

Report On
CAMEL Rating Analysis of Eastern Bank Ltd., BRAC Bank Ltd.
and Bank Asia Ltd.

By

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20164026

Master of Business Administration in Finance

Graduate School of Management

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Declaration

It is hereby declared that

1. The internship report submitted is my/our 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/We have acknowledged all main sources of help.

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Letter of Transmittal

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Subject: Submission of Internship Report.

Dear Sir / Madam,

With great pleasure I am submitting my internship report on “CAMEL Rating Analysis of Eastern Bank Ltd., BRAC Bank Ltd. and Bank Asia Ltd.” I have found this report as of informative and beneficial as well as insightful. I have tried my level best to prepare an effective and credible report. The report contains my internship information including my job details, overview of the organization, financial performance analysis and findings and recommendations of those finding. I have gathered information through various online sources mostly through the shareholder’s annual reports, websites, and journals.

I trust that the report will meet the desires.

Sincerely yours,

Md. Wasif Alam

20164026

BRAC Business School

BRAC University, MBA

Date: December 08, 2022

Non-Disclosure Agreement

This agreement is made and entered into by and between Eastern Bank Limited and the undersigned student at BRAC University Md. Wasif Alam, ID: 20164026.

Acknowledgement

First of all, I would like to express my gratitude to Almighty Allah to enabling me to complete this report.

Successfully completion of any type of project requires the help from a number of people which required me to take it from them anyway possible. I would like to show my gratitude to these people who have helped me.

I convey my sincere gratitude to my Academic supervisor Dr. Samina Haque for her support. Without her kind direction and proper guidance, and her patience, this study would have been a little success.

I would also like to thank Mr. K.M. Alamgir Kabir my honorable supervisor in Eastern Bank Limited for providing his support and knowledge in such official time constraints. Along with his I would like to thank all my colleagues of my department in Foreign Export, Trade Operations for their excellent cooperation.

At last, I would like to thank everyone who supported me in any respect for the successful compilation of my report. Also, I am communicating my expression of remorse that I could not say by and by one by one. I am satisfied to complete the report of the given subject properly and authentically.

Executive Summary

The CAMEL rating analysis of Eastern Bank Limited, BRAC Bank Limited, and Bank Asia Limited is the subject of this internship report. The report covers three chapters. The first one includes information of the writer who is a MBA intern at BRAC University. The second chapter deals with the background of EBL. EBL is a PCB in Bangladesh. Chapter 2 talks about the management system, finance and accounting, IT and comparative analysis (SWOT and Porter's 5 forces). The main part of the report is chapter 3. This part analyzes the three banks' performance using CAMEL rating for the latest three financial years. For the analysis, the ratios under CAMEL is used. To name a few includes, CAR, D/E ratio, Net NPA to Total Assets, ROE, ROA, Profit per employee, etc. The CAMEL ratios determine the performance of the banks in rankings. The rankings are done after making an average from the particular ratios. From the analysis it has been found that EBL has performed better than the other two, followed by Bank Asia Limited and BBL at last. The entire analysis is done using annual reports of the banks.

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List of Acronyms

BB	Bangladesh Bank
EBL	Eastern Bank Limited
BBL	BRAC Bank Limited
FI	Financial Institution
ARV	Advance Receipt Voucher
SWIFT	Society for Worldwide Interbank Financial Telecommunication
RMG	Readymade Garment
PCB	Private Commercial Bank
FCB	Foreign Commercial Bank
SOCB	State Owned Commercial Bank
TBML	Trade Based Money Laundering
AML	Anti-money Laundering
NPA/L	Non-performing Asse/Loan
BAL	Bank Asia Limited

Chapter 1: Overview of Internship

1.1 Student Information

Name: Md. Wasif Alam

ID: 20164026

Program: MBA

Major: Finance

1.2 Internship Information

1.2.1 Company Details

Company Name: Easter Bank Limited (EBL)

Department: Foreign Export, Trade Operations

Division: Operations

Address: DevoTech Techonology Park Ltd.

Period of Internship: This is a 6 months internship. However, I am a permanent employee.

1.2.2 Supervisor Details

Name: K.M. Alamgir Kabir, CDCS

Position: Senior Manager

1.2.3 Job Description

- Performing Bill Liquidation as per allocation of funds, liability position and regulatory guidelines.
- Checking daily Nostro statement to identify relevant export remittance and provide intimation to customers.
- Issuing RMT of Advance Receipt Voucher (ARV).
- Endorsing foreign document in favor of LC Issuing Banks/Buyers upon necessary checking of receipt of payment.
- Processing issuance of Foreign Demand Draft (FDD).
- Issuance of certificates against payments.
- Transferring fund from Offshore Nostro to On-Shore Nostro accounts.

1.3 Internship Outcomes

1.3.1 Student's Contribution to the company

I have been working as the Junior Officer (permanent) in Eastern Bank Limited. I have some roles that I must complete on a daily basis, which helps the customers with their work. As trade operations deals with international trading and RMG sector, the work process is hectic. One of my biggest contribution to the company is time efficiency and multi-tasking. As I have adapted myself to work multiple tasks together, it saves my manager huge amount of time. Thus resulting in fulfilling my clients' needs as per their requirement. One important task I complete on a daily basis is endorsing foreign documents in favor of LC issuing banks or buyers. These are huge amount of shipping documents which must be submitted prior to the clearance of payment via SWIFT messages. Once the client get their documents, they can proceed with their task as well. Another important task that I complete on a daily basis is bill liquidation. Bill liquidation is an objective which requires me to transfer funds to designated clients account such as the CD a/c, ERQ a/c or other as per their requirement, besides that, also includes, cutting out the charges from their accounts as well such as EXP tax, RMG funds, etc. Third important contribution to EBL is informing customers about the present day advance payments that EBL receives through SWIFT messages. The task requires me to do find out the present day payments from the NOSTRO statement and identify and e-mail them about it.

My daily contribution also includes any other work as per my job description by my company. Lastly contributing time and effort to help any other fellow colleague is also a part of a daily job for an employee like me, if the need arises, which I believe is also a part of my contribution to the company, if it helps the company achieve its goals.

1.3.2 Benefits to the student

The benefits that I receive are:

- ✓ **Recognition from the manager and HRD for hard work.**
- ✓ **Positive impact on performance appraisal.**
- ✓ **Rise in increments.**
- ✓ **Opportunity to learn more tasks and gain more experience.**
- ✓ **Opportunity to shift to a newer team to learn different work.**
- ✓ **Recommendation for a promotion.**

1.3.3 Challenges faced during internship

There are a few unethical challenges and problems faced by EBL employees, including myself.

- ✓ **Rating and promotion:** Due to lack of knowledge or insufficient training, a person can make certain mistakes during performing transactions or any other work. If there are errors, the result can be dire. This will impact the quarterly rating for the employees. As I am a permanent employee and not a temporary intern here, this is also applicable for me.
- ✓ **Biasedness:** Like every office has a “favoritism” in the circle, even managers tend to have favorites in their teams. There are extreme forms of biasedness in teams. Problems includes no leave during fever or any kind of sickness for the ones who are not on the “like” list. Managers tend to biased towards few employees and have a habit of favoring them over others. The impact can be atrocious for a newly joined employee or for someone who is asking for help regarding a certain task.
- ✓ **Demotivation:** As there are biasedness, this also creates demotivation for the less likable employees. Actions such as demotivating employees during an error, infuriatingly insulting someone for an error in front of the entire team instead of actually helping them with their flaws. This creates demotivation to work.
- ✓ **Seeking quick fixes:** Instead of thinking out of the box to provide any aid, most look for bookish policies only, which are thrown at the least likable employees.

1.3.4 Recommendation

There are lots of things the EBL can do to improve these challenges which will be beneficial for the company and the future internships.

- ✓ **Proper coordination and balance between line manager and subordinates.**
- ✓ **Maintaining work life balance which can result in a positive approach inside office.**
- ✓ **Transparency.**
- ✓ **Equal treatment of all employees.**
- ✓ **Recognize any employee’s contribution to the company.**
- ✓ **Support employees during their challenged times that involves personal affairs.**
- ✓ **Get ideas outside of the box, i.e., involving different ideas for improvement.**
- ✓ **Creating a positive and motivating environment.**

Chapter 2: Organization Part

2.1 Introduction

The term "bank" refers to a financial organization that is permitted to accept deposits for checking and savings accounts as well as to make loans. Individual retirement accounts (IRAs), currency trading, deposit accounts, and certificates of deposit are additional services provided by banks (CDs). There are many different kinds of banks, including retail banks, commercial or corporate banks, and investment banks. Banks have been around since the fourteenth century. In addition to providing a safe place for clients and business owners to keep their money, they also serve as a source of loans for both private purchases and commercial undertakings. The banks then make loans and pay interest on them using the money that has been deposited.

Under Bangladesh Bank's governance:

- Private Commercial Banks: 33
- Foreign Commercial Banks: 9
- Islami Shariah Banks: 10
- State owned Commercial Banks: 6

2.2 Overview of the Company (Eastern Bank Limited)

Eastern Bank Limited, commonly referred to as EBL and noted for its key competencies in information technology, corporate governance, and service excellence, is one of the most reputable financial institutions in Bangladesh. EBL's guiding idea is to face the new demands of the modern marketplace while concentrating on the value of relationship banking and the human touch. EBL had a modest beginning in 1992, but it advanced with a little, self-assured step and a promise to make a good difference in people's lives. Superior customer service, cutting-edge products, and a first-rate banking experience are now all associated with EBL. The most prestigious bank in the country, EBL, was the first to acquire a rating from Moody's, the leading global provider of credit ratings, and was assigned a Ba3 rating. The rating has been maintained for the last three years in a row. EBL is now rated a B1.

The uplifting tagline of EBL is "touching lives and impacting economics." EBL-supported energy and power projects have the ability to produce over 2100 MWs of electricity. EBL manages Bangladesh's trade volume of \$5 billion USD. EBL is without a doubt the industry

leader in aviation financing. 12 aircraft, including Bangladesh Biman, the nation's flag carrier, were already purchased by EBL for USD 19.2 crores. One of the bank's main sources of strength is its cutting-edge IT systems. The PCIDSS for card security certificate was initially given to EBL in 2016 by the most well-known cyber security pioneer in the world, NCC Group of the UK, and it was reaffirmed in 2017 and 2018. Network Intelligence Global Cybersecurity Service has awarded EBL the PCIDSS accreditation for card security for the years 2019 and 2020.

For EBL, the most important thing is having effective corporate governance that adheres to high international standards. With a focus on sustainable wealth generation, our system of corporate governance serves as the foundation for responsible management, process transparency, and regulatory compliance. The ICSB National Award for Corporate Governance Excellence has recognized EBL for the previous five years in a row.

The most recent ISO 9001: 2015 certification received by EBL's Operations department attests to our unwavering commitment to updating and upgrading on every aspect of standardization.

EBL is now regarded as a market leader in retail banking. Their performance as a retail bank was judged to be on par with the finest in the global banking industry by the Singapore-based Asian Banker Awards for Excellence in Retail Banking. For the past six years, they have received the honor of being Bangladesh's best retail bank.

Due to its professionalism, caution, and expansion, EBL received Euromoney Best Bank in Bangladesh for the last three years in a row from 2016 to 2018. EBL additionally received three awards from Asiamoney for Best Corporate and Investment Bank, Best Bank in Bangladesh in 2017 and Best Investment Bank of Bangladesh in 2019 from FinanceAsia. The local CRISL credit rating has been raised to AA+ from AA.

EBL, one of the most important and reputable financial brands in Bangladesh, was named the "Superbrand" of Bangladesh for the period of 2018–2020 by Superbrands Bangladesh in September. EBL has won the prize twice, most recently this time.

Vision

To become the most valuable brand in the financial services in Bangladesh creating long-lasting value for their stakeholders and above all for the community we operate in by transforming the way they do business and by delivering sustainable growth.

Mission

- ✓ EBL will deliver service excellence to all their customers, both internal and external.
- ✓ EBL will ensure to maximize shareholders' value.
- ✓ EBL will constantly challenge our systems, procedures and training to maintain a cohesive and professional team in order to achieve service excellence.
- ✓ EBL will create an enabling environment and embrace a team based culture where people will excel.

Table 1 Values

Service Excellence	<p>EBL passionately drives customer delight.</p> <p>EBL uses customer satisfaction to accelerate growth.</p> <p>EBL believes in change to bring in timely solution.</p>
Commitment	<p>EBL knows their roadmap.</p> <p>EBL believes in continuous improvement.</p> <p>EBL do their task before as they are told.</p>
Openness	<p>EBL shares business plan.</p> <p>EBL encourages two-way communications.</p> <p>EBL recognizes achievements, celebrate results.</p>
Integrity	<p>EBL says what they believe in.</p> <p>EBL respects every relationship.</p> <p>EBL is against abuse of information power.</p>
Trust	<p>EBL cares for everyone.</p> <p>EBL shares knowledge.</p> <p>EBL empower their people.</p>
Responsible Corporate Citizen	<p>EBL has tax-abiding citizen.</p> <p>EBL promotes protection of the environment for their progeny.</p> <p>EBL conforms to all laws, rules, norms, sentiments and values of the land.</p>

2.3 Management Practices

The leadership style followed by Eastern Bank Limited is Democratic leadership.

At EBL, in terms of a small point of view that includes, the managers of each departments, there is a rule that every team must follow on a daily basis. A team huddle is conducted where the managers discuss with their colleagues and employees, the last day work details and the present day planning. The managers of EBL listens to what their employees have to say regarding any planning or any issue. The problems are solved as a team with discussions, pitching ideas from every corner. Likewise, the senior heads including the MD of the company also prefers advises regarding certain situations or challenges. For example, during the Covid 19 impact, the MD along with the board of directors came into a decision of retaining all employees but halting any promotions and recruitment. This way no employee had to leave the company. This is a democratic leadership. At EBL each and every employees are compensated for their hard work. In terms of management, EBL follows TQM (Total quality management). Quality is defined by customer's requirements. EBL's main focus is customer satisfaction. This can only be achieved by systematic analysis and improvement of work process. Mostly the targets can be achieved however there are downsides. The downsides and solutions will be discussed at last in the "Recommendation" section.

Through their decision of strategy and leadership to drive the Bank toward growth, the BOD of EBL plays a crucial role in creating governance structure and procedures. The EBL administration acts as the Board's agent, carrying out its directives in a manner that serves stakeholders and shareholders to the greatest extent possible. Our effective board of directors supports our CEO and his staff appropriately and has the wisdom and experience to steer the company in the right direction even in the event of a pandemic. In order to create a culture of honesty, openness, and solid financial governance, which finally results in overall sustainable business performance and financial success, EBL supports strong and effective corporate governance principles. The management of EBL actively promotes the implementation of simple, efficient processes that place a heavy emphasis on adherence to relevant rules and regulations and contribute to the production of long-term value. These initiatives have received recognition from the ICSB National Award for Corporate Governance Excellence as well as the ICMAB Best Corporate Award.

The Human Resource Planning

i. The recruitment and selection process:

The recruitment process includes written test, viva, approval of recruitment, background checking, verification of certification, verification of past service record, disqualification for recruitment, Rehire or search for candidates.

The recruitment and selection process is very similar to any reputed banks of Bangladesh. Under the guidelines of Bangladesh Bank, followed by the commercial banks, EBL must take



preliminary interviews followed by a written and a final interview in terms of any temporary employee or officer rank employee hiring. Employees under these positions like Trainee gets a rotation of the particular department for 1 week. Afterwards they are posted with the designated team. Trainee period is one year. After this period is over the Trainee must give an “Absorption Test”. Absorption Test is an exam that includes basic mathematics and English language written. Besides that, it also includes questions set from the entire EBL banking system. The employee must work hard and achieve the specified marking for their permanent position at EBL. Out of 100 if a trainee earns below 80 they will be honored with the position “Assistant Officer”. Trainees earning more than 80 will be honored with “Junior Officer” from which they will eventually become Officers. However, after the absorption test, the trainee must sit for two interviews, one including the HR recruitment head and division heads and the last one with the Managing Director.

In terms of MT and FLP programs, they do a bigger assessment which carries out with presentations and a 2 year rotation program ending with an exam. The MT and FLP employees are then requested to sign a bond for particular period of time with EBL. The two year rotation carries out in every department of EBL. The bond takes place after they are permanent.

- ii. **Compensation System:** The compensation system includes basic monthly salary with two festival bonus in a year.

- iii. **Training and Development:** EBL has a particular section in the human resources department called **Learning and Development**. The objective of this department is to make sure that employees are upto date with training and topics of their respective departments. Such as, the HRD provides EBL with something called the E-Learning exam which takes place twice every year. The E-learning exam is an online based exam carrying out 50 marks. Here the questionnaires that employees must study includes departmental or divisional questions for those particular employees. For example, for trade operations, these employees must face questions from export, import, guarantee, anti-money laundering, ICT, GAP (a part of EBL) and code of conduct. Export and Import questions are also related with Bangladesh Bank's GFET. Out of 50, the employees must achieve 45 or higher. Lower than 45 will impact their rating which will be explained in the appraisal section. EBL provides lots of trainings to the employees. Based on their positions and experience, besides recommendation from the management, the HRD provides the opportunity for training for additional knowledge. The trainings include, TBML and Sanction Compliance, Training of IT and Security Awareness, TBML Risk assessment, etc. Particularly these are all operations division based training. Another important training that the HRD provides is called the Foundation Training. This is a training for the newly joined or employees who earned their permanent posts at EBL. The foundation training consists of providing knowledge from every departments of EBL. This is a one month long training period. There are two other important exams that the operations division must give. One is called the AML exam and the other is called an ICT exam. These are given every two years.
- iv. **Appraisal system:** The appraisal system is a quarterly basis appraisal system. Every quarter employees must fill in their online appraisal sheet and based on their performances of that quarter they will be rated. The half yearly and final quarter rating makes the decision of the rating. The rating number start from 1 being outstanding to 5 being very poor. Based on this rating the yearly increment is affected. The marking from E-learning, the daily work activities including interaction with clients and team mates, training all these are included in the appraisal rating. The total of these process impacts the appraisal rating and results in an increment.

2.4 Marketing Practices

The banking industry in Bangladesh has undergone a number of changes since globalization first began. Bangladesh's banking industry became competitive with the introduction of asset

classification and prudential accounting standards, interest rate deregulation, and financial sector liberalization. Encouragement of private sector and international banks boosted competitiveness among all banking industry players. The authority's protective regime is now over. Bangladeshi banks are subject to international rivalry. Even within the nation, competition has multiplied. The public sector banks in Bangladesh used to hold a near-monopoly position, but that no longer exists. Bangladeshi banks must rethink their marketing plans in light of this trend if they want to grow.

➤ **EBL's marketing strategy**

There are a few ways EBL follows to reach out to their customers.

- i. **Social Media Content:** To market your bank and build a brand presence among your rivals, social media is a vital instrument. But one should use social media to interact with the audience by sharing pertinent, useful information. **EBL** uses vital information through their Facebook page and Instagram to provide certain information such as knowledge of particular topics. These topics can be educational as well. Contents such as achievements are also posted. Contents also include any upgrades for the customers to know regarding mobile application such as the SkyBanking, discount offers on customers' credit cards. Moreover EBL also provides contents regarding awareness regarding Breast Cancer, ICT Cyber Security Training, Women Empowerment, etc. Any form of affiliation with any other companies which can provide amenities or offers are also posted from their pages such as BKash.
- ii. **Customer Service:** Eastern Bank Limited's top most priority above all is customer service excellence. No matter the customer is a corporate, retail, SME or general, they give their full support to acknowledge and help them. A strong brand image aids in clearly defining a bank in the marketplace, but more crucially, it can foster a sense of perceived value in the minds of customers, which frequently translates to profitability over the long term.
- iii. **Video Content:** EBL provides video content providing information for the customers. These videos are posted on Social media as well as on Youtube. They have their own Youtube channel as well. The contents are mostly about discounts on retails stores, BOGO offers, voucher offers, affiliation with other companies to get discounts. Most are related to their credit card products. Video contents also include information regarding how to apply for certain card products and how to apply for Skybanking.

- iv. **Product & Service Offers:** One of the unique selling point of EBL is that they give massive amount of offers on credit cards. One of their most selling credit card is the Platinum Credit Card. Customers will always get new updates on SkyBanking regarding new offers and discounts at certain places. The offers are so intriguing that it is impossible for customers to say no to it. Another important USP is that customers who own platinum credit cards can get free buffet in the Sky lounge as well. Depending on their campaigns they might come in massive offers as well instead of discounts.

Table 2 Customer Segmentation

<p>Demographic: EBL analyzes their customers through the information that has been already retained by them using their reserach data. Such as age, income level, education level, family members, gender, marital status, rented home or owned, etc. Based on all these information EBL marketing team can make judgements regarding their customers and come with different plannings which includes any specific offers or services that can help the certain targetted customer. For example, a student can be offered for a higher degree abroad with the help of student filing by EBL. The awareness can come from a test message from EBL mentioning this offer. Second example is, home loan at great rates to people whose income level has increased and are in good terms in terms of credit. Based in demmography EBL can offer any kind of oppotunities.</p>	<p>Psychographic: This is a complement to the demographic segmentation. This really helps the marketing research team to get an idea about what the people really want. They can find out what the perception customers have towards EBL and their products and services and their lifestyle. The marketing team does psycographic research such as likert scale questions which involves questionnaires with "strongly agree or disagree" on certain topics. Another way is the semantic differential scale. Here, EBL helps customers rate certain products and services verses any other similar products or services of a different company. This way EBL marketing team can understand how their customers are thinking and improve on their gaps.</p>
<p>Behavioral: This segment deals with customers buying habits, their purchasing reason, etc. A marketing team researches engagement level towards their products or services, they survey what product benefits attrach customers more. The research team of EBL will look into what new features or products or services can alter their buying behavior and gain in more customer loyalty as well as new customers.</p>	<p>Geographic: This is really important for customers. To achieve and gain the market share a company must know their georgraphic segmentation well. One of the best things EBL have is their ATM booths and branches. They are almost everywhere. Specially their ATM booths are available anywhere. Above all these, their ATM booths are caled EBL 365. From a tourist spot in Cox's Bazar to a busy road in Dhaka City, their booths and branches are avaiillable. To improve their reach out to rural areas of the country, EBL has provide agent banking as well and still they are planning to provide more easier help.</p>

➤ **Branding Activities:**

- i. **Communication:** EBL uses its well-known logo, a tricolor mnemonic that was first introduced in 2003 and symbolizes the colors of the sun, sky, and mother earth, in its communication activities. The vibrant colors of the logo evoke a sense of youth. According to several brand assessments, EBL is frequently one of the most well-known financial brands in Bangladesh. The EBL brand and visual identity have been updated to better convey the bank's aspiration and confidence. The concept of starting with a bright yellow color is based on three fundamental elements. On all communication pieces, the logo now shines out against a background of brilliant yellow, giving it a premium, cohesive, and assured appearance. A distinctive brand personality that emphasizes what makes EBL unique—a passionate, accurate, self-assured, and agile mind—underpins the Bank's tri-color corporate design. The final element of the design is the word "Simple Math," which represents the promise of passion.
- ii. EBL accepts its responsibility as a corporate citizen with vigor. It views corporate social responsibility (CSR) as an investment in society and its own future, not as a charitable endeavor. EBL seeks to develop its social capital as a responsible business. The Bank uses its core competencies in five areas of activity: 1. Creating opportunities via social investments. 2. Craft creativity via art and music. 3. Use educational grant program to find talents. 4. It safeguards long-term profitability by being committed to sustainability, and 5. the Bank's staff frequently participates in activities that provide social support. An example is, residents in Satkhira who were impacted by AILA incident, received clean drinking water because of EBL's quick action. EBL participated in a variety of social and neighborhood events all year long, assisting in the promotion of the area's long-term viability. Another example is that, The Dhaka University Alumni Association and EBL had sponsored the "EBL-DUAA Inspiration" financial award program, which provided financial aid to eligible Dhaka University students. The bank established EBL Securities Ltd. and EBL Investment Ltd. to provide related services to its own customers and open up new markets, furthering EBL's position as the industry leader. Two remittance subsidiaries operating in Malaysia and the United Kingdom as EBL Exchange have just received approval from EBL. These new SBUs will aid EBL in expanding its geographic reach as well as in pursuing newer markets. In order to provide customers with cutting-edge technologies, EBL recently changed its main banking software to Universal Banking System. EBL is the first bank in South Asia to use such banking technologies.

2.5 Financial Performance and Accounting Practices

According to the annual report published by Eastern Bank Limited of 2021-2020, the summary is as following. The figure screenshot details are provided on the Appendix.

First of all, the ROA and ROE has a slighter better result when compared in two years of 2021 and 2020. The ROA shows it increased to 1.28% from 1.22% and ROE is 15.51% from 15.04%. It is known that the higher the ROA and ROE the better. It shows that EBL is efficiently using its assets to generate profit as well as they have used the capital generated from the shareholders to put to a good use to increase profit. The EPS shows that an increase of 4.88 in 2021 from 2020. A higher EPS means that EBL made good amount of money from each share of stock. Compared to 2020 which was 4.30, the improvement shows that EBL made more progress and this will attract investors for more investments. The P/E ratio is a useful tool to determine or make decision for share investment. EBL's 2021 P/E ratio is lower than 2020. The result was 7.89 and in 2020 was 8.37. Normally the understanding is that, a generalized fall in P/E ratio can indicate that, at the moment, the price of stock of EBL is cheap and the price may increase in the future. These actions can be the cause of the 2020 corona virus. The fall affect took place in 2021 from 2020 and due to the impact of COVID 19, the share price fell. However according to the P/E ratio that is the good time to buy shares of EBL and wait for the price to rise. Likewise, the CRAR shows a slight fall in the 2021 capital adequacy. It is 14.08% compared to the 2020 which was 15.23%. A higher capital adequacy means that a bank is solvent and may withstand a major crisis. A lower CRAR will say otherwise. However it terms of EBL a 1.15% drop will or may not do much harm as they can get back up their feet gradually. This is yet another impact from the corona virus. EBL's leverage ratio seems to be on the better side in 2021 compared to 2020. Their 2021 shows a 0.28% decrease in the leverage ratio. A lower leverage ratio means improvement in company's dealing with debt. Means that they are more financially responsible in 2021 and less defaulting on loans. On the contrary, it can also be seen that their NPL have increase in rate. This is a turn down for EBL. Even though their leverage ratio slightly improved, the NPL rate is higher in 2021 that is 3.70% which was 2.72 in 2020. Expected reason behind a higher NPL can be the covid 19 impact on businesses due to which many business could not pay off loans and therefore, EBL had loan default.

In other words, EBL's Total Asset, Total Deposit, Loans and advances, total investment, shareholder's equity including the borrowing have increase and improved in 2021 from 2020. Their operating income and operating profit improved as well as NPAT.

Accounting Principles

In accordance with IFRS framework with IAS 1 and IAS 8, for creating financial reports, EBL uses consistency concept in accounting. The amounts are accounted for and applied retroactively in line with the provisions of IAS 8 for the selection and application of new accounting policies, the modification of existing accounting policies, and the rectification of errors. However, we kept using the same accounting principles as in the financial statements for 2020 in 2021.

Besides consistency, Eastern Bank Limited follows the **Going Concern** concept under the accounting principles. The Company has enough financial resources to stay afloat for the foreseeable future. For this reason, the directors continue to prepare the financial statements on a going-concern basis. The business is well-equipped to satisfy its ongoing financial commitments to its operating businesses and operations, including adequate credit facilities. The management has pledged that the company will continue to operate and that no threats exist.

Reporting period: The Company's financial accounts are followed continuously and span one (one) year, from January 1 to December 31, 2021.

Depreciation Method: Cost less accumulated depreciation is used to calculate their value. Cost consists of expenses that can be directly linked to the purchase of the land, plant, and equipment. According to IAS-16: When the assets are used, the straight line method is used to assign property, plant, and equipment (PPE) depreciation to additions.

2.6 Operations Management and Information System Practices

Due to the enormity and omnipresence of the IT environment, the daily vast quantities of transactions carried out in numerous locations, and the dependency on automated and manual with automated (IT Dependent) controls, EBL's audit methodologies concentrate on to IT systems and controls. EBL has mostly concentrated on date management, user access, developer access to the production atmosphere, and IT environment modifications. These are important for assuring, among other things, the automated and operational controls.

They emphasis on statutory security administration systems and guidelines as well to determine whether they are executed throughout the bank, approved, thorough, and current.

EBL evaluated the design and operational effectiveness of the Bank's IT access controls over the data system required for financial reporting. They examined several facets of IT operational controls as well as logical access and management changes. This includes examining how well requests for system access were vetted and approved. They evaluate requests for system changes for appropriate approval and authorization, and examine the Bank's routine evaluation of access rights.

EBL evaluates the IT general controls to evaluate the hosting platforms, segregation of duties that are incompatible with one another, and application and database change management.

EBL ICT division took many great initiatives in 2021. These includes:

- ✓ **Project Rupantor:** The Core Banking System is being updated by EBL from an older style to a fresher one. With EBL, the development aims to change how customers view banking. It also aims to change how other stakeholders, such as business partners, auditors, employees, and regulatory agencies, feel about the company. This project's primary objectives are to enhance operational efficiency and enhance customer service through digitalization and automation.
- ✓ **Skybanking Enhancements:** The product that most exemplifies their desire for innovation is EBL Skybanking. They have gradually added a wide variety of banking services to both the web and this main mobile app. EBL integrated Bangla QR Payment, allowing their clients to conduct zero touch transactions through the app instead of physically utilizing their EBL cards at different merchant points like hotels, restaurants, grocery, pharmacy, etc. Through EBL Skybanking, requests can be made for foreign part enable/disable and USD/BDT conversion controls. Customers can do almost any sort of online payments via this app.
- ✓ **Cutting-edge Payment Technologies:** EBL's card management system has a 99.99% uptime guarantee, and we also added a few cutting-edge technology. EBL has successfully introduced Mobile POS for the first time in Bangladesh, enabling paperless transactions and encouraging green banking. Additionally, requests for prepaid card fund transfers from BDT to USD and USD to BDT have been automated.
- ✓ **Interoperable Digital Transaction Platform (IDTP):** EBL is working on a government effort called the Interoperable Digital Transaction Platform (IDTP) that intends to foster interoperability among banks, Mobile Financial Services (MFS) providers, and Payment Service Providers (PSPs).

- ✓ **EBL Self Service (ESS):** Another important step in creating a whole digital environment is ESS, a house-developed solution that can be accessible from the EBL website, Skybanking App, and Skybanking Web. Customers can register themselves, apply for a secured loan, evaluate customer due diligence, and open FDR all online through this interface.

2.7 Industry and Competitive Analysis

2.7.1 SWOT Analysis of Eastern Bank Limited (EBL):

Table 3 SWOT

<p>Strengths:</p> <ul style="list-style-type: none"> • The launch of online banking across all branches. • The Dhaka and Chittagong Stock Exchange Ltd. listed EBL. • Became an IFC Global Trade Finance Program (GTFP) partner bank to assist EBL in managing complicated trade transactions. • The debut of the SME Banking Division • Inked a partnership agreement with ADB to use their support guarantee and revolving credit facility for the Trade Finance Facilitation Program (TFFP). • Introduced a production system and software for controlled cards. • EBL ATM Booth almost everywhere. • Won the Best Domestic Bank category at the Asia-money Best Bank Awards in 2022 for Bangladesh for the second time in a row. 	<p>Weaknesses:</p> <ul style="list-style-type: none"> • Absence of banking facilities in rural areas • Capital Shortage for upgrades • Slower rate of growth. • Dollar Crisis due to recent events.
	<p>Opportunities:</p> <ul style="list-style-type: none"> • Emerging economies. • Growing demand. • Improve IT system.
	<p>Threats:</p> <ul style="list-style-type: none"> • Rival Banks are growing faster besides EBL. • External business risk. • Corporate clients shifting with RM to other banks due to dollar crisis.

2.7.2 Porter's Five Forces analysis of Eastern Bank Limited

1. Buyer Power: Moderate

- ✓ Compared to retail and small and medium-sized enterprises, corporate clients are more sensitive to interest rates.
- ✓ The nation's wealth of financial institutions strengthens consumer power because they can choose to move to one that offers superior services.
- ✓ Because low borrowing rates level the playing field for competitors, buyers' negotiating power is significantly diminished.



2. Supplier Power: Moderate to High

- ✓ Primary sources are depositors, workers, businesses, and other financial institutions.
- ✓ The interest rate, which the central bank fixed at between 6 and 9 percent, is somewhat influenced by market demand.
- ✓ Individual depositors and employees have minimal negotiation power
- ✓ The bank can be significantly impacted by businesses, high net worth individuals (HNWIs), and key management figures.

3. Threat of Substitute: High

- ✓ Moving is affordable due to the vast number of banks that are currently operational.
- ✓ There is also NBFIs competition for attractive offerings.
- ✓ Modern financial technology services that provide quick and easy access to financial solutions (such as BKash, Nagad, etc.)
- ✓ Threat from non-finance companies that provide EMI services on products like cars, furniture, household appliances, etc. without the help of any financial intermediaries.

4. Threat of New entrant: Low

- ✓ There is a high barrier to entry because of the high initial capital requirements and the requirement to follow the proper regulations.

- ✓ Banks and financial institutions are paying more attention to the retail and SME market (ii, iii). New banks have recently entered the banking sector.

5. Competitive Rivalry: High

- ✓ The existence of multiple rival NBFIs and banks
- ✓ Depositors have low switching costs
- ✓ FIs competing for the same customer base
- ✓ Instead of the corporate sector, FIs are increasingly concentrating on the corporate and retail market.

2.8 Conclusion

Eastern Bank Limited is considered one of those banks that provides the most card product options. EBL believe themselves to be higher achievers like the Apple Inc. To them any goal is of the highest priority. According to the managing director, the board and the management, they target to give the best and most comfortable banking experience to the customers of Bangladesh. In a way, they are providing such services. Considerable mentions can be the SkyBanking mobile application which is one of the most efficient app for any type of transaction, bill payment, account transfer, etc. They even came with augmented reality on it. Other than that, due to the strict policies of EBL HRD and the management under their MD Mr. Ali Reza Iftekhar, the employees follow each and every rules and regulations by heart which results in tremendous services to the clients.

2.9 Recommendation

Despite the efforts given by EBL, there are still loop holes that needs attention. The Covid 19 and post covid impact has been a disaster for every banks including EBL. Besides that the recent war issues has created a dollar crisis in Bangladesh. There are certain steps that EBL can take to reassure dollar stabilization along with other banks.

- ✓ Government imports like petrol should be put into a separate fund. Banks should only be granted this to settle government imports; they won't make any money off of these payments. As a result, there will be less pressure on the private sector's desire for dollars to import other necessities.
- ✓ It is recommended that the Export Retention Quota (ERQ) be lowered to 5–10% of the exporters' repatriated profits. Except for successive import payments, all cheques for the following six months must be cashed.

- ✓ The remittance flow must be improved through practical steps involving all parties. Even when the remitters were offered incentives, remittances are not going through the banking system. Due to its higher rates when compared to the conventional banking channel, Hundi is more profitable for remitters.
- ✓ In order to establish a long-term supply contract with a small number of foreign providers, Bangladesh needs progressively forge connections with the future commodities market. Of course, Bangladesh needs to expand its trade capabilities if it wants to compete on the global commodities market.
- ✓ The Forex reserve must be used wisely. There needs to be full restriction on import of luxurious items until the situation is under control.
- ✓ Due to the recent events it can be said that the switching cost of buyers is moderate to high. The war has resulted to have lower business potentials abroad for the RMG sector so any kind of higher interest rates against the corporate clients can cause EBL to lose the clients.
- ✓ Improving the IT sector more. More efficiency for daily work is needed.
- ✓ The marketing team should focus on creating some social awareness right now.
- ✓ Opening more branches in regional places outside Dhaka other than Agent banking. This way, there will be more jobs.
- ✓ The corporate clients should be handled more with care. These clients are extremely sensitive to any issues and have a low switching cost to banks like BRAC Bank Limited, HSBC, Citi NA, etc.
- ✓ One of the most important thing EBL HRD can do is improve some access for the Trainee level employees. It has been noticed that the trainee employees do not have much interaction or learning at the first place. They are not treated as equal in certain departments. The EBL HRD can take initiative to make them feel like a part of EBL. This way the employees will be more efficient and motivated.

Chapter 3: Project Part

3.1 Introduction

Bangladesh Bank (BB), the nation's central bank, is mandated by law to oversee and regulate Bangladesh's financial system. To fulfill this crucial responsibility, BB evaluates the banking system's overall performance to identify its strengths and weaknesses as a whole as well as the safety and soundness of each individual banking firm. The primary basis for how Bangladesh Bank handles its off-site supervision is the CAMEL rating. Recently, risk-based supervisory actions have also been carried out by the central bank in an effort to assist banks in keeping up with the modern, varied, most challenging, and fiercely competitive economic environment.

The management Component of the CAMEL rating incorporates the risk-based ratings obtained from risk-based supervisory activities and inspections in order to concentrate on management effectiveness while handling various banking business-related challenges. Financial ratios are used as supervisory tools to determine the overall status of a specific bank so that Bangladesh Bank can take the appropriate steps when they are required.

The research report will be a comparison of three banks, Eastern Bank Limited, Brac Bank Limited and Bank Asia Limited. The years for comparison will include the latest three years from 2021, 2020 and 2019.

3.1.1 Background:

Ratios use for CAMEL rating analysis

To do the analysis of the three banks, I will be using the ratios directly related to CAMEL rating.

If we breakdown the term CAMEL and put the ratios according, these will be the ratios for the report.

1. Capital Adequacy: To measure the capital competence of the banks we will use the following.

- | | |
|---------------------------------|---|
| i. Capital Adequacy Ratio (CAR) | iii. Advance to Assets Ratio (Adv./Ast.) |
| ii. Debt-Equity Ratio (D/E) | iv. Govt. Securities to Total Investments (G-sec/Inv) |

2. Assets Quality: It will measure the components of non-performing assets as a percentage of total asset.

- i. Net NPAs to Total Assets (NNPAs/TA) iii. Gross NPA to Total Advance (GNPA/TA)
- ii. Net NPAs to Net Advance (NNPAs/Adv) iv. Advance Yield Ratio

3. Management Efficiency: The ratio will provide a subjective analysis of the management efficiency.

- i. Total Advance to Total Deposit iii. Return on Equity (ROE)
- ii. Profit per Employee

4. Earning: This ratio will determine the earning consistency.

- i. Operating profit to Total Asset iii. Interest Income to Total Income
- ii. Net Profit to Total Asset

5. Liquidity: Using this ratio we can find out how the banks are performing with their funds.

- i. Liquid Assets to Total Assets ii. Liquid Assets to Total Deposits

➤ **Capital Adequacy**

1. Capital Adequacy Ratio (CAR): The capital adequacy ratio is created to make sure banks can withstand a sufficient amount of losses brought on by operational losses and to assess the bank's ability to cover losses.

2. Debt-Equity Ratio (D/E): The leverage of a bank can be determined by this ratio. It reveals the ratio of debt to equity in the bank's funding of operations.

3. Advance to Assets Ratio: This ratio shows how aggressively a bank lends, which eventually leads to higher profitability.

4. Govt. Securities to Total Investments: It is a crucial metric that demonstrates the bank's capacity for taking risks. The goal of a bank is to have either high earnings at high risk or low profits at low risk.

➤ **Assets Quality**

1. Net NPAs to Total Assets: This ratio demonstrates the bank's efficiency in assessing credit risk and, to some extent, in recovering debts. Net NPA divided by Total Asset is Net NPA/Total Asset.

2. Net NPAs to Net Advance: Comparing the ratio of an asset's net advances to its net non-performing assets is the most popular method for determining the asset's quality. It refers to the bank's current NPAs as a percentage of the loans it has given. Total Advances divided by Net NPA equals Net NPA/Total Loan.

3. Gross NPA to Total Advance: By examining this ratio, one can determine whether the bank's gross non-performing assets are rising quarterly or yearly. If the answer is yes, suggesting that the bank is adding more subprime loans to its inventory, this could indicate that the bank is either not being cautious enough when making loan offers or that it is not following up with borrowers to ensure prompt repayments. Gross NPA divided by Total Advances equals Gross NPA/Total Loan.

4. Advance Yield Ratio: Another ratio is yield on advances. We can use it to gauge how well-made an advancement is. In this context, "yield" refers to interest revenue that was earned on bank advances. Advance yield ratio increases are a sign of good asset quality. Advances Interest earned on advances divided by the total advances is the yield ratio.

➤ **Management Efficiency**

1. Total Advance to Total Deposit: This ratio assesses a bank's management's effectiveness and capacity for transforming its depositors' available funds into high-yielding advances. Equity money and other resources are not included. Demand deposits, savings deposits, term deposits, and other banks' deposits are all included in the total amount of deposits. Receivables are also included. Total Deposit/Total Advance equals the sum of the advances.

2. Profit per Employee: The profit per employee is expressed by this ratio. It is computed by dividing the overall workforce by the profit remaining after taxes. As the ratio rises, managerial effectiveness gets better. Profit per employee is equal to profit after taxes divided by the number of employees.

3. Return on Equity (ROE): A company's ability to benefit from the investments made by its shareholders is measured by the profitability metric known as return on equity, or ROE. To put

in another way, the return on equity ratio shows how much profit is generated for every dollar of equity that common stockholders own. Net income divided by total shareholder equity is how ROE is computed.

➤ **Earning**

1. Operating profit to Total Asset: This ratio illustrates how much a bank can make on each Taka invested in its total assets through its activities. Operating profit is stated as a proportion of total assets in this ratio.

2. Return on Asset (ROA): Here, calculating the bank's total assets by net earnings yields the efficiency of asset usage, or return on assets employed. When the ratio is higher, a bank's potential earnings in the future are better.

3. Interest Income to Total Income: For banks, interest income is regarded as their main source of income. The bank's ability to generate income from its lending business is indicated by the interest income to total income ratio.

➤ **Liquidity**

1. Liquid Assets to Total Assets: The bank's overall liquidity position is measured by this ratio. Liquidity assets include cash on hand, funds that are ready to be used right away, balances with Bangladesh Bank and balances with other banks, including those overseas. Total assets include revalued assets.

2. Liquid Assets to Total Deposits: This ratio shows what proportion of deposits overall are held as liquid assets. This liquidity can be regarded as sufficient to cover the banks' immediate obligations. The ratio of liquid assets to total deposits calculates the bank's overall liquidity. Higher values of this ratio imply greater bank liquidity, whereas lower values indicate decreased bank liquidity. It is calculated by subtracting the quantity of deposits from liquid assets.

3.1.2 Objectives

The objective of the research and study is to find the comparison of three commercial banks of Bangladesh, Eastern Bank Limited, BRAC Bank Limited and Bank Asia Limited in terms of performance, using CAMEL Rating analysis. For the result, various ratios given under CAMEL has been used to determine their performance from one another over the course of the latest three years.

3.1.3 Significance

While doing the research it has been pointed and noted that this particular research report on CAMEL rating in Bangladesh is scarce. There are no reports written based on this certain topic. This way it can be used for any purpose academically. Normally, the CAMEL rating analysis are not published online. So if there are any academic scholars or any students who are actually interested in these kinds of topics, it can be believed that this research study can be beneficial for them, providing ample amount of information and a general idea of what needs to be done for a CAMEL rating analysis report.

3.2 Methodology

Data were gathered from primary and secondary sources. The primary source of information was gathered from the internal management as much as possible, customer interactions and personal experiences. With calls and small interviews over phone, certain data could be retrieved and information could be put to use.

The most data was gathered from the secondary sources. The sources used were Google, Youtube and Facebook. From the online sources, journals articles, social media posts, videos, encyclopedias, and reviews. The ratios of CAMEL have been researched from certain websites to get an understanding that how the CAMEL rating of Bangladesh can be done or have been done before.

3.3 Limitations

There were limitations on this study. Due to the scarcity of information online and time constraints, certain information could not be retrieved. The annual reports also had misleading information which created a bigger challenge.

3.4 Findings and Analysis

For the CAMEL rating analysis I have used the MS Excel sheet to quantify and find out the performance result.

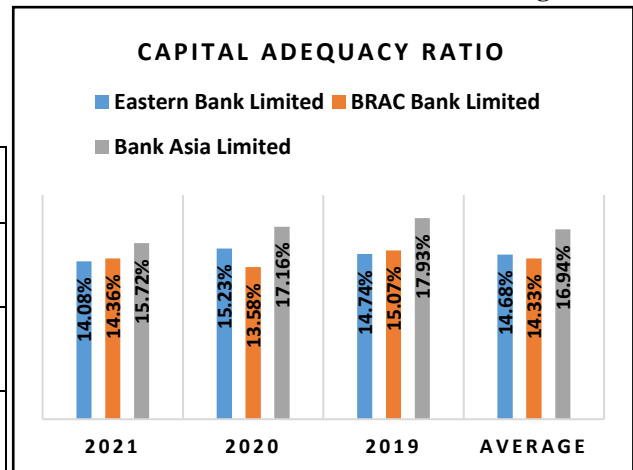
1. Capital Adequacy

CAR

Table 4

Banks	2021	2020	2019	Average	Rank
EBL	14.08	15.23	14.74	14.68	2
BBL	14.36	13.58	15.07	14.33	3
BAL	15.72	17.16	17.93	16.94	1

Figure 1

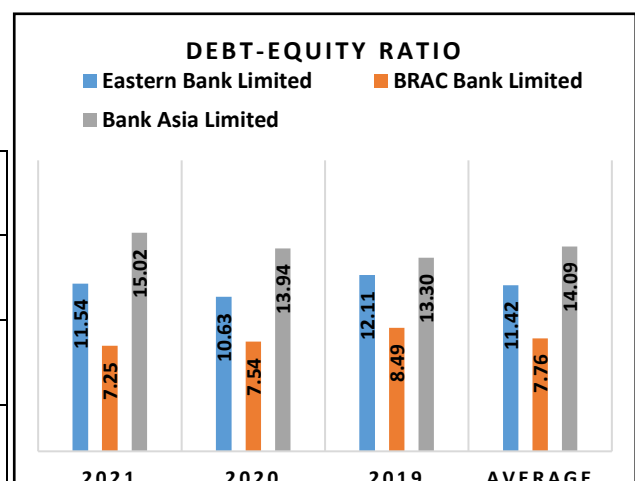


Debt-Equity Ratio (D/E)

Table 5

Banks	2021	2020	2019	Average	Rank
EBL	11.54	10.63	12.11	11.42	2
BBL	7.25	7.54	8.49	7.76	1
BAL	15.02	13.94	13.30	14.09	3

Figure 2

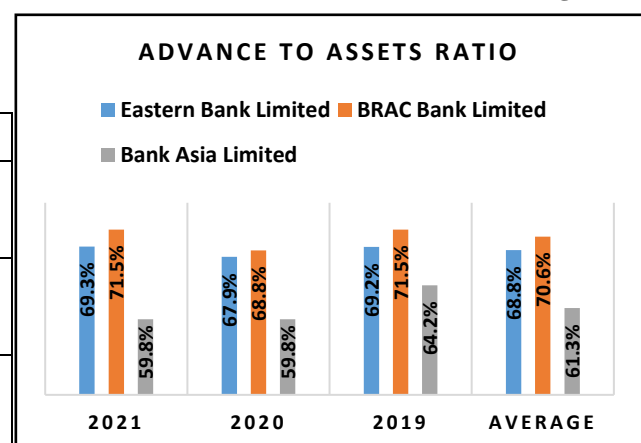


Advance to Assets Ratio

Table 6

Banks	2021	2020	2019	Average	Rank
EBL	69.3	67.9	69.2	68.8	2
BBL	71.5	68.8	71.5	70.6	1
BAL	59.8	59.8	64.2	61.3	3

Figure 3



Govt. Securities to Total Investments

Banks	2021	2020	2019	Average	Rank
EBL	61.9	79.0	80.2	73.7	3
BBL	85.4	89.7	85.3	86.8	2
BAL	91.8	95.5	95.0	94.1	1

Table 7

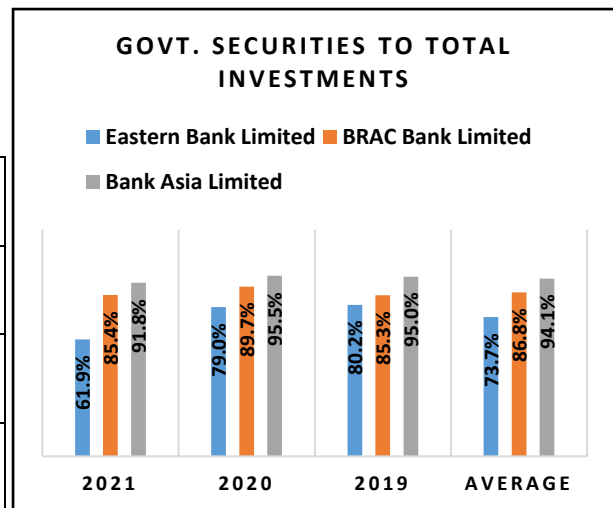


Figure 4

Composite Capital Adequacy

Banks	CAR		D/E		ADV/ASSETS		Gsec/T.Inv.		Group Rank	
	%	Rank	Times	Rank	%	Rank	%	Rank	AVG	Rank
EBL	14.68	2	11.4	2	68.82	2	73.69	3	2.25	3
BBL	14.33	3	7.8	1	70.60	1	86.80	2	1.75	1
BAL	16.94	1	14.1	3	61.30	3	94.11	1	2	2

Table 8

➤ Interpretation

Based on the group averages of the four capital adequacy ratios as presented in this specific, EBL is at the lowest position due to its poor performance in Govt. Securities to Total Investments, averaging with 73.7%. The other three ratios is where EBL have gain a middle ground compared to the two banks. Followed by Bank Asia Limited who have merely scored a little higher than EBL with a difference of 0.25 in ranking. Bank Asia have performed much better in Govt. Securities to Total Investments, averaging 94.1% and Capital Adequacy Ratio with an average of 16.94%. However, we can see that BBL has won this race by making it on the top position. They have better D/E ratio with average of 7.16 compared to EBL (11.42) and Bank Asia (14.09), which is where Bank Asia performed weakly. In terms of Advance to Assets Ratio, BBL has an average of 70.6% where EBL and Bank Asia Limited scored 68.8% and 61.3%.

Other than that, on an overall basis, BRAC Bank Limited have a better hold in terms of Capital Adequacy of CAMEL rating.

2. Assets Quality

Net NPAs to Total Assets

Banks	2021	2020	2019	Average	Rank
EBL	3.15	2.14	2.90	2.73	1
BBL	4.78	3.91	4.50	4.39	3
BAL	4.74	2.95	4.26	3.98	2

Table 9

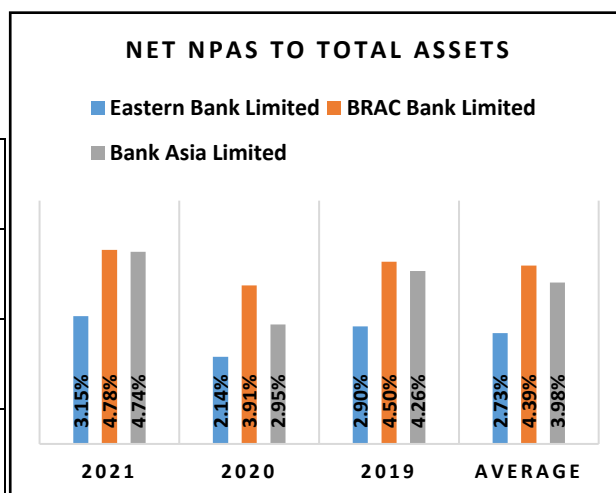


Figure 5

Net NPAs to Net Advance

Banks	2021	2020	2019	Average	Rank
EBL	5.23	3.37	4.49	4.36	1
BBL	12.77	11.37	11.40	11.85	3
BAL	8.86	5.27	7.25	7.13	2

Table 10

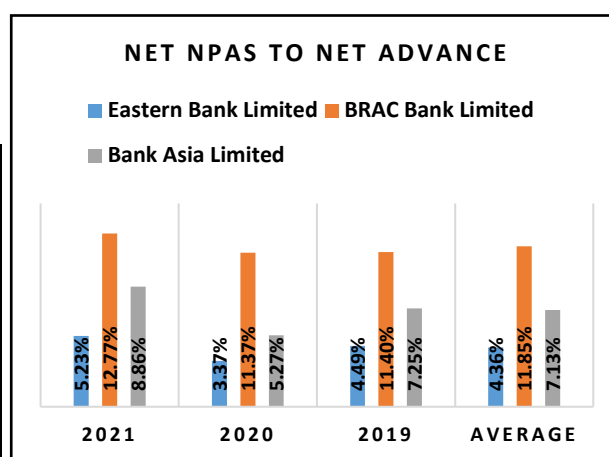


Figure 6

Gross NPA to Total Advance

Banks	2021	2020	2019	Average	Rank
EBL	3.70	2.72	3.35	3.26	1
BBL	3.90	2.93	3.99	3.61	2
BAL	5.14	3.24	4.61	4.33	3

Table 11

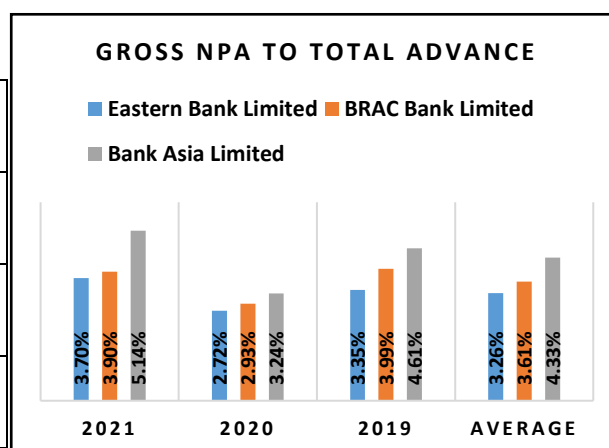


Figure 7

Advance Yield Ratio

Banks	2021	2020	2019	Average	Rank
EBL	5.78	8.13	9.14	7.68	1
BBL	6.61	8.78	10.75	8.71	3
BAL	7.61	7.68	10.19	8.49	2

Table 12

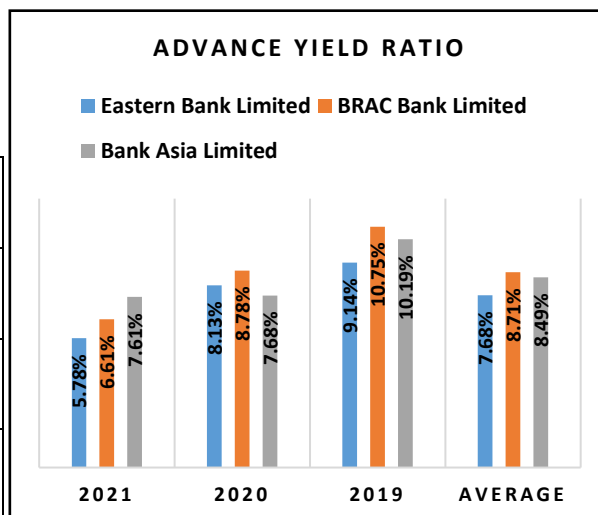


Figure 8

Composite Assets Quality

Banks	NNPAs/TA		NNPAs/Net Adv		GNPA/Tadv		Adv. Yield Ratio		Group Rank	
	%	Rank	%	Rank	%	Rank	%	Rank	AVG	Rank
EBL	2.73%	1	4.36%	1	3.26%	1	7.68%	1	1	1
BBL	4.39%	3	11.85%	3	3.61%	2	8.71%	3	2.75	3
BAL	3.98%	2	7.13%	2	4.33%	3	8.49%	2	2.25	2

Table 13

➤ Interpretation

Based on the group averages of the four assets quality ratios as presented in this specific, it can be shown that EBL is on top. As it can be seen that EBL has scored of ranking 1 in all the ratios resulting a group average of 1 compared to BBL (2.75) and Bank Asia Limited (2.75). From the understanding of the ratios here, BBL is at the lowest position because of its poor performance in terms of having higher non-performing assets or loans. Also their yield on advances shows really high. According to it, the higher the percentage means that the company is investing more in riskier assets. In this term, EBL as well as Bank Asia Limited have been risk averse. BBL has performed poorly in terms of recovering the debts, as well they have piled up more on bad loans indicated from a Gross NPA to Total Advance. However, Bank Asia Limited has the highest Gross NPA to Total Advance.

On an overall basis, Eastern Bank Limited seems to have a better hold in terms of Asset Quality of CAMEL rating.

3. Management Efficiency

Total Advance to Total Deposit

Banks	2021	2020	2019	Average	Rank
EBL	100.5	94.5	96.6	97.2	2
BBL	102.1	94.5	98.4	98.3	1
BAL	82.5	80.7	89.6	84.3	3

Table 14

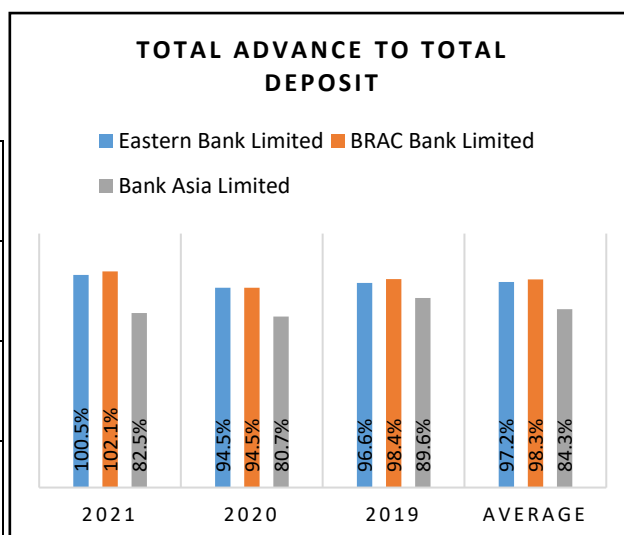


Figure 9

Profit per Employee (in Lakh)

Banks	2021	2020	2019	Average	Rank
EBL	2.36	2.16	2.12	2.21	1
BBL	0.73	0.59	0.69	0.67	3
BAL	1.06	0.83	0.83	0.90	2

Table 15

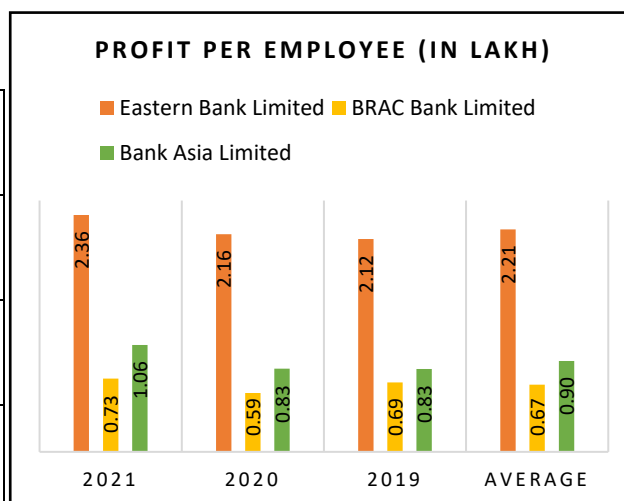


Figure 10

Return on Equity (ROE)

Table 16

Banks	2021	2020	2019	Average	Rank
EBL	15.00	14.16	15.68	14.95	1
BBL	10.19	9.77	14.51	11.49	2
BAL	9.90	7.44	7.92	8.42	3

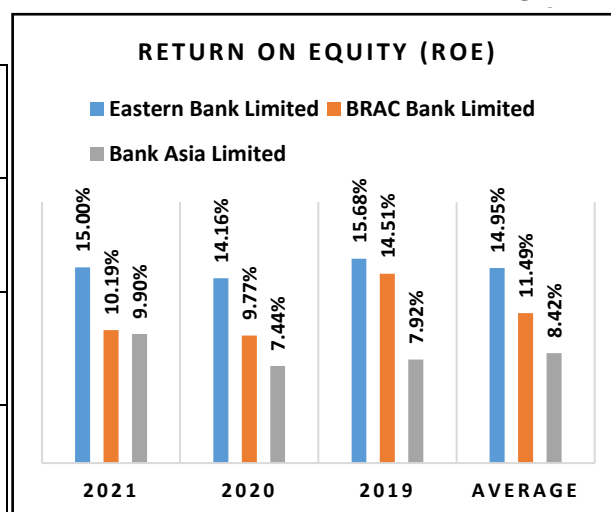


Figure 11

Composite Management Efficiency

Banks	T.Adv / T.Deposit		Profit /employee		ROE		Group Rank	
	%	Rank	Times	Rank	%	Rank	AVG	Rank
EBL	97.20	2	2.21	1	14.95	1	1.33	1
BBL	98.33	1	0.67	3	11.49	2	2.00	2
BAL	84.28	3	0.90	2	8.42	3	2.67	3

Table 17

➤ Interpretation

Here it can be seen that after doing the composite ranking and based on the group averages of the three management efficiency ratios as presented in this specific, EBL has performed again perfectly compared to the other two banks. Being on the top rank with a group average of 1.33, EBL has left behind BBL with 2 and Bank Asia Limited with 2.67. In terms of ROE, EBL had generated a good profit with percentage of 15.69% from its shareholders' investments in the company. The return on equity metric reveals how much profit is produced for each dollar of common stockholder equity. However, BBL has 12.43% and Bank Asia Limited has the lowest of 8.62%. When it comes to profit per employee, if the ratio is higher, it says that the company is being more efficient. Here we can see that Brac Bank Limited has performed poorly while EBL has ranked first followed by Bank Asia Limited. In Total Advance to Total Deposit, EBL scored second though. When it comes to transforming bank deposits into higher-earning advances, BRAC Bank Limited performs better.

On an overall basis, Eastern Bank Limited seems to have a better hold in terms of Management Efficiency of CAMEL rating.

4. Earning

Operating profit to Total Asset

Banks	2021	2020	2019	Average	Rank
EBL	4.41	4.19	4.36	4.32	1
BBL	2.44	2.17	2.69	2.43	2
BAL	2.10	1.48	2.63	2.07	3

Table 18

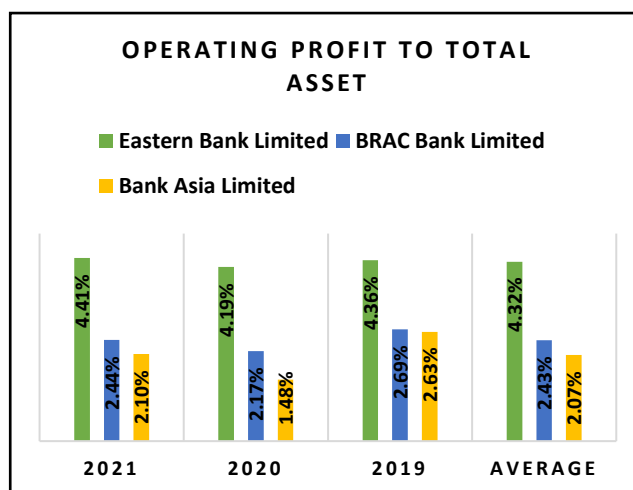


Figure 12

Return on Asset (ROA)

Banks	2021	2020	2019	Average	Rank
EBL	1.28	1.22	1.30	1.27	2
BBL	1.31	1.19	1.64	1.38	1
BAL	0.64	0.53	0.59	0.59	3

Table 19

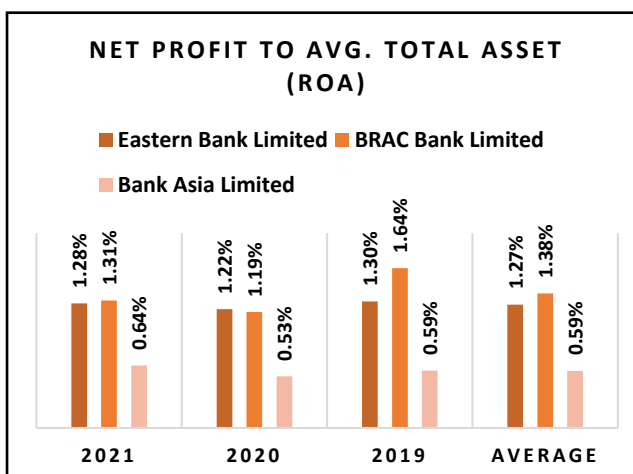


Figure 13

Interest Income to Total Income

Banks	2021	2020	2019	Average	Rank
EBL	129.94	174.87	177.54	160.78	2
BBL	117.13	153.26	153.19	141.19	3
BAL	150.90	186.63	162.72	166.75	1

Table 20

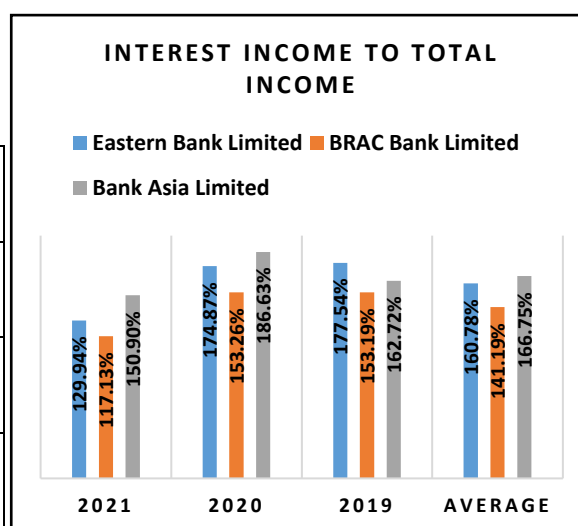


Figure 14

Composite Earning

Banks	Op.Proft/T.Asset		ROA		Int.Income/Total Inc		Group Rank	
	%	Rank	%	Rank	%	Rank	AVG	Rank
EBL	4.32%	1	1.27%	2	160.78%	2	1.67	1
BBL	2.43%	2	1.38%	1	141.19%	3	2.00	2
BAL	2.07%	3	0.59%	3	166.75%	1	2.33	3

Table 21

➤ Interpretation

Here it can be seen that after doing the composite ranking and based on the group averages of the three Earning ratios as presented in this specific, BRAC Bank Limited has performed well. Their operating profit to total assets is however on the second position with 2.43% where EBL is earning much profit utilizing its operations for each taka invested in their total asset with a score of 4.32%. ROA shows how better a company is in terms of earning potentials. The higher the value, the higher the efficiency of the company. From the table it can be seen that BRAC Bank Limited has a slightly higher ROA than EBL (1.27%) with 1.38%. In terms of interest income to total income, according to their shareholder reports, it can be seen that particularly Bank Asia Limited had good revenue build up which is why their interest income percentage on average was 166.75%. However as it can also be noted from the table that the overall composite ranking of Earnings ratio shows that the two other banks have performed far better than Bank Asia Limited. That is why according to the group ranking average the result is that EBL has performed better in terms of the overall Earnings ratio performance.

5. Liquidity

Liquid Assets to Total Assets

Banks	2021	2020	2019	Average	Rank
EBL	26.53	27.52	26.57	26.87	2
BBL	21.74	25.82	22.89	23.49	3
BAL	35.85	35.12	30.14	33.70	1

Table 22

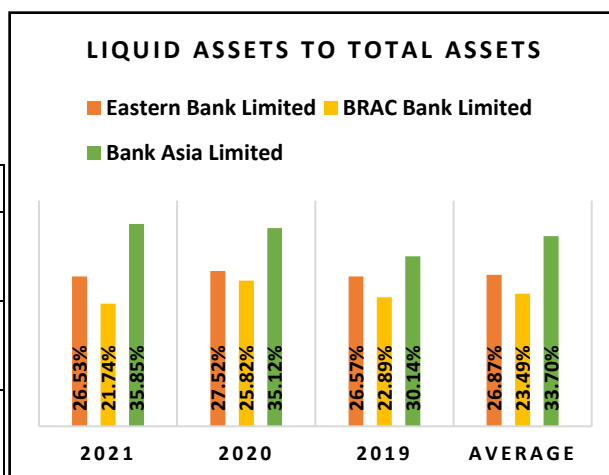


Figure 15

Liquid Assets to Total Deposits

Banks	2021	2020	2019	Average	Rank
EBL	38.49	38.25	37.07	37.94	2
BBL	31.04	35.46	31.52	32.67	3
BAL	49.45	47.40	42.03	46.29	1

Table 23

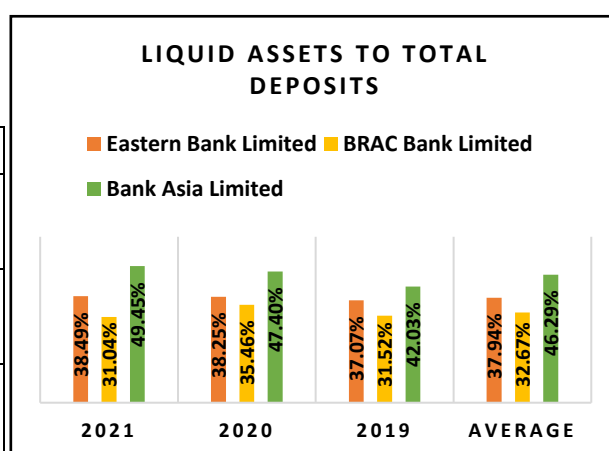


Figure 16

Composite Liquidity

Banks	L.A / T.A		L.A/ T. Deposits		Group Rank	
	%	Rank	%	Rank	AVG	Rank
EBL	26.87	2	37.94	3	2.50	1.5
BBL	23.49	3	32.67	2	2.50	1.5
BAL	33.70	1	46.29	1	1.00	1

Table 24

➤ Interpretation

The composite ranking and based on the group averages of the two Liquidity ratios as presented in this specific, it shows that Bank Asia Limited is much more liquid based on the table above. Doing the composite liquidity, it can be found that Bank Asia has topped here with liquid asset to total asset being 33.70% with EBL (26.87%) and BRAC Bank Limited (23.49%). And the Liquid Assets to Total Deposits shows that Bank Asia Limited has 46.29% with BRAC Bank Limited being second with 35.46% and EBL scoring the lowest, that is, 38.49%. It must be

noted that these information have mostly been found from the respective shareholder’s reports of three years of these three banks.

3.5 Overall Performance Composite Ranking

BANK	C	A	M	E	L	AVG.	RANK
Eastern Bank Limited	2.25	1	1.33	1.67	2.50	1.75	1
BRAC Bank Limited	1.75	2.75	2.00	2.00	2.50	2.20	3
Bank Asia Limited	2	2.25	2.67	2.33	1.00	2.05	2

Table 25

➤ Interpretation

In order to assess the overall performance of the chosen Bangladeshi Commercial Banks, the following composite rating of three years (2021, 2020 and 2019) have been calculated and accumulated. The above table shows the overall CAMEL rating composite ranking of all the ratios combined using average. From the above it can be disclosed that EBL has been on the 3rd position with a 2.25 where BRAC Bank Limited has topped with 1.75, putting Bank Asia Limited in the middle with 2. In Asset Ratio, EBL has performed the highest with BRAC Bank Limited and Bank Asia Limited following the sequence. The management efficiency ratio shows EBL still performing top class mostly due to ROE and profit per employee. Followed by are BRAC Bank Limited and Bank Asia Limited who performed very poor. In Earnings ratio, EBL has again outperformed the two other banks with scoring 1.67 average where BRAC Bank Limited (2) and Bank Asia Limited (2.33). In Liquidity ratio, the Bank Asia Limited have shown tremendous amount of changes in their performance. It seems like this is entirely new. However, these are information derived and taken from the shareholder’s report of the three respective banks. Finally, when it came to ranking everything in average, the results are that, Eastern Bank Limited (1.75) has performed much better followed by Bank Asia Limited (2.05) and lastly BRAC Bank Limited (2.20).

3.6 Conclusion

For the CAMEL rating analysis I have used the MS Excel sheet to quantify and find out the performance result. For the report to come to light I took the liberty of studying each and every shareholder's reports posted online by the specified banks.

An international bank rating system is called CAMEL. The CAMEL rating is now widely used by banks to gauge their effectiveness. Only the management of the bank is informed of these ratings; neither competing banks nor the general public are. The more modern "CAMEL" rating is a development of the earlier "MACRO" grade. There are five ratios in the CAMEL rating that are taken into account by all financial institutions. These include Earnings, Asset Quality, Management Effectiveness, Capital Adequacy, and Liquidity. Ratings range from 1 to 5, with 1 representing the best and 5 the worst. Although it has several drawbacks, CAMEL grading is utilized by bank examiners all over the world. When two or three companies are arranged in a row, it is quite problematic for CAMEL ratings. At this point, it becomes very challenging to evaluate and rank them based on their position. A problem was encountered when working on this project. This should be taken into account in CAMEL rating as it will facilitate evaluation for financial institutions. Two further drawbacks are that CAMEL rating does not account for or quantify the cost of employee training as well as additional expenses. Finally, because CAMEL rating is a very expensive process, it requires highly skilled employees to carry out and compute the operations.

3.7 Recommendation

According to the World Bank analysis by their Acting Country Director Dandan Chen, over the past 50 years, Bangladesh has made impressive economic and development progress. However, the nation requires a comprehensive reform plan to maintain its growth trajectory and boost its long-term. (Mahbub, Mehrin A., The World Bank, September 29, 2022)

From the above analysis of these three private commercial banks of Bangladesh (Eastern Bank Limited, Brac Bank Limited & Bank Asia Limited), the final results show that BRAC Bank Limited has tremendous lacking and in comparison, came in last after the composite ranking came out. The recommendations will be based in three banks composite ranking and general point of view for improvement.

- ✓ Banks must find sufficient buffer to accommodate a decent level of losses. They need more capital because capital adequacy ratio ensures more stability and efficiency so that banks don't go insolvent. EBL here shows that they are meeting their financial obligations.
- ✓ The asset quality of BRAC Bank Limited is bad as their NPA is higher than the other two. When a bank goes through higher NPA/NPL, they can get aggressive about collections. They can put low rated loans on declining exposure. Banks can work with customers and come up with solutions on a faster basis rather than waiting and let them go to defaults. Also banks create comprehensive strategic plans. The plan must be customized for each asset class and realistically and practically possible by developing long-term workable solutions that are both capital- and money-efficient.
- ✓ In order to prevent losses from poor loans, banks can enter into third party risk sharing agreements. If a loan is in the edge of failing that a client is unable to pay off, a third party financial institution who is eager to take the risk, can take over and pay the beneficiary bank the most amount they can. This way NPL will reduce.
- ✓ The management efficiency has to be high. The capacity management of employees in a bank is important. So for banks which have lower profit per employee can use training or hire experienced employees for the task. Higher profit per employee is better efficiency. On the other hand, it shall be recommended that a bank can use different sets of marketing skills to get in more deposits. Better interests rates can be used to lure in more customers, especially priority based customers to deposit more, which can result banks to earn by profiting from investing elsewhere, such as loans and advances.

However, banks must also look into the fact that about investing properly. Due to the war between Russian and Ukraine, it has been very difficult almost every bank in Bangladesh to perform with efficiency. In an overall scenario, the management efficiency is poor for banks.






- ✓ It is really important for bankers to have a good profitability ratio. It determines whether a bank is utilizing its assets to generate proper operating profit or net profit and also generating interest from their investments and revenue. A few things can be done to improve profitability, including changing to a fully automated system for many services provided by the banks directly. Enabling workers to be more mobile. Empowering customers to do self-services in certain situations. Risks cannot be eliminated but can be minimized. Banks can re-evaluate risks, create more innovation such as better and stronger server systems, smoother system. The ultimate result is that if clients are happy with the bank's service, they will keep on coming and profits will increase.
- ✓ Banks should always look for new revenue streams. The income creation must be substantial. Earning quality means banks will earn interest or return from other forms of investments. So banks must look for potential businesses to invest in after thorough market research.
- ✓ The coming generations are more focused on technology and easier ways of getting tasks done. Banks should follow the path which leads to newer ways of performing tasks, that way, more eligible candidates can be hired for the jobs and that can strengthen the human capital of the company, resulting in higher profitability in the future. This is a long-term process where better human capital means they can utilize effective decision making for future investments as well.
- ✓ Lastly, to improve the liquidity position of a bank, banks can sell unnecessary assets that do not generate any income at all. Banks can also re-initiate forces on debt responsibilities. They can also lower the overhead expenses. And end of all, look into the credit line. All these have an impact on the liquidity position of a bank.

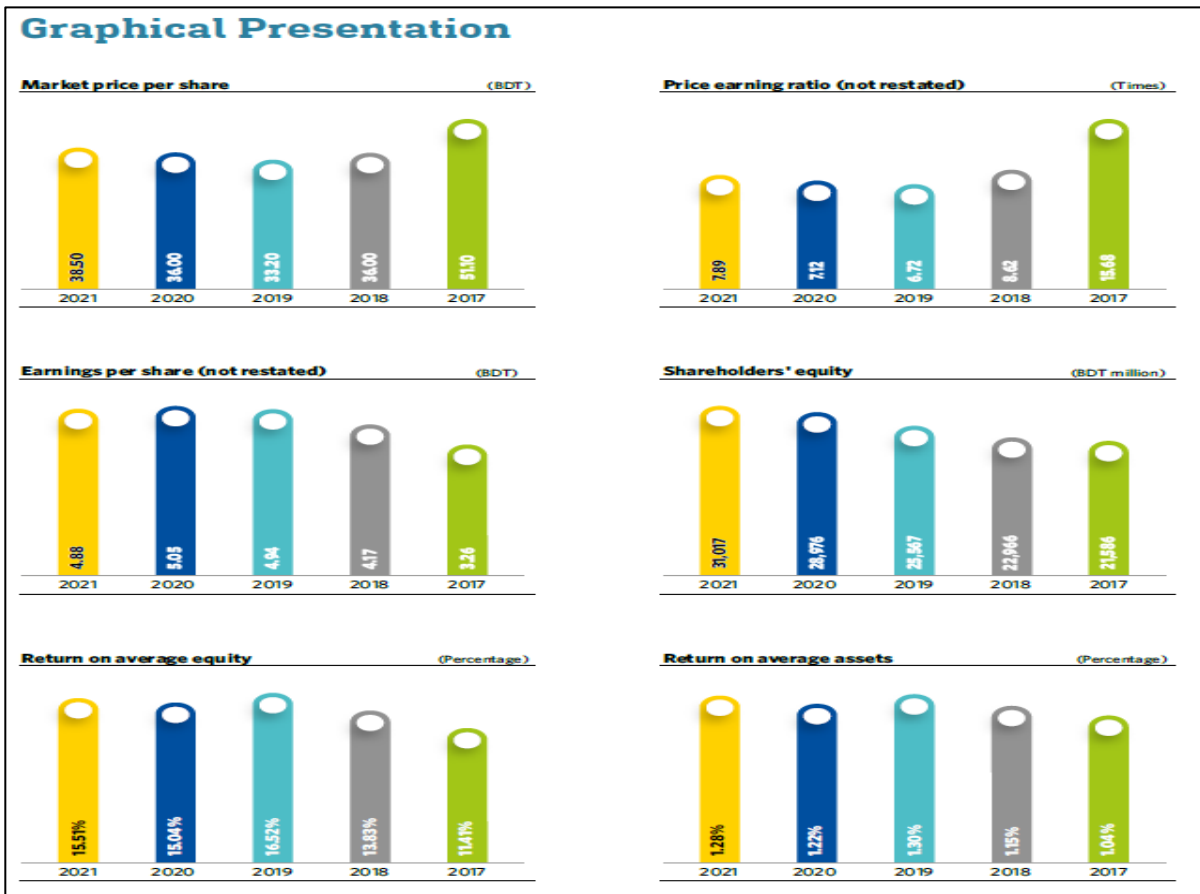
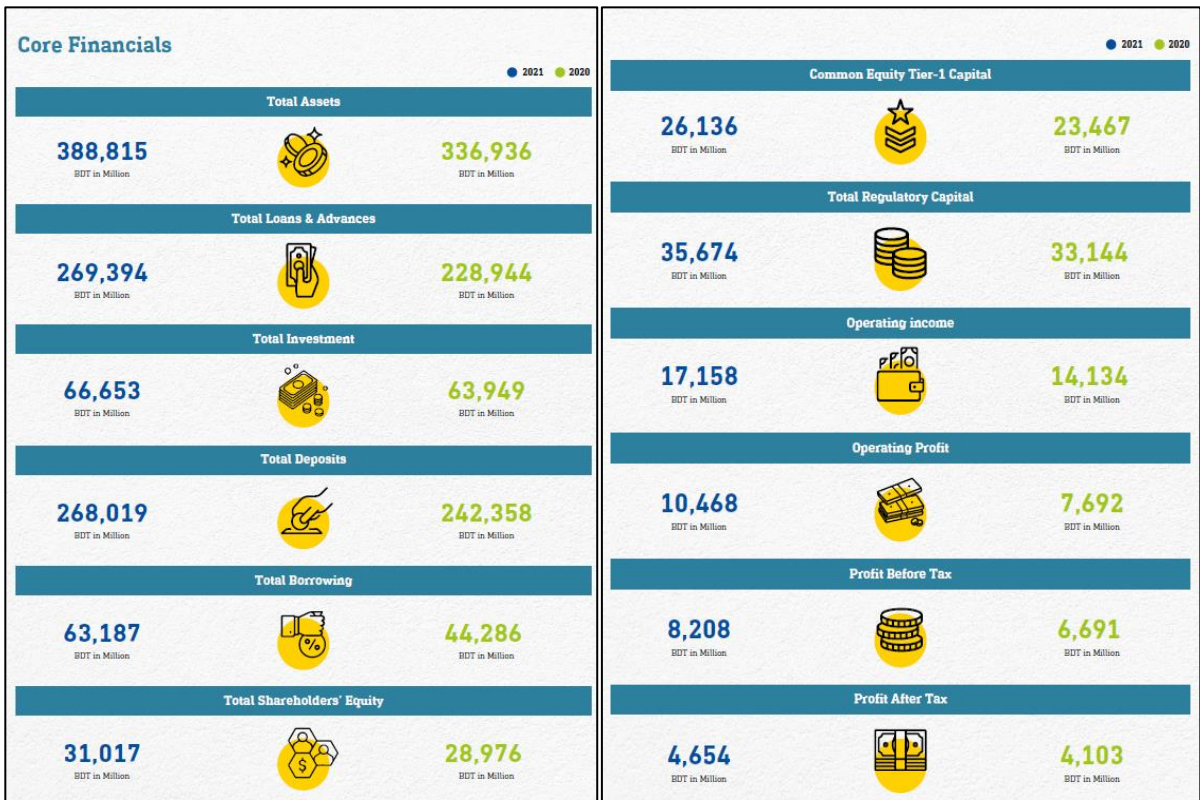
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Appendix A. (Eastern Bank Limited)

Key Ratios		
 ROA	 ROE	 EPS (Restated)
2021 1.28%	2021 15.51%	2021 4.88
2020 1.22%	2020 15.04%	2020 4.30
 P/E Ratio (Restated) (Times)	 CRAR	 Leverage Ratio
2021 7.89	2021 14.08%	2021 5.69%
2020 8.37	2020 15.23%	2020 5.97%
 Cost To Income Ratio	 NPL Ratio	 AD Ratio
2021 38.99%	2021 3.70%	2021 79.69%
2020 45.58%	2020 2.72%	2020 78.82%





Financial Highlights

BDT in million

Particulars	Group			Bank		
	2021	2020	Change (%)	2021	2020	Change (%)
Performance During the Year						
Net interest income	7,935	6,052	31.11%	7,761	5,930	30.87%
Non interest income	9,908	8,515	16.36%	9,397	8,203	14.55%
Operating income	17,842	14,567	22.49%	17,158	14,134	21.40%
Operating profit	10,866	7,895	37.62%	10,468	7,692	36.08%
Profit after tax	4,800	4,180	14.83%	4,654	4,103	13.44%
Net operating cash flow	13,453	6,025	123.29%	13,339	977	1265.79%
Year End Financial Position						
Loans and advances	271,602	230,545	17.81%	269,394	228,944	17.67%
Investment	68,901	66,016	4.37%	66,653	63,949	4.23%
Deposits	267,448	241,295	10.84%	268,019	242,358	10.59%
Shareholders' equity	31,639	29,449	7.44%	31,017	28,976	7.04%
Total assets	392,187	339,508	15.52%	388,815	336,936	15.40%
Information Per Ordinary Share						
Earnings per share (BDT) (restated)	5.03	4.38	14.83%	4.88	4.30	13.44%
Price earning ratio (times) (restated)	7.65	8.21	-6.87%	7.89	8.37	-5.72%
Net asset value per share (BDT) (restated)	33.17	30.87	7.44%	32.52	30.38	7.04%
Market price per share (BDT)	38.50	36.00	6.94%	38.50	36.00	6.94%
Net operating cash flow per share (BDT) (restated)	14.10	6.32	123.29%	13.98	1.02	1265.79%
Ratios(%)						
Capital to RWA ratio (CRAR) (as per Basel III)	13.87%	15.03%	-7.73%	14.08%	15.23%	-7.55%
Non performing loans	3.81%	2.92%	30.79%	3.70%	2.72%	36.20%
Cost to income ratio	39.10%	45.80%	-14.62%	38.99%	45.58%	-14.44%

Five-Year Financial Progression

BDT in million

Particulars	2021	2020	2019	2018	2017
Balance Sheet Metrics					
Authorised capital	12,000	12,000	12,000	12,000	12,000
Paid up capital	9,539	8,118	8,118	7,380	7,380
Reserve and Surplus	21,478	20,858	17,449	15,586	14,206
Shareholders' equity	31,017	28,976	25,567	22,966	21,586
Borrowing	63,187	44,286	50,821	46,732	50,998
Deposits	268,019	242,358	240,164	199,629	167,348
Other liabilities	26,593	21,316	18,611	13,124	13,434
Total Liabilities and Shareholders' Equity	388,815	336,936	335,163	282,451	253,068
Cash in hand and bank	34,938	28,702	48,647	33,297	32,152
Investment in govt. securities	41,229	50,518	31,928	22,222	19,480

BDT in million

Particulars	2021	2020	2019	2018	2017
Investment	66,653	63,949	39,797	27,720	24,361
Loans and advances	269,394	228,944	232,051	209,306	184,027
Fixed assets	7,632	7,711	7,349	6,637	5,923
Non-banking assets	-	106	109	134	134
Total assets	388,815	336,936	335,163	282,451	253,068
Contingent liabilities and other commitment	141,831	104,060	99,781	117,629	101,278
Earning assets	354,216	307,845	299,607	254,115	227,008
Earning assets to total assets	91.10%	91.37%	89.39%	89.97%	89.70%
Statutory liquidity reserve ratio (SLR) (at close of the year)	17.86%	21.84%	13.97%	13.79%	14.83%
Cash reserve ratio (CRR) (at close of the year)	5.22%	4.56%	5.63%	5.69%	7.33%
Liabilities to shareholders' equity (times)	11.54	10.63	12.11	11.30	10.72
Interest bearing assets	339,012	292,937	292,905	247,935	221,798
Income Statement Metrics					
Net interest income (excluding investment income)	7,761	5,930	8,159	7,506	5,745
Income from investments	6,089	5,049	2,752	2,318	3,415
Fees, commission, brokerage and other operating income	3,308	3,155	3,687	3,315	3,241
Operating income	17,158	14,134	14,597	13,139	12,401
Operating expense	6,690	6,441	6,387	5,995	5,605
Operating profit (profit before provision and tax)	10,468	7,692	8,210	7,144	6,796
Provision charged for loans, investment and other assets (net off w/off recovery)	2,260	1,001	1,954	2,558	2,739
Profit before tax (PBT)	8,208	6,691	6,256	4,586	4,057
Profit after tax (PAT)	4,654	4,103	4,008	3,081	2,405
Capital Metrics					
Total Risk weighted assets (RWA)	253,388	217,654	207,437	202,655	165,435
Minimum Capital Requirement (MCR)	25,339	21,765	20,744	20,266	16,544
Tier-1 Capital	26,136	23,467	20,719	18,908	16,943
Tier-2 Capital	9,538	9,678	9,850	5,740	6,358
Total Regulatory capital (Tier 1 and Tier 2)	35,674	33,144	30,569	24,648	23,302
Capital surplus	10,335	11,379	9,825	4,382	6,758
Tier - 1 Capital to RWA	10.31%	10.78%	9.99%	9.33%	10.24%
Tier - 2 Capital to RWA	3.76%	4.45%	4.75%	2.83%	3.84%
Capital to risk weighted assets ratio (CRAR)	14.08%	15.23%	14.74%	12.16%	14.09%
Leverage Ratio	5.69%	5.97%	5.28%	5.26%	5.59%
Liquidity Metrics					
Liquid Assets	60,090	66,510	52,124	38,606	33,306
Short-term liabilities	181,903	162,969	181,728	150,150	123,160
Liquid assets to total deposits	22.42%	27.44%	21.70%	19.34%	19.90%
Liquid assets to short-term liabilities	33.03%	40.81%	28.68%	25.71%	27.04%
AD Ratio - Domestic Banking Operation (DBO)	74.71%	74.13%	77.20%	83.08%	83.06%
Government securities to total loan ratio	15.30%	22.07%	13.76%	10.62%	10.59%
Maximum Cumulative Outflow (MCO)	14.51%	13.51%	15.27%	15.31%	15.64%
Liquidity Coverage Ratio (LCR) - DBO	144.97%	210.90%	338.22%	127.67%	113.35%
Net Stable Funding Ratio (NSFR) - DBO	104.40%	105.49%	114.45%	104.07%	102.82%
Asset Quality Metrics					
Non performing / classified loans (NPLs)	9,979	6,226	7,771	4,926	4,600
NPL Ratio	3.70%	2.72%	3.35%	2.35%	2.50%
Total Loans and Advances to Total Assets	69.29%	67.95%	69.24%	74.10%	72.72%
Large Loan Exposure	116,449	80,388	104,833	116,955	104,534

BDT in million					
Particulars	2021	2020	2019	2018	2017
Total SME loan	33,554	34,534	31,366	18,712	18,722
SME Loan to total loan	12.46%	15.08%	13.52%	8.94%	10.17%
General provision for loans (cumulative)	5,538	3,678	3,350	3,290	2,960
Specific provision for loans (cumulative)	8,562	7,499	6,009	4,118	4,379
NPL coverage ratio (Specific provision + General Provision) / Gross NPL	141.31%	179.51%	120.42%	150.39%	159.52%
Business Growth Metrics					
Loans and advances	17.67%	-1.34%	10.87%	13.74%	21.00%
Deposits	10.59%	0.91%	20.31%	19.29%	19.29%
Import	64.55%	-1.19%	-4.31%	6.51%	29.30%
Export	29.39%	-9.06%	7.13%	30.20%	7.25%
CSR Contribution	188	183	141	71	151
Credit Rating					
Long Term (Local)	AA+	AA+	AA+	AA+	AA+
Short Term (Local)	ST-1	ST-1	ST-1	ST-2	ST-2
Outlook (Local)	Stable	Developing	Stable	Stable	Stable
Global Rating (Moody's)	B1	B1	B1	Ba3	Ba3
Trade Business and Remittance Metrics					
Export	161,647	124,926	137,379	128,235	98,493
Import (LC)	260,172	158,110	160,011	167,218	156,994
Guarantee	12,236	12,601	7,572	17,664	12,609
Remittance	21,793	31,902	48,551	42,371	26,358
Efficiency Ratios					
Return on average risk weighted assets	1.98%	1.93%	1.95%	1.67%	1.53%
Return on average equity (ROE)	15.51%	15.04%	16.52%	13.83%	11.41%
Return on average assets (ROA)	1.28%	1.22%	1.30%	1.15%	1.04%
Cumulative recovery from written off loans	4,295	3,932	3,206	2,571	2,148
Cumulative written off loans	15,754	15,618	13,465	13,465	9,832
Cumulative recovery ratio	27.26%	25.18%	23.81%	19.09%	21.85%
Number of permanent employees	1,975	1,896	1,892	1,715	1,594
Employee (permanent) growth (in %)	4.17%	0.21%	10.32%	7.59%	0.63%
Cost of fund (interest expense / simple average borrowing and deposits)	2.73%	4.76%	5.58%	5.30%	4.35%
Net Profit Margin (PAT/Gross income)	18.18%	14.72%	13.54%	12.10%	11.42%
Weighted average interest rate of loan (year-end) (A)	7.29%	8.22%	10.83%	10.44%	9.47%
Weighted average interest rate of deposits (year-end) (B)	3.25%	3.70%	6.16%	5.54%	5.06%
Spread (C = A - B)	4.04%	4.52%	4.67%	4.90%	4.41%
Management Efficiency Metrics					
Operating Income per Employee	8.69	7.45	7.72	7.66	7.78
Operating Cost per Employee	3.39	3.40	3.38	3.50	3.52
Operating profit per employee	5.30	4.06	4.34	4.17	4.26
Cost to income ratio	38.99%	45.58%	43.76%	45.63%	45.20%
Capital Market Metrics					
Investment in Capital Market including Special Fund	4,260.10	3,628.41	4,169.64	3,648.23	2,677.44
Capital Gain and dividend income	510.61	134.12	170.71	351.83	511.74
Return on Investment (ROI) in capital market (Gross)	12.95%	3.44%	4.37%	11.12%	19.44%
Capital Market Exposure (solo)	22.20%	22.03%	22.63%	22.10%	23.15%
Capital Market Exposure (Consol)	37.47%	37.46%	36.85%	41.78%	40.45%

BDT in million

Particulars	2021	2020	2019	2018	2017
Share Based Metrics					
Earnings per share (EPS) in BDT (Not restated)	4.88	5.05	4.94	4.17	3.26
Operating profit per share in BDT (Not restated)	10.97	9.48	10.11	9.68	9.21
Market price per share (BDT) as on close of the year at DSE	38.50	36.00	33.20	36.00	51.10
Price earning ratio (times)	7.89	7.12	6.72	8.62	15.68
NAV (book value) per share in BDT (Not restated)	32.52	35.69	31.49	31.12	29.25
Market capitalization (at close of year)	36,724	29,225	26,952	26,568	37,712
Market price to NAV per share (times)	1.18	1.01	1.05	1.16	1.75
Dividend Payment Metrics					
Dividend (%)	25.00	35.00	15	30	20
Cash (%)	12.50	17.50	15	20	20
Stock (%)	12.50	17.50	-	10	-
Dividend per share (DPS)	2.50	3.50	1.50	3.00	2.00
Dividend Cover (times)	1.95	1.44	3.29	1.39	1.63
Dividend Payout ratio (DPS / EPS)	51.24%	69.26%	30.38%	71.86%	61.38%
Dividend Yield (%)	6.49%	9.72%	4.52%	8.33%	3.91%
Unclaimed Dividend Amount	31.59	83.54	73.41	68.34	57.37
Other Information (Actual Figure)					
Number of branches	85	85	85	85	84
Number of sub-branches	5	5	3	-	-
Number of agent banking outlets	46	29	26	2	-
Number of CDMs	70	67	61	59	54
Number of ATMs	227	220	207	200	200
No. of ATM Booths	214	208	198	188	188
Number of deposit accounts	666,591	631,516	620,793	569,552	532,208
Number of loan Accounts	169,153	163,913	163,795	180,548	222,986
Number of foreign correspondents	524	512	489	592	522

Eastern Bank Limited
Balance Sheet
as at 31 December 2021

Eastern Bank Limited
Balance Sheet
as at 31 December 2020

Particulars	Amount in BDT		Notes	Amount in BDT	
	2021	2020		2020	2019
PROPERTY AND ASSETS					
Cash					
Cash in hand (including foreign currencies)	3,710,774,087	3,218,381,880	3	3,218,381,880	3,088,303,685
Balances with Bangladesh Bank and its agent banks (including foreign currencies)	14,957,829,541	12,480,410,176	3.1	12,480,410,176	16,601,918,975
	18,468,603,628	15,698,792,056	3.2	15,698,792,056	19,690,222,660
Balances with other banks and financial institutions					
In Bangladesh	15,005,092,489	12,444,848,375	4	12,444,848,375	19,309,748,914
Outside Bangladesh	1,264,597,790	559,299,302	4.1	558,299,302	9,647,145,392
	16,269,690,279	13,003,147,677	4.2	13,003,147,677	28,956,894,306
Money at call and short notice	1,573,200,000	60,000,000	5	60,000,000	594,300,000
Investments					
Government	41,229,430,813	50,517,783,114	6	50,517,783,115	31,927,457,257
Others	25,423,718,052	13,431,621,587	6.1	13,431,621,587	7,869,354,690
	66,653,148,865	63,949,404,701	6.2	63,949,404,702	39,797,011,947
Loans and advances					
Loans, cash credits, overdraft etc.	234,038,851,242	214,171,172,833	7	214,171,172,833	216,620,580,285
Bills discounted and purchased	26,939,974,211	228,943,862,895	7.1	228,943,862,895	232,051,034,763
	269,978,825,453	443,115,035,728	7.2	443,115,035,728	448,671,615,048
Fixed assets including land, building, furniture and fixtures					
Other assets	7,632,189,734	7,710,898,017	8	7,710,898,017	7,349,051,230
Non banking assets	8,623,907,370	7,463,906,711	9	7,463,906,712	6,616,216,325
	16,256,097,104	15,174,804,728	10	15,174,804,729	13,965,267,555
TOTAL ASSETS	388,814,714,087	336,935,588,555		336,935,588,556	395,163,467,722
LIABILITIES AND CAPITAL					
Borrowing from banks, financial institutions and agents					
Non-convertible subordinated bond	5,500,000,000	6,000,000,000	11	6,000,000,000	6,500,000,000
Borrowing from other Banks, Fis, Agents etc.	57,684,515,851	38,284,389,129	11.1.a	38,286,389,129	44,320,788,208
	63,184,515,851	44,284,389,129		44,286,389,129	50,820,788,208
Deposits and other accounts					
Current deposits & other accounts etc.	32,747,951,058	28,274,075,619	12	28,274,075,619	24,936,423,379
Bills payable	1,155,851,680	1,492,231,668	12.1	1,492,231,668	1,131,830,685
Savings bank deposits	70,403,378,712	63,784,873,554	12.2	63,784,873,554	50,214,304,541
Fixed deposits	101,407,706,168	111,289,608,129	12.3	111,289,608,129	131,735,401,586
Other deposits- special notice (SND) account	62,103,942,762	37,514,985,909	12.4	37,516,985,909	32,146,167,911
Bearer certificates of deposits	248,018,850,380	242,357,774,879	12.5	242,357,774,879	240,164,128,102
Other liabilities	26,592,772,458	21,315,844,877	13	21,315,844,876	18,611,065,065
	357,798,138,689	307,960,008,885		307,960,008,886	309,595,981,375
SHAREHOLDERS' EQUITY					
Paid-up capital	9,538,644,670	8,117,995,470	14	8,117,995,470	8,117,995,470
Statutory reserve	9,538,644,670	8,117,995,470	15	8,117,995,470	8,117,995,470
Dividend equalisation reserve	356,040,000	356,040,000	16	356,040,000	356,040,000
Assets revaluation reserve (Land & other assets)	2,416,474,912	3,406,661,513	17	3,406,661,513	2,672,667,160
General reserve	403,493,270	(209,986,563)	18	603,493,370	603,493,370
Actuarial re-measurement gain/(loss)	(406,069,063)	(209,986,563)	18	(209,986,563)	-
Foreign currency translation gain/(loss)	(5,967,070)	(326,701)	19	(326,701)	2,050,701
Surplus in profit and loss account	8,975,293,909	8,583,707,111	20	8,583,707,111	5,697,244,179
	31,016,575,398	28,975,579,670		28,975,579,670	25,567,486,350
TOTAL SHAREHOLDERS' EQUITY	388,814,714,087	336,935,588,555		336,935,588,556	335,163,467,722
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY					

Eastern Bank Limited
Profit & Loss Account
for the year ended 31 December 2021

Eastern Bank Limited
Profit & Loss Account
for the year ended 31 December 2020

Amount in BDT

Particulars	Notes	2021	2020	Notes	2020	2019
Interest Income	22	16,206,209,303	19,667,413,756	22	19,667,413,756	23,163,605,820
Interest paid on deposits and borrowings	23	(8,444,976,693)	(13,737,063,652)	23	(13,737,063,652)	(15,004,895,176)
Net Interest Income		7,761,232,610	5,930,350,104		5,930,350,104	8,158,710,643
Income from investments	24	6,088,659,366	5,048,674,967	24	5,048,674,967	2,751,634,005
Fees, commission and brokerage	25	3,040,479,254	2,823,051,316	25	2,823,051,316	3,448,216,291
Other operating income	26	267,799,268	331,681,115	26	331,681,115	238,812,687
Total operating income		9,396,917,887	8,203,607,398		8,203,607,398	6,438,662,983
		17,158,150,697	14,133,757,502		14,133,757,502	14,597,373,626
Salary & allowances (excluding those of MD)	27	4,100,539,805	3,923,591,968	27	3,923,591,968	3,739,079,717
Rent, taxes, insurance, utilities etc.	28	415,353,404	430,005,846	28	430,005,846	598,044,720
Legal & professional expenses	29	86,483,565	63,853,652	29	63,853,652	117,123,508
Postage, stamp, telecommunication etc.	30	148,308,477	131,767,614	30	131,767,614	136,968,876
Stationery, printing, advertisement, business promotion etc.	31	271,160,246	292,012,702	31	292,012,702	353,473,079
Managing Director's salary and allowances	32	28,441,208	26,328,372	32	26,328,372	24,618,065
Directors' fees & expenses	33	2,771,554	2,717,506	33	2,717,506	4,956,529
Audit fees	34	1,190,312	1,202,057	34	1,202,057	1,367,345
Repairs, maintenance and depreciation	35	1,001,833,059	970,168,499	35	970,168,499	740,495,162
Other operating expenses	36	634,250,171	599,828,196	36	599,828,196	671,284,857
Total operating expenses		6,690,391,802	6,441,476,411		6,441,476,411	6,387,411,859
Profit before provisions		10,467,818,895	7,692,281,091		7,692,281,090	8,209,961,768
Provision for loans and off-balance sheet exposures						
Specific provision (net of w/ off recovery)	13.4.1	1,655,381,613	764,801,333	13.4.1	764,801,333	1,254,816,341
General provision for loans		475,235,139	(293,454,371)		(293,454,371)	174,331,665
Special general provision for Covid 19		152,926,606	602,388,520		602,388,520	-
General provision for off-balance sheet exposures		368,073,261	19,415,553		19,415,553	(117,854,862)
Other provision		2,651,616,619	1,093,151,035		1,093,151,035	1,311,293,145
		(391,478,235)	(91,661,695)	37	(91,661,696)	642,503,542
Total provisions		2,260,138,385	1,001,489,340		1,001,489,339	1,953,796,686
Profit before tax for the year		8,207,680,510	6,690,791,751		6,690,791,751	6,256,165,081
Current tax expense for the year	13.3.1	3,855,014,674	2,640,680,434	13.3.1	2,640,680,434	2,912,494,915
Deferred tax income (net)	38	(301,199,890)	(52,451,737)	38	(52,451,737)	(664,461,960)
Total provision for taxation		3,553,815,784	2,588,228,698		2,588,228,697	2,248,022,955
Profit after tax for the year		4,653,864,726	4,102,563,054		4,102,563,054	4,008,142,126
Appropriation						
Statutory reserve	15	(1,420,649,200)	-	15	-	(737,999,580)
General reserve		-	-		-	-
Retained earnings carried forward		(1,420,649,200)	-		-	(737,999,580)
Earnings per share (EPS) (restated 2020)		3,233,215,526	4,102,563,054		4,102,563,054	3,270,142,546
Earnings per share (EPS)	39	4.88	4.30	39	5.05	4.94

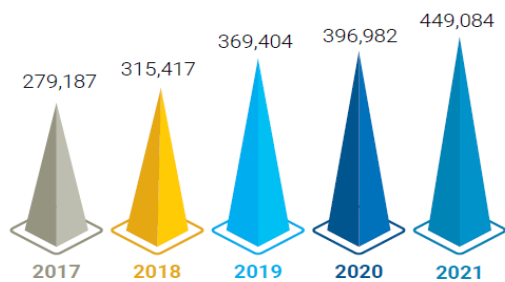
Appendix B. (BRAC Bank Limited)

Five Years' Financial Summary Graphical Presentation

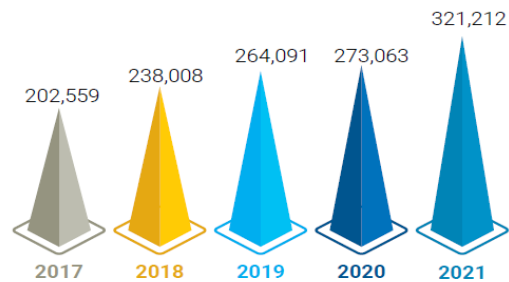
Standalone information

BDT in million unless otherwise specified

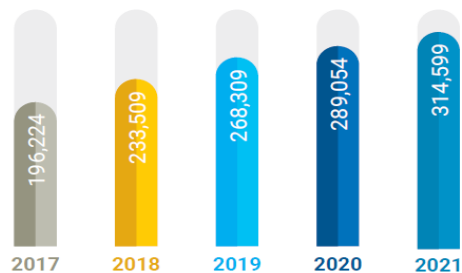
Total assets



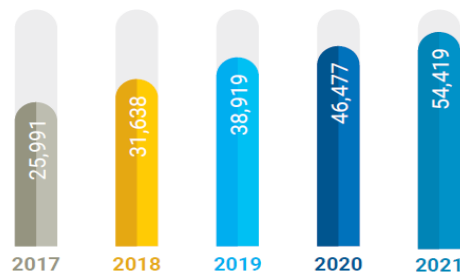
Loans and advances



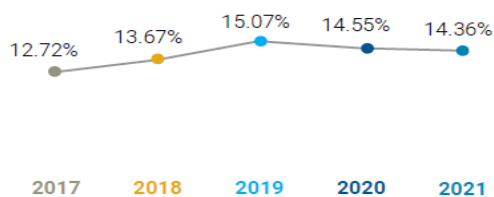
Deposit and other accounts



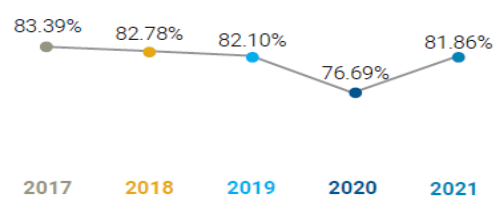
Total shareholders' equity



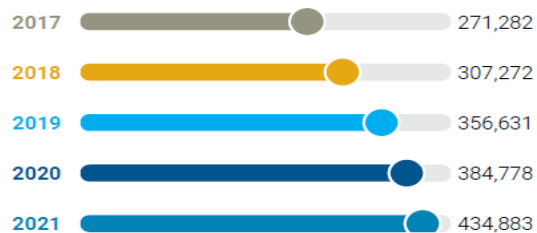
Capital to risk-weighted asset ratio (CRAR)



AD ratio



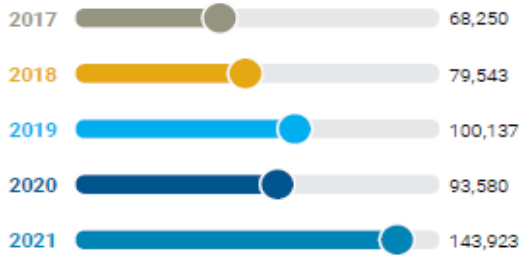
Interest earning assets



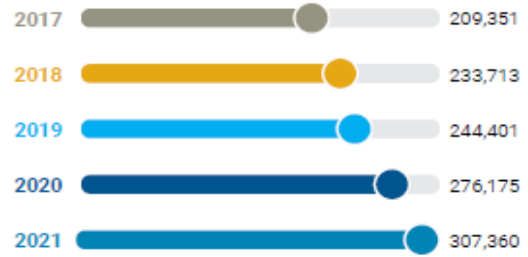
Non-interest earning assets



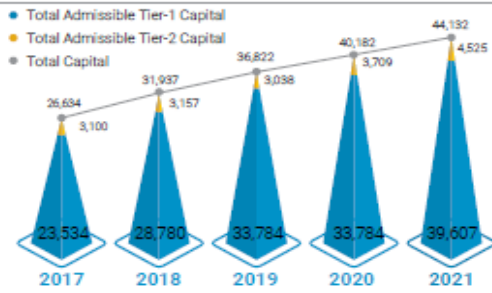
Off balance sheet items



Risk weighted assets



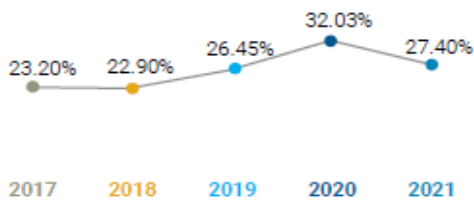
Regulatory capital



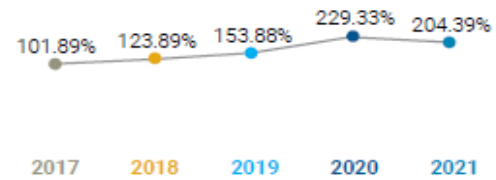
Paid up share capital



Liquid asset to total deposit ratio



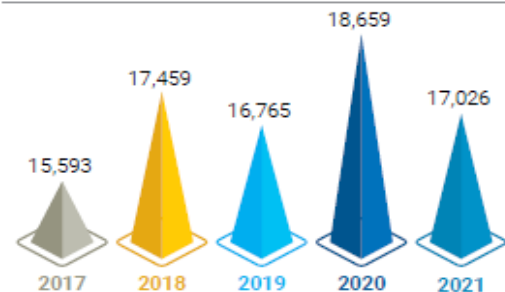
Liquid asset to short term liabilities



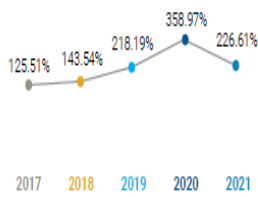
No. of shares



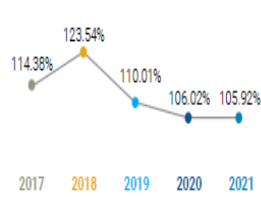
Number of shareholders



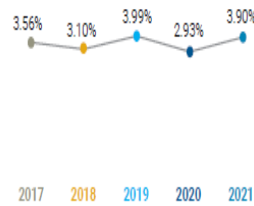
Liquidity coverage ratio (LCR)



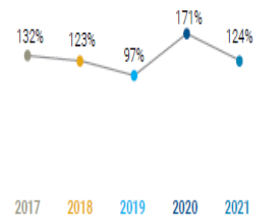
Net stable funding ratio (NSFR)



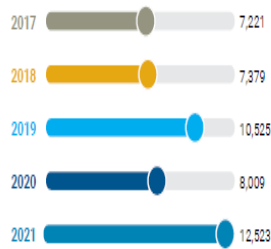
Percentage of NPLs to total loans and advances



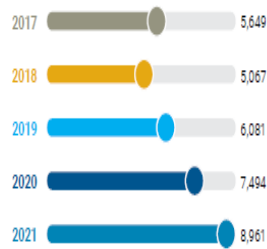
NPL coverage ratio (incl. GP)



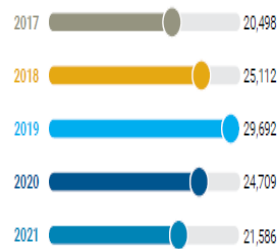
Classified loans



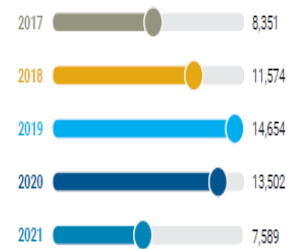
Provision for classified loans (SP)



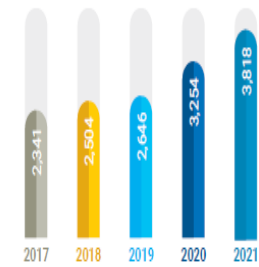
Interest income



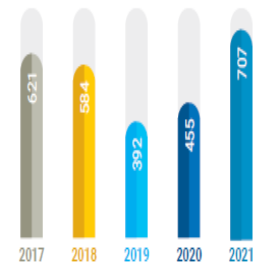
Interest expense



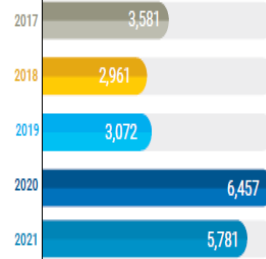
Provision for unclassified loans (GP)



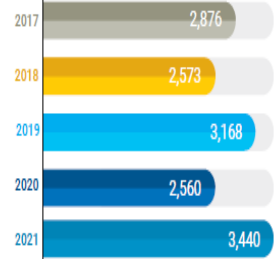
Provision for off balance sheet items



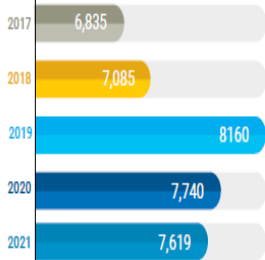
Investment income



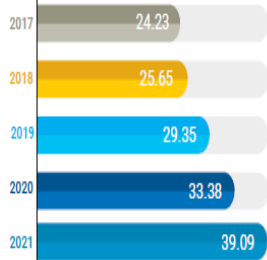
Commission exchange & brokerage



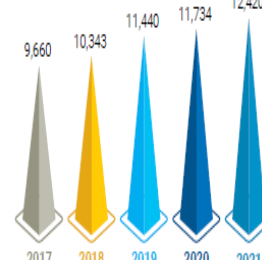
Number of employees



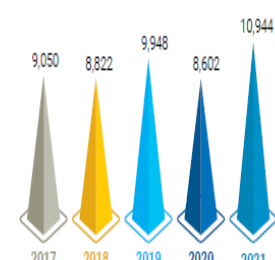
Net asset value per share in TK



Total operating expenses



Operating profit



Five Years' Financial Summary

BDT in million unless otherwise specified

STANDALONE INFORMATION	2021	2020	2019	2018	2017
FINANCIAL POSITION					
Cash and bank balances	42,558	33,602	38,629	37,253	37,681
Money at call and short notice	3,500	-	-	-	-
Investments	51,591	68,896	45,944	25,765	24,966
Loans and advances	321,212	273,063	264,091	238,008	202,559
Fixed asset	7,455	6,829	8,189	4,301	4,275
Other assets	22,764	14,526	12,485	10,023	9,642
Non-banking assets	5	66	66	66	63
Total assets	449,084	396,982	369,404	315,417	279,187
Borrowing	47,310	35,283	35,390	31,303	28,807
Convertible subordinate bonds	-	-	-	-	2,850
Money at call and on short notice	-	85	1,274	-	2,700
Deposit and other accounts	314,599	289,054	268,309	233,509	196,224
Other liabilities	32,756	26,083	25,512	18,966	22,615
Total shareholders' equity	54,419	46,477	38,919	31,638	25,991
Total liability and shareholders equity	449,084	396,982	369,404	315,417	279,187
AD ratio	81.86%	76.69%	82.10%	82.78%	83.39%
Off balance sheet items	143,923	93,580	100,137	79,543	68,250
Interest earning assets	434,883	384,778	356,631	307,272	271,282
Non-interest earning assets	14,201	12,204	12,773	8,144	7,905
Liquid asset to total deposit ratio	27.40%	32.03%	26.45%	22.90%	23.20%
Liquid asset to short term liabilities	204.39%	229.33%	153.88%	123.89%	101.89%
Liquidity coverage ratio (LCR)	226.61%	358.97%	218.19%	143.54%	125.51%
Net stable funding ratio (NSFR)	105.92%	106.02%	110.01%	123.54%	114.38%
INCOME STATEMENT- PERFORMANCE AND PROFITABILITY					
Total revenue	23,364	20,336	21,388	19,165	18,710
Interest income	21,586	24,709	29,692	25,112	20,498
Interest expense	7,589	13,502	14,654	11,574	8,351
Investment income	5,781	6,457	3,072	2,961	3,581
Commission exchange & brokerage	3,440	2,560	3,168	2,573	2,876
Non-interest income	3,586	2,672	3,279	2,666	2,981
Total operating expenses	12,420	11,734	11,440	10,343	9,660
Total income	30,953	33,837	36,042	30,739	27,060

STANDALONE INFORMATION	2021	2020	2019	2018	2017
Total expenditure	20,009	25,236	26,095	21,917	18,011
Operating profit	10,944	8,602	9,948	8,822	9,050
Profit before tax	7,890	6,735	8,505	8,072	7,897
Net profit after tax	5,547	4,541	5,646	5,547	5,250
CAPITAL MEASURES					
Authorized capital	20,000	20,000	20,000	20,000	12,000
Paid up share capital	13,922	13,259	12,334	10,725	8,552
Risk weighted assets	307,360	276,175	244,401	233,713	209,351
Common equity tier-1 capital	39,607	36,473	33,784	28,780	23,534
Total admissible tier-1 capital	39,607	36,473	33,784	28,780	23,534
Total admissible tier-2 capital	4,525	3,709	3,038	3,157	3,100
Total capital	44,132	40,182	36,822	31,937	26,634
Capital surplus/(deficit)	5,712	5,660	6,272	4,184	3,082
Common equity tier-1 (CET1) capital ratio	12.89%	13.21%	13.82%	12.31%	11.24%
Total capital to risk-weighted asset ratio (CRAR)	14.36%	14.55%	15.07%	13.67%	12.72%
ASSET QUALITY					
Total loans and advance	321,212	273,063	264,091	238,008	202,559
Classified loans	12,523	8,009	10,525	7,379	7,221
Provision for unclassified loans (GP)	3,818	3,254	2,646	2,504	2,341
Provision for classified loans (SP)	8,961	7,494	6,081	5,067	5,649
Provision for off balance sheet items	707	455	392	584	621
Percentage of NPLs to total loans and advances	3.90%	2.93%	3.99%	3.10%	3.56%
NPL coverage ratio (incl. GP)	124%	171%	97%	123%	132%
NPL coverage ratio	82%	114%	65%	76%	86%
FOREIGN EXCHANGE BUSINESS					
Import	134,102	81,820	90,661	110,575	98,332
Export	93,786	68,863	71,360	60,800	53,161
Remittance (inward)	98,887	72,452	73,344	84,178	57,522
Guarantee	4,856	2,136	7,783	4,537	3,673
OPERATING PROFIT RATIOS					
Cost of fund	4.49%	6.41%	7.04%	6.75%	5.69%
Return on assets	1.31%	1.19%	1.64%	1.87%	2.02%
Return on equity	11.00%	10.69%	15.60%	19.25%	22.14%
Return on investment	6.04%	5.79%	8.04%	9.00%	9.41%
Debt equity ratio (times)	6.65%	6.98%	7.84%	8.37%	8.87%
GP margin	75%	60%	59%	62%	69%
NP margin	18%	13%	16%	18%	19%
MANAGEMENT EFFICIENCY RATIOS					
Operating income per employee	3.07	2.63	2.62	2.70	2.74
Operating cost per employee	1.63	1.52	1.40	1.46	1.41
Operating profit per employee	1.44	1.11	1.22	1.25	1.32

BRAC Bank Limited
Balance Sheet
As at 31 December 2021

Particulars	Note	2021 Taka	2020 Taka
PROPERTY AND ASSETS			
Cash	3	22,676,943,467	19,243,096,656
Cash in hand (including foreign currency)		8,424,680,663	7,091,907,372
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)		14,252,262,804	12,151,189,284
Balance with other banks and financial institutions	4	19,880,951,145	14,358,762,046
Inside Bangladesh		12,261,365,946	7,928,558,845
Outside Bangladesh		7,619,585,199	6,430,203,201
Money at call on short notice	5	3,500,000,000	-
Investments	6	51,590,814,842	68,896,004,194
Government		44,051,798,178	61,821,887,388
Others		7,539,016,664	7,074,116,806
Loans and advances	7	321,212,230,987	273,063,193,200
Loans, cash credit, overdrafts etc.		168,205,415,381	136,374,612,915
Small and medium enterprises		150,749,009,625	134,621,356,804
Bills purchased & discounted		2,257,805,981	2,067,223,481
Fixed assets including premises, furniture and fixtures	8	7,454,867,399	6,828,574,683
Other assets	9	22,763,775,341	14,525,819,425
Non-banking assets	10	4,541,700	66,471,775
Total property and assets		449,084,124,881	396,981,921,979
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions & agents	12	24,134,564,025	11,913,324,935
Borrowings from central bank & government agencies	13	23,175,903,824	23,370,068,779
Money at call on short notice	14	-	84,801,100
Deposits and other accounts	15	314,598,626,264	289,054,405,724
Current accounts & other accounts		109,470,657,298	98,756,904,331
Bills payable		2,367,889,416	1,797,962,669
Savings deposits		68,334,576,200	57,230,594,232
Term deposits		133,172,621,149	130,621,972,707
Other deposits		1,252,882,201	646,971,785
Other liabilities	16	32,755,559,637	26,082,795,675
Total Liabilities		394,664,653,750	350,505,396,213
Capital and shareholders' equity			
Paid up capital	17.2	13,921,723,990	13,258,784,760
Share premium	17.7	3,853,767,032	3,853,767,032
Statutory reserve	18	10,067,956,958	9,405,017,728
Dividend equalization fund	19	355,218,455	355,218,455
Revaluation reserve on govt. securities	20	2,490,292,927	4,805,926,053
Fair value gain/(loss) on equity investment	21	7,384,920,564	1,131,197,846
Foreign currency translation reserve		(13,641,695)	(13,641,695)
Surplus in profit and loss account/Retained earnings	22	16,329,861,552	13,680,255,527
Total shareholders' equity		54,419,471,131	46,476,525,766
Total liabilities and shareholders' equity		449,084,124,881	396,981,921,979

BRAC Bank Limited
Balance Sheet
As at 31 December 2020

Particulars	Note	2020 Taka	2019 Taka
PROPERTY AND ASSETS			
Cash	3	19,243,096,656	22,829,508,087
Cash in hand (including foreign currency)		7,091,907,372	6,726,443,188
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)		12,151,189,284	16,103,064,899
Balance with other banks and financial institutions	4	14,358,762,046	15,799,498,546
Inside Bangladesh		7,928,558,845	13,203,670,424
Outside Bangladesh		6,430,203,201	2,595,828,122
Money at call on short notice	5	-	-
Investments	6	68,896,004,194	45,943,571,923
Government		61,821,887,388	39,175,459,934
Others		7,074,116,806	6,768,101,989
Loans and advances	7	273,063,193,200	264,091,181,535
Loans, cash credit, overdrafts etc.		136,374,612,915	145,604,630,622
Small and medium enterprises		134,621,356,804	115,109,495,430
Bills purchased & discounted		2,067,223,481	3,377,055,483
Fixed assets including premises, furniture and fixtures	8	7,349,043,033	8,188,718,148
Other assets	9	14,525,819,425	12,485,056,383
Non-banking assets	10	66,471,775	66,471,775
Total property and assets		397,502,390,329	369,404,006,397
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions & agents	12	11,913,324,935	22,901,981,186
Borrowings from Bangladesh Bank	13	23,370,068,779	12,487,885,372
Money at call on short notice	14	84,801,100	1,273,500,000
Deposits and other accounts	15	289,054,405,724	268,309,328,462
Current accounts & other accounts		97,266,324,684	70,387,783,800
Bills payable		1,797,962,669	1,911,038,678
Savings deposits		57,230,594,232	44,538,393,041
Fixed deposits		130,621,972,707	149,378,664,153
Other deposits		2,137,551,432	2,093,448,790
Other liabilities	16	26,124,705,425	25,512,078,465
Total Liabilities		350,547,305,963	330,484,773,485
Capital and shareholders' equity			
Paid up capital	17.2	13,258,784,760	12,333,753,270
Share premium	17.7	3,853,767,032	3,853,767,032
Statutory reserve	18	9,405,017,728	8,129,149,416
Dividend equalization fund	19	355,218,455	355,218,455
Revaluation reserve on govt. securities	20.1	4,805,926,053	98,965,051
Assets revaluation reserve	20.2	478,558,600	478,558,600
Fair value gain/(loss) on equity investment	9	1,131,197,846	1,261,102,670
Foreign currency translation reserve		(13,641,695)	29,914,158
Surplus in profit and loss account/Retained earnings	21	13,680,255,527	12,378,804,260
Total shareholders' equity		46,955,084,366	38,919,232,912
Total liabilities and shareholders' equity		397,502,390,329	369,404,006,397

BRAC Bank Limited
Profit and Loss Account
For the year ended 31 December 2021

Particulars	Note	2021 Taka	2020 Taka
Interest income	25	21,586,220,747	24,706,585,875
Interest paid on deposits and borrowing etc.	26	7,589,298,326	13,501,818,343
Net interest income		13,996,922,421	11,206,767,532
Investment income	27	5,780,677,077	6,456,643,091
Commission, exchange and brokerage	28	3,440,196,921	2,560,275,778
Other operating income	29	146,093,679	111,861,433
Total operating income (a)		23,363,890,098	20,335,547,834
Salaries and allowances	30	6,626,995,876	6,228,455,055
Rent, taxes, insurance, electricity etc.	31	473,700,396	491,971,548
Legal expenses	32	33,352,689	32,746,130
Postage, stamps, telecommunication etc.	33	222,631,352	204,617,611
Stationery, printing, advertisement etc.	34	221,634,405	220,659,472
Chief Executive's salary and fees	35	18,424,250	18,775,000
Directors' fees	36	2,437,600	1,596,800
Auditors' fees	37	1,840,000	1,840,000
Depreciation and repair of the bank's assets	38	2,191,026,040	2,081,241,194
Other expenses		2,627,953,670	2,451,914,688
Total operating expenses (b)		12,419,996,278	11,793,817,498
Profit before provisions (c = a-b)		10,943,893,820	8,601,730,336
Provision for loans/investments:			
Loans and advances		2,810,975,910	2,365,157,113
Diminution in value of investments		(74,000,000)	(563,219,881)
Off balance sheet items		251,500,000	63,083,635
Other provisions		65,866,351	1,581,941
Total provisions (d)	40	3,054,342,261	1,866,602,808
Total Profit/(loss) before taxes (e= c-d)		7,889,551,559	6,735,127,528
Provision for taxation:			
Current tax expense		3,467,399,481	2,537,375,925
Deferred tax income		(1,124,778,486)	(343,080,346)
Total provision for taxation (f)	41	2,342,620,995	2,194,295,579
Net profit after taxation (e-f)		5,546,930,564	4,540,831,949
Retained earnings brought forward from previous year		13,680,255,527	12,378,804,260
Net effect of all items directly recognised in equity-retained earnings		(144,689,978)	(113,449,385)
Profit available for appropriation		19,082,496,113	16,806,186,824

BRAC Bank Limited
PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2020

Particulars	Note	2020 Taka	2019 Taka
Interest income	24	24,706,585,875	29,692,102,368
Interest paid on deposits and borrowing etc.	25	13,328,975,578	14,654,308,149
Net interest income		11,379,610,297	15,037,794,219
Investment income	26	6,456,643,091	3,071,620,681
Commission, exchange and brokerage	27	2,560,275,778	3,168,228,463
Other operating income	28	111,861,433	110,459,191
Total operating income (a)		20,508,390,599	21,388,102,554
Salaries and allowances	29	6,228,455,055	5,578,849,064
Rent, taxes, insurance, electricity etc.	30	664,814,313	701,300,962
Legal expenses	31	18,361,919	31,142,353
Postage, stamps, telecommunication etc.	32	204,617,611	230,319,874
Stationery, printing, advertisement etc.	33	220,659,472	269,486,898
Chief Executive's salary and fees	34	18,775,000	18,775,000
Directors' fees	35	1,596,800	1,066,520
Auditors' fees	36	1,840,000	1,840,000
Depreciation and repair of the bank's assets	37	2,081,241,194	2,050,466,915
Other expenses		2,466,298,899	2,557,229,126
Total operating expenses (b)		11,906,660,263	11,440,476,712
Profit before provisions (c = a-b)		8,601,730,336	9,947,625,842
Provision for loans/investments:			
Loans and advances		2,365,157,113	1,096,128,805
Diminution in value of investments		(563,219,881)	534,400,000
Off balance sheet items		63,083,635	(192,000,000)
Other provisions		1,581,941	3,790,385
Total provision (d)	39	1,866,602,808	1,442,319,190
Total Profit/(loss) before taxes (e= c-d)		6,735,127,528	8,505,306,652
Provision for taxation:			
Current tax expense		2,537,375,925	3,718,904,812
Deferred tax income		(343,080,346)	(859,400,548)
Total provision for taxation (f)	40	2,194,295,579	2,859,504,264
Net profit after taxation (e-f)		4,540,831,949	5,645,802,388

Appendix C. (Bank Asia Limited)

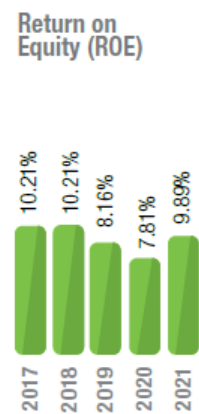
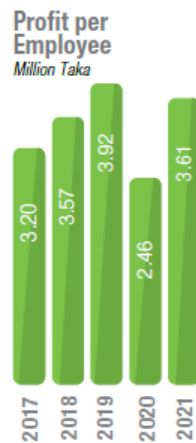
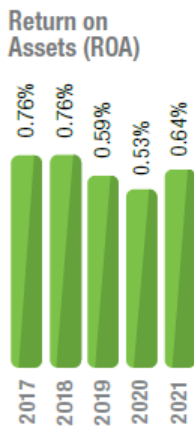
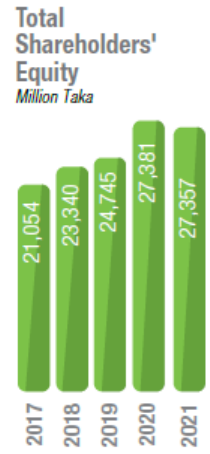
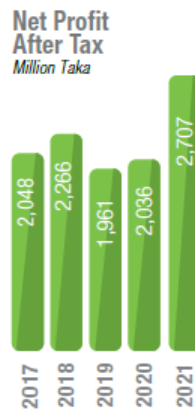
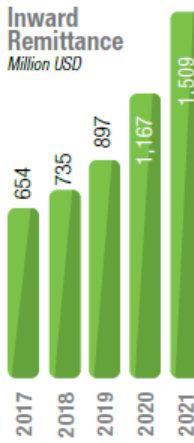
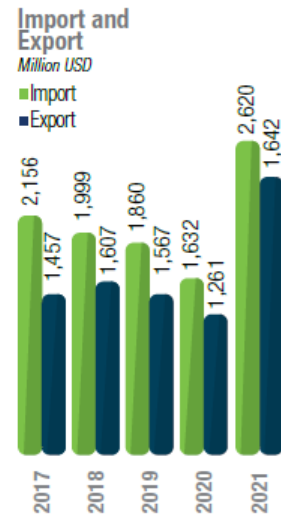
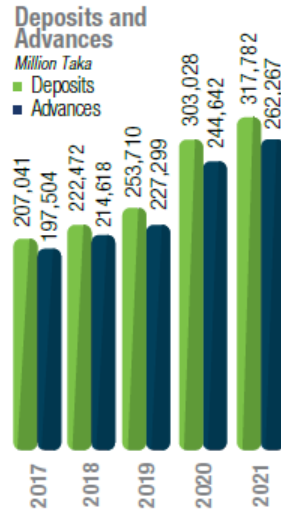
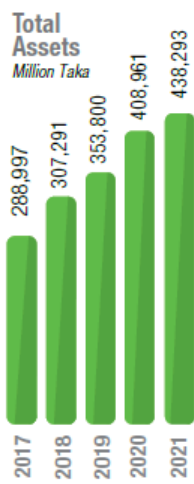
Five Years Performance

Million Taka unless otherwise specified

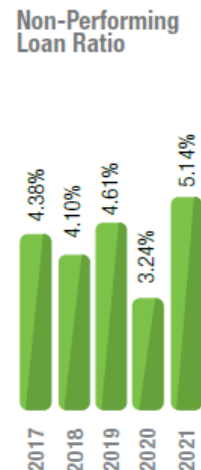
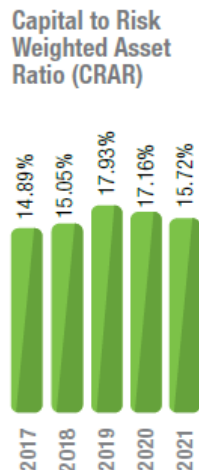
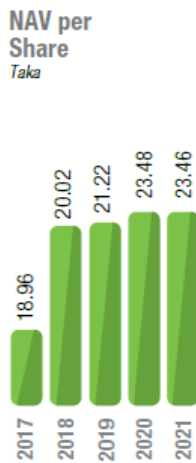
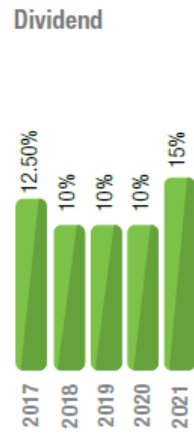
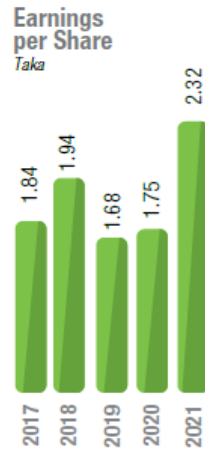
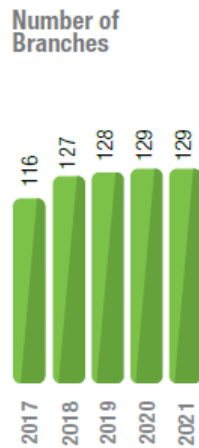
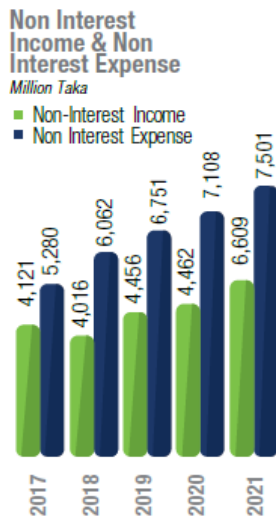
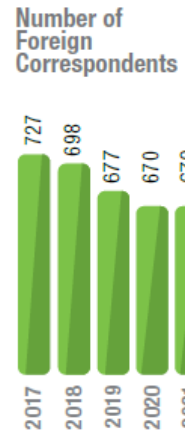
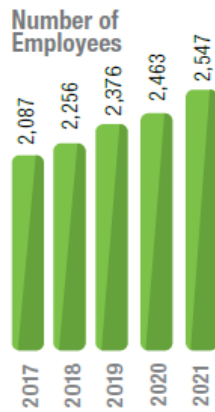
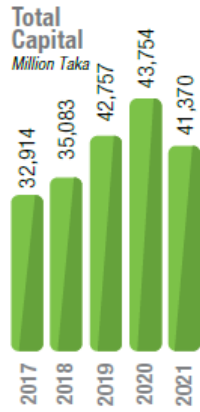
Particulars	2021	2020	2019	2018	2017
BALANCE SHEET MATRIX					
Authorized Capital	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00
Paid up Capital	11,659.07	11,659.07	11,659.07	11,103.87	9,870.11
Reserve Fund & Surplus	15,040.05	15,721.82	13,086.05	12,236.26	11,184.38
Total Shareholders' Equity	27,356.64	27,380.90	24,745.12	23,340.13	21,054.49
Deposits	317,782.43	303,028.11	253,709.57	222,471.72	207,041.47
Loans and Advances	262,266.70	244,642.03	227,298.96	214,618.15	197,504.14
Investments	77,021.19	94,251.18	54,932.58	35,999.20	27,545.82
Fixed Assets	6,039.14	6,708.66	7,025.60	5,431.55	5,329.74
Total Assets	438,293.29	408,960.69	353,800.37	307,291.40	288,996.64
Total Off Balance Sheet Items	173,965.53	122,190.43	120,617.28	137,459.26	136,156.44
Interest Earning Assets	388,166.24	372,489.99	312,059.88	278,695.30	256,765.52
Non-Interest Earning Assets	50,127.05	36,227.16	41,740.49	28,596.10	32,231.12
INCOME STATEMENT MATRIX					
Interest income	18,340.77	18,112.00	22,863.14	20,910.68	16,411.57
Interest Expenses	12,700.89	14,926.68	14,462.38	13,007.99	10,841.56
Investment income	6,848.83	6,484.40	3,293.06	2,311.46	2,535.39
Non-Interest income	6,609.12	4,462.27	4,456.40	4,015.84	4,120.56
Operating Expense	7,500.88	7,108.05	6,751.46	6,062.19	5,279.83
Total income	29,394.30	28,105.56	30,536.30	27,130.56	22,808.95
Total Expenditure	20,201.77	22,034.72	21,213.84	19,070.18	16,121.39
Operating Profit	9,192.53	6,070.84	9,322.46	8,060.40	6,687.56
Profit Before Tax	4,406.74	3,957.71	3,920.81	4,616.30	4,057.53
Net Profit After Tax	2,706.74	2,035.71	1,960.81	2,266.28	2,047.53
CAPITAL MEASURES					
Risk Weighted Assets	263,153.19	254,905.15	238,427.23	233,085.63	221,114.65
Core Capital (Tier-I)	25,152.67	23,558.94	22,635.99	21,165.37	18,852.66
Supplementary Capital (Tier-II)	16,217.71	20,195.00	20,121.11	13,917.53	14,061.29
Total Capital	41,370.38	43,753.94	42,757.10	35,082.90	32,913.96
Capital Surplus/(Deficit) over Minimum Capital	15,055.06	18,263.42	18,914.38	11,774.34	10,802.49
Capital Surplus/(Deficit) over Conservation Buffer	8,476.23	11,890.80	12,953.70	7,403.98	8,038.56
Tier I Capital Ratio	9.56%	9.24%	9.49%	9.08%	8.53%
Tier II Capital Ratio	6.16%	7.92%	8.44%	5.97%	6.36%
Capital to Risk Weighted Asset Ratio Basel-III	15.72%	17.16%	17.93%	15.05%	14.89%
CREDIT QUALITY					
Classified Loans	13,469.54	7,930.93	10,479.99	8,809.83	8,642.30
Provision for Unclassified Loans	8,727.71	9,841	7,674.46	5,091.24	4,101.19
Provision for Classified Loans	7,290.00	4,120.20	4,604.66	3,892.76	3,740.00
Provision for Contingent Liabilities	1,490.00	1,005.00	961.65	1,158.03	1,331
Percentage of NPLs to total Loans and Advances	5.14%	3.24%	4.61%	4.10%	4.38%
FOREIGN EXCHANGE BUSINESS					
Import	225,789.00	141,289	158,115	165,203.00	181,468.00
Export	141,496.00	108,549	132,465	136,733.00	118,172.00
Remittance (Inward)	128,441.00	98,911	79,750	60,113.00	51,778.00

Million Taka unless otherwise specified

Particulars	2021	2020	2019	2018	2017
OPERATING PROFIT RATIOS					
Credit Deposit Ratio	65.58%	69.42%	76.47%	81.75%	81.88%
Cost of Deposit	3.94%	4.95%	5.67%	5.65%	5.08%
Cost of Deposit & Borrowing	3.87%	4.27%	5.68%	5.65%	5.23%
Administrative Cost	2.09%	2.27%	2.59%	2.60%	2.50%
Yield on Loans and Advances	7.61%	7.68%	10.19%	9.99%	9.03%
Spread	3.67%	2.73%	4.52%	4.34%	3.95%
Return on Assets	0.64%	0.53%	0.59%	0.76%	0.76%
Return on Equity	9.89%	7.81%	8.16%	10.21%	10.21%
Current Ratio	1.07	1.07	1.05	1.07	1.05
Debt Equity Ratio	15.02	13.94	13.30	12.17	12.73
PERFORMANCE RATIOS					
Profit per Employee	3.61	2.46	3.92	3.57	3.20
Operating profit as % of Working Fund	2.17%	1.59%	2.82%	2.70%	2.47%
Net Interest income as % of Working Fund	2.41%	2.29%	3.51%	3.39%	2.89%
Burden Coverage	56.06%	49.37%	64.88%	64.47%	73.15%
Burden Ratio	0.21%	0.62%	0.67%	0.70%	0.43%
Expense Coverage	88.11%	62.77%	66.01%	66.24%	78.04%
Ratio of Fees income	18.98%	18.78%	20.91%	21.18%	26.07%
Salary Exp. to total Overhead Exp.	51.87%	50.03%	48.63%	47.77%	47.99%
Salary Exp. to Fees income	186.53%	143.68%	97.67%	96.84%	81.21%
Cost to income/ Efficiency ratio	44.93%	54.00%	42.00%	42.93%	44.12%
DIVIDEND & RIGHTS ISSUE					
Cash	15.00%	10.00%	10.00%	5.00%	
Stock				5.00%	12.50%
Total Dividend	15.00%	10.00%	10.00%	10.00%	12.50%
SHARES INFORMATION MATRIX					
No. of Shares Outstanding	1,165.91	1,166	1,165.91	1,110.39	987.01
Earnings Per Share (Taka)	2.32	1.75	1.68	1.94	1.84
Number of Shareholders	7,583.00	8391	8960	10344	10,681
Market Value Per Share (Taka)	21.80	18.20	18.20	17.70	23.10
Price Earnings Ratio	9.40	10.40	10.83	8.67	11.14
Net Asset Value Per Share (Taka)	23.46	23.48	21.22	20.02	18.96
Dividend Coverage ratio	1.55	1.75	1.68	2.04	1.66
OTHER INFORMATION					
Total Number of Branches	129	129	128	127	116
Number of SME Service Centers	4	4	4	4	4
Number of Islamic Windows	5	5	5	5	5
Off Shore Banking Unit	1	1	1	1	1
Number of Sub Branches	7	6	-	-	-
Agent Outlet	4898	4628	3,525	2,566	1,497
Number of Employees	2547	2463	2,376	2,256	2087
Number of Foreign Correspondents	670	670	677	698	727



Five Years Performance



Bank Asia Limited Balance Sheet

as at 31 December 2021

Bank Asia Limited Balance Sheet

as at 31 December 2020

	Notes	31 Dec 2021	31 Dec 2020
PROPERTY AND ASSETS			
Cash		33,364,884,587	17,899,782,364
In hand (including foreign currencies)	4.1	3,609,437,504	2,962,950,057
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	4.2	29,755,447,083	14,936,832,307
Balance with other banks and financial institutions		40,361,469,795	31,480,907,697
In Bangladesh	5.1	38,950,215,157	29,455,358,540
Outside Bangladesh	5.2	1,411,254,638	2,025,549,157
Money at call and on short notice	6	6,400,000,000	-
Investments	7	77,021,190,521	94,251,183,584
Government		70,690,287,923	90,042,129,622
Others		6,330,902,598	4,209,053,962
Loans and advances/investments	8	262,266,701,765	244,642,030,073
Loans, cash credits, overdrafts, etc/investments		234,243,717,970	228,467,330,505
Bills purchased and discounted		28,022,983,795	16,174,699,568
Fixed assets including premises, furniture and fixtures	9	6,039,141,904	6,708,655,006
Other assets	10	12,839,899,861	13,978,128,282
Non - banking assets		-	-
Total assets		438,293,288,433	408,960,687,006
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	47,836,151,368	35,971,854,941
Subordinated non-convertible bonds	11 (ea)	8,600,000,000	10,200,000,000
Deposits and other accounts	12	317,782,434,902	303,028,106,360
Current/AI-wadeeah current accounts and other accounts		63,650,371,768	59,357,845,676
Bills payable		3,978,312,653	3,747,868,764
Savings bank/Mudaraba savings bank deposits		79,212,048,790	64,167,247,193
Fixed deposits/Mudaraba fixed deposits		170,941,701,491	175,755,144,727
Bearer certificates of deposit		-	-
Other deposits		-	-
Other liabilities	13	36,718,063,544	32,379,830,134
Total liabilities		410,936,649,614	381,579,791,435
Capital/shareholders' equity			
Total shareholders' equity		27,356,638,619	27,380,895,571
Paid-up capital	14.2	11,659,068,600	11,659,068,600
Statutory reserve	15	10,725,443,940	9,844,096,744
General and other reserve	15.1	8,166,144	8,166,144
Revaluation reserve	16	2,159,144,877	3,777,946,202
Retained earnings	17	2,804,815,058	2,091,617,881
Total liabilities and shareholders' equity		438,293,288,433	408,960,687,006

	Notes	31 Dec 2020	31 Dec 2019
PROPERTY AND ASSETS			
Cash		17,899,782,364	23,985,602,079
In hand (including foreign currencies)	4.1	2,962,950,057	3,241,965,175
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	4.2	14,936,832,307	20,743,726,904
Balance with other banks and financial institutions		31,480,907,697	23,113,553,804
In Bangladesh	5.1	29,455,358,540	19,491,968,105
Outside Bangladesh	5.2	2,025,549,157	3,621,585,699
Money at call and on short notice	6	-	4,600,000,000
Investments	7	94,251,183,584	54,932,579,936
Government		90,042,129,622	52,197,323,349
Others		4,209,053,962	2,735,256,587
Loans and advances/investments	8	244,642,030,073	227,298,958,048
Loans, cash credits, overdrafts, etc/investments		228,467,330,505	208,039,420,174
Bills purchased and discounted		16,174,699,568	19,259,535,874
Fixed assets including premises, furniture and fixtures	9	6,708,655,006	7,025,602,707
Other assets	10	13,734,592,135	12,843,989,123
Non - banking assets		-	-
Total assets		408,717,150,959	353,800,373,697
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	35,971,854,941	34,382,128,495
Subordinated non-convertible bonds	11 (ea)	10,200,000,000	11,800,000,000
Deposits and other accounts	12	303,028,106,360	253,709,574,615
Current/AI-wadeeah current accounts and other accounts		59,357,845,676	47,453,683,930
Bills payable		3,747,868,764	3,742,697,471
Savings bank/Mudaraba savings bank deposits		64,167,247,193	48,293,710,027
Fixed deposits/Mudaraba fixed deposits		175,755,144,727	154,219,483,187
Bearer certificates of deposit		-	-
Other deposits		-	-
Other liabilities	13	32,136,293,987	29,163,552,669
Total liabilities		381,336,255,598	329,055,255,779
Capital/shareholders' equity			
Total shareholders' equity		27,380,895,571	24,745,117,918
Paid-up capital	14.2	11,659,068,600	11,659,068,600
Statutory reserve	15	9,844,096,744	9,052,555,407
General and other reserve	16	3,777,946,202	2,065,663,636
Revaluation reserve		8,166,144	8,166,144
Retained earnings	17	2,091,617,881	1,959,644,131
Total liabilities and shareholders' equity		408,717,150,959	353,800,373,697

Bank Asia Limited Profit and Loss Account

for the year ended 31 December 2021

	Notes	31 Dec 2021	31 Dec 2020
OPERATING INCOME			
Interest income	20	18,340,772,912	18,112,098,828
Interest paid on deposits and borrowings, etc	21	12,700,889,582	14,926,677,328
Net interest income		5,639,883,330	3,185,421,500
Investment income	22	6,848,834,433	6,484,398,100
Commission, exchange and brokerage	23	3,168,396,253	2,474,977,494
Other operating income	24	1,036,304,780	1,034,090,923
		11,693,525,466	9,993,466,517
Total operating income (A)		16,693,408,816	13,178,888,017
OPERATING EXPENSES			
Salaries and allowances	25	3,870,113,954	3,536,708,226
Rent, taxes, insurance, electricity, etc	26	480,758,487	440,514,478
Legal expenses	27	16,556,291	13,111,596
Postage, stamp, telecommunication, etc	28	118,317,263	125,950,752
Stationery, printing, advertisements, etc	29	116,083,929	148,118,134
Managing Director's salary and fees	30	20,401,285	19,282,988
Directors' fees	31	4,040,000	3,208,000
Auditors' fees	32	977,625	853,000
Depreciation and repairs of Bank's assets	33	866,240,276	849,791,740
Other expenses	34	2,007,368,680	1,970,532,731
		7,500,876,750	7,108,651,625
Total operating expenses (B)		9,192,532,066	6,070,836,392
Profit before provision (C=A-B)		7,500,876,750	7,108,651,625
Provision for loans and advances/investments			
General provision		(1,112,892,000)	2,166,139,871
Specific provision		5,263,688,085	(413,359,577)
		4,150,796,085	1,752,780,294
Provision for off-balance sheet items	13.2		43,349,415
Provision for diminution in value of investments	13.3		180,000,000
Other provisions	13.8	150,000,000	137,000,000
		4,385,796,085	2,113,129,709
Total provision (D)	34(b)	4,385,796,085	2,113,129,709
Total profit before tax (C-D)		3,115,080,665	5,000,000,000
Provision for taxation			
Current tax	13.5.1	1,700,000,000	1,922,000,000
Deferred tax	13.5.2	1,700,000,000	1,922,000,000
		3,400,000,000	3,844,000,000
Net profit after tax		(284,919,335)	1,156,000,000
Appropriations			
Statutory reserve	15	881,347,196	791,541,337
General and other reserve			
		881,347,196	791,541,337
Retained surplus		1,825,386,795	1,244,165,346
Earnings Per Share (EPS)	37	2.32	1.75

Bank Asia Limited Profit and Loss Account

for the year ended 31 December 2020

	Notes	31 Dec 2020	31 Dec 2019
OPERATING INCOME			
Interest income	20	18,112,098,828	22,863,139,885
Interest paid on deposits and borrowings, etc	21	14,926,677,328	14,462,390,548
Net interest income		3,185,421,500	8,400,749,337
Investment income	22	6,484,398,100	3,293,064,994
Commission, exchange and brokerage	23	2,474,977,494	3,361,388,126
Other operating income	24	1,034,090,923	1,018,730,455
		9,993,466,517	7,193,163,575
Total operating income (A)		13,178,888,017	16,073,922,612
OPERATING EXPENSES			
Salaries and allowances	25	3,536,708,226	3,266,449,893
Rent, taxes, insurance, electricity, etc	26	440,514,478	440,983,246
Legal expenses	27	13,111,596	20,534,559
Postage, stamp, telecommunication, etc	28	125,950,752	124,471,668
Stationery, printing, advertisements, etc	29	148,118,134	156,689,993
Managing Director's salary and fees	30	19,282,988	16,572,420
Directors' fees	31	3,208,000	3,424,000
Auditors' fees	32	853,000	1,478,225
Depreciation and repairs of Bank's assets	33	849,791,740	834,076,015
Other expenses	34	1,970,532,731	1,887,688,330
		7,108,651,625	6,751,458,339
Total operating expenses (B)		6,070,836,392	9,322,464,273
Profit before provision (C=A-B)		7,070,236,392	9,321,464,339
Provision for loans and advances/investments			
General provision		2,166,139,871	2,847,887,484
Specific provision		(413,359,577)	2,805,142,562
		1,752,780,294	5,653,030,046
Provision for off-balance sheet items	13.2		(96,376,913)
Provision for diminution in value of investments	13.3		180,000,000
Other provisions	13.8	137,000,000	25,000,000
		2,113,129,709	5,401,653,133
Total provision (D)	34(b)	2,113,129,709	5,401,653,133
Total profit before tax (C-D)		4,957,106,683	3,919,811,140
Provision for taxation			
Current tax	13.5.1	1,922,000,000	1,960,000,000
Deferred tax	13.5.2	1,922,000,000	1,960,000,000
		3,844,000,000	3,920,000,000
Net profit after tax		1,113,106,683	999,811,140
Appropriations			
Statutory reserve	15	791,541,337	784,162,226
General and other reserve			
		791,541,337	784,162,226
Retained surplus		1,244,165,346	1,176,648,912
Earnings Per Share (EPS)	37	1.75	1.68