan • House furnishing loan • Cottage loan • Polli loan 	<ul style="list-style-type: none"> • Dual card • Debit Card • Prepaid Card • Supplementary Card • Visa Card

*Source: <http://www.mblbd.com/>



1.7: History of Branch

Mercantile Bank Limited (MBL) started its function as an investment company. MBL one of the promising bank in the Banking industry in Bangladesh. Mohakhali Branch is the most profitable branch among the other entire branches across the country. Foreign Exchange service department considered one of the finest departments of Mohakhali Branch of MBL. This branch has 75 efficient and hardworking employees.

1.8: Departments of Branch

Mohakhali Branch of MBL Has three basic departments; which are –

1. General Banking 2.Credit Department and 3.foreign Exchange Department

➤ **Major Functions of General Banking**

Account opening, Issuance of Demand Draft/Telegraphic Transfer/Pay Order/Fixed Deposit Revenue, i-banking Transaction, Inter Branch Credit

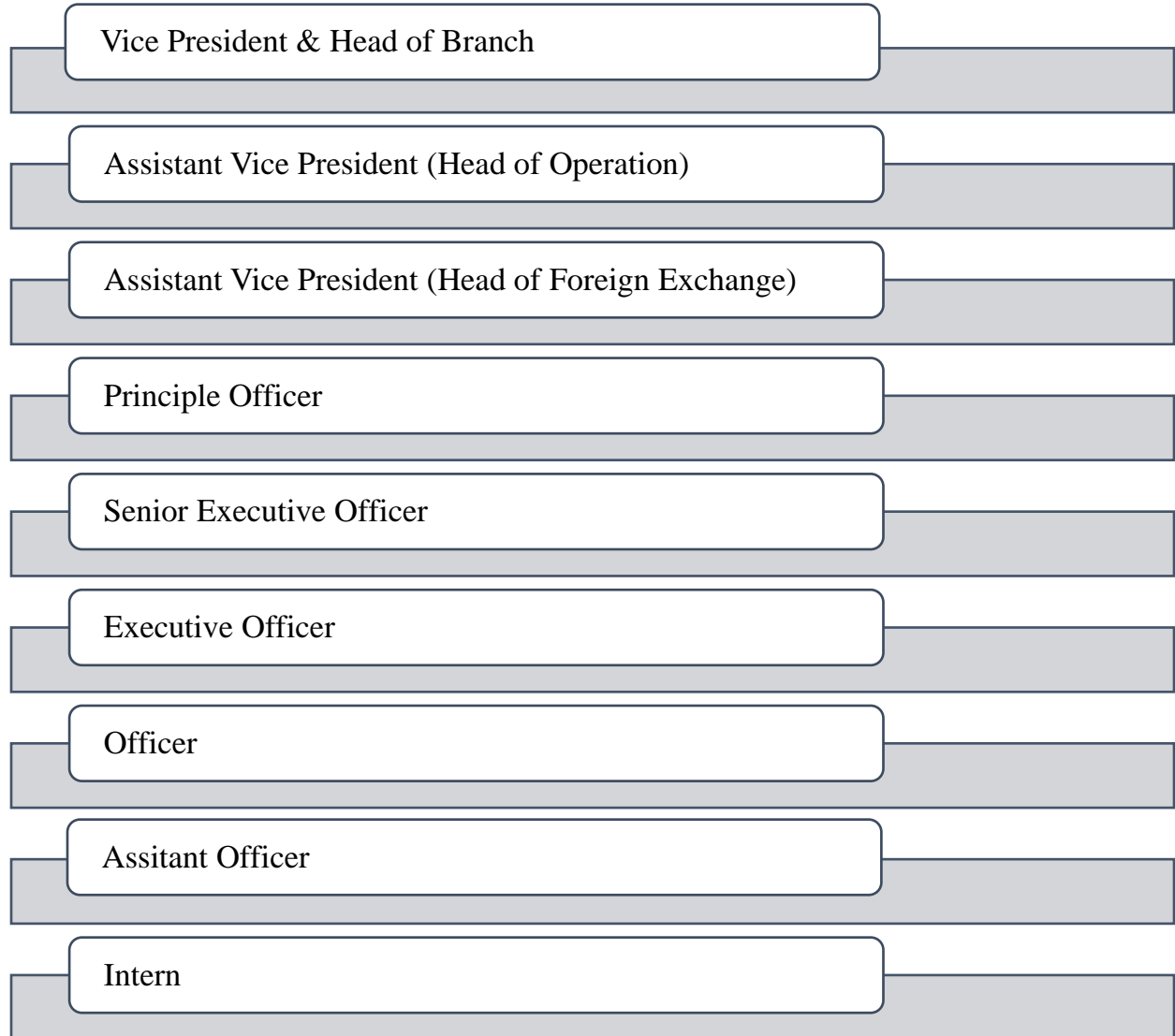
➤ **Major Functions of Credit Department**

Credit Proposals and Credit Processing, Documentation and Loan Disbursement, Overview on all returns.

➤ **Major Functions of Foreign Exchange Department**

Opening of L/C (Back To Back, Local/ Foreign, Purchase of foreign bills, Negotiating of foreign bills, Payment against Import Bill, Export guarantees, Endorsement of Traveling.

1.9: Operational Organogram of MBL (Mohakhali Branch)





2: The Journey of three months at MBL

In this short period of internship, I got to know lots of thing regarding General Banking and Treasury department. How these main two departments are being operated. Their operations includes so many activates and among few of them I had to do on regular basis as an intern. My responsibilities are following:

In **General banking** department I had the responsibilities to open bank account, required documents to open an account and proper filing those based on the guidelines from Bangladesh bank. Maintaining the pay order register was another important task I had to do because this register is being monitored by Bank's internal audit team and Bangladesh bank as well. Next comes the Cheque book management part, where I had the responsibility of entry the Cheque series and authorized those so that clients can withdraw money using newly issued Cheque book. Informing clients and customers about their Cheque book and Debit card over phone was also part of my responsibility.

As mentioned earlier about "**Treasury Department**" of mercantile bank and their activities mainly Export, Import and Remittance. And I had this opportunity to work with the amazing team of treasury department. My main responsibility includes:

Foreign Demand Draft (FDD) is foreign pay order from a bank that mainly issued as a dollar amount for different types of foreign trade. This foreign demand draft need to maintain properly for future reference against any claims. This is important for another big reason that is Audit. Internal audit team of mercantile bank and Bangladesh bank audit team evaluate every demand draft for every payment so that foreign currency cannot be misused.

Performance Register is a one kind of register where all the export and import performance if being documented. Types of LC, Payment, Buyer, Seller, Export value, Payment date, payment method every single information related to Export/Import is registered. Bangladesh Bank and internal audit team of "Mercantile Bank" evaluate the overall export and import performance based on this register. So this part of my responsibility I had to be more cautious to write down everything accurately.



2.1 Evaluation of the Internship

After three months of internship I believe the documentation and the performance evaluation process is still backdated. The higher authority is not very tech friendly though they believe in Green Banking. So in my perspective, improving the employee standard is the top most priority. Manually completion of different register is also an obstacle for faster performance. It means for almost every operation's performance, there is a hand written register to be filled. This process kills lots of time and energy because of its manual kind. So if this process can be fully automated then the work process will be smooth and employee could get over this monotonous job.

3.1: Overview of Banking Industry

The economic expansion of a country relies on the financial mechanism and contribution in the banking sector especially in Bangladesh where the economy is mostly dependent on its banking sector. For a structured economy a stable and sound financial system is required. Since liberation, Bangladesh has passed through fragile phases in banking sector. Earlier, the purpose of the opening of private and foreign participants to the banking sector was to achieve desirable results and private banks were created for competition in form of efficiency in order to achieve the best productivity out of the investment funded. There were also inflated equity to get money for investment in business and in industry.

But now, Bangladesh bank is taking steps to reduce bad loans to have a better economy. According to (Bangladesh Bank) that for the improvements of banking sector, there will be some changes in recent years-

- ❖ Increasing paid up capital and reserve
- ❖ Limited number of directors in a bank
- ❖ For a family holding more or less 5% of share, number of appointed directors will vary
- ❖ No director (except managing) should be on their post more than two times
- ❖ There will be penalties for misusers of these.

Risk management, corporate governance and to ensure a sound, resilient financial system Bangladesh bank has adopted number of policies and procedures to bring this volatile sector in a



stable condition. Number of actions has been taken to make things as it should be, things like periodic review of stability, stress testing, proper monitoring of investment in shares and many more just to ensure a healthy and sound economic system.

The banking sector in Bangladesh can be categorized in the following classes:-

- ❖ State owned commercial banks (SCBs) - 06 Nos.
- ❖ Private commercial banks (PCBs) - 33 Nos.
- ❖ Foreign commercial banks (FCBs) - 09 Nos.
- ❖ Islami Shariah based banks (PCBs) – 08 Nos.

Bangladesh Banks Basel committee on banking supervision issued Basel III to improve financial stability and to improve the banking sectors ability to absorb shocks arising from financial and economic stress (Banking Sector Performance, Regulation and Bank Supervision).

In order to increase the quality of capital all banks must have common equity tier 1 (CET 1) capital in an amount greater than 2.5 percent of total risk weighted assets. Seven Banks out of 56 failed to maintain bot CET 1 and CRAR requirements as per Basel III. Since banking sector is the backbone of the economy of Bangladesh so maintaining the standard of this sector is inevitable thing to do. For evaluating the internal performance of this Banks Bangladesh bank uses the CAMEL rating techniques for performance measurement. To know the Capital Adequacy, Asset quality, Management capacity, Earnings ability and Liquidity management- this CAMEL rating is being widely used.

3.2 CAMEL RATING

To evaluate the internal performance of banks CAMEL rating technique is widely used. It originated in USA and the acronym of CAMEL refers to-

- Capital Adequacy
- Asset Quality
- Management Capacity
- Earnings Ability
- Liquidity Management



For the policy makers and regulators of banking sector CAMEL rating tool became a crucial and most important techniques. This performance rating tool ensures a bank's stable conditions by analyzing different area of a bank based on information sources such as financial statement, funding sources, macroeconomic data, budget and cash flow and different ratios. Bangladesh Banks Basel committee on banking supervision issued Basel III to improve financial stability and to improve the banking sectors ability to absorb shocks arising from financial and economic stress. "Basel III reforms will address system wide risk as well as the pro cyclical amplification and also focus on the capital conservation buffer and counter cyclical buffer" basis on Bangladesh bank's guideline for risk based capital adequacy.

In order to increase the quality of capital all banks must have common equity tier 1 (CET 1) capital in an amount greater than 2.5 percent of total risk weighted assets. Seven Banks out of 56 failed to maintain bot CET 1 and CRAR requirements as per Basel III.

However, according to the analysis of Moudud UI Huq (CAMEL rating techniques) showed that, the banks of Bangladesh are not active in Management and they should focus more on new investment (Moudud UI Huq, 2017). Also, he thinks the maintenance of Asset quality is the major challenge in recent years. Top Five banks have been chosen to compare the performance with Mercantile Bank Ltd. The five banks are following-

- Bank Asia
- BRAC Bank
- City Bank
- Dhaka Bank
- Dutch Bangla Bank

3.3 Literature review

In this part of the paper it focus on the existing study related to measuring the financial sector by using different approach.

Recently, **Moudud Ul Huq (2017)**, in his report showed that the banks of Bangladesh are not active in Management and they should focus more on new investment by using CAMEL rating. Also, he thinks the maintenance of Asset quality is the major challenge in recent years.

Kouser and Saba (2012), analyzed the Islamic banking through CAMEL rating where it has explained that Islamic banking has a sound management system comparing to conventional banks.

Dash and Das (2009), have explained their report that if the five factors of CAMEL are inadequate then banks might face performance failure.

Sarkar (1999), has evaluated the performance of Islamic banking of Bangladesh where he mentioned how Islamic banking system can contribute greatly to the economy if the banks operate sole system and also help in clarify the potential of the Islamic financing system.

Duncan and Elliott (2004), applied Capital Adequacy Ratio (CAR), Asset Quality, Earnings ability, Net Interest margin (NIM), Return on asset (ROA) as the financial measurement tools to evaluate the performance of banking sector. They correlated the value with the customer service quality. But earnings ability and Management Capacity are two significant determinants in the case of banks performance in the present world.

Olweny and Shipho (2011), get to know that the main reasons behind bank;s failures are Asset Quality and low levels of liquidity management. In the report it has shown how Kenya's banks fall due to the shortage of liquidity.

Nurazi and Evans (2005), analyzing Banks performance by using CAMEL which represent Capital adequacy, Asset quality, Management quality, Earnings ability and finally liquidity management. Where it has shown that sizes of the banks are significantly described as failed.

From the above mentioned literature very few numbers of works have done over the selected private commercial banks (PCBs) of Bangladesh. That's why an attempt has been taken to analyze the performance using the CAMEL model.

3.4 Objectives of the Study

The primary objective of this report is to evaluate the performance of top five private commercial banks of Bangladesh comparing with Mercantile Bank for the year 2017 by using CAMEL model.

The precise objectives are as follows-

- i. Analyzing the actual performance of specified banks.
- ii. Comparing performance of Mercantile bank with the selective banks
- iii. Relative examination of capital Adequacy of the chosen banks;
- iv. Relative Analysis of asset quality of the chosen banks;
- v. Similar investigation of the Management effectiveness of the chosen banks;
- vi. Relative Evaluation of Quality earnings of the chosen banks;

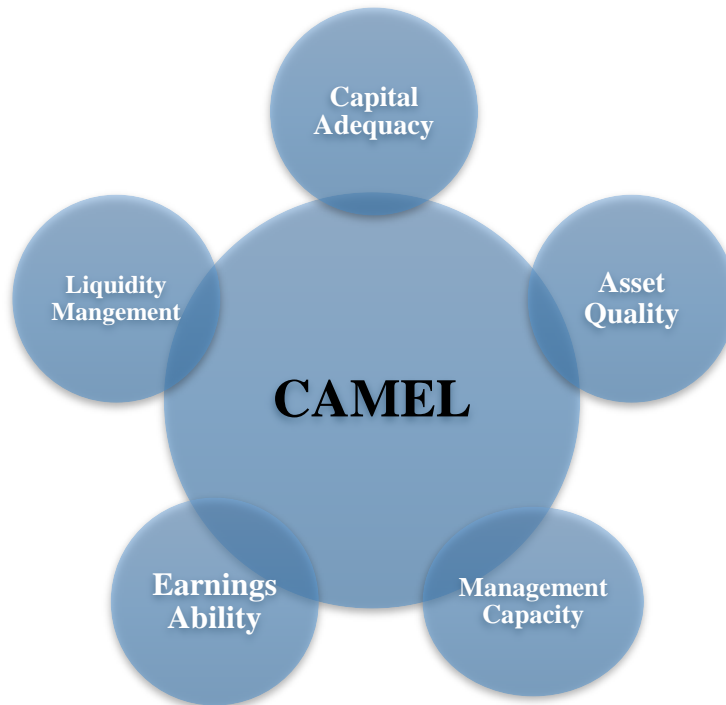
3.5 Research Methodology

The scope of the study is confined 6 top private banks of Bangladesh. The performance sample has chosen form the year 2017. Before conducting this research it has made maximum type of existing literature, journals related to this topic either it's domestic or international. Annual report of those banks has been collected from Dhaka Stock Exchange (DSE) to calculate different ratios. The graphical chart have been drawn automatically using different available tools available on the internet.

3.6 Limitations

Though the massive popularity of CAMEL rating worldwide, the insignificance work on this topic in Bangladesh is unfortunate. So while searching for related topic it was very difficult to find to get proper guideline. So the report might not be a cent accurate since the related data evaluated without proper guideline. Along with that the knowledge regarding CAMEL rating is not available enough to get support from anyone. The management of the banks failed to provide necessary information to conduct this report. Having so much obstacle an attempt has been made to prepare this report.

Here are the elaborate explanation of CAMEL rating and the performance evaluation of top Five PCBs of Bangladesh for the year 2017, comparing with Mercantile Bank.

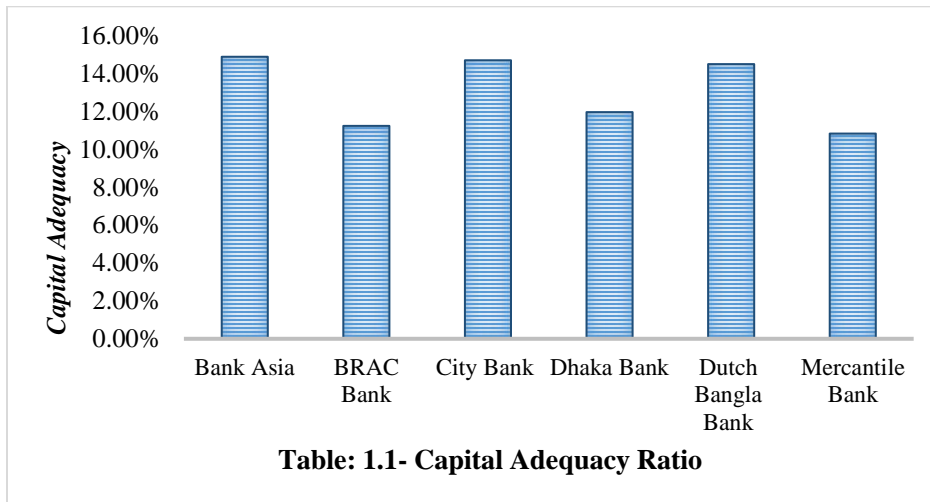


4. Capital Adequacy:

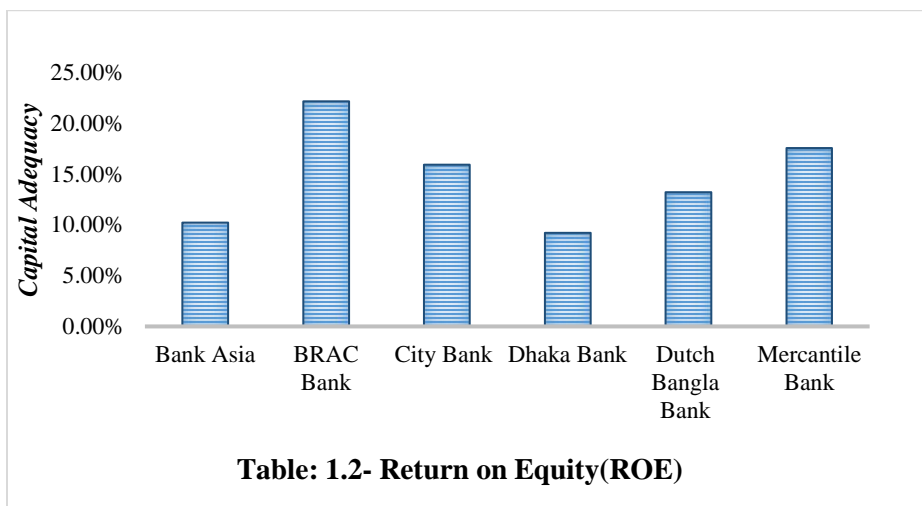
The Capital Adequacy Ratio (CAR) is broadly used to know about the strength of the organization if organization face unwanted debt and how well it can tackle with its risk weighted assets. This problem can only be minimize on the basis of an amount and the quality of capital, a bank can access. Karlyn (1984) explains the capital adequacy in term of Capital and reserve of banks as current the primary risk and depository risk derived from the sudden and considerably large scale of deposit withdrawals. So a ratio of Capital to Risk Weighted Assets determines the bank's capital adequacy. The formula that has been used to find the CAR ratio is-

Capital Adequacy Ratio (CAR) = **Capital reserve / Total Risk weighted assets**

Interpretation: Table 1.1 reflects that Bank Asia maintains the highest level of Capital to its risk weighted assets and other banks are maintaining capital adequacy ratio above 10% which shows the strong capital management. Because according to Bangladesh bank maintaining required capital adequacy is 10% so the performance of these banks are quite satisfactory. Here,



“Mercantile Bank Ltd.” is maintaining CAR at 10.83% which is sufficient enough as per Bangladesh bank requirement though somehow this bank lag behind from its competitor.



Interpretation: Return on Equity (ROE) [Table-1.2] shows that how much an organization earned after tax payment from each investment. To calculate the ROE ratio net profit after tax is

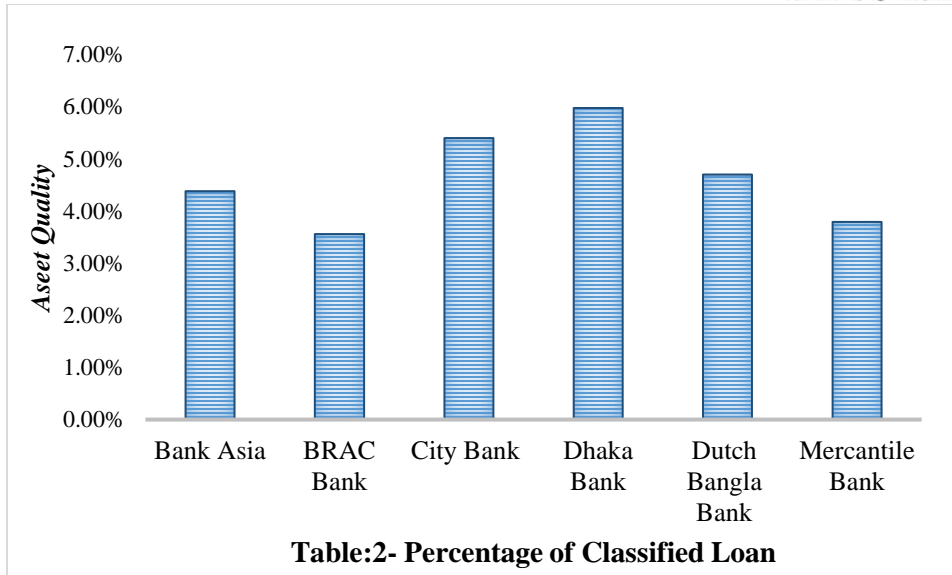


expressed as a percentage of total shareholder's equity is being followed. Here in this analysis BRAC Bank having the highest ROE which is 22.14% top most among the others. While Mercantile Bank Ltd. is maintain 17.55% return from its equity investment. If the comparison is made among these banks with mercantile bank, it is clear that Return of equity is quite satisfactory from its competitor. Apart from BRAC bank every banks having ROE below 15.90%.

4.1 Asset Quality

All types of asset such as Current and fixed, Loans, Investment, real estates and all types of off balance sheet items make the total asset of a Bank. Banks most commonly decide the quality of resources by determining how much of their resources are risky to money related chance and how much they ought to keep as arrangements against losses. The higher amount of loans and advances shows the vulnerable condition of assets to credit risk. When the rate of nonperforming loan to total loans becomes higher, it symbolizes to keep the weight on arrangements too. The ratio of classified loan gives the indication of future credit forecasting. The formula of identifying classified loan is-

Percentage of Classified Loans = **Non Performing loan / Total Loan**

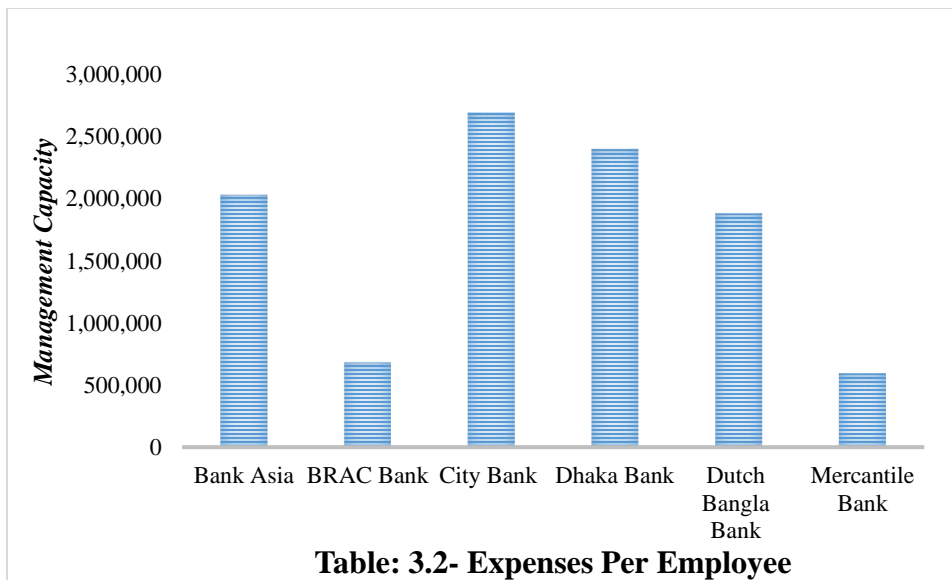
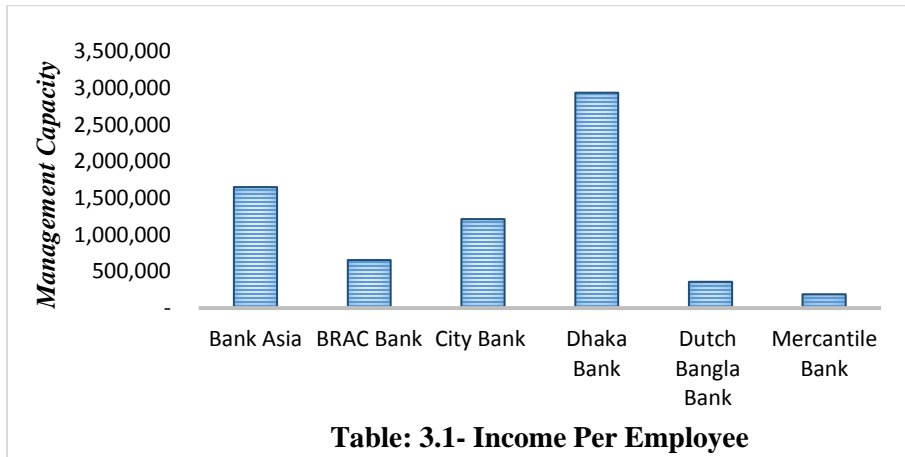


Interpretations: The percentage of classified loan is calculated using the Non-Performing loan to its Total loan. The higher the ratio is the more riskier of the financial assets are so the lower percentage of NPLs is always show the efficiency of the operations. Here in the Table 2 shows that BRAC bank is having a lowest NPLs comparing to the others which is only 3.56% which indicates the good operational efficiency. Whereas, Mercantile Bank Ltd is maintain 3.79% of the NPLs which is second lowest compare to others. Though the percentage might create some problems if the NPLs are not properly monitored.

4.2 Management Quality

The board of directors and top management committee play a vital role to improve its management quality as they are the policy makers. The whole organization run based on the management decision. The proper management reflects the soundness of management quality which is essential for sustainable growth. Only the skillful management can be the safeguard for a bank. However, to display the soundness of management, operating expenditure to total operating income, operating expenses to total costs, employee productivity are mainly evaluate. Income per employee and Expenses per employee has been calculated through the formula of –

- I. Income per Employee = **Total Profit*** / **Total Employees**
- II. Expenses per Employee = **Total Cost**** / **Total Employees**



Interpretation: Only the efficient management quality can ensure the Income and expenses of the employees. In the Table 3.1 & 3.2 show the efficiency of the human resources of bank which is calculated using profit after tax to the number of employees. And the expenses per employee calculated by using the formula of Total cost to Number of employees to the organization. In the

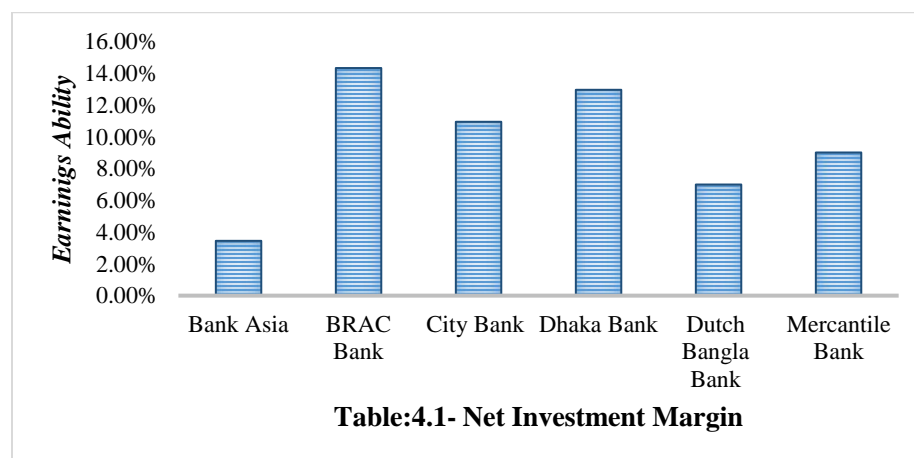
Table 3.1 it's clear that Dhaka Bank has the highest amount of income per employee basis (2.9m) whereas mercantile Bank Ltd has the lowest income per employees which might be a matter of concern for the overall organization performance. In the Table 3.2 expenses per employee is quite high for City Bank where “**Mercantile bank Ltd**” maintaining an average expenses compare to its competitors (0.59m).

4.3 Earnings Ability

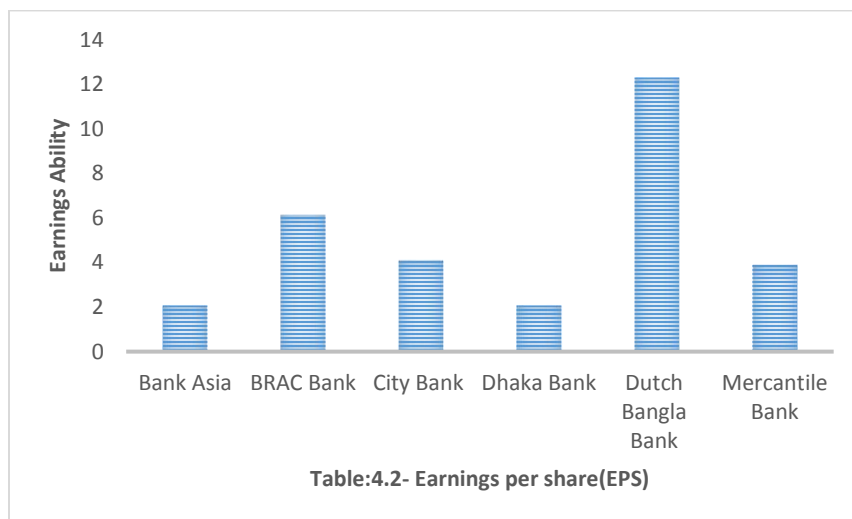
Earnings ability of any organization pictured by analyzing stocks to asset whether the designated company is worthy of investment. This is an important parameter as it shows the profitability and productivity of banks from the investment they make throughout the year.

In accordance with Grier (2007)'s opinion, a predictable benefit not just forms the general stakeholders trust in the bank yet include advance risks and gives adequate arrangements. Necessary balanced performance is required to fulfill the shareholders expectations. Thus consistently healthy earnings are essential to the sustainability of banking institutions. Profitability ratios measure the ability of a company to generate profits from revenue and assets after completion of all the expenditure in the calendar year. To calculate the net investment margin the following formula has been used-

Net Investment Margin = **Profit from Investment / Total Investment**



Interpretation: The Net investment Margin is calculated by using profit from investment to total investment. Satisfactory level of return from the investments depends on the proper distribution of the assets to the right place. Risky investments can lead to shareholders or stakeholders money at stake. Good return from investment shows the efficiency of the organization. BRAC Bank has the highest net investment margin (14.34%) in the year 2017 whereas Bank Asia has the lowest return from their investment. Mercantile bank has maintained (9.01%) an average return compare to its competitor.

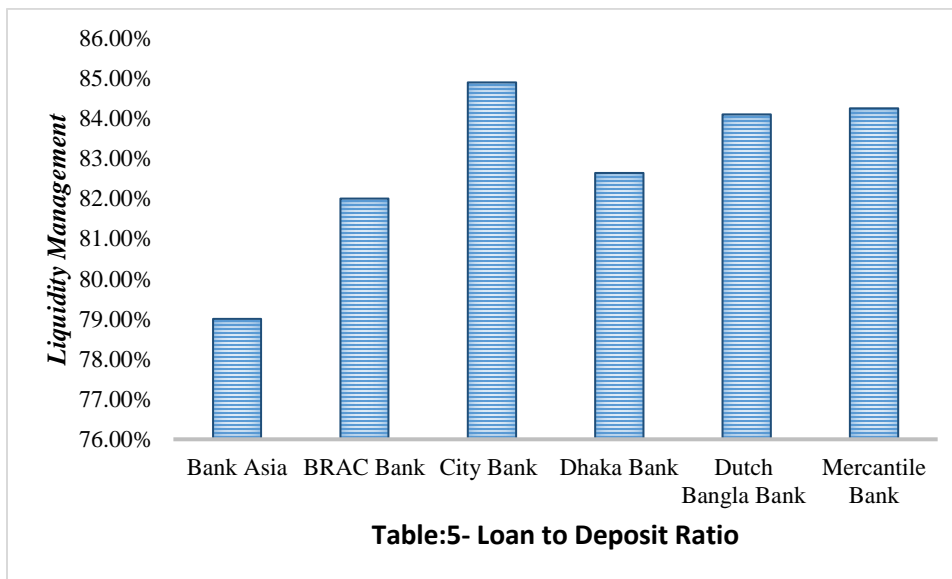


Interpretation: Earnings per share (EPS) ¹ is calculated by Net income to the number of shares outstanding. The higher ratio indicates that potentially worthwhile investment, based on the market price of the stock. In the year 2017, Earnings per share of share of Dutch Bangla Bank has the highest which shows a strong performance by the Bank. In the contrary, Bank Asia and Dhaka Bank has the lowest EPS in the year 2017. Mercantile Bank maintained a 3.89Tk of EPS in the year 2017 which is an average picture of earnings per share if it's compared this to the competitor.

4.4 Liquidity Management

The bank's capacity to change over resources into cash is called as liquidity. The proportion of Cash kept up by Banks and Adjust with the Central Bank to Add up to the statutory requirements that every PCBs are oblige to maintain. According to Bangladesh Bank every PCBs have to maintain a minimum Cash reserve ratio of 5.5% of its deposit to tackle the unwanted situation. Rudolf (2009) emphasizes that "the liquidity communicates the degree to which a bank is competent of satisfying its individual obligations". Banks makes cash by mobilizing short-term stores at lower interest rate, and loaning or contributing these stores in long term at higher rates, so it is unsafe for banks mismatching their loaning interest rate. The loan to deposit ratio calculated by using the formula of-

Loan to Deposit ratio = **Total Loan / Total Deposit**



Interpretation: Loan to deposit ratio is calculating through total loan to total deposit to know much money is disbursed as a form of loan compare to its total investment, Table 5 shows the strong maintenance of the liquidity by every private commercial bank. Though Bank Asia is bit struggling to compete with its competitor and City bank is having a highest reserve liquidity.



Liquidity reserve for Mercantile Bank Ltd is quite satisfactory because this bank successfully maintained 84.25% of liquidity in the year 2017 which indicates the strong maintenance of liquidity compare to its loan disbursement.



5. Recommendations and Conclusion

Throughout this report, the evaluation of the internal performance measurement of a bank conducted by using traditional performance measurement tool named CAMEL rating techniques. CAMEL rating techniques is a widely used performance measurement tools for the banks. In Bangladesh banking sector is the backbone of its economy so the performance of the banks need to be at a significant level to continue a sustainable growth. CAMEL rating reveals the real performance of the banks of its strength, weakness and based on that necessary steps to improve the condition. During the performance analysis of Mercantile Bank Ltd to the industry competitor it shows on an average performance almost every aspects like maintain Capital adequacy, Asset quality and Liquidity management. Though the management quality and the earnings ability of MBL is bit lower to its competitor. From the couple of years banking sector is facing an acute management efficiency crisis that leads this sector to an unwanted future. Few banks in the country on the verge of facing acute liquidity crisis due to management proficiency and some hidden unknown reason by management. In the end, it can be suggested that if the management quality will get and perform without any biasness and work independently then it can be hope that this overall sector will rise at a good pace.

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6.1 Appendix

*Net profit after tax considered as total profit.

**In some cases operating costs considered as total costs

¹ has been taken directly from Annual report

Capital Adequacy

A. Capital Adequacy Ratio: 2017

Bank Asia	14.89%
BRAC Bank	11.24%
City Bank	14.70%
Dhaka Bank	11.96%
Dutch Bangla Bank	14.50%
Mercantile Bank	10.83%

Leverage Ratio: 2017

Bank Asia	9.43%
BRAC Bank	10.94%
City Bank	10.10%
Dhaka Bank	5.24%
Dutch Bangla Bank	5.20%
Mercantile Bank	1.43%

ROE: 2017

Bank Asia	10.21%
BRAC Bank	22.14%
City Bank	15.90%

Dhaka Bank	9.21%
Dutch Bangla Bank	13.20%
Mercantile Bank	17.55%

Net Worth Protection: 2017

Bank Asia	4.38%
BRAC Bank	3.69%
City Bank	2.33%
Dhaka Bank	1.72%
Dutch Bangla Bank	2.02%
Mercantile Bank	4.31%

Asset Quality

Percentage of classified loan: 2017

Bank Asia	4.38%
BRAC Bank	3.56%
City Bank	5.40%
Dhaka Bank	5.98%
Dutch Bangla Bank	4.70%
Mercantile Bank	3.79%

Management Capacity

Income per employee: 2017

Bank Asia	1,651,233
BRAC Bank	656,265

City Bank	1,215,003
Dhaka Bank	2,940,000
Dutch Bangla Bank	360,182
Mercantile Bank	188,125

Expenses per employee: 2017

Bank Asia	2,032,091
BRAC Bank	680,816
City Bank	2,694,910
Dhaka Bank	2,400,622
Dutch Bangla Bank	1,881,896
Mercantile Bank	594,361

Earnings Ability

Net Investment Margin: 2017

Bank Asia	3.45%
BRAC Bank	14.34%
City Bank	10.94%
Dhaka Bank	12.97%
Dutch Bangla Bank	7%
Mercantile Bank	9.01%

EPS: 2017

Bank Asia	2.07
BRAC Bank	6.14
City Bank	4.1
Dhaka Bank	2.07

Dutch Bangla Bank	12.3
Mercantile Bank	3.89

Liquidity

Loan to Deposit Ratio: 2017

Bank Asia	79.00%
BRAC Bank	82%
City Bank	84.90%
Dhaka Bank	82.64%
Dutch Bangla Bank	84.10%
Mercantile Bank	84.25%