Report On

Impact of Branch Network on Banking Business

By

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ID: 18104224

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
May 2023

Declaration

It is hereby declared that

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

Student's Full Name & Signature:

Shweta Saha
ID: 18104224

Supervisor's Full Name & Signature:

RIYASHAD AHMED
Assistant Professor of Finance & Director of Programs (MBA & EMBA)
BRAC Business School

Letter of Transmittal

Riyashad Ahmed
Assistant Professor of Finance & Director of Programs (MBA & EMBA)
BRAC Business School
BRAC University
66 Mohakhali, Dhaka-1212
Subject: Impact of Branch Network on Banking Business

Dear Sir,

I'm glad to inform you that I've submitted my internship report for class (Bus 400), which is titled "Impact of Branch Network on Banking Business Particularly on NRB Commercial Bank Limited." Working with the reputable bank's General Banking, Credit, and EGP Departments and gaining a range of practical banking experiences was a wonderful delight. I did my best to carry out all of my duties at work and adhere to the internship's rules as set forth by NRB Commercial Bank Limited's internship division.

I have tried my best to finish writing this report as meaningful, concise, and thorough as possible while still including necessary details and recommendations.

Sincerely yours,

____

Shweta Saha
ID: 18104224
BRAC Business School
BRAC University
Date: May 23, 2023

Non-Disclosure Agreement

This is an agreement between NRBC Bank and Shweta Saha outlining the terms and conditions of her internship. As Shweta Saha may work on sensitive assignments and projects during her internship, the major goal of the agreement is to ensure the confidentiality of all the company's data and documents. Outside of the firm, Shweta Saha is in charge of her health, safety, and well-being. She is also required to abide by BRAC's policies and procedures while interning, as well as the rules set forth by the internship unit. Shweta Saha is required to keep all unreleased data and information confidential unless she receives explicit permission from BRAC. She is not permitted to publish any reports or documents based on the data obtained during the internship. Any course credit or passing grades must be arranged with the supporting school by Shweta Saha, who will also obtain the necessary papers from her BRAC-approved supervisor as needed.

Acknowledgment

I have always wanted to complete my internship at a reputable company, especially in the banking sector. So, as soon as I got the call from NRBC Bank I joined there as an intern. I believe that I have gathered a lot of awesome experience in the entire 3-month long Internship journey from February to April in NRB Commercial Bank. I had the privilege of working in the General Banking, Credit, and EGP Sections of this organization. I have gained a lot of knowledge about banking, particularly general banking. While working in the General Banking section, I gained knowledge of a variety of things, including how to create various accounts (Savings, FDR, DPS, Current) on the customers' requests, the process of issuing chequebooks, debit cards, and credit cards and handing them to the customers, cheque clearance, and what and how to do RTGS, BEFTNS, and pay orders. And I've had the opportunity to see how to deal with clients and provide the best services. I have the opportunity to work on financial transactions as part of my education because I am a finance student.

As a result, I would like to express my gratitude to my on-site NRB Commercial Bank Limited supervisor Mohiuddin Ahmed (Assistant Vice President & Manager Operation), as well as to the entire General Banking, EGP & Credit departments staff, for their ongoing support, which has been extremely helpful to me throughout my internship. I also want to thank my academic supervisor, Riyashad Ahmed, who is an assistant professor of finance and the director of the MBA and EMBA programs at the BRAC Business School, and my co-supervisor, Mr. Saif Hossain, who is the assistant coordinator of the BRAC Business School, for their unwavering commitment to my research and for inspiring me. I would not have been able to finish this internship report without their direction.

Executive Summary

The report describes the internship program offered by NRB Commercial Bank Limited. As an intern, I was in charge of assisting my line managers and supervisors with a range of tasks like dealing with clients, keeping records of checkbooks and debit cards, creating accounts in accordance with their requests, and so forth. My inspiring administrator and the person who has overseen all of my work is Mohiuddin Ahmed, assistant vice president and manager of operations of NRB Commercial Bank Limited's Dhanmondi branch always helped me to learn new things and understand different banking concepts. The report's objective is to examine the overall impact of NRBC Bank Limited's branch network. In the report, I tried to explain how to use branch networking in the banking industry because, through my work with several departments of NRBC Bank, Dhanmondi Branch, I have come to understand how crucial it is to have branches and maintain a branch network to run all operations. Additionally, throughout my stay there, I obtained a sizable portion of my primary sources for learning about the branch networking from the employees of the credit and general banking departments. Since they frequently needed it to manage day-to-day operations, they gave me materials and questionnaires. The data has been looked at in light of the opinion analysis that followed conversations about the value of having a branch network with the branch manager, operation manager, and all the other employees in the Dhanmondi branch. To fully grasp this idea, they also actively participate in some of the tasks. These findings prompted me to conduct an additional study to improve the branch networking procedure at NRBC Bank Limited.

Keywords: Branch Network; Progress; Impacts; Employees; Customer Satisfaction; Banking

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List of Acronyms

GB	General Banking Limited
EGP	Electronic Government Procurement Payment Service
RTGS	Real Time Gross Settlement
BEFTN	Bangladesh Fund Transfer Network
FDR	Fixed Deposit Receipt
DPS	Deposit Pension Scheme
CD	Current Deposit
ATM	Automated Teller Machine
MTO	Management Trainee Officer
TO	Trainee Officer
M.D	Managing Director
CPV	Customer Point Validation
CC	Cash Credit
CRR	Cash Reserve Ratio
LC	Letter of Credit
NBA	National Basketball Association
KYC	Know Your Customer

Chapter 1

1.1 Student Details

Student Name: Shweta Saha

ID: 18104224

Department: Finance-Intern, NRB Commercial Bank Limited

Major: Finance and Marketing

1.2 Internship Details

Company Information

Finance Department of NRB Commercial Bank Limited

NRB Commercial Bank (Dhanmondi Branch): Mir Nur Square (2nd Floor), House: 43(new), Road:2/A(New), Satmosjid Road, Dhanmondi, Dhaka

Period of Internship

3 Months (From 1st February to 30th April)

1.2.2 Supervisor's Details

Mohiuddin Ahmed

MBA(DU), MBM(BIBM), DAIBB

Assistant Vice President & Manager Operation

Dhanmondi Branch

Mir Nur Square (2nd Floor), House: 43(new), Road:2/A(New), Satmosjid Road, Dhanmondi, Dhaka

Telephone: +8802223365715(Direct)

Cell: 01841259569

SWIFT: NRBBBDDHDHN

Email: mahmed@nrbcommercialbank.com

Routing Number: 260261184

Website: www.nrbcommercialbank.com

1.3 Plan of Work

As an intern, I had to accomplish basic duties every day. My main responsibility was to fulfill the duties of General Bank, Credit & EGP departments but mostly General Banking. I had to assist customers who come to create accounts in NRBC Bank, do cheque clearance, and record the checkbooks, debit cards & credit cards, that customers have given a requisition for while arriving at the branch. Also, notifying customers about it and hand it over to them on time. Moreover, I helped my supervisors in their day-to-day work. All of my recent three-month activity is listed in the section below.

Table 1. Plan of Work

Week	Activity
1	This week, I started working as an intern in the Dhanmondi Branch of NRB Commercial Bank Limited. During my orientation, my supervisor gave me a brief rundown of all the tasks I would be completing and gave me information on how to fulfill any tasks involved in general banking sections. I glanced at those throughout the first week of my internship.

2	I learned about all the banking terms, debit cards, credit cards, chequebooks, banking letters.
3	The third week was spent assisting the customers to create FDR, CD, Savings accounts and clearing cheques given by banks and individuals.
4	I got to know the process of recording the cheque books, cards and keeping it in volt accordingly and handover to customers properly. Also, I wrote almost 60 forms
5	On the fifth week, I filled up FDR, DPS, Savings and RTGS forms. Moreover, I helped the customers to write cheques, deposit slips. I called the customers to check if they have given all the correct information while creating accounts.
6	On the week of sixth, I continued filling up forms and assisting customers. I learned how to enter data of customers who giving cheque requisition, asking for debit cards. Further, I started working the EGP Department.
7	In the ninth week I worked with the EGP Department. Got to know why and how this department is operating. I assisted the customers who take Education Loans, Life Style Loans and took the needed valid documents to proceed to the loans
8	On the eighth week, I continued to working with the EGP department. My supervisors made me learn how to use their

	procurement related activities using a dedicated secured web-based dashboard (Ultimus).
9	I was tasked with assisting customers with their banking needs, such as opening accounts, updating information, and answering queries. Moreover, I was also involved in marketing the bank's products and services to potential customers. This involved creating marketing materials, organizing events, and reaching out to potential clients.
10	Due to the beginning of the EID-UL-AZHA holidays, we took a vacation throughout this week.
11	I have assisted with the day-to-day operations of the bank, such as handling transactions, reconciling accounts, and managing paperwork. As I had interest in technology, I got chance to work with the bank's IT department to help develop and implement new software, troubleshoot technical issues, and maintain the bank's technology infrastructure.
12	I turned in my ongoing work and gathered all the data I could that I needed for the internship as this was my final week of the internship. Also, I got to see the first day of work for newly hired employees. How they maintain all guidelines and how they organize their own files in accordance with my line manager's directions.

1.4 Internship Outcome

1.4.1 Contribution to the NRBC Bank

Being an active intern in NRBC Bank I have contributed the best possible way I could. I have been a great helping hand to my supervisors specially of General banking department and Line Manager. firstly, I focused on the leaning purpose because without first understanding the bank operations I would fail to be a good intern that can create a positive impact. Therefore, my main goal as an intern was to gain as much knowledge as I could about the bank and how it runs its day-to-day operation. Understanding the offered products and services, the target market, as well as the business's vision and goal, are necessary for this. Because of having a greater understanding of the business and the industry as a whole, I could use my leaning whenever I was assigned with any work like assisting customers of helping my supervisors in their day-to-day work. Secondly. I tried to help a lot of organizational departments as mentioned earlier like General Banking, Credit, EGP and Foreign Exchange while I was an intern. This entails assisting with administrative, research, and data entry tasks. I was able to reduce some of the workload for the other employees while also learning a lot. Thus, it makes them rely on me while there was a lot of work pressure on them. Thirdly, I also contributed to the organization by giving it fresh perspectives and concepts that I thought could help them in near future while doing my research for my internship report. I brought a new perspective that the company might use in a number of ways. I tried to contribute by giving novel marketing concepts or advice on how to improve customer service further. Lastly, as part of my internship, I had to collaboratively work with the other employees because they were the one to assist me how to complete a task properly. As having this interpersonal skill of being a team player, I tried to contribute to the company's success and foster a positive work environment. I assisted the customer with great care and understand their needs thus patiently handled the situation that make my co-workers impressed and assigned me with even more complicated task in future. I've been a really proactive, involved, and open-minded intern overall. By doing this, I might have a positive impact on the organization and develop valuable skills that will benefit me in my future career.

1.4.2 Advantages of the Internship Program by NRBC Bank

The entire three months long internship program have created a great impact on me and my overall career that I believe. I have always been passionate about working and starting my career in a bank so I think this internship have helped me to gain a great insight about Bank and how it operates. First of all, I would say that acquiring real-world experience in the banking sector was one of my internship's main benefits. Because I finally gained a deeper comprehension of the field since I was able to apply the ideas and theories I had learnt in the classroom to actual circumstances thanks to my institution and NRBC bank for all the assistance. Then, during my internship, I got the chance to collaborate with experts from various divisions and organizational levels. For example, the Branch Manager of NRB Commercial Bank, Dhanmondi Branch is an amazing person who always tried to enlighten us with different banking concepts that can be beneficial for my future. All the head of every department gave me tasks to complete and made me understand why and how the task should be completed. Also, got to learn the importance of the banking divisions that made me more enthusiast to work in bank in the future. As a result, I was able to grow my professional network and create connections that might help me in the future with my job. Also, my internship gave me the chance to further develop a variety of abilities, including teamwork, communication, time management, and problem-solving. These abilities helped me to work as an intern more professionally and I believe this will be useful in any future career. Most Importantly, I was able to learn about all aspects of banking during my internship, including corporate, investment, and retail banking as there are many career pathways available in the banking sector, which is very diversified. Nonetheless, due to my internship in a reputed bank like NRB

Commercial Bank, I now have a greater grasp of how a bank operates on a daily basis. For example, how to deal with different customers and provide the best customer service, how the credit division work so smoothly with the loan processing, and how financial analysis are done to grow further. These learning and many more were all included in this. If I get the chance to start my career in any financial sector, the information that I have got to know about the banking sectors that is so extensively regulated and that helped me better comprehend the rules and guidelines that apply to the sectors, will be useful in any future financial careers. Moreover, throughout my internship, I had the opportunity to get advice and mentorship from the existing employees in NRB Commercial Bank. They were able to share insightful knowledge about the business and give counsel on how to achieve a rewarding career in banking. Furthermore, As we know that the banking sector is continuously changing and growing, also my internship gave me access to the latest hardware and software that needed to continue day to day operation in NRBC Bank and some other banks. Any future profession in banking or finance will benefit greatly from knowing this information. Throughout my internship, I tried to support the business by working on a variety of assigned tasks and initiatives. Therefore, I was able to have a significant impact on the organization and felt accomplished. The last thing I want to mention is how useful my internship at NRB Commercial Bank was for my resume building. The Branch Manager of NRBC Bank helped me by giving impactful feedback on my resume and his valuable career advice. I was able to acquire real-world banking experience, which will be valuable to potential jobs. By the entire internship period I have become more willing to learn new things and face new challenges.

1.5 Difficulties and Challenges faced during Internship in NRBC Bank

Being a finance major student, I have completed my internship from a well repeated bank like NRB commercial Bank. As an intern there I have faced a few challenges during this internship period while working on several tasks. However, I have always tried to overcome these obstacles and learn from my mistakes.

As the banking system in Bangladesh has its own rules and regulations which are different from those in other countries so one of the biggest challenges, I faced was understanding the banking system in Bangladesh. I always had the bookish knowledge about banking operations but first time I got the chance to work in a bank practically and understanding and adapting to it was a bit difficult. Thus, it took me some time to understand the banking terminologies and processes used in NRBC Bank. However, I tried to overcome this challenge by asking my colleagues and superiors for help, reading the bank's policy manuals, and doing online research. Gradually, I was able to gain a better understanding of the banking system and NRBC Bank particularly. Additionally, another challenge I faced was understanding the complicated financial statements of the bank even if I was familiar with financial statements as I was a student of finance major. Then again, the ones the bank used were far more intricate than those I had previously seen. So, at the first place it was challenging for me to interpret the financial data and make significant inferences from it but my amazing and supportive supervisors made me understand specific terms used in banks day to day operations. However, I took participated in training courses offered by NRBC bank, consulted with my mentors and read books to have a thorough knowledge of financial statement analysis. Again, I had to be very effective and well-organized as I found it difficult to work in a fast-paced workplace and being an intern, I was assigned to finish some projects by a certain date. I did, however, make an effort to better manage my time by creating a to-do list, setting priorities, and asking for assistance from my coworkers when necessary. This made me more productive and capable of handling responsibilities better. Next, having an introvert personality I had faced difficulties to work with all type of customers and assisting them with fulling their need and demands. Also, keeping record of all the cheque book, debit cards, credit cards, clearing cheques on time, making sure customers get their requested service on time, maintain Excel file for all this was felt hard at first. By overcoming these challenges, I gained a lot of knowledge about customer service and good customer communication.

Last but not least, I had trouble integrating into the bank's corporate culture. As an intern and very new into this, I had to understand the bank's culture and work ethics. I occasionally had a hard time adjusting to the bank's formal, businesslike atmosphere. To better grasp the workplace culture, I did my best to observe and learn from my coworkers. I also made an effort to keep a cheerful attitude, show respect, and abide by the policies and procedures of the bank. In conclusion, my finance-related internship at NRBC Bank Bangladesh has been a worthwhile educational experience, even if I have encountered a number of challenges along the way. Through a lot of effort in my way of works or tasks, I have gained a lot of knowledge and been a better and strong person that I hope will help me to go further.

1.6 Recommendation

I consider myself fortunate to have been given the opportunity to complete an internship with this esteemed company. My managerial skills, business knowledge, conscience, ability, and assurance all improved as a result. NRB Commercial Bank provided me with useful experience. Additionally, because it enables them to comprehensively investigate a variety of finance-related issues, the NRBCB is the ideal location for students majoring in finance. Interns benefit from the NRBC's employee-friendly personnel practices. There is no bias everywhere in this area since everyone respects one another.

In Recommendation I would say that the bank could develop the customer service by using more technologies rather doing things manually. As the Ultimus, a software, NRBC Bank ltd. uses for its regular operation can be seen as an issue to be developed as the software sometimes it used to slow down and the employees get into trouble and fail to complete their task swiftly. Moreover, the bank might need to develop their service of Debit card requisition and on time delivery because in NRBCB ltd. the debit cards delivery time is too long that sometimes upsets the customers. Also, the sitting arrangement could be better as NRBC bank ltd. has a huge number of customers to deal with so they might need to work on their sitting arrangement.

Overall, As one of Bangladesh's most prestigious and well-known institutions, NRB Commercial Bank Limited also offers a wealth of training opportunities. NRBC Bank ltd., in my opinion, would be the best choice for someone looking to enter the banking industry.

Chapter 2

Organization Part

2.1 Introduction

A bank is essential to a nation's growth because it ensures a steady flow of financial resources to those involved in a variety of economic activities, which quickens the speed of development. These financial organizations have contributed to the enormous rise of the global economy. The banking industry is currently upgrading and increasing its involvement in many financial events on a daily basis. The banking process is also expanding in scope and becoming faster and simpler. Every firm strives to offer their fellow customers superior service opportunities in order to thrive in the competitive banking industry. Therefore, it has become crucial for everyone to be aware of banks and financial practices. This report on my internship program, which I participated in at NRBC Bank Limited's Dhanmondi Branch from February 1 to April 30, 2023, is part of my BBA degree since internships are required. The specifics of my experiences with the organization are detailed in this report. As I have mostly worked with the General Banking department, I will be describing my perspective and understanding in the report.

NRB Commercial Bank Ltd. Offers a wide range of commercial banking services. The main activities include taking deposits from customers, lending to retail, small and medium-sized businesses (SMEs), and corporate clients, conducting business abroad, financing leases and projects, borrowing and lending among banks, and trading in equity shares and government securities. On April 2, 2013, NRBC Bank was launched as a scheduled Bank. In addition to its 103 main branches, NRBC Bank has thousands of additional outposts, service centers, and booths across the nation.

2.2 Company Profile

- Established On: April 2, 2013
- Amount of Designated Capital: BDT 1000 Crore
- Equity or Capital: BDT 562.07 Crore (As on the June 2017 half-yearly financial report)
- Number of Branches of NRBC Bank: 103 (As on November 11, 2020)
- AD branches' Number of NRBC Bank: 9 (As on December 31. 2020)
- ATM Booths' Number: 45 (As on November 11, 2020)
- Number of Agent Points of NRBC Bank: 563 (As on October 10,2020)
- Logo of NRBC Bank:

One of the fourth-generation private sector banks to begin operations in 2013 is NRBC Bank, where local and global converge. NRBC Bank strives to be the top dedicated financial institution for NRBC to invest in Bangladesh and for Bangladeshi people and businesses to access the global market by bringing together a passionate and enterprising group of NRBC investors from all over the world. For a wide range of customers, NRBC Bank offers Corporate, SME, and Retail banking. NRBC Bank will offer the appropriate solutions that combine professionalism, knowledge, and financial strength and seeks to be the preferred provider of financial services with a mission to forge long-term relationships with individuals and businesses.

2.3 Vision, Mission and Objective of NRBC Bank Limited

The Vision of NRB Commercial Bank Ltd.:

- In order to support the country's economic growth, NRB Commercial Bank definitely pays special attention to channeling regular inflows of foreign remittance from Bangladeshi expatriates working abroad as well as the inflow of idle and unprofitable funds held with wealthy NRBs. The Bank also ensures to strive to become a peerless bank in terms of providing efficient & innovative banking services, protecting depositors' interests, satisfying shareholders' desires, and supporting national economic growth.

The Mission of NRB Commercial Bank Ltd.:

- By providing needed services, appealing profitability, and safe investments through the various financial products offered by NRBC Bank, the bank will devote itself to fostering investment confidence among Bangladeshi overseas residents.
- The bank will provide remarkable prospects for those who want to earn a living to obtain jobs overseas through the privilege of credible and trustworthy intermediary services.
- The bank will set up an efficient training and educational program based on the need for Bangladeshi FC wage employees who want to compete internationally.
- By offering current and cutting-edge products to all of the bank's retail and business customers in a timely and cost-effective manner, the bank will provide superior customer service.

- In order to create new and reengineer the service delivery process, the bank must continuously focus on and monitor the changing demands and aspirations of its clients.
- In order to safeguard the interests of depositors and guarantee the maximum return to shareholders, the bank must always exercise caution to keep banking business risks within its tolerated level.
- In order to meet the needs of newly emerging financing areas like SME financing, factoring, microfinance, IT-based products, housing financing, etc., the bank will be a leader in utilizing new sources of funding like assets securitization and the issuance of mutual funds to ensure the financial growth of the country
- The bank has to embrace and carefully develop a team-based culture where individuals are encouraged to take on banking difficulties and contend with other banks.

Objective if NRBC Bank ltd.:

- The objective or the goal of NRB Commercial Bank Ltd. is to provide consumers with exceptional value by offering professional, reliable services in a friendly, accommodating, and timely approach.

2.4 Profile of NRB Commercial Bank Ltd.

Table 2. Profile of NRBC Bank Ltd.

Particular	Date
Application for Bank Licensee	May 31. 2011
Letter of Intent	April 17, 2012
Certificate of Incorporation	February 20, 2013
Certificate of Commencement of Business	February 20, 2013
First Meeting of Board of Directors	February 23, 2013
License from BB for Head Office	March 10, 2013
Primary Dealership License	March 10, 2013
Branch License	April 17, 2013
Opening of first Branch	April 18, 2013
Authorized Dealer Permission	May 13, 2013
Clearing House Membership	June 16, 2013
SWIFT Membership	August 3, 2013
1st RMA(Relationship Management Agreement)	August 4, 2013
Statutory Meeting of the Shareholders	August 12, 2013
Achievement of Ten Thousand Accounts	January 23, 2014
Launching Internet Bank	April 2, 2014
Achievement of Fifty Thousand Accounts	March 08, 2015
Subsidiary Company: NBRC Bank	September 20, 2015

2.5 SWOT Analysis

Table 3. Swot Analysis of NRBC Bank Ltd.

Strengths	Weakness
➢ Well Reupdated Brand ➢ Dynamic Management Group ➢ Excellent Economical Standing and Capital Formation ➢ Diversified Portfolio of Loans ➢ Customer Driven Strategy ➢ Outstanding Management of Risk	➢ Comparatively Small Branch Network than Peers ➢ Reliance on a Small Number of Major Corporations ➢ Limited use of Better Banking Technology ➢ Comparatively Fewer Product Selections
Opportunities	**Threats**
➢ Development in Unexplored Marketplaces ➢ Rising Demand for Mobile Banking Services ➢ Higher Foreign Investment in the Nation ➢ Expanding SME and Middle-Class Population in Bangladesh	➢ Significant Rivalry Between New Competitors and Incumbent Banks ➢ Use of Software that can Lead to Cybersecurity and Data Breaches ➢ Interest Rate Fluctuations ➢ Downturns in the Economy May Affect the Portfolio of Loans.

2.6 Branches of NRBC Bank

As the Topic I have selected to work on is the impact of having Branch Network on Banking Business specially the overall impact on NRB Commercial Bank having 744 branches in Bangladesh.

2.7 Dealings of NRB Commercial Bank

2.7.1 General Banking Department

Among the several departments on of the most essential departments that plays a significant role in any banking business along with NRBC bank Ltd. is General Banking Department. This Department provides an important service facility that offers direct assistance to clients and consumers. As I worked mostly of my internship period with the GB so I would say that this division is crucial in deciding how clients see the bank and whether they will do business with it again. General Banking department helps customers creates account, give important information as per customers' requirement, take requisition for cheque books, debits cars, does RTGS, BEFTNS, Pay Order, Fixed Deposits, gives Bank Solvency to those who ask for it, verifies if all the documents provided by the customers are reliable or not and so on. In essence, the GB Department's level of service is a major factor in a bank's ability to succeed.

2.7.2 Foreign Trade Division

NRB Commercial Bank's Foreign Trade division is another division that ensures the success of the Bank to a huge extent. The Foreign Trade Department handles all the transactions that involves the currency exchange from one country or nation to another. This department is mainly divided into two departments; one is Export and other one is Import Department. Foreign Trade division is largely responsible for administering letters of Credit (LCs) for its

Clients. Lastly, The department is in charge of managing all aspects of LC activity, including opening processes, payment processing, document verification, and the issue of IDBP and IDBC.

2.7.3 Credit and Loan Division

NRB Commercial Bank's Credit and Loan Department mainly works with Both personal and business loans. Customers who wish to apply for a loan must provide a number of required documents, including a personal net worth statement, a guarantor's portfolio, a trade license, a bank solvency statement, a CIB (Credit Information Bureau) report, a CRG (Credit Rate Grading) report, and a TIN & VAT certificate. Based on these records and the applicant's profile, the department examines and assesses loan requests. NRBCB offers verities of loans to customers like student loan, life style loan, auto loan, home loan, machinery finance, business loan and so on and supports the customers with the best possible way. Also, the credit departments take requisition for credit cards and hand it over to the customers on arrival.

2.7.4 EGP Division

EGP Department of NRBC Bank mainly simplify how information is distributed to suppliers, bidders, and the general public. Enhance the opportunities for accounting and controlling public procurement. This department also offers a useful audit trail. Also, EGP department is a very important department of the bank that ensures the procurement procedure complies with all applicable rules, laws, and standards for openness. The department works with a variety of stakeholders, including government organizations, vendors, and contractors to make sure that they are actively participating and supporting the e-GP process. A consolidated database of procurement-related data, including supplier profiles, contract specifics, and procurement statistics, is kept up to date by this department. Last but the least NRBCB's EGP Department provides bank guarantee on behalf of its clients.

2.7.5 Cash Counter

Cash counters of NRBC Bank do multiple jobs at once, including counting and authenticating coins and notes in addition to counting. The department categorizes banknotes according to factors like monetary denomination and are capable of identifying when a banknote needs to be withdrawn because it is damaged.

2.8 Product and Services of NRBCB

Providing different kinds of commercial banking services is the primary activity of NRB Commercial Bank. Consumer banking offers its clients trading services, custody, and clearing through its offices in Bangladesh. One of the few regional financial institutions, NRB Commercial Bank, does not follow the typical branch-based, decentralized, geographically controlled business model. Instead, the bank operates vertically from its headquarters through four autonomous business divisions: Corporate & Investment Banking, Retail Banking (including Cards), Treasury & Market Risks, and SME Banking.

The Products and services offered by NRB Commercial banks is given below:

FDR:

- Fixed Deposit Receipt

Scheme:

- Student Saving Scheme
- Triple Benefit Deposit Scheme

- Shohoj Sanchay Deposit
- Double Benefit Deposit Scheme
- Lakhopoti Deposit Scheme
- Deposit Pension Scheme
- Prority Deposit Scheme
- Money Maker Scheme – RMG Workers
- Monthly Benefit Deposit Scheme
- Corporate Money Maker Scheme
- Money Maker Scheme (MMS)
- Millionaire Deposit Scheme
- Kotipoti Deposit Scheme

Shikkhaguru

- Savings Account Special
- Money Maker Scheme Special
- Deposit Pension Scheme Special
- Double Benefit Deposit Scheme Special
- Lakhopoti Savings Scheme Special
- Millionaire Deposit Scheme Special
- Monthly Benefit Deposit Scheme Special
- Triple Benefit Deposit Scheme Special

- আল ওয়াদিদা চলতি হিসাব
- মুদারাবা হিসাব
- মুদারাবা এস এন ডি হিসাব
- মুদারাবা সহজ সঞ্চয়ী হিসাব
- মুদারাবা মেয়াদি সঞ্চয়ী হিসাব
- মুদারাবা মাসিক কিস্তি স্কিম
- মুদারাবা মাসিক মুনাফা প্রকল্প

Savings Account

- Individual Savings Account
- Savings Account – RMG Workers
- Student Savings Account

Loan

- NRBC Education Loan
- NRBC Business Loan
- NRBC Lifestyle loan
- NRBC Home Loan
- NRBC Auto Loan
- Agri Community Finance
- Personal Vehicle Loan

- Personal Loan
- Post Shipment Export Finance
- Pre-Shipment Export Finance
- Financial Obligation Finance
- Work Order Finance
- Stock Finance
- SME Finance
- Retail Finance
- Machinery Finance
- Import Finance
- Home Finance for NRB
- House Building Loan or HBL
- Business Vehicle Finance
- Residence Finance
- Green Finance
- Export Finance
- Construction Finance
- Auto Finance
- Agriculture Finance

2.9 The General Banking Department and it’s Different Section

General Banking Department has three following sections:

- Account Opening Section
- Clearing Section
- Cash Section

2.9.1 Account Opening Section

The banking sector has a tight connection to the relationships between bankers and their clients. To be a customer of the bank, one must have some sort of banking relationship with them. The account opening phase creates the relationship by opening a new account for the customer in accordance with their requirements. This is the most prominent section of NRBC Bank where I worked mostly in time of my internship.

Job Description

- Opening a variety of accounts on demand of clients
- Overseeing the activities of numerous account types.
- Responsible for checking out cheque books.
- Transferring and canceling different types of accounts.
- Providing account statements to customers.
- Producing various vouchers for the transactions listed above.
- Helping out the Bank's beloved clients, and so on.

2.9.2 Issuing of a Cheque Book

When opening an account, a "Cheque Book Requisition Slip" needs to be signed by the clients who is opening the accounts in NRBC Bank. The consumer receives a checkbook with the account number written on the cash leaf and requisitions slip if the account opening form is verified to be accurate in all respects. Additionally, the computer records the client's name and account number in the Departmental Cheque Books Issued Register for the particular Cheque Book Series. The request slip is then saved as a voucher.

2.9.3 Cleaning Section of the Bank

Cash is deducted from the payer's account and added into the payee's account after a cheque is cleared. NRBCB is in charge of handling the process of settling bank-to-bank transactions. Because there are so many transactions between banks every day, bank clearing was developed to handle what each party owes or is owed in a single location so that the least amount of money actually changes hands.

Job Description

- The issuance of a check.
- Applying two endorsing seals and one crossing seal as three clearance seals to a check.
- Dividing checks into two categories: high value (500000 tk. and above) and normal value (below 500000 tk.).
- Making a system program post a message.
- Refusing to honor cheque when a specific defense is presented.
- Passing a cheque after the Bangladesh Bank, the nation's central bank, has certified it.
- Providing the client with an account statement upon request.

2.9.4 Inward Cheques

It denotes what is sent outside. Inward clearing cheques are personal bank checks that are delivered to other concerned banks for collection through Bangladesh Bank's clearing house.

2.9.5 Outward Cheques

It refers to information received from the outside. Cheques that are drawn from other banks and are to be cleared by NRBCB LTD through the internal clearing division are known as outbound clearing cheques

2.9.6 Clearing Seal

The three required seals are required for the acceptance and passage of a check. One crossing seal and two endorsing seals are what they are. There is a crossing seal with the NRBCB's name on it. On the other hand, a clearing seal is an endorsing seal that requires the inclusion of the date and clearing. Another seal lists the payee's account that is credited with NRBCB. For the authorization and issuing of the cheque, the authorizer signed it.

2.9.7 Software

For clearing cheques, NRBCB uses the "Ultimas" program. The majority of these software development firms only create specialized software for banks' banking operations.

2.9.8 Cash Section

Because it deals with cash, the cash division of the general banking department is among the most crucial. Cash receipt and cash payment are the department's key tasks.

Job Descriptions

- Receiving Cash
- Cash Payment
- Vouchers Issuing
- Keeping receipts on file

Receiving of cash

The source of cash at the branch is cash receipt. It could come from a consumer, the central bank, another bank, or a different branch of the same institution of banking.

Process of Receiving Cash

Firstly, the deposit vouchers are carefully scrutinized to verify that the account amounts match both in words and figures. Next, the cash is counted either manually or by using a counting machine. The notes are then thoroughly examined for signs of mutilation, mismatch, or forgery. The deposit voucher and its counter foil are then signed. The credit voucher is subsequently handed over to the receiving cashier. At the end of the business day, the register is tallied and compared with the Receiving registers. The entries are totaled and matched against the receiving total. The number of vouchers is also counted, and the officer checks and countersigns them. Any surplus cash is sent to the cash feeding branch, while the bank uses the remaining cash to pay its customers.

Process of Cash Payment

Firstly, every payment must be made on time, and the instrument must be analyzed before payment is made. The canceling officer then approves the payment based on factors such as the amount, date, endorsement, order, or bearer. The bearer's signature is obtained on the back of the instrument and verified against the signature obtained at the time of the token. The value of the instrument is written on the back, and the cash paid stamp number 26 is affixed to the front. The amount is entered into the paying cashier book, and any unpaid instruments are returned. The entries are then totaled, and the balance is compared with the token and tally total. The total amount is written in words, and the paying cashier signs it before releasing the paid instrument from the paying cashier book. Finally, the vouchers are sent to the appropriate department for further processing.

Chapter 3

Impact of Branch Network on Banking Business

3.1.1 Introduction

The overall impact of Branch Network on Banking Business or banking industry is a very prominent topic that creates a lot of interest among the researchers, practitioners and politicians. Branch networks have been a vital part of the banking sector for many years as it gives consumers a physical location to interact with bank employees and obtain financial services easily and swiftly. The digital banking is developing day by day and due to this the conventional branch banking model has been put under scrutiny in the recent times. Thus, it is raising concerns among the researchers about the branch network's future in the banking sector. The branch network is nevertheless a crucial part of the banking sector even if there have been a lot of challenges to be faced while opening new branches in different areas. Then again opening new branches ensure a lot of facilities and brings a huge change in the banking business for example acquiring customers, managing relationships, making sales, cross-selling, and developing brands, all these are only possible when a bank has many branches in different places. A bank can also offer a physical presence that exudes professionalism, dependability, and integrity when it has branches and builds a successful and effective network with the branches it has. However, maintaining a branch network can be costly, thus banks must optimize their branch network to weigh the advantages against the drawbacks. In the internship report I am going to present an overview of how branch network affects the banking industry and specifically NRB Commercial Bank based on my research and investigation. In the report I will go through the pertinent literature on the subject, which will include academic papers, business reports, and research publications. The report will also include some important topic or the findings of an investigation into how the branch network affects many facets of the banking industry, such as client acquisition, relationship management, sales, cross-selling, and cost structure. Lastly, I'm going to conclude the report with the discussion of the significance of the findings for the banking sector and suggestions for banks seeking to maximize their branch network.

In Bangladesh, the branch network is an essential part of the banking industry as it enables banks to broaden their customer base. In the recent time Banks can offer financial services to clients in hard-to-reach or underserved regions with lots of banking facilities due to the branch network. Customers can access various banking services for example creating accounts, withdrawing money, using locker service and making deposits without having to travel far from their residence rather takes all the services from the nearest branch because of the branch networks. Now, banks can serve more people, and offer a variety of financial services to clients across the nation. Moreover, due to the expansion of branches banks are also expanding their existing customer base and drawing in new ones. A bank's ability to provide more convenient services, enhance client satisfaction, and gain a competitive edge over rival banks with a smaller branch network can all be facilitated by having more branches. Furthermore, the branch network in banking business facilitates the clients by offering them individualized services, such as help with account opening, loan applications, and other financial services. Now a days private and public commercial banks are better able to comprehend the demands of their clients, offer specialized solutions, and raise client satisfaction levels with the local branches they have in different regions. Besides, there are so many ways in which a large branch network can boost a bank's profitability. For instance: boosting sales, cutting costs, and enhancing productivity with the skilled manpower. By merging back-end operations, banks with additional branches can increase cost effective revenue, such as from loan processing fees, and lower expenses related to customer service. Last but not the least, banks that have a large branch network are better able to enter new markets and acquire an advantage over other rivals' banks. These well-established banks may forge a solid presence around the globe, take advantage of local expertise, and cater their goods and services to the unique requirements of any market they operate in. To conclude, Bangladesh's banking industry relies heavily on its branch network. It facilitates banks to contact more people, grow their clientele, and offer a broad selection regarding financial services to clients in various parts of the nation. Broad branch networks for banks can give them a competitive edge, boost profits, and boost client happiness.

3.1.2 Overall Impact of Branch Network on Banking Business in Bangladesh

In Bangladesh banking business is a key to almost every business sectors. And branch network here plays a significant role as it enables to broaden the customer base of the particular bank, serve more people, and offer a variety of financial services to clients across the nation. Let's have an insight about the importance of branch network in brief.

- As Banks with strong and wide branch network can offer a great financial service to clients who lives in remote areas, thus more people are able to have access to financial services and get connected with banks.
- In either way banks can ensure customers satisfaction with its branch network and quick services that include opening accounts, withdrawing money when needed, depositing cash, and so on.
- Due to having branches banks in Bangladesh can enhance market penetration by entering new markets and gaining competitive advantage against rivals.
- A large branch network can boost a bank's profitability by boosting sales, cutting costs, and enhancing productivity.

Broad branch networks for banks can give them a competitive edge, boost profits, and boost customer satisfaction in Bangladesh.

3.1.3 Literature Review

The topic assigned by my supervisor "The Impact of Branch Network on Banking Business" have been discussed among the academics and the industry professionals and they have conducted numerous studies where the connections between the branch network and various aspects of the banking sector, including client acquisition, customer relationship management, sales and cross-selling, brand creation, and cost structure has been addressed in an effective manner. In one of the discovers of Mala and Dixit (2016) has described that the branch network in banking business has a favorable effect on acquiring new clients in the bank as with branches in their nearest place of residence customers have easy access to interact with the bank employees with their several different queries. Thus, banks are able to get connected with more customers and able to build a great relationship with its clients by ensuring clients' loyalty and retention. Also, the impact or importance of branch network on building the entire banking sector has been investigated in a research project by Kshetri and Dholakia (2016). The research paper has shown that A bank's brand and its reputation fully depend on how well-planned and well-maintained branch network the bank has and this can ensure the drawing in of new clients and retaining the current ones. Moreover, in a study by Kauhanen et al. (2015), it has been explored that the branch network and the sales and cross-selling in the banking sector are widely relatable to each other. Also, the study of Kauhanen et al. discovers that branch employees can determine client needs and make relevant product and service recommendations due by doing sales promotion and building cross-selling services with the help of the branch network and its crucial importance in this regard. However, in research of Ho and Mallick (2017) described the cost structure of having branches and maintaining branch network and how this cost of maintaining branch network can affect the profitability of the entire banking industry. Based on the research it can be understood that managing and maintain branches is expensive in different terms. Then again if the branch network is well designed and well maintained then it can be cost effective as well as profitable.

To conclude the overall literature research, it can be said that the branch network is crucial to the banking sector and has a big impact on many different parts of the banking industry. So, in my opinion based on all references and researches conducted by different scholars and practitioners is that banks must optimize their branch networks as this is one of best way to increase revenue while still serving customers with the best service as we know already maintaining a branch network can be expensive.

3.1.4 Importance of the Topic

The topic of the importance or impact of branch network on banking business is an important topic to work on for several reasons. First of all, as discussed before having branches in different regions is very crucial due to some factors like client acquisition, relationship management, sales, cross-selling, and brand development which are some of the vital parts of banking sectors. Secondly, as we know that digital banking is now emerging, people are now fond of making transactions sitting at home or only vising the nearest branch and that's why the traditional banking system is now being criticized thus the branch network here plays a crucial role as it generates concerns among people who are using the banking services in their day-to-day life. Consequently, it is significant for lawmakers, scholars, and specialists alike to comprehend how the branch network affects the banking industry. Moreover, The relationship between the branch network and many facets of the banking industry is revealed by research in this field, which is also essential for various reasons for instance making strategic decisions and managing their branch network to balance costs and advantages at the same time. In addition, the legislator can ensure the sustainable growth of the banking sector by promoting policies, creating rules and providing valuable assistance to the bank with the use of the research done in this field.

3.1.5 Objective

Firstly, the main goal and purpose of writing the report is to evaluate the pertinent academic literature on the subject and present a concise summary of the significance of the branch network for customer acquisition, relationship management, sales, cross-selling, and brand building in banking sectors. Secondly, with the completion of the report there will be a thorough investigation on the connection between the branch network and other facets of the banking industry and offering a research result based on the research. Thirdly, the internship report will give an overview of advantages and disadvantages of branch network by analyzing the benefits as well as costs associated with sustaining a branch network. This includes several factors like the expenditures associated with staffing, operations, and maintenance.

Lastly, the objective of writing the report is to have a discussion on how the findings can affect the financial sector most importantly the banking sector, policymakers, and academics. Additionally, the report will conduct suggestions for banks trying to optimize their branch network and legislators looking to create regulations that support the banking sector's sustainable growth.

Overall, the goal and objective of writing a report on how the branch network can affect the banking sectors and its operation is to give an insight to the readers with a thorough understanding of the branch network's function in the banking sector and to help banks, politicians, and academics make strategic decisions.

3.1.6 Scope

This report's focus is solely on how the branch network affects the banking industry and other facets of the banking sector that can have an impact on it, such as risk management, financial regulation, or macroeconomic issues, are not covered. The report's focus is also restricted to current research findings and conclusions from the literature review. So, the scope of the given topic is discussed below:

- In the internship report of mine it will include a historical significance of the branch network in the banking sector as well as its contemporary relevance in the digital era.
- Next it will have a thorough understanding on how the branch network affects acquiring new customers and maintaining existing ones for banks, as well as the importance of physical presence in fostering goodwill and brand recognition.
- This report will also cover the topic of how the branch network affects sales and cross-selling for banks, taking into account the value of in-person encounters and individualized services.
- It will go over the expenses related to the upkeep of a branch network, such as operational, staffing, and maintenance expenses.
- In the report it will be addressed how the findings can affect the banking sector and offer suggestions for financial institutions wishing to improve their branch network further.

3.1.7 Limitation

While writing the report on the given topic I had to face some limitations as all the data were not so available in the websites and conducting surveys was not easy at all. However, all the limitations faced during writing the report are discussed below:

Restriction on generalization was the first and foremost limitation that I faced while writing the report as its almost impossible for all locations, nations, or banks to be able to apply the conclusions of any study or literature review on the effect of the branch network on banking operations. As per my research the reason behind it can be the difference of size, organizational structure, operations, economic and cultural characteristics of particular geographic areas from banks to banks. Thus, each bank has different effect on the branch network in the banking sectors. The Second limitation I faced was not having available data on the internet being a more specified limitation on statistics on the branch network and its effects on the banking sector. Additionally, the preciseness, comprehensiveness, and capacity to reach firm conclusions about the study findings may be impacted by this. The next limitation I want to talk about is the biases of the literature review due to the use of accessible data and the selection of the available data only while writing the literature review. Therefore, the accuracy and reliability of the research have some doubt. Already conducted Research becoming out of date rapidly because of the dynamic and continually changing functions on the branch network, was a limitation I had to face in my time writing the report. Lastly, the methodology selected might leave an influence on the conclusions drawn from any study on the effects of the branch network on the banking industry. Therefore, the validity and reliability of the conclusions might be impacted by restrictions in the study design, sample size, data-gathering techniques, or statistical analysis.

3.1.8 Methodology

While writing about how department networks affect banking business, I found that this often involves two main steps: a literature review and an analysis.

Overview of the literature: The first phase in the process entails conducting a thorough assessment of the body of previous analyses on the subject. Finding and researching pertinent publications, books, reviews, and other statistical resources pertaining to the effect of the department community on the banking industry are required for this. The evaluation of the literature often comprises a summary of the relevant studies, identification of study gaps, and a critical assessment of the advantages and disadvantages of the existing body of knowledge.

An Analysis: The second step of the process comprises doing an analysis to determine how the branch network affects the banking industry. The investigation may also use quantitative or qualitative research techniques, including polls, interviews, focus groups, case studies, and econometric analysis. The study usually involves gathering information from a few sources, such as banks, customers, workers, or industry professionals, and then evaluating the data to draw conclusions about the impact of the department community on various areas of the banking business.

Depending on the research objectives, the data that is available, and the research resources, different writing techniques can be used to discuss how a branch network affects banking operations. Nevertheless, conducting an extensive literature review and an analysis with proper research methods are normally the core components of the methodology.

3.2.1 Data Collection Mode

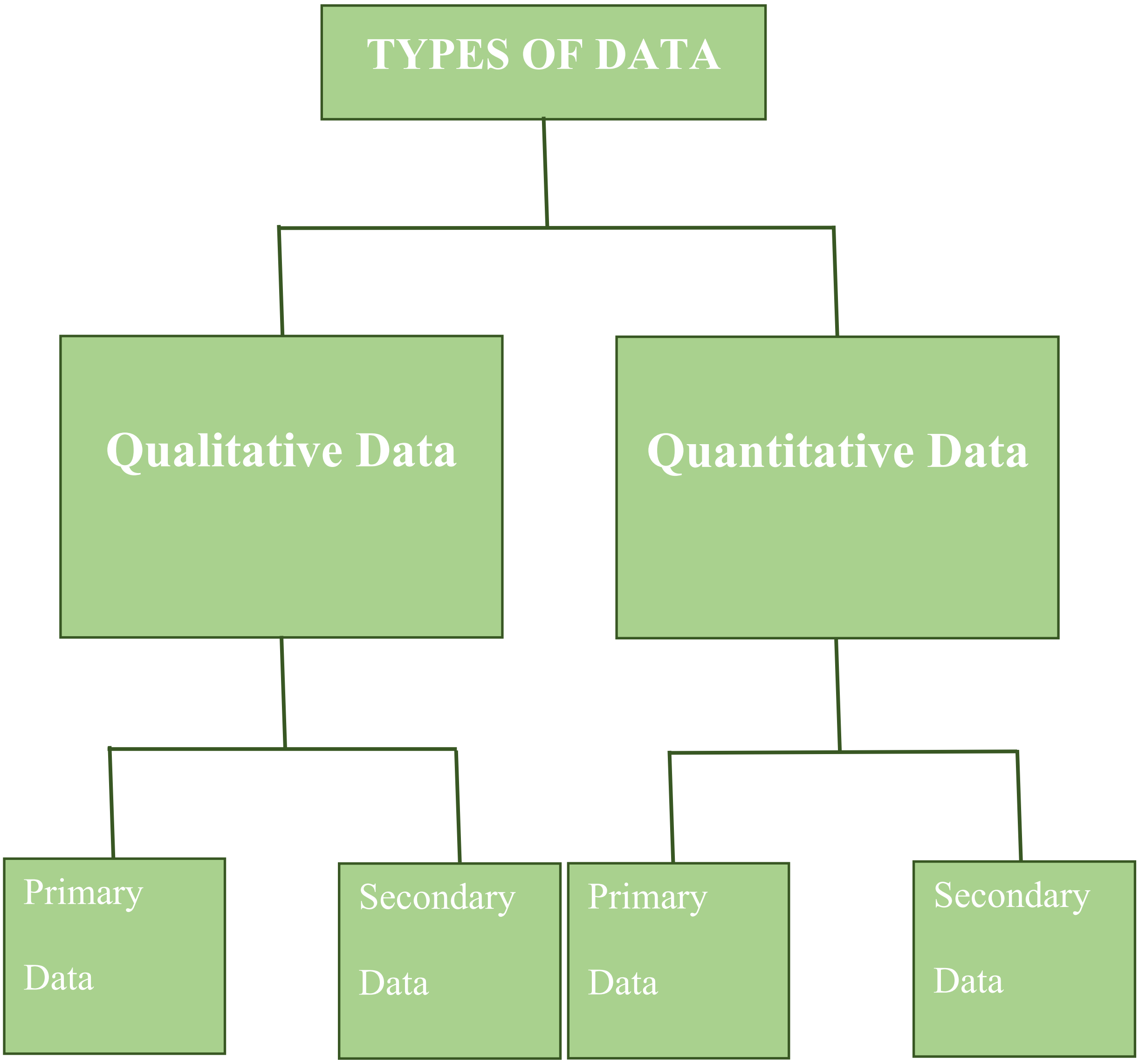


Figure 1: Data Collection Mode

3.2.2 Primary Data Sources

- Client opinions and surveys
- Financial documents and statements
- Employee evaluations and opinions
- Organizational documents, rules, and regulations
- Findings of the branch network and client interactions
- Discussions with bank officials and staff

3.2.3 Secondary Data Sources

- Financial statistics and comparison gathered from industry sources
- Industry reports and assessments
- Scholarly study on Bangladesh's banking sector
- Information from social media and online bank reviews

3.2.4 Data Collection Method

Both qualitative and quantitative research techniques have been used while writing the report on “The Impact on Branch Networking on NRB Commercial Bank Ltd.”. As mentioned earlier, both the primary data and secondary data sources have been used to finish the report. First of all, For the collection of data to write the report the most important primary data that I used is to ask customers, staff members, and other stakeholders about their attitudes, behaviors, and opinions on the bank's branch network and services as for a bank a to run these people are the main sources of success.

Secondly, I tried to use other primary data of the bank by holding conversation sessions with bank executives, branch managers, and some staff to gain information about the operations, strategy, and branch network performance of the bank. Mainly, the topic was assigned by the respected Sir AIM Mostafa, the branch manager of NRBC Bank so, he provided all the necessary data to complete my report.

Thirdly, what I did as an intern is to observe everything in the bank. So, information on the bank's services, clientele, and operational effectiveness is gathered by keeping an eye on the branch network, business operations, and customer interactions in NRBC Bank and included my own opinion in the report.

Besides, I have used secondary data as well. Because just the primary data was not enough to have a thorough analysis on the topic. In addition, Secondary data analysis is the process of gathering and analyzing additional information from sources including industry reports, government publications, and university studies in order to gain knowledge about the Bangladeshi banking sector and the performance of the bank in comparison to its rivals. So, as secondary data I have found articles on the topic and on NRBC bank, previous reports written by students, and scholarly articles. Also, I checked the financial reports published by the bank in the annual reports on their website. Therefore, I have analyzed the bank's financial statements, reports, and other financial information in order to evaluate the effectiveness of the branch network and how it affects the bank's profitability and expansion.

Lastly, It is significant to remember that each method has advantages and disadvantages and that it typically takes a combination of methods to fully comprehend how the branch network affects NRBC Bank Ltd.

3.3.1 Impact of Branch Network on NRB Commercial Bank Ltd.

Branch Network on Banking business is a blessing. it brings lots of advantages in Banking Sector. Similarly, the impact of branch network on NRB Commercial Bank ltd. docent go either way. Let's have a look at how branch network is playing a vital role in the bank's continuous success.

After the observation and chitchat with the customers of the bank I got to understand and accept the fact that NRBC Bank's branch network is essential to luring and keeping customers. As per the customers' opinion, they can open accounts, apply for loans, and obtain specialized services at the bank's physical locations and have easy access to banks where they can come to solve instantly with any issues they have. also, from the bank's perspective NRBC Bank can reach new people and offer practical banking services to its current clients by growing its branch network, which will increase customer satisfaction and loyalty. Not only branch network ensures customer satisfaction but also, it creates Goodwill for the brand and makes it a reputable brand.

The branch network may have an effect on how people see and perceive the bank. According to the branch manager of NRBC Bank, a strong brand identity and enhanced reputation in the market of NRBC Bank have been achieved by the bank with the aid of a well-designed and maintained branch network. also, with the increase in brand recognition NRBC Bank Ltd. has been drawing in more consumers by offering high-quality products and services through its branches in different areas. Through the secondary analysis of data, I have found that the bank is now more involved in revenue generation than way before when it didn't have branches like the present time.

NRBC Bank's branch network helps to make money through a number of different channels, including fees and commissions, foreign exchange trades, and deposit and loan products. The bank is able to do it by increasing its revenue sources and enhancing its financial performance by growing its branch network. from my mentors I got see

Charts, graphs where it showed the efficiency in the operation of the bank has raised in past few years and the branch network has a great effect on the bank's efficiency in operations. NRBC Bank has carefully planned and maintained branch network and that help the bank make the most of its assets and cut costs. For instance, the bank can improve operations by strategically placing branches to cut down on costs and travel time for both its staff and clients.

To conclude, after all the research and data collection, I got to see that the branch network has lots of positive impact than negatives. Therefore, in a whole, NRBC Bank's branch network is essential to its development and success. The bank increases client acquisition and retention, revenue generation, operational efficiency, and brand recognition through the expansion and optimization of its branch network, which will result in long-term growth and profitability.

3.3.2 All Over Growth and Changes of NRB Commercial Bank with the Openings of New Branches

Changes in Financial Performance: Generally, a bank normally anticipates an increase in deposits, lending, and income when it opens additional branches NRB Commercial Bank Limited doesn’t go either way. after analyzing the Annual Reports of the bank, it has been shown there’s a growth in the financial performance. Usually, with opening of new branches, any bank can draw in new clients and keep hold of current ones as it broadens its customer base nonetheless it offers easier access to its services. This is the reason of NRB Commercial Bank has a rise in sales and company activity in recent years.

However, from the analysis of the annual report of NRB Commercial Bank it has been seen that there was a rise of hefty up-front costs including rent, hiring, and marketing costs in the short run. This can result in short-term declines in profitability or even losses. In order to ensure that they are getting the desired outcomes, NRB Commercial Bank actually weighs the possible costs and benefits of building additional branches. The bank has been continuously monitoring its financial performance once new branches have been opened. A bank's financial performance is impacted by a number of variables in addition to building additional branches, including the economy, interest rates, competition, and internal management. As a result, it's crucial to take into account these additional aspects when assessing a bank's financial success In conclusion, adding new branches can improve a bank's long-term financial success by broadening its customer base and boosting sales as shown below:

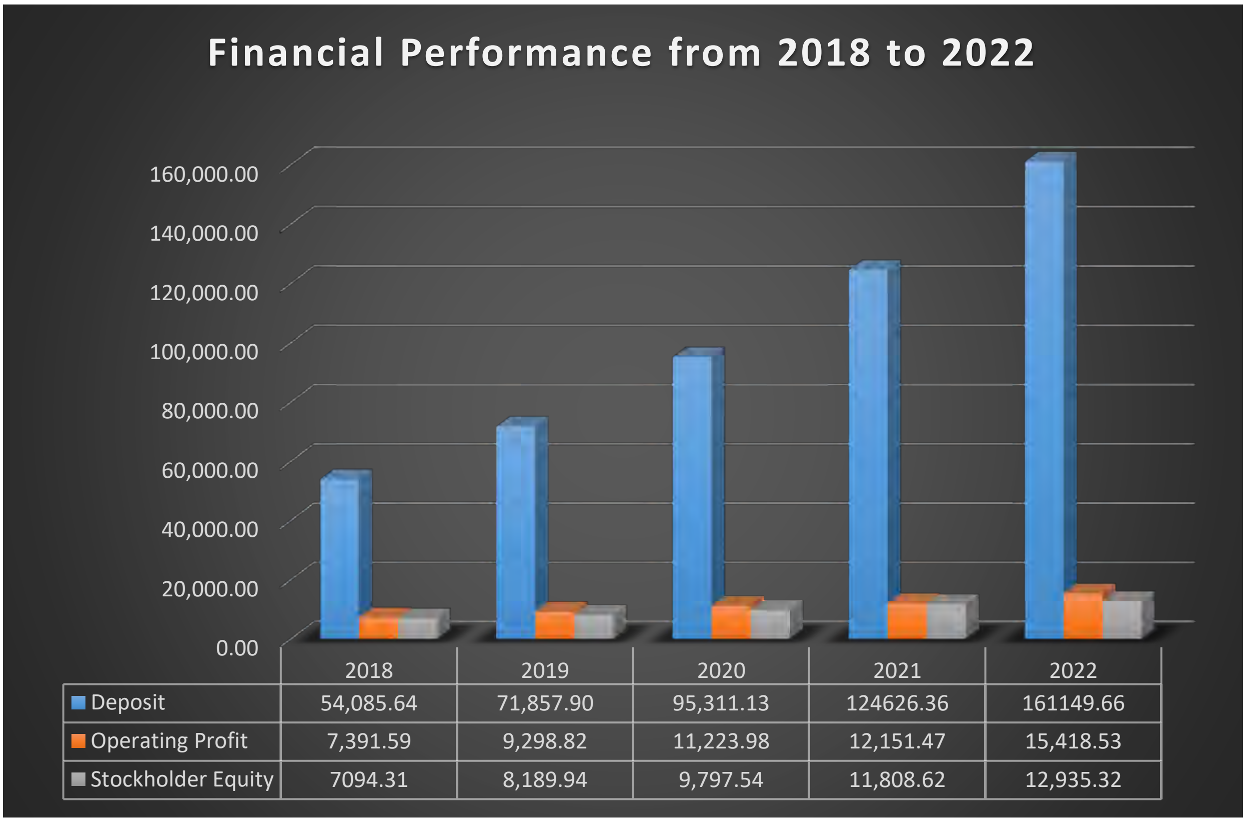
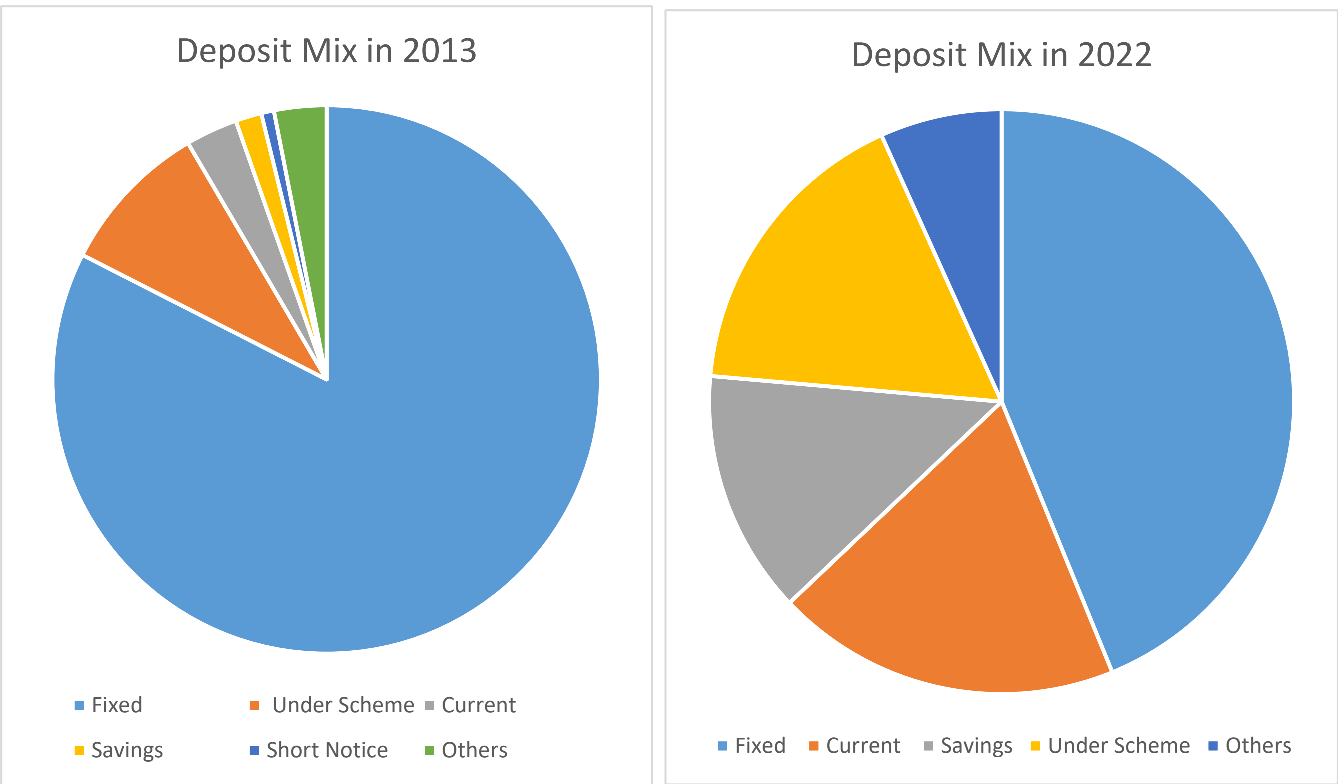


Figure 2: Financial Performance from 2018 to 2022

Reaching new customers with the increasing number of Branches: By adding branches in new cities, NRBC bank could reach new clients who may not have previously known about the banking services provided by NRB Commercial Bank Ltd.. Additionally, new locations actually aided NRBC Bank in keeping hold of current clients who might have been contemplating switching to a competitor bank that is located nearby. Moreover, The client base of NRBC Bank Ltd may have only been accessible in a certain area or city prior to the creation of new branches. As shown in the previous chart that from 2018 to 2022, the annual report shows the deposit amount has increased significantly. Also, in the year of 2013 NRB Commercial Bank Ltd had only 10 Branches, 10 Atm and 10 Nostro Account. But in year of 2023 the number of Branches has increased to 744. The bank has reached a larger customer base and potentially grown its market share by opening more branches, expanding its customer base to other regions of the nation.

Figure 3: Deposit Mix in 2013 & 2022



So, we can see from the deposit mix that with time the bank has managed to have a diversity in the deposit. Customers are now engaged in creating different types of account rather than only fixed deposit accounts because of having easy access in terms of taking services from the bank. Also, with this the Interest Income of the Bank has a significant change as the number of customer increased in huge.

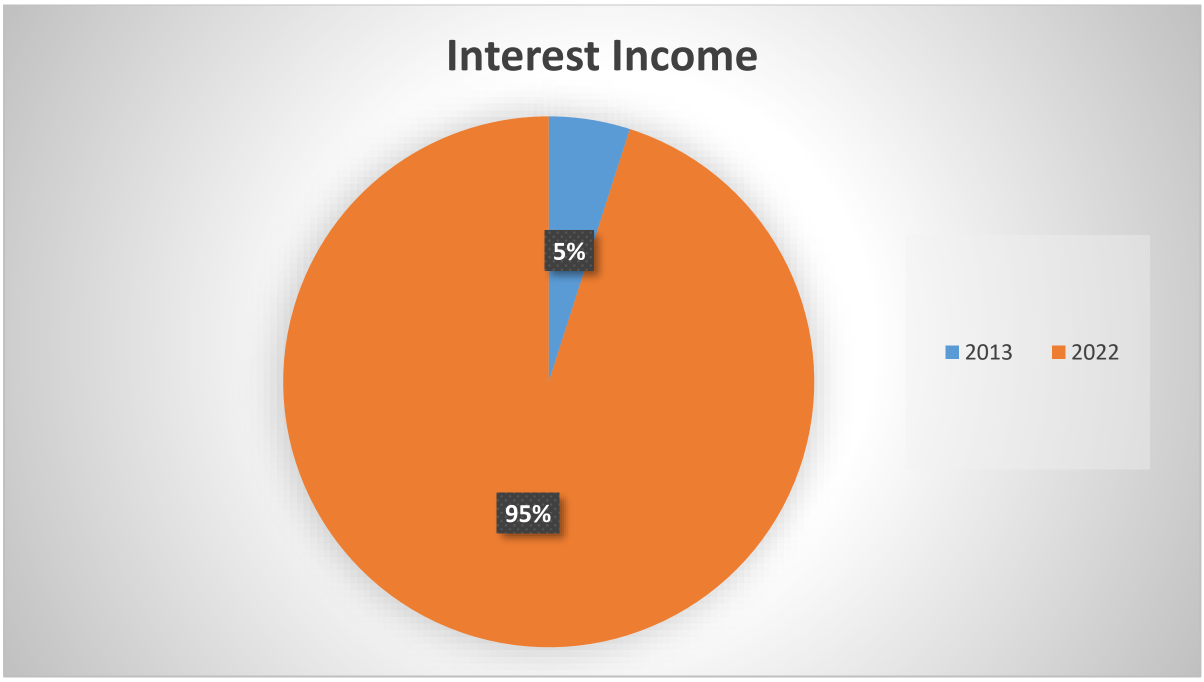


Figure 4: Interest Income

With some key financial indicators of the bank the change can be more visible. In 2013 when the bank started it journey, it had only 10 Branches where the 5th branch was opened in Agrabad and the 10th branch was opened in Mugrapara with the motive of engaging in the economic development of the country. In that time the estimated number of customers was over 15000 and the group of customers include individuals, large corporations, NGOs, small and medium-sized businesses, and retailers. The bank provided its customers undivided attention in order to deliver timely service. And to serve better and quality services it kept opening new branches in different regions. Let's see a comparison from 2013 to 2022.

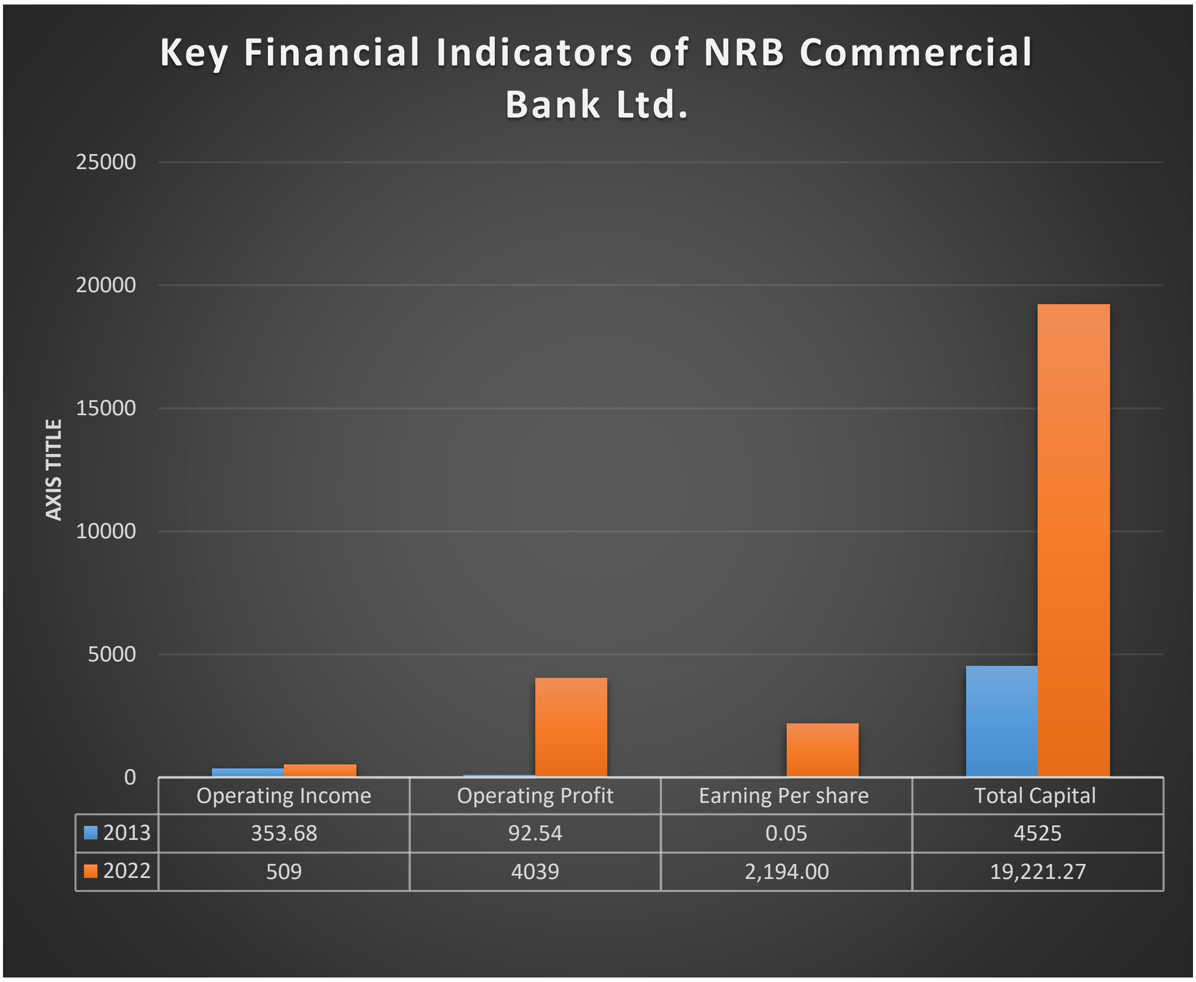


Figure 5: Key Financial Indicators of NRB Commercial Bank Ltd.

Geographic coverage: Prior to the opening of 10 branches in 2013, NRBC Bank Ltd. Bangladesh's geographic coverage was only available in some specific region. The bank had a small customer base of around or over 15000 and been able to exclusively service people in a certain region or town. However, NRBC Bank Ltd. have increased its geographic reach and coverage after opening its branches. The bank have expanded its customer base and reached new markets by opening new branches in various locales. This have given the bank the opportunity to give customers in various regions of the nation more convenient access to its services. In the recent time the bank has branches in different parts in Bangladesh. The Branch list of NRB Commercial Bank has given below:

Table 4. Branch Network of NRBC Bank in Bangladesh

HEAD OFFICE	O.R. NIZAM ROAD	INDERHAT	TONGI BRANCH
PRINCIPAL	BARISAL	NAYA BAZAR BRANCH	BATESHWAR BRANCH
GULSHAN	RAJSHAHI	BHULTA BRANCH	BHAIRAB BRANCH
RUHITPUR	BANANI	PHULHAT	HATHAZARI BRANCH
MAWNA	NAOGAON	MADHABDI	GOPALGANJ BRANCH
AGRABAD BRANCH	EKORIA	BHUIGHAR BRANCH	KUSHTIA BRANCH
CHINISHPUR	CHATKHIL	HATIRPUL BRANCH	AGAILJHARA BRANCH
HEMAYET PUR	CHANDRAGANJ	CHARABAGH BRANCH	RUPPUR BRANCH
UTTARA	BOR DIGHIR PAR	BOGRA BRANCH	JESSORE BRANCH
BOARD BAZAR	ZIRANI BAZAR	GAZIPUR-CHOWRASTA	MIRPUR-12 BRANCH
MOGRAPARA	NARAYANGANJ	HATGOPALPUR	PURBADHALA BRANCH
DHANMONDI	MIRPUR	FENI BRANCH	INDERHAT
AGANAGAR	RANGPUR	CHANDINA	NAYA BAZAR BRANCH
GORAI	KHULNA	DHANMONDI MOHILA BRANCH	BHULTA BRANCH
PANCHABATI	RAOZAN	MYMENSINGH BRANCH	PHULHAT
ZIRABO	HORIRAMPUR	MATLAB BRANCH	MADHABDI
SYLHET	MOYNAMOTI	IMAMGANJ BRANCH	BHUIGHAR BRANCH
NABINAGAR	MUNSHI BAZAR	LAKSHAM BRANCH	HATIRPUL BRANCH
JUBILEE ROAD	SYLHET UPASHAHAR	ARAIHAZAR BRANCH	BANDURA BRANCH


Our Presence
Branch
Sub Branch
Agent Point
Breb Booth/
BRTA Booth

Changes in Operational effectiveness: Due to its smaller client base and restricted reach in the year 2013, NRBC Bank Ltd Bangladesh had low operational effectiveness prior to launching new branches through the years. It has been harder to create economies of scale and boost operational efficiency because it was operating on a smaller scale in the past years. After analyzing the annual report of the bank, it can be seen that NRBC Bank Ltd. increased operational efficiency by expanding its customer base and geographic reach after opening its branches through all the year from 2013 to 2022. The bank has benefited from economies of scale in areas like marketing, manpower, and technology as it boosted operations, which could result in cost savings and improved efficiency.

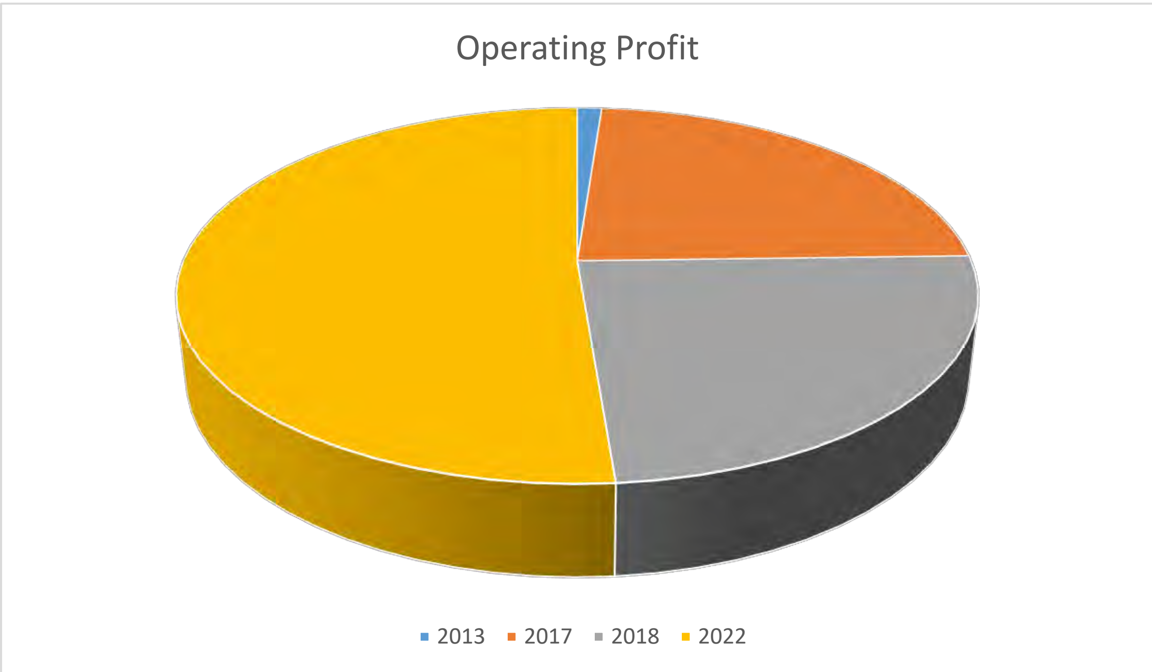


Figure 6: Operating Profit

So, we can see that the Operating Profit from 2013 to 2022 has raised in a significant number However, establishing new branches can also be expensive up front and it can temporarily reduce a bank's operating effectiveness. For instance, this includes costs for paying rent, hiring staff, and marketing. The location, level of customer care, and selection of products are only a few of the variables that affect the success of the new branches.

Therefore, it would be harder for NRBC Bank ltd, to experience the intended increase in income and profits if these aspects are not adequately controlled, which have a detrimental impact on its operational effectiveness. As mentioned in the annual report of 2018, Network expansion, including Branch, BRTA collection booths, and Agent points, combined have an upward 13.65% impact on operating costs.

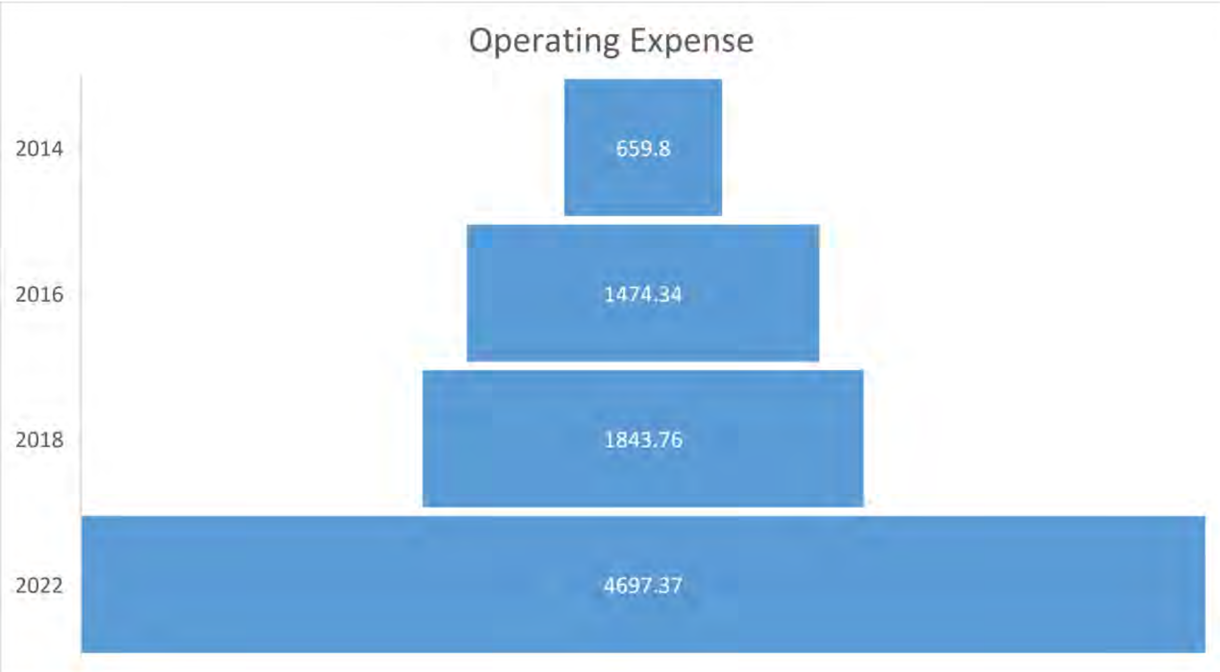


Figure 7: Operating Expense

After the analysis of the operating profit, operating income and operating expenses it can be said that depending on the bank's unique circumstances, including its size, client base, and general business plan, the influence of building new branches on operational efficiency can vary greatly. In order to ensure that NRBC Bank Ltd. is able to get the desired results, it actually carefully weigh the possible costs and benefits of building new branches and the bank has been also continuously monitoring the operational efficiency once new branches have been opened.

3.3.3 Findings

Based on the analysis of NRBC Bank's financial performance it has been shown that the bank has a significant rise in its deposits from 2013 when it started its journey till 2022. Not only the deposit has increased but also operating profit and stockholders' equity have increased as well. Additionally, if we have a look at the EBIT, we can see the growth of the bank drastically. Here is the statistic of PBT or EBIT:

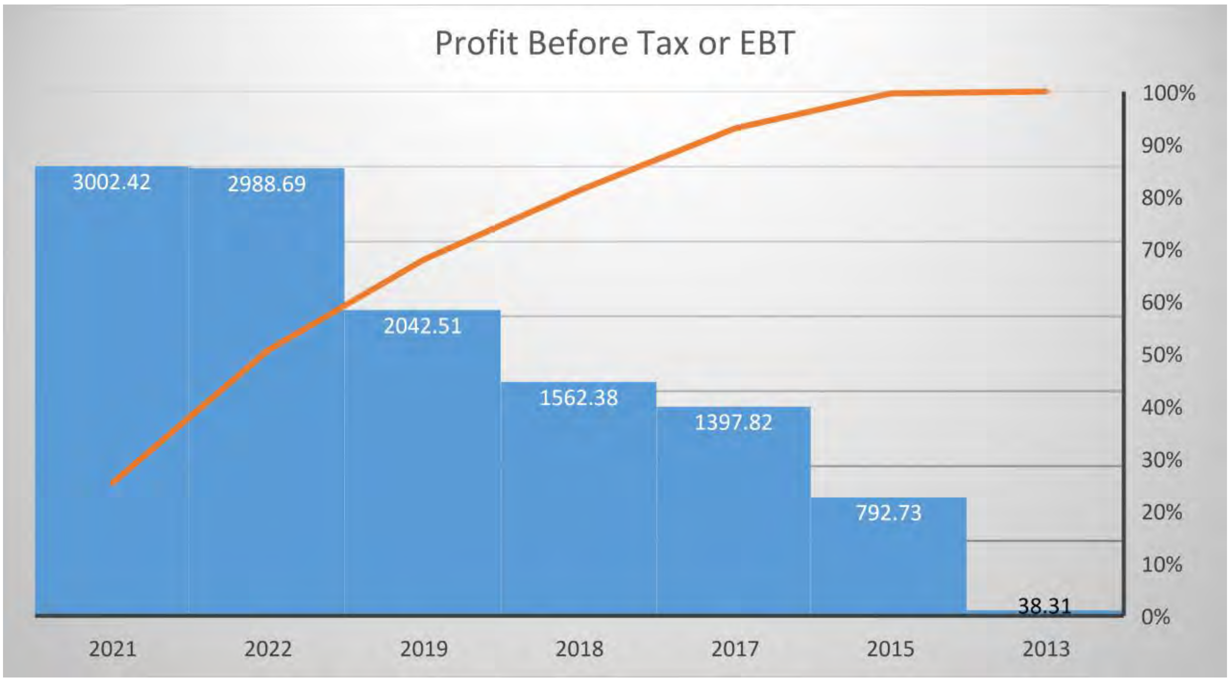


Figure 8: Profit Before Tax or EBT

So, the EBIT was 39.31 million in the year of 2013 that raised to 2988.69 million in the fiscal year of 2988.69 million. The core reason behind it was the broaden of the banking business. And the banking business has broadened only by increasing the number of branches year after year The bank had only 10 branches in 2013 which raised to 110+ branches in 2023. So, with the increase of branches, NRBC Bank has successfully maintained a positive impact on the branch's performance as shown in the graphs. Moreover, branch network has not always a positive impact on the banking business, with the rise in profit, deposits, earnings, operating income, and earnings per share, the expenses also increased.

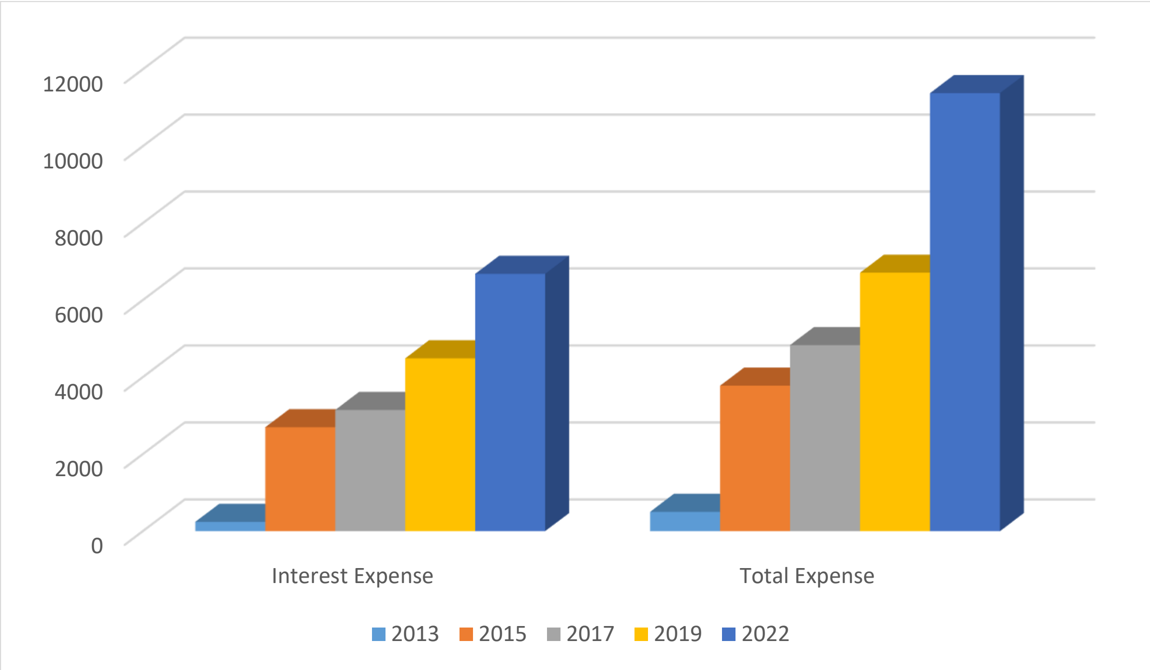


Figure 9: Interest Expense & Total Expense

Even if the expenses have increased but the profit and earning increased significantly as well. So, the impact on the banking business has more positive impact than negative. However, these numbers or graphs are only giving a general idea of the bank's financial health. To completely comprehend the elements that have contributed to the bank's performance and any areas that require development research on bank's loan portfolio, risk management procedures, and other key performance are done. also, the 90% of the bank’s customer agreed to that the branch network or branches in different locations of NRBC Bank ltd. has helped them to get the services more conveniently. So, after analyzing the current customers opinion or feedback on the topic it can be said that the branch network of NRBC Bank Ltd. has a huge positive impact on the success of the bank.

In conclusion, NRBC Bank Ltd. seems to be a steady and prosperous institution based on the information presented. To guarantee that the bank maintains its effectiveness and long-term achievement of its strategic objectives, ongoing monitoring, and analysis will be required.

3.3.4 Payouts and Advantages of Having Branches

Due to the increasing number of branches of NRB Commercial Bank Ltd., the bank is able in keeping qualified workers, fostering a productive workplace that is advantageous to both the bank and its clients. The employees of the bank are able to enjoy a lot of advantages as the bank can ensure a strong and profitable business that have a positive impact on the stakeholders of the bank as well. Some of the payouts and advantages are described below.

- The bank provides its staff with competitive salaries or compensations, which aids in luring and keeping top personnel. It not only helps the employee of NRBC Bank but also help the nation.
- NRB Commercial Bank Ltd. Offers a variety of perks to its staff members, including health insurance, life insurance, retirement programs, and paid time off.
- Through training and development programs, performance reviews, and job rotations, the bank offers its employees chances for career development and progress in recent times.
- NRBC bank has indeed a great workplace environment that encourages cooperation, teamwork, and respect between employees and according to its employee, it has been possible because of opening branches.
- NRB Commercial Bank Ltd, a reputable financial organization, offers its staff stability and employment security.

- The bank also participates in social responsibility projects including community development initiatives, which can increase workers' feelings of fulfillment and purpose at work.

3.3.5 Conclusion

In terms of banking expertise, innovation, and general dynamism, NRBC Bank has achieved a landmark. This bank's primary goal is to provide chances and make a positive financial impact on the lives of those who are economically disadvantaged. NRBC Bank Ltd. is progressing along this path with visionary abilities supported by insight and knowledge. It has garnered numerous plaudits on this voyage from both domestic and foreign authorities in the banking industry, which serves as motivation for advancement. Being an intern in such reputable bank and working in the General Banking, Credit, and EGP departments at NRB Commercial bank Ltd. I have successfully gathered a wide variety of experiences. Moreover, I was able to grow and improve my abilities throughout my internship in a variety of areas, including customer service, credit analysis, and electronic banking operations. I also got to see how a commercial bank operates on a daily basis, which helped me grasp how banks work and the difficulties they encounter. Furthermore, I learned and developed as a professional during the internship. Again, I have learned to show outstanding cooperation, communication, and attention to detail, all of which are necessary for the banking sector under the supervision of my amazing mentors and guides. Lastly, to conclude, I would like to admit the fact that my internship at the NRB Commercial Bank Limited Dhanmondi Branch has been a worthwhile learning opportunity for me and I have learned a lot of things that will be useful to me in the future. However, I would like to share some feedback on the three-month-long journey with the Bank.

3.3.6 Recommendation

The following suggestions for the bank are based on my observations and experiences during my internship at the NRB Commercial Bank Limited, Dhanmondi Branch.

NRBC bank being one of the most reputed banks in Bangladesh, and Dhanmondi Branch being fall under A grade category, can be more concentrated on enhancing its customer service by making sure the timely delivery of cheque books, debit cards, fasten the creation of accounts as per customers demand and so on. The bank can also think about investing in training programs to give its employees the abilities and information needed to efficiently manage consumer questions and concerns. In addition, NRBC Bank might use technology to streamline its processes and improve client satisfaction. This can entail spending money on online banking tools, enhancing the bank's website and mobile application, and automating procedures to work more effectively. During my internship, I noticed the site the bank use for its day-to-day operation, Ultimus, has some negative effects that actually creates problems for the employee and makes customer waits longer than expected. Lastly, to show a dedication to helping the communities it serves, the bank might think about creating and implementing a corporate social responsibility program. This could involve, among other things, programs to promote the environment, health, and education. These suggestions, in my opinion, could aid NRB Commercial Bank Limited's Dhanmondi Branch in enhancing operations, enhancing interpersonal relationships among customers, and establishing itself as a premier bank in the area.

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5. *Disclosures on Risk Based Capital (Basel II). (n.d.). NRBCB Final Cover 2013. https://doi.org/https://www.nrbcommercialbank.com//assets/form/report/disclosures2013.pdf*

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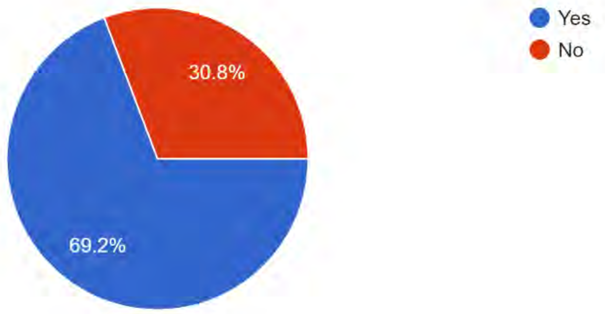
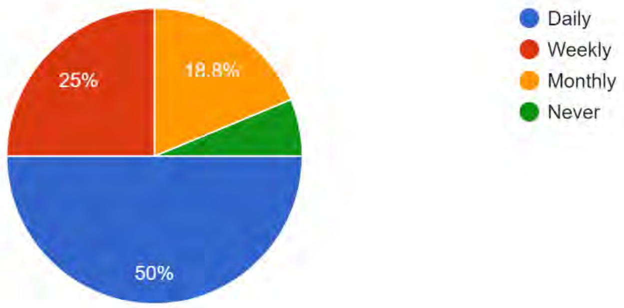
Appendix

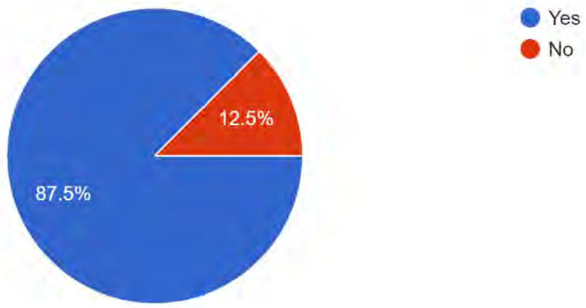
2. Are you familiar with the concept of branch networking in the banking sector?
13 responses



3. How often do you use banking services provided by NRB Commercial Bank Ltd.?
16 responses

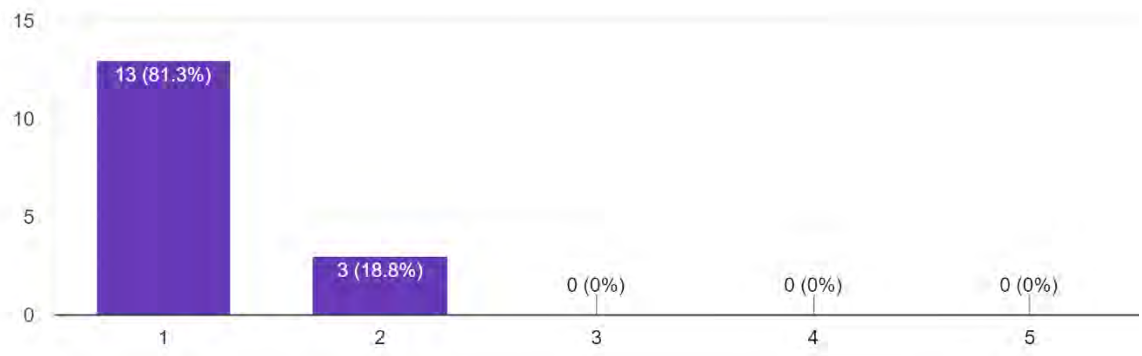


4. Have you visited multiple branches of NRB Commercial Bank Ltd. in different locations?
16 responses



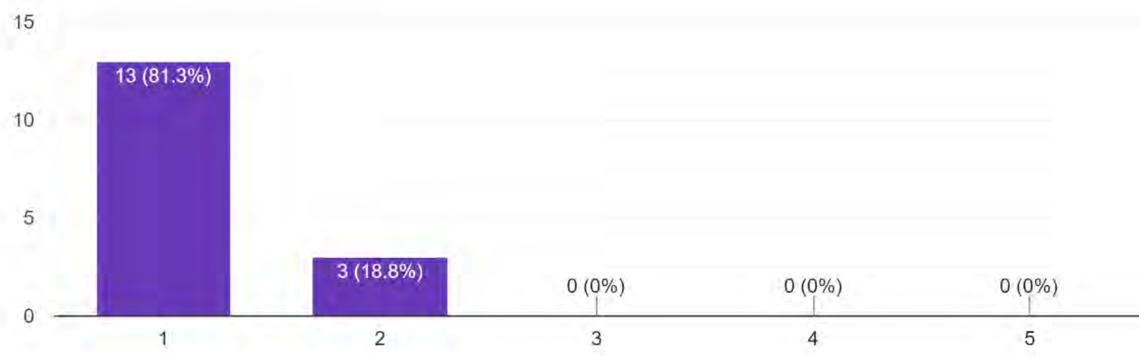
5. How important is the convenience and accessibility of banking services to you?

16 responses



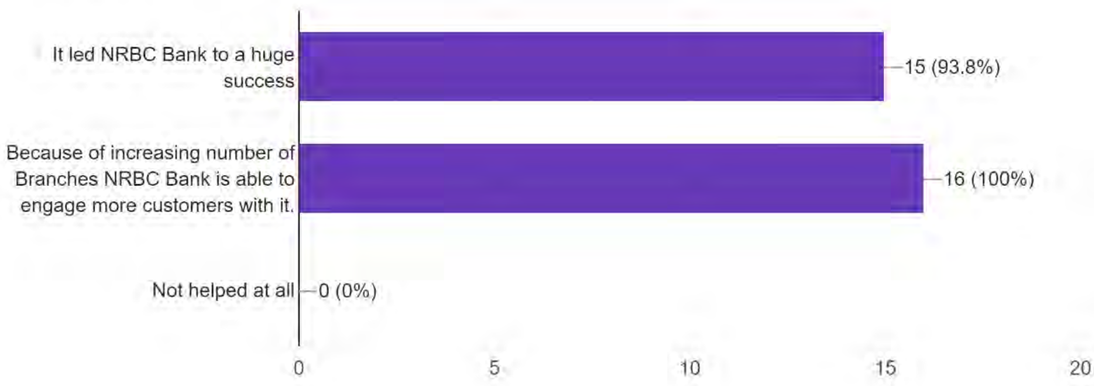
6. Do you think having a wide branch network of NRB Commercial Bank Ltd. has improved your access to banking services?

16 responses

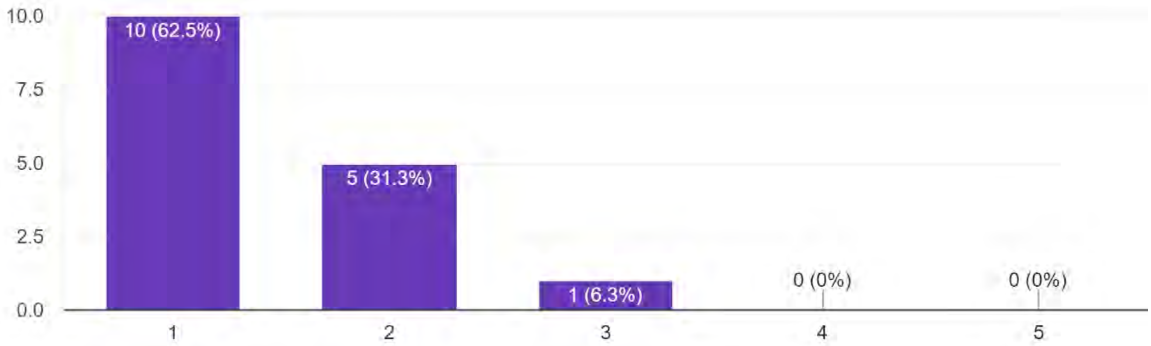


7. In your opinion, what are the advantages of having multiple branches of NRB Commercial Bank Ltd. in different locations?

16 responses



8. Rate your Satisfaction Level on services offered by NRB Commercial Bank Ltd. in their branches?
16 responses



9. In your opinion, how has the branch networking strategy of NRB Commercial Bank Ltd. impacted their overall business growth?
16 responses

10. Have you observed any changes in the quality of services provided by NRB Commercial Bank Ltd. after the expansion of their branch network?
16 responses

Employee's Response of NRB Commercial Bank Ltd.

1. How has branch networking's adoption affected the productivity and efficiency of your day-to-day tasks and obligations within the banking industry?

1 response

In my opinion, Branch networking's deployment has improved the efficacy and efficiency of my everyday job activities and responsibilities at NRB Commercial Bank Ltd. By enhancing communication, teamwork, customer service, and administrative procedures, it has made it possible for me to provide our cherished consumers with top-notch banking services.

2. What are the main advantages or gains that branch networking has brought to the banking industry in terms of client happiness and service? Share your thoughts.

1 response

Branch networking has significantly improved customer service and satisfaction for NRB Commercial Bank Ltd. It has improved service consistency, seamless service continuity, individualized service facilitation, query resolution efficiency improvement, and accessibility. These advantages build our reputation as a bank that prioritizes its customers by working together to create an overall favorable client experience.

Have you observed any difficulties or negative effects as a result of branch networking in NRB Commercial Bank ltd, Dhanmondi Branch? If yes, how have these issues been resolved or minimized within your company?

1 response

While there may be certain difficulties with branch networking in the banking industry, NRB Commercial Bank Ltd. has made proactive steps to address and effectively manage them. We have successfully maintained uniform service standards, enhanced communication and information exchange, and made sure that proper coordination between branches through extensive training programs, cutting-edge technology infrastructure, and collaborative work culture. Through these efforts, we are now able to offer our clients seamless banking services that are of the highest caliber throughout our branch network.

Horizontal and Vertical Analysis

Horizontal Analysis

Last Five years' (2018 to 2022) Balance Sheet (UNCONSOLIDATED)

Particular's	2022	2021	2020	2019	2018
	%	%	%	%	%
PROPERTY AND ASSETS					
Cash:	268.9%	199.3%	149.0%	142.8%	100.0%
In Hand (Including Foreign Currencies)	324.1%	222.4%	143.7%	152.9%	100.0%
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	246.6%	189.9%	151.2%	138.7%	100.0%
Balance with other banks and financial institutions	279.2%	180.1%	138.7%	80.6%	100.0%
In Bangladesh	282.4%	126.4%	108.9%	79.3%	100.0%
Outside Bangladesh	227.5%	1065.4%	629.9%	101.2%	100.0%
Money at call and short notice	11.1%	11.4%	10.4%	66.1%	-
Investments	465.9%	359.4%	332.0%	192.6%	100.0%
Government	477.7%	374.9%	392.5%	206.7%	100.0%
Others	425.2%	306.0%	124.3%	144.3%	100.0%
Loans and advances/investments	283.0%	218.0%	155.5%	128.9%	100.0%
Loans, cash credits, overdrafts etc./ investments	289.4%	221.6%	156.7%	128.6%	100.0%
Bills purchased and discounted	83.3%	105.7%	119.7%	137.8%	100.0%
Fixed assets including premises, furniture and fixtures	396.6%	385.0%	175.9%	106.6%	100.0%
Other assets	271.7%	207.9%	185.4%	136.4%	100.0%
Non - banking assets					-
Total assets	298.8%	229.0%	173.9%	134.4%	100.0%
LIABILITIES AND CAPITAL					
Liabilities					
Borrowings from other banks, financial institutions and agents	4134.1%	2435.0%	1381.3%	431.1%	100.0%
Deposits and other accounts	272.3%	212.4%	166.7%	132.9%	100.0%
Current accounts/Al-wadeeah current accounts and other accounts	734.2%	603.9%	357.3%	181.7%	100.0%
Bills payable	323.5%	408.1%	299.8%	286.2%	100.0%
Savings bank/Mudaraba savings bank deposits	493.4%	351.3%	218.0%	141.8%	100.0%
Special/Mudaraba notice deposits	257.5%	202.8%	164.9%	117.3%	100.0%
Fixed deposits/Mudaraba fixed deposits	367.1%	215.9%	132.4%	87.3%	100.0%
Schemes Deposit/ Mudaraba Scheme Deposits	97.8%	108.7%	139.3%	143.2%	100.0%
Other liabilities	395.5%	294.4%	222.2%	155.9%	100.0%
Total liabilities :	312.3%	236.2%	178.0%	136.5%	100.0%
Total Shareholders' Equity	183.5%	167.6%	139.0%	116.2%	100.0%
Paid -up capital	154.1%	143.4%	113.2%	111.0%	100.0%
Statutory reserve	291.8%	234.9%	177.7%	138.9%	100.0%
Others reserve	395.1%	781.1%	7406.2%	45.8%	100.0%
Retained earnings	225.5%	223.4%	153.9%	120.7%	100.0%
Total Liabilities and Shareholders' Equity	298.8%	229.0%	173.9%	134.4%	100.0%

Horizontal Analysis (Balance Sheet)

Balance Sheet

As at 31 December 2015

Particulars	Notes	2015 Taka	2014 Taka
PROPERTY AND ASSETS			
Cash:	3	**2,236,775,615**	**1,366,111,665**
In Hand (Including Foreign Currencies)	3.1	377,681,442	226,188,773
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	3.2	1,859,094,173	1,139,922,892
Balance with other banks and financial institutions Including Foreign Currency	4	**3,077,157,127**	**2,349,012,862**
In Bangladesh		2,566,879,652	2,207,057,181
Outside Bangladesh		510,277,475	141,955,681
Money at call and short notice	5	-	-
Investments	6	**6,560,866,921**	**5,669,758,212**
Government		4,138,468,762	4,196,290,738
Others		2,422,398,159	1,473,467,474
Loans and advances	7	**23,227,386,522**	**14,412,251,270**
Loans, cash credits, overdrafts etc.	7.2	22,394,358,589	13,752,930,739
Bills purchased and discounted	8	833,027,933	659,320,531
Fixed assets including premises, furniture and fixtures	9	**464,896,458**	**342,892,142**
Other assets	10	**767,017,311**	**708,086,645**
Non - banking assets		-	-
Total assets		**36,334,099,954**	**24,848,112,795**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	**426,901,731**	**1,509,084,936**
Deposits and other accounts	12	**28,994,554,103**	**17,270,880,701**
Current accounts and other accounts, etc.		1,668,922,740	1,022,531,737
Bills payable		246,712,400	209,141,940
Savings bank deposits		1,331,655,120	510,953,294
Special notice deposits		1,140,468,313	383,759,108
Fixed deposits		18,043,267,534	11,691,907,556
Other deposits		6,563,527,996	3,452,587,066
Other liabilities (2014 restated)	13	**1,798,782,355**	**1,480,298,844**
Total liabilities :		**31,220,238,189**	**20,260,264,481**
Total Shareholders' Equity/Capital		**5,113,861,765**	**4,587,848,315**
Paid-up capital	14	4,446,059,000	4,446,059,000
Statutory reserve	15	203,221,865	44,388,286
Other reserve	16	44,448,919	34,983,992
Retained earnings (2014 restated)	17	420,131,981	62,417,037
Total Liabilities and Shareholders' Equity		**36,334,099,954**	**24,848,112,795**

Vertical Analysis

Last Five years' (2018 to 2022) Profit & Loss Statement (UNCONSOLIDATED)

Particular's	2022	2021	2020	2019	2018
	%	%	%	%	%
OPERATING INCOME					
Interest income	72.5%	65.0%	59.0%	75.2%	78.8%
Interest paid/Profit Shared on deposits and borrowings, etc.	43.3%	37.6%	43.9%	48.0%	49.6%
Net interest income	29.2%	27.4%	15.1%	27.1%	29.2%
Investment income	16.7%	24.7%	32.0%	14.2%	11.9%
Commission, exchange and brokerage	7.5%	7.3%	6.6%	8.3%	7.1%
Other operating income	3.3%	2.9%	2.4%	2.3%	2.2%
Total operating income (A)	56.7%	62.4%	56.1%	52.0%	50.4%
OPERATING EXPENSES					
Salary and allowances	18.0%	17.2%	14.9%	13.4%	13.4%
Rent, taxes, insurance, electricity, etc.	2.6%	2.5%	2.5%	3.4%	3.7%
Legal expenses	0.1%	0.3%	0.1%	0.0%	0.0%
Postage, stamps, telecommunication, etc.	0.5%	0.4%	0.3%	0.4%	0.3%
Stationery, printing, advertisement, etc.	3.1%	2.8%	1.8%	1.1%	0.7%
Chief Executive's salary and fees	0.1%	0.1%	0.1%	0.2%	0.2%
Directors' fees & meeting expenses	0.1%	0.1%	0.1%	0.1%	0.2%
Auditors' fees	0.0%	0.0%	0.0%	0.0%	0.0%
Charges on loan losses	0.0%	0.0%	0.0%	0.0%	0.0%
Replacement, Repair and Depreciation of Bank's Assets	3.2%	3.3%	2.4%	1.7%	2.3%
Other expenses	2.7%	2.4%	6.6%	3.9%	3.7%
Total operating expenses (B)	30.5%	29.0%	28.8%	24.3%	24.7%
Profit before provision (C = A-B)	26.2%	33.4%	27.3%	27.7%	25.7%
Provision against loans and advances	5.7%	5.8%	9.8%	4.0%	4.1%
Provision for diminution in value of investments	1.4%	1.3%	-1.2%	1.2%	0.4%
Provision for Off-Balance Sheet Exposures	-0.3%	1.6%	0.6%	0.6%	-0.1%
Total provision (D)	6.8%	8.7%	9.2%	5.8%	4.4%
Profit before taxation (C-D)	19.4%	24.7%	18.2%	21.9%	21.3%
Provision for taxation	8.1%	7.6%	6.2%	9.6%	8.5%
Current Tax Expenses	9.9%	9.6%	7.1%	10.2%	10.0%
Deferred Tax Expenses/(Income)	-1.8%	-2.1%	-0.9%	-0.7%	-1.4%
Net profit after taxation	11.3%	17.1%	12.0%	12.3%	12.7%
Appropriations:					
Statutory reserve	3.9%	4.9%	3.6%	4.4%	4.3%
Retained surplus to retained earnings	7.4%	12.2%	8.3%	7.9%	8.5%

Profit and Loss Account

For the year ended 31 December 2015

Particulars	Notes	2015 Taka	2014 Taka
OPERATING INCOME			
Interest income	19	2,920,417,585	1,656,897,688
Less: Interest paid on deposits and borrowings, etc.	20	2,699,407,850	1,433,079,775
Net interest income		221,009,736	223,817,912
Investment income	21	1,468,891,794	609,350,215
Commission, exchange and brokerage	22	232,443,473	126,635,570
Other operating income	23	77,869,336	31,174,500
Total operating income (A)		**2,000,214,339**	**990,978,198**
OPERATING EXPENSES			
Salary and allowances	24	363,159,290	255,916,051
Rent, taxes, insurance, electricity, etc.	25	185,354,219	129,487,081
Legal expenses	26	205,646	199,426
Postage, stamps, telecommunication, etc.	27	17,617,941	10,920,646
Stationery, printing, advertisement, etc.	28	20,926,694	27,419,532
Chief Executive's salary and fees	29	11,682,258	9,500,000
Directors' fees & meeting expenses	30	11,261,063	2,780,508
Auditors' fees	31	300,000	250,000
Charges on loan losses	32	-	-
Depreciation and repairs of Bank's assets	33	92,897,775	97,158,892
Other expenses	34	372,957,422	126,165,536
Total operating expenses (B)		**1,076,362,309**	**659,797,672**
Profit before provision (C = A-B)		**923,852,031**	**331,180,527**
Provision against loans and advances	35	84,344,910	114,606,820
Provision for diminution in value of investments	36	(2,679,571)	5,274,846
Other provisions	37	48,018,797	27,667,689
Total provision (D)		**129,684,136**	**147,549,355**
Profit before taxation (C-D)		**794,167,895**	**183,631,171**
Provision for taxation (2014 restated)		233,158,782	98,854,246
Current tax	38	235,870,164	83,340,814
Deferred tax	39	(2,711,382)	15,513,433
Net profit after taxation (2014 restated)		**561,009,113**	**84,776,925**
Appropriations:			
Statutory reserve		158,833,579	36,726,234
General reserve		-	-
Retained earnings carried forward		**402,175,534**	**48,050,691**
Earnings Per Share (EPS) (2014 restated)	**40**	**1.26**	**0.19**

These Financial Statements should be read in conjunction with annexed notes (1 to 48)

Dewan Mujibur Rahman Managing Director & CEO	**Mohammed Adnan Imam, FCCA** Director	**Dr. Toufique Rahman Chowdhury** Director	**Engr. Farasath Ali** Chairman

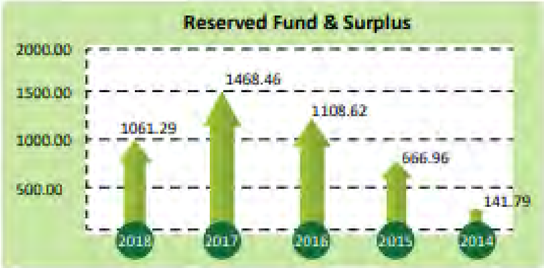
Auditors' Report to the shareholders to see annexed report of even date.

A. Wahab & Co. Chartered Accountants	**K. M. Hasan & Co.** Chartered Accountants

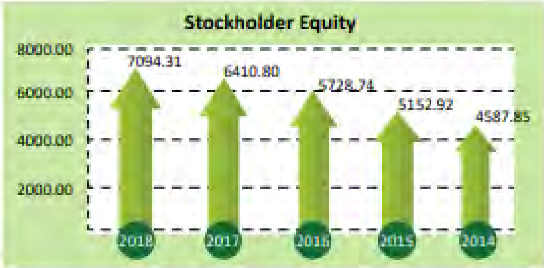
Place: Dhaka
Dated: 07 March 2016

Performance Since 2014

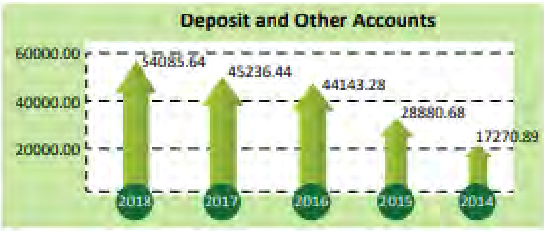
Key Performance Indicator (KPI)					
Particulars	2018	2017	2016	2015	2014
Balance Sheet Matrix					
Authorized Capital	10000	10000	10000	10000	10000
Paid up capital	5,710.95 [If Bonus Share @11% is approved by Shareholders in 6th AGM]	5,145.00	4,900.00	4,579.44	4,446.06
Reserved Fund & Surplus	1,061.29	1,468.46	1108.62	666.96	141.79
Total Stockholder Equity	7,094.31	6,410.80	5,728.74	5,152.92	4,587.85
Deposit	54,085.64	45,236.44	44,143.28	28,880.68	17,270.89
Loans & Advances	48,151.88	43,000.28	37,408.28	23,227.39	14,412.35
Investments	8,276.75	6,864.13	7,527.58	6,485.87	5,669.75
Fixed Assets	481.96	487.23	560.10	464.9	342.89
Total Assets	67,142.86	57,529.35	53,619.10	36,259.01	24,848.11
Total Off-balance sheet Items	19,455.25	16,591.43	12,934.95	8,651.75	4492.66
Interest Earning Assets	60,133.88	51,089.43	48,816.25	31,991.23	22,288.91
Non-Interest Earning Assets	7,008.99	6,439.93	4,802.85	4,267.78	2,559.05
Net Interest Margin (NIM)	0.97%	0.79%	0.64%	0.21%	0.36%
Income Statement Matrix					
Interest Income	5,801.72	4,717.82	3,905.39	2,920.42	1,656.90
Interest Expense	3,643.67	3,146.94	2,868.14	2,697.41	1,433.07
Net Interest Income	2,158.05	1,570.87	1,037.25	223.01	223.83
Investment income	887.25	1,259.20	1,488.94	1,468.89	609.35
Non-Interest Income	702.62	695.77	485.67	310.31	157.81
Operating Expense	1,843.76	1,683.93	1,474.34	1,079.80	659.80
Total Income	7,391.59	6,672.79	5,880.00	4,699.62	2,424.05
Total Expense	5,487.44	4,830.87	4,342.48	3,777.21	2,092.87
Operating Profit	1,904.16	1,841.92	1,537.52	922.42	331.18
Profit before tax	1,569.89	1,397.82	1,307.90	792.73	183.63
Profit after tax	937.65	928.94	869.03	560.08	84.77
Capital Measure					
Risk Weighted Assets	52,565.30	49,922.72	45,942.09	28,768.03	16,415.32
Core Capital (Tier I)	6,825.53	6,235.42	5,690.30	5,106.67	4,581.57
Supplementary Capital (Tier II)	578.83	545.13	510.30	338.09	214
Total Capital	7,404.37	6,780.55	6,200.60	5,444.76	4,760.57
Capital Surplus/(Deficit)	1,162.24	1,137.39	1,319.26	2567.96	3,119.05
Tier – I Capital Ratio	12.98%	12.49%	12.39%	17.75%	27.70%
Tier – II Capital Ratio	1.10%	1.09%	1.11%	1.18%	1.30%
Total Capital to Risk Weighted Assets Ratio (CRAR)	14.09%	13.58%	13.50%	18.93%	29.00%



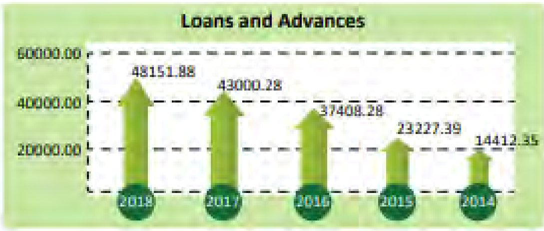
Reserved Fund & Surplus
2000.00
1500.00
1000.00
500.00
1061.29
1468.46
1108.62
666.96
141.79
2018
2017
2016
2015
2014



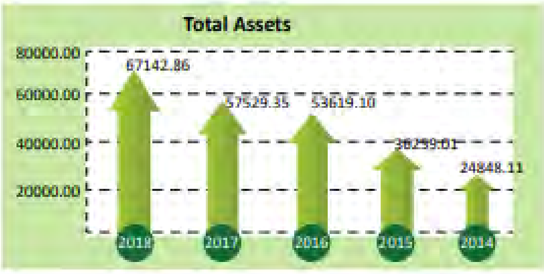
Stockholder Equity
8000.00
6000.00
4000.00
2000.00
7094.31
6410.80
5728.74
5152.92
4587.85
2018
2017
2016
2015
2014



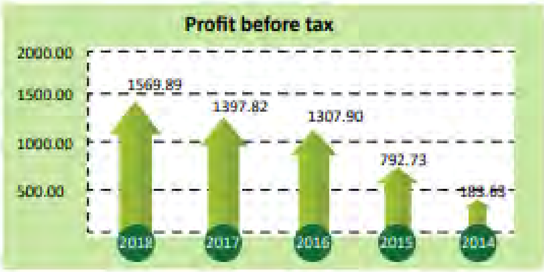
Deposit and Other Accounts
60000.00
40000.00
20000.00
54085.64
45236.44
44143.28
28880.68
17270.89
2018
2017
2016
2015
2014



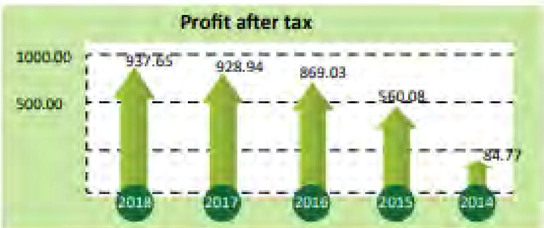
Loans and Advances
60000.00
40000.00
20000.00
48151.88
43000.28
37408.28
23227.39
14412.35
2018
2017
2016
2015
2014



Total Assets
80000.00
60000.00
40000.00
20000.00
67142.86
57529.35
53619.10
24848.11
2018
2017
2016
2015
2014



Profit before tax
2000.00
1500.00
1000.00
500.00
1569.89
1397.82
1307.90
792.73
2018
2017
2016
2015
2014



Profit after tax
1000.00
500.00
937.65
928.94
869.03
560.08
84.77
2018
2017
2016
2015
2014

Operating Profit Marrgin
30.00%
20.00%
10.00%
0.00%
25.76%
27.60%
26.15%
19.63%
13.66%
2018
2017
2016
2015
2014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এনআরবিসি
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PASSPORT

THE END