

It is to hereby an internship report on  
Equity Analysis & Loan and Advances of

Mutual Trust Bank LTD

Prepared by Mehedi Hassan for  
completing the BBA program at

BRAC BUSINESS SCHOOL

BRAC UNIVERSITY.

Mutual Trust Bank Ltd.



মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড  
**Mutual Trust Bank Ltd.**  
*you can bank on us*

BRAC University



Mehedi Hassan (BU Id: 11104011) - [2015]

# **INTERNSHIP REPORT**

Submitted to the  
BRAC BUSINESS SCHOOL,  
BRAC University

Equity Analysis & Loan and Advances  
OF  
MUTUAL TRUST BANK LIMITED (MTBL)

## **INTERNSHIP REPORT**

Equity Analysis & Loan and Advances  
Of  
MUTUAL TRUST BANK LIMITED (MTBL)

### **Submitted To**

SAYLA SOWAT SIDDIQUI  
Lecturer- III  
BRAC Business School  
BRAC University

### **Submitted By**

MEHEDI HASSAN  
ID: 11104011

**Date of submission: 27<sup>th</sup> May, 2015**

## Letter of Transmittal

27<sup>th</sup> May, 2015.  
Sayla Sowat Siddiqui  
Lecturer- III  
BRAC Business School  
BRAC University

**Subject: Submission of Internship report.**

Dear Madam,

It is a pleasure to be able to hand the report of my internship program over to you on “**Equity Analysis and Credit of Mutual Trust Bank Limited**”.

The internship program has provided me the opportunity to work with the employees of Mutual Trust Bank LTD which gave me valuable insights about the life in an organization. This really helped me significantly to enhance my practical knowledge.

This task has also given me the opportunity to explore the activities of banking sector. The report contains a working procedure of General Banking and Credit Department which is based on its operational activities. It was a great pleasure for me to have the opportunity to work on this bank which remains a very well position than other bank in Bangladesh. I endeavor my best to come out with a good one.

I, therefore, convey my thanks to you for your kind cooperation, supervision and advice in conducting and preparing this report. I have completed the whole program with great enthusiasm. I hope you will find this report worth reading although I was not able to accumulate all types of information due to some limitations.

If necessary, I will be obliged to provide further clarification or information in interpreting this.

Sincerely yours,

---

Mehedi Hassan  
Id : 11104011  
BRAC Business School  
BRAC University

## Acknowledgement

It is indeed a great pleasure and honor on my part to have the opportunity to submit this report after three months of practical orientation in Mutual Trust Bank Limited. I would like to offer my heartiest gratitude to almighty Allah for keeping me in good health and giving me the strength to accomplish the report.

I convey my deepest appreciations to my honorable supervisor **Sayla Sowat Siddiqui** for her continuous guidance and whole-hearted supervision and supporting me in preparing this internship report. Without her supportive hand and recommendations, it would be difficult for me to complete this report. I thank him for being a constant source of inspiration all through.

Completion of anything requires supports from various sources. I am very much fortunate to get the sincere guidance and supervision from a number of persons. My successful completion of internship program in Mutual Trust Bank LTD would not have possible without the help of some kind-hearted people.

My sincere gratitude goes to Mr. Zahidul Ahasan, VP & Manager of MTBL Mirpur branch, for reviewing the whole report so carefully and for giving me valuable advices and suggestions to complete the whole thing in a right manner.

I am also very grateful to Mrs. Farzana Rahim of Mutual Trust bank LTD under whom I worked and who helped me a lot through the internship. Last but not the least, I would like to express my deepest gratitude to the officers and personnel of Mutual Trust bank LTD Mr. Ikram Mahmood, Mrs. Mihir Hafiz, Mr. Shafiul Azam, Mr. Zayed Badhon Mr. Rafiul Haque Akanda & Mr. Sharbindu Sarkar for their continuous support and valuable suggestions, cooperation and assistance in the preparation of this report.

I would like to show my gratitude towards some of my friends who gave their selfless effort to conduct the research. Finally, I thank my organization, BRAC University and Office of Career Services and Alumni Relations (OCSAR) for giving me the opportunity of self-development through practical experience

## Executive Summary

Now-a day's banking sector is modernizing and expanding its hand in different financial events every day. At the same time the banking process is becoming faster, easier and is becoming wider.

There is a great supportive role of banking system in human society. It plays a vital role for the economic development of a country. The banking system of Bangladesh is backward, compared to many other nations. The local banks which are rendering services to mass people of the country are following the traditional system, which are no longer followed by bank in other development countries. It brings Bangladesh people to the touch of modern technology.

Banking System of Bangladesh has gone through three phases of development – Nationalization, Privatization and lastly Financial Sector Reform. **Mutual Trust Bank Ltd.** (MTBL, the 3rd generation bank) has started its journey as a private commercial bank on 29 September, 1999. The Company (Bank) operates financial activities through its Head Office situated at Dhaka and 101 branches. The Company/ Bank carry out international business through a Global Network of Foreign Correspondent Banks.

In this study, a fervent appeal has been made to demonstrate and analyze the equity part and Loan & Advance the subsequent outcome of **Mutual Trust Bank Ltd. (MTBL)**, which is passing its childhood period to establish an iconic threshold in the banking arena.

The title of the report is the “**Internship Report Equity Analysis and Credit of Mutual Trust Bank Limited**”. In the first chapter of this report the equity analysis part are stated with the financial statement of past 5 year. Using this financial figure the growth of the MTBL has been calculated and after that future five year financial statement has been forecasted. This is the first chapter of the report.

Main part contains the forecasted Balance sheet of 2015 to 2019. The growth rate has been calculated on basis of calculating of past five year in a sequential face. This chapter also contains the Profit and Loss statement of Passed five 2009 to 2014 and using this financial figure future 5 year 2015 to 2019 year's profit and loss statement has been forecasted. After that main calculation has been started. Using this forecasted data Operating cash flow of 2015 to 2019 has been calculated.

Then Change in net working capital and capital spending has been deducted from Operating cash flow with the resulted findings of Project cash flow of 2015 to 2019. Then here Net Present Value has been calculated of Project Cash Flow. This NPV figure is divided by the number of share outstanding of 31 Dec, 2014. Then the calculation ended by get the price of share to find out that share price is undervalued.

Second main part contains the Loan and Advance details of Mutual trust bank. Mutual Trust Bank Ltd. offers different type of loan. The categories are divided according to the purpose of

the loan. MTBL Offers mainly five types of Loan, these are MTB Personal Loan, MTB Auto Loan, MTB Home Loan, MTB Home and Equity Loan and MTB Professional Loan. These types of loan acquire different features as well as facilities. These loans are functioned according to the category. Difference in the loans category is amount, target customer, interest rate, loan process and etc. Different types of loan are as follow.

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# *Part-1: Organizational part*

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**This part describes about the organization on which has been prepared in very brief with identifying the following:**

- ◆ *Company Profile*
- ◆ *Historical Background of MTBL*
- ◆ *Corporate Vision, Mission & Objectives*
- ◆ *Hierarchy of MTBL*
- ◆ *MTBL at a glance*
- ◆ *Product and Services of MTBL*
- ◆ *Others*

## **1.1 Company Profiles:**

In the backdrop of economic liberalization and financial sector reforms, a group of highly successful local entrepreneurs conceived an idea of floating a commercial bank with different outlook. For them, it was competence, excellence and consistent delivery of reliable service with superior value products. Accordingly, Mutual trust Bank was created and commencement of business started on 29th September 1999. The sponsors are reputed personalities in the field of trade and commerce and their stake ranges from shipping to textile and finance to energy etc.

Mutual Trust Bank Limited (MTBL) is a Public Limited Company by shares in the Bangladesh, with commendable operating performance. Directed by the mission to provide with prompt and efficient services to clients, MTBL provides a wide range of commercial banking services also. The bank has achieved success among its peer group within a short span of time with its professional and dedicated team of management having long experience, commendable knowledge and expertise in convention with modern banking. With all the resources,

management of the bank firmly believes that the bank would be able to encounter problems that may arise both at micro and macroeconomic levels.

As a fully licensed commercial bank, Mutual Trust Bank is being managed by a highly professional and dedicated team with long experience in banking. They constantly focus on understanding and anticipating customer needs. As the banking scenario undergoes changes so is the bank and it repositions itself in the changed market condition.

Mutual Trust Bank has already made significant progress within a very short period of its existence. The bank has been graded as a top class bank in the country through internationally accepted CAMELS rating. The bank has already occupied an enviable position among its competitors after achieving success in all areas of business operation.

Mutual Trust Bank, since its beginning has attached more importance in technology integration. In order to retain competitive edge, investment in technology is always a top agenda and under constant focus. Keeping the network within a reasonable limit, our strategy is to serve the customers through capacity building across multi-delivery channels. Our past performance gives an indication of our strength. We are better placed and poised to take our customers through fast changing times and enable them compete more effectively in the market they operate.

## **1.2 Organizational Background and Industry Perspective:**

### **1.2.1 Historical Background of MTBL:**

The Company was incorporated on September 29, 1999 under the Companies Act 1994 as a public company limited by shares for carrying out all kinds of banking activities with authorized capital of BDT 1,000,000,000 divided into 10,000,000 ordinary shares of BDT 100 each. At present, the Authorized Share Capital of the company is BDT 10,000,000,000 divided into 1,000,000,000 ordinary shares of BDT 10 each.

The Company was also issued Certificate for Commencement of Business on the same day and was granted license on October 05, 1999 by Bangladesh Bank under the Banking Companies Act 1991 and started its banking operation on October 24, 1999. The bank conducts all types of commercial banking activities including foreign exchange business and other financial services. During the first two years of operations, the bank's main focus was on the delivery of personalized customer services and expansion of its clientele

As envisaged in the Memorandum of Association and as licensed by Bangladesh Bank under the provisions of the Banking Companies Act 1991, the Company started its banking operation and entitled to carry out the following types of banking business:

<b>Types of banking business</b>
<b>1. All types of commercial banking activities including Money Market operations.</b>
<b>2. Investment in Merchant Banking activities.</b>
<b>3. Investment in Company activities.</b>
<b>4. Financiers, Promoters, Capitalists etc.</b>
<b>5. Financial Intermediary Services.</b>
<b>6. Any related Financial Services.</b>
<b>7. Wholesale Banking</b>
<b>8. Retail Banking</b>
<b>9. International Trade Financing</b>
<b>10. SME Banking</b>
<b>11. NRB Banking</b>
<b>12. Privilege Banking</b>
<b>13. Card Services</b>
<b>14. Treasury Operations</b>

The Company (Bank) operates financial activities through its Head Office situated at Dhaka and 101 branches. The Bank carries out international business through a Global Network of Foreign Correspondent Banks.

<b>Memberships of MTBL</b>
<b>1. Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI, D)</b>
<b>2. The Institute of Bankers Bangladesh (IBB)</b>
<b>3. Bangladesh Foreign Exchange Dealers Association (BAFEDA)</b>
<b>4. Bangladesh Institute of Bank Management (BIBM)</b>
<b>5. International Chamber of Commerce Bangladesh Limited (ICCB)</b>
<b>6. Association of Bankers Bangladesh Limited (ABB)</b>
<b>7. Bangladesh Association of Publicly Listed Companies (BAPLC)</b>
<b>8. American Chamber of Commerce in Bangladesh (AMCHAM)</b>

### 1.2.2 Corporate Mission:

The mission statement of Mutual Trust Bank Limited is “We aspire to be the most admired financial institution in the country, recognized as a dynamic, innovative and client focused company that offers an array of products and services in the search for excellence and to create an impressive economic value”

### 1.2.3 Corporate Vision:

Mutual Trust Bank's vision is based on a philosophy known as **MTB3V**. We envision MTB to be:

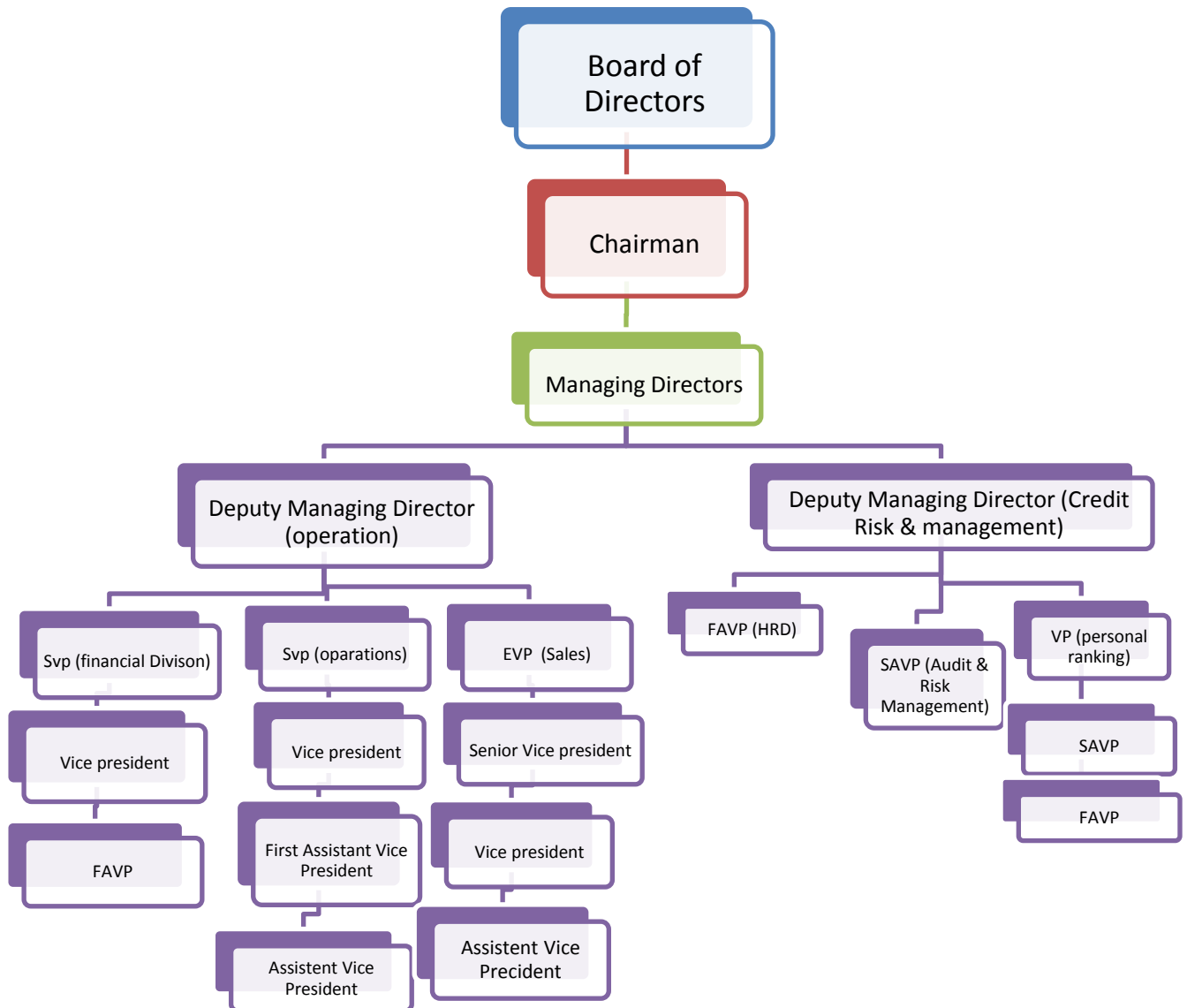
- \* One of the Best Performing Banks in Bangladesh
- \* The Bank of Choice
- \* A Truly World-class Bank

**1.2.4 MTBL (at a glance):**

<b>Type</b>	<b>Limited</b>
<b>Industry</b>	<b>Banking</b>
<b>Legal Status</b>	<b>Private commercial Bank of Bangladesh</b>
<b>Origin</b>	<b>Local</b>
<b>Known as</b>	<b>MTBL</b>
<b>Founded</b>	<b>October 24,1999</b>
<b>Incorporated</b>	<b>September29,1999</b>
<b>Date of Opening of First Branch</b>	<b>24 October 1999</b>
<b>Headquarters</b>	<b>MTB Centre, 26 Gulshan Avenue, Gulshan 1, 1212, Dhaka, Bangladesh.</b>
<b>Registered Office Area Served</b>	<b>69, Dilkusha Commercial Area, Dhaka-1000 61 districts and 470 thanas</b>
<b>Key people</b>	<b>Mr.Anis.A.Khan(CEO) MR. Rashed Ahmed Chowdhury (chairman)</b>
<b>Authorized Capital Paid up Capital</b>	<b>10,000 (BDT in Million) (2013) 2798 (BDT in Million) (2013)</b>
<b>Revenue Operating Income Profit Total Assets Total Equity</b>	<b>4619 (BDT in Million) (2013) 2026 (BDT in Million) (2013) 573 (BDT in Million) (2013) 101,464 (BDT in Million)(2013) 5,449 (BDT in Million)(20123)</b>
<b>Employees</b>	<b>1,378</b>
<b>Number of Branches</b>	<b>101 (2014)</b>
<b>Customer</b>	<b>1 million (2013)</b>
<b>Subsidiaries</b>	<b>MTB Securities Ltd MTB Exchange UK Ltd MTB Capital Ltd</b>
<b>Slogan</b>	<b>You can bank on us</b>
<b>E-mail</b>	<b>info@mutualtrustbank.com</b>
<b>Websites</b>	<b>www.mutualtrustbank.com</b>

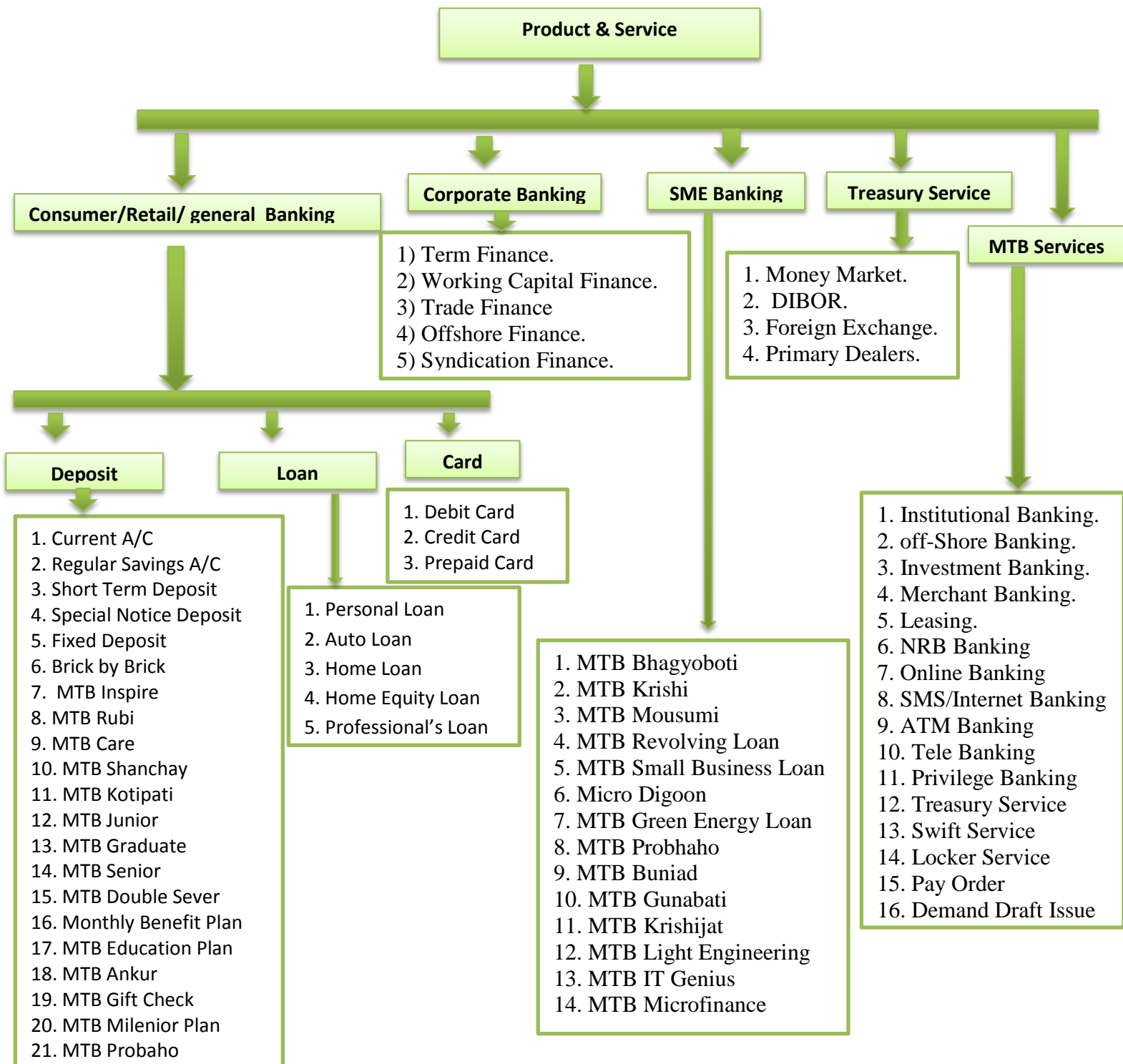
**1.2.5 Description of Hierarchy of MTBL:**

✓ **Organ Gram of Mutual Trust Bank:**





**1.2.6 Product and Services of MTBL:**



## 2.19.5 Other additional banking services:

These following services are also included in general banking.

### ➤ **Online Banking Service:**

Mutual Trust Bank is playing a pioneering role among its competitors in providing real time online banking facilities to its customers. Mutual Trust Bank online banking offers a customer to deposit or withdraw any sum of money from any branch anywhere. Any account holder having an account with the bank can avail this service.

### **Facilities available at present**

- Access account from anywhere in the world through a telephone.
- Ability to make balance inquiries without visiting the bank.
- Ability to listen to last 5 transaction detail over the phone.
- Provides a language selection being available in English and Bangla.

### ➤ **MTBL Tele Banking Services:**

The centralized Tele Banking service introduced in the Bank brings a world of banking convenience to the customers. Through the Tele Banking System, customers can access their Bank Accounts over the telephone on a 24X7 basis. The facility is secure as the customer is given a unique identification number to access his bank account through the telephone. The voice response system prompts the customer to dial the digits that will help him/ her meet his requirement of placing instructions or retrieving account information.

### ➤ **SWIFT Services:**

The Society for Worldwide Inter-bank Financial Telecommunication or S.W.I.F.T. is a worldwide community. 7,800 financial institutions in 200 countries connected tone another through SWIFT. In their own word SWIFT "consistently delivers quantifiable business value and proven technical excellence to its members through its comprehensive messaging standards, the security, reliability and „five nines “availability of its messaging platform and its role in advancing STP. The guiding principles of SWIFT are clear: to offer the financial services industry a common platform of advanced technology and access to shared solutions through which each member can build its competitive edge."

Mutual Trust Bank has already become the member of SWIFT community and has started its operation from March 2004. With introduction of SWIFT, MTB ensures its customers the quickest and most secure financial transaction around the world.

➤ **Pay Order:**

MTBL provide this type of service. When clients want to give money to others for any purpose they can give pay order. It is safe because they should not carry the money and the receivers can encase the money. There is no option for dishonor, the client have to deposit money before do PO.

➤ **Demand Draft (DD) :**

Sometimes customers use demand draft for the transfer of money from one place to another. It is must need for sending money outside Dhaka city. MTBL charges .15%commission on the face value of DD as service charge.

➤ **MTBL SMS Banking:**

Mutual Trust Bank Ltd. has officially launched SMS banking service from April 20, 2008. By sending one SMS from mobile phone client can able to know the information like what is the balance, interest rate etc.“**MTB SMS Banking brings your account to your fingertips**”--- MTBL Group. It enables customers to send and receive textual information anywhere 7 days a weekend 24 hours a day. It allows them to access information as well as receive transaction alerts on their account by using their mobile phone.

**Facilities available at present**

- ✓ Access of account from anywhere in the world through a mobile phone.
- ✓ Ability to make balance inquiries without visiting the bank.
- ✓ Ability to receive mini statement of last 5 transactions.
- ✓ Transaction Alert lets customers get informed whenever there is an ATM/POS transaction on their account.

➤ **ATM Banking:**

Mutual Trust Bank Ltd. has implemented successfully Automated Teller Machine (ATM)/DBDIT card transaction from September, 2008. Through Automated Teller Machine (ATM) /Debit card, customer can avail the facilities like withdrawal money, balance inquiry and purchase goods from Point of sale (POS) using Dutch Bangla Bank Ltd. ATM Booth and POS.

➤ **Internet Banking:**

A substantial expansion in the customer base was experienced through the Enhancements to our internet banking services, now re-branded as ‘MTB Internet Banking’. The state-of-the-art software, built in-house, enabled us to overcome the hurdles to the single customer identification number and improved access security. ‘MTB Internet Banking’ is one of the best internet banking suits within the local banking industry.

➤ **Locker Service:**

MTBL is providing facility of locker service for the purpose of safeguarding the valuable property of customers. The person or organization that has any account in bank branch can enjoy this service. They keep their valuable assets, documents, ornaments in banker's custody. One key is given to the clients. Clients have right to look after with a key of their individual locker provided by bank.

MTBL maintains the following types of lockers:

- ✓ Large locker.
- ✓ Medium locker.
- ✓ Small locker.

For enjoying this service, clients have to give charge yearly-

<b>Types of lockers</b>	<b>Charges</b>
<b>Large locker</b>	<b>BDT 3000 + insurance premium</b>
<b>Medium locker</b>	<b>BDT 2500 + insurance premium</b>
<b>Small locker</b>	<b>BDT 3000 + insurance premium</b>

➤ **Ready Cash Card Service:**

The bank has been operating what is called Mutual Trust Bank ready Cash Card under an agreement with American International (BD) Ltd. By using this card the customers are able to deposit/withdraw money from any branch of the Bank as also from some selected branches of Janata Bank (JB). The card holders can pay telephone, water, electricity, gas bills and use it to make purchases from 300 selected retail shops. The Bank is also actively considering introduction of credit cards in collaboration with one of the international card companies. In this regard permission to be solicited from Bangladesh Bank

## *Part-2: Learning Part*

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**This part describes some conceptual issues regarding general banking and transaction in that bank on the theoretical basis covering the following points:**

◆ *Preface*

◆ *Nature of the Job*

### **2.1 Preface:**

I was assigned at the Mirpur Branch of Mutual Trust Bank Limited to complete my internship program. During my internship program most importantly I realized how to work under the pressure of responsibilities. This practical orientation is necessary for the development and preparation of a person before entering into the corporate world. The things that I have learned at Mutual Trust Bank are:

- ✓ Meaning of responsibility
- ✓ Necessity of commitment
- ✓ Punctuality and regularity is very important
- ✓ Ability to interact with different sorts of people

Mutual Trust Bank Limited has always been prepared the internship program for its Internees. It is strictly followed by both parties. There are 3 different departments in Mirpur branch and they are:

- 1.** General Banking (GB)
- 2.** Advance Department (AD)

I was rotated only 1 department in the past 3 months. However, my main concentration was General Banking section and thereby, I allocated maximum time to work at GB section. Therefore, in this report I have described about my job responsibilities at GB.

## 2.2 Nature of the Job:

General Banking is the starting point of all the banking operating. General Banking department aids in taking deposits and simultaneously provides some supplementary services. It provides those customers who come frequently and those customers who come one time in banking for enjoying supplementary services. In some general banking activities, there is no relation between banker and customers who will take only one service form bank. On the other hand, there are some customers with who bank are doing its business frequently. It is the department, which provides day-to-day services to the customers. Every day it receives deposits from the customers and meets their demand for cash by honoring cheques. It opens new accounts, demit funds, issue bank drafts and pay orders etc. since bank in confined to provide the service everyday general banking is also known as retail banking. The job was really hard at GB. I also had to hear a lot of complaints from the customers. At first I was demoralized. But later on I learned how to deal with it.

## *Part-3: Loan and Advance*

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- ◆ *MTB Personal Loan*
- ◆ *MTB Auto Loan*
- ◆ *MTB Home Loan & MTB Home and Equity Loan*
- ◆ *MTB Professional Loan*

### **3. General Banking Loan Products are:**

Mutual Trust Bank Ltd. offers different type of loan. The categories are divided according to the purpose of the loan. These types of loan acquire different features as well as facilities. These loans are functioned according to the category. Difference in the loans category is amount, target customer, interest rate, loan process and etc. Different types of loan are as follow.

#### **3.1 Personal Loan:**

Bank always finance against gross monthly income of the any credit worthy individual. Loans are provided to meet life style needs of the credit worthy individuals. While extending such loan banks wants to be sure that the potential borrowers have regular sources of adequate income. An MTB Personal Loan is your one-stop-solution for all your financial needs to fulfill any of your desires. MTB Personal Loan is simple, convenient and quick. Purchase of new things is allowed under this scheme. Salaried executives, professionals, businessmen, govt. officials or self-employed persons are eligible to avail this loan.

##### **3.1.1 Product Features:**

**Purpose:** MTB Personal Loan is any purpose personal loan. Purpose might be considered as follows:

- Purchase of miscellaneous household Appliances
- Purchase of audio-video equipment
- Purchase of furniture
- Purchase of Personal Computers
- Marriages in the family
- Advance rental payments
- Education expenses

- Loan takeover or balance transfer
- Hospitalization or other emergency medical needs
- Trips abroad
- Other legitimate purpose

### **3.1.2 Restriction:**

This loan is not for any business purposes which can be consider as the capital of the business. But self-employed professionals, who have private practices can avail this loan to buy their office equipment, machines, and accessories or premise renovation.

### **3.1.3 Target market:**

Any credit worthy individuals like, Salaried executives, Professionals like Doctors, architects, Engineers, Chartered Accountant, Consultant and IT professionals, Businessperson, Loan Lord or Lady. But the issue will must arise whether the individual earnings is compatible or eligible to cover up the loan.

### **3.1.4 Range of Loan Amount:**

Salaried Executive, Self Employed Professionals & Landlord lady will be eligible for minimum TK.50, 000 BDT and maximum 10,00,000 BDT Businessman minimum 50,000 BDT maximum 500,000 BDT or 8 times of gross monthly income, whichever is lower.

### **3.1.5 Eligibility**

An individual age of minimum 21 and maximum 60 years will be eligible for loan following the condition as below.

Experience:

- If the individual is salaried person then 1 year with 6 months permanent employment status is required.
- If the individual is self-employed then 1 year of practice in the profession is required for the loan.
- If the individual is businessperson then 2 years of involvement in the same nature of business is required for the loan.

Minimum monthly earnings:

<b>Salaried Person</b>	<b>Tk 15,000</b>
<b>Self employed</b>	<b>Tk 30,000</b>
<b>Businessperson/Land lord/Land lady</b>	<b>Tk 40,000</b>



### **3.1.6 Required Documents:**

A number of documents needed to be clear for the approval of loan. These documents are the certification of the individuals for the loan.

- National identity or Passport or driver license or Employee Id or Nationality or Ward Commissioner's Certificate with photo attachment.
- Photograph and business card.
- Bank Statement for last 6 months.
- Bank Statement for last 6 months.
- Trade license/MOA for businessmen.
- Copy of house ownership and rent agreement for landlord and land lady.
- Income and identification documents as applicable as per guideline  
Bank statement or loan statement showing last 6 EMI payments with loan

### **3.1.7 Guarantor:**

For sanction any loan a guarantor needed. It is like the guarantor will give guarantee that the individual will pay all his or her debt. Now question raise here who can be a guarantor? There are some certain specifications about being a guarantor.

- A guarantor might be any salaried executive deemed acceptable to MTB or Professionals (Doctors, Chartered Accountants, and Engineers etc.) deemed acceptable to MTB or Reputed Businessman deemed acceptable to MTB. There are some other specification that is a guarantor can provide only one personal guarantee for MTB Personal Loan and MTB staff cannot give guarantee against MTB Personal Loan.

### 3.1.8 Lending Process:

There are some steps, those are needed to follow for the approval of a loan.

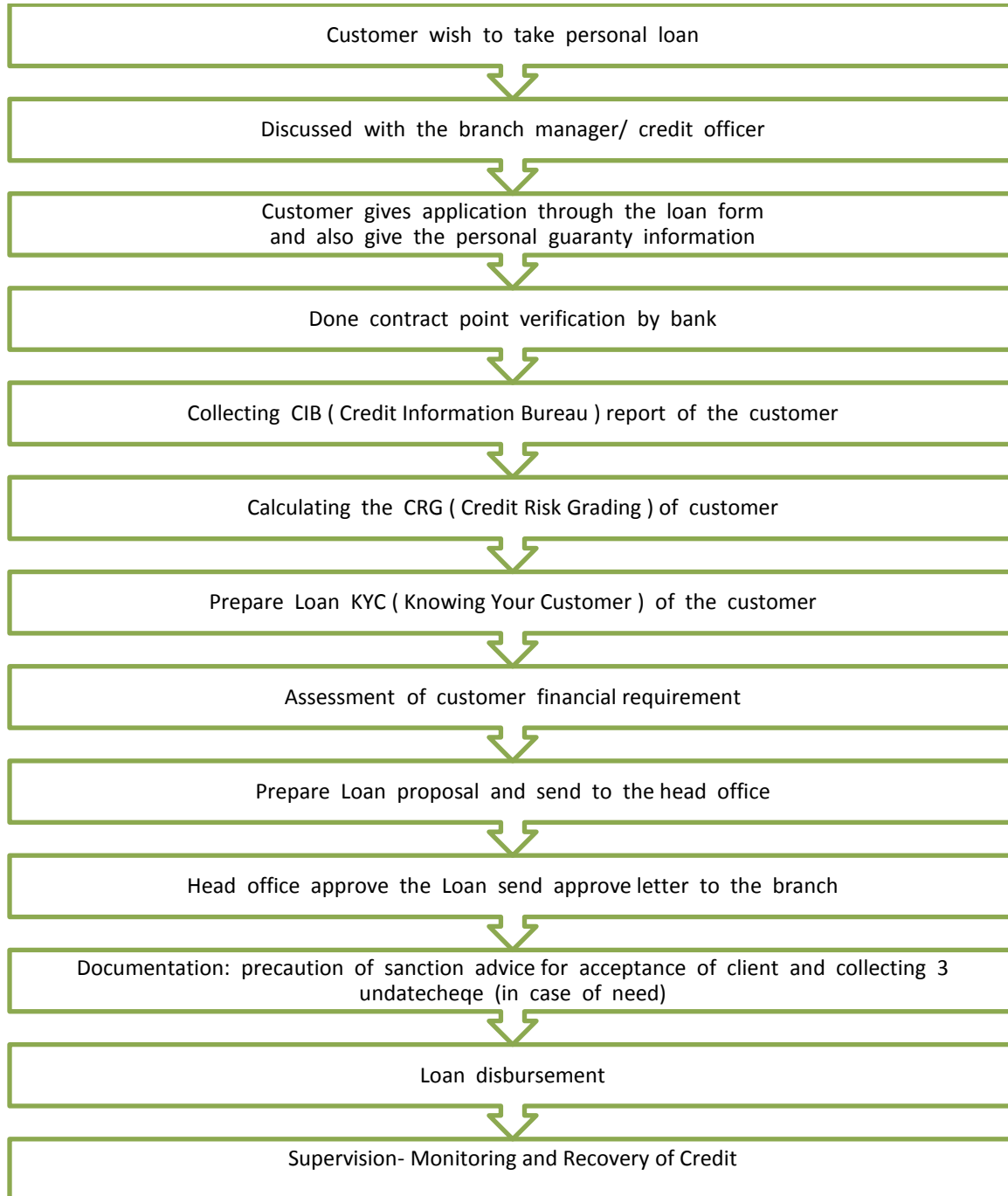


Figure No.1 : Steps of Loan processing.

### **3.1.9 Repayment:**

Repayment Tenor is 12 to 60 months for MTB personal loan. Repayment System will auto debit installment from customer's transactional account with MTB and First Repayment date generally, one month after the date of customer's availing the loan. If any personal loan holder missed any installment of personal loan then he has to bear Installment failure charge, which is 3% Penal interest on the dues amount.

## **3.2 MTB Auto Loan:**

Auto loan is for the purpose of financing to purchase any brand new or reconditioned automobiles for personal use only. This loan is only to facilitate to buy own vehicle.

### **3.2.1 Product Features:**

Purchasing any brand new or reconditioned Car, 4 Wheeler, Microbus for private use only. Car age should not be more than 6 years old from the date manufacturing. Because of any six years old car after its manufacture will not be acceptable for registration. Other purpose will be allowed except from personal use.

### **3.2.2 Target Customers:**

There are some specification to get this loan eligible customers are Salaried executives, Doctors, architects, engineers, Chartered Accountant, Consultant and IT professionals Businessperson, Land lord/lady. Non target customers Journalist of reasonably lower level & non reputed publications Lawyers Employees of un-reputed Proprietorship Firms & Partnership Firms, Officials of law enforcing agencies & Defense officials below Major level, Politicians & Individuals having politically affinity, Travel agents and C & F agents of lower level, Mariners, Public Figures and media personality, MTB Negative listed individuals.

### **3.2.3 Loan Amount:**

There is a range of approval of loan amount. Minimum sanction loan amount is 3,00,000 BDT and maximum TK.40,00,000 BDT.

### **3.2.4 Borrower Eligibility:**

To be eligible borrower an individual's age Minimum 21 years is required and maximum 60 years old a person can take the loan and the individual have to be Bangladeshi resident.

Present Address Borrower must reside for at least 6 month in the present address. For salaried applicant monthly income minimum Tk. 30,000 required. To get the documents are required for identification. Required document are like

- Passport or Voter identity or driver license or Employee Id or Nationality or Ward Commissioner's Certificate with photo attachment

- Copy of TIN related document
- Trade license/MOA for businessmen
- Bank Statement for last 6 months
- Recent color photograph and business card
- Rent or Lease Agreement of house / property (if applicable)

In some cases Co applicant as like Parents, Siblings and spouse is allowed as joint borrower. Joint borrower is allowed to meet the minimum income criteria jointly. However, in such cases, at least one of the borrower income have to be minimum BDT 20,000.

### 3.2.5 Guarantor:

One person need to provide guarantee. It is required for the loan. There are some specifications to be a guarantor. A guarantor may be,

- Any salaried executive deemed acceptable to MTB or
- Professionals (Doctors, Chartered Accountants, and Engineers etc)
- Reputed Businessman acceptable to MTB
- A guarantor can provide personal guarantee not exceeding maximum exposure of the product ceiling and creditability.
- MTB staff cannot give guarantee against any retail loan

### 3.2.6 Disbursement Process:

There are some certain procedure for the sanction an auto loan that needed to be followed.

- Approvals of a car loan will fulfilled by sourcing channels, RFC (request for comments) will issue purchase order in favor of vendor and customer will register the car in joint name both customer and the MTB.
- After disbursement of the loan RFC Asset Ops. Will hold the disbursed amount and advice the branch through e-mail to issue PO (Purchase Order) favoring vendor by debiting transaction A/C.
- Then customer need to arrange insurance from the insurance company as per MTB approved Insurance company list and submits both the documents along with copy of insurance policy, the Insurance money receipt, delivery Challan, money receipt and copy of bill through sourcing channel to RFC.
- Before disbursing the loan, respective STM (sales team manager) will verify the vehicle physically and check with registration document. STM will confirm the verification status to RFC through e-mail.
- Branch must receive written debit instruction from the customer to debit his transaction account for issuing PO favoring respective vendor.

- PO shall include only the loan amount portion of total quotation amount (i.e. excluding borrower's equity).
- Branch to ensure PO commission and VAT is deducted from customer transaction A/C. STM will organize to send the PO to the vendor.
- All relevant Stamp charges will be on borrower's account and will be debited from the account at the time of disbursement

### **3.2.7 Repayment:**

MTB Auto Loan is a EMI based loan repayment that mean loan will be repaid by 12-60 months through Calculate Equated Monthly Installment base. In repayment System will auto debit installments from customer's mother a/c account and First Repayment Date Generally, one month after the date of customer's availing the loan.

## **3.3 MTB HOME LOAN & MTB Home Equity Loan:**

Having own accommodation is one of our dream in our social life. But in our life there are so many expenses that we need to carry on in our daily life. Still with these expenses we always dream for our own home. With this dream there is a boom in real- estate business. Invariably, a successful and thriving economy is represented by a booming real-estatemarket. Commercial banks are increasing their dominance in housing finance and capturing the market share of the housing finance companies. Bangladesh Bank encourages commercial banks to increase their participation in housing loan. Moreover Bangladesh Bank provided more facilities by lowering interest rate to commercial bank for the house loan purposes. On the other hand lots of developer, Individual builders and land owners are now working in real estate and housing sector. As a result housing sector is booming and it's a biggest & safe sector of retail lending for all commercial banks. MTB Home Loan is a terminating facility EMI (Equated Monthly Installment) based for house financing purpose. Bank would finance against gross monthly income of the any credit worthy individuals. There are also certain specifications for this loan.

### **PRODUCT FEATURES OF MTB HOME LOAN**

#### **3.3.1 Purpose**

For this loan many kind of purpose might be considered as follows:

- Purchase of a new apartment or house.
- Constructing new house.
- Extension or Renovation of existing houses or apartment.
- Home Equity loan (HE)- Extending loan facilities for different purposes that is House extension or House renovation or Face uplifting or Finishing work for almost completed property by mortgaging before disbursement the existing apartment houses of the client on lease hold lands or Private land.

- Loan takeover Plan is an exclusive offer for other bank's credit worthy customers who can now transfer their outstanding Home Loan to MTB with special privileges.

### 3.3.2 Target Customer:

For this loan Mutual Trust Bank Ltd. segmented their customer in four segment.

- **Segment 1:** In this segment the targeted customers are salaried employees of multinational organizations, middle to large corporate bodies, supranational entities, and government offices, private organizations having their salary accounts with MTB or other banks.
- **Segment 2:** This segment consists of businessmen maintaining account with MTB or for at least 12 months with other bank.
- **Segment 3:** This segment consists of self-employed professionals maintaining account with MTB or for at least 12 months with other bank.
- **Segment 4:** This segment consists of land lords having a stable source of earnings from rented premise(s). It's better having at least six months bank account relationship with any Bank for this loan.

MTB tries to avoid some customers. Those are Lawyers of reasonably low category, Police Officials below ASP level, Journalists of reasonably lower level, Individual solely depends on agricultural, individuals having politically affinity, MTB Negative listed individuals.

### 3.3.3 Loan Amount:

The Minimum Loan amount & Home Equity Loan is BDT 500,000 and Maximum Loan amount is BDT 100,00,000. According to customer need and the considering the individual's eligibility loan amount approve. Loan amount up to 70% of the property value. Interest rate for all loans is 12.75% and takeover loan's interest rate will be 1% less than ongoing rate. Processing Fees is 1.25% on loan amount. For 100% cash covered loan to value may be 100%. Value of the property will be determined by a third party enlisted value estimating company.

#### Borrowers Eligibility

Above segmented any financially able person can be eligible for this loan. But the individual need to be fallen under certain condition. There is a age limit to eligible for this loan. The individual's age must be in between minimum 21 to maximum 65 years at loan maturity. For 100% cash covered loan: Age - minimum 18 to maximum 70 years at loan maturity. The individual income consider for the loan. The minimum income range;

Salaried Person	25000 BDT
Self employed	30000 BDT
Businessperson or lord/Land lady	40000 BDT

To get the loan the individual must have experience 3 years in his or income sector. This condition is applicable fo salaried person, self-employed and Businessperson.

### **3.3.4 Insurance:**

- Insurance of the property needed prior to disbursement of the loan. Fire, earthquake risks will be covered in the insurance. This is mandatory. Flood and cyclone risk might cover if the area is flood and cyclone prone. All properties to be insured against the loan amount for the whole tenor of the loan.
- At the time of disbursement, the insurance must be for a period of at least 12 months.
- Property insurance will be renewed by bank for whole loan tenor. Bank will renew the policy every year by debiting applicant operative account for insurance premium amount. Applicant has to provide insurance renewal authority and account debit authority to the bank.
- Policy should be assigned favoring the bank.

Insurance is not mandatory in case of 100% cash covered loan.

### **3.3.5 Tenor:**

Loan repayment tenor will be minimum 3 years and maximum 25 years. No fraction of year is allowed for calculating tenor and tenor of loan to be decided by the age of the main income earner or principal applicant and age of the property.

### **3.3.6 Repayment method:**

First installment date fall within 30 days from full disbursement and for partial disbursement Pre-EMI only interest on disbursed loan amount will be fall due after 30 days from first partial disbursement date. And it will follow for subsequent partial disbursements until full loan has disbursed. Early full and final settlement is allowed. Any kind failure penal interest is 3% on the overdue amount. All stamp charge will be realized from the borrower's account at the time of disbursement.

### **3.3.7 Assessment Criteria**

Basically three-dimensional Assessment held in case of Home loan those are as follow:

- Technical Assessment: Technical assessment will be done by MTB enlisted third party value estimating Company.
- Credit Assessment: Credit assessment will be done by RFC (Residual Functional Capacity) as per income assessment guideline.
- Legal assessment: Legal assessment will be done by MTB enlisted third party law farms. Technical assessment or valuation of the property. A Bank appointed value estimating Company would value all properties as per standard templates.

### 3.3.8 Approval Cycle

#### Conditional approval:

After full completion of income assessment and initial Legal & Technical assessment conditional approval will be provided. These approval ensures only applicant financial eligibility. There are some other conditions that are subject to fulfillment such as, CIB (Credit Information Bureau) report, legal vetting, Valuation and completion of security documentation etc.

#### Final approval:

Final approval will be provided after completion of all three dimensional assessment (i.e. Financial, Technical/valuation & Legal assessment), satisfactory CIB report and any other special conditions imposed by RFC. A final sanction letter will be issued to initiate disbursement procedure of the loan. Once a loan is approved finally, it will remain valid for disbursement until 90 days, from the date of approval.

Following steps are required in the approval cycle:

- Application received by RFC from source end.
- Deed of agreement or property ownership deed.
- All the KYC (knowing Your Customer) related document required to be fulfilled.
- Conditional approval & offer letter will be issued by RFC after completion of income assessment and other initial assessment.
- Final approval & offer letter will be issued by RFC after completion of legal assessment, technical assessment, CIB analysis and compliance of other conditions as per conditional approval.
- Disbursement will be made after completion of all disbursement procedure and compliance and completion of all terms & conditions and tasks.
- There will be a sign board placed at the property titled by “ This Property is financed by Mutual Trust Bank Ltd. “

## 3.4 MTB Professional Loan

MTB want to stand to cover the needs of Bangladeshi Professional. To support these individual MTB now offers a unique loan product named MTB Professional’s Loan. Investing on your own capabilities, which is the main purpose of this loan. It creates a great value as well as the best utilization of your money. MTB Professional Loan is a multi-purpose cash loan which is collateral free, with fixed monthly installment.



### 3.4.1 Target Customers:

Any Bangladeshi Resident continuing following professions are the target customer of this loan.

- Doctors or medical professionals
- Engineers
- Architects
- Chartered Accountants

### 3.4.2 Eligibility:

#### Age:

To be eligible borrower an individual's age Minimum 22 years is required and maximum 65 and Minimum 22 – Maximum 60 years or retirement age whichever is lower (for salaried professionals) years old a person can take the loan and the individual have to be Bangladeshi resident.

#### Experiences and Minimum monthly income:

Borrower need to have 1 year job experience in a certain organization if he or she is salaried person and if he or she is self-employed. For salaried applicant monthly income minimum BDT 25,000 required and BDT 40,000 per month for self-employed professionals.

#### Document

To get the documents are required for identification. Required document are like

- Passport or Voter identity or driver license or Employee Id or Nationality or Ward Commissioner's Certificate with photo attachment
- Copy of TIN related document
- Bank Statement for last 6 months
- Recent color photograph and business card

### 3.4.3 Repayment:

Loan repayment tenor will be minimum 6 years EMI repayment with existing bank. No fraction of year is allowed for calculating tenor and tenor of loan to be decided by the age of the main income earner.

### 3.4.4 Benefits of Takeover Plan:

The minimum takeover loan amount in this loan is BDT 2,00,000 and maximum BDT 9,50,000. Additionally there is no processing fee for loan takeover or balance transfer. Approved loan amount may be higher than the takeover loan amount

## Interest rates

Categories		Rates
1	Agriculture	11.00% (Highest)*
2	Term loan	
	a) Industrial	14.00% (Mid Rate)
	b) Non-Industrial	16.50% (Mid Rate)
3	Lending to large and medium scale industries including Working Capital	12.25% (Mid Rate)
4	Export Finance (PC, ECC)	7.00% (Highest)*
5	Commercial Lending	14.50% (Mid Rate)
6	Import finance	15.50% (Mid Rate)
7	Housing Loan:	
	a) Commercial	14.50% (Mid Rate)
	b) Residential	14.50% (Mid Rate)**
8	Consumer Credit	
	a) Salaried Employee	14.50% (Mid Rate)
	b) Businessman/ Self Employed/ Landlord	14.50% (Mid Rate)
	c) MTB Professional's Loan	14.50% (Mid Rate)
	d) MTB Employee	14.00% (Mid Rate)
9	Lease Finance	16.50% (Mid Rate)
10	Loan to Non-Banking Financial Institutions (NBFIs)	13.50% (Mid Rate)
11	Loan/ SOD against FDR of MTB	3.00% above corresponding FDR interest rate but not less than 12.00% P.A.
12	SOD against FDR of other Banks	17.00% (Mid Rate)
13	Loan/SOD against other Special Deposit Products of MTB	3.00% above corresponding Deposit Product interest rate but not less than 12.00% P.A.
14	Auto Loans	12.50% (Mid Rate)
15	Others	
	Others including IDBP	15.50% (Mid Rate)
	<b>SME Products</b>	
16	Small Business Loan	14.50% (Mid Rate)
17	MTB Revolving Loan	14.50%
18	MTB Microfinance (for Agri)	11% (Highest Rate)*
19	MTB Microfinance (excluding Agri Loan)	14.50%
20	MTB Bhaggobati (under refinance scheme)	10%(Highest Rate)
21	MTB Gunabati (under prefinance scheme)	9%
22	MTB Krishi	11% (Highest Rate)*
23	MTB Krishijat	14.00% (Mid Rate)
24	MTB Light Engineering	14.50% (Mid Rate)
25	MTB Green Energy	14.50% (Mid Rate)
26	MTB IT Genius	14.50% (Mid Rate)
27	MTB Mousumi	14.50% (Mid Rate)
28	MTB Youth Line	14.50% (Mid Rate)

## *Part-4 Equity Analysis*

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Equity analysis is the most important part of this report. In this part both calculation and detail of the equity analysis of Mutual Trust Ltd. bank has been discussed. Step by step the process, and result will be describe in the following part.

### **4.1 Balance sheet:**

At the beginning of the calculation we input financial statement data of 2010 to 2014. Here all the figures are from the audited balance of MTB. The balance sheet data from 2010 to 2014 are putted sequentially. According to balance sheet the Asset part is in the first page and the liability part is in the second page of excel sheet. There is no modification in the figures.

#### **4.1.2 Proportion:**

In this part we have calculated in volume wise how the bank is gradually growing year by year. Here only the proportion is been calculate taking the Total as base of a particular year. It means proportionally how the volume of a part of Asset or Liability has changed based on the Total of that particular year. We have calculated for every year. The formula that have used, those are;

<b>Particulars</b>	<b>Formula</b>
<b>Cash</b>	$\frac{\text{Cash}}{\text{Total Property \& Assets}}$
<b>Balance with Banks &amp; Financial institution</b>	$\frac{\text{Balnce with Banks \& Financial instituion}}{\text{Total Property \& Assets}}$
<b>Money at Call and Short Notice</b>	$\frac{\text{Money at Call and Short notice}}{\text{Total Property \& Assets}}$
<b>Current Investment</b>	$\frac{\text{Current Investment}}{\text{Total Property \& Assets}}$

<b>Loan &amp; Advances</b>	$\frac{\text{Loan \& Advances}}{\text{Total Property \& Assets}}$
<b>Fixed Assets</b>	$\frac{\text{Fixed Assets}}{\text{Total Property \& Assets}}$
<b>Other Assets</b>	$\frac{\text{Other Assets}}{\text{Total Property \& Assets}}$
<b>Total Property &amp; Assets</b>	$\frac{(\text{Present year Total Property Assets} - \text{Previous year Total Property Assets})}{\text{Previous year Total Property \& Assets}}$

There is a change in calculating the proportion of Total Property & Asset. Here proportion is calculated taking the previous year total asset as base and difference figure from present to previous year total asset as numerator.

After calculating all the proportion of each year we calculated the average of every particular from 2010 to 2014 using the formula of

$$\frac{\sum (\text{2010, 2011, 2012, 2013, 2014 year's proportion})}{5}$$

Then we found the average proportion of each particular of Asset.

In the liability part the proportion calculation formula is almost same. Here the proportion is been calculate taking the Total Liability as denominator of a particular year and Borrowing from other Banks, Financial Institution & agents, Deposit & Other account, Other Liabilities, Subordinate Debt as numerator. To calculate the proportion of Total Liability the Total Liability took as numerator and Total Liabilities and Shareholders' Equity as denominator. In the same way the proportion of Total Shareholder's Equity has calculated. There is an exception in the calculating Total Liabilities and Shareholders' Equity. The proportion of Total Liabilities and Shareholders' Equity is calculated taking the previous year Total Liabilities and Shareholders' Equity as denominator and difference figure from present to previous year Total Liabilities and Shareholders' Equity as numerator. The formula that have used, those are;

<b>Particulars</b>	<b>Formula</b>
<b>Borrowing from other Banks, Financial Institution &amp; agents</b>	$\frac{\text{Borrowing from other Banks, Financial Institution \& agents}}{\text{Total Liabilities}}$
<b>Deposit &amp; Other account</b>	$\frac{\text{Deposit \& Other account}}{\text{Total Liabilities}}$
<b>Other Liabilities</b>	$\frac{\text{Other Liabilities}}{\text{Total Liabilities}}$
<b>Subordinate Debt</b>	$\frac{\text{Subordinate Debt}}{\text{Total Liabilities}}$
<b>Total Liabilities</b>	$\frac{\text{Total Liabilities}}{\text{Total Liabilities and Shareholders' Equity}}$
<b>Total Shareholder's Equity</b>	$\frac{\text{Total Shareholder's Equity}}{\text{Total Liabilities and Shareholders' Equity}}$
<b>Total Liabilities and Shareholders' Equity</b>	$\frac{(\text{Present year Total Liabilities and Shareholders' Equity} - \text{Previous year Liabilities and Shareholders' Equity})}{\text{Previous year Total Property \& Assets}}$
<b>Net Asset Value Per Share</b>	$\frac{(\text{Present year Net Asset Value Per Share} - \text{Previous year Net Asset Value Per Share})}{\text{Previous year Net Asset Value Per Share}}$

After calculating all the proportion of each year we calculated the average of every particular from 2010 to 2014 using the formula of

$$\frac{\sum (2010, 2011, 2012, 2013, 2014 \text{ year's proportion})}{5}$$

Then we found the average proportion of each particular of Liability. Using this average proportion in the later part of the calculation we calculated forecasted balance sheet of 2015 to 2019.

**Balance Sheet**

	2010	2011	2012	2013	2014
<b>Property &amp; Asset</b>					
Cash	<b>3,456,112,220</b>	<b>4,716,133,240</b>	<b>6,511,075,086</b>	<b>7,154,414,979</b>	<b>8,926,888,089</b>
In Hand (Including Foreign Currency)	520,003,549	751,225,588	1,083,683,027	1,701,001,828	1,585,807,377
With Bangladesh Bank & Its agents Ban	2,936,108,671	3,964,907,652	5,427,392,059	5,453,413,151	7,341,080,712
Balnce with Banks & Financial instituion	<b>2,480,922,682</b>	<b>668,352,839</b>	<b>1,056,254,665</b>	<b>1,370,713,131</b>	<b>1,970,213,215</b>
In Bangladesh	2,118,788,032	302,549,985	324,333,410	1,057,504,237	1,695,331,911
Outside Bangladesh	362,134,650	365,802,854	731,921,255	313,208,894	274,881,304
Money at Call and Short Notice				460,000,000	
Current Investment	<b>9,098,954,386</b>	<b>19,960,429,511</b>	<b>23,071,341,742</b>	<b>25,626,432,399</b>	<b>20,406,057,886</b>
Government	8,070,955,596	18,242,031,897	21,239,941,577	23,806,295,142	18,479,093,705
Others	1,027,998,790	1,718,397,614	1,831,400,165	1,820,137,257	1,926,964,181
Loan & Advances	<b>39,002,139,163</b>	<b>46,189,739,532</b>	<b>55,082,049,670</b>	<b>58,301,814,393</b>	<b>75,707,231,791</b>
Loans, Cash Credit, Overdrafts, etc	37,030,939,030	44,072,126,592	52,664,296,232	56,707,855,895	73,507,181,276
Bills Purchased and Discounted	1,971,200,133	2,117,612,940	2,417,753,438	1,593,958,498	2,200,050,515

<b>Liabilities &amp; Capital</b>					
Borrowing from other Banks, Financial Institution & agents	<b>2,329,576,556</b>	<b>5,780,734,592</b>	<b>5,962,220,000</b>	<b>2,637,966,323</b>	<b>2,702,826,026</b>
Deposit & Other account	<b>45,846,309,207</b>	<b>59,705,258,361</b>	<b>75,368,729,652</b>	<b>84,640,395,660</b>	<b>97,270,633,407</b>
Current Deposit & other Account	8,590,502,228	9,206,185,578	9,229,959,482	11,631,835,517	17,426,479,105
Bills Payable	529,737,722	602,193,277	1,813,681,363	779,790,179	1,284,280,568
Savings Deposit	6,355,801,810	7,839,511,192	9,224,420,233	11,097,954,735	14,384,269,440
Fixed Deposit	25,576,314,337	35,423,961,603	45,300,855,194	48,426,499,562	49,411,783,655
Deposit products	4,793,953,110	6,633,406,711	9,749,813,380	12,704,315,678	14,763,820,639
Other Liabilities	<b>2,695,742,111</b>	<b>3,683,475,926</b>	<b>4,108,630,927</b>	<b>5,471,461,983</b>	<b>6,428,217,471</b>
Subordinate Debt	<b>2,500,000,000</b>	<b>2,500,000,000</b>	<b>2,500,000,000</b>	<b>2,500,000,000</b>	<b>2,500,000,000</b>
<b>Total Liabilities</b>	<b>53,371,627,874</b>	<b>71,669,468,879</b>	<b>87,939,580,579</b>	<b>95,249,823,966</b>	<b>108,901,676,904</b>
<b>Capital/Shareholders' Equity</b>					

**Proportion**

<b><u>Proportion</u></b>						
<b>Particulars</b>	<b>Av GR</b>	<b>Growth Rate 2010</b>	<b>Growth Rate 2011</b>	<b>Growth Rate 2012</b>	<b>Growth Rate 2013</b>	<b>Growth Rate 2014</b>
<b>Property &amp; Asset</b>						
Cash	0.07	0.06	0.06	0.07	0.07	0.08
Balnce with Banks & Financial Money at Call and Short Notice	0.02	0.04	0.01	0.01	0.01	0.02
Current Investment	0.22	0.16	0.26	0.25	0.25	0.18
Loan & Advances	0.62	0.68	0.60	0.59	0.58	0.65
Fixed Assets	0.02	0.01	0.02	0.02	0.02	0.02
Other Assets	0.05	0.05	0.05	0.05	0.05	0.05
<b>Total Property &amp; Assets</b>	0.19		0.33	0.21	0.09	0.15
<b>Liabilities &amp; Capital</b>						
Borrowing from other Banks, Deposit & Other account	0.05	0.04	0.08	0.07	0.03	0.02
Other Liabilities	0.87	0.86	0.83	0.86	0.89	0.89
Subordinate Debt	0.05	0.05	0.05	0.05	0.06	0.06
<b>Total Liabilities</b>	0.03	0.047	0.035	0.028	0.026	0.023
<b>Total Shareholder's Equity</b>	0.94	0.93	0.94	0.95	0.95	0.94
<b>Total Liabilities and Shareholder</b>	0.06	0.07	0.06	0.05	0.05	0.06
Net Asset Value Per Share	0.19		0.33	0.21	0.09	0.15
		0.161270617	-0.085744345	0.127157652	0.12863706	

### 4.1.3 Forecasted Balance Sheet

In this part of the report keeping the same format as audited report we have forecasted future 5 year's balance sheet. Here future 5 year's balance sheet is been calculated sequentially. First, starting with Asset part, here first step is to calculate the Total Asset using the average growth rate. Then according to each average growth proportion, taking the total asset that has calculated in the first step, as base, we forecast the other particulars of Asset part. The formula that has been used to forecast future 5 year's balance sheet are as follow:

Particulars	Formula
<b>Cash</b>	Average proportion of Cash × Total Property & Assets of present year
<b>Balance with Banks &amp; Financial institution</b>	Average proportion of Balance with Banks & Financial institution × Total Property & Assets of present year
<b>Money at Call and Short Notice</b>	Average proportion of Money at Call and Short Notice × Total Property & Assets of present year
<b>Current Investment</b>	Average proportion of Current Investment × Total Property & Assets of present year
<b>Loan &amp; Advances</b>	Average proportion of Loan & Advances × Total Property & Assets of present year
<b>Fixed Assets</b>	Average proportion of Fixed Assets × Total Property & Assets of present year
<b>Other Assets</b>	Average proportion of Other Assets × Total Property & Assets of present year
<b>Total Property &amp; Assets</b>	<i>Total Property &amp; Assets of previous year</i> × (1 + <i>Average growth rate</i> )

After forecasting in the balance sheet we have a suspense account in the asset part of the balance sheet. It is to adjust the final figure. At the end we have a five years 2015 to 2019 asset part of the balance sheet.

Second, starting with liability part, here first step is to calculate the Total Liabilities and Shareholders' Equity using the average growth rate. Then according to each average growth proportion, taking this Total Liabilities and Shareholders' Equity, as base, we forecast the other



particulars of Total Liabilities and Shareholders' Equity part. The formula that has been used to forecast future 5 year's liability part of balance sheet is as follow:

<b>Particulars</b>	<b>Formula</b>
<b>Borrowing from other Banks, Financial Institution &amp; agents</b>	Average proportion of Borrowing from other Banks, Financial Institution & agents $\times$ Total Liabilities and Shareholders' Equity of present year
<b>Deposit &amp; Other account</b>	Average proportion of Deposit & Other account $\times$ Total Liabilities and Shareholders' Equity of present year
<b>Other Liabilities</b>	Average proportion of Other Liabilities $\times$ Total Liabilities and Shareholders' Equity of present year
<b>Subordinate Debt</b>	Average proportion of Subordinate Debt $\times$ Total Liabilities and Shareholders' Equity of present year
<b>Total Liabilities</b>	Average proportion of Total Liabilities $\times$ Total Liabilities and Shareholders' Equity year
<b>Total Shareholder's Equity</b>	Average proportion of Total Shareholder's Equity $\times$ Total Liabilities and Shareholders' Equity of present year
<b>Total Liabilities and Shareholders' Equity</b>	<i>Total Liabilities and Shareholders' Equity of previous year <math>\times (1 + \text{Average growth rate})</math></i>
<b>Net Asset Value Per Share</b>	<i>Net Asset Value Per Share of previous year <math>\times (1 + \text{Average growth rate})</math></i>

There is a suspense account on 2019 of BDT 1 it is very minor to adjust the final figure. At the end we have a five year's 2015 to 2019 balance sheet. This forecasted data needed to for calculating project cash flow which will come after the forecasting Profit and Loss Account.

**Calculation of Forecasted Balance Sheet:**

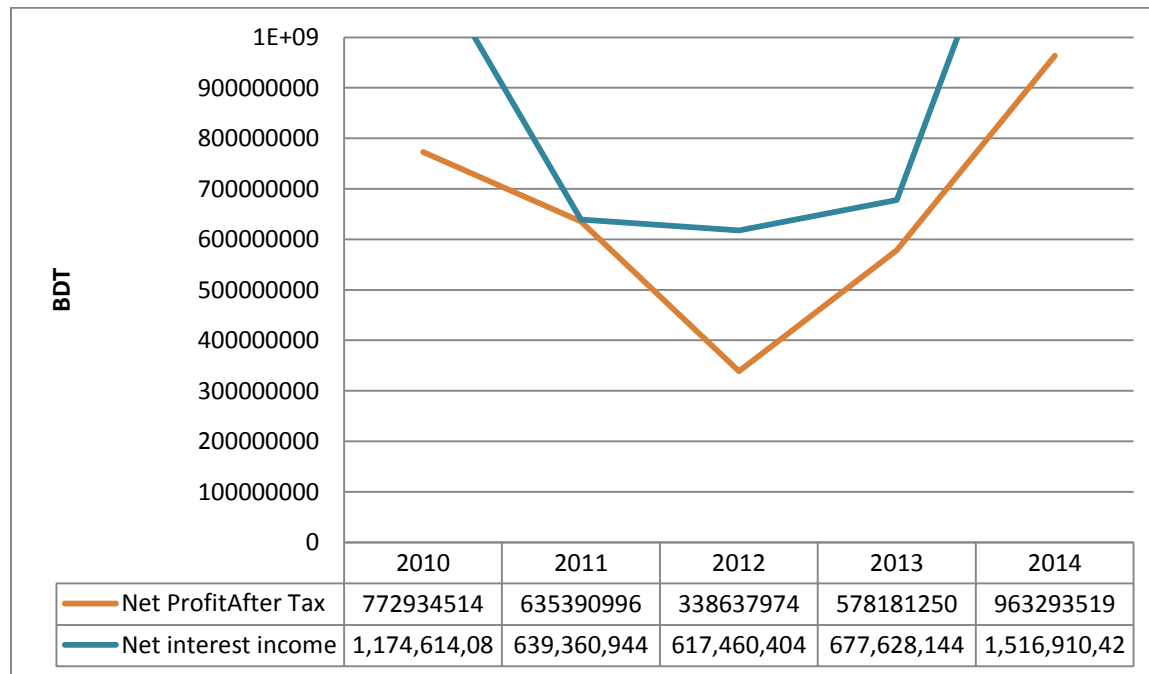
<b>Forecasted Balance Sheet</b>						
<b>For The Year 2015-2019</b>						
<b>Particulars</b>	<b>F-2015</b>	<b>F-2016</b>	<b>F-2017</b>	<b>F-2018</b>	<b>F-2019</b>	
<b>Property &amp; Asset</b>						
Cash	4,672,905,332	6,213,520,480	7,537,289,108	8,181,306,297	9,397,445,467	
Balance with Banks & Financial institution	1,289,985,501	1,715,282,198	2,080,717,022	2,258,502,100	2,594,225,121	
Money at Call and Short Notice						
Current Investment	15,094,267,959	20,070,713,277	24,346,707,967	26,426,991,503	30,355,324,989	
Loan & Advances	42,713,086,887	56,795,210,105	68,895,229,345	74,781,923,000	85,898,146,057	
Fixed Assets	1,370,717,577	1,822,630,918	2,210,936,008	2,399,847,535	2,756,581,347	
Other Assets	3,505,052,902	4,660,637,536	5,653,569,928	6,136,634,351	7,048,836,038	
Suspense Account	62,752,636	83,441,619	101,218,562	109,867,095	126,198,677	
<b>Total Property &amp; Assets</b>	<b>68,708,768,794</b>	<b>91,361,436,133</b>	<b>110,825,667,940</b>	<b>120,295,071,880</b>	<b>138,176,757,695</b>	
<b>Liabilities &amp; Capital</b>						
Borrowing from other Banks, Financial Institution & agents	3,361,503,977	4,469,761,812	5,422,028,805	5,885,309,396	6,760,151,997	
Deposit & Other account	59,514,551,654	79,135,967,729	95,995,606,603	104,197,868,698	119,686,728,895	
Other Liabilities	3,642,887,902	4,843,915,504	5,875,894,621	6,377,955,387	7,326,029,091	
Subordinate Debt	2,189,825,260	2,911,791,088	3,532,137,912	3,833,938,399	4,403,847,713	
<b>Total Liabilities</b>	<b>64,569,936,630</b>	<b>85,858,067,974</b>	<b>104,149,826,602</b>	<b>113,048,819,017</b>	<b>129,853,359,983</b>	
<b>Total Shareholder's Equity</b>	<b>4,138,832,164</b>	<b>5,503,368,158</b>	<b>6,675,841,339</b>	<b>7,246,252,864</b>	<b>8,323,397,713</b>	
Suspense Account	(0)	(0)	(0)	(0)	(1)	
<b>Total Liabilities and Shareholders' Equity</b>	<b>68,708,768,794</b>	<b>91,361,436,133</b>	<b>110,825,667,940</b>	<b>120,295,071,880</b>	<b>138,176,757,695</b>	
Net Asset Value Per Share	16.37	19.01	17.38	19.59	22.11	

## 4.2 Profit and loss Account:

At the beginning of the calculation we input Profit and loss account data of 2010 to 2014. Here all the figures are from the audited balance of MTB. The Profit and loss data from 2010 to 2014 are placed sequentially. There is no modification in the amount. By observing we have some findings about profitability

### Findings:

- In the year 2011, 2012 and 2013 there was a fall down of profitability comparing to the profit of 2010 and 2014. Following graph is the illustration of the situation;



- From the graph we can easily find the reason. Over the middle three year the net interest income was really low. That's why ultimately Net Profit after tax became low over the years.
- Here might another question raise why the interest income was comparatively low. The reason stand behind this is over those years the short advance or loan was low.

On the basis of this Profit and Loss statement the Proportion and Forecasted Profit and Loss Account calculation will be describe in the following part. For finding future Operating Cash Flow we need to calculate this forecasted Profit and Loss Account for 2015 to 2019. To calculate

the OCF we need some of the major part of forecasted profit and loss account. Here in the following part of proportion and forecasted profit and loss account will cover only the major parts of Profit and Loss Account.

#### 4.2.1 Proportion:

Here only the proportion is been calculate taking the Total Operating Income as base of a particular year. We calculated the proportion of Total Operating Income by measuring the growth rate from previous year. We have calculated for every year from 2015 to 2019.

There is a difference in calculating the proportion of depreciation. We haven't took the percentage of depreciation against Total Operating Income. Rather doing this we have taken more appropriate process. The calculation is, finding the percentage of depreciation of fixed asset. We have calculated for every year from 2015 to 2019 using the forecasted fixed asset as base. The formula that have used, those are;

<b>Particulars</b>	<b>Formula</b>
<b>Net interest income</b>	$\frac{\text{Net interest income}}{\text{Total Operating Income}}$
<b>Total of Others Operating Income</b>	$\frac{\text{Total of Others Operating Income}}{\text{Total Operating Income}}$
<b>Total Operating Income</b>	$\frac{(\text{Present year Total Operating Income} - \text{Previous year Total Operating Income})}{\text{Previous year Total Operating Income}}$
<b>Average of the Proportion of Total Operating Income</b>	$\frac{\sum (2010,2011,2012,2013,2014 \text{ year's proportion of Total Operating Income})}{5}$
<b>Depreciation on and Bank's Property</b>	$\frac{\text{Depreciation}}{\text{fixed asset}}$
<b>Average of the Proportion of Depreciation on Bank's Property</b>	$\frac{\sum (2010,2011,2012,2013,2014 \text{ year's proportion of Depreciation})}{5}$
<b>Total Operating Expense</b>	$\frac{\text{Total Operating Expense}}{\text{Total Operating Income}}$

## Equity Analysis &amp; Loan and Advances of MTBL

<b>Total Provision</b>	<i>Total Provision</i> <hr/> <i>Total Operating Income</i>
<b>Tax</b>	<i>Tax</i> <hr/> <i>Total Operating Income</i>

**Profit and Loss Account:**

<b>Income Statement</b>						
Particulars	2010	2011	2012	2013	2014	
Interest income	4,384,533,260	5,919,227,383	7,622,525,755	8,675,511,888	9,426,970,071	
less Int paid on Dep and Borrowing	320,919,174	5,279,866,439	7,005,065,351	7,997,883,744	7,910,059,642	
<b>Net interest income</b>	<b>1,174,614,086</b>	<b>639,360,944</b>	<b>617,460,404</b>	<b>677,628,144</b>	<b>1,516,910,429</b>	
Income form Investment	932,208,191	1,546,687,899	1,770,132,891	2,603,854,730	2,608,301,690	
Commission Exchange and Brokerage	796,946,740	55,026,617	651,951,859	631,582,657	704,561,402	
other Operating Income	170,405,464	279,343,376	282,331,007	344,174,741	975,563,211	
	<b>1,899,560,395</b>	<b>2,380,057,892</b>	<b>2,614,415,756</b>	<b>3,579,612,128</b>	<b>3,688,426,302</b>	
<b>Total Operating Income</b>	<b>3,074,174,481</b>	<b>3,019,418,836</b>	<b>3,231,876,160</b>	<b>4,257,240,272</b>	<b>5,025,336,732</b>	
Less: operating Expenditure						
Salary Allowances	539,063,803	758,752,722	932,630,110	1,140,450,598	1,393,841,751	
Rent, Tax, insurance, Electricity	277,794,761	348,644,064	383,051,174	432,273,845	480,218,233	
Legal Expense	2,019,129	1,401,257	1,751,248	1,563,657	3,160,564	
Postage, Stamps and Telephone	47,339,116	61,357,676	67,678,509	64,600,694	15,567,614	
Printing Stationary Advertisement	70,418,235	89,063,079	87,324,718	84,600,694	104,089,036	
Managing Directors's Remunaretion	9,120,000	9,120,000	10,695,067	11,789,333	14,999,333	
Directors fee	654,000	630,000	685,000	775,000	1,409,750	
Audit fee	623,000	582,500	713,000	930,000	943,000	
Depreciation on and Bank's Property	94,685,176	157,729,594	203,770,504	256,152,998	291,679,656	
Other Expenditure	310,971,396	320,379,746	345,951,487	439,902,529	573,828,105	
<b>Total Operating Expens</b>	<b>1,352,661,616</b>	<b>1,747,660,638</b>	<b>2,034,250,817</b>	<b>2,433,394,946</b>	<b>2,879,737,043</b>	
<b>Profit Before Provision</b>	<b>1,721,512,865</b>	<b>1,271,758,198</b>	<b>1,197,625,343</b>	<b>1,823,845,326</b>	<b>2,325,599,689</b>	
LS:Provision on loan Including Off Bal sheet Items	508,837,012	200,049,000	455,657,130	455,899,298	427,530,521	
LS: Provision against Investmnt in Quoted Share	413,713	6,195,143	14,700,000	99,147,985	101,227,502	
Less: Provisson Against other Asset	-	-	-	-	2,469,480	
<b>Total Provision</b>	<b>509,250,725</b>	<b>206,244,143</b>	<b>470,357,130</b>	<b>555,047,283</b>	<b>531,227,503</b>	
<b>Profit Before Tax</b>	<b>1,212,262,140</b>	<b>1,065,514,055</b>	<b>727,268,213</b>	<b>1,268,798,043</b>	<b>1,794,372,186</b>	
<b>Less: Porvision for Tax</b>	<b>439,327,626</b>	<b>430,123,059</b>	<b>388,630,239</b>	<b>690,616,793</b>	<b>831,078,668</b>	
Current Tax	437,135,281	448,235,000	391,022,148	715,400,000		
Deffered Tax	2,192,345	(18,111,941)	(2,391,909)	(24,783,207)		
<b>Net Profit after Tax</b>	<b>772,934,514</b>	<b>635,390,996</b>	<b>338,637,974</b>	<b>578,181,250</b>	<b>963,293,519</b>	

**Calculation of Proportion of Profit and Loss Account:**

<b>Proportion</b>						
Particulars	Average	Proportion 2010	Proportion 2011	Proportion 2012	Proportion 2013	Proportion-2014
Interest income						
less Int paid on Dep and Borrowing						
<b>Net interest income</b>		0.382090897	0.211749671	0.191053238	0.159170754	0.301852495
Income form Investment						
Commission Exchange and Brokerage						
Other Operating Income						
Total of Others Operating Income		0.617909103	0.788250329	0.808946762	0.840829246	0.733966
<b>Total Operating Income</b>	0.13756		(0.02)	0.07	0.32	0.18
Less: operating Expenditu						
Salary Allowances						
Rent, Tax, insurance, Electricity						
Legal Expense						
Postage, Stamps and Telephone						
Printing Stationary Advertisement						
Managing Derectors's Remunaretion						
Directors fee						
Audit fee						
Depreciation on and Bank's Property	0.1123	0.13	0.11	0.09	0.11	0.12
Other Expenditure						
Total Operating Expense		0.440008082	0.57880696	0.629433405	0.57158976	0.573043598
Profit Before Provision						
LS:Provision on loan Including Off Bal sheet						
LS: Provision against Investmnt in Quoted Shar						
Less: Provisioin Against other Asset						
<b>Total Provision</b>		0.295815811	0.16217245	0.392741464	0.304328045	0.228426029
<b>Profit Before Tax</b>						
<b>Less: Porvision for Tax</b>		0.362403156	0.40367657	0.534369896	0.544307896	0.463158465
Current Tax						
Deffered Tax						
<b>Net Profit after Tax</b>						

### 4.2.2 Forecasting:

In the forecasting part first we need to calculate the forecasted Total operating income. To forecast the total operating income the rate we used that the average growth of Total Operating Income of 2010 to 2014. After that all the major part is been forecasted by multiplying each of the proportion with the Total Operating Income. There is an exception. To calculate the depreciation the average growth rate will be multiply with the following years of 2015 to 2019 to figure out the forecasted depreciation. There are certain step for complete the total forecasted process. The processes are;

- First calculate the Total Operating Income.
- Calculate the Depreciation.
- Then deduct the Total Operating expenses from the Total Operating Income.
- Profit before Provision will be the result after deducting Total Operating expenses from the Total Operating Income.
- Then total Provision will be calculated.
- Deducting Total Provision from Profit before Provision will result the Profit before Tax.
- After that calculate the Tax
- Net profit after Tax will come up after deducting Tax from Profit before Tax.

The formula that has been used to forecast those are as follow:

<b>Particulars</b>	<b>Formula</b>
<b>Net interest income</b>	<i>Proportion of Net interest income × Total Operating Income</i>
<b>Total of Others Operating Income</b>	<i>Proportion of Total of Others Operating Income × Total Operating Income</i>
<b>Total Operating Income</b>	<i>Total Operating Income of previous year × (1 + Average growth rate Total Operating Income)</i>
<b>Depreciation on and Bank's Property</b>	<i>Average of the Proportion of Depreciation on Bank's Property × that certain year's fixed asset</i>

<b>Total Operating Expense</b>	<i>Proportion of Total Operating Expense × Total Operating Income</i>
<b>Total Provision</b>	<i>Proportion of Total Provision × Total Operating Income</i>
<b>Tax</b>	<i>Proportion of Tax × Total Operating Income</i>

Following these formula we have calculated the forecasted Profit and loss Account. After this using these data we will calculate the Operating cash flow.



## Calculation of Forecasted Profit and Loss Account

Forecast Income Statement							
Particulars	F-2015	F-2016	F-2017	F-2018	F-2019		
Interest income							
less Int paid on Dep and Borrowing							
<b>Net interest income</b>	<b>1,336,193,786</b>	<b>627,972,969</b>	<b>660,907,170</b>	<b>892,616,450</b>	<b>1,790,593,251</b>		
Inocome form Investment							
Commission Exchange and Brokerage							
Other Operating Income							
Total of others operating Income	<b>2,160,863,577</b>	<b>2,337,665,502</b>	<b>2,798,375,586</b>	<b>4,715,301,006</b>	<b>4,353,896,655</b>		
<b>Total Operating Income</b>	<b>3,497,057,362</b>	<b>2,965,638,471</b>	<b>3,459,282,756</b>	<b>5,607,917,456</b>	<b>5,932,014,088</b>		
Less: operating Expenditure							
Salary Allowances							
Rent, Tax, insurance, Electricity							
Legal Expense							
Postage, Stamps and Telephone							
Printing Stationary Advertisement							
Managing Derectors's Remunaretion							
Directors fee							
Audit fee							
<b>Depreciation on and Bank's Property</b>	<b>153,938,495</b>	<b>204,690,642</b>	<b>248,299,261</b>	<b>269,514,978</b>	<b>309,577,984</b>		
Other Expenditure							
<b>Total Operating Expens</b>	<b>1,538,733,501</b>	<b>1,716,532,188</b>	<b>2,177,388,125</b>	<b>3,205,428,194</b>	<b>3,399,302,698</b>		
<b>Profit Before Provision</b>	<b>1,958,323,861</b>	<b>1,249,106,283</b>	<b>1,281,894,631</b>	<b>2,402,489,262</b>	<b>2,532,711,391</b>		
Ls:Provision on loan Including Off Bal sheet							
Ls: Provision against Investmnt in Quoted Share							
Less: Provision Against other Asset							
<b>Total Provision</b>	<b>579,303,162</b>	<b>202,570,626</b>	<b>503,453,174</b>	<b>731,144,861</b>	<b>578,537,207</b>		
<b>Profit Before Tax</b>	<b>1,379,020,699</b>	<b>1,046,535,656</b>	<b>778,441,458</b>	<b>1,671,344,401</b>	<b>1,954,174,184</b>		
<b>Less: Porvision for Tax</b>	<b>499,761,454</b>	<b>422,461,924</b>	<b>415,975,680</b>	<b>909,725,954</b>	<b>905,092,316</b>		
Current Tax							
Deffered Tax							
<b>Net Profit after Tax</b>	<b>879,259,245</b>	<b>624,073,732</b>	<b>362,465,777</b>	<b>761,618,447</b>	<b>1,049,081,868</b>		

### 4.2.3 Operating Cash Flow:

To calculate the OCF we need EBIT (Earning Before Interest and Tax), Depreciation and Tax. EBIT is the Profit Before Provision. In the forecasted Profit and Loss Account we did calculation of Profit before Provision. The steps of calculating OCF are,

- First find the EBIT
- Add depreciation with EBIT of each year
- Then deduct Tax

After deducting Tax we will get the OCF. The formula is as follow;

<b>Operating Cash Flow</b>	<b><i>EBIT + Depretion – Tax</i></b>
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#### Calculation of OCF

Operating Cash Flow						
Particulars	2015	2016	2017	2018	2019	
EBIT	1,958,323,861	1,249,106,283	1,281,894,631	2,402,489,262	2,532,711,391	
Add Depreciation	153,938,495	204,690,642	248,299,261	269,514,978	309,577,984	
Less: Tax	499,761,454	422,461,924	415,975,680	909,725,954	905,092,316	
<b>OCF</b>	<b><u>1,612,500,902</u></b>	<b><u>1,031,335,000</u></b>	<b><u>1,114,218,212</u></b>	<b><u>1,762,278,286</u></b>	<b><u>1,937,197,058</u></b>	

### 4.3 Project Cash Flow:

Now in this part we will calculate the Project Cash flow of 2015 to 2019. And using this project cash flow we will find the share price. To calculate the project cash flow we need Net Working Capital, Operating Cash Flow (OCF), Change in Net Working Capital and Capital spending. In the previous we already calculated OCF. The other particular are described as follow.

Net Working Capital: Net working capital is used to measure the short-term liquidity of a business. It indicates that the amount of short-term funds available from current assets. The formula that used to calculate Net Working Capital is,

<b>Net Working Capital</b>	$  \begin{aligned}  & (\text{Cash} + \text{Balance with Banks \& Financial Institution} \\  & + \text{Money at Call and Short Notice} + \text{Current Investment}) \\  & - (\text{Borrowing from other Banks, Financial Institution \& agents} \\  & + \text{Deposit \& Other account} + \text{Other Liabilities})  \end{aligned}  $
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Change in Net Working: to calculate Change in Net Working Capital Subtract the operating working capital in the previous period from the operating working capital in the most recent period to determine the change in operating working capital between the two periods.

Capital Spending: here we have calculated capital by subtracting the long term investment or fixed asset in the previous period from the long term investment or fixed asset in the most recent period to determine the capital spending between the two periods.

After calculating all these four particulars we calculated project cash flow by following step;

- Input the Operating Cash Flow (OCF) of 2015 to 2019
- Deduct Change in Net Working from 2015 to 2019
- Then again deduct Capital spending,

Then we will get the Project Cash Flow of 2015 to 2019.



these year that why many companies couldn't return that much of benefit to their shareholders. MTBL was also affected in this time.

Bangladesh Bank the central bank took a strict stand on the loan classification and asset quality of banks to offset the risk. Increased amounts of nonperforming loans had put Bangladesh Bank into a challenge to maintain the NPL at a tolerable level. Banks were extra cautious on disbursing loans due to such events. In this during time Mutual Trust Bank disburse very less amount of loan that Bank net income was too low which is the main reason for share price undervaluation.

## ***Part-5 Recommendations and Conclusion***

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### **5.1 Recommendations:**

MUTUAL TRUST BANK is one of the most flourishing Banks of Bangladesh with wide growth opportunities in the industry. Based on the above results, it can be said that MUTUAL TRUST should reconsider its service strategies in Bangladesh and design products and services that better satisfy customer needs and requirements. Bank should be more tactful in dealing with the customers and launch new products that fully meet customer expectations.

After completing my internship in Mutual Trust Bank I have a realization that MTBL is well-organized and tries to provide its best service to the customers. Nevertheless, there are still some problems on which MTBL should put an eye to solve them. Otherwise, these may cause huge loss or create a barrier for the future prospect.

I hope that these recommendations would be helpful for MTBL:

- ✓ The authority should recruit more employees to serve the customers. They can recruit experienced employee as well as fresh graduate.
- ✓ Mutual Trust Bank should appoint new employees so that the problem of shortage of employees like Mirpur Branch will be removed and also the new comers will get the chance to serve very effectively.
- ✓ The bank can open more branches to reach to more customers.
- ✓ The bank can open branches or foreign booth because many people send money from abroad every year to Bangladesh.

- ✓ Mutual Trust Bank should make connect with other money exchange like UK exchange to get more foreign remittance through them.
- ✓ The bank should solve the problems regarding ATM card because it causes an embarrassing situation for the employee in front of customers.
- ✓ Even though MTBL is running online business very successfully but they should open more ATM booths to meet customer needs and to be in the competition.
- ✓ The bank should computerize all its function and should provide online banking facility.
- ✓ The bank should finance to the consumer goods, because many people in the country wants to buy consumer goods from bank loan.
- ✓ They should take an early initiative to improve their expertise in the investment businesses to be more prompt.
- ✓ The bank should be more profit concern as well as took part to the economics development of the country.
- ✓ The departments of the bank should more efficient to make profit by satisfying customers.
- ✓ The Mutual Trust Bank Ltd. should clarify and endorse publicity about their position and their activities in socio-economic, economic and socio-cultural development in Bangladesh.
- ✓ Mutual Trust Bank Ltd. should renovate its Front Desk as it remains extremely busy the whole time and GB is the base for any bank.
- ✓ To maintain their reputation and image in the Banking sector and to the general people, Mutual Trust Bank Ltd., should involve precisely in mobilization and utilization of local resources like – investing in N.G.O. activities, educational, health expansion activities, poverty eliminations etc.
- ✓ The marketing department of the bank should be more efficient to reach at the heart of the customer.
- ✓ MTBL should arrange a lot of training schedules, seminars and workshops for its existing employees to make them more effective and efficient.
- ✓ The bank should be more concerned about profit as well as took part to the economics development of the country.
- ✓ The customers should give chance to complain about their dejection. For this the bank should have an active complaint system. From this the bank can also get the customers feedback.
- ✓ The employees should always take time to hear the problems of the customers. It will help them to deliver the right service.
- ✓ When a customer will go to the bank with an unusual problem the employees will have to act positively so that it creates confidence in the heart of the customer that his/her problem will be solved. Suppose a client want to apply for a specific loan but do not know the procedure, then the employees should give them proper instructions.

- ✓ Effective Management Information System must be evolved by MTB so that correct decisions may be taken at correct time at policymaking level.

## 5.2 Conclusion:

Mutual Trust Bank Limited (MTBL) is a third generation private commercial bank in the country with commendable operating performance directed by the mission to provide prompt and different services to clients. MTB successfully celebrated its fifteen years of operation. It provides a wide range of commercial banking services MTB has achieved success among its peer group within a short span of time with its professional and dedicated team of management having long experience, commendable knowledge and expertise in conversation with modern banking. MTB is engaged modern banking. The management of the bank is maintaining an efficient portfolio in order to have a healthy worth and retain customer satisfaction.

As an organization the Mutual Trust Bank Limited has earned the reputation of top banking operation in Bangladesh. The organization is much more structured compared to any other bank operating local or foreign in Bangladesh. It is relentless in pursuit of business innovation and improvement. It has a reputation as a partner of consumer growth. With a bulk of qualified and experienced human resource, Mutual Trust Bank Limited can exploit any opportunity in the banking sector. It is pioneer in introducing many new products and services in the banking sector of the country. Moreover, in the overall-banking sector, it is unmatched with any other banks because of its wide spread branch networking thought the country.

The last 3 months was quite intriguing to do my internship at Mutual Trust Bank Limited, Mirpur Branch. I found out about the nature of actually working in a professional environment. This internship program, in first, I have been arranged for gaining knowledge of practical banking and to compare this practical knowledge with theoretical knowledge. Only three sections are covered in the internship program, it is not possible to go to the depth of each activities of branch because of time limitation. However, highest effort has been given to achieve the objectives the internship program. The value of General Banking is immense. It's the core tool of banking as well as the base of banking. Other sections depend mostly in this section. Mutual Trust Bank Ltd. has an established and most importantly a reliable General Banking section. It fulfills the consumer needs in almost every case with its dignity and honor. The company itself is well-organized as well as its officers. MTBL is developing its services to give a hard competition to other banks. According to MTBL, it is not going with Veni, Vidi, Vici (I came, I saw, I conquered). In fact, MTBL wants to be in the top most position in private banking sector of Bangladesh.

## *Part-6 References*

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