Report On

Navigating Retail Banking Service of City Bank PLC- Critical Observations & Comparative Analysis under CAMEL Framework.

By

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

BRAC Business School

Brac University

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Declaration

It is formally announced that

- The submitted internship report is my original work in the process of pursuing a degree at Brac University.
- There is no material in the report that has been published or written by a third party, unless this is cited using full and proper referencing.
- The report lacks material that has been submitted or accepted under any other degree or diploma in a university or other institution.
- I have recognized all the primary assistance sources.

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21204026

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Letter of Transmittal

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Subject: Submission of Internship Report on Navigating Retail Banking Service of City Bank PLC- Critical Observations & Comparative Analysis under CAMEL Framework.

Dear Sir,

I am pleased to submit my internship report for your review and evaluation. This report, titled **"**Navigating Retail Banking Service of City Bank PLC- Critical Observations & Comparative Analysis under CAMEL Framework**"** has been prepared to fulfill the requirements of the course Internship. The report encapsulates the practical knowledge and skills I acquired during my internship at City Bank PLC's Banani Lake View Branch, combined with an empirical analysis of the financial performance of four major private commercial banks—City Bank, BRAC Bank, Eastern Bank, and Mutual Trust Bank—using the CAMEL framework for the period 2020–2024.

My gratitude for the guidance and support provided in completing this report, aiming to meet academic standards and hopes the findings will be useful.

Sincerely Yours,

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Maisha Ahsan

21204026

BRAC Business School

BRAC University

January 2026

Non-Disclosure Agreement

During my internship at City Bank PLC, I was responsible for accessing sensitive information such as customer data and employee details. I pledged to maintain confidentiality, avoid unauthorized disclosure, comply with policies, and ensure data security. I pledged to handle all documents and digital files with care, and not remove or copy confidential material without explicit permission.

Acknowledgement

All glorification to the Supreme Almighty. If it were not for His good grace it would not be possible to prepare this Internship report in time and maintain due diligence.

My great thanks go to M.A Taher, PhD, Professor at BRAC Business School, BRAC University, who showed a strong interest in my internship and mentored me throughout it. This report would not have been completed without his continuous review of the report and supervision throughout the process.

At the same time, I would also like to thank my Co-Supervisor M. Nazmul Islam PhD, Associate Professor at BRAC Business School, BRAC University for her real support and insightful assistance throughout the internship time.

I place my sincere appreciation to Mr. Md. Nurul Alam, VP & Branch Manager, City Bank PLC, who has provided me with his kind value addition and shared some insightful and useful information. The experience that I have obtained here will be a privilege to my future profession.

I want to express my gratitude to Customer Service Manager (CSM) - Retail Banking Division, at City Bank PLC. Assistant Customer Service Officer (General Banking) K M Sharif and Salima Akter, Assistant Relationship Manager (General Banking) Biman Chandra Debnath, Customer Service Manager (General Banking) Nazia Akter, Assistant Relationship Manager (SME) Abdullah Al Amin Shovon and Customer Service Officer (Cards) (General Banking) Nishat Nabila Suha, at my workplace gave me a great deal of guidance and support during my internship. They offered comprehensive advice on all aspects of the activities and work knowledge in the City Bank PLC. They taught me how to deal with problems successfully in different situations. In addition, Former Senior Customer Service Manager Md. Mizanur Rahman and New CSM Noor Shahriah Siddique and Branch Operation Manager Md. Ashraful Haq provided me with substantial support in a number of positions during my internship. I value their help and cooperation throughout my entire apprenticeship.

In conclusion, I would wish to say; I would have not been able to conduct my internship at City Bank PLC without the kind cooperations of all my colleagues, valuable guidance and recommendations and help throughout my internship life in the Bank. And last but not least, I would like to pay special attention. I want to thank my family, friends, and well-wishers for their support.

Executive Summary

This internship report shows a detailed analysis of City Bank PLC and comparative performance analysis of four leading private commercial banks in the country in terms of their performance using CAMEL rating framework over a period of 2020-2024 namely CityBank PLC, BRAC Bank, Eastern Bank and Mutual Trust Bank. The study assesses five dimensions of financial health that are Capital Adequacy, Asset Quality, Management Efficiency, Earnings Quality, and Liquidity Management.

For this research there are four private commercial banks comprising Brac bank, City bank, Eastern bank and Mutual Trust bank that have been selected because they are important in the sector and financial data is available for them. The analysis is based on benchmarking the performance of City Bank PLC in comparison with other leading private banks in Bangladesh. The internship was pursued at City Bank's Banani Lake View Branch under the Retail Banking Division wherein I gained a hands-on exposure about Customer Service, Account Opening Process, Documentation and Digital Banking solutions.This has been an experience by which the gap that existed between theoretical subject matter and real banking processes can be bridged, but more significantly it has exposed issues such as the pressure of handling the customers and being under manual operations and not being digital literate among the clients. Recommendations range from the introduction of token-based queue systems, digitization of internal processes and improvement of digital awareness campaigns and structured internship modules.

The CAMEL analysis shows that Eastern Bank came out as the overall best bank because of the good asset quality and high management efficiency, followed by City Bank which had good balance sheet parameters in terms of profitability and monetization capacity but was poor in terms of bad loans. BRAC Bank showed a high level of capital adequacy but low levels of earning and efficiency, and Mutual Trust Bank had experienced high liquidity but low capitalization and poor quality of assets.

Overall, the results highlight the importance of balancing growth and asset quality and efficiency. For the regulators, the study indicates enhancing the control over the non-performing loans, while the banks are advised to concentrate on the cost optimization policies, improved utilization of liquidity and increased adoption of digital banking. From the viewpoint of investment, the Eastern Bank and City Bank are more attractive investment banks, however, the BRAC Bank and MTB need to be strategically improved in order to be more competitive.

Key Words: Capital Adequacy, Asset Quality, Management Efficiency, Earnings Quality, and Liquidity Management, Digital Banking, Retail Banking.

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List of Acronyms

PLC	Private Limited Company
CBL	City Bank Limited
RTGS	Real Time Gross Settlement
EFTN	Electric Fund Transfer Network
GB	General Banking
SME	Small-Medium Enterprises
CSR	Corporate Social Responsibility
RMD	Required Minimum Distributions
HR	Human Resource
ATM	Automated Teller Machine
BB	Bangladesh Bank
A/C	Account
CA	Current Account
SA	Savings Account
FDR	Fixed Deposit Receipt
PO	Pay Order
DS	Deposit Slip
STD	Short Term Deposit
KYC	Know Your Customer
NID	National Identity Card

Chapter 1: Overview of Internship

1.1 Student Information

Name: Maisha Ahsan
Student ID: 21204026
Program: Bachelor of Business Administration
Specialization: Major- Human Resource Management
Session: 2021- 2026

1.2 Internship Information

1.2.1 Time Period in the Bank

Period: 3 Month

Company Name: City Bank PLC
Department/ Division: Retail Banking Division
Address: Holding No- 37, Road- 11, Ward- 19, Block- H, Banani Lake View Branch, Banani-Venture Iconia (1st Floor), Dhaka North City Corporation, Dhaka.

1.2.2 Internship Bank Supervisor's Information

Name: Mr. Md. Nurul Alam
Position: Branch Manager

1.2.3 Job Description- (Duties and Responsibilities)

- As an intern my main job was being an assistant to the General Banking sector of City Bank PLC.
- Helped out customer inquiries, assisting in account opening procedures, providing help to customers with different services and forms.
- Handled debit cards & chequebooks effectively.
- Observed professionals to learn about banking operations and ideas about client service practices and to gain exposure to different types of banking functions
- Handled customer files, ensuring all documentation required by customers was accurate & in compliance
- I gained insights into City Bank's retail products such Citytouch digital banking app, City Alo for women entrepreneurs, City Max Savings services.
- Provided clients with the necessary paper work like nominee declaration, account statement, authorisation & account establishment paperwork.
- Created certificates of solvency & checked them with bank records.
- I got practical experience of one of the major private commercial banks in Bangladesh with exposure to various functions and operating areas.
- I developed professional skills such as communication and teamwork and specific knowledge about banking.

1.3 Internship Outcome

1.3.1 Student's contribution to the bank:

It was during the internship period, I put my level best efforts to learn as much as there was to learn. To create a real sense of being a full-time employee and being responsible I would work to get to the bank before the majority of the staff get in at least before 9.30 a.m. which is significantly earlier than the official office hours which are between 10am and 6pm at night. It is this commitment that allowed me to work directly with ordinary workers, get involved in the day-to-day activities of banking and be directly involved in the day to day operations of the bank, which made my experience of learning and getting acquainted with the inner workings of the banking industry to be invaluable in terms of my career growth and practical knowledge of the industry. My contribution to the day-to-day operations of the City bank as an intern is significant as I assist in business operations, customer service, handling of the necessary documents and data entry and survey to enhance the quality of services. As an intern, I assist the branch in providing good services to its clients by helping their clients to complete forms and answer simple questions. In this manner I also contribute in the distribution and proper keeping of records of the debit cards and cheque books and all other important banking properties of the bank, to ensure that there is proper management of the assets. My compliance with the principles of workflow, alongside a good communication strategy is one of the main elements of my job. I also provide them with more experience in various banking functions within the corporate that they are required to work in, once the need arises. For this reason during the time of my internship in RTGS, BEFTN, pay orders were heavily involved with me and I felt very close to CS in terms of smooth transaction and service delivery. These additions not only enhance the workflow and customer service of my bank, but also help me develop, not to mention that it can provide an avenue to BRAC University students whose future career in banking has a firm base.

1.3.2 Students Benefits

l skills that can help me achieve in the banking profession or any other similar profession Through the internship program at City Bank PLC, I was able to balance the theoretical knowledge of banking with the practical aspect of a banking organization. Working in the Retail Banking Division, I did frontline work in customer care, made sure that all requirements were followed when opening an account and that all necessary documents were neatly handled. I was attentive to precision and ensured the utmost standards of privacy everyday and worked with the bank employees and clients in person. My time management and organizational skills were enhanced as a result of my internship immensely. Having several duties to fulfil, such as keeping track of information about clients and providing help when it comes to issuing cheque books and debit cards, I had to be efficient and responsive to the shifting needs. These have taught me to cope with workload, work under the deadline and how to work under pressure in the work environment. In addition, I gained good communication and team work skills. During my internship period, I have been able to put the regulatory and compliance standards set by Bangladesh Bank in practice and ensure that my practice was in correspondence with the policies of this industry. The experience was a strong base of making ethical decisions in my future career progression. All in all, my time at city bank PLC was able to help me improve my competence and confidence and give me the necessary practical knowledge.

1.3.3 Difficulties (faced during the internship period)

It was my first full time working experience and, hence, missed a lot of challenges regarding adapting to the new working environment at City Bank PLC. Customer service is a very fast-paced job where most employees have to deal with numerous tasks simultaneously, which initially was a challenge for me in order to attain the required multitasking skills. Having just a few CSO, most of the core operations in the bank would be overworked and the list of unfinished work wouldn't be emptied. Under its current promotion of the Citytouch app, it seems that many customers, the old generations, do not know all the possibilities of the app. The most significant challenge was related to the absence of specific instructions regarding my daily tasks to perform since the members of staff were too busy with their work, and I was given tasks without clear guidelines or suggestions on how to perform them, this affected my performance in terms of completing tasks effectively and in time. There were times that there proved to be a large number of clients present together to pick up their statements, solvency certificate, cheque book or debit cards and at times it was difficult to persuade each client to perform his/her duties properly and to do all the work at the same time. One of them found it especially hard to manually search for things like cheque books and cards. As well, coordination problems often arose with new interns joining, as the communication between the employees of branches, managers, and HR were not consistent which created loopholes in terms of the onboarding process. However, I had been proactive in resolving uncertainty - how to shrink knowledge gaps and be able to perform better in pressure situations.

Chapter 2: Organization Part

2.1 Introduction

One of the oldest of the private banks in Bangladesh is City Bank PLC which was established in March 28, 1983 by a group of twelve businesspersons, where Deen Mohammad was one of the founders. It was the first bank to have a centralized bank system as opposed to a branch bank one. The bank has 134 branches and 47 sub-branches, more than 460 ATM and RATM, and 480 agent banking outlets and it serves a total of more than 2.6 million customers. Its services products are Retail, SME, and Corporate Banking, Treasury, Islamic Banking and asset management services. One of the important indicators of the brand strength of City Bank is its exclusive right over the American Express card in Bangladesh which has strengthened its position in the market and diversification of the product. The bank is also an international bank with subsidiary banks in Hong Kong and in Malaysia where it is assisting in trade and remittance services. On the financial aspect, it has over BDT 500 billion assets and international investors like IFC are interested in it. City Bank, which is listed on Dhaka and Chittagong Stock Exchange, has won awards for being one of the top 500 Asian banks, and excellence in corporate governance and financial transparency. Headquartered by Aziz Al Kaiser as the chairman, and Mashrur Arefin as the CEO, City Bank is biased towards digital transformation, operational excellence, and sustainability banking to achieve its vision to be Winning Culture Financial Supermarket That Provides Pleasant Experiences. This is an indication that it is committed to providing inclusive and modern financial services. The main values of the bank are result-oriented, engaged, accountable, courageous and determined in satisfying its customers.

Figure 1: City Bank PLC logo

2.1.1 Strategic Objectives of City Bank PLC

The vision of City Bank Financial Supermarket with Winning Culture with Enjoyable Experiences provides the basis of the objectives of the City Bank PLC. To achieve the goal of becoming the "Most Complete Bank" in the country, the bank aims to expand the scope of its financial services to all categories of customers, penetrate the market by spreading out a wide network of banking branches and the digitization process, and become the pioneer of digital banking with the latest technology. The bank also aims to achieve a talent-based culture through being the Employer of Choice and also encouraging a performance oriented work environment that is customer satisfaction and core value based. The institution has a vision of providing a complete range of financial services to the various classes of customers by being the most comprehensive bank in Bangladesh that is a financial supermarket and is convenience driven and quality oriented. It seeks to be the leader in terms of digital innovation by adopting new and modern technology to improve customer experience and invest in the digital banking and automation space.

2.1.2 Scope of Study

The internship report presented in is a thorough report that includes both the practical observation of the internship process as well as an empirical financial analysis. That its scope will be narrowly targeted to provide depth and focus at the following limits:

- **Organizational Focus:** The organizational focus is on City Bank PLC with the specific setting of the internship being the Banani Lake View Branch under the Retail Banking Division. The profile of the bank, product and services as well as corporate social responsibility (CSR) are described in the report.
- **Functional Experience:** The applied aspect of the report entails the functions and processes which were witnessed and done in the Retail banking division. These are customer service, account openings processes, document verifying and analyzing digital platforms offered by the bank.
- **Analytical Framework:**The empirical study part involves the application of CAMEL rating framework for measuring the performance of banks. The analysis has been limited to the five dimensions of this model namely: Capital Adequacy, Asset Quality, Management Efficiency, Earnings Quality and Liquidity Management.
- **Comparison Analysis:** The research has included the aspect of comparative performance based on three other top private commercial banks namely BRAC Bank PLC, Eastern Bank PLC, Mutual Trust Bank PLC. This will enable a meaningful benchmarking of the performances of the City Bank with its immediate competitors.
- **Temporal Scope:** The financial analysis would be based on a five-year financial period between 2020 and 2024 giving a medium-term perspective of the performance trends and reflecting the effects of the recent economic trends.

2.2 Overview of the Bank

2.2.1 City Bank PLC in the Global Banking Landscape: An Overview

The fact that City Bank PLC is a national player which is very strong in Bangladesh, its position and strategy has to be interpreted in the context of the global banking industry. The global strategy of the City Bank is more specific and is focused on niches compared to the global model of HSBC or Citigroup that have a global presence in dozens of countries, but the global bank concept is more typical of a bank of one emerging economy (Huq, n.d.).

Figure 2: City Bank Global Excellence Award

1. A Strong Domestic Champion with International Corridors

The strength of City Bank is that it is thoroughly integrated in Bangladesh and it uses its domestic base to serve as a financial intermediary to local trade and commerce. It has subsidiary branches throughout the world including one in Hong Kong and it operates in Malaysia which help enhance its main operations without direct competition with the international banks.

- **Trade Finance:** It meets the requirement of the Bangladeshi importers and exporters with effective banking facility across the border.
- **Remittances:** With this bloom of remittances out of the Bangladeshi diaspora, such an important foreign currency source of the national economy tapped into.

2. Niche Leadership through Exclusive Partnerships

The most important distinguishing ability of City Bank is its exclusive licensing agreement with American Express that gives it a strategic edge that improves its position in the world. American Express is for the high end customer segment as compared to Visa and Mastercard. The bank has an entity called City Alo that specially targets women in Bangladesh with its services to the cause of empowering women entrepreneurs, women professionals and women homemakers. The City Alo American Express Credit Card is a co-branded product which combines the firepower of American Express and the programs of empowerment by City Alo as agent of empowerment to make the City Bank a banking power for women. City Bank being the only issuer of Amex cards in Bangladesh is using the prestige of the luxury brand to build its corporate reputation and to reach the high net worth clients.

3. Conformity with World Standards

Basel I, 1988 Requires banks to have a minimum of 8% risk-weighted assets as capital - most of which is credit risk - Preferred by weak - criticised for narrow application (Kelly, 2025)Basel II was a refinement of this framework that introduced to it a 3 pillars (minimum capital requirements, Supervisory review and market discipline) to permit more intricate risk calculations and keep the 8% requirement but include credit, market and operational risks. (Chen, 2025). Basel III had been introduced in the wake of the financial crisis of 2007-09 and it introduced higher capital requirements and the liquidity and leverage ratios to make the banks more stable and resilient to hypothetical financial shocks. City Bank complies with Basel III having over compatibility with the minimum capital requirement and taking more detailed capital assessment to manage the risk effectively

4. Competition and Positioning
Globally, City Bank is not able to compete against the multinational banks for the retail customers in the world. Instead, it's its competition is two fold:

- **Locally:** It is the direct competitor of the other best-in-class private commercial banks of Bangladesh (such as Eastern Bank and BRAC Bank) in terms of its markets, talents and innovations.
- **Internationally for Corporates:** For the large multinational corporations which operate in Bangladesh, City Bank is competing against the local branches of the international banks (e.g. Standard Chard, Citi) in terms of having in-depth knowledge of the local market in addition to having an extensive network in the country & by being able to partner them in complex international transactions.

2.2.2 Introduction about City Bank PLC in Local Banking Industry in Bangladesh

Within the competitive environment of the banking sector of Bangladesh, City Bank PLC has fused itself not as the member of the banking sector, but as a leading Bank and an innovative Private Commercial Bank. Its local strategy is defined from a combo of old school might and new digital, and emphasizes customer experience.

Figure 3: City Bank Best Bank Award in Bangladesh

1. Market Position and Stature
City Bank is one of the nine oldest private commercial banks and Edu Bank was established in 1983. This longevity has ensured that it has a good brand recognition and positive customer base of more than 2.6 million customers. With an asset base of over BDT 500 billion and a huge network of 134 branches and 47 sub-branches, it has the capacity and infrastructure of a top-class financial institution. Its listing in Dhaka and Chittagong Stock Exchanges further places it as a major player in the country's financial market.

Figure 4: Market Position

2. Pillar of Diversified Banking Services

The bank is a full fledged "financial supermarket", that caters to all the major segments of the economy:

Retail Banking: Provides a broad range of products from account products - for kiosks (specialized savings account, for example, student, senior), to range of loan products (auto, home, personal), to full range of card products (Visa, Mastercard and, exclusively, American Express).

CITY
RETAIL
ADD A LITTLE CITY TO YOUR LIFE

Figure 5: City Retail Banking

SME Banking: In support of the small and medium enterprises being the backbone of the Bangladeshi economy with important financing of working capital, trade service and cash management support.

Figure 6: SME Banking Advertisement

Corporate Banking: Serves large local corporations and provides customized service in the areas of project banking, working capital finance, supply chain finance and so on. Trade services.

Figure 7: Corporate Banking Logo

Digital Banking: Has made huge strides in advances of digital platforms like Citytouch (internet and mobile banking) and Ekhoni App, CityQ has set itself at leading the digital transformation in the banking industry.

Figure 8: Digital Banking Advertisement

3. A Parascenter of Digital Innovation: In a sector that is fast rolling towards digitization, City Bank has pitched itself as an early mover and a pioneer. Its aggressive movement into the digital channels is a major competitive plus, as well as an effort to be more convenient and efficient in its operations. This focus is to help it fight for the tech-savvy younger demographic and for the operational weight off its physical branches.

Figure 9: Digital Innovation Award

4. Competitive Environment And Differentiation

Locally, the direct competitors of City Bank are other leading private commercial banks such as Eastern Bank Limited (EBL), BRAC Bank and Dutch-Bangla Bank. Its top differentiators in this crowded market are:

- **Customer-Centric Vision:** The direct mission to create "enjoyable experiences" is what drives the rural approach to service which differentiates itself in a market where even customer service can be inconsistent.
- **Agent Banking:** There are over 480 Agent banking outlets, reaches out and walks beyond traditional branches and brings the reach of financial inclusion to rural and under served areas.

5. Strengths and Challenges
Strengths:

- Decades of strong brand awareness and trust was built.
- Wide network for distribution (branch, ATM, Agents)
- Diverse and innovative Portfolio of products.
- Solid profitability and liquidity which are indicated within the CAMEL analysis.

Challenges:

- **Operational Efficiency:** From the internship observations, problems of manual-dependence and customer congestion during the peak hours were observed which suggested improvement areas To deliver a range of innovative products and services to all types of customers with a positive and is known for its Eigfried operational excellence
- **Create a dynamic work place** where people not only survive, but flourish, leadership emerges and for operational efficiency requirements to be addressed from the internal perspective.
- **Digital Adoption:** While having access to state-of-the-art digital tools, there is a gap in terms of customer education and adoption especially among some demographics.

2.2.3 Vision

To become The Most Complete and Trusted Financial Institution in Bangladesh by transforming itself into a Financial Super Market, offering World class service and developing a winning culture of excellence to facilitate fun and valuable experiences of their customers through innovations, integrity and leadership.

2.2.4 Mission

- To deliver a range of innovative products and services to all types of customers with a positive and is known for its Eigfried operational excellence.
- Create a dynamic work place where people not only survive, but flourish, leadership emerges and innovation leads to continuous improvement and efficient
- Integrity, respect of community and good governance - responsible, compliant, sustainable business practices.

2.2.5 City Bank PLC: Tagline and Description

"Making Sense of Money"

City Bank PLC tagline is "Making Sense of Money" which is a powerful and customer-centre that goes way outside the banking realm. It is the core mission of the bank which is to demystify finance to its customer.

The tagline in a complicated financial world is that City Bank will:

- **Give Clarity:** Make it simple and understandable to give the products and advice.
- **Empower Customers:** Help customers and businesses make decisions about their money.
- **Simplify Complexity:** Simplify and make complex financial concepts simple and sensible.

This is a contemporary tagline and is in keeping with the bank's vision of becoming a "financial supermarket" and to have "enjoyable experiences." It makes City Bank, more than just a place to be minded for, a bank that can lend and borrow money but as a partner that makes sense and adds value in the financial lives of their customers.

2.2.6 Values

Our Values are what defines the way that we think, work and act. We believe that we can be able to attain our Vision and Mission when the expected behaviour from our employees are clearly provided. Our core values include the following:

We are 'results-driven'.

We are 'engaged' and 'inspired.'

We are 'accountable' and 'transparent.'

We are '- courageous' and 'respectful.'

We are being oriented towards 'Customer delight.'

2.2.7 Key Commitments

Commitment to Digital Transformation & Customer Experience

City Bank is dedicated to the use of technology in improving customer experience and the enhancement of efficiency. This is an underlying theme to its strategic communications.

Commitment to Good Governance & Financial Security

Basel III is the third one out of three Basel Accords, a model that sets up international requirements and minimum bank capital requirement, stress test liquidity requirements and leverage, in order to minimize the risk of bank runs and bank failures. It was done as a response to the loopholes in financial regulation that surfaced in the financial crisis of 2008 and is based on standards of Basel II that was presented in the year 2004 and of Basel I that was presented in the year 1988. The bank is committed to have good risk management and governance structures and comply with the regulatory standard such as Basel III. (Basel III, 2025)

2.2.8 Strategy:

- **Digital transformation:** Our Citytouch platform provides the means for accessible digital banking solutions that can offer more convenience to the customer, and can reduce the necessity of visitations to the banking branch.
- **Product diversification:** We are focused on increasing our product offerings of deposit accounts, loans and unique offerings of the American Express card so we can stay competitive in the market place.
- **Customer Relationship Management:**We use the improvement in our CRM capabilities to create lifetime relationships through offering personalized services and financial literacy programs.
- **Talent development:** To improve the workers skills and also to retain valuable talent so that it will deliver quality services to our customers and maintain our valuable intellectual property, we are investing in talent development of our employees and talent retention.

2.3 Management Practices

Strategic leadership within the bank under the leadership of its Chairman Aziz Al Kaiser who is also the Managing Director and CEO (Mashrur Arefin) is focusing on having the clear vision and mission with the help of Finish Banking "Financial Supermarket" concept and making sure that it's aligned in every level of the business. The management always put the focus on digital transformation as is evident in continuous investments on platforms such as Citytouch, Ekhoni App showing a decision towards adoption of innovation and future sustainability.

The bank is focusing on performance driven and value based culture by the embedding of core values, within the day to day operations. It looks for outcomes by tying departmental and individual performance measurements to such financial goals as profitability and return on assets (ROA) and equity (ROE). Management provides an environment of engagement and inspiration which promotes initiative and team work with structured communications internally.

Operational and Human Resource Management at City Bank The foundation of the formal functional organisational pattern of roles from the Branch Manager to the assistants in different sections shall be revealed. A key goal is to be the "Employer of Choice" and this is directed towards attracting and retaining talent, but there is a noted shortfall in structured internship programs for experiential learning. The CAMEL analysis shows that the efficiency of the management is at the middle level which means that there is effective generation of business through the management practices.

Customer-Centric Service Management is the new wave to be focused on the concept of "Customer Delight" in front office operations by training employees to improve the customer experience.

2.3.1 Leadership Style:

It is probably not likely that City Bank would have one pure form of leadership throughout the organization. Instead, the evidence is tilting towards a hybrid model, almost a mix between the Transformational and the Strategic Autocratic model (and more relevant to situations and levels in the organization).

Following is a critical analysis on how this style help in achieving the goals of the bank:

Strategic Autocratic Aspects This is seen as a top down approach to take strategy decisions and a highly structured operational environment.

Evidence: This Organizational Structure (of VP/Branch Manager levels down to officers and assistants), is well defined, hierarchical and it is clearly a chain of command with strategic decisions made at the top.

The need for digital transformation (Citytouch, Ekhoni App) is a strategic command by the top management (Chairman and CEO) and is being implemented at the organisation level. Branches as well as employees have been expected to adopt and encourage these platforms.

The strict compliance with the regulatory standards (Basel III) and internal compliance processes in order to guarantee the uniformity and contain the risk factors oblige to a strict, top down approach.

Link to Goals: This is an autocratic component successful with respect to the expression of "Uphold Good Governance, Ethics, and Compliance." It's also efficient when it comes to driving large-scale strategic shifts like digitalization, skilled as the entire organization's moving in a united course with no deviation, which is essential for a bank which is running in a highly regulated industry.

Critical Analysis What this Style of Leadership Contributes and inhibits in the Achievement of Goals.

How it Helps Achieve Goal:

Drives Large-Scale Change: The autocratic drive in the direction of digitalization is probably one of the major reasons that City Bank has been able to introduce and promote multiple digital platforms (Citytouch, Ekhoni App) effectively which supports the non-Synergy underlying the goal to "Lead in Digital Innovation" directly.

2.3.2 Organizational Structure (Khan, 2024)

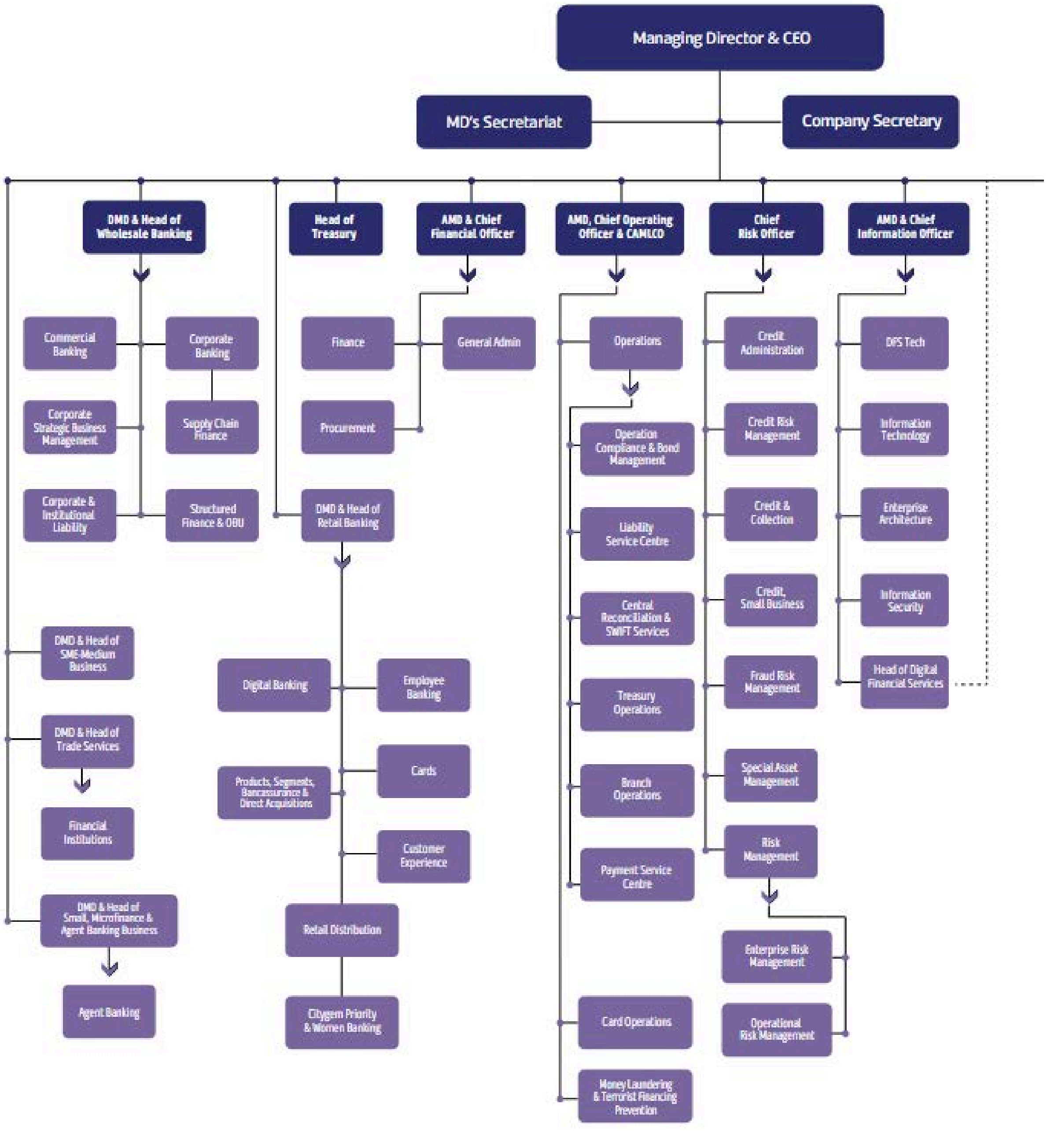

Figure 10: Organizational Structure

2.3.3 Human Resource Planning

1. **Analysis of Organizational Objectives and Strategy**

- **Inputs:** The vision of the bank ("Financial Supermarket"), strategic pillars (Digital Innovation, Customer Experience), annual business plans (ie: Opening of new agent banking outlets, introduction of new digital products).
- **Outcome:** clear understanding of why, where future human resources will be needed For example, a strategic goal with a demand for improving digital banking will have a clear impact on the demand for IT specialists, digital product managers, and data analysts.

2. **Human Resources Demand Forecasting**

Here the bank estimates the number and type of the personnel that is being required in the future.

Methods:

Quantitative Analysis: Using trends and ratios that are calculated during the CAMEL analysis such as Profit per Employee and Business per Employee, in order to set up goals and targets in respect of the productivity of the human resource as well as, in relation to the number of employees they need to meet financial goals.

Qualitative Judgment: Line managers within departments such as Retail Banking, SME and Digital Banking to permit estimates to be made on the basis of projected workload, new branch openings and new product openings.

Example: The internship observation in terms of high customer footfall at the branch would be an important data point for the Retail Banking division to make a case for a demand forecast for more Customer Service Officers (CSOs).

3. **Matching Demand and Supply (GAP Analysis)**

This step comes down to determining the gaps between demands in future and supplies at present days.

Possible Outcomes:

Surplus: More employees than needed in some positions - (e.g. due to the automation of a process) This would cause action such as redeployment, reskilling or a hiring freeze resulting in not replacing every employee who leaves. Reskilling of employees from redundant professions (eg traditional tellers) to emerging professions (eg digital service advisors).

Shortage: Shortage of required employees needed in work. This is the most common for a growing bank such as City Bank and especially in these fields of forecasts that would be very demanded, digital technology and data science. This is a big focus as evident in the report's focus or emphasis on "hiring the best talents." The bank is probably using the campus recruitment for the purpose of fresh graduates, headhunting for experienced positions and its powerful "Employer Brand" to attract candidates. Filling out roles from within as a form of motivation to employees and preserving institutional knowledge, assisting the "winning culture."

4. **Monitoring, Controls and Feedback**

Tracking KPIs: Indicators such as time-to-fill vacancies, cost-per-hire and ratio of employee productivity (from the CAMEL analysis) to turnover rates.

2.3.4 Recruitment and Selection Process:

City Bank has brought onboard a number of innovative programs and initiatives in the interests of making their employer brand and attracting the correct talent. Such signature programs are as follows: Hiring events workshops in the campus, management trainee recruitment, intern recruitment, "Meet the CEO" program, "Spotlight", "Ace the Interview" etc.

1. **Recruitment**

Identifying the Need: The beginning point of the process is a head of a department (like in Retail Banking, SME or Digital) is identifying the vacancy as a result of expansion or attrition. This is made formal by form of requisition on the basis of the HR planning process.

Source of the Talent (Talent Acquisition Initiatives):

Employer Branding: City Bank's global employer branding is used as a "Best Employer Brand" winner and a technologically modern and digital image used to passively recruit.

Online Job Portals: Active Job Postings On Top Job Portals in Bangladesh (i.e. Bdjobs, Chakra).

Employee Referral Programs: The employee referral program also encourages the employees to refer the candidates and the outcome is also high quality candidates that would fit into the culture of the company.

Social Media & Company Career Page: Advertising job openings using LinkedIn and with the official City Bank careers website to try to reach a larger audience often with a more tech savvy audience.

Headhunting: For high or top level roles (that are in FinTech partnerships, for example, or Treasury), the bank may be proactive in the sourcing of talent working in one of its competitors (such as EBL or BRAC Bank).

2. **Selection**

Application Screening & Shortlisting:

Talent Acquisition team (open to Manager and Executive) The Talent Acquisition team (including the Manager and the Executive positions in your report) filters the resumes and applications based on the key requirements of the job (education, experience, skills).

1. **Written/Aptitude Test:**

Especially for the fresh graduates and the entry-level, the applicants are likely to have to sit for a written exam. These tests are:

Verbal & Logical Reasoning - Tests the communication & critical thinking ability.

General Knowledge: About Current Affairs of Banking Industry.

2. **Core Interview Rounds:**

Technical Interview- Interviewed-d by line manager or for a department head e.g. Branch Manager for retail job. This is to make an assessment of the candidate on his working knowledge of banking, products, procedures and regulations.

Cultural Fit: Finding out the candidate's fit for the core values of City Bank - Result driven, Engaged, Accountable, Courageous and Customer focused.

Soft Skills: Communication, being in a team, problem solving skills

Final Interview & Approval:

- For senior jobs there may be one more final interview with a Division Head or with the Human Resources Director.
- The candidate that is selected is then formally approved and the HR department move to make a compensation and benefits offer to the candidate.

Background Check & Medical Examination:-

- A good background verification is thereafter carried out and this is very standard in case of the banking industry. This also includes checking over academic credentials, past employment history and address.
- Medical testing is often required in order to see if the candidate is fit for the job.

Job Offer & Onboarding:

- Formal letter of appointment is mailed out.
- Upon acceptance, the candidate is put on a structured program of onboarding and induction. This is very critical in terms of inculcating them into the "winning culture", getting used to the products of the bank (like Citytouch and Dano) and its standards in compliance.

2.3.5 Compensation System

- **Hospitalization Insurance:** The Group Hospitalization Insurance Plan covers all permanent employees and spouses (up to age 59), and covers their children (up to age 22), the time to settle claims is on average 15 days. Till December 31, 2024 BDT 54.04 million has been disbursed in claims.

Figure 11: Banking Insurance Advertisement

- **Staff Loans:** Staff loans are financial supports given to the employees by way of car loan, home loan, Provident fund loans etc. These loans have great terms and lower interest rates as well as repayment options, which help employees achieve their financial goals and keep them on track to be financially stable.

Figure 12: City bank Loan Advertisement

- **Rewards and Recognition (R&R):** The Bank has recognized 4677 employees (2024) under its R&R program to increase magmorale and foster a culture of excellence. The purpose of the initiative is to recognize contribution by employees in an attempt to encourage them to continue with their high performance.
- **Maternity Leave:** Maternity leave is a benefit the bank provides them or twice maternity leave within a full pay scheme which provides the new mothers ample time to recuperate and bond with her child.
- **Group Life Insurance:** All the permanent employees are under Group Life Insurance from the date of their joining. In case of dying, benefits are provided to such determined nominees and in case of accidental death of the person will double the benefit amount. Coverage varies from BDT 6 to 30 lakhs and even so, there is a way for coronavirus insurance benefits ranging from BDT 25 to 50 lakhs as per the job grade.

Figure 13: Life Insurance Logo

- **Emergency Support Fund (ESF):** ESF is a monetary assistance relating to 16 Important heart emergencies namely cancer and heart attacks. Membership is voluntary but it is a necessary requirement in order to access money. The program is contributory with the bank matching contributions from the employees, on double the level of their contribution. By the year 2024 the amount of money allotted by the bank was BDT 57.35 million taking the total expenditure for ESF to BDT 189.46 million till year 2020.

Figure 14: Emergency Support Fund Advertisement

2.3.6 Training and Development:

1. Types of Training Programs:

- **Functional Training:** For specific jobs (like operations in trade finance, treasury management, appraising SME's for credit etc). Soft Skills Training Communication, leadership, problem-solving skills, customer service excellence skills to develop the "Customer Delight" value.
- **Mandatory Compliance Training:** On such things as Anti-Money Laundering (AML) regulatory and Bangladesh Bank Regulations ethical banking.
- **Digital Literacy Programs:** In-depth training in new technology such as Citytouch, Ekhoni App & data analytics tools to support the digital transformation agenda of the bank.

Figure 15: Training Program

2.Development Methods:

- **Formal Classroom Training:** For Basic & Compliance Training.
- **E-Learning Modules:** For scalable and flexible learning especially in the digital topics.
- **On-the-Job Training (OJT) & Job Rotation:** As seen in case of Internship, Shadowing of experienced Officers, is one of the major approaches in case of practical learning.
- **Mentoring and Coaching:** Assignment of a pair of employees and mentors - mentoring.

3. Alignment to Career Progression:

- **Promotions:** Readiness for above role is determined by the basis of performances and learned skills.
- **Succession Planning :** Key positions are identified and high potential employees are identified (helps to ensure continuity of leadership).
- **Compensation:** Performance-based bonuses and increases in salary is based on the appraisal rating shoring up the "Result-driven" culture.

2.3.7 Performance Appraisal:

City Bank is committed to the culture of the result driven where high performance is recognised and rewarded. We possess the following performance management process objectives:
Reward excellent performances to develop a culture of excellence.

- Provide on-going support for improvement in performance of employees i.e. continuous feedback, coaching, counselling and training.
- Tackle regular non-performance as per the set standards and policies of the organization for performance management.
- At the onset of the appraisal cycle (usually on an annual basis) goals are agreed between the employee and his or her line management, which should be SMART (Specific, Measurable, Achievable, Relevant, Time-bound).
- These goals are taken straight from departmental and overall bank goals, for example, digital adoption goals, sales targets, customer satisfaction scores and operation efficiency measures.
- The first evaluation will be from the direct line manager.

2.4 Marketing Practices

2.4.1 Marketing Strategy

City Bank's marketing strategy is a multi-pronged strategy that is grounded in digital transformation, customer-centricity, and brand differentiation. The basic strategy is to position itself as a modern, innovative and complete "financial supermarket."

- **Digital-First Strategy:** A lot of their marketing emphasis is on promoting the use of digital platforms like Citytouch and the Ekhoni App in order to reduce their operational costs and bring a younger demographic to their content and services.

Figure 16: City Touch app Advertisement

- **Product Diversification:** They sell a huge range of products in the retail, SME and corporate markets, to capture a larger share of the wallet and to be a one-stop-shop.
- **Premium Brand Association:** The one of a kind association with American Express is a strategic marketing tool to attract high net worth individuals and further the prestige of the bank as a brand.

Figure 17: American Express Cards Advertisement

2.4.2 Target Customers, Targeting, and Positioning Strategy

- **Target Customers:**

Retail: Urban and Semi-Urban people, Salaried people, Students, Senior Citizens, NRBs (Non Resident Bangladeshis).
SME: Trade SME's and Manufacturing SME's of Bangladesh.
Corporate: Big local corporation, multinational corporations that work in Bangladesh.
Niche - Affluent customers using American Express portfolio.

- **Targeting Strategy:** They use **differentiated targeting**, creating specific products and campaigns for each segment (e.g., **City Alo** for women entrepreneurs, **Student Loans**, **NITA accounts** for NRBs).
- **Positioning Strategy:** City Bank's strategy is Positioned as "The Bank that makes sense of Money" - A Trustworthy Innovative Customer-friendly Bank makes banking Simple. It is the best of both worlds, trust of a real bank and innovativeness of a tech company.

2.4.3 Marketing Channels

Products & Services

1. **Retail Banking:**
- **Accounts:** Current Accounts, Savings Accounts, Fixed deposit Accounts, Monthly deposit Schemes, Insurance backed DPS, Goal Based DPS, Seniors Savings Account, Student Savings Accounts (School & College Plans), New Born Savings Account, Basic Savings Accounts, Non-Resident Foreign Currency Deposit (NFCD) Accounts, Foreign Currency Accounts (FCY), Resident Foreign Currency Accounts (RFCD) Accounts, Non-Resident Takes Accounts (NITA)

Figure 18: Retail Banking Savings Accounts Advertisement

- **Loans:** Auto Loan, Personal Loan, Home Loan, Student Loan, Secured Facilities
- **Cards:** American Express Cards, Visa Cards, Mastercard Cards, CityGo Chip Cards, UnionPay Gold Debit Card

Figure 19: City Bank Visa Debit Card

2. **Corporate Banking:** American Express Corporate Cards, City Corporate Transactional Account (CCTA), Letter Of Credit, Remittance, Overdraft, Easy Current Account

3. **Digital Banking:** Citytouch (Internet & Mobile Banking), Smart IVR, Ekhoni App, CityQ, Customer Service Portal
4. **SME Banking:** City SME Small Loan, SME cluster loan

2.4.4 New product development and competitive practices

- **Product Development:** City Bank is specialized in Innovation and Market gap analysis.

Examples: Launch of goal-based DPS, Eco savings accounts and the Ekhoni App for instant services. Their ability to be the only Amex issuer is one of the product differentiators.

Figure 20: Ekhoni App Advertisement

- **Competitive Practices:**

Differentiation: Competing on exclusive products (Amex) and superior digital experience rather than just price.

First-Mover Advantage: Aggressively pushing into digital banking and agent banking to capture market share before competitorsCompetitive Practices:

2.4.5 Branding activities

City Bank's branding is founded on the pillars of trust, innovation and social responsibility.

- **Employer Branding:** Branding yourself as a "Best Employer Brand" to help you get top talent.
- **Product Branding:** Strong individual brand names such as Citytouch, and City Alo are established under the master brand's sub-brand equity.

2.4.6 Advertising and Promotion Strategies

- **Traditional Advertising:** Likely uses television and print media to build broad brand awareness, especially for flagship products like Dano milk powder and core banking services.
- **Digital Marketing:**

Social Media: Active social media campaigns - Facebook, LinkedIn, Instagram etc. Banners for digital apps, credit cards, CSR stories - younger audience targeted.

2.4.7 Critical Marketing Issues and Gaps

1. **Awareness-**Action Gap in Digital Marketing As mentioned, the digital services are promoted but the customers are not aware of the full functionality of the services. Marketing campaigns are not transferring entirely into ability to customers.
2. **Segment-Specific Digital Divide:** Their digital push might be successfully reaching urban youth but they might not be able to penetrate the older Demography and Rural Customers which might alienate some of their existing Base.
3. **Intense Competition:** In a market which is out of competition, it is no easy thing to stand out. Competitors such as Eastern Bank and BRAC Bank also invest heavily in digitalisation and customer service that put City Bank into a never-ending and expensive innovation race.

2.5 Financial Performance and Accounting Practices

2.5.1 Finance Performance: (Khan, 2024)

Table 1: Last Five Year Financial Statement

FIVE YEAR PERFORMANCE

Figures in Million Unless Specified

Particulars	2024	2023	2022	2021	2020
	BDT	BDT	BDT	BDT	BDT
Balance Sheet					
Authorized Capital	20,000	20,000	15,000	15,000	15,000
Paid-up Capital	13,471	12,246	12,006	10,672	10,164
Reserve Fund & Surplus	32,347	24,974	20,839	20,552	18,654
Total Shareholders' Equity	45,818	37,220	32,845	31,224	28,818
Bond	11,920	13,635	16,225	11,690	11,600
Deposits	514,204	392,510	331,890	282,064	254,781
CASA (excluding SND) as a percentage of total deposits	45.2%	50.4%	51.2%	45.7%	41.9%
Borrowings	58,572	59,504	82,390	54,895	58,769
Loans and Advances	444,978	396,078	354,774	286,380	268,202
Advance to deposit ratio					
Advance to deposit ratio (including Off Shore Banking Unit)	74.7%	83.7%	83.2%	84.7%	77.7%
Investment to deposit ratio (IDR)	76.8%	72.1%	51.0%	35.1%	29.6%
Debt - Equity Ratio (times)	14.2	13.9	14.4	12.4	12.3
Investments	133,644	73,062	61,105	54,920	46,251
Investment in Government Securities	123,814	63,145	52,745	48,091	42,062
Investment in Government Securities to total investment	92.6%	86.4%	86.3%	87.6%	90.9%
Fixed Assets	10,491	9,829	9,749	6,465	5,920
Earning assets	560,297	478,831	433,969	350,939	327,906
Total Assets	697,349	555,738	506,847	416,902	382,926
Off-Balance Sheet Exposures	233,514	209,349	218,248	228,065	136,338
Income Statement					
Net Interest Income (excluding investment income)	14,490	15,831	12,359	12,048	8,363
Investment Income	16,615	4,713	3,605	2,579	3,438
Non-interest Income	8,431	7,063	8,624	6,776	4,936
Operating Income	39,536	27,606	24,588	21,403	16,737
Operating Expenses	16,483	14,108	12,761	10,403	9,697
Operating Profit (profit before provision and tax)	23,053	13,498	11,827	11,001	7,040
Provision for Loans, Investment and Other assets	5,254	2,817	2,943	2,546	644
Profit Before Tax	17,799	10,681	8,884	8,455	6,395
Profit After Tax	10,851	6,151	4,508	4,743	4,012
BIS Capital Measures*					
Risk Weighted Assets (RWA)	409,301	355,438	360,906	305,194	269,322
Tier I Capital	47,899	39,165	34,708	32,445	29,017
Tier II Capital	17,480	17,008	17,492	10,769	12,800
Total Regulatory Capital (Tier-I and II)	65,379	56,173	52,200	43,213	41,817
Tier I Capital Ratio	11.7%	11.0%	9.6%	10.6%	10.8%
Tier II Capital Ratio	4.3%	4.8%	4.8%	3.5%	4.8%
Capital to Risk-weighted Assets Ratio (CRAR)	16.0%	15.8%	14.5%	14.2%	15.5%
RWA to Total Assets	58.7%	64.0%	71.2%	73.2%	70.3%
Credit Quality					
Non Performing/classified Loans (NPLs)	16,569	14,385	13,672	13,906	10,850
Percentage of NPL over Total Loans and Advances	3.7%	3.6%	3.9%	4.9%	4.0%
Provision for Unclassified Loans	8,796	7,656	6,911	4,973	5,159
Provision for Classified Loans	7,246	6,233	5,451	5,602	3,933
Provision for Off-balance Sheet Exposure	1,652	1,952	1,952	1,952	1,202

Particulars	2024 BDT	2023 BDT	2022 BDT	2021 BDT	2020 BDT
Foreign Exchange Business					
Export	385,590	276,649	272,920	189,986	121,477
Import	433,001	287,299	467,213	341,339	182,163
Bank Guarantee	23,843	12,366	32,391	32,353	9,307
Remittance	131,978	102,371	129,702	69,910	51,579
Efficiency/Productivity Ratio					
Return on Average Equity (ROE)	26.1%	17.6%	14.1%	15.8%	14.8%
Return on Average Assets (ROA)	1.7%	1.2%	1.0%	1.2%	1.1%
Cost to Income Ratio	41.7%	51.1%	51.9%	48.6%	57.9%
Yield on Advance based on average EOD balance	9.8%	8.0%	6.9%	6.6%	7.5%
Cost of Deposit based on average EOD balance	4.8%	3.5%	3.2%	2.6%	4.6%
Net Interest Margin Ratio	5.0%	4.5%	3.7%	4.0%	2.9%
Cash Reserve Ratio (CRR)-at the close of the year					
Required reserve	20,696	16,006	14,587	11,886	11,790
Actual reserve maintained	21,430	16,343	21,897	18,293	14,559
Surplus	734	337	7,310	6,407	2,768
Statutory Liquidity Ratio (SLR)-at the close of the year					
Required reserve	66,061	49,772	47,069	38,205	38,741
Actual reserve maintained	135,431	73,005	69,148	62,442	51,333
Surplus	69,369	23,233	22,079	24,237	12,592
Current Ratio (Times)	0.8	0.8	0.9	0.9	0.9
Operating Profit per Employee	4.3	2.7	2.4	2.4	1.6
Operating Profit per Branch	172.0	100.7	88.9	83.3	53.3
Share Information					
No of Shares Outstanding (in million)	1,347.1	1,224.6	1,200.6	1,067.2	1,016.4
Operating Profit per Share (BDT)	17.1	11.0	9.9	10.3	6.9
Earnings Per Share (BDT) (earlier year not adjusted to stock dividend)	8.1	5.0	3.8	4.4	3.9
Market price per share (BDT) as on close of the year (DSE)	22.4	21.4	21.8	27.3	24.8
Market Capitalization	30,175	26,207	26,173	29,135	25,206
Price Earning Ratio (Times)	2.8	4.3	5.8	6.1	6.3
Net Assets Value Per Share (BDT) (earlier year not adjusted to stock dividend)	34.0	30.4	27.4	29.3	28.4
Dividend Cover Ratio (EPS/DPS)	322.2%	200.9%	312.9%	177.8%	175.4%
Total Dividend**	25%	25.0%	12.0%	25.0%	22.5%
Cash Dividend	12.5%	15.0%	10.0%	12.5%	17.5%
Stock Dividend	12.5%	10.0%	2.0%	12.5%	5.0%
Dividend per share (DPS) in BDT	2.5	2.5	1.2	2.5	2.3
Dividend payout ratio (DPS/EPS)	31.0%	49.8%	32.0%	56.3%	57.0%
Distribution Network					
Number of Branches	123	123	122	121	121
Number of SME Center & Agri Branches	11	11	11	11	11
Number of Sub-Branches	52	40	12	11	-
Number of SME-S Units	232	220	212	106	96
Number of Agent Outlets	480	535	690	1,183	1,411
Number of Priority Center	7	7	7	7	7
Number of ATMs & RATMS	453	415	351	338	311
Number of Employees	5,321	4,963	4,866	4,539	4,356
Number of Foreign Correspondents	462	474	486	479	469

City Bank has shown a notable growth in 2020 in terms of total shareholders equity(BDT 28518 million- BDT 45818 million in 2024). The deposits have increased nearly double, the loans and the total asset has shown good expansion of the business. Whereas the net interest income grew from BDT 8,363 million to BDT 14,490 million and the non-interest income increased from

BDT 4,936 million to BDT 8,431 million regardless of a decline in income of investment from 2023 to 2024. Operating expense increased due to network expansion and inflation, however the amount of revenue increased as much as the id of operating and operating profit increased from BDT 8,104 million to BDT 14,523 million. The Profit before tax increased from BDT 6,945 million to BDT 11,799 million with Profit after tax increasing from BDT 4,608 million to BDT 8,586 million. In addition the BIS Capital Measures reveals an improvement in capital stability, the capital to risk weighted assets ratio increased from 13.6% to 16.8% of which is more than the regulatory requirements and reflects sound risk management practices.

City Bank has achieved significant growth in the year 2020-24 with respect to shareholders equity i.e. from BDT 28,518 million to BDT 45,818 million. Deposits almost doubled and there are significant increases in loans and total assets. Net interest income grew from BDT 8,363 million to BDT 14,490 million and non-interest income grew from BDT 4,936 million to BDT 8,431 million despite decline of investment income. Operating expense rose consequent to the growth of the network, and inflation had but operating revenue grew in synchrony with the expenses and hence the profits from operation rose from BDT 8,104 million to BDT 14,523 million. Profit before tax increased from BDT 6,945 million to BDT 11,799 million and that profit after tax has gone from BDT 4,608 million to BDT 8,586 million. In addition, the BIS Capital Measures show increased stability of capital with the capital to risk-weighted assets ratio increasing from 13.6% to 16.8%, which is above the regulatory requirements and reflects sound risk management practices.

2.5.2 Financial Ratio Analysis (Khan, 2024)

Table 2: Financial Ratio Analysis

Financial Ratio

Figures in BDT mn unless specified

Particulars	2024	2023	2022	2021	2020
A) Profitability Ratio					
Net Income Ratio (%)	15.5%	13.5%	11.9%	15.8%	12.7%
Net Interest Margin (NIM) Ratio	5.0%	4.5%	4.3%	4.5%	3.7%
Cost of Fund (without admin expenses)	5.9%	3.9%	3.2%	2.6%	4.6%
Cost to Income ratio (%)	41.7%	51.1%	51.9%	48.6%	57.9%
Price Earnings Ratio (times)	2.8	4.3	5.8	6.1	6.3
Return on Capital Employed					
Return on Capital Employed (ROCE) (%)	6.8%	4.9%	4.6%	4.9%	4.6%
Return on Average Equity (ROE) (%)	26.1%	17.6%	14.1%	15.8%	14.8%
Return on Average Assets (ROA) (%)	1.7%	1.2%	1.0%	1.2%	1.1%
Dividend Cover Ratio	322.2%	200.9%	312.9%	177.8%	175.4%
Dividend Payout Ratio	31.0%	49.8%	32.0%	56.3%	57.0%
Return on Investment (ROI)	15.7%	7.1%	6.4%	5.3%	8.3%
B) Liquidity Ratios					
Credit to deposit ratio					
Advance to deposit ratio (including Off Shore Banking Unit)	74.7%	83.7%	83.2%	84.7%	77.7%
Investment to deposit ratio (IDR)	76.8%	72.1%	51.0%	35.1%	29.6%
Liquidity Coverage Ratio (LCR)	194.0%	174.6%	220.1%	151.1%	173.5%
Net Stable Funding Ratio (NSFR)	108.5%	106.5%	103.1%	106.9%	104.6%
Cash Reserve Ratio (CRR)					
Required reserve	20,696	16,006	14,587	11,886	11,790
Actual reserve maintained	21,430	16,343	21,897	18,293	14,559
Surplus	734	337	7,310	6,407	2,768
Statutory Liquidity Ratio (SLR)					
Required reserve	66,061	49,772	47,069	38,205	38,741
Actual reserve maintained	135,431	73,005	69,148	62,442	51,333
Surplus	69,369	23,233	22,079	24,237	12,592
C) Solvency Ratios					
Debt Equity Ratio					
Debt Equity Ratio (Times)	14.2	13.9	14.4	12.4	12.3
Investment to Total Deposit Ratio (%)	26.0%	18.6%	18.4%	19.5%	18.2%
Net Asset Value (NAV) per Share (Taka)	34.0	30.4	27.4	29.3	28.4
Capital Adequacy Ratio					
Tier I Capital Ratio (%)	11.7%	11.0%	9.6%	10.6%	10.8%
Tier II Capital Ratio (%)	4.3%	4.8%	4.8%	3.5%	4.8%
Total Capital Adequacy Ratio (Basel-III/II)(%)	16.0%	15.8%	14.5%	14.2%	15.5%
Leverage Ratio (%)	5.8%	5.7%	5.3%	5.6%	6.1%
Credit Quality					
Provision coverage ratio (%)	106.8%	110.1%	104.7%	90.1%	94.9%
Gross NPL ratio (%)	3.7%	3.6%	3.9%	4.9%	4.0%
Net NPL ratio (%)	1.4%	1.4%	1.7%	2.2%	2.0%

Net Income Ratio has improved from 12.7% (2020) to 15.5% (2024) resulting in increase in revenue and cost management which contributed to better profitability. The Net Interest Margin increased to 5.0% in 2024 and the Cost of Fund reduced to 4.3%. Cost to Income Ratio came down from 57.9% to 41.7% indicating improved operational efficiency as a result of digitalization. Key Metrics Reflect Additional Improvements ROCE 6,8% ROE 26,1% ROA 1,7% Advance to Deposits Ratio was 74,7%, investment ratios were active with liquidity. The ratios of LCR and NSFR were higher than required by the regulations and indicated good liquidity. Debt/Equity Ratio was increasing with a lot of but safe leverage (14.2) The CRAR stood at 16.8% which is above the requirements of Basel, and Provision Coverage Ratio stood at 106.8% which signifies a strong asset quality. To conclude it all in a nutshell, the financial improvements in the bank in 2024 were quite significant.

2.5.3 Horizontal Analysis Trend (Balance Sheet) (Khan, 2024)

Table 3: Horizontal Analysis Trend

HORIZONTAL ANALYSIS

Balance Sheet as on December 31 (for last five years)

Particulars	2024		2023		2022		2021		2020	
	BDT 'M	Mix (%)	BDT 'M	Mix (%)	BDT 'M	Mix (%)	BDT 'M	Mix (%)	BDT 'M	Mix (%)
Property and Assets										
Cash in hand Balance with Bangladesh Bank and its agent bank (s)	33,029	47.4%	26,086	16.4%	32,023	42.9%	30,224	34.9%	22,404	100.0%
Balance with other banks and financial institutions	38,929	44.1%	25,235	(6.6%)	32,725	21.1%	22,794	(15.6%)	27,023	100.0%
Money at call and short notice	3,775	100.0%	-	0.0%	-	0.0%	-	0.0%	-	100.0%
Investments	133,644	189.0%	73,062	58.0%	61,105	32.1%	54,920	18.7%	46,251	100.0%
Loans and advances/ investments	444,978	65.9%	396,078	47.7%	354,774	32.3%	286,380	6.8%	268,202	100.0%
Fixed assets including premises, furniture and fixtures	10,491	77.2%	9,829	66.0%	9,749	64.7%	6,465	9.2%	5,920	100.0%
Other assets	31,927	165.1%	24,814	106.0%	15,808	31.3%	15,335	27.3%	12,043	100.0%
Non-banking assets	576	(46.8%)	635	(41.4%)	663	(38.8%)	784	(27.6%)	1,082	100.0%
Total assets	**697,349**	**82.1%**	**555,738**	**45.1%**	**506,847**	**32.4%**	**416,902**	**8.9%**	**382,926**	**100.0%**
Liabilities and Equity										
Liabilities										
Bonds	11,920	2.8%	13,635	17.5%	16,225	39.9%	11,690	0.8%	11,600	100.0%
Borrowings from other Bank Financial Institutions and Agents	26,063	2.8%	17,622	(30.5%)	34,797	37.3%	21,381	(15.6%)	25,343	100.0%
Borrowings from central bank & government agencies	32,509	(2.7%)	41,882	25.3%	47,593	42.4%	33,515	0.3%	33,426	100.0%
Deposits and other accounts	514,204	101.8%	392,510	54.1%	331,890	30.3%	282,064	10.7%	254,781	100.0%
Other liabilities	66,835	130.8%	52,868	82.6%	43,496	50.2%	37,029	27.9%	28,957	100.0%
Total liabilities	**651,531**	**84.0%**	**518,518**	**46.4%**	**474,002**	**33.9%**	**385,678**	**8.9%**	**354,107**	**100.0%**
Capital/shareholders' equity										
Paid up capital	13,471	32.5%	12,246	20.5%	12,006	18.1%	10,672	5.0%	10,164	100.0%
Statutory reserve	11,966	38.2%	10,742	24.0%	10,502	21.3%	9,168	5.9%	8,659	100.0%
Share premium	1,504	0.0%	1,504	0.0%	1,504	0.0%	1,504	0.0%	1,504	100.0%
Dividend equalization reserve	531	0.0%	531	0.0%	531	0.0%	531	0.0%	531	100.0%
Other reserve	1,197	(35.7%)	852	(54.2%)	1,014	(45.5%)	1,663	(10.6%)	1,861	100.0%
Surplus in profit and loss account	17,149	181.2%	11,346	86.0%	7,288	19.5%	7,687	26.0%	6,099	100.0%
Total shareholders' equity	**45,818**	**59.0%**	**37,220**	**29.2%**	**32,845**	**14.0%**	**31,224**	**8.3%**	**28,818**	**100.0%**
Total liabilities and shareholders' equity	**697,349**	**82.1%**	**555,738**	**45.1%**	**506,847**	**32.4%**	**416,902**	**8.9%**	**382,926**	**100.0%**
Total off-balance sheet items	**233,514**	**71.3%**	**209,349**	**53.6%**	**218,248**	**60.1%**	**228,065**	**67.3%**	**136,338**	**100.0%**

Interest income increased greatly to bdts 45,008M in 2024 against BDT 23,134M in 2020 which reflect the increase of lending and investment. Net interest income continued to increase as lending revenue had exceeded funding costs that is a measure of efficient banking operations. Non-interest income had increased by BDT 16,872M to BDT 25,046M as a result of increased fee services, foreign exchange activities. Total operating income more than doubled reflecting business expansion in spite of the increase in operating expenses related to branch growth and digital services. Profit before taxes are increased substantially along with increased provisions suggesting that it is managing its risks well. Net profit after tax increased from BDT 4012M to BDT 10851M, which was according to the efficiency improvements. Total assets was skycapped from BDT 382,926M to BDT 697,349M backed by cash and investments and diversification of loans. Liabilities i.e. deposits and borrowings have increased - reflect confidence in customers. Shareholders equity almost doubled, in order to grow the capital retention to build for future growth.

2.5.4 Vertical Analysis Trend (Khan, 2024)

Table 4: Vertical Analysis Trend

VERTICAL ANALYSIS

Balance Sheet as on December 31 (for last five years)

Particulars	2024		2023		2022		2021		2020	
	BDT 'M	Mix (%)	BDT 'M	Mix (%)	BDT 'M	Mix (%)	BDT 'M	Mix (%)	BDT 'M	Mix (%)
Property and Assets										
Cash in hand Balance with Bangladesh Bank and its agent bank (s)	33,029	4.7%	26,086	4.7%	32,023	6.3%	30,224	7.2%	22,404	5.9%
Balance with other banks and financial institutions	38,929	5.6%	25,235	4.5%	32,725	6.5%	22,794	5.5%	27,023	7.1%
Money at call and short notice	3,775	0.5%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Investments	133,644	19.2%	73,062	13.1%	61,105	12.1%	54,920	13.2%	46,251	12.1%
Loans and advances/ investments	444,978	63.8%	396,078	71.3%	354,774	70.0%	286,380	68.7%	268,202	70.0%
Fixed assets including premises, furniture and fixtures	10,491	1.5%	9,829	1.8%	9,749	1.9%	6,465	1.6%	5,920	1.5%
Other assets	31,927	4.6%	24,814	4.5%	15,808	3.1%	15,335	3.7%	12,043	3.1%
Non-banking assets	576	0.1%	635	0.1%	663	0.1%	784	0.2%	1,082	0.3%
Total assets	**697,349**	**100.0%**	**555,738**	**100.0%**	**506,847**	**100.0%**	**416,902**	**100.0%**	**382,926**	**100.0%**
Liabilities and Equity										
Liabilities										
Bonds	11,920	1.7%	13,635	2.5%	16,225	3.2%	11,690	2.8%	11,600	3.0%
Borrowings from other Bank Financial Institutions and Agents	26,063	3.7%	17,622	3.2%	34,797	6.9%	21,381	5.1%	25,343	6.6%
Borrowings from central bank & government agencies	32,509	4.7%	41,882	7.5%	47,593	9.4%	33,515	8.0%	33,426	8.7%
Deposits and other accounts	514,204	73.7%	392,510	70.6%	331,890	65.5%	282,064	67.7%	254,781	66.5%
Other liabilities	66,835	9.6%	52,868	9.5%	43,496	8.6%	37,029	8.9%	28,957	7.6%
Total liabilities	**651,531**	**93.4%**	**518,518**	**93.3%**	**474,002**	**93.5%**	**385,678**	**92.5%**	**354,107**	**92.5%**
Capital/shareholders' equity										
Paid up capital	13,471	1.9%	12,246	2.2%	12,006	2.4%	10,672	2.6%	10,164	2.7%
Statutory reserve	11,966	1.7%	10,742	1.9%	10,502	2.1%	9,168	2.2%	8,659	2.3%
Share premium	1,504	0.2%	1,504	0.3%	1,504	0.3%	1,504	0.4%	1,504	0.4%
Dividend equalization reserve	531	0.1%	531	0.1%	531	0.1%	531	0.1%	531	0.1%
Other reserve	1,197	0.2%	852	0.2%	1,014	0.2%	1,663	0.4%	1,861	0.5%
Surplus in profit and loss account	17,149	2.5%	11,346	2.0%	7,288	1.4%	7,687	1.8%	6,099	1.6%
Total shareholders' equity	**45,818**	**6.6%**	**37,220**	**6.7%**	**32,845**	**6.5%**	**31,224**	**7.5%**	**28,818**	**7.5%**
Total liabilities and shareholders' equity	697,349	100.0%	555,738	100.0%	506,847	100.0%	416,902	100.0%	382,926	100.0%
Total off-balance sheet items	**233,514**	**33.5%**	**209,349**	**37.7%**	**218,248**	**43.1%**	**228,065**	**54.7%**	**136,338**	**35.6%**

VERTICAL ANALYSIS

Profit and Loss Account for the period ended December 31 (for last five years)

Particulars	2024		2023		2022		2021		2020	
	BDT 'M	Mix (%)	BDT 'M	Mix (%)	BDT 'M	Mix (%)	BDT 'M	Mix (%)	BDT 'M	Mix (%)
Interest income/profit on investments	45,008	64.2%	33,790	74.2%	25,557	67.6%	20,725	68.9%	23,134	73.4%
Interest paid/profit shared on deposits and borrowings etc.	30,518	43.6%	17,959	39.4%	13,198	34.9%	8,678	28.8%	14,771	46.9%
Net interest income/profit on investments	**14,490**	**20.7%**	**15,831**	**34.7%**	**12,359**	**32.7%**	**12,048**	**40.1%**	**8,363**	**26.5%**
Non-interest income	25,046	35.8%	11,775	25.8%	12,229	32.4%	9,355	31.1%	8,374	26.6%
Total operating income	**39,536**	**56.4%**	**27,606**	**60.6%**	**24,588**	**65.1%**	**21,403**	**71.2%**	**16,737**	**53.1%**
Total operating expense	16,483	23.5%	14,108	31.0%	12,761	33.8%	10,403	34.6%	9,697	30.8%
Profit before provision	**23,053**	**32.9%**	**13,498**	**29.6%**	**11,827**	**31.3%**	**11,001**	**36.6%**	**7,040**	**22.3%**
Provision for loans and advances/investments	4,616	6.6%	2,568	5.6%	2,943	7.8%	1,796	6.0%	384	1.2%
Provision for off-balance sheet exposures	-	0.0%	-	0.0%	-	0.0%	750	2.5%	170	0.5%
Provision for others	638	0.9%	250	0.5%	0	0.0%	-	0.0%	89	0.3%
Total provision	**5,254**	**7.5%**	**2,817**	**6.2%**	**2,943**	**7.8%**	**2,546**	**8.5%**	**644**	**2.0%**
Total profit before taxes	**17,799**	**25.4%**	**10,681**	**23.4%**	**8,884**	**23.5%**	**8,455**	**28.1%**	**6,395**	**20.3%**
Total Provision for taxation	6,948	9.9%	4,529	9.9%	4,377	11.6%	3,712	12.3%	2,383	7.6%
Net profit after tax	**10,851**	**15.5%**	**6,151**	**13.5%**	**4,508**	**11.9%**	**4,743**	**15.8%**	**4,012**	**12.7%**

Loans and advances is the largest assets category when compared to other asset categories being the 57% - 72% of assets thus reflecting that lending is the biggest business concern. The investments of banks rose to 19.2 percent in 2024 compared to 12.1 percent 2020 which is diversification in the amount of government securities in an attempt to make the income more stable and to reduce the risk. Cash reserves were kept at level of 5-7% and assure liquidity and comply with regulations. The deposits increased from 66.5% in 2020 to 73.7% in 2024 signifying rising confidence of customers with other borrowings adding to 4-7% for liquidity support. Liabilities were stable 6 - 10% - controlled growth. Shareholder's equity has increased slightly percentage wise while total equity got increased which is an indication for satisfactory profit retention and capital position and good profit surplus and reserves due to their consistent profitability and prudent management.

Du-Pont FrameWork:

DuPont analysis is a tool that considers the return on equity (ROE) in a detailed way, taking into consideration such important elements as tax burden, asset turnover and financial leverage. This analysis provides an insight about the extent to which the company, in this case City Bank, makes use of its resources and capital to generate returns for its shareholders, which will guide the management to make decisions which are dealing with the capital structure. The framework focuses on metrics which have an impact on ROE and this helps to provide clarity on the performance of the bank as well as what are its strengths and opportunities?(Khan, 2024)

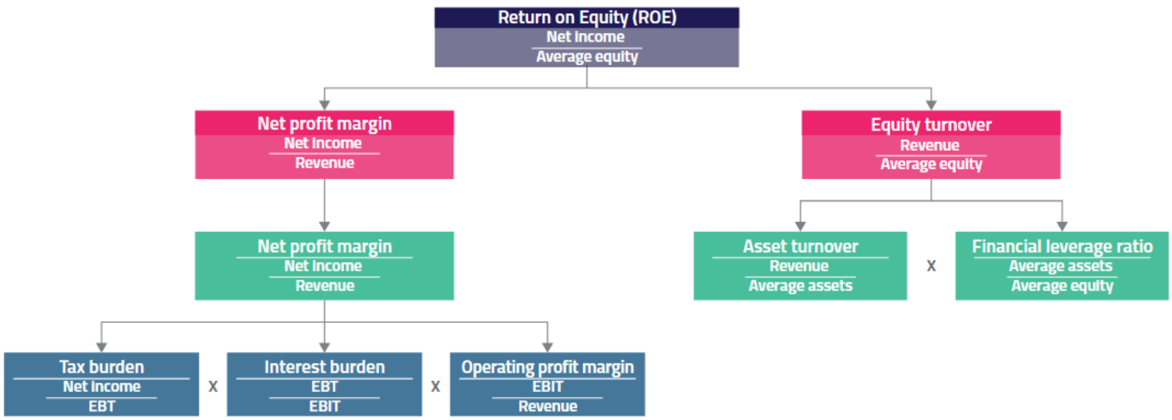

Figure 21: Du Pont Formula

Table 5: Du- Pont Calculation

The key calculations for City Bank 5 –step DuPont equation

Metric	2024	2023
Return on Equity (ROE) (%)	26.1%	17.6%
Return on Asset (ROA) (%)	1.7%	1.2%
Net Profit Margin (%)	15.5%	13.5%
Operating Profit Margin (%)	32.9%	29.6%
Tax Effect (%)	61.0%	57.6%
Effect of Non-operating item (%)	77.2%	79.1%
Total Asset Turnover (Times)	0.11	0.09
Financial Leverage (Times)	15.09	15.17

Net Profit Margin of City Bank in 2024 is up to 15.5% vs 13.5% a good conversion of revenue to profit Operating profit margin increased from 29.6% and was 32.9% which implies better expenses management and working. The impact of 2024 on the tax is estimated to be 61.0% from 57.6% by better tax optimization. The impact of the non-operating things scaled down slightly to 77.2% versus 79.1% -suggesting less extraordinary impacts. Total Asset Turnover got better to 0.11 as compared to 0.09 which shows Growth in Asset Usage. Financial leverage is at 15.09 down from 15.17 Normal Risk Levels Funding structure primarily consists of equity.

Main Highlights of DuPont analysis:

1. Return on Equity (ROE) has drastically improved from 17.6 - 26.1% mainly resulting from a combination of improvement in both profit margins and asset utilisation.
2. Net Profit Margin increased to 15.5% in 2024 as compared to 13.6% in 2023 - reflecting better profitability as a result of increased net investment income and cost efficiency.
3. Asset Turnover: It has improved 0.11 from 0.09 where it indicates the better efficiency in relation to assets to bases of revenue.
4. Return on Asset (ROA) increased from 1.2% to 1.7% which support with better profitability , asset utilization (Khan, 2024)

2.5.5 Accounting Practices:

1. Main Accounting Principles (Compliance with IFRS)

City Bank PLC strictly follows the Accrual System of accounting, and deals with the Bangladesh Financial Reporting Standards (BFRS) which are converged with the International Financial Reporting Standards (IFRS), and also the individual directives of Bangladesh Bank.

Evidence of presence of Accrual Accounting :

- **Provision for Loans and Assets:** The regular reporting of "Provision for Loans, Investment and Other assets" is clear indication that income and expenses are reported when incurred and does not get cleared when cash is exchanged. This is an integral part of accrual accounting as the thought is potential losses are recognized beforehand.
- **Bangladesh Financial Reporting Standards BFRS:** Recognition and disclosure of NPLs and specially given for them, indicates that the bank shows their credit losses on an accrual basis and expected loss basis as per IFRS9.
- **IFRS 9:** Recognition and Measurement of Financial Assets / Liabilities, Impairment (Expected Credit Loss Model) and Hedge Accounting - are used. This gets reflected in the treatment of Non-Performing Loans (NPLs) and provisioning (IFRS - IFS 9 Financial Instruments, n.d.).
- **Off-Balance Sheet Items:** The reporting of "Off-Balance Sheet Exposures" (like Bank Guarantees) exhibit the accounting for contingent liabilities and commitments which is an accruals concept.
- **Complete Accounting Cycle:** Presentation of Balance Sheet, Income Statement and notes in a structured manner is a check for the norms of presentation and disclosure as per the IFRS norms are followed.

IFRS is manual scheduling of score keeping in a game. It does the counting of points (profits, assets, liabilities) the same way everyone can make the comparisons. Basel is the security measure of the players. City Bank realizes the non performing loan or NPL and makes a loss provision in loan amounting BDT 1 million which reduces their profit in income statement. The same NPL will have increased risk weight (e.g. 150% by Basel rules). This has an addition to Risk weighted assets of the bank (RWA). The bank needs to have more capital in relation to such riskier assets for maintaining its Capital Adequacy Ratio (CAR). The existing collection of international capital regulation standards required by Bangladesh bank is BaselIII. Basel I as well as Basel II are presently in phases, Basel III has taken guidance as well as implementation (more so as a result of the 2008 crisis) (Basel III: A Global Regulatory Framework for More Resilient Banks and Banking Systems - Revised Version June 2011, 2011. The current Universal Standard of the monetary accounting is IFRS. They do not call Basel as IFRS as they would be ascribing a football set of rules to score in basketball. They are a distinctive implementation of distinctive tasks, and good banks like the City Bank should be in a position to fulfill them each at the same time.(IFRS - IFRS 9 Financial Instruments, n.d.)

2. The Accounting Cycle

It is evident that City Bank does a total and systematic accounting cycle. This is confirmed by the structured presentation of the Balance Sheet, Income Statement and key ratios for 5 years.

Steps Evidenced:

- **Recording Transactions:** The such line item details (e.g. specific kind of deposits, investments and expenses) and point to meticulous recording of journal entries.
- **Posting to Ledger & Trial Balance:** The consistency and reliability of data from year to year is an indication of a firm discipline with preparation of ledger and trial balance.
- **Financial Statement Preparation:** The standardized format of Balance Sheet and Income Statement parts of the financial report exposes a strict process of the final report.
- **Closing Entries:** Although they are not included in statements the fact that we are starting each year with a new beginning is implied in the annual reporting.

2.6 Operations Management and Information System Practices

2.6.1 Application of Information systems in Data Collection, Storage, Processing and Sharing

City Bank has an apparently complicated ecology of information systems for managing its basic operations. The architecture is built based on a central Core Banking Solution (CBS) which is the single source of truth for all the transactional and customer data.

- **Collecting Data:**

Customer Onboarding: The customer onboarding process was observed during the internship where the procedure of collecting Know Your Customer documents and other information of their customers are observed where data of customers is inputted directly in the system.

- **Transaction Channels:**

ATMs & RATMs: Withdrawal & Deposits Cash

Digital Platform: Citytouch (Internet Banking) Ekhoni App (Mobile Banking) CityQ

Card Transactions: Visa and Mastercard, American Express Transaction.

- **Storing and Processing Data:**

Centralized Database: All the data collected through the above channels are stored in the central database in the CBS at a safe place. That way it is possible to have a unified view of customers.

Processing for Decision-Making The processed data is used to generate day-to-day transaction reports, calculate risk-weighted assets (RWA), to conform to Basel III regulations, assess credit score for loans and also triggers the anti-fraud algorithms.

- **Sharing information with Stakeholder:**

Clients:

Direct Sharing: Allows customers to access the information in real-time through Citytouch and the Ekhoni App (account statements and transaction history, investment details)

Automated Alerts SMS and emails notations for transactions which is a direct information push from the bank's system to the client.

- **Stakeholders (Regulators, Investors):**

Regulatory Reporting: Regulatory Report is also automatically generated for Bangladesh Bank - liquidity (CRR, SLR), capital adequacy (CRAR), foreign exchange transaction.

Investor Relations-Financial data is processed and published in Annual Reports and on the website of the bank and thereby provides transparency about it to the shareholders and the potential investors.

2.6.2 Use of Office Management Software:

- **Office Management Software:**

Enterprise Resource Planning (ERP): Efficiency Function Internal For e.g: Human Asset Management.

Collaboration Tools Without a doubt, software such as Microsoft Office 365 (Outlook, Resources (HRMS for Payroll and Employee Records), Procurement and Fixed Teams, SharePoint) are being used for internal communication, providing document sharing, and managing workflows in order to create the backbone for the organization's digital workplace.

2.6.3. Quality Management Practices

- **Standardization:** Tight standardization and inventories to standardized processes in critical operations like account opening, loan disbursement and foreign exchange transactions in order to ensure standardization and minimize rate of errors.
- **Compliance and Audit:** There is a very sound internal audit department who continuously monitor the process to ensure keeping the standards of internal quality as well as requirements of external regulation (Bangladesh Bank). The "Document Verification & Filing" task on which the intern worked was directly related to "audit readiness" which was tremendously important as a quality control activity.

2.6.4. Scheduling, Resource Allocation, and Operations Management Operations Management:

- **Branch Operations:** Branch layout with "designated zones" and segregation of duties (Cash, Accounts, Credit sections) is a classical example of operations management for optimisation of flow of operations and controlling it.
- **Efficiency Metrics:** The bank are paying a lot of attention to measure the efficiency of various parameters Cost to Income Ratio, Profit per Employee (from the financial data). These are essential performance indicators (KPIs) of operations management, and decision drivers to get better productivity and effectiveness in costs.
- **Challenge:** Internship observation "manual processes" causing delays to an area in operations management that sub-optimal should more automation provide abundant efficiency gains.

2.7 Industry and Competitive Analysis

2.7.1 Porter's Five Forces Model:

The banking and finance sector plays a crucial role in the economy of Bangladesh with roles in financial intermediation, capital and risk management. Regulated by Bangladesh Bank it has 62 competitive scheduled banks. City Bank uses Porter's five forces model to study competitive forces which are threat of new entrants, bargaining power of supplier and buyers, threat of substitutes and intensity of rivalry. This analysis aids in identifying strategic challenges and opportunities which have impact on the bank's growth strategies as they are influenced by technological developments, regulations, customers expectations etc.

Threat of New Entrants:

- **Barriers to entry:** Entering the banking and finance sector has its own set of challenges as the sector is expected to have high capital requirements and fierce competition against the established players.
- **Government policies and regulations**:Due to the critical importance of the banking sector, the banking in Bangladesh is highly regulated and the banks are under the control of Bangladesh Bank. They need to comply with rigorous and often evolving regulation requirements that result in huge barriers against potential new entrants.
- **City Bank response:** City Bank is a big name private commercial bank having good brand and constant performance. It has an extensive branch-network that helps the business in increasing origination and support. Also in addition, the bank has a diverse

and growing customer base which is exemplified by the large influx of depositors in 2024.

Bargaining Power of Suppliers:

- **Supplier concentration-** Supplier concentration points out that banks are highly dependent on deposit from customers, mostly current and savings accounts (Casa) which is a low cost funding source. The competition between banks for these deposits provides more scope for volatility with customers having the option to easily transfer their money and reduce the bargaining power of banks.
- **Substitute inputs:** Low switching costs of depositors results in high competition among the banks for funds, where the customers can easily switch their deposits to the bank to those having better interest rates or services. This high substitutability of the deposits in banks, along with the need for banks to hold huge capital for operating their business leads to the unpredictable supply of deposits by the customers.
- **Regulations:** Banks in Bangladesh are highly regulated by Bangladesh Bank, which is responsible for supervising their activities and efforts as a result which affects the interest rates by policy rates, so the freedom of banks to take actions on terms and conditions when dealing with their customers.
- **City Bank's response** The bank enjoys a diversified depositors base having CASA ratio of 45.2% and it retains the customer by offering uniqueness in the products supported by quality service. It is committed to financial inclusion and this includes bringing unbanked and underbanked people successfully into the mainstream of finance by digital banking and other efforts.

Bargaining Power of Buyers:

- **Buyer concentration:** Corporate clients and businesses that take major loans have marked bargaining power over the banks as the loss of these clients means a great loss of revenue for banks.
- **Price sensitivity:** Small changes in interest rates or fees have a significant effect on borrowers' decisions as high price sensitivity helps the customer's influence on the rate of and fee charged by banks.
- **Product differentiation:** Financial products and services provided by banks are generally similar in nature in terms of interest rates and fees, which is easy for the borrower to switch to another bank. This lack of differentiation enhances the bargaining power of the customers as they can shift their accounts and business with very little cost incurred and benefit from the competition between banks.
- **City Bank's response:** We have our relationship banking approach in order to retain and gain business with our major customers. We are also looking for additional revenue from fee-based and non-funded sources, to grow into sectors such as retail, supply chain finance and SMEs. Additionally we also plan to reduce the cost of credit by managing high cost deposits and increasing no or low cost accounts.

Threat of Substitutes:

- **Availability of substitutes :** Many banking options are available to customers so that they can move to another bank if dissatisfied with the current banking system and this brings increased competition in the industry.
- **Threat from non-financial institutions:** Threat from the non-financial institutions offering EMI services for retail products such as car, home appliances etc. and this could lead to disintermediation of the banks.
- **Relative price and performance of substitutes:** The interest rates are usually similar between the banks making customer experience and service quality important as differentiators. Institutions which perform well in customer service and efficiency may retain customer loyalty, in spite of the existence of other, non-discriminatory, alternatives with similar prices.
- **City Bank's response:** The bank has positioned itself in the respect of providing differentiated customer service linked to the KPIs for employees where there is focus on continuous training on product knowledge and customer management with the intention of improving service standards and retaining customers. It has taken a foothold on a strong digitization approach with innovative products with a focus on convenience like the Citytouch app for day-to-day banking dealings.

Competitive rivalry:

- **Large number of competitors:** In Bangladesh, the competitive environment is dominated by the multiplicity of private and public commercial banks, who are all offering varying range of services in the country and thus increasing competition among them.
- **Industry growth rate:** The banking industry has witnessed a growth rate in the number of bank account holders every year, which has been made possible due to the formation of new banks which are providing mobile service to bank account holders through digital apps.
- **Product differentiation** : In an industry of competition in banking services, it is limited but very basic for survival. The rising demand for easy-to-use service, 24*7 customer service and Online transactions require Banks to change all the time. Failure to present safe and advanced technological services may result in attrition of customers in favour of more agile competitors.
- **City Bank's response:** We have set up strategies in order to maintain the existing customers while acquiring new customers and this is backed up by a strong track record, secured brand image and continuous innovation. Our strong technology roadmap for improved online banking services and financial inclusion. We use our country-wide physical infrastructure to reach the unbanked people and make the process of opening an account through very little paperwork through e-KYC.

2.7.2 SWOT Analysis:

City Bank's strategy in business has four pillars: business, technology, people and sustainability. These pillars are used to lead the bank to goals to achieve its strategic goals in different time frames. After a SWOT analysis within the bank performed in 2024, the bank's management reiterated these strategic themes as priorities in order to ensure the bank remained as strong position in the face of a challenging macroeconomic backdrop.(Khan, 2024)

1. **STRENGTHS:**
- Unique positioning as a financial services supermarket with the means to satisfy a wide variety of customer needs.
- Automated and high-tech systems and processes.
- Easy to operate app (Citytouch) and internet banking system.
- Pioneering Digital Banking Strategy Carrying Innovation And Customer Experience.
- Strong Remittances Business and growing market share.

2. **WEAKNESSES:**
- Poor macro-environment leading to potential defaults.
- Roughly speaking Low diversification and high competitive intensity.
- Inflationary environment causes regular policy rate reset.

3. **OPPORTUNITIES:**
- Boost the culture of the customer relationship.
- Enhance our attempts at digitalisation as a means of increasing financial inclusion.
- Attract new customers by selling special offers etc.
- Expand the product mix on the asset and liability side.
- More distinctly discriminate our product offering.

4. **THREATS:**
- Uncertain Market Situation.
- Growing competitive set with new possible entrants including FinTech.
- Technology disruption through potential obsolescence.
- Online Fraud and defalcation.

2.8 Summary and Conclusion

2.8.1Summary

City Bank PLC is a private commercial bank in Bangladesh established in 1983, which is well known for its multifarious banking services and sole rights of American Express cards. The bank is bent on an approach of digital transformation with strong asset growth comparably BDT 697 billion and a significant fact was the launch of the Citytouch and Ekhoni App. However, as indicated by a CAMEL analysis, the difficulties are non-performing loans (NPLs) with its impact on the quality of assets, regardless of strong earnings and liquidity. Internally, it has structured hierarchy and performance driven culture but problems with operational inefficiencies including manual processes and delay in customer service at branches.

2.8.2 Conclusions:

City Bank PLC is effectively pursuing financial transformation by means of innovation, customer experience and financial performance that has seen City Bank grow to become a top leading private Bank. The internship provided them with insights into branch operations and the need for the frontline to be aligned with the corporate strategy. Additionally there is a disconnect in its digital advancements and operational efficacies with a need for better allocation of resources and process automation. To achieve its objectives and stay competitive, City Bank needs to overcome such operational challenges with all the intensity that is demanded by its digital and financial goals.

2.9 Recommendations/Implications

2.9.1 Recommendations:

1. **Accelerate Internal Process Digitization:** In order to overcome the inefficiencies of the processes of the operational process, City Bank should invest in process automation of back office functions such as document verification, data entry and tracking of file process. Implementing Robotic Process Automation (RPA) for such repetitive tasks will potentially significantly reduce the error and processing time for such tasks.
2. **Improve Branch-Level Customer Experience:**Use a token-based queue management system to manage the customer flow better during peak hours and empower branch staff to assume more authority to solve simple issues right on the spot, thus improving the wait-time and service quality.
3. **Launch Targeted Digital Literacy Campaigns**: And to achieve greater levels of adoption of digital payments, launch targeted campaigns to educate customers within branch mini-workshops and simple video tutorials (in different languages) for customers on how to use Citytouch and the Ekhoni App.
4. **Formalize the Internship and Talent Development Program** Develop a structured internship program with rotations among different departments such as teller, customer service and credit. This initiative aims at providing interns with a full learning experience as well as identifying and building talent which is in line with the goal of "Employer of Choice".

Chapter 3: Project Part

Navigating Retail Banking Service of City Bank PLC- Critical Observations & Comparative Analysis under CAMEL Framework

3.1 Prolegemena

The banking sector in Bangladesh plays a vital role in the economic development of the country, and helps in financing businesses, facilitating trade, and fostering industrialization. With the globalization of financial markets and the liberalization of the economy has increased the market for Bangladesh, the performance of the banks has been under scrutiny. Private commercial banks (PCBs) in particular, are the most conspicuous in the financial system and conduct the greater part of the deposits and advances. Their efficiency and resilience is important to the sustainable growth of the financial sector and the economy in general.

Evaluating the financial health of banks requires some way of looking beyond surface-level profitability measures. The CAMEL framework is a tool developed in the United States and used regularly throughout the world and provides such a tool. By quantifying the Capital Adequacy, Asset Quality, Management Efficiency, Earnings Quality and Liquidity, the model of CAMEL provides a clear picture or image of bank performance. This multidimensional framework is able to control the systemic risk for the regulators, for investors to make correct decisions and for the banks to identify their vulnerabilities and take corrective measures.

In Bangladesh, Bangladesh bank has also been implementing some of the aspects of CAMEL framework in supervision practices. However, while CAMEL is being used by the regulators internally, there is a need for academic research and public reports by using the framework to compare the banks and report insights for the stakeholders. This research makes a contribution by the application of CAMEL to four major PCBs for the 5-year period of 2020-2024. By doing so it attempts to identify relative differences in performance; identify strengths and weaknesses and point towards policy implications.

3.1.1 Background

This report outlined an internship with Banani Lake View Branch of City Bank PLC that works under Retail Banking Division, which is emphasizing some practical experiences in banking operations, customer services. It is centered on the gap between the academic financial concepts and the real world of banking. In order to increase the value of this experience, financial analysis and comparative analysis in CAMEL rating framework of City Bank PLC with its competitors BRAC Bank, Eastern Bank and Mutual Trust Banks from 2020 till 2024 are presented.

3.1.2 Objectives

- To analyse and appraise the financial performance of 4 leading private commercial banks (City Bank, BRAC bank, Eastern Bank and Mutual trust bank) using CAMEL framework.

- To specify the strengths and weaknesses of each bank in relative terms as per five parameters viz., CAMEL (Capital Adequacy, Asset Quality, Management Efficiency, Earnings, and Liquidity).
- To find out the composite ranking under which it is placed, and to find the financial stability and competitiveness level of the selected banks.
- To provide data driven insights and recommendations to bank management and also to provide investors and also to regulators for better decision making and formulate policies.

3.1.3 Significance of the Issue:

A rigorous comparative evaluation of performances of top banks is critically important because of the following reasons:

- It provides an analytical and definite ground for investors and shareholders to make a definite choice regarding investment by depicting the financial most decent and most profitable banks.
- It is useful for the bank management and policy makers to know about certain areas of weakness (i.e. high NPLs, low cost efficiency) and prepare specific strategies to improve these areas.
- It gives regulators, like Bangladesh Bank, the understanding of relative stability and risk profile of important institutions that can be used for macro prudential supervision and ensuring systemic stability.
- It brings out sector wide problems like quality deterioration of assets and mismanagement of liquidity and therefore calls for necessary counter measures to give a boost to the entire financial system.
- For the academy, it contributes an updated and empirical work on Bangladeshi banking sector by using a globally recognized framework and fills a gap on current literatures.

To sum up, the financial health of the banks is part and parcel of the national economic stability. By undertaking such comparative analysis stakeholders can go beyond the surface and get to a deeper understanding of the drivers of performance, risks and opportunities, thus leading to a more robust and competitive banking sector in Bangladesh.

3.1.4 Scope Of Study

The scope includes the Retail banking operations of City Bank Ltd with Banani branch operations such as customer service, product (Deposits, Loans, Cards) and services through 92+ online branches, ATM and channels. Organizational analysis, background, objectives, functions and departmentalization, special attention is given to the retail products, savings account, fixed deposits and credit facilities. Studies limit by branch or department as opposed to the in-depth multi-branch financials identified by time and confidentiality limitations.

3.2 Literature Review

The use of CAMEL framework in academic and regulatory study for the analysis of bank performance in the developing countries and developed countries, have been in heavy use. Its usage in Bangladesh with an emphasis that qualify the asset quality and capital adequacy have been an important factor for evaluating bank's shocks resilience undertaken a comparative CAMEL analysis of 17 Bangladeshi bank during the period 2010-2016 and found that Eastern bank and NCC bank had the highest performance however, the performance of IFIC lagged far behind. These findings are consistent with the general perception that well managed banks which have good capital positions and low levels of non-performing loans have superior performance than their counterpart in the long run (Dodoev, 2011, #).

Internationally, examined Islamic and conventional banks in Malaysia using the CAMEL model (Dodoev, 2011, #). They have concluded that Islamic banks had better capital adequacy but were relatively weak in terms of profitability compared to their conventional counterparts. Similarly, applied CAMEL on Indian banks and in which the authors mentioned the importance of management efficiency and earnings quality as a differentiator of how well private, and public sector institutions perform (Saroha & Gupta, 2025, #).

While these studies provide important insights, much of the research conducted in Bangladesh is limited to less than the period of 2016. The country's banking sector has changed significantly since then, however with the introduction of the Basel III capital standards, growing levels of concern with non-performing loans and the economic interruptions that have occurred as a result of the Covid-19 pandemic. These factors need to be researched in a new way to reflect the modern financial environment. This study, therefore, makes an important contribution to the existing literature based on the application of the CAMEL framework to four of the leading PCBs in the period 2020-2024 and providing a fresh perspective on the performance of these PCBs (Joshi, 2018, #).

3.3 Methodology

This research is carried out on four private commercial banks comprising Brac bank, City bank, Eastern bank and Mutual Trust bank. These banks have been selected because they are important in the sector and financial data is available for them. The analysis period is in 5 years from 2020 to 2024, which would allow the study to transmit the fluctuations in the short term and medium term.

The analysis is based on benchmarking the performance of City Bank PLC in comparison to its main players and this benchmarking analysis is conducted with the help of focusing on four leading private commercial banks or PCBs in Bangladesh. In this reasearch we can see the primary, secondary and findings also for the bank's CAMEL analysis and the bank’s internal scenario also. This way the conclusions with respect to the strengths and weaknesses of City Bank become actionable and creditable. These four banks are at the pivotal point in the banking sector of Bangladesh which is known as innovative and competitive. They include Eastern Bank Ltd (EBL) which is known for its operational excellence, Mamun, 2025, BRAC Bank Ltd which is the leader in SME banking and Mutual Trust Bank PLC (MTB) which stand in contrast in terms of strategy and performance (BANK, 2024). This choice is displaying different strategies boosting the analysis of the top performers of the sector (Financial Statement 2024, 2024).

The CAMEL model is implemented in the form of 24 financial ratios which is divided into 5 categories. For Capital Adequacy The ratios of Capital Adequacy Ratio (CAR) and Total Equity to Total Assets gives an idea about the potential of banks to absorb the losses. Asset Quality is measured in terms of indicators like Non-performing Loans to Total Loans (NPL/TL) and Loan Loss Provisions to Total Loans which is indicative of the riskiness of loan portfolios. Management Efficiency in the form of productivity/ cost efficiency ratios such as Profit per Employee, the Operating Income to Operating Expenses ratio is measured. Earnings Quality is concerned with profitability where the key metric is Return on Assets, Return on Equity and EBIT to Total Assets. Finally, Liquidity Management takes into consideration the availability of liquid assets relative to the obligations and uses ratios like Liquid Assets to Total Assets and Liquid to Asset to Deposits.

The CAMEL framework, the Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) are some of the important metrics forming a part of the Liquidity Management (L) component. CRR is the percentage of deposits to be maintained by banks with the Bangladesh Bank for liquidity purpose while SLR means the percentage of net liabilities that is to be held in liquid assets. These ratios are operationalized in the form of sub parameters L5 and L6 along with other indicators of liquidity. Data relating to CRR and SLR of the City Bank, BRAC Bank, Eastern Bank, and Mutual Trust Bank in the year 2020 to 2024 will be gathered from the financial statement and regulatory reports of BRBs. The ratios will be ranked and averaged to form a composite liquidity score which would bring more robustness in the assessment and at the same time would be in line with the banking laws in Bangladesh.

Each ratio was ranked in each bank and the best was ranked a 1 and the worst a 4. The average for the rank for each component is what reflects the performance of the bank in this dimension. The composite CAMEL rating is then computed as a mean of the five component scores. This way, the markets are giving this greatest importance to every CAMEL dimension and providing a fair comparison among banks. (Rahman & Islam, 2017, #)

3.3.1 CAMEL Analysis and comparison with other Banks

Table 6: Description of the parameters and sub-parameters of CAMEL Model

CAMEL Area	Denotation	Sub-Parameter Description	Acronym
Capital Adequacy	C1	(Tier-1 + Tier-2) / Risk-weighted Assets	CAR
	C2	Total Equity / Total Assets	TE/TA
	C3	Total Debt / Total Assets	TD/TA
	C4	Govt. Securities / Total Investment	GS/TI
Asset Quality	A1	Financial Assets / Total Assets	FIN-A/TA
	A2	Total Investment / Total Assets	TI/TA

	A3	Non-performing Loans / Total Loan	NPL/TL
	A4	Fixed Assets / Total Assets	FA/TA
	A5	Loan Loss Provision / Total Loan	LLP/TL
	A6	Total Loan / Total Assets	TL/TA
Management Efficiency	M1	Profit Per Employee	PPE
	M2	Business Per Employee	BPE
	M3	Funds Borrowed / Total Asset	FB/TA
	M4	Cost / Income	OI/OE
	M5	Total Loan / Total Deposit	TL/TD
Earnings Quality	E1	Net Profit (Loss) / Total Assets	ROA
	E2	Net Profit (Loss) / Total Equity	ROE
	E3	Operating Profit / Total Assets	EBIT/TA
	E4	Net Interest Income / Total Assets	NII/TA
	E5	Non-Interest Income / Total Assets	NON-II/TA
Liquidity Management	L1	Liquid Assets / Total Assets	TA
	L2	Liquid Assets / Short-Term Liabilities	LA
	L3	Liquid Assets / Total Deposit	TD
	L4	Govt. Securities / Total Asset	GS

Capital Adequacy

Table 7: Capital adequacy ratios of sample banks

Bank Name	CRR		SLR		CAR		TA		TA		TI		GROUP	
	AVG	RANK	AVG	RANK	AVG	RANk	AVG	RANK	AVG	RANK	AVG	RANK	AVG	RANK
BRAC Bank	2.8	1	14.74	1	18.5	1	11.72	1	88.27	1	101.34	1	1	1
City Bank	10.25	3	17.54	1	14.77	3	7.04	3	92.11	2	89	3	2.75	2.5
Eastern Bank	14.72	2	9.34	3	14.82	2	7.78	2	92.21	3	74.68	4	2.75	2.5
Mutual Trust Bank	20.5	1	2.54	2	13.76	4	6.18	4	93.81	4	92.37	2	3.5	4

Cash Reserve Ratio (CRR) requires the banks to maintain a certain amount of deposits in the form of non-interest bearing cash with the Central Bank of India, thereby reducing the amount of funds that can be borrowed by the bank. This interrupts the growth in credit, curbs the RWA growth and keeps capital ratios like CRAR (e.g. in 2024, City Bank has a 16.8% CRAR, has a negative ROA/ROE effect) at the expense of profitability, stretching the capital buffers. SLR In Capital Adequacy Environment. Statutory Liquidity Ratio (SLR) is a demand to have liquid assets (e.g. government securities) on the net demand and time liabilities. These are considered as Tier 1 capital when they are eligible to strengthen adequacy measures under Basel III but the opportunity costs of carrying low yielding holdings may put a strain on earnings required to hold capital.

Capital adequacy is a measure of a bank's financial strength, and the principal measure is known as the Capital Adequacy Ratio (CAR) which is a measure of a bank's capital relative to its risk-weighted assets. It is the Tier I capital (equity, reserves, retained earnings) and Tier II capital (subordinated debt, revaluation reserves). Under Basel III standards, the CAR requirement is typically 10.5 percent, banking stability is generally maintained by banks to keep a minimum CAR of about 10.5 per cent, which has been followed in Bangladesh. Capital adequacy is essential to safeguarding the depositors and boosting confidence in the banking system. Brac Bank is at the top position with an average CAR of 18.5 percent which shows high resilience and compliance to Basel III and City Bank and Eastern Bank exceed the minimum CAR but show vulnerabilities in case of high debt financing. On the converse side, Mutual Trust Bank has the worst position which shows higher expansion of financial instability.

Asset Quality

Table 8: Asset quality ratios of sample banks

Bank Name	CRR		SLR		FIN-A/TA		TI/TA		NPL/ TL		FA/TA		LLP/TL		TL/TA		GROUP	
	AVG	RANK	AVG	RANK	AVG	RANk	AVG	RANK	AVG	RANK	AVG	RANK	AVG	RANK	AVG	RANK	AVG	RANK
BRAC Bank	15.34	2	10.74	4	20.53	1	19.16	2	3.31	1	1.94	4	4.98	2	32.84	4	2.33	2
City Bank	18.25	2	27.54	3	14.77	4	13.69	4	4.21	3	1.83	3	3.71	3	64.48	2	3.16	4
Eastern Bank	24.72	1	19.34	3	20.02	2	19.37	1	3.53	2	1.66	2	5.24	1	60.04	3	1.83	1
Mutual Trust Bank	20.5	1	22.54	1	17.22	3	15.88	3	5.59	4	1.47	1	2.71	4	70.88	1	2.66	3

CRR values show average cash reserve maintenance of the various banks according to the deposit: Eastern Bank has 24.72% (rank 1), Mutual Trust Bank has 20.50 (rank 1), City bank has 18.25 (rank 2) and BRAC bank has 15.34 (rank 2). Increased CRR means increased immediate liquidity support of assets promoting the quality of assets indirectly in the form of less funding risk of loan portfolios. The mutually trust bank registered as the highest average of 22.54% (rank 1), Eastern bank at 19.34% (rank 3), City Bank at 27.54% (rank 3) and BRAC bank at 10.74% (rank 4) as the liquid asset holdings to net liabilities. High SLR means that the assets are covered with much higher solvency which may be a signal of conservative management of the assets despite the primary CAMEL asset focus on NPL ratios such as the weaker 4.21% of City Bank.

Asset Quality is another important element of the CAMEL framework and it concerns the sanctity and reliability of the assets of a bank. In the banking sector, the big contributors of assets are loans and advances which are given to borrowers, investments and other financial instruments. Since loans and credit exposures comprise the largest part of a bank's assets, asset quality is basically a measure of riskiness or safety of assets. A bank as having high quality assets has lesser possibilities of being defaulted upon whereas poor asset quality signifies the thing of more non-performing loans (NPLs) which in turn directly influences profitability and stability. Maintaining high quality of assets is important for long run financial performance of a bank. Poor quality of assets can have a negative effect on profitability, investor and depositor confidence and lead in very adverse circumstances to insolvency. On the other hand, if banks hold high quality assets, banks not only ensure that they gain earnings, but also they tend to build up resilience against economic downturns. The regulators like Bangladesh Bank regularly keeps track of quality of assets by strict loan classification and provisioning requirements in order to make sure that they are taking prudent lending practices. Asset quality remains a significant issue in the financial industry in Bangladesh with rising non-performing loans (NPLs) affecting profitability and credit risk. Eastern Bank topped this rating with low NPL ratio 3.53 percent with diversified assets structure. Brac Bank came very close with lowest NPL ratio of 3.31 percent but had weaker ratios in terms of investment allocation as compared to the other banks and hence it occupied second overall position. City Bank despite its high profitability was crippled due to its relatively high NPL ratio of 4.21 percent whereas Mutual Trust Bank performed worse with the highest NPL ratio being at 5.59 percent. This means that both City Bank and MTB have serious credit risk issues which could cripple future growth and stability.

Management Efficiency

Table 9: Management efficiency ratios of sample banks

Bank Name	CRR		SLR		PPE (Million)		BPE (Million)		FB/TA		OI/OE		TL/TD		GROUP	
	AVG	RANK	AVG	RANK	AVG	RANk	AVG	RANK	AVG	RANK	AVG	RANK	AVG	RANK	AVG	RANK
BRAC Bank	10.34	1	10.74	2	0.89	4	85.97	4	10.35	4	66.34	4	46.43	4	4	4
City Bank	10.25	3	27.54	1	1.27	2	107.19	3	12.77	2	49.94	2	95.63	2	2.2	2.2
Eastern Bank	14.72	2	19.34	2	1.48	1	128.2	2	14.12	1	42.77	1	85.1	3	1.6	1
Mutual Trust Bank	22.5	1	22.54	1	0.95	3	136.06	1	10.71	3	54.54	3	101.85	1	2.2	2.5

CRR and SLR do not occur in Table 9 (Management Efficiency ratios) of the report as liquidity ratios, but in the form of data about standard management efficiency indicators such as Profit Per Employee (PPE, M1), Business Per Employee (BPE, M2), Funds Borrowed to Total Assets (FBTA, M3) and Cost to Income (OIOE, M4) and Total Loan to Total Deposit (TLTD, M5). The table is presenting the average (AVG) and ranking for the group of banks (BRAC, City, Eastern and Mutual Trust) in the years 2020-2024 with Mutual Trust Bank ranking higher than the rest (group rank 1.5) and then Eastern Bank (1.6) and City Bank (2.2) respectively.

Management Efficiency is important under the CAMEL framework that measures how well the management of a bank makes use of the resources and strategies for operational stability. It deals with qualitative aspects but can be quantified in terms of quantitative resources such as operating expenses to income ratio, ROA, ROE, cost to income ratio etc. Effective management encompasses strategic planning, managing risks, internal controls and flexibility to face market changes. Eastern Bank is an example of excellent management efficiency in terms of having the best profit and business/employee ratio with the lowest cost to income ratio. In comparison, City Bank and Mutual Trust Bank have a moderate efficiency whereas Brac Bank has the lowest productivity and the highest costs thus highlighting the relevance of quality of management in the performance of the banks.

Earnings Quality

Table 10: Earnings quality ratios of sample banks

Bank Name	CRR		SLR		ROA		ROE		EBIT/TA		NII/TA		NON-II/ TA		GROUP	
	AVG	RANK	AVG	RANK	AVG	RANK	AVG	RANK	AVG	RANK	AVG	RANK	AVG	RANK	AVG	RANK
BRAC Bank	11.4	1	14.74	1	1	3	8.97	4	1.99	4	2.56	1	1.65	4	3.2	4
City Bank	5.25	2	12.54	1	1.18	1	16.83	1	2.59	1	2.48	2	2.57	2	1.4	1
Eastern Bank	10.72	2	10.34	2	1.16	2	15.01	2	2.43	2	1.71	3	2.54	3	2.4	2
Mutual Trust Bank	2.5	1	11.54	3	0.69	4	11.24	3	2.03	3	1.57	4	2.96	1	3	3

Cash Reserve Ratio (CRR) relates to the requirement of keeping a percentage of deposits in the form of cash in Bangladesh Bank where the money is not subject to any interest and does not allow the bank to borrow or make investment in income generating projects. The reports table shows the CRRs (ex. Eastern Bank - average 24.72%), where the higher the CRR, the less profit of the net interest margin roa/roe is straining in the classes of Quality Earnings ex, made by City Bank (ROA 1.7% in 2024). Statutory Liquidity Ratio(SLR) by which demand/time liabilities have to be kept in low yielding liquid assets such as government securities, slightly interest yielding and less than yield from loans. Tables promote SLR as a high rating to Mutual Trust Bank(22.54% average) , however, high SLR may limit profitability as it ties up capital since research indicated positive relationships between SLR and profit using even small returns, but tradeoffs in aggressiveness in lending.

Earnings quality is a measure of a bank's income stability, sustainability and reliability over a period of time, which is measured in the context of CAMEL framework. It makes a distinction between the profits derived from core banking operations and those coming from temporary sources. Good earnings quality translates into stable net income, a sound net interest margin

(NIM) and good ROA and ROE measures, allowing a bank to absorb losses, pay dividends and invest without having to rely on one-off gains. On the other hand, poor earnings quality, which is due to high non-performing loans or unstable sources, is an indicator of higher financial risk. City Bank shows good quality of earnings by having the highest ROA (1.18%), ROE (16.83%), and EBIT to total assets ratio (2.59%). Eastern Bank is a follower, while Mutual Trust bank displays a moderate performance and Brac Bank a weak earnings which shows the concern on its growth and shareholder rewards.

Liquidity Management

Table 11: Liquidity management ratios of sample banks

Bank Name	CRR		SLR		LA/TA		LA/SL		LA/TD		GS/TA		GROUP	
	AVG	RANK	AVG	RANK	AVG	RANK	AVG	RANK	AVG	RANK	AVG	RANK	AVG	RANK
BRAC Bank	11.4	1	14.74	1	4.55	3	11.83	4	6.43	3	19.09	1	2.75	3
City Bank	5.25	2	12.54	1	5.67	1	18.02	2	8.44	1	12.24	4	2	1.5
Eastern Bank	10.72	2	10.34	2	4.4	4	16.87	3	6.25	4	14.61	2	3.25	4
Mutual Trust Bank	2.5	1	11.54	3	4.86	2	21.68	1	6.99	2	14.59	3	2	1.5

Cash Reserve Ratio CRR states that the banks have to keep a percentage of the total deposits in cash reserve form at the Bangladesh bank directly to facilitate the liquidity situation in the short term by limiting the money that can be lent out. The report in the table of CRR averages (e.g. Eastern Bank 24.72 1st, City Bank 23.98 13th), is an indicator of compliance with higher the figure (a.e. on the CRR table) the higher the immediate liquidity buffer of withdrawals, and the more the L scores. Statutory Liquidity Ratio (SLR) imposed on the banks to hold a percentage of the Net Demand and Time Liabilities (NDTL) in liquid approved assets such as Government securities which would provide the solvency for fulfilling all the long term obligations which the CRR cash may not meet. Data on reports indicate that the Mutual Trust Bank has the highest average of 22.54 (place 1 st) with City Bank at 27.54 where high SLR indicate good holdings of assets to ensure stability.

Liquidity Management involves being capable of a bank meeting the obligations in the short term and the cash needs in a stress-free manner. It measures the liquid assets that the bank has such as cash and securities against the liquid liabilities that bank has such as deposits. Importance of liquidity management Effective liquidity management plays an important role in the day-to-day operations and meeting the financial needs resulting from unexpected events as measured by the various ratios like liquid assets ratio to total assets and loan to deposit ratio (LDR). A high LDR indicates aggressive lending risks that a low LDR indicates underutilisation of funds. Strong liquidity equates to profitably and safety, too many liquid assets can eat into profits and too few can result in instability. City Bank and Mutual Trust bank have a better liquidity management ensuring solvency and safety of the depositors, Brac Bank has a moderate liquidity and Eastern Bank has weaker liquidity. However, a high liquidity may be an indication of idle resources having the potential of limiting profitability.

3.3.2 Changes in Financial Landscape:

CRR is kept in the form of cash in the central bank and does not attract any interest. It is simply to have liquidity and control on money. SLR is deposited in liquid assets (or government bonds/treasury bills) which contain an interest. It is used as a source of liquidity as well as investment. An increase in SLR means that it has a huge liquidity buffer and maintains a low liquidity usage, which is good under Stress situations in terms of Liquidity (L) and Capital Adequacy (C). A low CRR implies the effective utilization of cash, yet excessively low might reflect the liquidity risk, which is immune, in this case, by a high SLR. The central bank sets higher SLR requirements than CRR higher. Banks would rather hold more liquid securities (SLR) as compared to non-interest cash (CRR). Increased SLR gives it some buffer against unexpected withdrawals without significantly impacting earnings. Due to this calamity customers are not willing to borrow money in the form of loans in the banks and in this way the banks are not able to get any interest on borrowed money or customers. Day by day this interest rate is increasing. To earn their income they visit Bangladesh bank and buy a bond of their income through which they can earn high interest. That is why in the CAMEL Framework in some cases SLR is higher than CRR.

3.3.3 Recommendation (take actions for financial landscape)

Banks are advised to actively manage their SLR portfolios by encouraging them to invest in more profitable yet compliant securities, and by using sophisticated liquidity forecasting instruments, which would reduce the idle CRR holdings. Enhancing internal liquidity stress testing and additional investigation of central bank temporary liquidity facilities will also protect further against market and political uncertainties. Banks are also advised to diversify funding by issuing green bonds, syndicated borrowing, forming partnership between the government and the bank to ensure that the SLR holdings will be aligned with national development aims, and by using blockchain based monitoring, which will make the SLR/CRR optimisation live. Lastly, there needs to be active policy discussion with regulators to push toward consistent approaches to debt management, a gradual implementation of Basel III and incentives to invest in sustainable SLR to make sure there is both stability and profitability in the new economic environment.

3.3.4 Overall performance of sample banks during the period (2020-2024)

Table 12: Overall Performance of four Banks

Bank Name	C	A	M	E	L	AVG	Composite CAMEL Rating
Brac Bank	1	2	4	4	3	2.8	3.5
City Bank	2.5	4	2.5	1	1.5	2.3	2

Eastern Bank	2.5	1	1	2	4	2.1	1
Mutual Trust Bank	4	3	2.5	3	1.5	2.8	3.5

The composite CAMEL rating indicates that Eastern Bank has been the best overall performer with a score of 2.1, indicating that it has been in its strength with most of the categories. Its liquidity is weak and is more than compensated by its higher quality of asset and management efficiency. City Bank holds the second position with 2.0 score which is qualitatively strong due to its good earnings and liquidity but is weakened by poor quality of assets. The lowest rank is held by both Brac Bank and the Mutual Trust Bank which has a score of 2.8. The performance of Brac Bank is strong capital adequacy as compared to poor efficiency and earnings whereas that of the MTB is weak liquidity which is overshadowed by poor capital adequacy and high NPLs.

3.4 Findings and Analysis

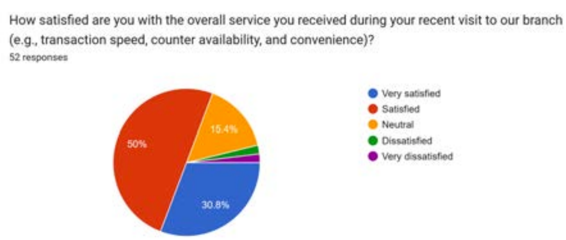

Figure 22: Survey Question

The international customers have rated it to have a very positive experience. Feedback was only contained in two highest levels of satisfaction and all respondents claimed that they were either Satisfied or Very Satisfied.

Feedback that is provided by the employees is more moderate and mixed. The groups of answers fell in the centre of the satisfaction scale where Satisfied or Neutral reports were to be registered.

A greater part of the repeat customers gave good experience, with a substantial percentage of providing even greater reviews in the category of Very Satisfied.

Figure 23: Survey question

Remembering that the customers are an outside factor, the views regarding the City Bank and its service rates and fees were largely positive, though some of them were neutral.

Employees at City Bank expressed that they were pleased with the fee conception of the bank. This positive internal feedback is likely to represent the familiarity with the policies of the bank that they know of the value that they provide.

The common customers had the majority of their reviews that were satisfied and less percentage had neutral reviews. This implies that the majority of the population is transparent and sensible about the bank service fees.

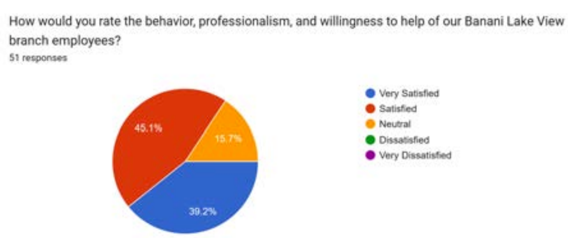

Figure 24: Survey Question

Foreign customers have found the behavior of the employees of the branch, their professionalism, and their helpfulness very satisfying.

The branch employees also self-appraised themselves as being extremely satisfied on their part with their behavior, professionalism, and helpfulness.

The majority of the local (saturated) customers rated their satisfaction as satisfied but some of them rated their satisfaction as neutral review.

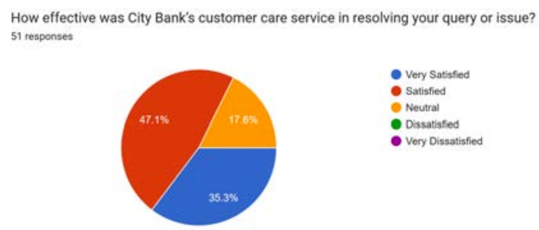

Figure 25: Survey Question

According to the survey, the foreign customers were pleased with the customer care service of City Bank in answering their questions or issues.

The employee satisfaction was also reflected in the reviews of the customer care service. This internal satisfaction can be regarded as an indication that the employees are content with service protocols, tools, and supporting systems.

The mixed but biased towards the positive feedback of the common or domestic customers were also mixed.

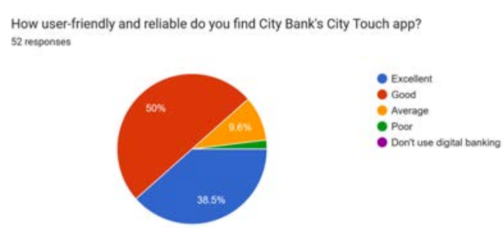

Figure 26: Survey Question

The feedback provided by the foreign customers who were interviewed about their experience with the City Touch app was very positive, and the feedback was mostly positive.

The employees of the City Bank also rated the app highly, both in the good and excellent rating. This positive feedback within the organization means that the employees have believed that the application is reliable and efficient.

The general consumer group gave the most satisfaction since the majority of them rated the reviews as excellent. The majority were highly positive but many had an average rating, which means that though the app is exceptional to a large percentage of the users,

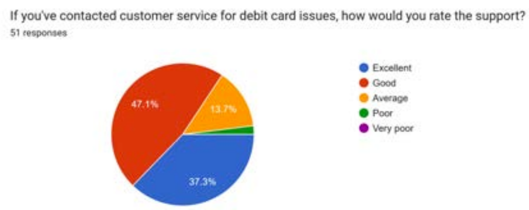

Figure 27: Survey Question

The foreign gives a very satisfied review for this city touch digital app. They gave a review that this app is very useful and user friendly. Most of them gave positive reviews.

The employees of the company also rated the support and were presumably aware of the inner processes or had had an experience of the service.

The general customer base provided the largest and the most diversified feedback, which was, however, mostly positive. The majority of the average customers rated the support either at a good level, or excellent.

3.5 Limitations and Future Directions

3.5.1 Limitations (faced during the internship period)

Despite many obsctacles, in this internship or as an intern I have some restrictions that I can not do in my workplace. In this case I am only involved in the retail banking customer service side where I gain hands on experiecnce also know how to solve customers problem. So in this short time I gather primary and secondary data but can not gather more than 6 primary data. But besides that, I gather some general or primary bank survey questions for this research. But for future studies, a long primary survey can help to know about a bank 's internal situation.

3.5.2 Future Directions (recommendations for future interns)

Conduct servey with bank employees, seniors, customers and managers for in detail information. They can expand and study 10 years of financial performance to identify their goals and their future plans. Obviously choose a depth topic for research to identify challenges, goals, mission and vision. Obviously, maintaining a time table to finish all the work timely can help them focus on work, observe everything, learn new things and the importance of work. In order to improve themself they have to be sincere, active, observe quick learner and connect with seniors, employees and customers also.

3.6 Conclusion

The CAMEL analysis of four Bangladesh based private commercial banks in the year 2020- 24 will be informative on the strengths and weaknesses of the banks in comparison. Eastern Bank stands out as the most balanced and stable result, having good quality of assets as well as better management. The profitability and liquidity are good making City Bank a good place to invest but the huge non performing loans are a threat to its long term survival. Brac Bank has a well established capital base which they could not turn into profitability and efficiency whereas mutual trust banks have liquidity but have poor capital and asset quality. Policywise, the Bangladesh Bank must aim at curtailing the number of non-performing loans in the system particularly in City Bank and the MTB. The management of the bank is also supposed to consider the implementation of liquidity better and cost-effective. Eastern Bank and City Bank remain the best choice to an investor while the Brac Bank and MTB still require significant strategic developments to be competitive and stable.

3.7 Recommendations:

CB is advised to commence with strategic planning to expand the infrastructures and also other important constructs that could sustain its huge customer base. Value can be added with customer feedback that enhances the right services and relations to the right customers, and the increase in accurate commitment, loyalty, trust and satisfaction to become a massive good relationship. CB lacked various service gaps to identify the consumer behaviour and their possible attitude which was lacking in modern banks. CB must narrow their service gap by solid customer objection, expectation, perception and critical internal marketing study.

- It requires the employees to provide adequate training to work and deal with the clients under pressure.
- Their Consumer banking performance is satisfactory though it could have improved in case they could focus on individual customers.
- Since it is desirable that the banks should maintain their cash and balance in other banks to the extent that it can preclude the possibility of liquidity crunch.
- Should increase the number of ATMs and make sure that they are running smoothly. Expand the merchant locations of ATM cards.
- The problems with IT and the internet connection should never be ignored.
- CB needs to hire a more competent and skilled workforce to distribute the products throughout the nation.
- CB ought to have a clean customer record and database that will assist with the establishment of the facility needs of the major customer.
- Customers are not aware of the pricing of the loan and the fees charged, therefore CB needs to explain to the customer the various fees as well as the installment size of that specific product.

- The customers are demanding more SME Service Center & Branches in their area which will help them perform frequent transactions with them.
- To establish ideal relationships with the customers to form loyal customers, CB is required to bring the brand value to the customers.

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Appendices

Appendix 1: City Bank Plc. Balance Sheet

City Bank Plc

Balance Sheet

as at 31 December 2024

	Notes	2024 Taka	2023 Taka
PROPERTY AND ASSETS			
Cash	4		
In hand (including foreign currencies)		10,280,661,035	8,898,540,782
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		22,747,902,091	17,187,174,482
		33,028,563,126	**26,085,715,264**
Balance with other banks and financial institutions	5		
In Bangladesh		32,414,144,568	20,445,239,323
Outside Bangladesh		6,514,584,553	4,789,887,272
		38,928,729,121	**25,235,126,595**
Money at call on short notice	6	**3,775,100,000**	-
Investments	7		
Government		123,814,286,708	63,144,945,967
Others		9,829,646,273	9,916,592,116
		133,643,932,981	**73,061,538,083**
Loans and advances/investments	8		
Loans, cash credits, overdrafts, etc./investments		408,290,947,222	370,846,692,465
Bills purchased and discounted	9	36,686,742,538	25,231,674,515
		444,977,689,760	**396,078,366,980**
Fixed assets including premises, furniture and fixtures	10	**10,491,130,486**	**9,828,562,306**
Other assets	11	**31,927,330,119**	**24,814,410,359**
Non-banking assets	12	**576,119,668**	**634,548,873**
Total assets		**697,348,595,261**	**555,738,268,460**
LIABILITIES AND CAPITAL			
Liabilities			
Bonds	13	**11,920,000,000**	**13,635,000,000**
Borrowings from other banks, financial institutions and agents	14	**26,063,108,182**	**17,622,471,448**
Borrowings from central bank & government agencies	14.5	**32,508,996,547**	**41,881,760,354**
Deposits and other accounts	15		
Current accounts and other accounts		129,656,361,698	106,643,956,570
Bills payable		1,801,223,047	3,971,179,165
Savings bank deposits		100,956,473,074	87,342,003,454
Fixed deposits		281,790,026,704	194,553,190,098
Bearer certificate of deposit		-	-
		514,204,084,523	**392,510,329,287**
Other liabilities	16	**66,834,519,262**	**52,868,468,938**
Total liabilities		**651,530,708,514**	**518,518,030,027**
Capital/shareholders' equity			
Paid up capital	17.2	13,470,807,640	12,246,188,770
Statutory reserve	18	11,966,418,843	10,741,799,973
Share premium	19	1,504,388,797	1,504,388,797
Dividend equalisation reserve	20	530,786,630	530,786,630
Other reserve	21	1,196,580,477	851,526,913
Surplus in profit and loss account	22.1	17,148,904,360	11,345,547,350
Total shareholders' equity		**45,817,886,747**	**37,220,238,433**
Total liabilities and shareholders' equity		**697,348,595,261**	**555,738,268,460**

Appendix 2: City Bank Plc. Cash Flow Statement

City Bank Plc

Cash Flow Statement

for the year ended 31 December 2024

	Notes	2024 Taka	2023 Taka
A) Cash flows from operating activities			
Interest/investment income receipts in cash		42,945,717,201	33,691,103,602
Interest/profit paid on deposits and borrowings		(24,778,747,191)	(16,705,993,422)
Dividend receipts		186,440,159	148,027,798
Fees and commission receipts in cash		6,718,245,495	7,831,098,026
Recovery of loans & advances/investments previously written off	16.1	760,864,141	985,690,362
Cash payments to employees		(8,446,514,098)	(7,422,208,299)
Cash payments to suppliers		(307,529,266)	(202,220,512)
Income taxes paid	11.4	(5,074,753,915)	(3,971,055,450)
Receipts from other operating activities	43	13,615,785,924	2,568,020,410
Payments for other operating activities	44	(6,324,461,530)	(4,310,456,461)
Cash generated from operating activities before changes in operating assets and liabilities (i)		**19,295,046,920**	**12,612,006,054**
Increase/decrease in operating assets and liabilities			
Loans and advances/investments to customers		(48,899,322,780)	(41,304,680,726)
Other assets	45	(1,347,044,131)	(4,132,759,199)
Deposits from other banks/borrowings		8,804,292,094	(22,072,839,098)
Deposits from customers		111,957,336,069	59,806,773,458
Other liabilities	46	(805,870,421)	(1,468,811,433)
Cash generated from operating assets and liabilities (ii)		**69,709,390,831**	**(9,172,316,998)**
Net cash from operating activities (i+ii)		**89,004,437,751**	**3,439,689,056**
B) Cash flows from investing activities			
Net payment for sale/(purchase) of shares		(1,195,598,758)	(1,899,877,100)
Net payment for sale/(purchase) of securities		(5,648,568,617)	(9,965,614,866)
Net payment for sale/(purchase) of fixed assets		(1,105,841,222)	(1,269,739,524)
Net cash (used in)/generated from investing activities		**(7,950,008,597)**	**(13,135,231,490)**
C) Cash flows from financing activities			
Issuance/(redemption) of subordinated bonds		(1,715,000,000)	(2,590,000,000)
Dividends paid		(1,854,555,222)	(1,212,127,597)
Coupon/dividend paid on perpetual bonds		(400,000,000)	(400,000,000)
Net cash used in financing activities		**(3,969,555,222)**	**(4,202,127,597)**
D) Net increase in cash and cash equivalents (A+B+C)		**77,084,873,932**	**(13,897,670,031)**
E) Effects of exchange rate changes on cash and cash equivalents		**1,433,319,995**	**724,072,555**
F) Cash and cash equivalents at beginning of the year		**59,107,595,949**	**72,281,193,425**
G) Cash and cash equivalents at end of the year (D+E+F)		**137,625,789,876**	**59,107,595,949**
Cash and cash equivalents at end of the year consists of:	42		
Cash in hand (including foreign currencies)		10,280,661,035	8,898,540,782
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		22,747,902,091	17,187,174,482
Balance with other banks and financial institutions		38,928,729,121	25,235,126,595
Money at call on short notice		3,775,100,000	-
Government securities		61,893,397,629	7,786,754,090
		137,625,789,876	59,107,595,949
Net operating cash flow per share (NOCFPS)	48	66.07	2.55

Appendix 3: Financial Ratios

KEY RATIOS

Financial Ratio

Figures in BDT mn unless specified

Particulars	2024	2023	2022	2021	2020
A) Profitability Ratio					
Net Income Ratio (%)	15.5%	13.5%	11.9%	15.8%	12.7%
Net Interest Margin (NIM) Ratio	5.0%	4.5%	4.3%	4.5%	3.7%
Cost of Fund (without admin expenses)	5.9%	3.9%	3.2%	2.6%	4.6%
Cost to Income ratio (%)	41.7%	51.1%	51.9%	48.6%	57.9%
Price Earnings Ratio (times)	2.8	4.3	5.8	6.1	6.3
Return on Capital Employed					
Return on Capital Employed (ROCE) (%)	6.8%	4.9%	4.6%	4.9%	4.6%
Return on Average Equity (ROE) (%)	26.1%	17.6%	14.1%	15.8%	14.8%
Return on Average Assets (ROA) (%)	1.7%	1.2%	1.0%	1.2%	1.1%
Dividend Cover Ratio	322.2%	200.9%	312.9%	177.8%	175.4%
Dividend Payout Ratio	31.0%	49.8%	32.0%	56.3%	57.0%
Return on Investment (ROI)	15.7%	7.1%	6.4%	5.3%	8.3%
B) Liquidity Ratios					
Credit to deposit ratio					
Advance to deposit ratio (including Off Shore Banking Unit)	74.7%	83.7%	83.2%	84.7%	77.7%
Investment to deposit ratio (IDR)	76.8%	72.1%	51.0%	35.1%	29.6%
Liquidity Coverage Ratio (LCR)	194.0%	174.6%	220.1%	151.1%	173.5%
Net Stable Funding Ratio (NSFR)	108.5%	106.5%	103.1%	106.9%	104.6%
Cash Reserve Ratio (CRR)					
Required reserve	20,696	16,006	14,587	11,886	11,790
Actual reserve maintained	21,430	16,343	21,897	18,293	14,559
Surplus	734	337	7,310	6,407	2,768
Statutory Liquidity Ratio (SLR)					
Required reserve	66,061	49,772	47,069	38,205	38,741
Actual reserve maintained	135,431	73,005	69,148	62,442	51,333
Surplus	69,369	23,233	22,079	24,237	12,592
C) Solvency Ratios					
Debt Equity Ratio					
Debt Equity Ratio (Times)	14.2	13.9	14.4	12.4	12.3
Investment to Total Deposit Ratio (%)	26.0%	18.6%	18.4%	19.5%	18.2%
Net Asset Value (NAV) per Share (Taka)	34.0	30.4	27.4	29.3	28.4
Capital Adequacy Ratio					
Tier I Capital Ratio (%)	11.7%	11.0%	9.6%	10.6%	10.8%
Tier II Capital Ratio (%)	4.3%	4.8%	4.8%	3.5%	4.8%
Total Capital Adequacy Ratio (Basel-III/II)(%)	16.0%	15.8%	14.5%	14.2%	15.5%
Leverage Ratio (%)	5.8%	5.7%	5.3%	5.6%	6.1%
Credit Quality					
Provision coverage ratio (%)	106.8%	110.1%	104.7%	90.1%	94.9%
Gross NPL ratio (%)	3.7%	3.6%	3.9%	4.9%	4.0%
Net NPL ratio (%)	1.4%	1.4%	1.7%	2.2%	2.0%

Appendix 4: How satisfied are you with the overall service you received during your recent visit to our branch (e.g., transaction speed, counter availability, and convenience)?

Appendix 5: How clear and reasonable do you find City Bank’s service charges and fees (e.g., account opening, account maintenance, transaction fees, SMS banking charges)?

Appendix 6: How would you rate the behavior, professionalism, and willingness to help of our Banani Lake View branch employees?

Appendix 7: How effective was City Bank’s customer care service in resolving your query or issue?

Appendix 8: How user-friendly and reliable do you find City Bank's City Touch app?

Appendix 9: If you've contacted customer service for debit card issues, how would you rate the support?