

**Report On**  
**Expository Report on the overall banking condition, CAMEL-  
based Performance of a Islami Bank in Bangladesh: A Case of First  
Security Islami Bank Ltd.**

**By**

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**An internship report submitted to the BRAC Business School in partial fulfillment of the  
requirements for the degree of  
Bachelor of Business Administration**

**BRAC Business School  
Brac University  
June 2021**

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## **Declaration**

It is hereby declared that

1. The internship report submitted is my own original work while completing degree at Brac University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I have acknowledged all main sources of help.

**Student's Full Name & Signature:**



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**Student Full Name**

Student ID

**Supervisor's Full Name & Signature:**

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**Dr. Sang H. Lee**

Professor and Dean  
BRAC Business School  
BRAC University

## **Letter of Transmittal**

Dr. Sang H. Lee  
Professor and Dean  
BRAC Business School  
BRAC University  
66 Mohakhali, Dhaka-1212

Subject: Submission of internship report on completion of the course BUS400 in Spring 2021

Dear Sir,

With due respect and humble submission, I am submitting my internship report on “Expository Report on the overall banking condition, CAMEL-based Performance of a Islami Bank in Bangladesh: A Case of First Security Islami Bank Ltd.”. I have prepared this report to complete my Bachelor of Business Administration degree from BRAC Business School. I was placed in the Banani Branch of First Security Islami Bank. I have gathered and calculated important financial data for analyzing the overall performance of FSIBL.

The following report explains the detailed method of First Security Islami Bank’s Operating strategy, Management practices, Marketing Practices along with a comprehensive analysis of its financial performance based on the CAMEL rating system over eleven years. This report concentrates on the unique strategies of FSIBL that supports it to overcome all sorts of general banking struggles. I believe this report will facilitate the understanding and knowledge of the banking industry in Bangladesh.

Sincerely yours,

A handwritten signature in black ink, appearing to be "A. Smith", written in a cursive style.

---

Student Full Name

Student ID

BRAC Business School

BRAC University

Date: Month Day, Year

## **Non-Disclosure Agreement**

[This page is for Non-Disclosure Agreement between the Company and The Student]

This agreement is made and entered into by and between First Security Islami Bank Ltd. and the undersigned student at Brac University.....



MD. Farhan Abdal Mahin

ID-17104131

BRAC Business School

BRAC University

## **Acknowledgement**

First of all, thanks to Almighty for giving me the patience and might to complete my internship report successfully. After that, I would like to extend my gratitude toward our respectable Professor and Dean of BRAC Business School, Dr. Sang H. Lee, my internship report supervisor whose consistent support and guidance helped me prepare this report. I would also like to thank my co-supervisor, Prof. Mohammad Mujibul Haque, for his precious time and supervision.

Moreover, I would like to thank Md. Tahurul Haque (EVP and Branch Manager, FSIBL, Banani Branch), Mr. Minto Talukder (AVP and Operations In-charge, FSIBL, Banani Branch), Mrs. Nasima Parvin (FAVP and General Banking In-charge, FSIBL, Banani Branch), Muhammad Idris (Assistant Officer, FSIBL, Banani Branch) and Mosammat Nasima Akter (Officer, FSIBL, Banani Branch) who softheartedly welcomed me into their bank and diligently helped me during my internship. I am also grateful to the officers and assistant officers- Mr. Ohid Alam, Mr. Adnan Asif, Mr. Monir Ul Haque, Mr. Syed Azizul Haque, and all other employees of the FSIBL Banani Branch who gave me their valuable time and aided me to learn so much despite their immense workload.

Lastly, I concede the fact that FSIBL, Banani branch had the illuminative working environment that helped me a lot to learn about Islami Banking activities and strategies in Bangladesh. Finally, I would like to thank my family for their encouragement and constant support.

## **Executive Summary**

This report was prepared as a part of completing Bachelor of Business Administration from BRAC University. This comprehensive study has explained the strategic, operational and financial performance of First Security Islami Bank Ltd. Along with CAMEL Ratings Analysis, financial performance over the eleven years for FSIBL has been explained thoroughly. In order to prepare this study, financial data of the past eleven years and organizational write-ups were collected. In addition, personal observation through working inside the bank and insights of conversation with different personnel including employees and clients, provided detailed managerial and operational information. After calculating all the necessary financial information and executing CAMEL rating analysis, the overview of FSIBL has been presented and important interpretations of results are mentioned as well in a scale from strong to unsatisfactory. Moreover, how well or poorly FSIBL is performing compared to their competitors, in terms of key financial aspects is also shown in this research paper. This study report ended with showing how well FSIBL is performing as a Islami Bank in terms of their return on equity compared to their competitors and suggestions for improving their return on assets which will not only increase their earnings ratio but also their management efficiency.

**Keywords:** FSIBL, CAMEL rating analysis, Islami Bank, Financial Performance, Interpretation, Competitors.

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## List of Acronyms

FSIBL	First Security Islami Bank Ltd.
CAMEL	Capital Adequacy Ratio, Asset Quality, Management Efficiency, Earning Capacity, Liquidity Ratio
CAR	Capital Adequacy Ratio
ROA	Return on Asset
ROE	Return on Equity
CET1	Capital Tier-1
ATM	Automated Teller Machine
NPL	Non-Performing Loan
PLL	Provision for loan loss

## **Glossary**

Liquidity Ratios	Liquidity Ratios of an organization interpret how well that organization can pay off their debts.
Efficiency Ratio	Efficiency Ratio of an organization interprets how much cost they are incurring in terms of their income.
Debt Leverage	Debt Leverage of an organization interprets how much debt they are holding against their assets and equity.
Risk Based Ratios	Risk Based ratios of an organization interpret if the organization is adequately capitalized or inadequately capitalized.
Return Based Ratio	Return Based Ratio of an organization interprets how much net interest income they can generate against their total assets.
Earning Capacity	Earning Capacity of an organization tells how much return they are generating using their assets and equity.
CAMEL Rating	A supervisory rating system used to assess overall banking condition.

# Chapter 1

## Overview of internship

### 1.1 Internship Details

#### 1.1.1 Student Information

*Table 1: Student Information*

Name	MD. Farhan Abdal Mahin
Student ID	17104131
Program	Bachelor of Business Administration
School/Department	BRAC Business School
Major	Finance
Minor	Accounting
Email	md.farhan.abdal.mahin@g.bracu.ac.bd

#### 1.1.2 University Supervisor Information

*Table 2: University Supervisor Information*

Name of University Supervisor	Dr. Sang H. Lee
Position	Dean of BRAC Business School
Contact Email	lee.sang@bracu.ac.bd
Co-Supervisor Name	Dr. Mohammad Mujibul Haque
Position	Assistant Dean of BRAC Business School
Contact Email	mmujibul.haque@bracu.ac.bd

## 1.2 Internship Information

### 1.2.1 Placement Information

*Table 3: Placement Information*

Organization Name	First Security Islami Bank
Industry	Banking
Branch	Banani Branch
Job Nature	Contractual, Full-time
Duration	Three Months
Office Address	Prasad Trade Centre, Mezzanine Floor, House # 06, Kemal Ataturk Avenue, Dhaka 1213

### 1.2.2 Organization Supervisor Information

*Table 4: Organization Supervisor Information*

Supervisor Name	Md. Tahurul Haque
Position	Executive Vice President & Branch Manager
Contact Number	01992-044115

### 1.2.3 Job Responsibilities

- To help with all sorts of documentation, that is needed in General Banking
- Follow Bangladesh Bank circular strictly in terms of collecting data from the clients when they are opening a new account
- Receive necessary account opening documents that is required by Bangladesh Bank to open an account



- Client handling, explain what type of documents is needed when they are opening a savings account, current account or deposit skim account
- Scan important documents and email to specific branches if needed
- To help with risk grading properly by checking every individual account holder's transaction profile

### 1.3 Internship Outcomes

This Internship opportunity was quite the experience that I needed as a fresh finance graduate to get a hand on experience how a banking financial institution actually works.

- ✓ Scope of applying basic class room knowledges in office environment
- ✓ Acquired some inner working mechanism of General Banking
- ✓ Getting hand on training about various important topics in general banking like risk grading
- ✓ Learning proper methods of doing documentation as per as Bangladesh Bank policy
- ✓ Gathered experience of dealing critical situation in a calm manner
- ✓ Learned importance of keeping register note of every in work and out work documents

## **Chapter 2**

### **Organization Strategic Analysis**

#### **2.1 Introduction**

Tofael and Mizanur (2016) stated that the financial environment of any country or economy is generally formed with five components and they are money, financial institutions, financial instruments, rules and regulations and financial markets. Among these components, banks play a vital role and they are considered to be a fundamental component (Dhanabhakym & Kavitha, 2012). McKinnon (1973) in his studies, explained the importance of the financial system and the role that the financial system plays in the economic growth of a country. He also mentioned there is a strong correlation between the financial system and economic growth (cited by Misra and Aspal, 2013). According to Bangladesh Bank website (March 16, 2021), there are in total 60 scheduled banks operating in Bangladesh, including 6 state owned commercial banks (SOCBs), 3 specialized banks (SDBs), 42 private commercial banks (33 conventional PCBs and 8 Islami Shariah based PCBs) and 9 foreign commercial Banks. First Security Islami Bank is one of the leading private commercial banks in Bangladesh and they fall under the category of Islami Shariah based PCBs. First Security Islami bank started their journey at the end of year 1999, they started operating as a Islami shariah based bank from 2009 (According to FSIBL website). They have been graded A+ in terms of their long-term ratings for consecutive 7 years, which puts them in upper medium grade for investment. It indicates that they have strong capacity to meet financial commitments. But it suffers from minor weaknesses. It cannot navigate effectively when there is unfavorable development in the economy. Their other strong positive factors as a Islami Bank, however, neutralize these minor weaknesses.

The goal of this study is to analyze and experience the working environment and inner mechanism of the general banking department, interpret gathered information, learn through

introduced framework and methods and how documentation is done in day-to-day operation. In addition, the study focuses on figuring out the different aspects of banking like management practices, market offerings, financial and operational practices. The aim is also to understand how a Islami Bank in Bangladesh operates and how it is different from any other normal banks. For creating this research report, FSIBL's annual reports have been collected for the past eleven years from their website. Information regarding their products, services, achievements and other operational activities is collected from their website, news portal and LinkedIn profile and this information have been analyzed thoroughly. Moreover, previous studies conducted on FSIBL were also consulted for research purposes. Some useful information was also collected from Bangladesh Bank website.

This thorough operational and functional analysis of an Islami Bank like FSIBL will work as an information source and provide opportunity for future students and researchers to know more about Islami Bank in Bangladesh. This elaborative analysis focuses mainly on the functional activities and overall banking condition of FSIBL as a Islami Bank in Bangladesh. In addition, SWOT analysis will give readers a clear view of where FSIBL stands in the banking industry of Bangladesh.

## 2.2 Overview of the Company

### 2.2.1 History of First Security Islami Bank Ltd.

First Security Islami Bank Limited was established as a commercial bank on 29 August 1999 under the companies act 1994 to operate the banking business. They started functioning as a commercial bank on 25 October 1999 with an authorized capital of 1 billion taka. Their first corporate office was in 23, Dilkusha, Dhaka-1000, Bangladesh, which is also their registered office in Bangladesh. In 2009, FSIBL started operating as an Islamic Sharia bank in Bangladesh. Since then, they have been operating as one of the leading Islami Banks in

Bangladesh. Their corporate head office is at Rangs RD Center, Block: SE (F), Plot:03, Gulshan Avenue, Gulshan-1, Dhaka:1212. Their trading code for Dhaka Stock Exchange is FIRSTSBANK. According to Dhaka Stock Exchange website (May 20, 2021), they have authorized capital of 10,000 million and their paid-up capital amount is 9,487.60 million.

### 2.2.2 Current Position in Bangladesh

FSIBL started their journey in 2009 as an Islamic bank in Bangladesh and now they have become one of the leading Islami Banks of the country. In the year 2019, they received Best Corporate Award-2019 in the category of Private Commercial Bank (Islamic Operation). In the year 2019, FSIBL was able to open 7 new branches, 15 ATM booths and 16 agent banking outlets. Currently they have 190 branches, 66 Sub Branch, 167 ATM Booth, 52 Agent Banking outlets all over Bangladesh.

### 2.2.3 Vision of FSIBL

To be the premier financial institution in the country based on “Islamic Shariah” by providing high quality products and excellence in services backed by latest technology and a team of highly motivated personnel to deliver excellence in Banking service.

### 2.2.4 Mission of FSIBL

- ❖ To contribute to the socio-economic development of the country.
- ❖ To attain the highest level of satisfaction through the extension of services by dedicated and motivated professionals.
- ❖ To maintain continuous growth of market share by ensuring quality.
- ❖ To ensure ethics and transparency in all levels.
- ❖ To ensure sustainable growth and establish full value of the honorable shareholders and above all, to contribute effectively to the national economy.

### 2.2.5 Achievements

- ✓ “ICMAB Best Corporate Award-2021” in the category of Private Commercial Bank in Bangladesh.
- ✓ First place in Dhaka WASA Bill collection for the financial year 2019-2020.
- ✓ Best Corporate Award-2019 in the category of Private Commercial Bank (Islamic Operation).
- ✓ “Award of Integrity 2018” achieved by FSIBL Officers.
- ✓ Received “Letter of Appreciation” by Bangladesh bank for achieving the disbursement target of agricultural and rural investment for the year 2014-2015.
- ✓ Award of Excellence from Bangladesh Bank in Banking Fair in the year 2015
- ✓ “Best Sponsor Award 2014” for great contribution in the sports section.
- ✓ Award from Bangladesh Bank for contributing in School Banking in 2015.

### 2.3 Management Practices

In order to succeed, Management is one of the most important factors for any kind of organization, especially when it is a financial institution. FSIBL’s management structure consists of 12 intellectual personnel in their Board of Directors including Mohammed Saiful Alam, Chairman of FSIBL, Mohammed Abdul Maleque, Vice chairman of FSIBL and Syed Waseque Md Ali, Managing Director. Board of Director members are continuously coming up with innovative ways to improve the overall performance of FSIBL.

The Managerial Hierarchy of First Security Islami Bank:

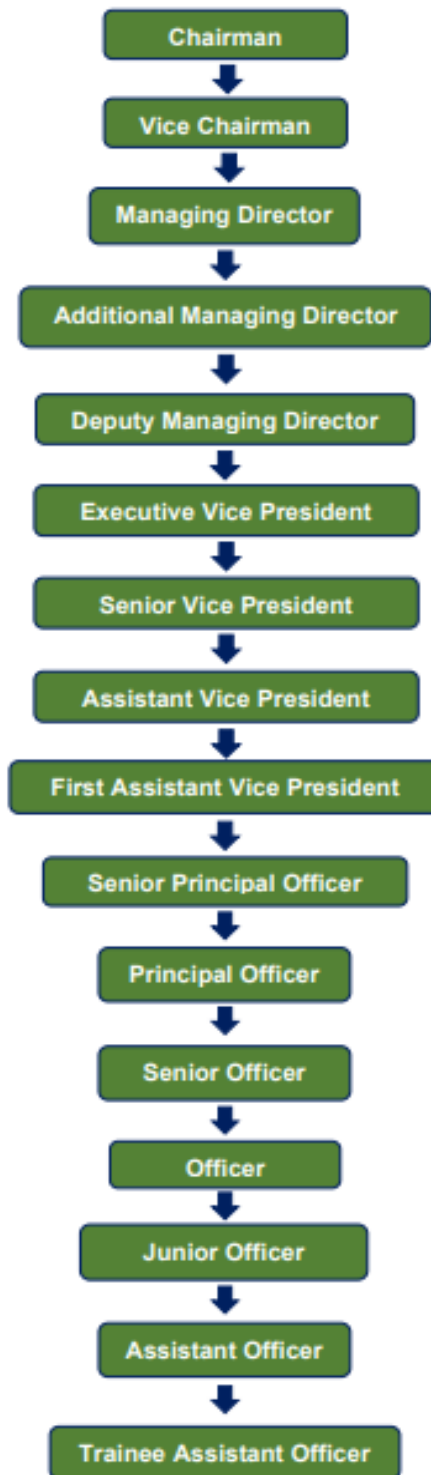


Figure 1: Managerial Hierarchy of FSIBL

## 2.4 Marketing Practices

First Security Islami Bank started their journey as a Islami Bank of Bangladesh in 2009, since then they are trying their best to provide the best products and services for their customers.

FSIBL maintains customer friendly relations with all of their clients, their first priority is to make sure their customer is satisfied with their service.

### 2.4.1 Products

FSIBL has wide a range of products available for their customers. Their main products fall under the category of Deposit Scheme and Investment Scheme.

#### A. Deposit Scheme:

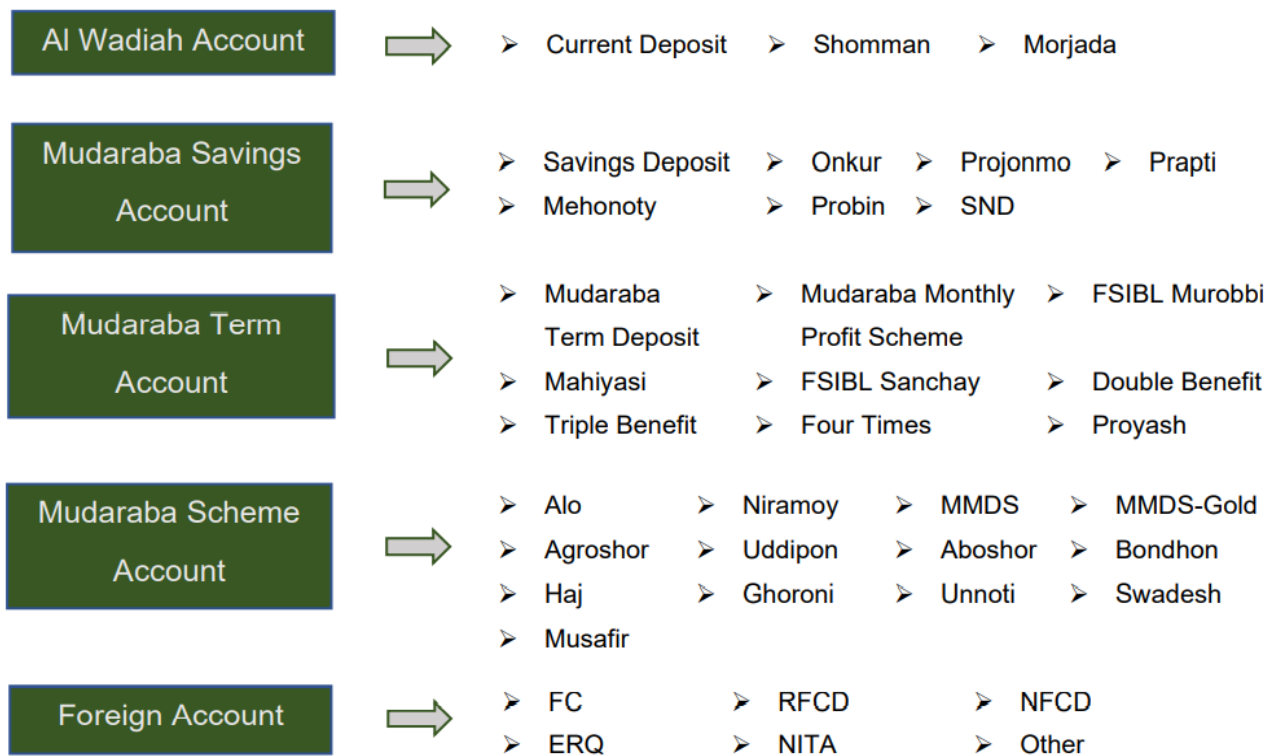


Figure 2: Deposit Scheme

FSIBL has five types of deposit schemes. Among these deposit schemes, Al Wadiah Current Deposit for transaction purpose, Mudaraba Savings Account (Prapti, Savings deposit, SND, Mehonoty, Projonmo) for saving purpose, Mudaraba Term Account (Mahiyasi and Double benefit) and Mudaraba Scheme Account (Alo, Niramoy, Ghoroni and Musafir) are very popular, especially in Banani branch.

## B. Investment Scheme:





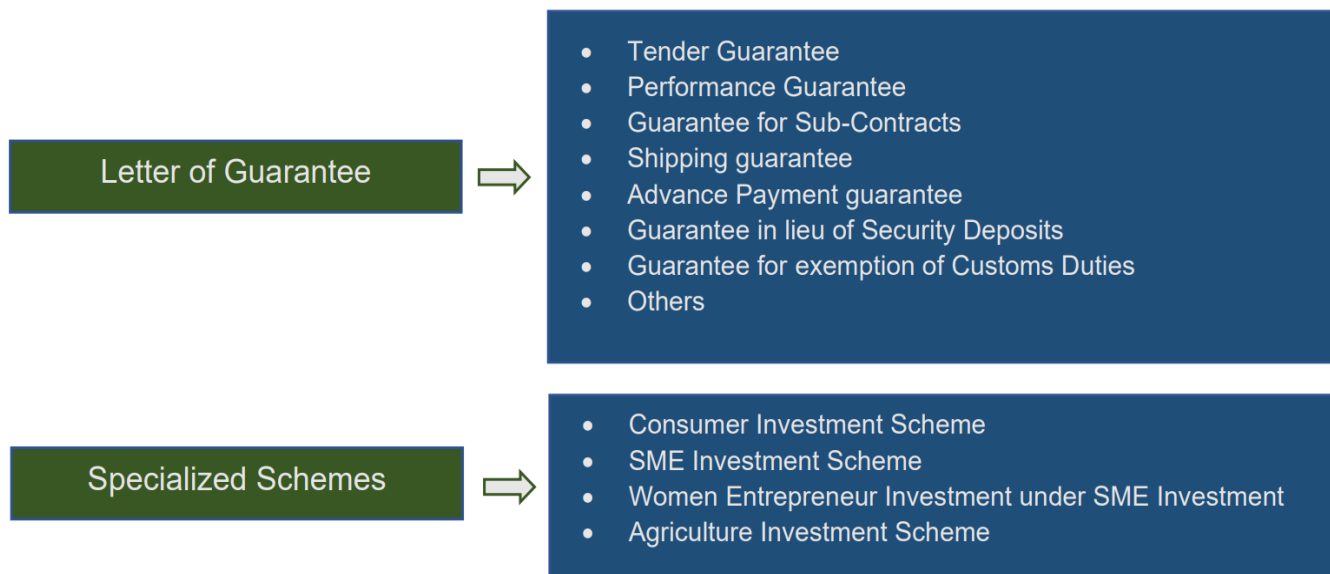


Figure 3: Investment Scheme

#### 2.4.2 Value Added Services

- ❖ **Internet Banking:** FSIBL’s customers can transfer their fund, check their balance, get banking statements, get cheque book status, find out their profit details and more through internet banking.
- ❖ **Locker Service:** FSIBL provides locker services to their consumers, to get this service a customer has to have an account in FSIBL. They are currently providing locker service in 55 branches all over Bangladesh, where customers of FSIBL can keep their valuables.
- ❖ **Foreign Remittance:** FSIBL has remittance drawing arrangements with Western Union money transfer, Zenj Exchange, The MoneyGram brand, The Express Money, Placid Express, IME (International Money Express) Ltd, TRANSFAST, RIA, ACE (Aftab Currency Exchange) money transfer, BRAC Saajan Exchange Ltd, Wall Street Finance LLC, Prabhu Money Transfer P. Ltd, Al Muzaini Exchange Co and Agrani Remittance House Sdn Bhd.
- ❖ **Tasdir:** Under this facility, Clients of FSIBL can purchase shipments according to their needs and pay FSIBL later with no LC and no down payment.

- ❖ **FSIBL Mobile Banking:** Through FSIBL mobile banking service clients can deposit cash, withdraw cash, transfer money, recharge mobile, make payments, check their account balance, change their pin number. FSIBL Cloud App is their newest edition in mobile banking service.
- ❖ **FSIBL Agent Banking:** FSIBL Agent Banking ensures branch banking facilities in a limited scale in remote areas.
- ❖ **SMS Banking:** Customers of FSIBL are getting notified after every transaction through SMS banking services.

## 2.5 Financial Performance & Accounting Practices

In Year 2019, First Security Islami Bank’s total assets increased by 17.73% to BDT 43,717.88 crore. FSIBL is showing progress in terms of their financial performance and accounting practices over the years. FSIBL’s assets have increased over the years and net profit after tax is also at peak in 2019, which demonstrates a healthy financial position.

### 2.5.1 Financial Position



Figure 4: Financial Position

FSIBL’s assets and liabilities are growing steadily over the years and it shows a good sign for a Islami Bank like FSIBL. In Addition, their assets over the years are greater than their liabilities, which means they are maintaining a healthy ratio between their assets and liabilities, which is also a positive sign for any bank.

## 2.5.2 Net Profit Movement



*Figure 5: Net Profit Movement*

First Security Islami Bank had a growth in their net profit after tax for almost 30% in year 2019. FSIBL’s net profit after tax over the years is showing that it is on an increasing trend. Though in 2012, 2014 & in 2017 their net profit after tax declined, but now again in 2019 it has increased and their best amount of net profit after tax they have generated in 2019.

Both the financial position and Net profit movement of FSIBL is showing an improving sign for First Security Islami Bank Ltd.

## 2.6 Operations Management & Information System Practices

### 2.6.1 Operations Management:

First Security Islami Bank is continuously updating their products and services to match the growing demand of the people of Bangladesh. FSIBL’s 184 branches are operating under a centrally controlled core banking system which is an online banking system that helps a client to get any banking service from any branch. Main branches of First Security Islami bank are

divided into three departments. They are General Banking, Investment Section and Foreign Exchange & Remittance. These three departments are working generally as any other banks in Bangladesh.

### 2.6.2 Information System Practices:

First Security Islami Bank is using Bank ULTIMUS software as their core banking software to conduct all sorts of Banking activities throughout all 184 branches under real time. Bank ULTIMUS software is a powerful software used by most of the leading banks in Bangladesh which allows it to provide customer services from any single branch without any sort of hassle. The version they are currently using is Bank ULTIMUS 2.1.6.2, it is the latest version of ULTIMUS. It shows that FSIBL’s information system practices are up to date. Leads Corporation Ltd., a software company is providing FSIBL Agent Banking solutions through a software named “nCore”, which is also integrated with core banking systems.

## 2.7 Industry & Competitive Analysis

As a Muslim country, people of Bangladesh are relying a lot in Islamic Banks of Bangladesh. As there are currently 8 Islamic Banks in Bangladesh, people are expecting more and more from these 8 Islami Banks, as a result competition between these Islami Banks are very high. To assess how First Security Islami Bank is performing among these Islami Banks, a renowned framework “SWOT” analysis has been conducted.

### 2.7.1 SWOT Analysis

*Table 5: SWOT Analysis*

<i>Parameters</i>	<i>Focus Points</i>
<b>S: Strengths</b>	<ul style="list-style-type: none"> <li>➤ Islami Shariah Based Bank</li> <li>➤ Well known as Customer Friendly</li> </ul>

	<ul style="list-style-type: none"> <li>➤ Distinguished saving scheme known as DPS targeted for a fixed or lower income people of our society</li> <li>➤ Focuses on making quality investment</li> <li>➤ Remarkable profitable growth and high asset</li> </ul>
<b>W: Weakness</b>	<ul style="list-style-type: none"> <li>➤ Less publicity and marketing of their product and services</li> <li>➤ Less amount of ATM booths of their own</li> </ul>
<b>O: Opportunity</b>	<ul style="list-style-type: none"> <li>➤ Bai-Murabaha (Hypo) against MTDR and deposit scheme is becoming more popular</li> <li>➤ All employees are hardworking and dedicated towards their duty</li> <li>➤ Experienced Management team</li> <li>➤ Gracious working Environment</li> <li>➤ FSIBL Cloud</li> <li>➤ Implementation of Acuity Database</li> </ul>
<b>T: Threats</b>	<ul style="list-style-type: none"> <li>➤ Competitor has more BAI-Mode of investments</li> <li>➤ Less amount of specialized investment schemes</li> <li>➤ Competitors have more geographical coverage</li> <li>➤ Competitors having more ATM booths</li> <li>➤ Strict policies from government</li> </ul>

## 2.8 Summary & Conclusion

The purpose of this study was to assess the overall operational activities and practices of the First Security Islami Bank Ltd. and figure out FSIBL's current state as an organization and how they are performing as an Islami Bank. In brief, FSIBL's management practices and marketing practice with a wide range of products and services is doing well and as a result their deposit amount in 2019 increased by 17.68%. Their variety in deposit schemes and investment schemes are attracting new customers. FSIBL is maintaining a healthy relationship with their customers and FSIBL is making sure that their customers are satisfied with their service which

is helping them to gain competitive advantage in the Islami Bank Industry. Use of updated software of Bank ULTIMUS is enduring the smooth flow of Banking services and customers are getting their services without delay and any sort of difficulties. Despite their positive sides, FSIBL is facing some weakness and threats in the Islami Bank industry. By recognizing them properly and taking necessary steps, these obstacles can be conquered and FSIBL will become more advanced as a Islami Bank in Bangladesh.

## 2.9 Recommendation

From SWOT analysis mentioned in the above section, we can see that FSIBL currently has some weaknesses and threats in front of them. Firstly, FSIBL has a wide range of products and services available for their customers, but unfortunately most of the customers are not aware of these products. FSIBL should increase their marketing for their deposit scheme and investment scheme and make advertisements for their services like FSIBL cloud, Tasdir, Locker Service, Agent banking to reach their target clients with their products and services. Secondly, FSIBL has less amount of ATM booths. Up to 2019, they only had 167 ATM booths all over Bangladesh, when one of their competitors Islami Bank Bangladesh Ltd. has a total of 1131 ATM booths all over Bangladesh. In Banani where they have a branch for banking service but they do not have any ATM booth of their own, people have to search for Q Cash booth, then they can withdraw their money using an ATM card. They should increase their ATM booth numbers especially in populated areas like Banani. Thirdly, FSIBL is not providing Bai-As-Sarf and Bai-Istijrar from Bai-Mode of Investment, where one of their competitors, Islami Bank Bangladesh Ltd. is providing this investment facility. FSIBL should enhance their investment schemes more to gain competitive advantage.

## Chapter 3

### Project Analysis

#### 3.1 Introduction

Poor management can lead a bank towards failure. Jamil and Sahar (2013) showed that an infirm banking sector can put sustainability danger in the long run and also play a role in triggering an economic crisis for a country led by a financial crisis. To avoid bank failure and assess overall banking condition, a supervisory rating system named CAMEL Rating was introduced in the U.S. in 1979-80. CAMEL Ratings is now proven as an effective tool for figuring out the soundness of a financial institution and can help regulators to understand how well a bank is operating. Hirtle and Lopez (1999) explained the usefulness of assessing a bank's current condition through past CAMEL ratings. They figured out past CAMEL rating analysis containing private supervisory information provides important insights about the bank's current condition which summarized in the current camel rating analysis (cited by Jamil and Sahar in 2013). Well and Kent (2001) through their research, pointed that bank efficiency score and financial ratios have a strong relationship by selecting and computing highly correlated financial ratios that also play a vital role in CAMEL rating (cited by Jamil and Sahar in 2013).

CAMEL rating has five characteristics

- Capital Adequacy
- Asset Quality
- Management Efficiency
- Earnings Ratio
- Liquidity Ratio

These individual characteristic helps to identify particularly in which area a bank is performing well or lacking among its competitors. Regulators can take quick actions based on this rating

and regain their competitive position in their performing sector. In 1993, Bangladesh Bank introduced CAMEL Rating for the very first time in Bangladesh and since then it has been an unabated supervisory system for the banking sector in Bangladesh.

Therefore, the aim of preparing this report is to figure out the overall banking condition for First Security Islami Bank Ltd. through its key financial ratios. The motive is to figure out FSIBL's financial position in different aspects and classify ratios into major categories in an attempt to measure overall banking performance of FSIBL through CAMEL rating system, also comparing along with time series analysis. In addition, FSIBL's management strategies and their outcomes will be explained, particularly focused in management efficiency and liquidity management.

This research will avail in filling the gap of using CAMEL rating as an appraisal tool of a Islami bank in Bangladesh. Through this research, FSIBL's overall excellence will be evaluated and also the usefulness of using CAMEL rating as an assessment tool. Further inquiry is induced to figure out the unique strategies of FSIBL compared to other financial organizations for both academia and practical purposes. This research will definitely create new scopes for further research to use this method for other FSIBL branches and their operations in Bangladesh.

### 3.2 Methodology

This report has been produced by pursuing a three-month long internship with First Security Islami Bank Ltd. Banani Branch. Information regarding various aspects of First Security Islami Bank has been collected through both primary and secondary sources. Primary sources include my personal observation throughout the internship period, my practical working experience, discussing various issues with Manager, Manager (Operations), Senior Officers, Officers, and also insights of conversation with clients. Secondary sources are from FSIBL website, yearly



annual reports, bank's current affairs, Bangladesh Bank Circulars, rules and regulations regarding CAMEL rating and also previously conducted research on FSIBL. Yearly annual reports for the past 11 years, included in my secondary resource are used more in terms of calculating financial ratios, especially for CAMEL ratings analysis.

### 3.3 Findings & Analysis

#### 3.3.1 Liquidity

Table 6: Liability to Deposit Ratio

Liability to Deposit Ratio	Year 2019	Year 2018	Year 2017	Year 2016	Year 2015	Year 2014
Total Liabilities/Total Deposits	112.01%	111.89%	108.92%	105.93%	106.30%	107.48%
IA 2019	Year 2013	Year 2012	Year 2011	Year 2010	Year 2009	
	115.08%	111.37%	112.89%	110.64%	105.95%	106.34%

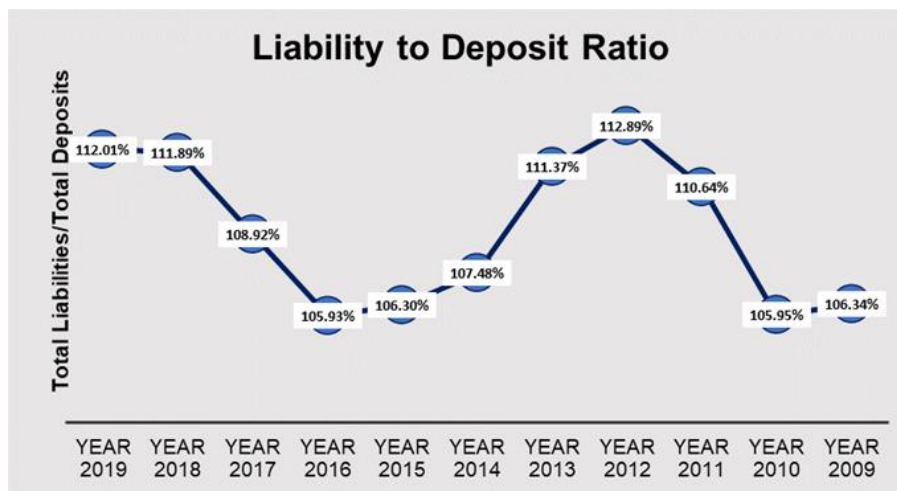


Figure 6: Liability to Deposit Ratio

**Interpretation:** For the year 2019, Liability to Deposit Ratio for FSIBL is 112.01%, which indicates that they have incurred a liability of 1.12 Tk against every 1 Tk deposit in this particular year. In the year between 2012-2016, their Liability to deposit ratio decreased, which showed a better sign for them but again from 2017 it started to increase and now it is at

112.01%, which is currently below industry average, it shows that FSIBL is operating quite well in this sector compared to their competitors.

Table 7: Loan to Deposit Ratio

Loan to Deposit Ratio	Year 2019	Year 2018	Year 2017	Year 2016	Year 2015	Year 2014
Total Loans/Total Deposits	96.78%	97.39%	91.47%	82.43%	81.15%	83.72%
IA 2019	Year 2013	Year 2012	Year 2011	Year 2010	Year 2009	
	94.62%	82.14%	87.62%	88.90%	92.51%	91.28%

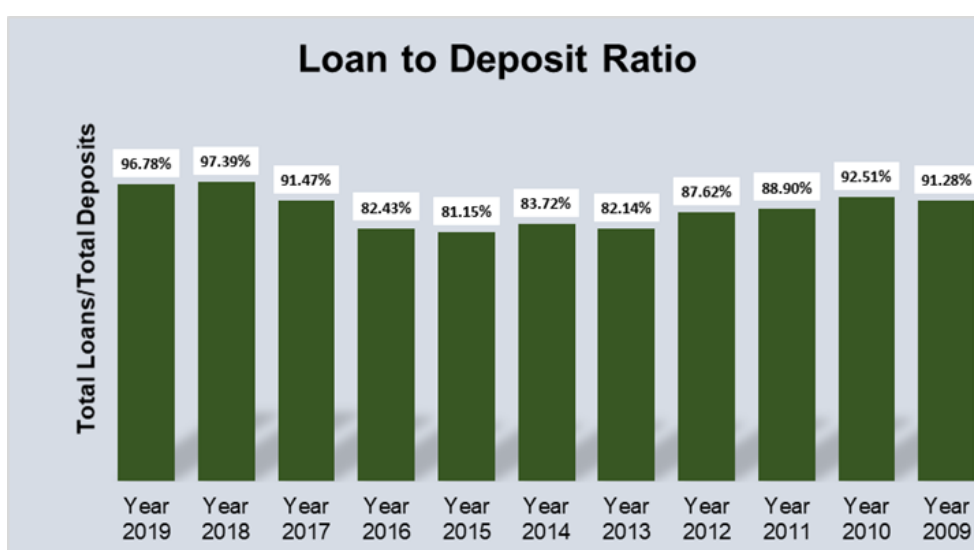


Figure 7: Loan to Deposit Ratio

**Interpretation:** For the year 2019, Loan to Deposit Ratio for FSIBL is 96.78%, which interprets that FSIBL is providing 0.9678 Tk loan against every 1 Tk deposit. This ratio is below 100% and more than 90% which falls under the near ideal loan-to-deposit ratio. But compared to the industry average ratio which is 94.62%, FSIBL should focus on getting this Loan to Deposit ratio below 90% as from year 2011 to 2016 they maintained their Loan to Deposit ratio below 89%.

Table 8: PLL

Provision for Loans Ratio	Year 2019	Year 2018	Year 2017	Year 2016	Year 2015	Year 2014
Provision for Loan/ Total Loans	3.66%	2.99%	2.60%	2.25%	2.03%	1.93%
	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
	2.49%	2.01%	1.96%	2.15%	2.29%	2.49%

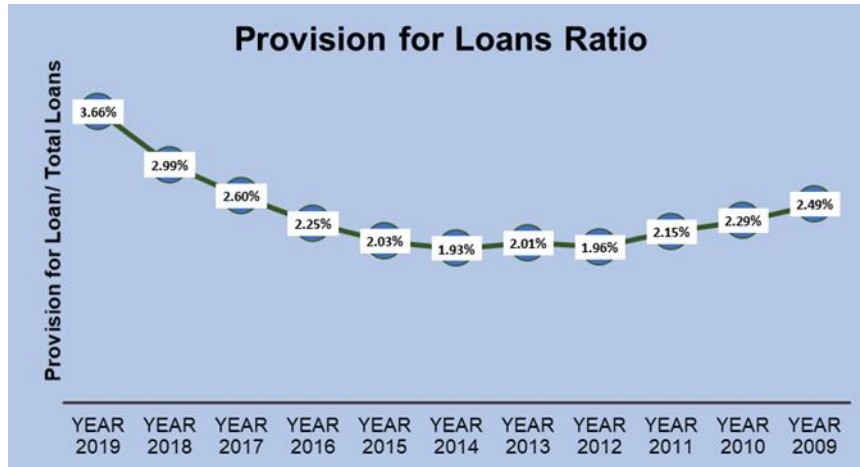


Figure 8: Provisions for Loans Ratio

**Interpretation:** For the year 2019, PLL Ratio for FSIBL is 3.66%, which means for every 100 loans, there is a possibility that around 4 loans is considered risky and may turn out to be uncollectable in future. From 2009, FSIBL’s PLL ratio was declining, which showed positive sign for them, but from 2015 this ratio started to increase and now it is at 3.66%. Compared to industry average which is 2.49%, FSIBL needs to improve in this particular sector.

Table 9: NPL

Non- Performing Loans	Year 2019	Year 2018	Year 2017	Year 2016	Year 2015	Year 2014
Non-performing Loans/Total Loans	4.94%	3.34%	3.07%	2.58%	2.76%	2.22%
	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
	4.93%	2.17%	1.85%	1.94%	2.61%	2.14%

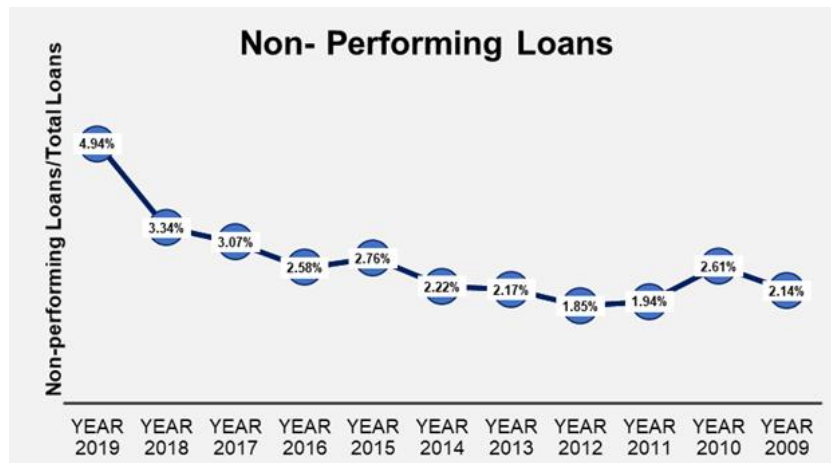


Figure 9: Non-performing Loans

**Interpretation:** For the year 2019, NPL Ratio for FSIBL is 4.94%, which indicates that for every 100 loans that is provided by FSIBL, around 5 loans become uncollectable. From year 2018 to 2019, this NPL ratio increased by 1.60%, which is not good for any bank. Compared to industry average, FSIBL’s NPL ratio is okay, but as in 2012 their NPL ratio was 1.85%, they should focus on lowering the NPL as much as possible.

### 3.3.2 Efficiency

Table 10: Cost to Income Ratio

Cost to Income	Year 2019	Year 2018	Year 2017	Year 2016	Year 2015	Year 2014
Operating Cost/Operating Income	51.62%	51.75%	50.99%	53.57%	59.98%	56.77%
	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
	47.23%	54.06%	48.00%	41.90%	42.28%	43.45%

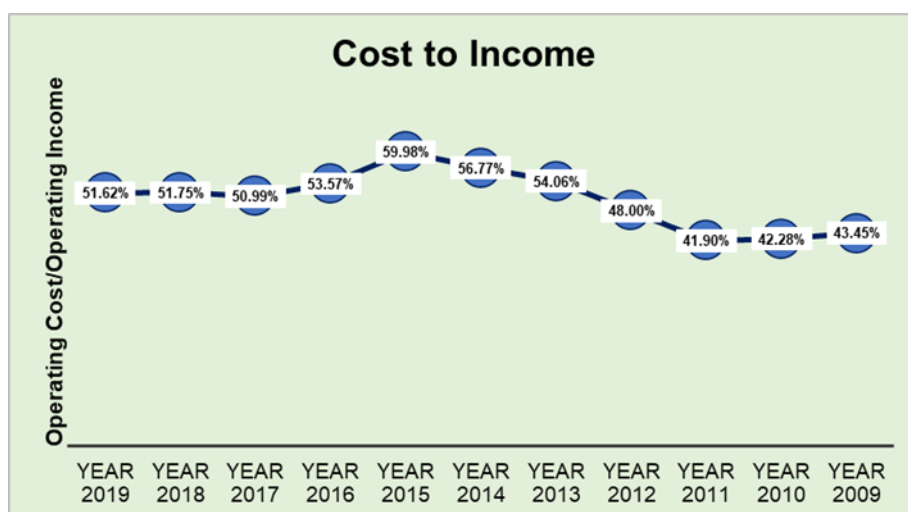


Figure 10: Cost to Income Ratio

**Interpretation:** For the year 2019, Cost to Income Ratio for FSIBL is 51.62%, which interprets that FSIBL incurred 51.62 Tk operating cost for every 100 Tk of operating income. From year 2015, FSIBL’s Cost to Income ratio is in decline trend, which shows good progress, but compared to industry average which is 47.23%, they need to focus on reducing their operating expenses and increasing their operating income.

### 3.3.3 Debt Leverage

Table 11: Debt to Asset Ratio

Debt to Asset	Year 2019	Year 2018	Year 2017	Year 2016	Year 2015	Year 2014
Total	96.50%	96.43%	96.54%	96.45%	96.23%	95.92%
Debts/Total Assets	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
	94.29%	96.02%	95.63%	95.05%	93.84%	94.03%

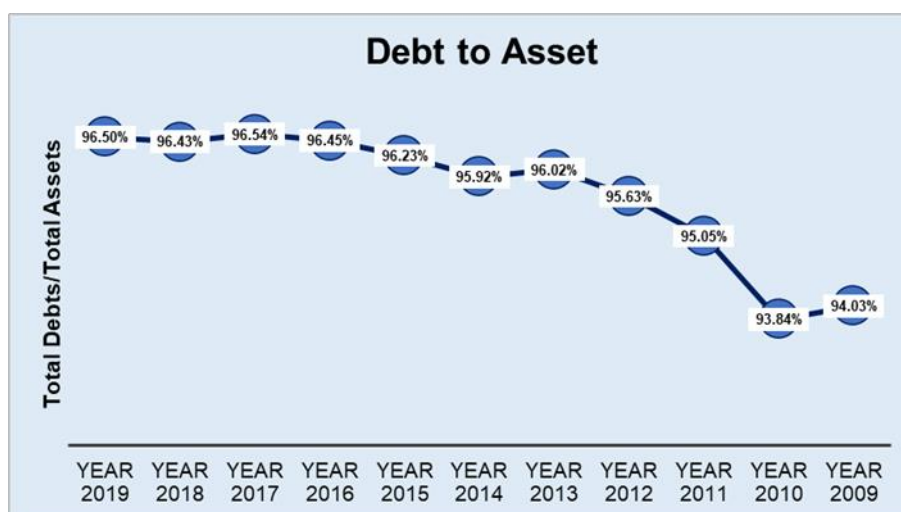


Figure 11: Debt to Asset Ratio

**Interpretation:** For the year 2019, Debt to Asset Ratio for FSIBL is 96.50%, which shows that FSIBL owes 96.50 Tk against every 100 Tk worth assets they own. From the year 2010, their Debt to asset ratio is on an increasing trend and now it is at 96.50% which is also greater than the industry average of 94.29%. As in 2010, this ratio for FSIBL was 93.84%, they should try to take the ratio below 93%.

Table 12: Debt to Equity Ratio

Debt to Equity	Year 2019	Year 2018	Year 2017	Year 2016	Year 2015	Year 2014
Total	27.55	27.01	27.91	27.15	25.50	23.50
Debts/Total	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
Equity	16.76	24.15	21.90	19.21	15.23	15.74



Figure 12: Debt to Equity Ratio

**Interpretation:** For the year 2019, Debt to Equity Ratio for FSIBL is 27.55, which interprets that FSIBL is using 27.55 Tk against every 1 Tk of their equity capital. Industry average is 16.76 for the year 2019, it means they are using too much money compared to their competitors in terms of equity capital. They should lower this ratio in order to avoid any unforeseen obstacles in near future.

### 3.3.4 Risk-based Ratios

Table 13: CAR

CAR	Year 2019	Year 2018	Year 2017	Year 2016	Year 2015	Year 2014
(Tier1 Capital + Tier 2 Capital)/Total Risk-weighted assets	11.26%	10.18%	12.01%	10.51%	10.27%	11.73%
	IA 2019	Year 2013	Year 2012	Year 2011	Year 2010	Year 2009
	13.31%	10.13%	10.20%	9.00%	9.09%	10.86%

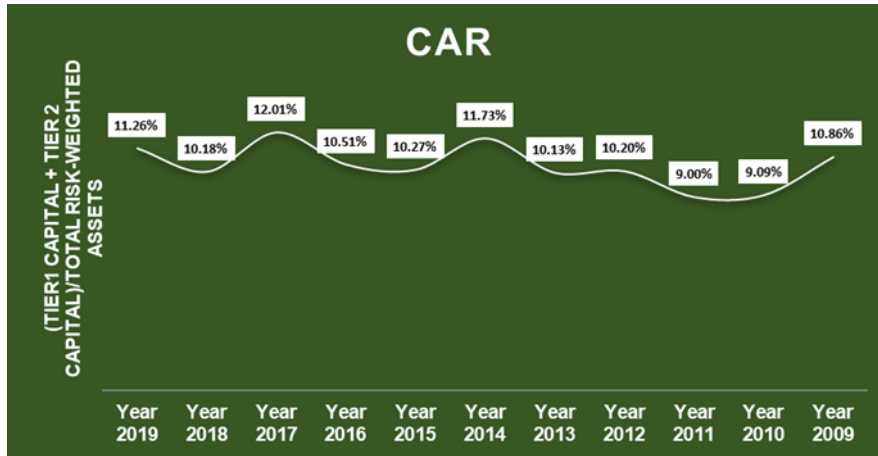


Figure 13: Capital Adequacy Ratio

**Interpretation:** For the year 2019, Capital Adequacy Ratio for FSIBL is 11.26%, which means that FSIBL maintains 11.26% of total capital against their risk weighted assets. Industry average is 13.31%, target for FSIBL should be to gain more than 14% of total capital against their risk weighted assets.

Table 14: Tier-1 Capital Ratio

Tier-1 Capital Ratio	Year 2019	Year 2018	Year 2017	Year 2016	Year 2015	Year 2014
Tier1 Capital/Total Risk-weighted assets	6.05%	6.12%	6.77%	7.51%	7.44%	7.62%
	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
	8.51%	6.51%	6.59%	7.50%	7.77%	9.21%



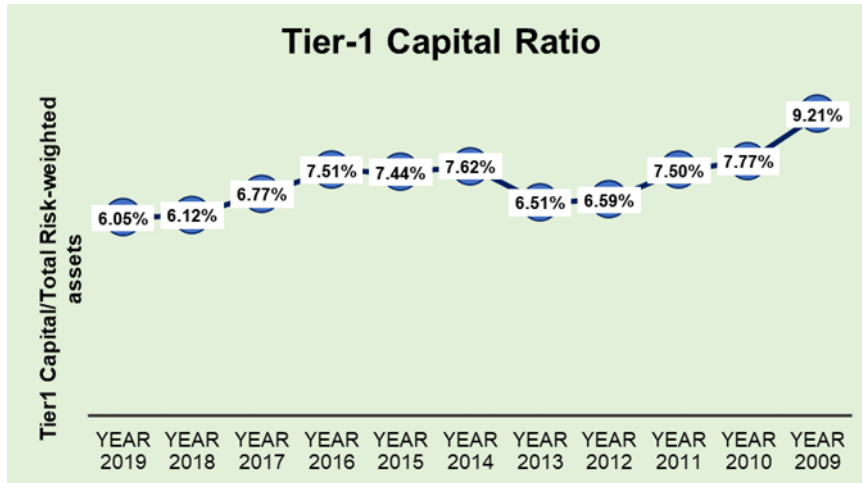


Figure 14: Tier-1 Capital Ratio

**Interpretation:** For the year 2019, Tier-1 Capital Ratio for FSIBL is 6.05%, which interprets that FSIBL has 6.05% of core capital against its total risk weighted assets. Industry average for Tier-1 Capital Ratio is 8.51%, which means FSIBL should focus on increasing this ratio as in 2009 it was 9.21% and since then it has been on a decreasing trend.

### 3.3.5 Return-Based Ratios

Table 15: Net Interest/Investment Margin

Net Interest/ Investment Margin	Year 2019	Year 2018	Year 2017	Year 2016	Year 2015	Year 2014
Net Interest	2.27%	2.47%	2.48%	2.38%	2.06%	2.07%
Income/Total Assets	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
	2.47%	2.27%	2.34%	2.28%	2.23%	2.12%

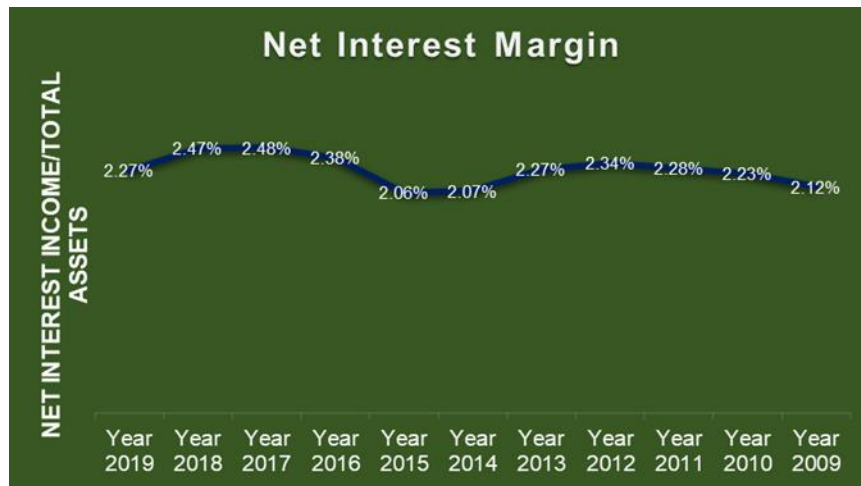


Figure 15: Net Interest/Investment Margin

**Interpretation:** For the year 2019, Net Interest/Investment Margin for FSIBL is 2.27%, which indicates that every 100 units of FSIBL’s asset has earned 2.27 net interest/investment income. Industry average is 2.47%, so FSIBL should increase their net interest/investment income against every 100 units of their asset.

### 3.3.6 Earning Capacity

Table 16: ROA

ROA	Year 2019	Year 2018	Year 2017	Year 2016	Year 2015	Year 2014
Net Income	0.47%	0.43%	0.39%	0.63%	0.56%	0.32%
After Tax/ Total Assets	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
	0.53%	0.48%	0.59%	1.34%	0.86%	0.68%

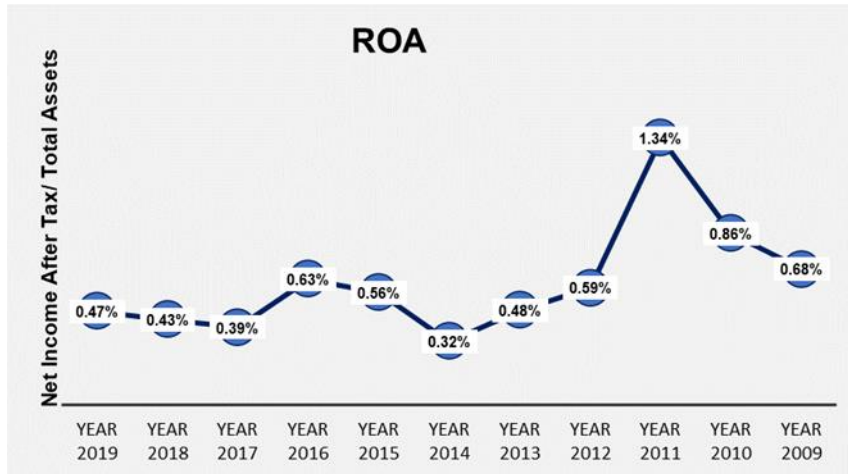


Figure 16: ROA

**Interpretation:** For the year 2019, Return on Asset for FSIBL is 0.47%, which means that for every 100 units of FSIBL’s asset, they have generated 0.47% return. Industry average is 0.53% for year 2019, compared to this they are doing okay but they should look back to year 2011, when their ROA was 1.34% and try to generate more return against their assets.

Table 17: ROE

ROE	Year 2019	Year 2018	Year 2017	Year 2016	Year 2015	Year 2014
Net Income	13.43%	11.97%	11.22%	17.81%	14.95%	7.78%
After Tax/ Total Equity	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
	9.25%	11.95%	13.45%	27.11%	13.99%	11.41%

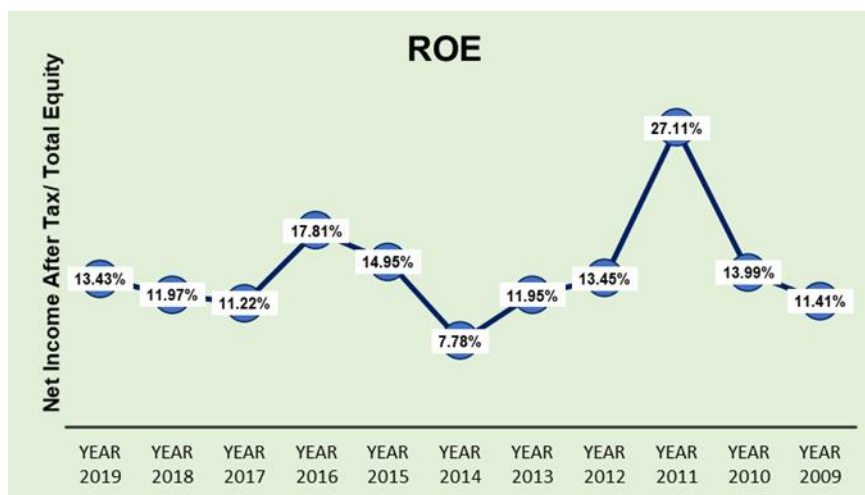


Figure 17: ROE

**Interpretation:** For the year 2019, Return on Asset for FSIBL is 13.43%, which shows that FSIBL is generating a return of 13.43% against every 100 units of their equity capital. In the year 2011 this ratio was at its peak of 27.11%. Industry average is 9.25% for 2019, which shows that they are generating more return than their competitors.

### 3.3.7 CAMEL Rating Analysis

The key financial ratios of FSIBL have been explained in the previous section, using a world-wide performance rating system for banks known as “CAMEL Rating System”. Ratios explained in the above section have been categorized in five different categories for assessing various aspects of the bank for each year from 2009 to 2019.

As mentioned earlier, there are six components in the CAMELS rating analysis, C= Capital Adequacy, A= Asset Quality, M= Management Efficiency, E= Earning Capacity, L= Liquidity Management and S= Sensitivity to Market. Sixth parameter which is sensitivity to market ratio is not included due to lack of availability of information and ongoing current pandemic. The following rating criteria table has been collected from a study conducted by Desta in 2016 on Different Africa Banks.

CAMEL Component	Ratio's Rating					
	1	2	3	4	5	
Capital Adequacy Ratio	> 15%	12 – 14.99%	8 – 11.99%	7 – 7.99%	< 6.99%	
Asset Quality Ratio (NPLs/TL)	< 1.25%	< 2.5 – 1.26%	< 3.5 – 2.6%	< 5.5 – 3.6%	> 5.6%	
Management Efficiency (Cost/Income)	< 25%	30 - 26%	38 - 31%	45 - 39%	> 46%	
Earnings Ability	(ROA)	> 1.5%	1.25 - 1.5%	1.01 - 1.25%	0.75 - 1.00%	< 0.75%
	(ROE)	> 22%	17 - 21.99%	10 - 16.99%	7 - 9.99%	< 6.99%
Liquidity (TL/TD)	< 55%	62 - 56%	68 - 63%	80 - 69%	> 81%	

Figure 18: Source: Rozzani and Rahman (2013) and Babar and Zeb (2011), cited by Desta (2016)

After calculating and rating each individual category, an average rating has been applied according to the following table and the outcomes are interpreted to explain the final widespread report on FSIBL, as per the following table, which is also taken from the previously mentioned study conducted by Desta (2016).

Rating	Rating Range	Rating Analysis	Interpretation
1	1.0 - 1.4	Strong (or outstanding)	The bank is basically good in every aspect.
2	1.6 - 2.4	Satisfactory (or superior)	The bank is primarily good, but has several identified weaknesses.
3	2.6 - 3.4	Fair (or average), with some categories to be watched	The bank have financial, operational, or compliance weaknesses that would give reasons for supervisory concern.
4	3.6 - 4.4	Marginal (or under perform), with some risk of failure	The bank has serious financial weaknesses that could damage future capability to ensure normal growth and development.
5	4.6 - 5.0	Unsatisfactory (or doubtful), with a high degree of failure	The bank has critical financial weaknesses that will give a probability of failure to be extremely high in the near future.

Figure 19: Source: Rozzani and Rahman (2013) and Babar and Zeb (2011), cited by Desta (2016)

## CAMEL Ratings Outcome:

Table 18: CAR

<b>CAR</b>	<b>Year 2019</b>	<b>Year 2018</b>	<b>Year 2017</b>	<b>Year 2016</b>	<b>Year 2015</b>	<b>Year 2014</b>
<b>(Tier1 Capital + Tier 2 Capital)/Total Risk-weighted assets</b>	11.26%	10.18%	12.01%	10.51%	10.27%	11.73%
<b>Rating- CAR</b>	3	3	2	3	3	3
<b>CAR</b>	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
<b>(Tier1 Capital + Tier 2 Capital)/Total Risk-weighted assets</b>	13.31%	10.13%	10.20%	9.00%	9.09%	10.86%
<b>Rating- CAR</b>	2	3	3	3	3	3
<b>Average Rating</b>	<b>3</b>					
<b>Comment</b>	<b>Fair or Average</b>					

**Interpretation:** FSIBL gets an average rating of 3 in terms of their capital adequacy ratio, which indicates their performance is fair or average, they have financial and operational weakness that needs monitoring.

Table 19: Asset Quality

<b>Asset Quality</b>	<b>Year 2019</b>	<b>Year 2018</b>	<b>Year 2017</b>	<b>Year 2016</b>	<b>Year 2015</b>	<b>Year 2014</b>
<b>NPL/Total Loan</b>	4.94%	3.34%	3.07%	2.58%	2.76%	2.22%
<b>Rating- Asset Quality</b>	4	3	3	2	3	2
<b>Asset Quality</b>	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
<b>NPL/Total Loan</b>	4.93%	2.17%	1.85%	1.94%	2.61%	2.14%
<b>Rating- Asset Quality</b>	4	2	2	2	3	2
<b>Average Rating</b>	<b>3</b>					
<b>Comment</b>	<b>Fair or Average</b>					

**Interpretation:** FSIBL gets an average rating of 3 in terms of their asset quality, which shows their performance is fair or average under this parameter. Their Non-performing loan number has increased over the past years and now it is at 4.94%. They should monitor more strictly while providing loans to their clients.

*Table 20: Management Efficiency*

<b>Management Efficiency</b>	<b>Year 2019</b>	<b>Year 2018</b>	<b>Year 2017</b>	<b>Year 2016</b>	<b>Year 2015</b>	<b>Year 2014</b>
<b>Total Cost / Total Income</b>	51.62%	51.75%	50.99%	53.57%	59.98%	56.77%
<b>Rating- Management Efficiency</b>	5	5	5	5	5	5
<b>Management Efficiency</b>	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
<b>Total Cost / Total Income</b>	47.23%	54.06%	48.00%	41.90%	42.28%	43.45%
<b>Rating- Management Efficiency</b>	5	5	5	4	4	4
<b>Average Rating</b>	<b>5</b>					
<b>Comment</b>	<b>Unsatisfactory or Doubtful</b>					

**Interpretation:** FSIBL gets an average rating of 5 in terms of their management efficiency, which shows that their performance under this parameter is unsatisfactory and not only their management and board performance is critically imperfect but also their risk management practice is also critically imperfect and their level of risk exposure is very improper.

Table 21: Earnings Ratio

<b>ROA</b>	<b>Year 2019</b>	<b>Year 2018</b>	<b>Year 2017</b>	<b>Year 2016</b>	<b>Year 2015</b>	<b>Year 2014</b>
<b>Net Income After Tax/ Total Assets</b>	0.47%	0.43%	0.39%	0.63%	0.56%	0.32%
<b>Rating- ROA</b>	5	5	5	5	5	5
<b>ROA</b>	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
<b>Net Income After Tax/ Total Assets</b>	0.53%	0.48%	0.59%	1.34%	0.86%	0.68%
<b>Rating- ROA</b>	5	5	5	2	4	5
<b>Average Rating</b>	<b>5</b>					
<b>Comment</b>	<b>Unsatisfactory or Doubtful</b>					
<b>ROE</b>	<b>Year 2019</b>	<b>Year 2018</b>	<b>Year 2017</b>	<b>Year 2016</b>	<b>Year 2015</b>	<b>Year 2014</b>
<b>Net Income After Tax/ Total Equity</b>	13.43%	11.97%	11.22%	17.81%	14.95%	7.78%
<b>Rating- ROE</b>	3	3	3	2	3	4
<b>ROE</b>	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
<b>Net Income After Tax/ Total Equity</b>	9.25%	11.95%	13.45%	27.11%	13.99%	11.41%
<b>Rating- ROE</b>	4	3	3	1	3	3
<b>Average Rating</b>	<b>3</b>					
<b>Comment</b>	<b>Fair or Average</b>					

**Interpretation:** FSIBL gets an average rating of 5 in terms of their return on assets, which shows their performance under this parameter is unsatisfactory, they need to utilize their assets more to increase their net income after tax.

FSIBL has an average rating of 3 in terms of their return on equity, which shows their performance under this parameter is fair or average.



Table 22: Liquidity Ratio

Liquidity Ratio	Year 2019	Year 2018	Year 2017	Year 2016	Year 2015	Year 2014
Total Liabilities / Total Deposit	112.01%	111.89%	108.92%	105.93%	106.30%	107.48%
Rating- Liquidity Ratio	5	5	5	5	5	5
Liquidity Ratio	IA 2019	Year 2013	Year 2012	Year 2011	Year 2010	Year 2009
Total Liabilities / Total Deposit	115.08%	111.37%	112.89%	110.64%	105.95%	106.34%
Rating- Liquidity Ratio	5	5	5	5	5	5
<b>Average Rating</b>	<b>5</b>					
<b>Comment</b>	<b>Unsatisfactory or Doubtful</b>					

**Interpretation:** FSIBL gets an average rating of 5 in terms of their Liquidity Ratio, which shows their performance under this parameter is unsatisfactory. It also implies that their liquidity level is critically imperfect, where their funds management practice is not satisfactory.

### 3.4 Summary & Conclusion

The actual purpose of making this report is to find out the overall banking performance for First Security Islami Bank through a world-wide recognized rating system, CAMEL ratings analysis. The mentioned financial ratios and CAMEL rating analysis in the previous section shows that FSIBL is performing average as a Islami bank in Bangladesh, though in terms of their Return on Equity and Liability to Deposit Ratio, they are performing quite well compared to their competitors like Al-Arafah Islami Bank Limited, Islami Bank Bangladesh Ltd, Exim Bank Limited and Social Islami Bank Limited. But still major operating sectors like Non-Performing Loan Ratio, Provision for Loan Loss ratio, Cost to Income Ratio, Debt to Equity

Ratio and Return on Asset Ratio need to be addressed and improved as much as possible, especially during this current pandemic.

In terms of Return on Equity, as mentioned earlier, for year 2019 FSIBL is generating a return of 13.43% against every 100 unit of their equity capital, while their main competitors like Islami Bank Bangladesh Ltd. is generating a return of 9.08%, Exim Bank Ltd. is generating a return of 8.33%, Social Islami Bank Limited is generating a return of 8.81% and Al-Arafah Islami Bank Limited is generating a return of 10.78% for year 2019 which shows FSIBL is doing quite well in sector as a Islami Bank. In the year 2011, FSIBL generated a return of 27.11%, which was their best.

When FSIBL started their journey as an Islami Bank in Bangladesh in 2009, their non-performing loan ratio was only 2.14%, which was quite good as an Islami bank in Bangladesh. It was increasing and decreasing over the years, in 2012 their NPL ratio was 1.85%, which was their best, since then this ratio has been in an increasing trend and in 2019 it is 4.94%, which is quite alarming because in 2018 this ratio was 3.34%. In a gap of a year, it increased about 1.6%. On the contrary, for the year 2019, Islami Bank Bangladesh Ltd. had a NPL ratio of 3.82% and Exim Bank Ltd. had a NPL ratio of 4.33%. FSIBL should look into their investment department to minimize the number of non-performing loans as much as possible, otherwise this can be problematic for FSIBL in near future.

### 3.5 Recommendation

After conducting CAMEL ratings analysis for FSIBL, it can be seen that as a Islami bank in Bangladesh, FSIBL is performing at a moderate level. They should focus on improving their management efficiency, return on assets from earnings ratio and liquidity management. Their main focus should be generating more profit while using their assets, if they can generate more income from their assets, their ROA will increase and not only that, FSIBL's total income will

also increase which will lead to increase their management efficiency as well. For the liquidity management section, FSIBL should increase their total deposit amount. Marketing department of FSIBL can play a vital role in increasing their total deposit amount by inviting more clients for making transactions through their bank or make agreements with more renowned organizations in Bangladesh for salary account, savings account purposes or current deposit accounts.

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## Appendix A.

<b>Liability to Deposit Ratio</b>	<b>Year 2019</b>	<b>Year 2018</b>	<b>Year 2017</b>	<b>Year 2016</b>	<b>Year 2015</b>	<b>Year 2014</b>
Total Liabilities/Total Deposits	112.01%	111.89%	108.92%	105.93%	106.30%	107.48%
	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
	115.08%	111.37%	112.89%	110.64%	105.95%	106.34%

<b>Loan to Deposit Ratio</b>	<b>Year 2019</b>	<b>Year 2018</b>	<b>Year 2017</b>	<b>Year 2016</b>	<b>Year 2015</b>	<b>Year 2014</b>
Total Loans/Total Deposits	96.78%	97.39%	91.47%	82.43%	81.15%	83.72%
	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
	94.62%	82.14%	87.62%	88.90%	92.51%	91.28%

<b>Provision for Loans Ratio</b>	<b>Year 2019</b>	<b>Year 2018</b>	<b>Year 2017</b>	<b>Year 2016</b>	<b>Year 2015</b>	<b>Year 2014</b>
Provision for Loan/ Total Loans	3.66%	2.99%	2.60%	2.25%	2.03%	1.93%
	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
	2.49%	2.01%	1.96%	2.15%	2.29%	2.49%

<b>Non- Performing Loans</b>	<b>Year 2019</b>	<b>Year 2018</b>	<b>Year 2017</b>	<b>Year 2016</b>	<b>Year 2015</b>	<b>Year 2014</b>
Non-performing Loans/Total Loans	4.94%	3.34%	3.07%	2.58%	2.76%	2.22%
	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
	4.93%	2.17%	1.85%	1.94%	2.61%	2.14%

<b>Cost to Income</b>	<b>Year 2019</b>	<b>Year 2018</b>	<b>Year 2017</b>	<b>Year 2016</b>	<b>Year 2015</b>	<b>Year 2014</b>
Operating Cost/Operating Income	51.62%	51.75%	50.99%	53.57%	59.98%	56.77%
	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
	47.23%	54.06%	48.00%	41.90%	42.28%	43.45%

<b>Debt to Asset</b>	<b>Year 2019</b>	<b>Year 2018</b>	<b>Year 2017</b>	<b>Year 2016</b>	<b>Year 2015</b>	<b>Year 2014</b>
Total Debts/Total Assets	96.50%	96.43%	96.54%	96.45%	96.23%	95.92%
	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
	94.29%	96.02%	95.63%	95.05%	93.84%	94.03%

<b>Debt to Equity</b>	<b>Year 2019</b>	<b>Year 2018</b>	<b>Year 2017</b>	<b>Year 2016</b>	<b>Year 2015</b>	<b>Year 2014</b>
Total	27.55	27.01	27.91	27.15	25.50	23.50
Debts/Total Equity	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
	16.76	24.15	21.90	19.21	15.23	15.74

<b>CAR</b>	<b>Year 2019</b>	<b>Year 2018</b>	<b>Year 2017</b>	<b>Year 2016</b>	<b>Year 2015</b>	<b>Year 2014</b>
(Tier1 Capital + Tier 2 Capital)/Total Risk-weighted assets	11.26%	10.18%	12.01%	10.51%	10.27%	11.73%
	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
	13.31%	10.13%	10.20%	9.00%	9.09%	10.86%

<b>Tier-1 Capital Ratio</b>	<b>Year 2019</b>	<b>Year 2018</b>	<b>Year 2017</b>	<b>Year 2016</b>	<b>Year 2015</b>	<b>Year 2014</b>
Tier1 Capital/Total Risk-weighted assets	6.05%	6.12%	6.77%	7.51%	7.44%	7.62%
	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
	8.51%	6.51%	6.59%	7.50%	7.77%	9.21%

<b>Net Interest/ Investment Margin</b>	<b>Year 2019</b>	<b>Year 2018</b>	<b>Year 2017</b>	<b>Year 2016</b>	<b>Year 2015</b>	<b>Year 2014</b>
Net Interest Income/Total Assets	2.27%	2.47%	2.48%	2.38%	2.06%	2.07%
	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
	2.47%	2.27%	2.34%	2.28%	2.23%	2.12%

<b>ROA</b>	<b>Year 2019</b>	<b>Year 2018</b>	<b>Year 2017</b>	<b>Year 2016</b>	<b>Year 2015</b>	<b>Year 2014</b>
Net Income After Tax/ Total Assets	0.47%	0.43%	0.39%	0.63%	0.56%	0.32%
	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
	0.53%	0.48%	0.59%	1.34%	0.86%	0.68%

<b>ROE</b>	<b>Year 2019</b>	<b>Year 2018</b>	<b>Year 2017</b>	<b>Year 2016</b>	<b>Year 2015</b>	<b>Year 2014</b>
Net Income After Tax/ Total Equity	13.43%	11.97%	11.22%	17.81%	14.95%	7.78%
	<b>IA 2019</b>	<b>Year 2013</b>	<b>Year 2012</b>	<b>Year 2011</b>	<b>Year 2010</b>	<b>Year 2009</b>
	9.25%	11.95%	13.45%	27.11%	13.99%	11.41%