Report On

Enhancing Customer Engagement: Marketing and Service Strategies at Mutual Trust Bank, Corporate Head Office

By

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ID – 20104001

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

April, 2024

Declaration:

It is hereby declared that

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

Student's Full Name & Signature:

Md. Ariful Islam

20104001

Supervisor's Full Name & Signature:

Mr. Mukit Anis

Lecturer, Brac Business School

Brac University

Letter of Transmittal

Mr. Mukit Anis

Lecturer,

Brac Business School

BRAC University

Kha 224, Bir Uttam Rafiqul Islam Ave, Dhaka 1212

Subject: Submission of Internship Report.

Dear Sir,

This is my pleasure to present my experience of academic internship at Mutual Trust Bank Ltd, Center Corporate Branch.

I have made an effort to finish the report with the proper data and recommended proposals in a noteworthy manner.

I trust that the report will meet the requirements and give a satisfactory results.

Sincerely yours,

Md. Ariful Islam

ID – 20104001

BRAC Business School

BRAC University

Date: April 25, 2024

Acknowledgement:

I would like to express my thankfulness wholeheartedly to Mutual Trust Bank for giving me the opportunity to do the internship and write report on it after gather some insights and experiences which will, later on help in my career for better growth.

I would also like to thank my internship advisor, Mr Mukit Anis, lecturer in BRAC Business School at BRAC University, for guiding me through.

It has been a wonderful experience working in a respected bank like Mutual Trust Bank. Everyone there was supportive, collaborative, which made my internship fruitful. I have learned a lot of valuable teachings throughout the internship journey by the help of my supervisors.

Lastly, I would like to show my gratitude towards my supervisor at the bank, Farzana Yesmin, the Junior Assistant Vice President of Mutual Trust Bank, Corporate Head Office, who has helped to advice throughout the general practices of the bank and learn about the customer service during the internship.

Executive Summary:

For financial development and economic stability, commercial banks in Bangladesh has played a vital role. While I was interning at Mutual Trust Bank, Centre Corporate Branch, I have gathered valuable experiences which are going to be my main focus of my report. It has been a leading bank throughout the country. I have done some extensive study on the organization and learned many their way of things about their service marketing.

First of all, in the very first chapter, I will be mentioning the overview of the internship. Basic information will be provided in this chapter, which include job scopes, contribution of the students, the benefits gained by the students, problems faced by them and how they will be able to overcome it.

The second chapter of the report covers the total overview of the marketing association and their management, including the financial details and customer service they provide. The services provided by the bank is mentioned in the report which will give a full understanding. From the general banking operations, I have learned some valuable customer services they are providing to keep the bank functional. These services include CDD analysis like knowing your customers (KYC), opening of different types of account like savings, current, SND, FDR, DPS etc. Due to these customer services, I was able to focus on working on these services to maintain the functionalities of the organization.

Last but not the least, the last chapter will include literature reviews, the findings I have discovered including their analysis, the recommendations are also mentioned in the last part of the report for a better and brief understanding.

Keywords: Marketing Strategy, Digital Marketing, Customer Service.

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Chapter 1: Overview of Internship

1.1: Student Information:

Name: Md. Ariful Islam

ID: 20104001

Program: BRAC Business School

Major/Specialization: Marketing

1.2: Internship Information:

Period: 3 (Three) months.

Company Name: Mutual Trust Bank, Centre Corporate Branch

Department/Division: General Banking

Address: MTB Centre, 26 Gulshan Avenue, Plot-5, Block SE(D, Dhaka 1212.

Internship Company Supervisor’s Information:

Name: Farzana Yesmin

Position: Junior Asst Vice President

Job Scope: Job Description/Duties/Responsibilities:

Job Description: As an intern for the General Banking in this organization, I had the following job responsibilities:

- Opening and closing accounts (Savings, Current, SND, DPS, FDR)
- Updating account opening forms with information.
- Checking and correcting the inquiry memos.
- Delivering the letters to clients.
- Receiving the clearing and transfer cheques.

Overall, I had done some other tasks which are minor for other departments beside the divisional duties I was appointed to, to increase the knowledge for banking and how the customer service works.

1.3: Internship Outcomes:

<u>Student's Contribution to the company:</u>

As an intern of Mutual Trust bank PLC, under the general banking department, my principal goal was to contribute to the company my gathered skills and knowledge which will help the company to make a path towards growth and success. During the period of my internship, I have actively participated in operations for banking which are accounting opening, handling cheques, and overall customer service. I have provided excellent services to the customers in the bank which helped the organization build their reputation for attracting newer customers.

Moreover, I have also assisted the senior staff members in conducting the research market and analyze customer data properly to recognize the potentiality of growth in certain areas for the bank.

I believe the contribution which I have provided to the organization as an intern for General Banking has been comparatively significant.

<u>Benefits to the student:</u>

Throughout my internship period, I had developed my communication, technological and analytical skills which has helped me to provide a better service to the organization. I have stayed constantly positive and showed willingness to learn about the bank to adapt as much as possible with the environment of the bank.

The experience I have gathered has been very advantageous for not only my personal growth, but also my professional growth. The knowledge I have has made me skillful which will help my career to flourish in the future.

<u>Problems & Difficulties (during the internship period):</u>

These are some of the following issues I have faced during the internship. Some of them are following:

- Unprofessionalism by some colleagues.
- Sometimes time management was not good. Overtime working was a bad practice.

From these difficulties, I have to mention that different branches like Baridhara, Tejgaon, Banani might differ in case of these environments. Not all the employees will have same skills and behavioral pattern.

1.4: Recommendations (for the future interns to the company):

The staff members of Mutual Trust Bank Limited, Center Corporate Branch is both skilled and friendly. The branch manager and operations manager were not only skilled, but also true to their words. The manager has held meetings every working day and has taken feedbacks about different problems. If the difficulties which I have mentioned in the above discussion is solved, the future interns will get a better working environment and work with their skills and improve their abilities. Solving the issues will help the interns not only gather knowledge swiftly, but also improve their skills.

Chapter 2: Overview of the Organization

2.1: Introduction:

Mutual Trust Bank was originally integrated as a Public Limited Company (PLC) on 29th of September in the year of 1999, under the Companies Act 1994, with an Authorized Share Capital of BDT 1,000,000,000 divided into 10,000,000 ordinary shares of BDT 100 each. It has grown much more during the recent years. (MTB Profile, n.d.). It is a private commercial bank of Bangladesh, where the headquarter is situated in Dhaka. The Chairman is named Md. Abdul Malek.

2.2: Overview of the Organization:

Vision: To be the bank of choice, a truly world-class bank, and one of the best performing banks in all over Bangladesh. (Welcome to Mutual Trust Bank PLC, n.d.).

Mission: To be the most esteemed and well known financial institution in Bangladesh, recognized as a client based company, along with dynamic and innovative opportunities, which will create one of the best economic value. (Welcome to Mutual Trust Bank PLC, n.d.)

Objectives: The objectives of Mutual Trust Bank Limited are-

i. To create a sustainable economic value for the shareholders, using effective methodology of business.
ii. To serve society creating employment opportunities, supporting community services and projects.
iii. To offer diversified products to the customers and mitigate their needs for banking.
iv. As the name suggests, to create a mutual trust among all parties through transparent and sincere communications. (Reinvent To Grow, 2022)

Company Logo:

Figure 1: Bank Logo

Organogram:

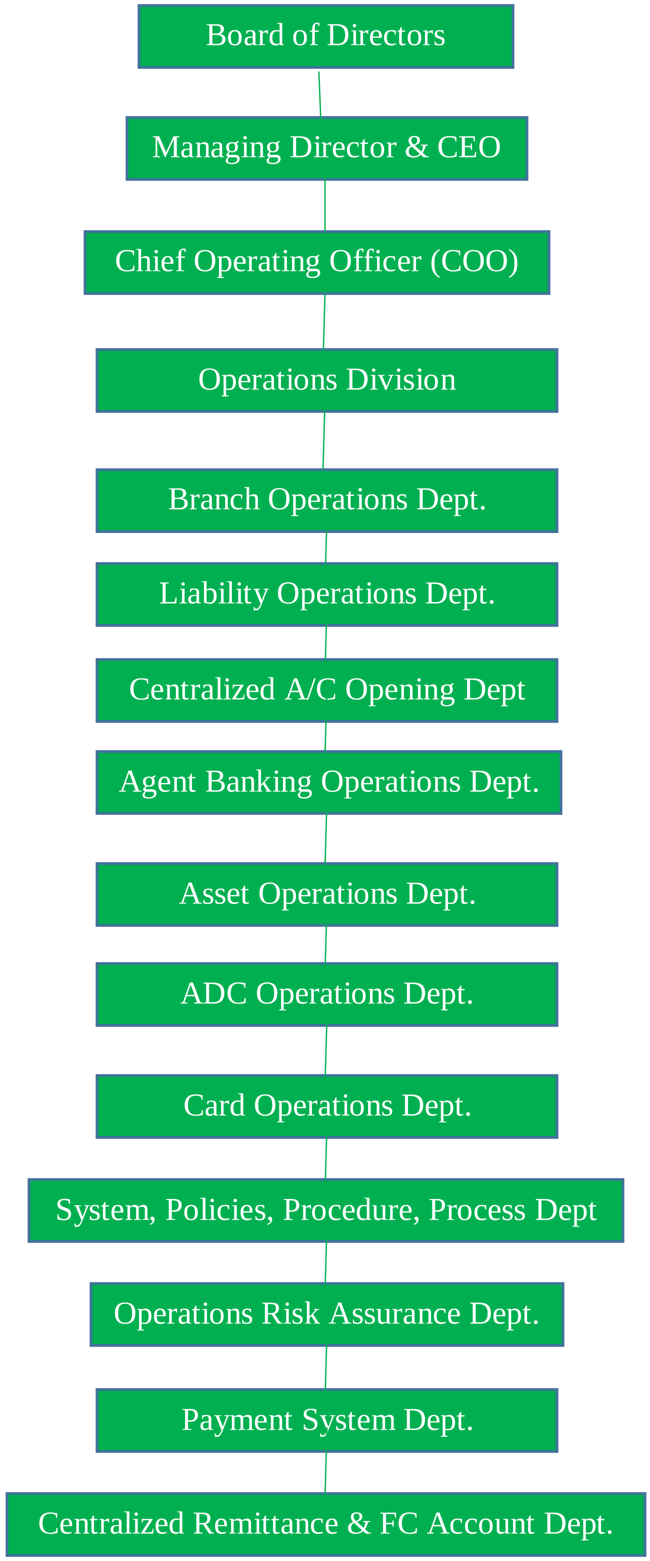

Figure 2: Organogram of Mutual Trust Bank Limited, Center Corporate Branch

2.3: Management Practices:

Leadership Style:

In Mutual Trust Bank, their leadership style was noticed as democratic. From the experiences I have gathered, the branch manager used to hold a daily meeting every morning to discuss about the issues and further plans with the junior officers in the bank. Not only that, the other officers also had their rights to express their point of views including myself. For implementing decisions in the branch related to sales and marketing as well, the branch manager calls up for meetings for sharing different thoughts and ideas with the operation managers and the other employees. The higher ups also share their opinions in the branch. Not only that, they visit other branches around Dhaka for sharing the views of other employees which can differ from branch to branch, helping the Center Corporate branch situated in Gulshan. During my internship period, I have seen the leadership to be effective, letting other employees work simultaneously and tremendously, keeping the bank functional throughout the year. Every employee tries to apply the vision and mission of the bank. I have noticed during my internship that my colleagues were attracting more customers by meeting their account's targets and publicize for the bank to other clients so that the marketing purposes are met outside the office hours. Some employees are willing to do extra hours for their manager due to the bond and trust each of them gained among them, which shows how much good of a leadership quality the managers have. Due to the democratic leadership strategies, the bank is doing such a great job at cooperating perfectly.

Human Resource Planning Process of the Organization:

Recruitment Process: The HR department of Mutual Trust Bank Limited follows the same traditional recruitment process which is also done in all other banks in Bangladesh for bank's different departments. First of all, job applications and circulars are released then reviewing the applications, they narrow down to eligible candidates. Screening and background checking is done. They are advised to sit for written exams. The passed candidates are then called for viva to determine which candidates are the best for which departments.

However, for hiring interns, students can go to any of the closest branches of the bank and look for opportunities there. If interns are required in certain branches, they will be told to submit necessary documents, CV, grade sheets, national ID and other documents which are required by the bank. Reviewing the documents, they call up for the short interviews of the internship searchers. Judging the eligibility of the interns, they give the starting and ending date for the internship period.

Compensation System: After interviewing and researching, I have found out that the salaries are maintained in a standard rule where the officers are getting the salary increment according to their experiences. Festival bonuses, provident funds are also some of the compensation which are given by Mutual Trust Bank to every employee working in the branch.

However, as the salary structure is very confidential, it was not added to the report.

Training and Development Initiatives: The employees of Mutual Trust Bank are trained in different but effective ways. First of all, the new recruits go through a probation period which is hardly 6 months to 1 year, where they learn about the nooks and corners of the bank for better understanding, including the work culture and about their job. Not only that, almost every employee gone through job rotations to gather all types of experiences about the bank's functionality of each departments and sub-departments. Some employees are sent to different branches for more training and experience for development. Programs and sessions for various departments are held as well which improve the employee's experience.

Performance Appraisal System: The bank does not follow hard processes for performance appraisal, rather they prefer easier steps for it. Attendance regularity is the first priority which is counted through biometric finger print machine. However, the heads of each division and the branch managers observe the employee performance by keeping track of how many accounts they are processing within a month, how efficiently the tasks are being done by every division as well. By giving the points by the higher ups, the employees are evaluated eventually throughout the year, depending on which promotions and salary increment is given.

2.4: Marketing Practices:

Marketing Strategies:

It is mandatory for every financial institution to maintain their positions in the marketplace by attracting more customers while retaining the older customers. Mutual Trust Bank has implemented different type of strategies for marketing for years which were successful.

First of all, branch managers form teams where each of the teams go for marketing any day of the week to interact with the customers in certain areas. Corporate offices are the best place to go for this type of marketing, also for businesses (Current Accounts). The employees motivate the customers and promote their bank about the facilities they will provide to them. Other than that, each employee tries to attract customers individually (Saving Accounts) which requires face-to-face communication.

Customer feedbacks are also one of the marketing strategies through which they improved their customer retention. Complaint boxes are available too where the feedbacks are highly appreciated. Not only that, different campaigns are also held by the bank. Every product has their own campaign which is held during the specific duration around the year,

Maintaining a brand image is very important for Mutual Trust Bank. To increase the reputation of the bank, social activities are held. Sponsoring various events is also a way to maintain the proper brand value. A T-20 cricket tournament was held for inauguration (INAUGURATION OF MUTUAL TRUST BANK CORPORATE T-20 CRICKET TOURNAMENT, n.d.). These events and such actually help any brand to keep the reputation up in the marketplace. This does not only keep the bond among the employees strong, but also attract other customers, letting them know about the bank.

Target Customers, Targeting & Positioning Strategies:

The research I have done during my internship period, I have seen the customers which are targeted were mostly business clients, which means there were abundance of current accounts. Partners and shareholders were their primary target. Funds and welfare businesses were also common. But regular saving accounts were also available where they used to open DPS and FDR accounts.

There are also SME (Small and medium enterprises) and retail customers which are segmented. The products which are being marketed and provided to the customers are given below:

- MTB Care
- MTB Inspire
- MTB Shanchay
- MTB Regular Savings Account
- MTB Education Plan
- MTB Millionaire
- MTB Angona
- MTB Yaqeen
- MTB Cash Line
- MTB Personal Loan
- MTB Professional’s Loan
- MTB Neer
- MTB Home Loan

Figure 3: Some of the products provided by Mutual Trust Bank

Each of the products are targeted towards specific customers (women, students, professional workers, small businesses, farmers etc.). For the variety of product line in the bank, every customer is different from each other. Therefore, targeting the customers are not that difficult.

MTB Air Lounge is one of their most privileged product which is given to the Privilege customers and those who have premium credit card. The services are provided in the airports for enjoying special facilities.

Marketing Channel:

Mutual Trust Bank has been following the traditional marketing channel, which includes usage of radio, television, billboards and print media (newspapers, posters, leaflets etc.). This actually helps in attracting the customers who are still not active on digital platforms, rather follow the old, traditional ways of watching advertisements, knowing about certain products in the newspapers.

To let the potential customers know directly about Mutual Trust Bank, direct marketing is the appropriate way to follow. Using direct mail, telemarketing, poster & billboards and door-to-door sales promotion. This actually helps in letting the customers know who has not heard about the bank and their products and services.

The most used marketing strategy is the referral marketing. The existing customers are the marketing channel for this kind of marketing because they refer the bank's products and services to their family and friends, which have offers like discounts and better cashback opportunities. This helps in customer retention, as well as gathering new customers as well. This is a very effective method which almost all the banks follow in Bangladesh. This technique also helps in progress of the employees working as their strategy is to bring more customers to get

To conclude, Mutual Trust Bank is following these strategies of marketing to retain the existing customers and to reach out to more customers who have the potential by showing them the products which are also mention before. This will help in growth of the bank and will give them a successful lead in the marketplace.

Branding Strategies:

Mutual Trust Bank has been applying a lot of branding strategies over the years which are helping them to stay in the competition. Their branding is not the best but still not the worst one also. The brand message they use which is "**You can bank on us**" is a way of telling to the customers that they can be rely on the bank as they are trustworthy and customer centric. As they are customer centric, personalized services and efficient support is provided by the bank which kept their trust.

The bank has already introduced some innovative products for specific targeted customers. They listened to the customer and their needs and gives them the proper service and products they require. Very few Bangladeshi banks do the innovation of producing newer products having better discount rates and better facilities. Through this, newer customer segments are unlocked by attracting them with the specified products.

Recently, the bank has introduced an app through which agent banking, credit card services, customer services are found easily which is very user friendly. As digitalization is on its way, the importance of having an app for a bank is a mandatory strategy which not only banks, but also other brands and organizations should eventually dwell into.

Therefore, Mutual Trust Bank has not disappointed in branding their organization, rather they have followed the proper strategies which is keeping the bank still relatable to this day. Some banks still follow the traditional methods of branding which can be problematic in the long run. It is very important to keep up with the digital generation as it is the future and it is the age of technology.

Advertising and Promotion Strategies:

There are not many advertisements shown in television by Mutual Trust Bank. It is comparatively weaker in case of advertising but they do follow a traditional way by using posters and billboards, providing leaflets through newspapers. But as time has passed, their strategy through digitalization has been perfected. Some points for advertising and promotion strategies which are being followed by the bank is given:

i. Social media is being updated almost every day with newer promotional posts and discount posts related with the current events and situations.
ii. The employees are taking part in promoting their products, for example, few days ago, women's day was held where MTB Angona was promoted highly and uploading pictures in social media for more reach.
iii. The website is also much updated and user friendly. Every information required was available. Even though the design can be updated a bit more for the website but other than that the website was not hard to operate.
iv. However, the app they have is also very useful which is used not only by customers, but also by the employees for easy opening of accounts and acquiring information within a very short time.

Therefore, there were very few gaps for the bank because they had already taken the digital path and depending on social media for their promotional activities. Their marketing strategies are almost up-to-date. This is how they will be able to attract more customers with their unique way of marketing and manage to retain the existing customers without any hesitation.

2.5: Financial Performance and Accounting Practices:

Financial Performance Analysis:

Some of the financial analyses of Mutual Trust Bank, with their insights, outcomes and interpretation are given below. The data has been collected from the annual report of the bank for the last 5 fiscal years (2018-2022).

Liquidity and Solvency:

Current Ratio:

	2022	2021	2020	2019	2018
Current Asset	186,852	157,214	166,105	152,884	134,505
Current Liability	170,499	149,612	159,095	152,370	133,287
Current Ratio	1.095913	1.050811	1.044062	1.003373	1.009138

Table 1: Current Ratio Table

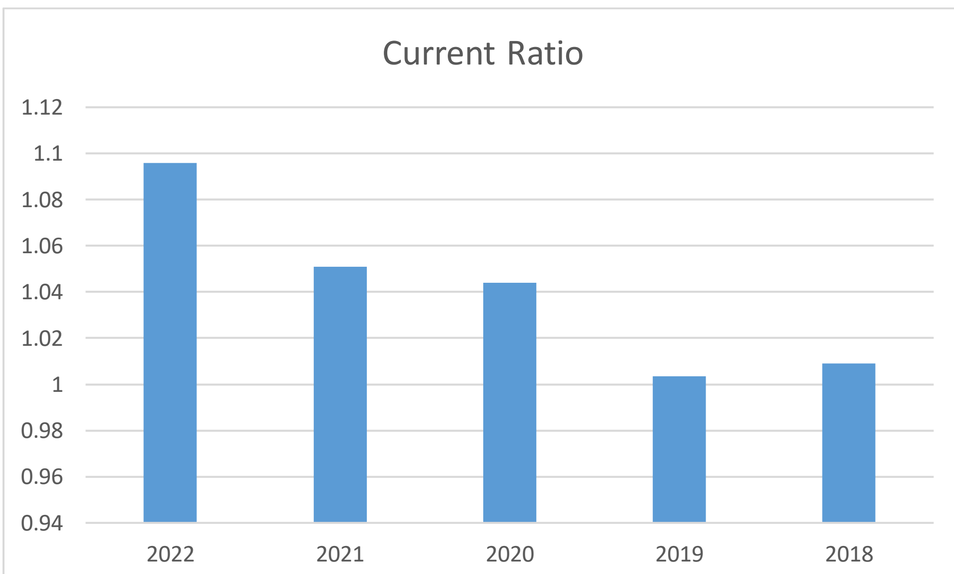

Figure 4: Current Ratio

In the table, Mutual Trust Bank's current ratio is above 1 for all the years shown, ranging from 1.003 to 1.095. This indicates that the bank has enough current assets to cover its current liabilities.

Efficiency:

	2022	2021	2020	2019	2018
Efficiency Ratio	51.54%	55.79%	64.77%	53.25%	50.31%

Table 2: Efficiency Table

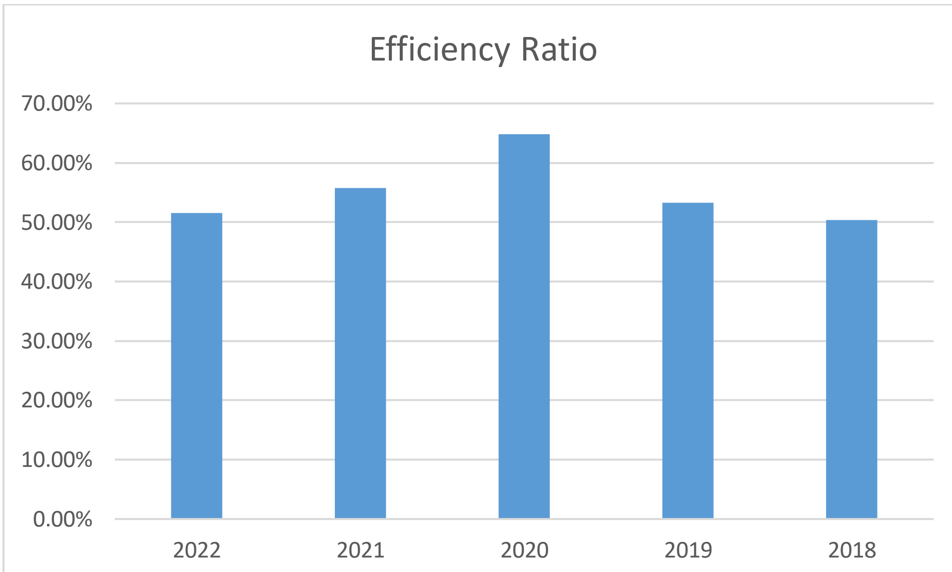

Figure 5: Efficiency Ratio

A lower efficiency ratio is generally considered a positive sign, as it indicates that the bank is becoming more efficient in its operations. In this case, Mutual Trust Bank's efficiency ratio has improved significantly over the past few years (from 2020 to 2022).

Profitability:

Net Profit Margin Ratio:

	2022	2021	2020	2019	2018
Net Profit Margin	8.37%	13.75%	4.49%	5.53%	8.56%

Table 3: Net Profit Margin Ratio Table

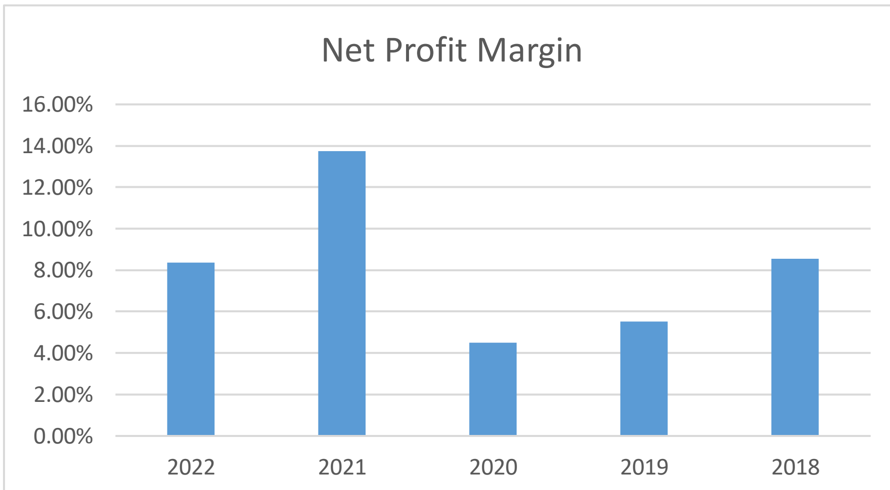

Figure 6: Net Profit Margin

From the above graph, the bank's profitability in 2020 was very low, which then peaked to 13.75% in the next year in 2021. COVID-19 was the cause of low profit in 2020 which actually hampered a lot of businesses and institutions.

Return Ratios:

	2022	2021	2020	2019	2018
Return on Assets	0.72%	1.03%	0.37%	0.56%	0.82%
Return on Equity	11.56%	16.22%	5.83%	9.03%	13.83%
Return on Investment	7.32%	8.73%	9.77%	8.23%	8.92%

Table 4: Return Ratio Table

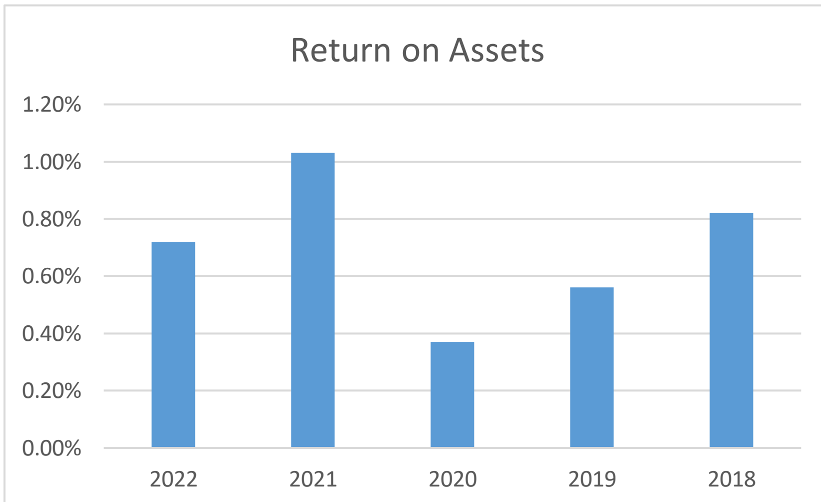

Figure 7: Return on Assets

In the graph, ROA of 2021 is much higher than 2020 and has steadily declined in 2022. It is to be noted that, the higher the ROA, the better the bank is efficient at generating profit using the available assets.

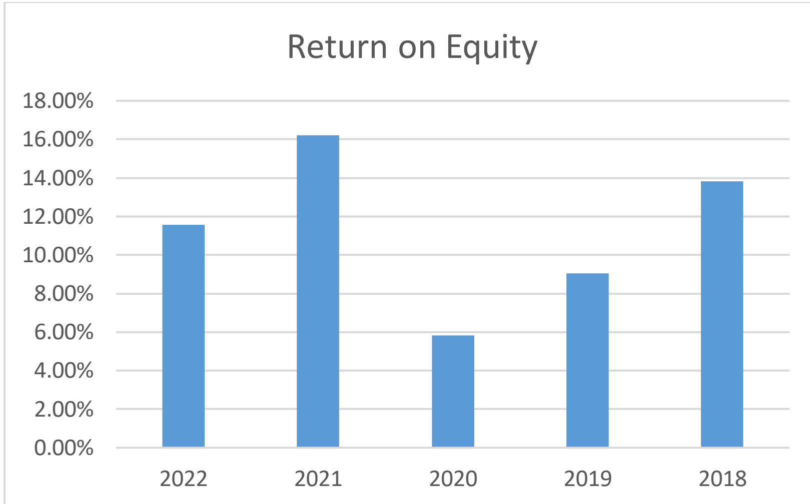

Figure 8: Return on Equity

From the graph above, MTB has performed better in 2021 than 2020. High ROE ratio means the bank has performed better at efficiency by using the shareholders' equity they have to earn profits.

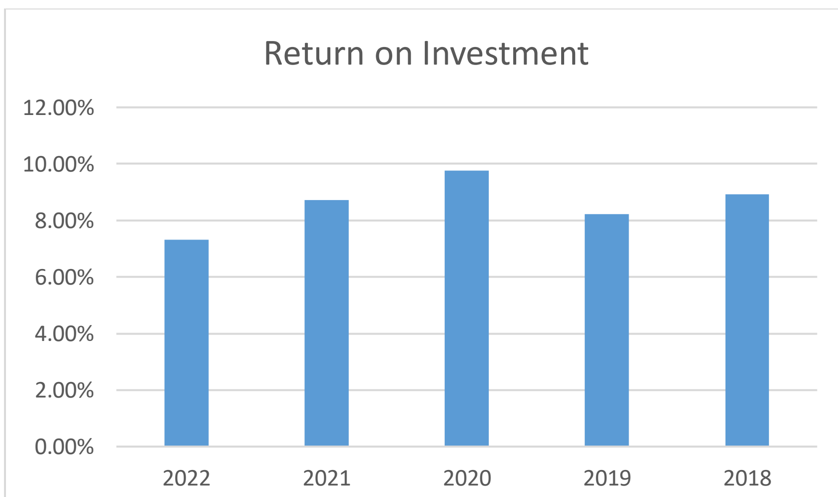

Figure 9: Return on Investment

Over the past 5 years, the ROI has been fluctuating around 8%. 2020 was the most profitable year as higher number of investments were made and were profitable.

N/B – There are a few fluctuation in between 2020 and 2021 because of the global pandemic that occurred in 2020. Thus, many businesses were unable to make profit during the period.

2.6: Accounting Practices Done By Mutual Trust Bank:

To guarantee accuracy, dependability, and transparency in its financial reporting, Mutual Trust Bank Limited adheres to stringent accounting standards. To preserve its accounting procedures, the bank complies with Bangladesh Bank's policies and the International Financial Reporting Standards (IFRS).

The accrual method of accounting is used by the bank. Employees log transactions, for example, when they receive and transfer checks. However, after receiving the checks, the bank does not immediately receive the cash amount. Additionally, workers transfer funds by client requests during the RTGS or BEFTN process. Nevertheless, there are no monetary exchanges between the banks of the donor and the recipient. However, they document the transaction once the procedure is over.

The bank closely adheres to the accounting cycle. Every transaction is entered by the staff as soon as it is made, and after the workday, they review and create ledgers and daily vouchers. Each branch transmits its transaction data regularly to the headquarters, and the Finance Administrative Division prepares the financial reports after the fiscal year.

The manager of Gulshan Center Corporate Branch claims that as part of Mutual Trust Bank's accounting procedures, internal, external, and Bangladesh Bank auditors conduct routine audits to guarantee that the bank's financial statements are prepared in compliance with accounting standards. The bank also makes sure that all financial transactions are correctly recorded, validated, and approved in addition to exercising strong control over its accounting processes.

From the annual report of Mutual Trust Bank, they use Straight Line Depreciation Method which is very effective.

2.7: Operations Management and Information System Practices:

Mutual Trust Bank uses a few software for their collection, sharing and processing of data. The name of some of the softwares are Bitrix24, Asana and Monday. Every employee uses these software to record the customer information, opening and closing accounts, transferring of cash and other operations. This bank uses e-RTGS (Real Time Gross Settlement) system which has been introduced by Bangladesh Bank to transfer the credits to different banks which takes a shorter time and very efficient. MICR Software is used by the bank for clearing cheques, transferring and receive them too. Payroll accounts and other techniques were not properly shared with me because of confidentiality. But the websites and apps which are introduced by the bank is very user-friendly and helpful for both the customers and the employees.

2.8: Industry & Competitive Analysis:

Porter's Five Forces Analysis:

To find out how much competitive intensity is there of any industry, Porter's Five Forces Analysis is done which is a very tactical framework for proper evaluation. For Mutual Trust Bank, the analysis is done below:

Threat of new entrants: Banking industry is an investment where the new banks are entering into the crowded industry already. Therefore, threat of new entrants are comparatively higher. But the newer ones do not provide the satisfactory services. The service the bank gives is also satisfactory because it is a well-established company in Bangladesh. Not only that, the customer retention is also very strong and gaining new market is also easier for this bank. Thus, new entrants find it difficult to enter into this industry easily because they will not be able to give the same service MTB is giving. It takes time to build up this loyalty among customers.

Bargaining power of suppliers: The power of bargaining of the suppliers is medium to high of the banks all over the world (Team, n.d.). Clients and the provider of funds are the biggest suppliers for the banks which include individual customers and businesses and the investors. But the supply rates are restricted by the central bank, which is why the bargaining power is in that condition. Other than that, there are other suppliers for IT devices, furniture, and office supplies etc. which also have a lower level of bargaining power. Because there are alternatives for every suppliers which is why MTB does not have to rely too much on one supplier.

Bargaining power of buyers: Growing buyer power in the sector has been a recent trend seen as a result of low switching costs due to the abundance of financial institutions in the market and more people are obtaining licenses from authorities. Increased fixed costs also cause banks to draw in and bring in new clients, allowing purchasers to behave in a manner that is sensitive to price. Customers in the retail and SME sectors are typically less price-sensitive. However, they can currently access information from several sources. Financial institutions now show price sensitivity due to competition. Business clients have very high pricing sensitivity. They use their negotiating power despite the liquidity issue because they are priced competitively with other FIs that are already in place.

Threat of substitutes: Threat of substitutes among the banking industry is comparatively higher than the other factors. There are a lot of institutions for financing and banking but as the cost of switching is low, the threat is higher among banks. But depending on specialized financial supports with easier terms and conditions, many banks have significant threat of substitute. As fin-tech is rapidly improving, card businesses are facing high threat for swift payment process.

Competitive rivalry: Competition among banks is a common phenomenon in our country. Foreign and local banks constantly rival each other for better services, better products, better discounts and better overall banking.

Mutual Trust Bank has a high competitive force in Bangladesh's banking industry, giving them a lead among all the banks which have high risks.

SWOT Analysis of Mutual Trust Bank:

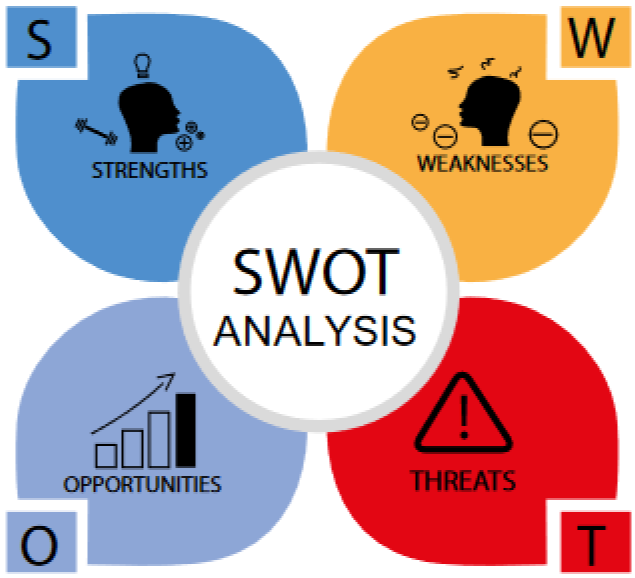

Figure 10: SWOT Analysis

Strength:

Reputation: Mutual Trust Bank is one of the most reliable financial institute which is branding its service experience, innovation of products, productivity, efficiency and sustainable performance.

Footprint: There are in total 118 branches, 5 sub branches and 140 agent banking services which being covered around 37 district all over Bangladesh, also covering 106 rural areas which are SME's. Not only is that, 302 ATM booths, internet banking and SMS banking also available.

Air Lounge: Dhaka, Chittagong and Sylhet has MTB Air Lounges where the privileged customers are able to enjoy the banking services for better relaxation.

Product Mix: Corporate clients are the most focused customer segments for loaning businesses conducted by the bank. 80% of the loan is being generated from the wholesale segmentations.

Weakness:

Operating Profit: Even though it is a reputational bank in Bangladesh, the operating profit is actually lower compared to the third generation peer banks. Operational inefficiencies are occurring due to the lower operating profit.

Higher cost to income ratio: As of December 2019, the income ratio of the bank has been around 52% which is comparatively lower than usual. The gaining of operating profit is being hampered due to higher costs.

Credit Concentration: The rate for loans and advance portfolio mix is 12% of SME and only 5% of Retail. They do not realize the opportunity they might get for better growth with a higher profit margin. But instead they are missing out the segment and is being captured by the peers.

Regulatory Requirement: Any kind of bank is required to keep the CRAR (capital-to-risk weighted assets ratio) at 12.5% (Reinvent To Grow, 2022). During 2019, the ratio for risk asset for the bank increased abruptly, which created an additional capital requirement. MTB was unable to meet the requirement.

Opportunities:

National Economic Growth: The growth of national economy has gone up to 8.13% during 2018-2019 because industrial and services sector were able to support with their profit's momentum.

Demographic Dividend and growing middle class: The present ratio of middle class people is 20%, which is expected to reach to 25% by 2025. Employment ratio of this country as at 65% where the people are aged from 15 to 65 years old.

Unbanked customers: Even though there are 10,600 branches and 7,914 agent banking center in the banking industry, almost 163.7 million are still excluded out of the financial state as they are still inconsequential (Reinvent To Grow, 2022).

Industrial Revolution 4.0: Almost every company is going through an industrial revolution which is transforming revolutionary breakthroughs in terms of Artificial Intelligence, machine learning, robotics, internet etc. Due to this digitalization, innovative products can be introduced to the bank to give the proper modern service to the customers.

Maximizing net interest margin and leveraging the brand equity: As Mutual Trust Bank has already established themselves as a reputed financial institution, they also have the opportunity to maximize the businesses which are non-funded which will eventually generate a lot of profit in the future.

<u>Threats:</u>

Increment of competition: Almost 60 bank companies are competing against each other by seizing others' portfolio which leads to cutthroat competition among them. If any company tries the merger strategy, MTB might face a strategic challenge in the near future.

Single digit interest rate: The banks in Bangladesh has been following single digit interest rate from 1st April in 2020. This has increased the business boost by a higher rate but they also faced short term liquidity crisis which can be problematic.

Strict Regulations: Due to the financial scandals, banking industry is being regulated and monitored with strict rules and regulations. Laws are being implemented for which they need a timely compliance.

FOREX Fluctuations: Bangladeshi Taka has been depreciated against US Dollars. Middle East has been suffering unrest in the Forex management of bank. This actually hampers the flow of remittance and the import cost is increased rapidly which eventually affects the economy and bank industry of the country.

2.9: Summary & Conclusion:

From the chapter, I have discussed about the history of Mutual Trust Bank Limited, Bangladesh and how the bank has transformed itself from a traditional bank to a modern and more digitalized bank with newer innovations. The overall financial performance has also been analyzed throughout the years. The management system, the marketing products and services, industry analysis with their strengths, opportunities, threats and weaknesses has also been discussed briefly.

To conclude, Mutual Trust Bank's innovations with a strong financial support has helped the bank to form a sturdy brand name and customer retention. The weaknesses, however, should be focused to reduce the issues and seize the opportunities whenever they can so that they can stay on top in the banking industry.

2.10: Recommendations:

The overall performance of Mutual Trust Bank has been running swiftly over the years. But there are some problems which can be resolved to mitigate the issues and improve their market in the industry. Some recommendations are as followed:

i. Even though the employees of the bank are highly educated with potential skills, some of the employees have behavioral issues which is a sign of unprofessionalism because of the mental pressure they have to go through whole week. Professional behavior should be an important factor which needs to improve which will uphold the customer satisfaction.
ii. As this is the generation of digitalization, more innovative products and services should be arranged. Digitalization is the way to the future of any business. Adapting to digital means can make the business easier and customer friendly if instructed properly.
iii. Website and the app of the bank should be made user-friendly for easier understanding. As everyone relies on digital devices, it is better to make the app and site be easy to use for everyone, not only the customers.

Chapter 3: Project Part

3.1: Introduction

Marketing research and customer service are two of the most important marketing terms which is required in every business, company, bank etc. Before starting any company, it is mandatory to do marketing research to understand what the customers require, what is trending, how much feasible will it be in the upcoming future etc. Mutual Trust Bank has done mandatory marketing research because it is better to understand what type of products and services the customers need. The bank has done surveys and interviews to gather insight about the interests in products, the demographics to understand customers better. It is also very important to analyze the strengths and weaknesses of other competitors. Surveying is the best choice to understand about customer service. Therefore interacting with a group of people, some individuals is very important to understand the requirements.

3.1.1: Background and Literature Review:

Many of the banks in every country play as the backbone of a country's economy. Following trends, understanding the desires and the services customers want is crucial to analyze. Introducing new products with newer facilities can attract customers or maintain customer retention. Even though they are a financial institute, they still have to understand the marketing and the customer service side of the banks as well.

Mutual Trust Bank has been recognized as one of the top 10 Bangladeshi Banks performance wise. They have won several awards Most Innovative Banking Brand, SME Bank Of the Year, Retail Bank Of The Year, Best Customer Service Bank etc. in 2022 (MTB Awards & Recognitions, 2022). They have also won an iconic award called "Fintech Innovation Challenge Award" for enabling the access to financial support for CMSMES awarded by FinLab BD because of how innovative their ideas were while supporting the cottage, micro, small and medium enterprises all over Bangladesh (Desk, 2023).

The customer service has been an important part of any company. Google Scholars and some other important journals were analyzed and used for research. Annual report of 2022 has also been used for the research which has helped immensely in the report.

3.1.2: Objectives:

There are some major objectives which has been mentioned in the report:

- Identify the customer needs and how to retain the existing customers by giving better customer service.
- To attract more customers through newer products which gives bonuses, which is a different service than some banks in Bangladesh.
- Recommending improvements which may help the company to decide on decision-making in both the marketing and the management system.

3.1.3: Significance:

Marketing research is very essential for not only the banks, but also other companies. For this, tools which are necessary should be applied to evaluate the bank's performance. Meetings, surveys and feedbacks from customers can help in understanding the trends and the needs of the potential future customers.

Mutual Trust Bank Ltd. has used different types of products with different facilities which has helped them to attract more customers. In this report, the products have been mentioned with some financial analysis to show the performance of the bank throughout the years.

3.2: Methodology:

Qualitative and quantitative researches have been applied for the research paper. Primary and secondary sources were analyzed to collect the necessary information. Online websites and the annual report of the bank has been used for secondary source. In case of primary sources, interview sessions were taken with the bank employees and the industry experts of the banks which were external. Financial data analysis which has been done in the report has also been taken from the annual report of 2022, because the report for 2023 was unavailable in the website of the bank.

In quantitative research, I have done the methods below:

Market Segmentation Studies: Segmenting the market for banks is totally based on demographics and the customer's behavioral pattern. This was researched using secondary sources. According to that, the company can target their markets specifically with their targeted products, i.e, MTB Yaqeen for Shari'ah based, Angona for women, there are products for children's education as well.

Competitive Analysis: It is important to analyze products including the pricing, the strategies of marketing and the experiences and feedbacks from the customer's perspective of other banks. BRAC Bank, NRB Bank, SIBL Bank were some of the examples that were used to differentiate the competitiveness among the banks.

In case of qualitative research, these are the following steps I have taken:

In-Depth Interviews: I have done one-on-one interviews with some of the employees which are mentioned below to get the idea of the company in a deeper context, although confidentiality was a major point in the interviews for which many information were unclear.

Ethnographic Research: I have observed the customers in the bank while they were in the natural state dealing with the bank and their products which helped me to understand their behaviors and needs, including their pain points which can actually help in understanding the client's needs even more.

Surveys: I have done a few surveys for the customers as they were busy or in a rush all the time as banks are functioning during office hours for other company's employees. I have asked about the bank and if they are aware of it, if they have any account in the bank or any other bank, and if they are satisfied with the service including their valuable feedback. This helps in understanding the customer's buying pattern and if they will be willing to stay loyal to the company by retaining with their service.

3.3: Findings and Analysis:

Customer Service and Marketing Strategies of Mutual Trust Bank, Corporate Head Office

Mutual Trust Bank has done proper research on how to attract new customers with the variety of products and services they have introduced. These products have different discounts and facilities which have moderate interests, special facilities which normal products do not provide. All of these were possible due to the interviews which were taken and further investigations were done about the products. Group interviews, one-to-one interviews, focus group interviews were held to identify the needs of the customers and what they require in the longer run, not only the financial statistics. The products which have been introduced so far are:

- MTB Angona – for women entrepreneurs
- MTB Yaqeen – for religious companies and individuals which are Shari-Ah based.
- MTB Millionaire – for clients which help them to be millionaire after a specific time
- MTB Brick By Brick – for low and middle income clients who get better rate of return
- MTB Education Plan – for students studying in colleges and universities or going abroad.

These are different types of products provided by the company to differentiate the customers easily. The products also deliver different discounts and offers, attracting the customers through word-of-mouth, promotional marketing through billboards and ads.

Not only that, the financial analysis has also been done to check the performances of the company throughout the years. The analysis which have been found in the report are:

- Liquidity and Solvency
- Current Ratio
- Efficiency
- Profitability
- Net Profit Margin Ratio
- Return Ratio
- Return on Assets
- Return on Equity

- Return on Investment

SWOT Analysis and Porter's Five Forces analysis has helped to understand the marketplace of Mutual Trust Bank in the banking industry to analyze what customers really want and what will attract newer customers to the company to increase their stock market in a higher rate.

3.4: Summary and Conclusion:

Main goal of this research paper "Customer Service and Marketing Strategies of Mutual Trust Bank, Corporate Head Office" was to find out what type of marketing strategies and customer services are being used to attract and retain customers. Different types of products with different discounts are offered to the customers which keep the bank relatable and in the marketplace. Usage of MTB App is also very effective as the world of digitalization has risen time to time. Bank's annual reports, their official website along with some secondary sources were used to analyze the report. Few interviews were taken with the internal and external industry experts to get clearer picture of the bank's performance. Some information related to the report were collected throughout the semesters.

According to the above study conducted, Mutual Trust Bank Limited Bangladesh has been using the different types of methods for possibility of new customers. The financial analysis has helped the bank to understand their performance but this might differ in the upcoming year because constantly new companies are entering into the market. To conclude, the research paper has given proper description of the bank's marketplace performance, their financial performance throughout the fiscal years and find potential opportunities.

3.5: Recommendations:

Although Mutual Trust Bank Ltd. has sufficient amount of profit to their company, there are still some places that need some improvement so that the bank can sustain themselves in the upcoming future. Some recommendations are mentioned below:

i. MTB Bank can certainly move towards more online based banking because of improved security measures, easier navigation of the transactions and wider range of services which is easier. Automated AI can be used to handle simpler customer service and transactions. As online based transactions are suggested, it is also mandatory to improve the cyber security. This will help in managing the risks of fraud and cyber-attacks which are a possibility.

ii. Customer service should be improved even more so that actions can be taken immediately after any query. Staffs can be given extensive training to become more professional in their jobs.

iii. Employees should not always be pressurized for work. They should be promoted a healthier work-life balance for decreasing their stress, increasing the productivity and satisfaction of their own minds.

The recommendations are simple but very effective. Efficiency is always the key for any company. Any company with cost effective efficient performance manage to stay longer in the marketplace. They always have to keep updating their security measures and online website to make the customers feel involved in the company as well.

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Appendix

Final Project Proposal

Problem Statement

Research Questions:

- What type of customer service and marketing strategies are used by Mutual Trust Bank Ltd. in Bangladesh? How much efficiency can be seen during the decision making of the company's higher authorities?
- What techniques should the bank adapt to enhance their marketing strategies and increase their decision-making process? How will it affect the company in the future?

Research Objectives:

- Primary objective of the research paper is to classify the customer services and the marketing strategies which are followed by Mutual Trust Bank Ltd. Center Corporate Branch, Dhaka.
- Analyzing the financial data of last 5 years (1st January, 2018 to 31st December, 2022) using the processes which are being used by the bank regularly.
- Recommending the improvements for the service and the marketing strategies which will help the bank to develop their processes and also enhance their decision making skill for the future by the higher authorities.

Background Information/Preliminary Literature Review

For sustaining a country's economy, banks and other financial institutions play a very dynamic role. In Bangladesh, Mutual Trust Bank Ltd. has been one of the leading banks commercially. They have achieved award for "Best Customer Service Bank Bangladesh 2022" and also the most innovative bank in the same year. (MTB Awards & Recognitions, 2022).

Main objective of this research paper is to estimate the methodologies which are being used by the bank and recommend suggestions if there is any lacking in any technique for marketing and customer service. The literature review technically is highlighting that, this type of research was not done before for a financial institution. Because the research papers are mostly done on credit risk analysis, the risk management methods and financial performance analysis etc. However, in case of this topic, very few research papers were found.

Preliminary Methodology:

Both the quantitative and qualitative approach will be used in the research. The secondary data, however, will be gathered by analyzing the related documents and the financial statements for the years 1st January, 2018 to 31st December 2022. The marketing strategies which will be mentioned are SWOT Analysis, the branding strategies and which products are made for what type of customers for Mutual Trust Bank Ltd. Not only that, financial analysis, the managerial sector will also be calculated and discussed to compare the company with other competing companies.

Significance of the issue:

Understanding marketing strategies and the importance of customer service is very vital for banks as they help to retain customers and avail for newer customers. This also helps to improve the areas which lack the strategies and finally make properly thought-out decisions helping the banks. The research proposal will vastly help to identify the marketing strategy issues which can be overcame if applied properly. Detailed analysis can be done on the marketing strategies and customer services to improve certain areas by developing proper methods, providing valuable recommendations which will enhance Mutual Trust Bank’s techniques.

References

MTB Awards & Recognitions. (2022). Retrieved from Mutual Trust Bank: https://www.mutualtrustbank.com/about-us/mtb-awards-recognitions/

Interview Questionnaire

- Interview Questionnaire for Ms. Sazia Hussain (Senior Vice President and Branch Manager, Mutual Trust Bank Centre Corporate Branch)
  - When have you joined Mutual Trust Bank Ltd?
  - Will you please be able to share about how recruitment is done in this branch?
  - What is the basic salary structure for the employees here in Mutual Trust Bank?
  - How many SME and big companies are transacting yearly approximately?
- Interview Questionnaire for Mr. Mohammad Nazmul Hasan (AVP & Branch Operations Manager, Mutual Trust Bank Centre Corporate Branch)
  - Can you describe about the customer services operations which are being implemented in this branch?
  - How many customers are opening accounts and how much transactions are happening in a monthly basis approximately?
  - May I be able to mention your name and designation on my report?
- Interview Questionnaire for Mr. Abdullah Rana (Relationship Officer, GB-Customer Service, Mutual Trust Bank Centre Corporate Branch)
  - Do customers apply for FDR or DPS if they have an account in the bank?
  - How many customers apply for MTB services (Angona, Inspire, Millionaire, Education Plan etc.) and how much is this beneficial?
  - May I be able to mention your name and designation on my report?

Formulas:

- Current Ratio = Current Asset ÷ Current Liabilities
- Efficiency Ratio = Non-interest Expense ÷ (Net Interest Income + Non-interest Income - Provision for Credit Losses)
- Net Profit Margin Ratio = Net Profit ÷ Revenue
- Return on Assets (ROA) = Net Income ÷ Total Assets
- Return on Equity (ROE) = Net Income ÷ Shareholder's Equity
- Return on Investment (ROI) = (Final Value including Dividends and Interests - Initial Value) ÷ Initial Value.

Consolidated Balance Sheet & Income Statements of Mutual Trust Bank Ltd. (2018-2022)

Horizontal Analysis
FOR THE LAST FIVE YEARS
Consolidated Balance Sheet

Particulars	2022	2021	2020	2019	2018
Property and Assets					
Cash	156%	120%	96%	118%	100%
In Hand (Including Foreign Currency)	169%	144%	113%	115%	100%
With Bangladesh Bank and its agent Bank(s) (including Foreign Currency)	153%	114%	91%	119%	100%
Balance with Other Banks & Financial Institutions	237%	125%	158%	107%	100%
In Bangladesh	259%	208%	386%	75%	100%
Outside Bangladesh	229%	94%	74%	118%	100%
Money at Call and Short Notice	20%	13%	71%	13%	100%
Investments	191%	173%	134%	125%	100%
Government	171%	167%	134%	127%	100%
Others	356%	220%	128%	105%	100%
Loans and Advances/Investments	153%	136%	123%	114%	100%
Loans, Cash Credits, Overdrafts, etc./Investments	154%	136%	124%	114%	100%
Bills Purchased and Discounted	101%	128%	63%	100%	100%
Fixed Asset including Premises, Furniture & Fixture	168%	172%	157%	137%	100%
Other Assets	175%	100%	69%	121%	100%
Non-Banking Asset	-	-	-	-	-
Total Property and Asset	159%	138%	121%	115%	100%
Liabilities and Capital					
Borrowing from other Banks, Financial Institutions & Agents	229%	179%	157%	110%	100%
Deposit and Other Accounts	140%	127%	114%	115%	100%
Current Deposits & Other Accounts	208%	191%	136%	116%	100%
Bills Payable	128%	116%	117%	96%	100%
Savings Bank Deposits	158%	151%	128%	106%	100%
Fixed Deposits	137%	119%	98%	118%	100%
Special Notice Deposits	202%	196%	119%	101%	100%
Deposit Products	76%	73%	126%	121%	100%
Other Liabilities	252%	171%	137%	133%	100%
Subordinated Debt	196%	170%	147%	92%	100%
Total Liabilities	159%	137%	121%	115%	100%
Capital/Shareholders' Equity					
Paid up Capital	156%	142%	129%	123%	100%
Statutory Reserve	153%	139%	123%	115%	100%
Share Premium	100%	100%	100%	100%	-
Revaluation Reserve on Investment in Securities	75%	87%	101%	80%	100%
Foreign Currency Translation gain/(loss)	170%	76%	64%	88%	100%
General Reserve	100%	100%	100%	100%	100%
Retained Earnings	176%	160%	100%	104%	100%
Total Shareholders' Equity	160%	147%	128%	122%	100%
Non-Controlling Interest	103%	104%	103%	101%	100%
Total Liabilities and Total Equity	159%	138%	121%	115%	100%
Off-Balance Sheet Items					
Contingent Liabilities					
Acceptances and endorsements	178%	160%	92%	100%	100%
Letter of Guarantee	255%	209%	181%	157%	100%
Irrevocable Letter of Credit	233%	221%	155%	135%	100%
Bills for Collection	661%	587%	425%	102%	100%
Total Off Balance Sheet Items including Contingent Liabilities	228%	201%	143%	126%	100%

Horizontal Analysis (Financial Position) :
Horizontal Analysis on Balance Sheet refers to the analysis of growth of each component of balance sheet from the base period. Here base period is considered the year 2018 giving value 100% and after that period value above 100% means positive growth and below 100% means negative growth compared to base year. Here, assets, liabilities and capital components are showing consistent growth over the periods which symbolize sustainable overall balance sheet growth of the bank as a whole.

Horizontal Analysis
FOR THE LAST FIVE YEARS
Consolidated Profit & Loss Account

Particulars	2022	2021	2020	2019	2018
Interest Income/profit on investments	102%	93%	99%	117%	100%
Interest paid/profit shared on deposits and borrowings etc.	117%	84%	111%	124%	100%
Net Interest Income/profit on investments	74%	109%	75%	103%	100%
Income from Investments	156%	157%	148%	108%	100%
Commission, Exchange and Brokerage	449%	148%	114%	156%	100%
Other Operating Income	187%	163%	119%	111%	100%
	267%	154%	132%	126%	100%
Total Operating Income	164%	130%	102%	114%	100%
Less: Operating Expenditure:					
Salary and Allowances	163%	147%	134%	121%	100%
Rent, Taxes, Insurance, Electricity etc.	106%	104%	83%	96%	100%
Legal Expenses	38%	87%	65%	140%	100%
Postage, Stamps, Telecommunication etc.	286%	158%	47%	117%	100%
Stationery, Printings, Advertisements etc.	115%	94%	62%	109%	100%
Chief Executive's salary and fees	136%	137%	137%	121%	100%
Director's Fees	106%	109%	81%	89%	100%
Auditor's Fees	140%	117%	155%	134%	100%
Depreciation and repair of bank's assets	213%	181%	173%	136%	100%
Other Expenses	215%	157%	148%	133%	100%
Total Operating Expenses	168%	144%	131%	121%	100%
Profit Before Provision	160%	116%	72%	107%	100%
Less: Provision for Loans,Investment & Other					
Provision for Unclassified Loans and Advances	381377%	2323%	28566%	284535%	100%
Special General Provision - COVID-19	416%	86%	100%	-	-
Provision for Classified Loans and Advances	79%	33%	40%	8%	100%
Provision for Off-Balance Sheet Items	2734%	6282%	1135%	2939%	100%
Provision for Margin Loans and Investment in Shares	248%	524%	93%	94%	100%
Provision for Other Assets	600%	240%	762%	262%	100%
Total Provision	195%	91%	72%	91%	100%
Profit Before Tax	127%	139%	72%	122%	100%
Less: Income Tax Expenses	106%	70%	106%	218%	100%
Current Tax Expenses	140%	138%	82%	158%	100%
Deferred Tax Expenses/(Income)	253%	367.2%	-1%	-42%	100%
Net Profit After Tax	137%	171%	56%	77%	100%

Horizontal Analysis (Comprehensive Income):
Horizontal Analysis on Income Statement refers to the analysis of growth of each component of income statement from the base period. Here base period is considered the year 2018 giving value 100% and after that period value above 100% means positive growth and below 100% means negative growth compared to base year. The above table shows that total operating income, expenses, operating profit and total provision of Mutual Trust Bank Ltd. are growing consistently over the periods. The Provision for Loans, Investment & other enhanced protection against risk assets of the bank.

Vertical Analysis
FOR THE LAST FIVE YEARS
Consolidated Balance Sheet

Particulars	2022	2021	2020	2019	2018
Property and Assets					
Cash	5.43%	4.83%	4.38%	5.67%	5.53%
In Hand (Including Foreign Currency)	1.21%	1.18%	1.05%	1.12%	1.13%
With Bangladesh Bank and its agent Bank(s) (including Foreign Currency)	4.22%	3.65%	3.32%	4.54%	4.40%
Balance with Other Banks & Financial Institutions	2.13%	1.29%	1.87%	1.32%	1.43%
In Bangladesh	0.63%	0.59%	1.23%	0.25%	0.39%
Outside Bangladesh	1.50%	0.71%	0.63%	1.07%	1.04%
Money at Call and Short Notice	0.09%	0.07%	0.41%	0.08%	0.71%
Investments	14.78%	15.47%	13.61%	13.31%	12.32%
Government	11.78%	13.33%	12.19%	12.09%	10.98%
Others	3.00%	2.14%	1.42%	1.22%	1.34%
Loans and Advances/Investments	71.78%	73.74%	75.67%	73.85%	74.68%
Loans, Cash Credits, Overdrafts, etc./Investments	70.99%	72.59%	75.02%	72.78%	73.45%
Bills Purchased and Discounted	0.78%	1.15%	0.65%	1.07%	1.24%
Fixed Asset including Premises, Furniture & Fixture	1.49%	1.76%	1.82%	1.67%	1.41%
Other Assets	4.31%	2.84%	2.25%	4.10%	3.92%
Non-Banking Asset	-	-	-	-	-
Total Property and Asset	100.00%	100.00%	100.00%	100.00%	100.00%
Liabilities and Capital					
Borrowing from other Banks, Financial Institutions & Agents	12.72%	11.49%	11.46%	8.45%	8.83%
Deposit and Other Accounts	65.79%	69.10%	70.09%	74.32%	74.69%
Current Deposits & Other Accounts	8.29%	8.78%	7.14%	6.36%	6.33%
Bills Payable	0.62%	0.64%	0.74%	0.64%	0.77%
Savings Bank Deposits	12.65%	13.90%	13.45%	11.63%	12.69%
Fixed Deposits	29.93%	29.86%	27.97%	35.44%	34.63%
Special Notice Deposits	7.36%	8.21%	5.71%	5.03%	5.78%
Deposit Products	6.94%	7.70%	15.09%	15.21%	14.48%
Other Liabilities	11.36%	8.89%	8.11%	8.24%	7.16%
Subordinated Debt	4.10%	4.11%	4.03%	2.65%	3.33%
Total Liabilities	93.97%	93.59%	93.68%	93.66%	94.01%
Capital/Shareholders' Equity					
Paid up Capital	2.53%	2.65%	2.74%	2.74%	2.58%
Statutory Reserve	1.78%	1.86%	1.87%	1.83%	1.84%
Share Premium	0.31%	0.36%	-	-	-
Revaluation Reserve on Investment in Securities	0.11%	0.15%	0.20%	0.16%	0.24%
Foreign Currency Translation gain/(loss)	0.00%	0.00%	0.00%	0.00%	0.00%
General Reserve	0.22%	0.26%	0.29%	0.31%	0.35%
Retained Earnings	1.08%	1.14%	0.80%	0.88%	0.98%
Total Shareholders' Equity	6.03%	6.41%	6.32%	6.34%	5.99%
Non-Controlling Interest	0.00%	0.00%	0.00%	0.00%	0.00%
Total Liabilities and Total Equity	100.00%	100.00%	100.00%	100.00%	100.00%
Off-Balance Sheet Items					
Contingent Liabilities					
Acceptances and endorsements	33.45%	33.97%	27.43%	34.01%	42.66%
Letter of Guarantee	32.99%	30.57%	37.27%	36.74%	29.40%
Irrevocable Letter of Credit	25.98%	27.85%	27.52%	27.13%	25.33%
Bills for Collection	7.58%	7.62%	7.78%	2.12%	2.61%
Total Off Balance Sheet Items including Contingent Liabilities	100.00%	100.00%	100.00%	100.00%	100.00%

Vertical Analysis (Financial Position)
Vertical Analysis on Balance Sheet refers to the components of balance sheet as a % of total Assets over the periods which would be termed as common sizing of balance sheet. In asset side, investment (14.78%) and loans and advances (71.78%) hold major portion. Other assets shows increase trend and loans & advance shows decreasing trend as % of total assets over the years at the backdrop of sluggish investment scenario of the country. In liability side, deposit holds major portion (65.79%) and showing decreasing trend over last five years.

Vertical Analysis
FOR THE LAST FIVE YEARS
Consolidated Profit & Loss Account

Particulars	2022	2021	2020	2019	2018
Interest Income/profit on investments	56.77%	67.36%	72.04%	76.10%	77.41%
Interest paid/profit shared on deposits and borrowings etc.	43.10%	40.78%	53.78%	53.63%	51.50%
Net Interest Income/profit on investments	13.66%	26.58%	18.26%	22.46%	25.91%
Income from Investments	12.89%	16.97%	16.02%	10.49%	11.56%
Commission, Exchange and Brokerage	26.70%	11.51%	8.90%	10.88%	8.30%
Other Operating Income	3.65%	4.16%	3.05%	2.53%	2.72%
	43.23%	32.64%	27.96%	23.90%	22.59%
Total Operating Income	56.90%	59.22%	46.22%	46.37%	48.50%
Less: Operating Expenditure:					
Salary and Allowances	15.57%	18.42%	16.81%	13.55%	13.38%
Rent, Taxes, Insurance, Electricity etc.	2.60%	3.36%	2.68%	2.78%	3.44%
Legal Expenses	0.00%	0.01%	0.01%	0.02%	0.02%
Postage, Stamps, Telecommunication etc.	0.15%	0.11%	0.03%	0.07%	0.07%
Stationery, Printings, Advertisements etc.	0.51%	0.54%	0.36%	0.56%	0.62%
Chief Executive's salary and fees	0.09%	0.12%	0.12%	0.10%	0.09%
Director's Fees	0.01%	0.02%	0.01%	0.01%	0.02%
Auditor's Fees	0.01%	0.01%	0.01%	0.01%	0.01%
Depreciation and repair of bank's assets	3.50%	3.89%	3.72%	2.62%	2.29%
Other Expenses	6.88%	6.56%	6.18%	4.97%	4.47%
Total Operating Expenses	29.33%	33.04%	29.94%	24.69%	24.40%
Profit Before Provision	27.57%	26.18%	16.28%	21.68%	24.10%
Less: Provision for Loans, Investment & Other					
Provision for Unclassified Loans and Advances	7.96%	0.06%	0.78%	6.96%	0.00%
Special General Provision - COVID-19	0.35%	2.20%	-	-	-
Provision for Classified Loans and Advances	6.22%	3.39%	4.07%	0.74%	10.97%
Provision for Off-Balance Sheet Items	0.52%	1.55%	0.28%	0.65%	0.03%
Provision for Margin Loans and Investment in Shares	0.90%	2.50%	0.44%	0.40%	0.51%
Provision for Other Assets	0.21%	0.11%	0.35%	0.11%	0.05%
Total Provision	16.16%	9.82%	7.82%	8.85%	11.56%
Profit Before Tax	11.41%	16.37%	8.46%	12.82%	12.54%
Less: Income Tax Expenses	3.04%	2.62%	3.97%	7.29%	3.98%
Current Tax Expenses	5.19%	6.70%	3.96%	6.87%	5.17%
Deferred Tax Expenses/(Income)	-2.15%	-4.09%	0.01%	0.42%	-1.19%
Net Profit After Tax	8.37%	13.75%	4.49%	5.53%	8.56%

Vertical Analysis (Comprehensive Income)
Vertical Analysis on Income Statement refers to the components of income statement as a % of total income over the periods which would be termed as common sizing of income statement. In income side, interest income (56.77%) and Income from Commission, Exchange and Brokerage (26.70%) hold major portion. Interest income shows decreasing trend due to increase of total other income as % of total income over the years. Operating expense as % of income is decreasing over the periods due to decrease the Salary and Allowances. Operating profit and provision is in increasing trend and net profit shows decreasing trend over the periods.

Mutual Trust Bank Limited and Its Subsidiaries

Consolidated Balance Sheet

As at 31 December 2022

Particulars	Notes	Amount in BDT 2022	Amount in BDT 2021
PROPERTY AND ASSETS			
Cash	3.00	19,195,683,498	14,815,134,487
Cash In Hand (Including Foreign Currency)		4,262,691,279	3,617,498,522
Balance with Bangladesh Bank and its agent Bank(s) (including foreign currency)		14,932,992,219	11,197,635,965
Balance with other Banks & Financial Institutions	4.00	7,525,330,588	3,965,379,148
In Bangladesh		2,227,730,560	1,795,397,175
Outside Bangladesh		5,297,600,028	2,169,981,973
Money at Call on Short Notice	5.a	310,000,000	200,000,000
Investments	6.00	52,280,864,209	47,417,383,858
Government		41,654,086,402	40,852,130,399
Others		10,626,777,807	6,565,253,459
Loans and Advances/Investments	7.00	253,835,694,386	226,011,574,670
Loans, Cash Credits, Overdrafts, etc./Investments		251,063,475,190	222,483,861,585
Bills Purchased and Discounted		2,772,219,197	3,527,713,085
Fixed Asset including Premises, Furniture and Fixtures	8.00	5,265,362,889	5,394,493,735
Other Assets	9.00	15,230,742,091	8,696,959,252
Non-Banking Assets		-	-
Total Property and Assets		353,643,677,662	306,500,925,149
LIABILITIES AND CAPITAL			
Borrowing from other Banks, Financial Institutions and Agents	10.00	44,971,333,982	35,205,781,006
Deposits and Other Accounts	11.00	232,657,443,657	211,782,425,769
Current Deposit & Other Accounts		29,303,987,611	26,914,905,893
Bills Payable		2,181,104,098	1,975,092,979
Savings Deposit		44,731,165,855	42,589,740,210
Fixed Deposits		105,844,214,688	91,528,348,348
Special Noticed Deposits		26,042,595,954	25,158,651,767
Deposit Products		24,554,375,452	23,615,686,572
Other Liabilities	12.00	40,183,634,186	27,257,811,801
Bond	13.a	14,500,000,000	12,600,000,000
Perpetual Bond		4,000,000,000	4,000,000,000
Subordinated Debts		10,500,000,000	8,600,000,000
Total Liabilities		332,312,411,825	286,846,018,576
Capital/Shareholders' Equity			
Paid up Capital	14.a	8,937,452,240	8,124,956,590
Statutory Reserve	15.a	6,281,308,408	5,696,354,496
Share Premium	16.a	1,095,304,778	1,095,304,778
Revaluation Reserve on Investment in Securities	17.00	394,363,476	457,933,517
Foreign Currency Translational Gain/Loss		10,466,102	4,699,421
General Reserve	18.a	786,777,324	786,777,324
Surplus in Profit and Loss Account/Retained Earnings	19.00	3,825,461,139	3,488,747,189
Total Shareholders' Equity		21,331,133,467	19,654,773,315
Non-Controlling Interest	20.00	132,370	133,258
Total Liabilities and Shareholders' Equity		353,643,677,662	306,500,925,149
Net Asset Value (NAV) per share (2021 Restated)	21.00	23.87	21.99

Mutual Trust Bank Limited and Its Subsidiaries

Consolidated Balance Sheet

As at 31 December 2022

Particulars	Notes	Amount in BDT 2022	Amount in BDT 2021
OFF-BALANCE SHEET ITEMS			
Contra & Contingent Assets & Liabilities:	22.a		
Acceptances and endorsements		49,972,580,644	44,841,639,706
Letter of guarantee		49,287,726,110	40,349,440,573
Irrevocable letters of credit		38,805,688,054	36,766,759,417
Bills for collection		11,324,834,538	10,053,512,136
Other contingent liabilities		-	-
Total Off- Balance Sheet Items		149,390,829,346	132,011,351,831
Other Commitments			
Documentary credits and short term trade related transactions		-	-
Forward asset purchased and forward deposit placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Claim against the bank not acknowledged as debt		-	-
Litigation pending against Bank		-	-
		-	-
Other Memorandum Items			
Value of Travelers' Cheque on Hand		-	-
Value of Bangladesh Sanchoy Patra on Hand		-	-
		-	-
Total Off-Balance Sheet Items including Contingent Liabilities		149,390,829,346	132,011,351,831

The annexed accounting policies and other notes form an integral part of these financial statements

Chairman | Director | Director | Managing Director & CEO

Signed as per annexed report on even date

Dated, Dhaka
30 April 2023

M. J. ABEDIN & CO.
Chartered Accountants
REG. No.: N/A

Hasan Mahmood FCA
Enrolment No. 564
DVC: 2305020564AS318467

Mutual Trust Bank Limited

Balance Sheet

As at 31 December 2022

Particulars	Notes	Amount in BDT 2022	Amount in BDT 2021
PROPERTY AND ASSETS			
Cash	3.a	19,190,315,606	14,800,349,000
Cash In Hand (Including Foreign Currency)		4,257,323,387	3,602,713,035
Balance with Bangladesh Bank and its agent Bank(s)(including foreign currency)		14,932,992,219	11,197,635,965
Balance with other Banks & Financial Institutions	4.a	7,258,831,080	3,713,667,620
In Bangladesh		1,961,231,052	1,543,685,647
Outside Bangladesh		5,297,600,028	2,169,981,973
Money at Call on Short Notice	5.a	310,000,000	200,000,000
Investments	6.a	49,791,328,796	45,776,422,353
Government		41,654,086,402	40,852,130,399
Others		8,137,242,394	4,924,291,954
Loans and Advances/Investments	7.a	250,945,239,659	222,924,200,254
Loans, Cash Credits, Overdrafts, etc./Investments		248,173,020,462	219,396,487,169
Bills Purchased and Discounted		2,772,219,197	3,527,713,085
Fixed Asset including Premises, Furniture and Fixtures	8.a	5,051,674,499	5,203,874,445
Other Assets	9.a	18,407,851,488	12,124,015,514
Non-Banking Assets		-	-
Total Property and Assets		350,955,241,128	304,742,529,186
LIABILITIES AND CAPITAL			
Borrowing from other Banks, Financial Institutions and Agents	10.a	44,971,333,982	35,205,781,006
Deposits and Other Accounts	11.a	233,611,278,510	212,956,942,491
Current Deposit & Other Accounts		29,304,015,081	26,915,622,914
Bills Payable		2,181,104,098	1,975,092,979
Savings Deposit		44,731,165,855	42,589,740,210
Fixed Deposits		105,844,214,688	91,528,348,348
Special Noticed Deposits		26,996,403,337	26,332,451,468
Deposit Products		24,554,375,452	23,615,686,572
Other Liabilities	12.a	36,963,327,148	24,818,899,708
Bond	13.a	14,500,000,000	12,600,000,000
Perpetual Bond		4,000,000,000	4,000,000,000
Subordinated Debts		10,500,000,000	8,600,000,000
Total Liabilities		330,045,939,641	285,581,623,206
Capital/Shareholders' Equity			
Paid up Capital	14.a	8,937,452,240	8,124,956,590
Statutory Reserve	15.a	6,281,308,408	5,696,354,496
Share Premium	16.a	1,095,304,778	1,095,304,778
Revaluation Reserve on Investment in Securities	17.a	342,532,352	409,820,227
Foreign Currency Translational Gain/Loss		9,483,420	1,366,243
General Reserve	18.a	786,777,324	786,777,324
Surplus in Profit and Loss Account/Retained earnings	19.a	3,456,442,965	3,046,326,323
Total Shareholders' Equity		20,909,301,487	19,160,905,981
Total Liabilities and Shareholders' Equity		350,955,241,128	304,742,529,186
Net Asset Value (NAV) per share (2021 Restated)	21.a	23.40	21.44

Mutual Trust Bank Limited

Balance Sheet

As at 31 December 2022

Particulars	Notes	Amount in BDT 2022	Amount in BDT 2021
OFF-BALANCE SHEET ITEMS			
Contra & Contingent Assets & Liabilities:	22.a		
Acceptances and endorsements		49,972,580,644	44,841,639,706
Letter of guarantee		49,287,726,110	40,349,440,573
Irrevocable letters of credit		38,805,688,054	36,766,759,417
Bills for collection		11,324,834,538	10,053,512,136
Other contingent liabilities		-	-
Total Off- Balance Sheet Items		149,390,829,346	132,011,351,831
Other Commitments			
Documentary credits and short term trade related transactions		-	-
Forward asset purchased and forward deposit placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Claim against the bank not acknowledged as debt		-	-
Litigation pending against Bank		-	-
		-	-
Other Memorandum Items			
Value of Travelers' Cheque on Hand		-	-
Value of Bangladesh Sanchoy Patra on Hand		-	-
		-	-
Total Off-Balance Sheet Items including Contingent Liabilities		149,390,829,346	132,011,351,831

The annexed accounting policies and other notes form an integral part of these financial statements

Chairman | Director | Director | Managing Director & CEO

Signed as per annexed report on even date

Dated, Dhaka
30 April 2023

M. J. ABEDIN & CO.
Chartered Accountants
REG. No.: N/A

Hasan Mahmood FCA
Enrolment No. 564
DVC: 2305020564AS318467

Scanned Photos of the Response Copies (Survey done to understand the customer satisfaction and brand recognition & reputation)

মিউচুয়াল ট্রাস্ট ব্যাংক পিএলসি
Mutual Trust Bank PLC
you can bank on us

- **Name:** Arian Hossain
- **Occupation/Designation:** Student (Undergrad)
- **Account holder of Mutual Trust Bank PLC Ltd:**
  - ✓ **Yes**
  - ○ **No**
- **In which bank do you have an account? (Answer if you are not an account holder of Mutual Trust Bank):** N/A
- **What is your opinion about Mutual Trust Bank Ltd?**
  - ✓ **Good**
  - ○ **Bad**
  - ○ **Never heard of the bank**
- **Are you satisfied with the customer service provided by Mutual Trust Bank? (Answer if not an account holder of the bank):** Yes. The service is fast and convenient.

মিউচুয়াল ট্রাস্ট ব্যাংক পিএলসি
Mutual Trust Bank PLC
you can bank on us

- **Name:** Nabil Reaz
- **Occupation/Designation:** Free lancer
- **Account holder of Mutual Trust Bank PLC Ltd:**
  - ✓ **Yes**
  - ○ **No**
- **In which bank do you have an account? (Answer if you are not an account holder of Mutual Trust Bank):** N/A
- **What is your opinion about Mutual Trust Bank Ltd?**
  - ✓ **Good**
  - ○ **Bad**
  - ○ **Never heard of the bank**
- **Are you satisfied with the customer service provided by Mutual Trust Bank? (Answer if not an account holder of the bank):** Yes. The online customer service is faster than usual.

মিউচুয়াল ট্রাস্ট ব্যাংক পিএলসি
Mutual Trust Bank PLC
you can bank on us

- **Name:** Md. Saiful Islam
- **Occupation/Designation:** Service Holder.
- **Account holder of Mutual Trust Bank PLC Ltd:**
  - ○ **Yes**
  - ✓ **No**
- **In which bank do you have an account? (Answer if you are not an account holder of Mutual Trust Bank):** NRB
- **What is your opinion about Mutual Trust Bank Ltd?**
  - ○ **Good**
  - ○ **Bad**
  - ✓ **Never heard of the bank**
- **Are you satisfied with the customer service provided by Mutual Trust Bank? (Answer if not an account holder of the bank):** N/A

মিউচুয়াল ট্রাস্ট ব্যাংক পিএলসি
Mutual Trust Bank PLC
you can bank on us

- **Name:** Zelqad Hasan
- **Occupation/Designation:** Teacher
- **Account holder of Mutual Trust Bank PLC Ltd:**
  - ✓ **Yes**
  - ○ **No**
- **In which bank do you have an account? (Answer if you are not an account holder of Mutual Trust Bank):** N/A
- **What is your opinion about Mutual Trust Bank Ltd?**
  - ○ **Good**
  - ✓ **Bad**
  - ○ **Never heard of the bank**
- **Are you satisfied with the customer service provided by Mutual Trust Bank? (Answer if not an account holder of the bank):**
  Some instructions given through service is not clear.

মিউচুয়াল ট্রাস্ট ব্যাংক পিএলসি
Mutual Trust Bank PLC
you can bank on us

- **Name:** Alari Alam Chowdhury
- **Occupation/Designation:** Graphics Designer
- **Account holder of Mutual Trust Bank PLC Ltd:**
  - ✓ **Yes**
  - ○ **No**
- **In which bank do you have an account? (Answer if you are not an account holder of Mutual Trust Bank):** N/A
- **What is your opinion about Mutual Trust Bank Ltd?**
  - ✓ **Good**
  - ○ **Bad**
  - ○ **Never heard of the bank**
- **Are you satisfied with the customer service provided by Mutual Trust Bank? (Answer if not an account holder of the bank):**
  Yes.

মিউচুয়াল ট্রাস্ট ব্যাংক পিএলসি
Mutual Trust Bank PLC
you can bank on us

- **Name:** Sanjida Afroz
- **Occupation/Designation:** Housewife
- **Account holder of Mutual Trust Bank PLC Ltd:**
  - ✓ **Yes**
  - ○ **No**
- **In which bank do you have an account? (Answer if you are not an account holder of Mutual Trust Bank):** N/A
- **What is your opinion about Mutual Trust Bank Ltd?**
  - ✓ **Good**
  - ○ **Bad**
  - ○ **Never heard of the bank**
- **Are you satisfied with the customer service provided by Mutual Trust Bank? (Answer if not an account holder of the bank):**
  Information provided and guidelines shown are easy to understand.