Internship Report

On

"Activities of merchant bank and a Comparative analysis of city bank capital, BRAC EPL Investment, Lankabangla Investment Prime Bank Investment and IDLC investment.

BRAC University

66 Bir Uttam AK Khandakar Road

Dhaka 1212,

Bangladesh.

DATE: November 30, 2017

BRAC University

INTERNSHIP REPORT

ON

"Activities of merchant bank and a Comparative analysis of City Bank Capital Resources Limited, BRAC EPL Investment, Lankabangla Investment Prime Bank Investment and IDLC Investment."

SUBMITTED TO:

Dr. Salehuddin Ahmed

Professor

BRAC Business School

BRAC University

SUBMITTED BY:

Mahiya Mohosi Mou

ID: 15264013

Program: MBA (Fall 2017)

BRAC Business School

BRAC University

DATE OF SUBMISSION: November 30, 2017.

LETTER OF TRANSMITTAL

November 30, 2017.

Dr. Salehuddin Ahmed

Professor

Masters of Business Administration

BRAC University

Dhaka-1213

Dear Sir,

Subject: Submission of Internship Report.

I respectfully state that I am the student of MBA department of BRAC University and want to submit my internship report on "Activities of merchant bank and a Comparative analysis of City Bank Capital, BRAC EPL Investment, Lankabangla Investment, Prime Bank Investment and IDLC Investment" as a part of fulfilling your instruction for acquiring the learning objectives of practical knowledge in corporate field.

It was a great experience for me to work with City bank Capital, which provides me a chance to relate the theoretical context with empirical evidences. This enhances not only my knowledge about practical working area but also my analytical ability.

I earnestly hope that you will kindly go through my internship report and evaluate its feasibility.

Thanking you

Sincerely yours,

MahiyaMohosiMou

ID: 15264013

Master of Business Administration

BRAC University

STUDENT DECLARATION

I do hereby declare that the internship report titled **"Activities of merchant bank and a Comparative analysis of city bank capital, BRAC EPL Investment, Lankabangla Investment Prime Bank Investment and IDLC investment"** Submitted by me to BRAC University, for the degree of Master of Business Administration is an original work.

I also declare that the report has not been submitted earlier either partly or wholly to any other University or Institution for any Degree, Diploma, Associate-ship, Studentship, Fellowship and other similar title or prizes.

…………………………………..

Mahiya Mohosi Mou
ID: 15264013

Major in Finance
Email: mahiya.mou92@gmail.com
Master of Business Administration
BRAC University

CERTIFICATE

This is to certify that this report entitled **“Activities of merchant bank and a Comparative analysis of city bank capital, BRAC EPL Investment, Lankabangla Investment Prime Bank Investment and IDLC investment”** submitted to **BRAC University**, in connection with the institution’s internship program is a confide record of work done by **Mahiya Mohosi Mou** under my supervision at the **city bank capital Resources Limited, Motijheel Branch, Dhaka** from **September 05 2017** to **December 05 2017.**

Dr. Salehuddin Ahmed

Professor

BRAC Business School

BRAC University

ACKNOWLEDGEMENT

First, I remember Almighty Allah for making me successful to prepare this report.

At the very inception, I would like to thank my teacher Dr. Salehuddin Ahmed, Faculty of MBA, BRAC University who helped me from the very beginning of our report. From time to time our honorable teacher give us appointment and suggest us to prepare this report that finally made us possible to complete this report which is a partial requirement of MBA program.

I would like to thank all employees of City Bank Capital Resources Limited specially Mehedee Hasan (AVP & Head of Research), Moinul Amin (analyst), Nahid Hasan (Research Associates), Afeef Ahmed (Research Associates) etc.

Finally, a silent stream of gratitude is for our most adorned parents whose blessing is always with us in this windy world.

EXECUTIVE SUMMARY

City Bank Capital Resources limited is a wholly owned subsidiary of The City Bank Ltd which is one of the largest private commercial banks in Bangladesh. Major activities of CBCRL are corporate advisory, portfolio management and structured finance.

Chapter one of this report gives an idea of introduction of my internship report which includes Statement of the problem, scope, Objective, Methodology and limitations of the study.

Chapter two describes the History, Functions of city bank capital resources limited, activities of CBCRL Research Department, my activities as an intern, Organogram of CBCRL, client satisfaction level of CBCRL which is gather from client survey, and Basic information about BRACEPL, Lankabangla investment, Prime bank investment and IDLC investment.

Chapter three provides an overall idea about merchant bank, difference between Investment banks and Merchant banks and functions of merchant banks.

Chapter four is the analysis part. Here I have discussed about issue manager, ratio analysis of five years of five merchant banks named City Bank Capital Resources limited(CBCRL), BRACEPL, Lankabangla investment, Prime bank investment and IDLC investment.

In chapter five and six I have highlighted the strength, weakness, opportunities and threat of CBCRL, findings, and some recommendations for CBCRL etc.

ABBREVIATION

CBCRL	City Bank Capital Resources Limited
EPS	Earnings Per Share
PAT	Profit after tax
ROA	Return on assets
ROE	Return on Equity
NPM	Net profit margin
DP	Depository Participant
BSEC	Bangladesh Securities and Exchange Commission
CDBL	Central Depository Bangladesh Limited
LBIL	LankaBangla Investments Limited
BMBA	Bangladesh Merchant Bankers Association
IPO	Initial Public Offerings

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CHAPTER ONE

INTRODUCTION

cbc city bank capital
making sense of your wealth

1.1: INTRODUCTION

As a prerequisite for the completion of the Master of Business Administration program from BRAC University, I had been selected to work as an intern in City bank Capital Resources Limited, at Motijheel Branch, for a period of 3 months from September 05, 2017 to December 05, 2017. As an intern, I was assigned in the research department. Basically this report is based on Practical working experience. My internship report topic is "Activities of a merchant bank and a Comparative analysis of City Bank Capital, BRAC EPL Investment, Lankabangla Investment, Prime Bank Investment and IDLC investment. In the internship report, I have tried my best to focus on ratio analysis, issue manager etc. This report is generated under the supervision of Dr. Salehuddin Ahmed, Faculty, BRAC Business School, BRAC University.

1.2: RATIONALE OF THE STUDY:

Financial institutions of a country play an important role in building the financial backbone of the country's economics. Knowing about merchant banking activities is not only relevant to be a future merchant banker but also necessary for taking investment decision. As a student doing major in finance, it is necessary to know about the capital market.

1.3: STATEMENT OF THE PROBLEM

- What are the functions of a merchant bank?
- What kind of services does City Bank Capital provide to the customers?
- What are the activities of CBCRL Research Department?
- How much customers are satisfied with the services provided by City Bank Capital?
- What is the performance of City Bank Capital and a comparative analysis among its peer group?

1.4: SCOPE:

There are 57 merchant banks in Bangladesh. But my only scope is City bank Capital which is a subsidiary of City bank as per internship purpose. I have get a permission of three months to work with City bank capital Resources limited. As an intern it is a great opportunity for me to know about the activities City Bank Capital Resources Limited. I have not only schedule structured interviews, but also asked customers informally, as needed to clarify and provide insight into specific conversations. My report contains the financial situation of City bank capital and other four merchant banks.

1.5: OBJECTIVE

In my report I will set my objectives in two viewpoints

Broad Objective:

Activities of merchant bank and a Comparative analysis of City Bank Capital, BRAC EPL Investment, Lankabangla Investment, Prime Bank Investment and IDLC investment.

Specific objective:

- To describe the functions of City bank capital Resources Limited.
- To describe the services that City bank capital provide to the customers.
- To have an idea about the satisfaction level of the clients.
- To analyze a comparative analysis of financial performance of five merchant banks.
- To know the limitations of CBCRL.

1.6: METHODOLOGY OF THE STUDY

The entire information for any term paper can be collected in two ways-

1. Primary Data Collection &
2. Secondary Data Collection

I have make survey of clients of city bank capital as primary data. Another part of my report is based on secondary data.

The secondary data are collected from company web sites, merchant banks, DSE library, annual reports etc.

1.7: LIMITATIONS OF THE STUDY

During the collection of information given problems arise:

- Employees were not flexible of sharing internal data.
- They feel worried to show some data due to security reason.
- As being busy, employees were unable to give enough time to share their full knowledge.
- Given time was not enough for learning about the whole industry.

CHAPTER TWO

ORGANIZATION OVERVIEW

2.1: HISTORY OF CITY BANK CAPITAL RESOURCES LIMITED (CBCRL):

CBCRL have been operating in the Capital Market since 2010 as division of The City Bank Ltd. CBCRL has acquired full-fledged Merchant Banking License from the Bangladesh Securities and Exchange Commission (BSEC) in 2010 CBCRL acquired custodian Depository Participant (DP) License in 2011 from Central Depository Bangladesh Ltd. (CDBL). CBCRL has started its full-fledged operation from 2011. It is a wholly owned subsidiary of The City Bank Ltd. It is one of the largest private commercial banks in Bangladesh with a paid-up capital of BDT 2.55 billion. Recently, the company is providing a broad range of investment banking such as portfolio management, corporate advisory, structured finance and impact investment services to institutions, high net worth individuals and financial sponsors.

2.2: OBJECTIVES OFCITY BANK CAPITAL RESOURCES LIMITED:

Vision: City Bank Capital strives to cater to international and local clients with investment banking and consulting solutions to sustain, enable and catalyze growth to clients and stakeholders.

Mission: To bring Bangladesh to the frontier of global finance.

Commitment to Clients:

- To add value to our clients are our priority
- CBCRL focus on nurturing long term relationships which is reflected in their service towards clients.
- CBCRL relate to the ongoing business needs to consult and cater for synergistic growth

Innovation:

- Innovation is at the core of everything CBCRL do.
- CBCRL utilize their international experience of professionals for bringing innovative to global solutions to address local strategic and investment obstacles.

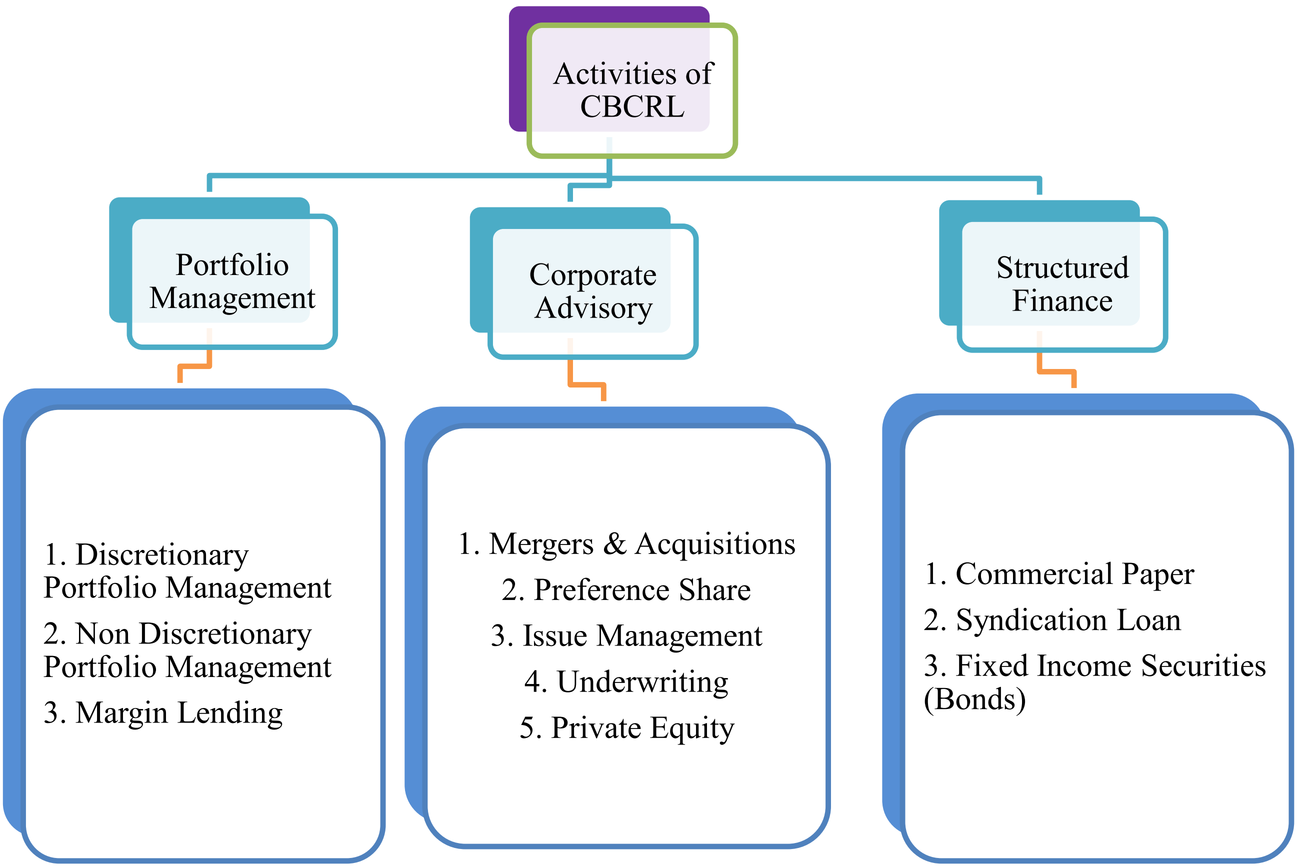
Integrity:

- CBCRL works to build the trust of their clients by consistently delivering outstanding results while upholding the highest ethical standards.

2.3: FUNCTIONS OF CITY BANK CAPITAL RESOURCES LIMITED:

CBCRL provides a broad range of investment banking services across all industries, including corporate finance advisory, mergers & acquisitions, private equity, restructuring & reorganization. They also provide advice to companies to buy or sell business, raising capital, managing risks, which helps them to grow their business. CBCRL invest their capital alongside their clients as well to make the right use of any opportunity. They always look forward to work on their analysis to innovate new perspectives and new paths to grow business.

Activities of CBCRL:



Activities of CBCRL Research Department:

Activities of CBCRL Research Department

1. Economy Update
   - Preparing Monetary policy statement
   - Preparing National budget review
   - Preparing Bangladesh strategy and capital market outlook
2. Daily Update
3. Weekly Update
   - Weekly market insight
   - Weekly news summary
4. Preparing Equity Note
5. Preparing IPO Notes
6. Preparing Company Flash Notes
7. Preparing Market Flash Note
8. Sector Updates
9. Country Overview

Some other work Activities:

1. Preparing morning news summary daily basis
2. Recording company information
3. Analysis of mutual funds
4. Creating company valuation model.
5. Recording data about earnings, price etc.
6. Analyzing data about earnings.
7. Managing portfolio of institutional clients and City Bank Capital.

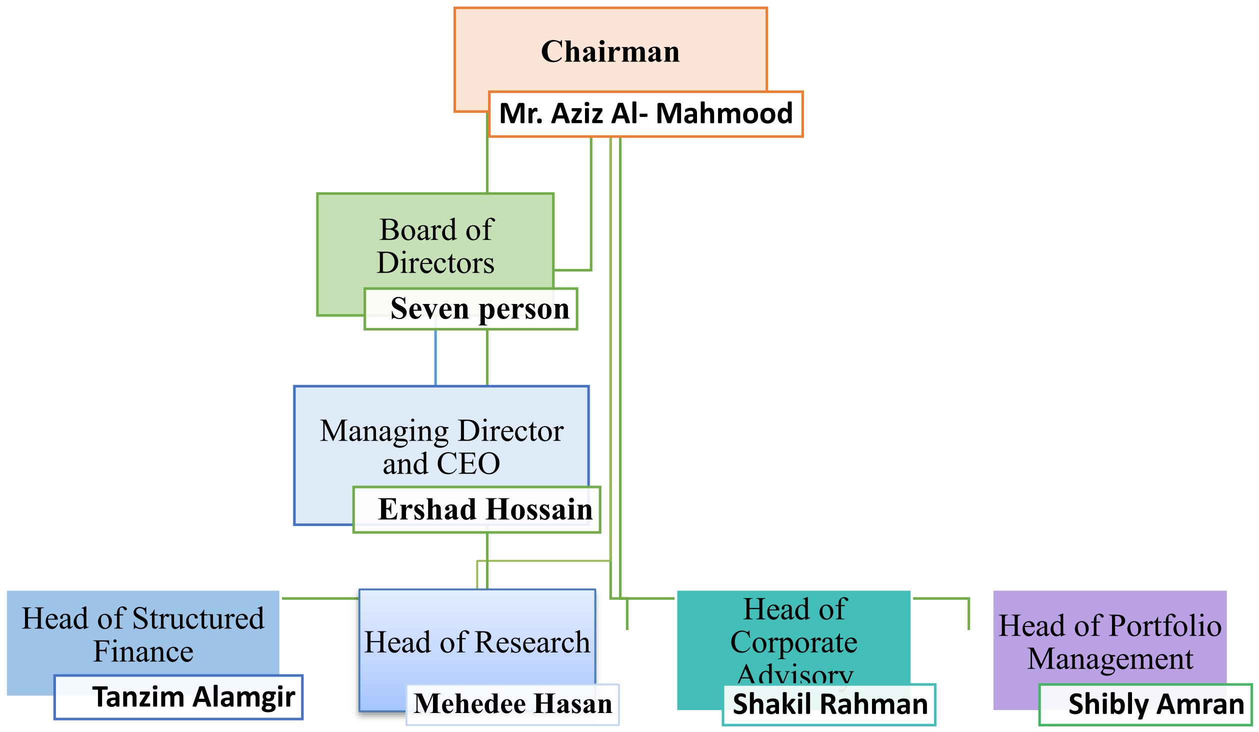
Work activities as an intern:

1. Preparing morning news summary.
2. Updating all the listed company's database.
3. Updating mutual funds data in order to analyze the discount rate of both open end and close end mutual fund data.
4. Monthly updating shareholding data of all the listed companies
5. Recording company dividend file.

Learning from City Bank Capital Resources Limited:

1. Return calculation.
2. Able to learn the process of trade through brokerage house.
3. Little idea about knowledge about capital market.
4. Valuation

2.4: ORGANOGRAM OF CITY BANK CAPITAL RESOURCES LIMITED:

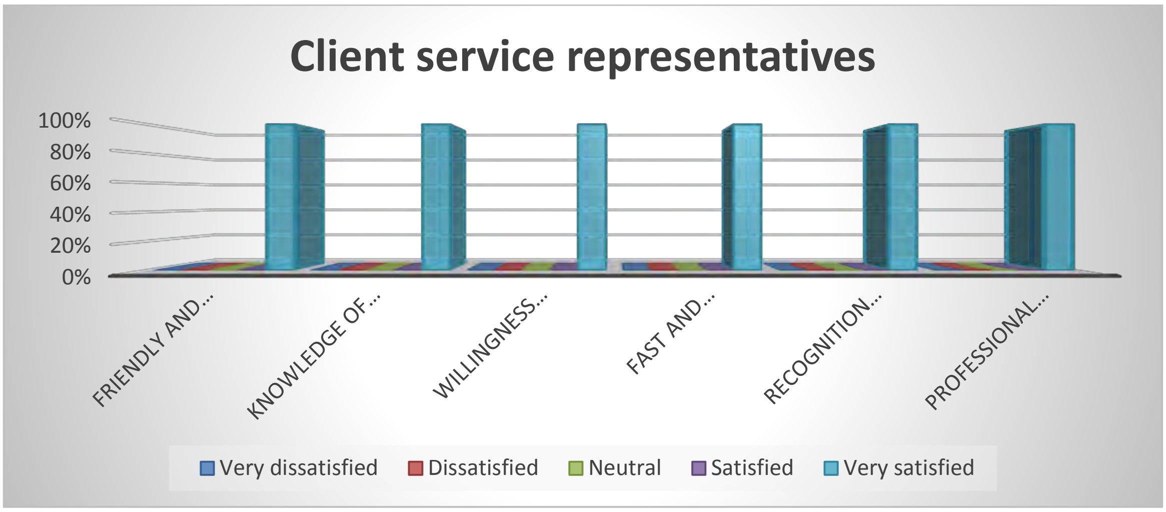


There are around 300 clients both individual and institutional of City Bank Capital Resources Limited. Maximum clients contact over the phone and mail. So I have surveyed 10 clients of City Bank capital. The feedbacks are given below:

Client Feedback of City Bank Capital Resources Limited:

1. **Client satisfaction level in terms of the service clients received from the client service representatives:**

	Very dissatisfied	Dissatisfied	Neutral	Satisfied	Very satisfied
Friendly and courteous manner	0%	0%	0%	0%	100%
Knowledge of capital market	0%	0%	0%	0%	100%
Willingness to listen and respond to your need	0%	0%	0%	0%	100%
Fast and efficient service	0%	0%	0%	0%	100%
Recognition of you as valued customer	0%	0%	0%	0%	100%
Professional and attractive appearance	0%	0%	0%	0%	100%



SOURCE: CLIENT SURVEY 2017

Explanation: Client's satisfaction levels of CBCRL is highly satisfied. Not any client's shows dissatisfaction in terms of the service they receive from the client service representatives. That proves CBCRL provides excellent services to their clients.

2. Client satisfaction level in terms of the service clients received from the and Management of the City bank capital Resources limited:

	Very dissatisfied	Dissatisfied	Neutral	Satisfied	Very satisfied
Friendly and courteous manner	0%	0%	0%	0%	100%
Knowledge of capital market	0%	0%	0%	0%	100%
Willingness to listen and respond to your need	0%	0%	0%	0%	100%
Fast and efficient service	0%	0%	0%	0%	100%
Recognition of you as valued customer	0%	0%	0%	0%	100%
Professional and attractive appearance	0%	0%	0%	0%	100%

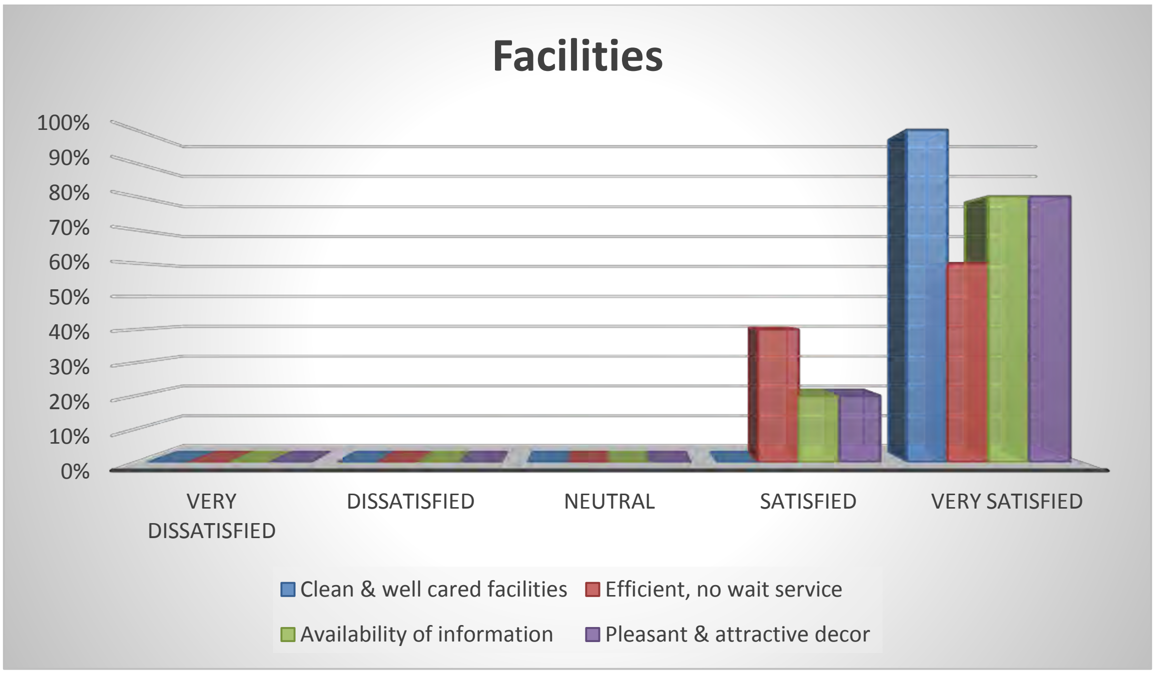
SOURCE: CLIENT SURVEY 2017

Explanation:

Client's satisfaction levels towards the management team of CBCRL is also highly satisfied. Not a single client shows dissatisfaction in terms of the service they receive from the Supervisors and Management team. That also proves CBCRL provides excellent services to their clients without any doubt.

3. Client satisfaction level in terms of facilities City bank capital Resources limited:

	Very dissatisfied	Dissatisfied	Neutral	Satisfied	Very satisfied
Clean & well cared facilities	0%	0%	0%	0%	100%
Efficient, no wait service	0%	0%	0%	40%	60%
Availability of information	0%	0%	0%	20%	80%
Pleasant & attractive decor	0%	0%	0%	20%	80%



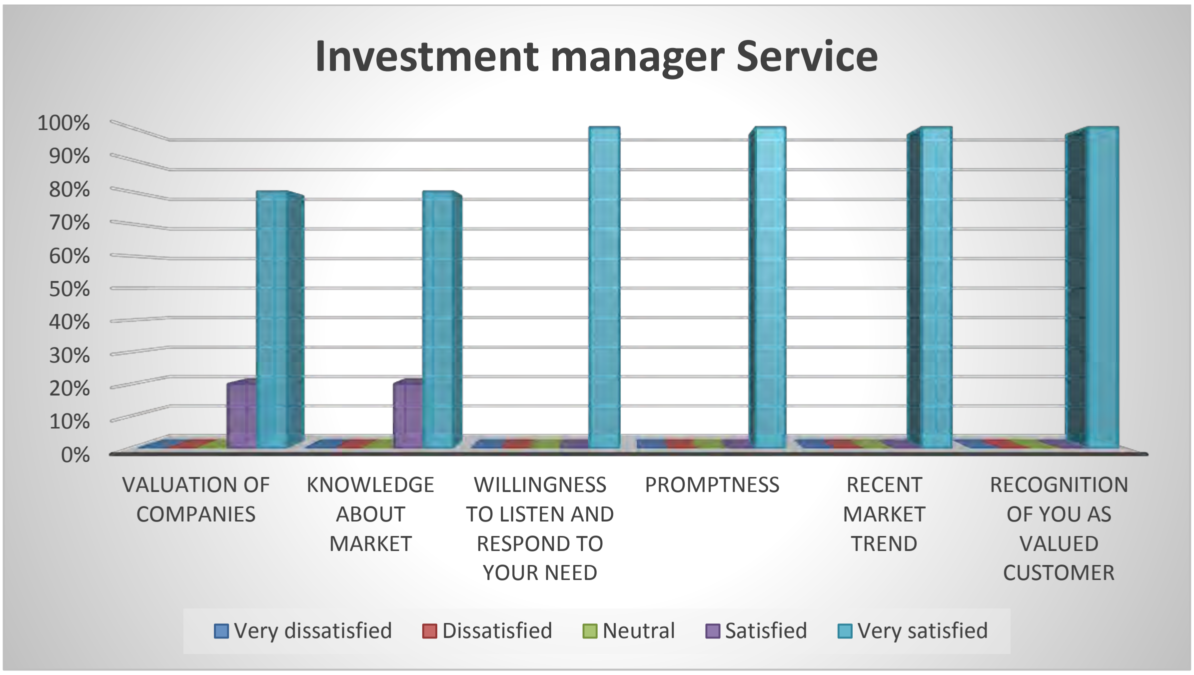
SOURCE: CLIENT SURVEY 2017

Explanation:

After having the survey, it can be clearly said that CBCRL provides its customer very Clean & well cared facilities, Efficient, no wait service, Availability of information brochures, Pleasant & attractive décor. Clients have a very positive image about CBCRL.

4. **Client satisfaction level in terms of Investment decision:**

	Very dissatisfied	Dissatisfied	Neutral	Satisfied	Very satisfied
Valuation of companies	0%	0%	0%	20%	80%
Knowledge about market	0%	0%	0%	20%	80%
Willingness to listen and respond to your need	0%	0%	0%	0%	100%
Promptness	0%	0%	0%	0%	100%
Recent market trend	0%	0%	0%	0%	100%
Recognition of you as valued customer	0%	0%	0%	0%	100%



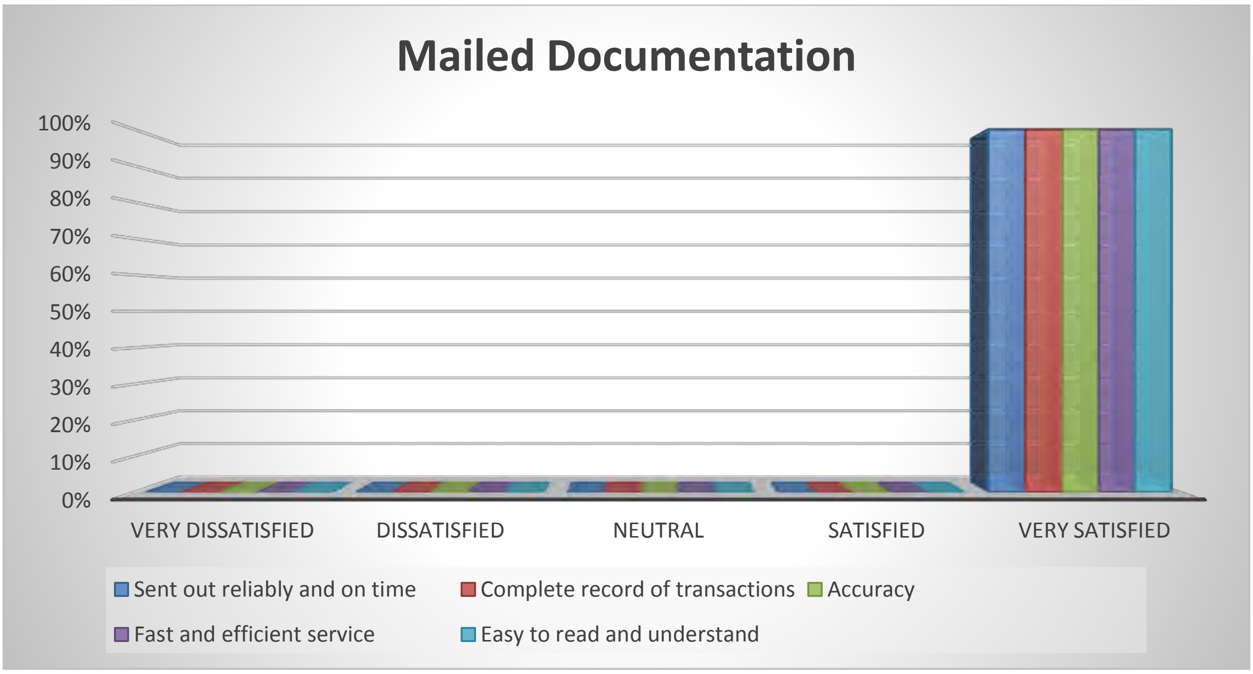
SOURCE: CLIENT SURVEY 2017

Explanation:

Maximum number of the clients of CBCRL who are investing are very much satisfied with the services of the banks' portfolio management team which proves that CBCRL provides maximum level of effort to their customers that has make highly satisfied loan customers.

5. Client satisfaction level in terms of mailed documentation:

	Very dissatisfied	Dissatisfied	Neutral	Satisfied	Very satisfied
Sent out reliably and on time	0%	0%	0%	0%	100%
Complete record of transactions	0%	0%	0%	0%	100%
Accuracy	0%	0%	0%	0%	100%
Fast and efficient service	0%	0%	0%	0%	100%
Easy to read and understand	0%	0%	0%	0%	100%



SOURCE: CLIENT SURVEY 2017

Explanation:

All clients of CBCRL are satisfied about Sent out reliably and on time, Complete record of transactions, Fast and efficient service and about the accuracy of mailed which proves that CBCRL provides maximum level of politeness to their customers that has make highly satisfied clients.

Basic information about the rest four merchant banks:

BRAC EPL Investments Limited: BRAC EPL Investments Limited (BEIL) is a public limited company, formally commenced operation under a new management team on October 01, 2009 following obtaining merchant bank license from the Securities and Exchange Commission. BRAC EPL Investments Limited aims to provide innovative, pioneering and world-class sustainable investment banking solutions including creation of access to capital markets for individual investors and social enterprises. BRAC Bank holds 76% of the equity, the rest held by a diverse group of international fund managers and capital market institutions at home and abroad.

LankaBangla Investments Limited: LankaBangla Investments Limited (LBIL) a fully owned subsidiary of LankaBangla Finance Limited, one of the leading Non-Banking Financial Institutions in Bangladesh. LBIL is engaged in providing investment banking services and Investment Management Services for its clients. LBIL has positioned itself prominently in investment banking through its wide range of investment banking product services and broad client base.

Prime bank investment limited: Prime bank investment limited are operating in the Capital Market since 1996 as a division of Prime Bank Ltd. They acquired full-fledged Merchant Banking License from the Bangladesh Securities and Exchange Commission (BSEC) in 2001. They acquired Depository Participant (DP) License in 2004 from Central Depository Bangladesh Ltd. (CDBL). They started full-fledged operation from 2006. They launched professional Portfolio Management Service in 2007.They started branch operations to provide Portfolio Management Services in major locations of Dhaka City and Sylhet in 2008. They became a subsidiary of Prime Bank Ltd. in 2010 with a paid-up capital of Tk. 300 crore. They are the Sponsor and Director of Prime Bank Securities Ltd., a subsidiary of Prime Bank Ltd. having both DSE & CSE membership license.

IDLC Investments Limited: The first Lease Agreement was signed in 1985. Listed on the Dhaka Stock Exchange in 1996. It gets licensed as a Merchant Banker by the Securities and Exchange Commission in 1998. IDLC Investments Limited is a wholly-owned subsidiary of IDLC, commences operations. IDLC offers Portfolio Management services to both individual and institutional investors through their subsidiary, IDLC Investments Limited.

CHAPTER THREE

ACTIVITIES OF MERCHANT BANKS

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Merchant Bank: A merchant bank is a financial institution that engages in underwriting and business loans, catering primarily to the needs of large enterprises and high net worth individuals. In the British market, the term merchant bank refers to an investment bank.

Difference between Investment banks and Merchant banks

Investment banks

- Investment banks raise funds for businesses and some governments by registering and issuing debt or equity and selling it on a market.
- Investment banks only participated in underwriting and selling securities in large blocks.
- Investment banks facilitate mergers and acquisitions through share sales and provide research and financial consulting to companies
- Investment banks focus on initial public offerings (IPOs) and large public and private share offerings.
- Investment banks tend to focus on larger companies
- Investment banks rarely offer trade financing

Merchant banks

- Merchant banks primarily perform international financing activities such as foreign corporate investing, foreign real estate investment, trade finance and international transaction facilitation.
- Merchant banks also involves in issuing letters of credit, transferring funds internationally, trade consulting and co-investment in projects involving trade of one form or another.
- Merchant banks tend to operate on small-scale companies and offer creative equity financing, bridge financing and a number of corporate credit products.
- Merchant banks offer their services to companies that are still small to make a convincing public share offering on a large exchange
- Merchant banks offer trade financing products to their clients.

Functions of Merchant Banking:

Merchant Banks provides both Banking and consultancy services. It provides consultancy to its clients for financial, marketing, managerial and legal matters. Consultancy means to provide advice, guidance and service for a fee. It helps a businessman to start a business. It helps to raise finance. It helps to expand and modernize the business. It helps in restructuring of a business. It helps to revive sick business units. It also helps companies to register, buy and sell shares at the stock exchange.

The functions of merchant banking are listed as follows:

1. **Raising Finance for Clients**: Merchant Banking helps its clients to raise finance through issue of shares, debentures, bank loans, etc. This finance is used for starting a new business or project or for modernization or expansion of the business.
2. **Helping in Project Management**: Merchant bankers help their clients in the many ways. Like advising about facility location although it is rare in our country, preparing a project report, conducting feasibility studies, making a plan for financing the project, finding out sources of finance, advising about concessions and incentives from the government
3. **Giving Advice on Expansion and Modernization**: Merchant bankers give advice to their clients for expansion and modernization of the business units. They help their clients through giving expert advice on mergers and consolidations, acquisition and takeovers, diversification of business, foreign collaborations and joint-ventures, technology up-gradation, etc.
4. **Managing Public Issue of Companies:** Merchant bank advice and manage the public issue of companies.

They provide following services:

- Advise on the timing of the public issue.
- Advise on the size and price of the issue.
- Acting as manager to the issue, and helping in accepting applications and allotment of securities.
- Help in appointing underwriters and brokers to the issue.
- Listing of shares on the stock exchange, etc.

5. **Handling Government Permission for Industrial Projects**: A businessman has to get government permission for starting of the project. Similarly, a company requires

permission for expansion or modernization activities. For this, many formalities have to be completed. Merchant banks do all this work for their clients.

6. **Special Assistance to Small Companies and Entrepreneurs**: Merchant banks help their clients by giving advise small companies about business opportunities, government policies, incentives and concessions available. It also helps them to take advantage of these opportunities, concessions, etc.
7. **Provide Services to Public Sector Units:** Merchant banks offer many services to public sector units. They help in raising long-term capital, marketing of securities, foreign collaborations and arranging long-term finance from term lending institutions.
8. **Portfolio Management**: A merchant bank manages the portfolios (investments) of its clients. This makes investments safe, liquid and profitable for the client. It offers expert guidance to its clients for taking investment decisions.
9. **Corporate Restructuring**: It includes mergers or acquisitions of existing business units, sale of existing unit or disinvestment. This requires proper negotiations, preparation of documents and completion of legal formalities. Merchant bankers offer all these services to their clients.
10. **Money Market Operation**: Merchant bankers also helps in dealing with and underwrite short-term money market instruments, such as:

- Government Bonds.
- Certificate of deposit issued by banks and financial institutions.
- Commercial paper issued by large corporate firms.
- Treasury bills issued by the Government.

11. **Leasing Services**: Merchant bankers also help in leasing services. Lease is a contract between the lessor and lessee, whereby the lessor allows the use of his specific asset such as equipment by the lessee for a certain period. The lessor charges a fee called rentals.
12. **Management of Interest and Dividend**: Merchant bankers help their clients in the management of interest on debentures / loans, and dividend on shares. They also advise their client about the timing (interim / yearly) and rate of dividend.

CHAPTER FOUR

ANALYSIS AND INTERPRETATION OF DATA

Issue manager

	2012	2013	2014	2015	2016
BRAC EPL Investment	Generation Next Fashions Limited.				
LankaBangla Investments Limited	Envoy Textiles Limited Unique Hotel & Resorts Limited Aamra Technologies Limited	Argon Denims Limited	Peninsula Chittagong Limited	Aman Feed Limited	Evince Textiles Limited
IDLC Investments Limited	GBB Power Limited	Paramount Textile Limited	Far East Knitting & Dyeing Industries Limited Matin Spinning Mills Limited	Regent Textile Mills Limited Tosrifa Industries Limited	
Prime Bank Investment Limited					Fortune Shoes Limited
City Bank Capital Resources Limited					

Ratio formulas

Growth Analysis

Operating profit growth= operating Profit current year/operating Profit previous year-1

Profit after tax= Profit after tax current year/ Profit after tax previous year-1

Return Analysis

Return on Equity=Net income/Total equity capital

Return on Assets= Net income/Total Assets

Net Profit margin= Profit after tax/operating Income

Non-operating margin= (Total operating revenues -total operating expenses)/Total Assets

Debt Analysis

Debt to Equity Ratio= Total Debt/ Total Equity

Debt to Asset Ratio= Total Debt/ Total Assets

Per share figures

EPS= Profit after tax/ no of shares

No of Shares (Million)= Share capital/ face value

Efficiency ratios:

Tax management efficiency = Net Income/Pretax Net Operating income

Expense control efficiency = pretax net operating income/ Total operating revenues

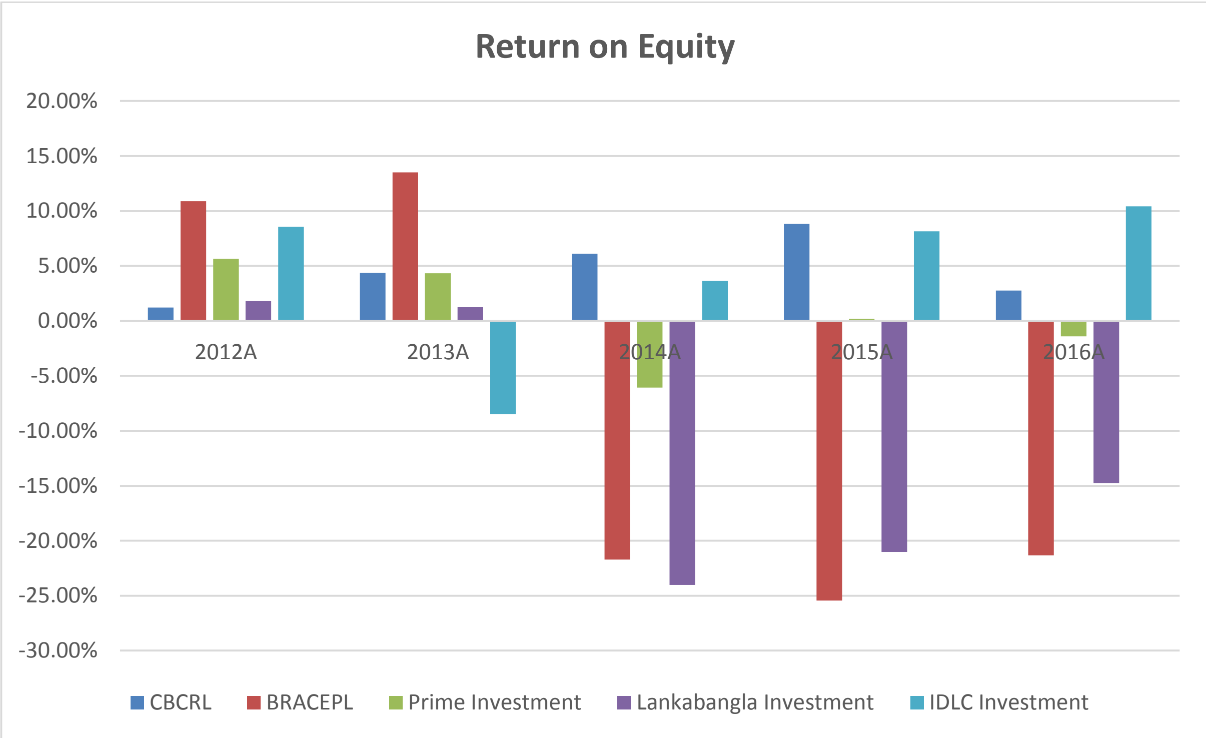
Asset Management efficiency = Total operating revenues /total assets

Funds management efficiency = Total asset/Total equity capital

Ratio Analysis

1. Return on Equity

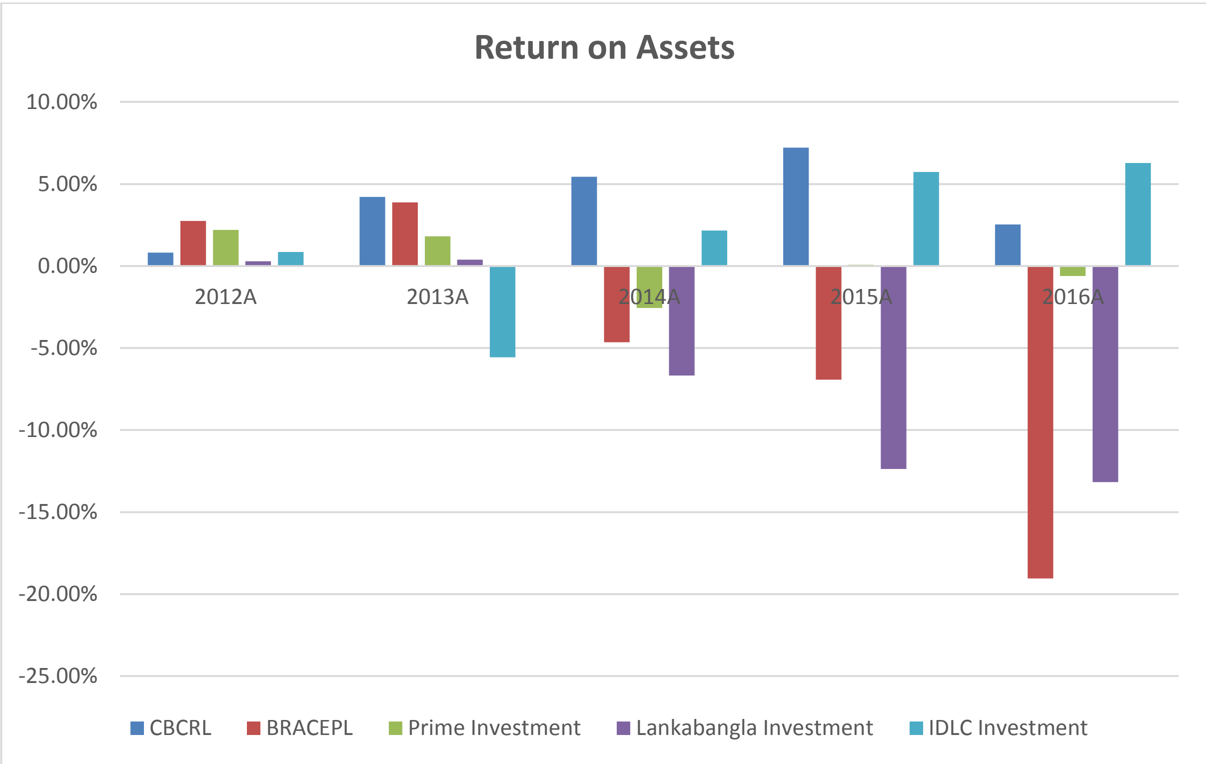
		2012A	2013A	2014A	2015A	2016A
CBCRL		1.22%	4.35%	6.12%	8.81%	2.75%
BRACEPL		10.90%	13.52%	-21.72%	-25.46%	-21.34%
Prime Investment		5.65%	4.34%	-6.06%	0.19%	-1.41%
Lankabangla Investment		1.79%	1.24%	-24.01%	-21.02%	-14.76%
IDLC Investment		8.56%	-8.50%	3.64%	8.16%	10.42%



Comment: Return on equity measures the profitability of CBCRL and other four merchant banks by revealing how much profit they company generates with the money shareholders have invested. CBCRLs return on equity shows an upward trend from 2012 to 2015 but in 2016 it has a comparatively negative return than previous years. For high growth companies we can expect a higher ROE in return. IDLC investment has a fluctuating return but posit in 2012 BRACEPL shows highest return but gradually it's showing negative return. Lankabangla Investment also shows a negative slope year by year. So the overall performance of CBCRL is quite good,

2. Return on Assets

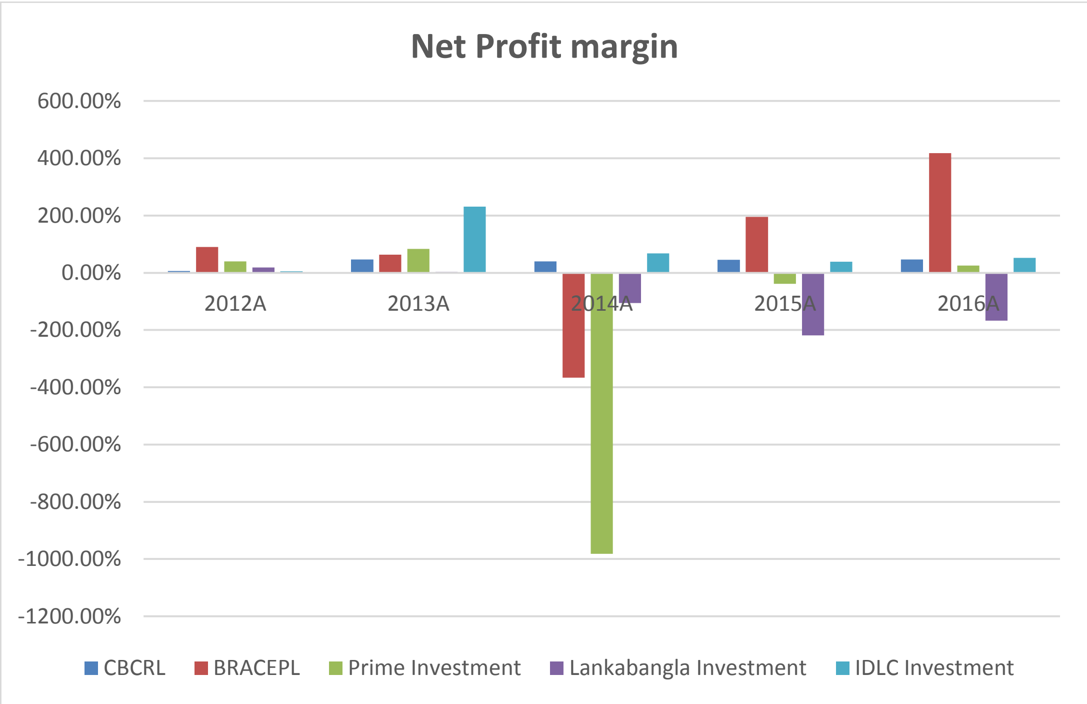
	2012A	2013A	2014A	2015A	2016A
CBCRL	0.81%	4.21%	5.45%	7.22%	2.53%
BRACEPL	2.76%	3.88%	-4.64%	-6.92%	-19.04%
Prime Investment	2.20%	1.81%	-2.55%	0.08%	-0.60%
Lankabangla Investment	0.29%	0.39%	-6.68%	-12.38%	-13.16%
IDLC Investment	0.86%	-5.57%	2.17%	5.73%	6.29%



Comment: Return on assets (ROA) shows the percentage of profit that the 5 merchant banks earns in relation to its overall resources. The higher the ROA, the better the management. Here after seeing the five year ROA of five merchant banks ROA of BRACEPL and Lankabangla investment is negative for the last three years and ROA of CBCRL and IDLC investment is better than others and in 2016 both had positive ROA among five merchant banks.

3. Net Profit margin

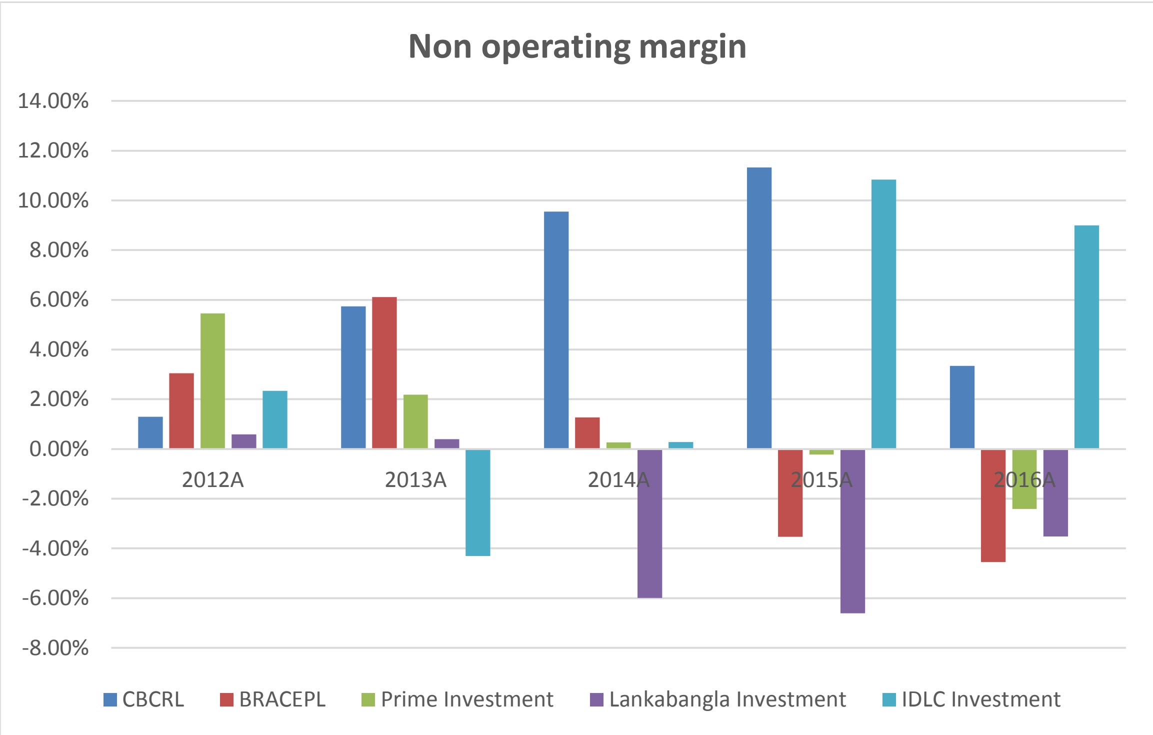
	2012A	2013A	2014A	2015A	2016A
CBCRL	6.08%	46.90%	40.20%	45.17%	46.74%
BRACEPL	90.53%	63.55%	-366.24%	195.91%	418.24%
Prime Investment	40.28%	83.09%	-981.27%	-38.35%	24.88%
Lankabangla Investment	18.10%	2.97%	-105.32%	-218.95%	-166.70%
IDLC Investment	5.69%	230.99%	67.42%	38.97%	52.73%



Comment: Net profit margin (NPM) is one of the most important indicators of a business's financial health. It's giving a more accurate view of how profitable the merchant banks are than its cash flow. By tracking increases and decreases in net profit margin of BRACEPL is working well with its current practices although it has negative NPM in 2014. CBCRL is maintaining an average performance. In 2014 lankabangla, BRACEPL and prime investment had negative NPM but CBCRL and IDLC finance had positive NPM. Net profit margin is expressed as a percentage rather than BDT amount so it become possible to compare the profitability of the 5 merchant banks regardless of their differences in size.

4. **Non-operating margin**

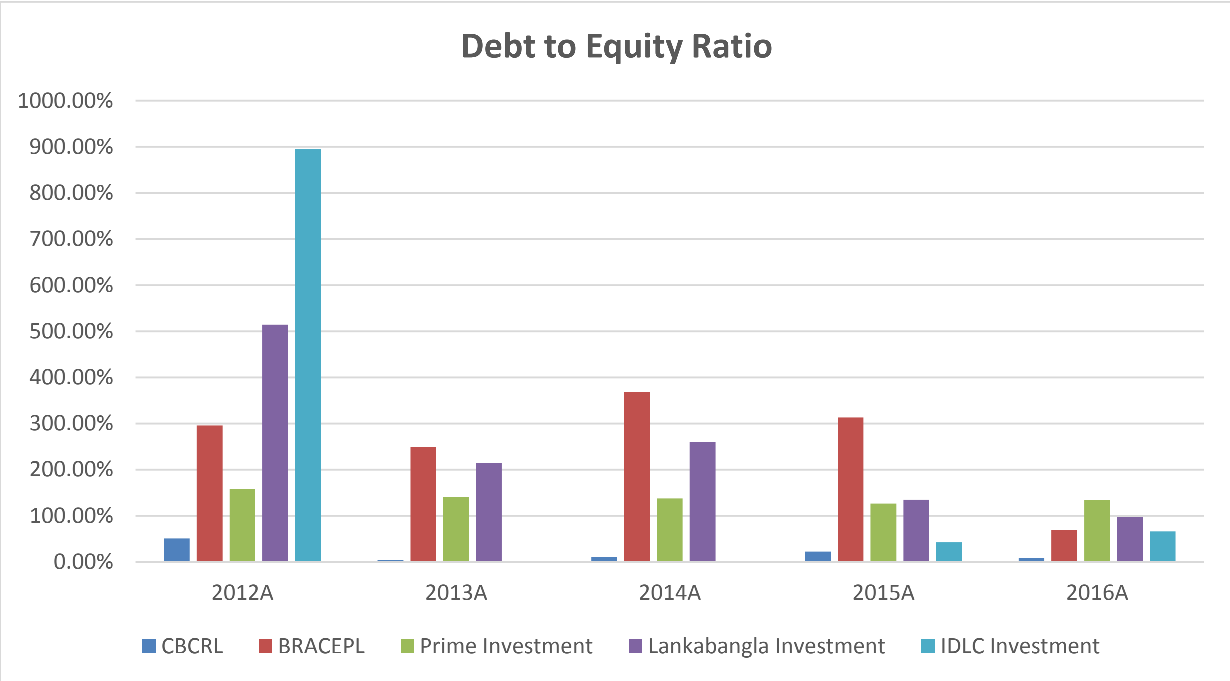
	2012A	2013A	2014A	2015A	2016A
CBCRL	1.30%	5.73%	9.55%	11.33%	3.34%
BRACEPL	3.04%	6.11%	1.27%	-3.53%	-4.55%
Prime Investment	5.45%	2.18%	0.26%	-0.22%	-2.41%
Lankabangla Investment	0.59%	0.39%	-6.00%	-6.60%	-3.52%
IDLC Investment	2.34%	-4.31%	0.28%	10.83%	9.00%



Comment: Non-operating margin is also one of the most important indicators of a business's financial health. By tracking increases and decreases in non-operating margin of CBCRL is working well with its current practices but it has negative non-operating margin in 2016. In 2014,2015 and 2016 lankabangla, BRACEPL and prime investment had negative non-operating margin but CBCRL and IDLC finance had positive non-operating margin. Non-operating margin is expressed as a percentage rather than BDT amount so it become possible to compare the profitability of the 5 merchant banks regardless of their differences in size.

5. Debt to Equity Ratio

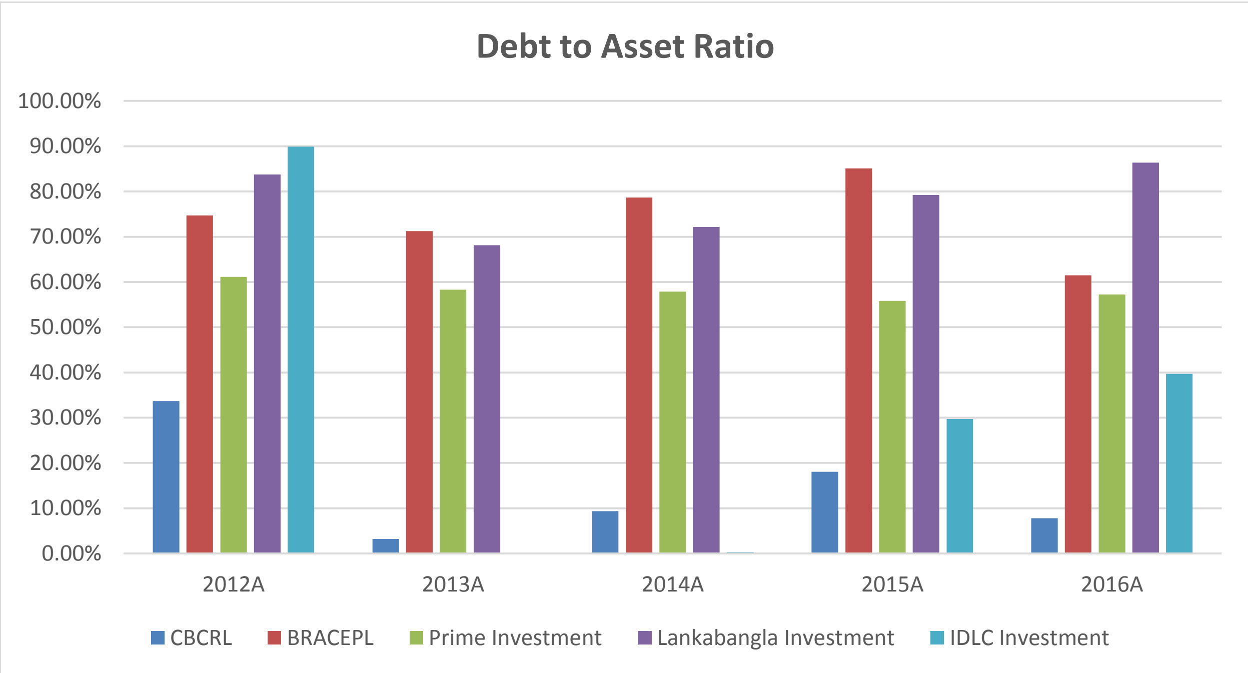
	2012A	2013A	2014A	2015A	2016A
CBCRL	50.79%	3.31%	10.52%	22.02%	8.41%
BRACEPL	295.57%	248.12%	368.01%	312.98%	68.90%
Prime Investment	157.25%	139.77%	137.22%	126.26%	133.95%
Lankabangla Investment	514.50%	213.92%	259.20%	134.56%	96.92%
IDLC Investment	894.51%	0.16%	0.44%	42.32%	65.73%



Comment: A debt ratio of 50% means that there are half as many liabilities as there is equity. Debt according to equity of CBCRL is quite low than other merchant banks. The assets of the company are funded much by investors to creditors in the CBCRL. BRACEPL, prime investment, Lankabangla investment and IDLC investment had three times, one and half times, five times and 9 times than its equity in 2012. But all become able to overcome to decrease the rate year over year.

6. Debt to Asset Ratio

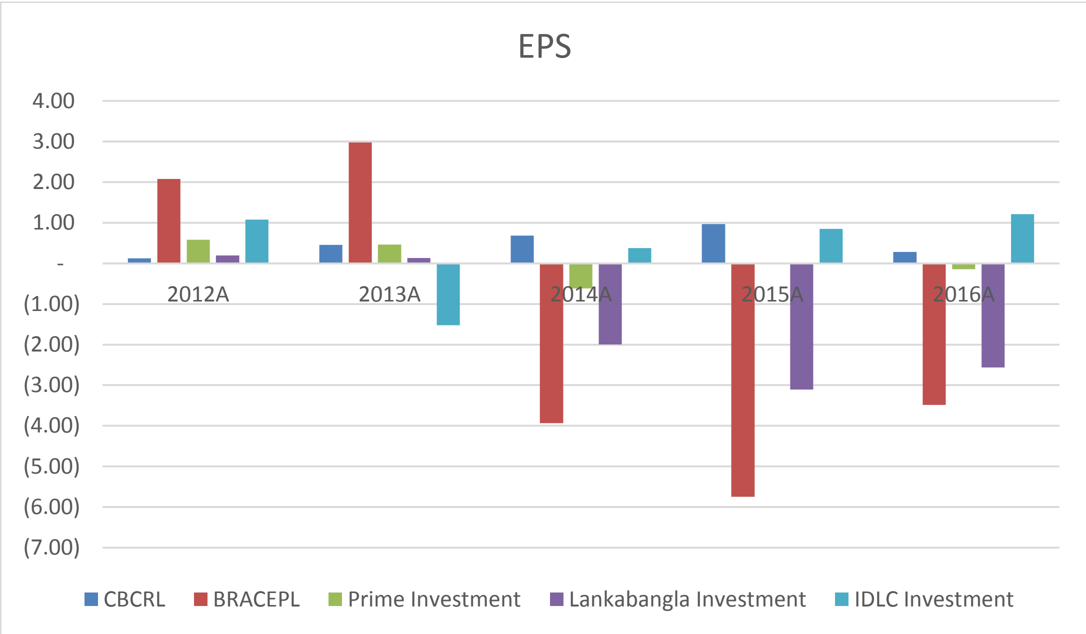
	2012A	2013A	2014A	2015A	2016A
CBCRL	33.68%	3.20%	9.37%	18.05%	7.76%
BRACEPL	74.72%	71.27%	78.63%	85.11%	61.48%
Prime Investment	61.13%	58.29%	57.85%	55.80%	57.26%
Lankabangla Investment	83.73%	68.14%	72.15%	79.26%	86.41%
IDLC Investment	89.94%	0.10%	0.26%	29.74%	39.66%



Comment: The debt to total assets ratio is an indicator of financial leverage. Leverage refers to the use of a significant amount of debt and/or credit to purchase an asset. It tells us the percentage of total assets that were financed by creditors, liabilities, debt. The percentage of debt of CBCRL than other four merchant banks is lowest which indicates CBCRL have lower rate of debt than its assets.

7. Earnings per share (EPS)

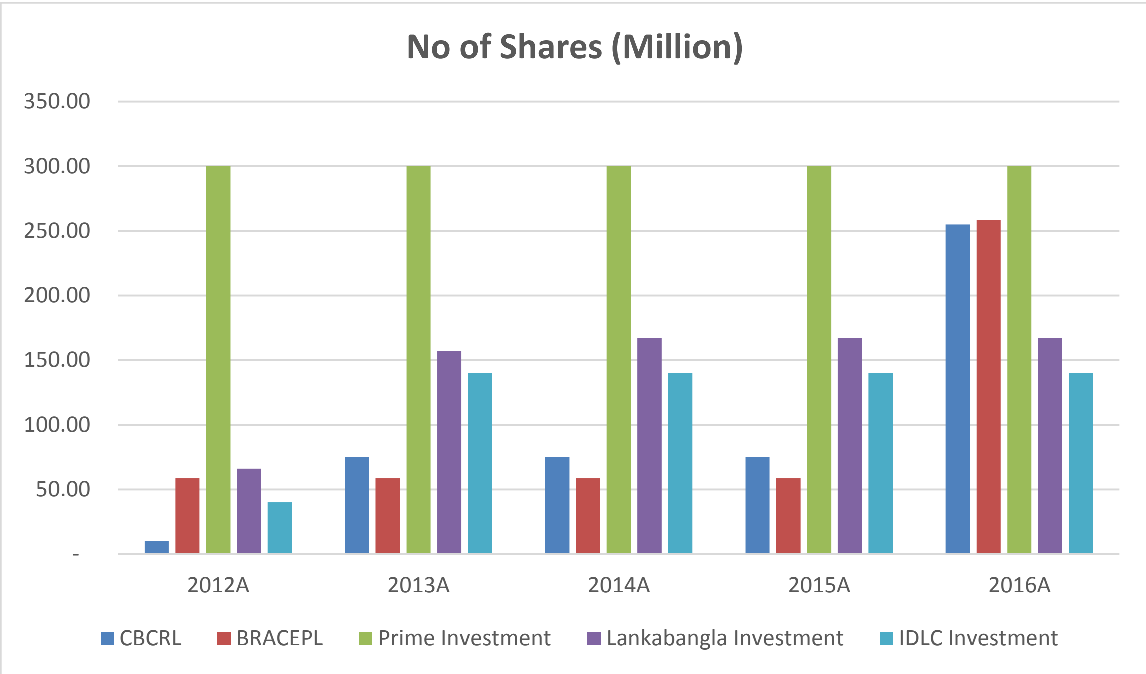
	2012A	2013A	2014A	2015A	2016A
CBCRL	0.12	0.46	0.68	0.97	0.29
BRACEPL	2.08	2.98	(3.93)	(5.75)	(3.48)
Prime Investment	0.58	0.47	(0.61)	0.02	(0.14)
Lankabangla Investment	0.19	0.13	(2.00)	(3.11)	(2.56)
IDLC Investment	1.08	(1.52)	0.38	0.85	1.21



Comment: Earnings per share serves as an indicator of a company's profitability. Earnings per share of CBCRL was positive from 2012 to2016.other four merchant banks had negative in different years' like IDLC investment had negative EPS in 2013, Prime investment in 2014 and 206, BRACEPL and Lankabangla investment had negative EPS in 2014,2015 and 2016. So EPS of CBCRL is better than others.

8. No of Shares (Million)

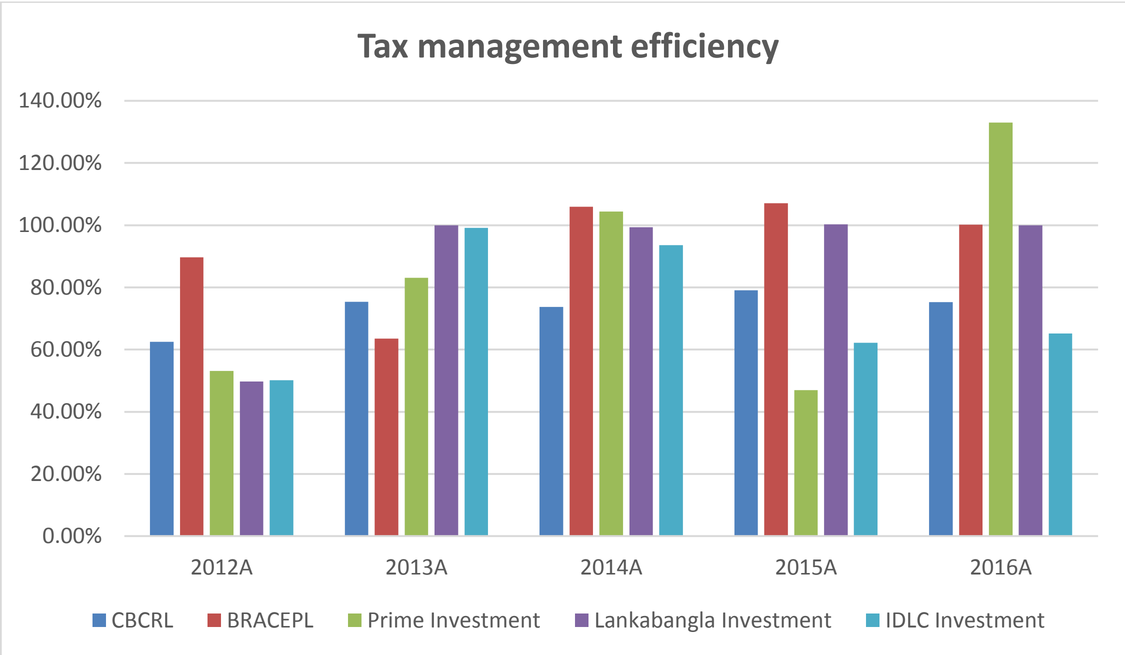
	2012A	2013A	2014A	2015A	2016A
CBCRL	10.00	75.00	75.00	75.00	255.00
BRACEPL	58.50	58.50	58.50	58.50	258.50
Prime Investment	300.00	300.00	300.00	300.00	300.00
Lankabangla Investment	66.00	157.00	167.00	167.00	167.00
IDLC Investment	40.00	140.00	140.00	140.00	140.00



Comment: Number of shares of Prime investment is highest among five merchant banks. Number of shares of CBCRL become 25 times within five years which indicates a very high positive growth. BRACEPL had four times, Lankabangla investment had 2.5 times and IDLC investment had 3.5 times EPS in 2016 than 2012

9. Tax management efficiency

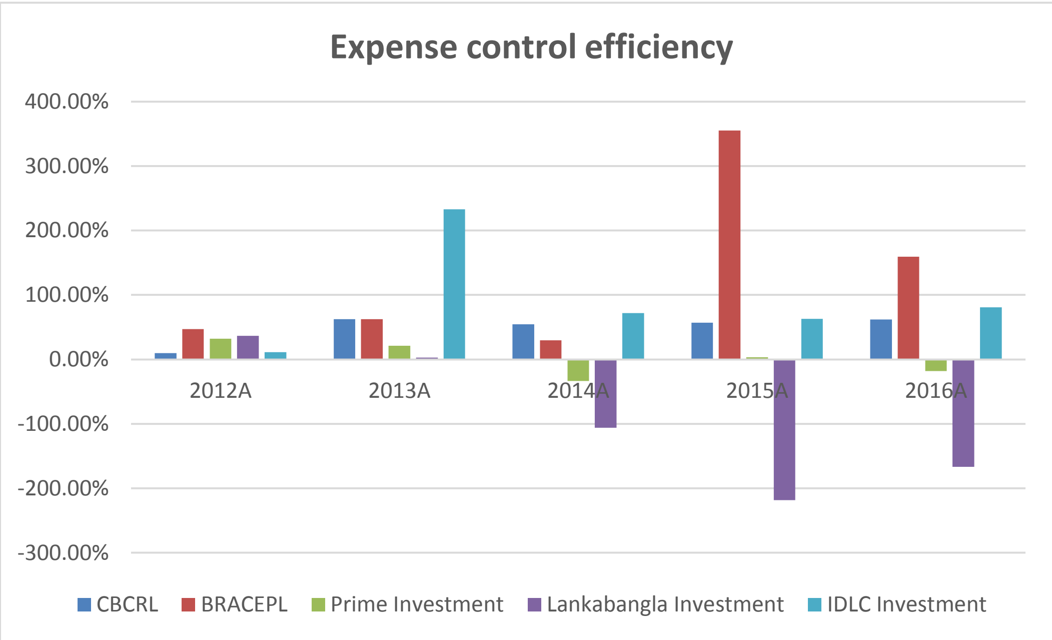
	2012A	2013A	2014A	2015A	2016A
CBCRL	62.50%	75.31%	73.76%	79.11%	75.30%
BRACEPL	89.69%	63.56%	105.97%	107.04%	100.18%
Prime Investment	53.09%	83.09%	104.34%	47.00%	132.95%
Lankabangla Investment	49.72%	100.00%	99.39%	100.27%	100.00%
IDLC Investment	50.16%	99.16%	93.57%	62.17%	65.16%



Comment: Tax management efficiency ratio of prime investment is highest in 2016 which can indicate it has earned more efficiency in tax management in 2016 than others but in 2015 it had the lowest percentage which indicates that its tax management ratio is not satisfied due to lower value. CBCRL manages its tax year over year at an average increasing rate which indicates a better tax management efficiency. Lankabangla investment and BRACEPL are also efficient in managing tax.

10. Expense control efficiency

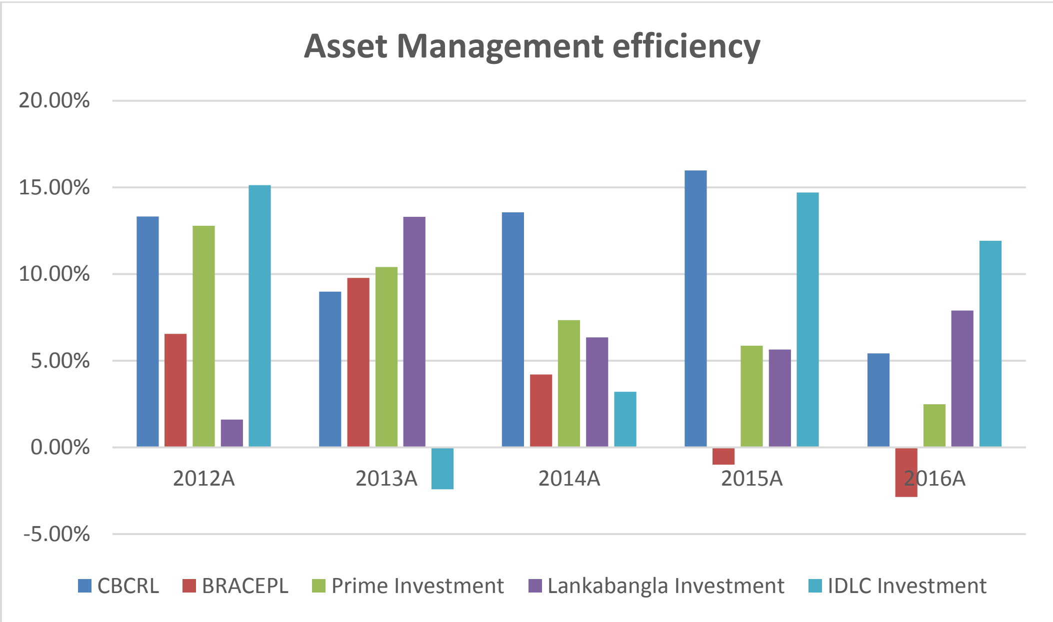
	2012A	2013A	2014A	2015A	2016A
CBCRL	9.73%	62.28%	54.49%	57.11%	62.07%
BRACEPL	46.95%	62.47%	29.45%	355.34%	159.26%
Prime Investment	32.34%	20.95%	-33.32%	3.05%	-18.13%
Lankabangla Investment	36.40%	2.97%	-105.97%	-218.35%	-166.70%
IDLC Investment	11.34%	232.96%	72.06%	62.69%	80.93%



Comment: Expense control efficiency ratio of BRACEPL is highest in 2015 and 2016 which can indicate it has earned more efficiency in expense control than others. Lankabangla investment and Prime investment showing negative performance in 2014,2015 & 2016 which indicates that its expense control is not satisfied due to lower value. IDLC investment had earned efficient in 2013 than others. CBCRL manages its expense control year over year at an average increasing rate which indicates a better expense control efficiency.

11. Asset Management efficiency

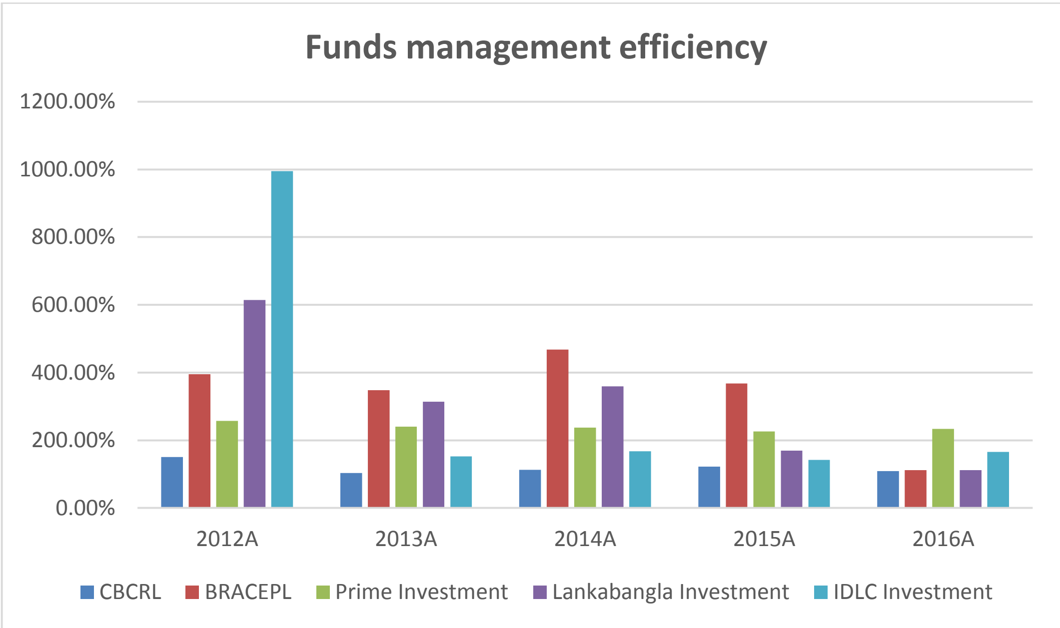
	2012A	2013A	2014A	2015A	2016A
CBCRL	13.33%	8.99%	13.56%	15.98%	5.42%
BRACEPL	6.54%	9.78%	4.21%	-1.00%	-2.86%
Prime Investment	12.79%	10.40%	7.35%	5.88%	2.49%
Lankabangla Investment	1.61%	13.30%	6.35%	5.65%	7.90%
IDLC Investment	15.13%	-2.41%	3.22%	14.71%	11.92%



Comment: CBCRL was efficient in managing its resources efficiently for generating operating revenues specially in 2015 but in 2016 efficiency rate decreases. In 2016 all of the five merchant banks efficiency decreases except Lankabangla investment which is also lower than year 2013.

12. Funds management efficiency

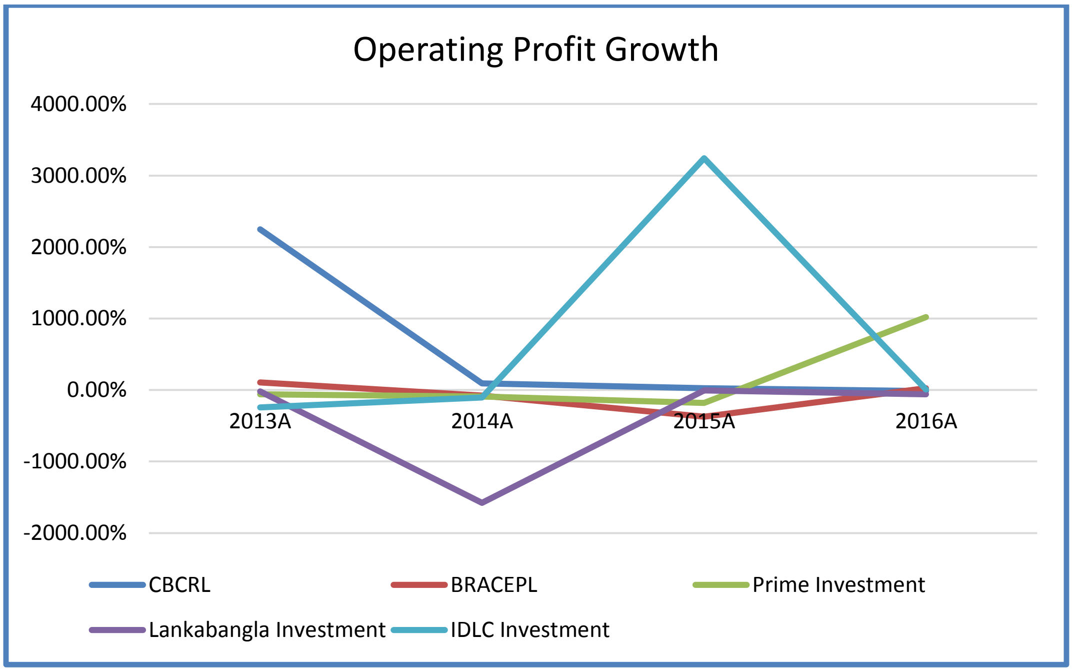
	2012A	2013A	2014A	2015A	2016A
CBCRL	150.79%	103.31%	112.23%	122.02%	108.41%
BRACEPL	395.57%	348.12%	468.01%	367.74%	112.08%
Prime Investment	257.25%	239.77%	237.19%	226.26%	233.94%
Lankabangla Investment	614.50%	313.92%	359.25%	169.76%	112.16%
IDLC Investment	994.51%	152.56%	167.83%	142.32%	165.73%



Comment: CBCRL was efficient in managing its funds efficiently for generating assets specially in 2012. In 2016 all of the five merchant banks efficiency decreases except IDLC investment which is also lower than year 2012. Prime investment maintains an average performance.

13. Operating Profit Growth

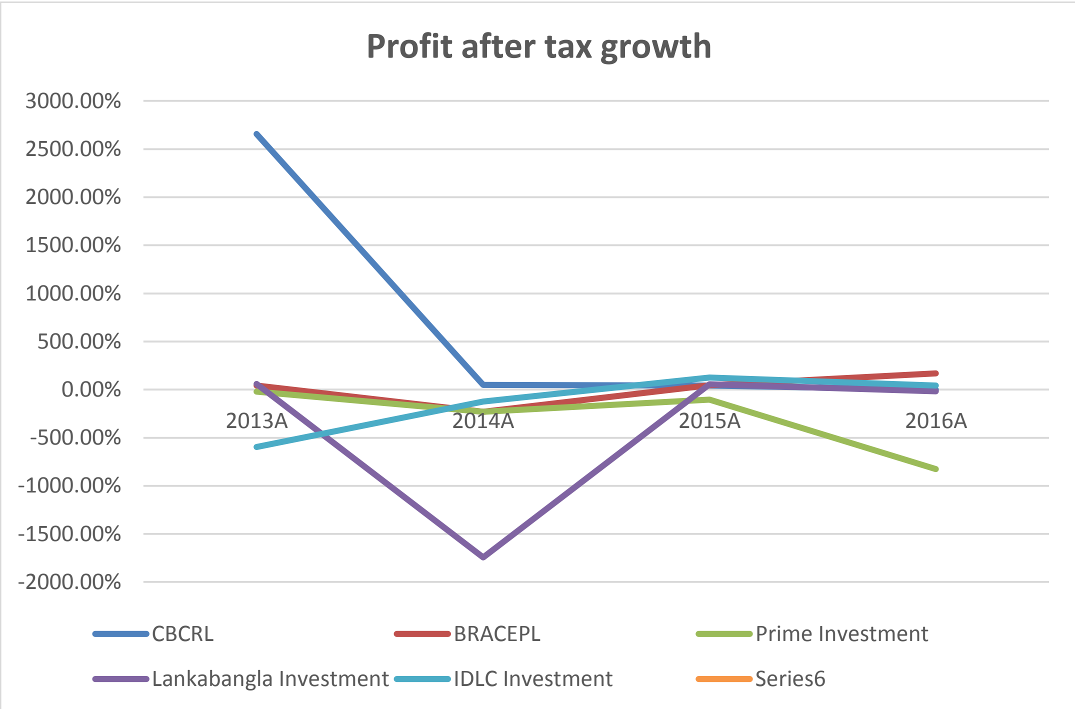
	2013A	2014A	2015A	2016A
CBCRL	2245.90%	92.77%	27.03%	-15.80%
BRACEPL	104.28%	-77.10%	-373.19%	25.51%
Prime Investment	-61.07%	-88.85%	-180.57%	1021.17%
Lankabangla Investment	-20.78%	-1577.05%	-7.55%	-58.70%
IDLC Investment	-241.00%	-104.08%	3243.54%	7.93%



Comment: Operating profit is the profit that is earned from a firm's normal core business operations. Operating profit of CBCRL in 2013 was highest because it was established in 2012 and able to generate little operating activities in 2012. Operating profit growth of Prime investment is highest in 2016. BRACEPL maintains an average performance.

14. Profit after tax growth

	2013A	2014A	2015A	2016A
CBCRL	2658.47%	49.63%	41.85%	0.22%
BRACEPL	43.39%	-231.98%	46.13%	167.96%
Prime Investment	-19.70%	-231.69%	-103.15%	-827.39%
Lankabangla Investment	59.33%	-1745.63%	55.56%	-17.58%
IDLC Investment	-595.16%	-124.89%	124.81%	42.54%

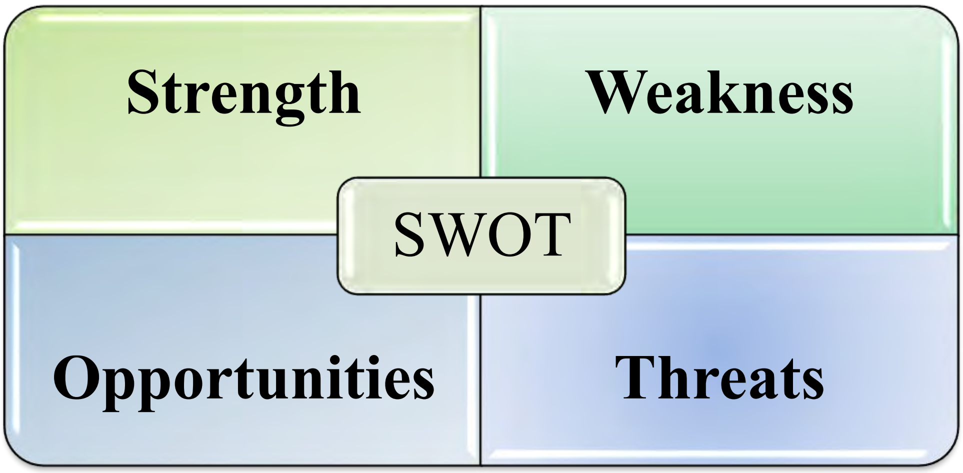


Comment: Primary objective of any business is making profit. Profit of CBCRL in 2013 was highest because it was established in 2012 and able to generate little profit in 2012. Profit growth of Prime bank investment is highest in 2016. BRACEPL is maintaining an average performance. Prime bank investment shows negative growth.

CHAPTER FIVE

SWOT analysis and FINDINGS

5.1: SWOT ANALYSIS



Strength of CBCRL:

- CBCRL provides its customers excellent and consistent quality service.
- CBCRL has an efficient research team.
- CBCRL already achieved a Goodwill among the country.
- CBCRL is a financially sound merchant bank.
- CBCRL provides its work force an excellent place to work.
- CBCRL has a positive turnover year over year. No negative turnover.
- CBCRL has started special facilities to their prior clients.
- CBCRL provides up to 50% margin loan to their clients.
- CBCRL has a stable customer base. So it is risk free even in the volatile situation.
- Return analysis of CBCRL is positive since its starting.
- CBCRL become able to maintain a positive margin where other four merchant banks show negative margin at least in one year.
- The rate of debt against equity and assets is lower in CBCRL compare other four merchant banks.

Weakness:

- CBCRL lacks in the number of manpower.
- CBCRL is unable to bring IPO.
- They don't put much focus on retail clients.

Opportunities:

- CBCRL can introduce more innovative and modern customer service.
- CBCRL can recruit more experienced, knowledgeable and efficient officers and staffs as it offers good working environment.
- CBCRL can also help on specific projects whereby legal, logistical and location advice is needed.
- BSEC approved "listing regulation 2015", "public issue rule 2015" which resulted in enhanced scope for merchant banks operations.
- Portfolio management department mainly concentrate on institutional based customers. They charge lower commissions but higher management fees.
- CBCRL has advanced IT facilities so that it will be easier to cope up with technological advancement.
- CBCRL has started to expand business in the debt market. It is the only merchant bank which has started to provide syndicated loan, issuing bonds, commercial paper etc.
- They can expand their network more widely.
- CBCRL starts focus on women products.

Threats:

- The worldwide trend of mergers and acquisition in financial institutions is causing problem.
- Lots of new merchant banks are coming in the scenario with new service.
- They can face problems through regulatory risks.
- If market/economy performs poor, then it will negative affect CBCRL.
- There is a risk of authentic news. So they face a dilemma about valuation.
- In Bangladesh the rate of non-performing loan is increasing which is a threat for banking sector that will also affect merchant banks.
- They face price competition because of having more than one brokerage house.

5.2: FINDINGS

After going through the whole report I came up with some findings. With the modern computerized system, they can easily cope up with technological advancement.

Some findings are given below

- Sometimes very simple work is done by head office which takes time and makes that difficult.
- CBCRL uses online based banking but sometimes system failure for long time that is one of the major problems of cash transaction system.
- They face troubles with those clients who have not any knowledge about capital market.
- Merchant Bankers are authorized to undertake only issue related activities, which restrict their scope of activities.
- CBCRL is unable to bring IPO yet now.
- CBCRL is lack in manpower.
- CBCRL do not focus on retail clients.
- In Bangladesh the rate of Non-performing loan is a big problem which may adversely affect merchant banks.
- Before publishing any news merchant banks gather news about different companies through different sources which may not true sometimes.
- BRACEPL investment, Lankabangla investment and prime bank investment were more efficient in managing tax in 2016 than CBCRL.
- BRACEPL investment become able to control their expense more efficiently than CBCRL.

CHAPTER SIX

RECOMMENDATION AND CONCLUSION

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6.1: RECOMMENDATION

The merchant banking sector in Bangladesh is now quite competitive. They are offering similar kinds of services with few basic differences. Thus, the competitions among them are increasing day by day. So, based on my experience & knowledge to progress in future, City Bank Capital may adopt some policy, which will help the bank to capture a large number of clients in the market. CBCRL can take the followings for better performance:

- CBCRL could give more attention to advertisement and promotion of products and services. CBCRL could use various media for advertisement like TV, News Paper, Internet and Billboard.
- CBCRL should possess all relevant skills, update knowledge to interact with the clients and effectively communicate.
- A good merchant banker is one who does not allow his client to think anything outside except what he has advised. So CBCRL can work on this.
- CBCRL may take more Positive approach to understand the viewpoints of others, their difficulties and their adverse circumstances is possible only when a person is skilled in human relations particularly the inter-personal and intra-personal behavior.
- CBCRL can take initiatives for being super business insight, managerial abilities, administrative capacities and salesmanship so as to understand the problems and sell the service product to the needy clients
- They may provide training to their clients about market who haven't enough knowledge about capital market.
- CBCRL can give effort and hire more expert employees to bring IPO.
- CBCRL may separate a small team to focus on retail clients.
- They may get prepared themselves how to overcome with adverse economic condition.
- Gather news from reliable sources.
- Take policies for efficiently managing tax.
- Efficient use of resources to control their expense more efficiently.

CONCLUSION

Not only Banks but also merchant banks are contributing towards the economic development of a country. By analyzing its performance, it is observed that a potential growth might be accelerated through effective implications of some policy. Overall performance of City Bank Capital Resources Limited is good. It doesn't have any negative turnover. City Bank Capital Resources Limited provides its customers excellent and consistent quality service. Clients of City Bank Capital provides a very positive feedback about City Bank Capital Resources Limited. City Bank Capital Resources Limited is a financially sound merchant bank with a lot of opportunities. It was a very good experience for to work with City Bank Capital.

REFFERENCE

1. Bangladesh Merchant Bankers Association, Annual Report 2015.
2. City bank limited, Annual Report (2012 to 2016).
3. BRAC bank limited, Annual Report (2012 to 2016).
4. Prime bank limited, Annual Report (2012 to 2016).
5. Lankabangla Finance, Annual Report (2012 to 2016).
6. IDLC Finance, Annual Report (2012 to 2016).

Websites:

1. http://www.academia.edu/4582419/merchant_banking_in_india
2. http://www.cbcrl.com/
3. http://www.bracepl.com/investments/
4. http://idlc.com/
5. http://www.pbil.com.bd/

APPENDICES

1. Survey Questionnaire for Clients.
2. My Joining Letter as an Intern in Motijheel Branch, City Bank Capital Resources Limited.
3. Excel file of five merchant banks along with the analysis and survey results chart.

Client Name:

1. **Client satisfaction level in terms of the service clients received from the client service representatives:**

Client service representatives					
	Very satisfied	Satisfied	Neutral	Dissatisfied	Very dissatisfied
Friendly and courteous manner					
Knowledge of capital market					
Willingness to listen and respond to your need					
Fast and efficient service					
Recognition of you as valued customer					
Professional and attractive appearance					

2. **Client satisfaction level in terms of the service clients received from the and Management of the City bank capital Resources limited:**

Management					
	Very satisfied	Satisfied	Neutral	Dissatisfied	Very dissatisfied
Friendly and courteous manner					
Knowledge of capital market					
Willingness to listen and respond to your need					
Recognition of you as valued customer					
Professional and attractive appearance					
Available to customers					

3. **Client satisfaction level in terms of facilities City bank capital Resources limited:**

Facilities					
	Very satisfied	Satisfied	Neutral	Dissatisfied	Very dissatisfied
Clean & well cared facilities					
Efficient, no wait service					

Availability of information					
Pleasant & attractive decor					

4. Client satisfaction level in terms of Investment decision:

Lending officer Service					
	Very satisfied	Satisfied	Neutral	Dissatisfied	Very dissatisfied
Valuation of companies					
Knowledge about market					
Willingness to listen and respond to your need					
Efficient service					
Recognition of you as valued customer					
Advisor					

5. Client satisfaction level in terms of mailed documentation:

Mailed Documentation					
	Very satisfied	Satisfied	Neutral	Dissatisfied	Very dissatisfied
Sent out reliably and on time					
Complete record of transactions					
Accuracy					
Fast and efficient service					
Easy to read and understand					

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August 30, 2017

Ms. Mahiya Mohosi Mou
69/B, Monipuri Para, Tejgaon,
Dhaka-1215

Letter of Internship

Dear Ms. Mahiya,

We are pleased to offer you an internship program with City Bank Capital Resources Ltd. for a period of three months. You will be provided an honorarium of Taka 5,000/- per month.

You should note that any information and data collected by you during the course of your internship should be kept confidential at all times.

We appreciate your interest in City Bank Capital Resources Ltd.

With Regards,

Ershad Hossain
Managing Director & CEO

City Bank Capital Resources Limited
Subsidiary of the City Bank Limited, Jibon Bima Tower (1st Floor), 10 Dilkusha C/A, Dhaka 1000, Bangladesh.
Phone: +88-02-9565911; Fax: +88-02-9585377; E-mail: info@cbcrl.com; Web: www.cbcrl.com

City Bank Capital Resources Limited
Balance Sheet

For the year ending on December,31	2012A (million)	2013A (million)	2014A (million)	2015A (million)	2016A (million)
Assets					
Property,Plant and Equipment-carrying Value	0.86	4.90	5.47	6.77	5.02
Intangible asset	2.08	1.97	1.64	1.31	0.99
Investment in unquoted shares	-	29.00	129.00	129.00	109.00
Available-for-sale ñancial assets				-	1,483.05
Deferred tax assets				4.37	4.33
Capital work-in progress		0.40	-	-	
Non-Current Assets	**2.94**	**36.28**	**136.11**	**141.45**	**1,602.39**
Margin loan	21.91	137.68	205.56	203.82	223.66
Investments	-	259.03	467.50	397.08	366.77
		53.51	17.88	25.74	88.80
Other receivables	8.80	18.40	23.11	39.98	50.86
Advances, deposits and prepayments	1.73	2.95	8.02	17.31	14.76
Cash and Cash Equivalents	117.69	303.85	81.12	180.66	525.00
Current Assets	**150.13**	**775.43**	**803.20**	**864.59**	**1,269.85**
Total Assets	**153.07**	**811.70**	**939.31**	**1,006.03**	**2,872.23**
Share Capital	100.00	750.00	750.00	750.00	2,550.00
Share Premium	-	35.73	86.91	-	-
Fair value reserve		-	-	-	40.90
Tax Holiday Reserve	-	-	-	-	
Gain On Marketable Securities(Unrealized)	-	-	-	-	-
Retained Earnings	1.52	-	-	74.47	58.48
Shareholders Equity	**101.52**	**785.73**	**836.91**	**824.47**	**2,649.38**
Employees' fund payable-non current portion	-	-	-	3.12	4.90
Deferred Tax Liability		-	-	-	-
Non-Current Liabilities	**-**	**-**	**-**	**3.12**	**4.90**
Inter-company payable		1.74	33.34	64.11	121.36
Accounts payable	31.09	8.25	22.27	41.64	59.89
Other liabilities	0.07	3.65	7.12	5.55	12.78
Provision for diminution in value of investment	-	1.13	7.12	43.66	-
Provision for taxation	0.93	11.21	18.21	23.49	23.92
Customer deposit	19.47				
Current Liabilities	**51.56**	**25.98**	**88.05**	**178.44**	**217.96**
Total Shareholders Equity and Liabilities	**153.07**	**811.70**	**924.96**	**1,006.03**	**2,872.23**

City Bank capital Resources Limited
Income Statement

	2012A (million)	2013A (million)	2014A (million)	2015A (million)	2016A (million)
Interest income	9.59	9.25	27.43	33.37	27.27
Income from investment	-	44.03	82.33	82.93	75.96
Fee based income	10.81	18.76	16.16	40.35	44.54
Other operational income		0.90	1.43	4.07	7.93
Operating income	**20.40**	**72.94**	**127.34**	**160.73**	**155.69**
Salaries and allowances	14.78	17.30	23.28	30.76	38.87

Rent, taxes, insurance, utilities, etc		1.27	1.37	3.44	4.01	
Repairs, maintenance and depreciation	0.13	1.36	2.94	3.24	4.15	
Stationery, printing and advertising		0.88	0.97	1.04	1.08	
Postage, stamp and telecommunication		0.58	0.53	0.61	0.71	
Directors' remuneration		-	0.16	0.15	0.24	
Audit fee	0.05	0.05	0.06	0.06	0.17	
Legal and professional fees		0.89	0.32	0.45	0.35	
Other expenses	3.47	4.07	7.97	6.99	10.14	
Operating expenses	**18.42**	**26.39**	**37.61**	**46.75**	**59.72**	
Operating profit	**1.98**	**46.55**	**89.73**	**113.98**	**95.98**	
Write back of provision for change in value of investment	-	(1.13)	(20.34)	(22.20)	0.66	
Profit before tax	**1.98**	**45.42**	**69.39**	**91.79**	**96.64**	
Current tax	(0.74)	(11.21)	(18.21)	(23.54)	(23.83)	
Deferred tax				4.37	(0.03)	
Income tax expense	**(0.74)**	**(11.21)**	**(18.21)**	**(19.18)**	**(23.86)**	
Profit after tax	**1.24**	**34.21**	**51.19**	**72.61**	**72.77**	
Growth Analysis						**Formula**
Ope. Profit (EBIT)		2245.90%	92.77%	27.03%	-15.80%	operating Profit current year/operating Profit previous year-1
PAT growth		2658.47%	49.63%	41.85%	0.22%	PATcurrent year/PAT previous year-1
Return Analysis						
ROE	1.22%	4.35%	6.12%	8.81%	2.75%	Net income/Total equity capital
ROA	0.81%	4.21%	5.45%	7.22%	2.53%	Net income/Total Assets
Net Profit margin	6.08%	46.90%	40.20%	45.17%	46.74%	Profit after tax/operating Income
Non operating margin	1.30%	5.73%	9.55%	11.33%	3.34%	(Total operating revenues -total operating expenses)/Total Assets
Debt Analysis						
Debt to Equity Ratio	50.79%	3.31%	10.52%	22.02%	8.41%	Total Debt/ Total Equity
Debt to Asset Ratio	33.68%	3.20%	9.37%	18.05%	7.76%	Total Debt/ Total Assets
Per share figures						
EPS	0.12	0.46	0.68	0.97	0.29	PAT/ no of shares
Book Value per share (restated)	10.15	10.48	11.16	10.99	10.39	Equity to CS/no of shares
No of Shares (Million)	10.00	75.00	75.00	75.00	255.00	
Tax management efficiency	62.50%	75.31%	73.76%	79.11%	75.30%	**Ratio= Net Income/Pre tax Net Operating income**
Expense control efficiency	9.73%	62.28%	54.49%	57.11%	62.07%	**Ratio= pre tax net operating income/ Total operating revenues**
Asset Management efficiency	13.33%	8.99%	13.56%	15.98%	5.42%	**Ratio=Total operating revenues /toal assets**
Funds management efficiency	150.79%	103.31%	112.23%	122.02%	108.41%	**Ratio= Total asset/Total equity capital**

BRAC EPL Investments Limited

Balance Sheet

For the year ending on December,31

	2012A (million)	2013A (million)	2014A (million)	2015A (million)	2016A (million)
Assets					
Property,Plant and Equipment-carrying Value	54.094354	37.179074	21.284246	14.819841	8.995518
Investment in associate company	13.718064	14.341771	14.879943	15.369427	15.369427
Deferred tax assets	4.645863	8.139655	12.387979	9.755465	9.318
Intangible assets	0.886112	0.104167	0		
Investment in unquoted securities	2.5	2.5	0.954795		
Non-Current Assets	**75.84**	**62.26**	**49.51**	**39.94**	**33.68**
Account receivables	547.647084	190.408458	47.857744	86.475934	29.559219
Inter-company receivables	1.255342	2.106412	3.427553	3.132142	1.264241
Other receivables	0.931098	1.013739	0.417614	0.386977	0
Investment in quoted securities	28.939899	34.715105	192.69844	61.762282	84.282993
Investment in Share-IPO					30
Advance income tax	7.696738	12.314186	6.432844	4.632937	16.514787
Loans and advances to customers	3679.472517	3669.77723	3769.64611	3824.64386	3616.38822
Accrued interest and management fees receivable		474.954297	863.04706	770.208684	728.606636
Advances, deposits and prepayments	13.775366	10.365773	5.045163	4.77578	3.256251
Cash and Cash Equivalents	55.199295	30.444789	19.531386	60.062868	187.455271
Current Assets	**4,334.92**	**4,426.10**	**4,908.10**	**4,816.08**	**4,697.33**
Total Assets	**4,410.76**	**4,488.36**	**4,957.61**	**4,856.03**	**4,731.01**
Share Capital	585	585	585	585	2585
Share Premium	436.825951	436.825951	436.825951	436.825951	436.825951
Fair value reserve					
Retained Earnings	93.206227	267.498566	37.466827	298.688521	1199.45156
Shareholders Equity	**1,115.03**	**1,289.32**	**1,059.29**	**1,320.51**	**4,221.28**
Finance lease obligations -net of current portion	0.40	0.06	-		
Deferred Tax Liability		-	-		
Non-Current Liabilities	**0.40**	**0.06**	**-**	**-**	**-**
Finance lease obligations - current portion	**0.30**	**0.34**	0.06		
Customer deposits	32.035423	39.421277	59.418979	83.43292	66.633683
Bank overdrafts	1880.734111	2186.870873	2444.51952	2320.94343	936.357568
Short term loan	1320.3	600	690	1047.05935	779.211617
Revolving time loan		0	240	250	0
Account payables	10.851094	55.024613	17.618617	15.0898	46.710966
Other liabilities	35.361358	211.833847	426.694462	410.96594	1078.18616
Provision for taxation	14.584413	103.428485	17.2	1.02841	0.624709
Inter-company payable to BRAC EPL Stock Brokerage Limited	**1.163435**	**2.057292**	**2.804596**	**4.368917**	**0.911466**
Current Liabilities	**3,295.33**	**3,198.98**	**3,898.32**	**4,132.89**	**2,908.64**
Total Shareholders Equity and Liabilities	**4,410.76**	**4,488.36**	**4,957.61**	**5,453.40**	**7,129.91**

BRAC EPL Investments Limited

Income Statement

	2012A	2013A	2014A	2015A	2016A	
Interest income from margin loan	678.154382	702.3434	614.64353	324.161399	48.633373	
Interest expenses	-521.370403	-494.800641	-481.01175	-447.44297	-234.25989	
Net interest income	**156.78**	**207.54**	**133.63**	**(123.28)**	**(185.63)**	
Fee and commission income	168.970166	201.873945	128.183763	99.4834	45.330121	
Fee and commission expenses	-42.766599	-64.270727	-33.093982	-16.607458	-10.455381	
Net fee and commission income	**126.203567**	**137.603218**	**95.089781**	**82.875942**	**34.87474**	
Loss)/gain from investment in securities	**-1.138046**	90.312062	-23.708279	-10.991629	13.617456	
Other operating income	6.816237	3.495399	3.783664	3.035256	1.90569	
Net (loss)/gain from investment in securities	**5.678191**	**93.807461**	**-19.924615**	**-7.956373**	**15.523146**	
Total operating income/(loss) (A+B+C)	**288.67**	**438.95**	**208.80**	**(48.36)**	**(135.23)**	
Operating expenses	-132.404998	-145.488881	-129.8337	-112.78942	-74.170091	
Depreciation	-21.996587	-19.191032	-16.154198	-10.437075	-5.970222	
Operating profit/(loss) (D)	**134.26**	**274.27**	**62.81**	**(171.59)**	**(215.37)**	
Finance income	1.73	1.32	1.26	1.09	0.50	
Financial expenses	-1.066491	-1.990393	-1.571914	-0.890927	-0.497401	
Net finance income	**0.67**	**(0.67)**	**(0.31)**	**0.20**	**0.00**	
Share of profit of equity in associate company	0.59	0.62	0.54	0.49	-	
Impairment loss on investment in unquoted securities			(1.55)	(0.95)	-	
Profit/(loss) before provisions	**135.52**	**274.23**	**61.49**	**(171.85)**	**(215.37)**	
Provision for loans and advances			(278.57)	(142.20)	(683.79)	
Profit/Loss before tax	**135.52**	**274.23**	**(217.08)**	**(314.05)**	**(899.16)**	
Tax expenses	13.97	99.93	12.95	22.11	1.60	
Net Profit/loss after tax	**121.55**	**174.29**	**(230.03)**	**(336.16)**	**(900.76)**	
Growth Analysis						**Formula**
Ope. Profit (EBIT)		104.28%	-77.10%	-373.19%	25.51%	operating Profit current year/operating Profit previous year-1
PAT growth		43.39%	-231.98%	46.13%	167.96%	PATcurrent year/PAT previous year-1
Return Analysis						
ROE	10.90%	13.52%	-21.72%	-25.46%	-21.34%	Net income/Total equity capital
ROA	2.76%	3.88%	-4.64%	-6.92%	-19.04%	Net income/Total Assets
Net Profit margin	90.53%	63.55%	-366.24%	195.91%	418.24%	Profit after tax/operating Income
Non operating margin	3.04%	6.11%	1.27%	-3.53%	-4.55%	(Total operating revenues -total operating expenses)/Total Assets
Debt Analysis						
Debt to Equity Ratio	295.57%	248.12%	368.01%	312.98%	68.90%	Total Debt/ Total Equity
Debt to Asset Ratio	74.72%	71.27%	78.63%	85.11%	61.48%	Total Debt/ Total Assets
Per share figures						
EPS, last audited	2.08	2.98	(3.93)	(5.75)	(3.48)	PAT/ no of shares
Book Value per share (restated)	19.06	22.04	18.11	22.57	16.33	Equity to CS/no of shares
No of Shares, million	58.50	58.50	58.50	58.50	258.50	
Tax management efficiency	89.69%	63.56%	105.97%	107.04%	100.18%	**Ratio= Net Income/Pre tax Net Operating income**
Expense control efficiency	46.95%	62.47%	29.45%	355.34%	159.26%	**Ratio= pre tax net operating income/ Total operating revenues**
Asset Management efficiency	6.54%	9.78%	4.21%	-1.00%	-2.86%	**Ratio=Total operating revenues /toal assets**

Funds management efficiency	395.57%	348.12%	468.01%	367.74%	112.08%	**Ratio= Total asset/Total equity capital**

Lankabangla Investment

Balance Sheet

For the year ending on December,31

	2012A (million)	2013A (million)	2014A (million)	2015A (million)	2016A (million)
Assets					
Property,Plant and Equipment-carrying Value	14.88	10.32	6.27	5.16	11.49
Intangible assets	0.59	0.43	0.28	0.35	0.18
Investments		79.49	74.49	342.14	286.36
Capital work in process	0.02			0.00	
Deferred tax assets		0.92	2.12	0.00	0.00
Other non-current assets		1.93	0.92	0.87	2.43
Non-Current Assets	**15.50**	**93.09**	**84.08**	**348.52**	**300.46**
Advances, deposits and prepayments	44.93	4646.26	4262.87	20.02	53.72
Margin loan	4160.44	24.61	232.09	3559.65	2473.81
Investments	53.44	254.56	325.46	206.70	207.08
Accounts receivable	24.04	40.89	33.90	53.46	37.95
Other receivables	30.00				
Cash and Cash Equivalents	38.38	75.57	56.24	5.32	177.74
Current Assets	**4351.23**	**5041.90**	**4910.55**	**3845.16**	**2950.30**
Total Assets	**4366.72**	**5134.99**	**4994.63**	**4193.68**	**3250.77**
Share Capital	660.00	1570.00	1670.00	1670.00	1670.00
Share Premium					
Fair value reserve					
Tax Holiday Reserve					
Gain On Marketable Securities(Unrealized)					
Retained Earnings	50.61	65.77	-279.69	800.33	1228.25
Shareholders Equity	**710.61**	**1635.77**	**1390.31**	**2470.33**	**2898.25**
Term loan	3422.81	8.02	52.12		0.00
Defined benefit obligations(gratuity		3.85	2.75	4.18	7.10
Non-Current Liabilities	**3422.81**	**11.87**	**54.87**	**4.18**	**7.10**
Accounts payable		72.10	79.36	58.99	107.41
Short term loans		3330.44	3320.26	3109.11	2525.21
due to related partis non current p[ortion	48.68				
Current portion of term loan	6.96	8.25	46.58	52.12	10.79
Provision for current tax	61.69	34.34	24.32	25.03	19.08
Provision for margin loan & others		41.60	77.84	74.09	138.91
Other liabilities	115.97	0.63	0.49	0.49	0.53
Current Liabilities	**233.30**	**3487.35**	**3548.85**	**3319.83**	**2801.92**
Total Shareholders Equity and Liabilities	**4366.72**	**5134.99**	**4994.03**	**5794.34**	**5707.27**

Income Statement

	2012A (million)	2013A (million)	2014A (million)	2015A (million)	2016A (million)
Interest income	624.72	571.36	165.05	109.48	97.96
Income from investment	-604.96	21.08	51.96	34.13	67.04
Fee based income	13.92	87.48	84.32	85.92	90.56
Other operational income	**36.65**	**2.95**	**15.59**	**7.61**	**1.14**
Operating income	**70.33**	**682.87**	**316.92**	**237.14**	**256.70**
Other costs directly attributable to services				**448.34**	**298.52**
Interest expenses	-11.47	598.06	547.20	2.37	3.28
Cost of services	**-11.47**	**598.06**	**547.20**	**450.71**	**301.80**
Gross profit/(loss	**81.80**	**84.81**	**-230.27**	**-213.57**	**-45.10**
Other non-operational income		0.05	0.52	0.06	0.05
Salary and allowances	**21.61**	24.17	31.14	**33.87**	**41.68**
Rent, insurance, utilities etc	11.98	13.33	14.96	15.54	**14.13**
Legal & professional fees	0.54	8.68	4.36	0.72	0.47
Postage, stamp, telecommunication etc.	0.99	0.83	0.82	0.72	0.76
Stationery, printing, advertisement	1.04	0.47	0.96	**0.80**	**0.91**
Director fees and expenses	0.29	0.36	0.39	0.37	0.67
Audit fees	0.12	0.20	0.17	0.13	0.20
Repairs, maintenance and depreciation	8.64	7.95	9.11	7.37	7.45
Other expenses	10.99	8.58	7.92	3.94	3.07
Operating expenses	**56.20**	**64.57**	**69.83**	**63.47**	**69.34**
Operating profit	**25.60**	**20.28**	**-299.59**	**-276.97**	**-114.39**
Provision for margin loan		0.00	26.51	250.57	313.53
Provision for diminution in value of investments		0.00	9.73	-9.73	
Provisions for loans / investments	**0.00**		**36.25**	**240.83**	**313.53**
Profit before tax	**25.60**	**20.28**	**-335.83**	**-517.80**	**-427.92**
Current tax	11.98		3.25	0.71	0.00
Deferred tax	0.89		-1.20	2.12	0.00
Income tax expense	**12.87**	**0.00**	**2.05**	**-1.41**	**0.00**
Profit after tax	**12.73**	**20.28**	**-333.78**	**-519.21**	**-427.92**

Growth Analysis

	2013A	2014A	2015A	2016A	**Formula**
Ope. Profit (EBIT)	-20.78%	-1577.05%	-7.55%	-58.70%	operating Profit current year/operating Profit previous year-1
PAT growth	59.33%	-1745.63%	55.56%	-17.58%	PATcurrent year/PAT previous year-1

Return Analysis						
ROE	1.79%	1.24%	-24.01%	-21.02%	-14.76%	Net income/Total equity capital
ROA	0.29%	0.39%	-6.68%	-12.38%	-13.16%	Net income/Total Assets
Net Profit margin	18.10%	2.97%	-105.32%	-218.95%	-166.70%	Profit after tax/operating Income
Non operating margin	0.59%	0.39%	-6.00%	-6.60%	-3.52%	(Total operating revenues -total operating expenses)/Total Assets
Debt Analysis						
Debt to Equity Ratio	514.50%	213.92%	259.20%	134.56%	96.92%	Total Debt/ Total Equity
Debt to Asset Ratio	83.73%	68.14%	72.15%	79.26%	86.41%	Total Debt/ Total Assets
Per share figures						
EPS, last audited	0.19	0.13	(2.00)	(3.11)	(2.56)	PAT/ no of shares
Book Value per share (restated)	10.77	10.42	8.33	14.79	17.35	Equity to CS/no of shares
No of Shares, mn	66.00	157.00	167.00	167.00	167.00	

Tax management efficiency	49.72%	100.00%	99.39%	100.27%	100.00%	**Ratio= Net Income/Pre tax Net Operating income**
Expense control efficiency	36.40%	2.97%	-105.97%	-218.35%	-166.70%	**Ratio= pre tax net operating income/ Total operating revenues**
Asset Management efficiency	1.61%	13.30%	6.35%	5.65%	7.90%	**Ratio=Total operating revenues /toal assets**
Funds management efficiency	614.50%	313.92%	359.25%	169.76%	112.16%	**Ratio= Total asset/Total equity capital**

Prime bank Investment

Balance Sheet

For the year ending on December,31

	2012A (million)	2013A (million)	2014A (million)	2015A (million)	2016A (million)
Assets					
Property,Plant and Equipment-carrying Value	22.809876	17.924016	12.804672	9.29	7.43
Investment in Prime Bank Securities Ltd.	37.5	37.5	37.500000	37.50	37.50
Preliminary and pre-operational expenses	3.660401	3.137486	2.614571	2.09	1.57
Available-for-sale financial assets					
Deferred tax assets		0	0.334306	1.11	0.92
Capital work-in progress					
Non-Current Assets	**63.97**	**58.56**	**53.253549**	**49.99**	**47.42**
Advances, deposits and prepayments	6356.759509	6503.3809	6016.517292	5,679.55	5,647.45
Investment in shares	1399.569819	1066.0594	1102.855608	1,146.78	1,280.49
Receivable Income		4	4.018805	1.87	-
Prepaid expenses	0.108044	0.056168	0.765968	0.75	0.00
Advance corporate income tax	29.019573	15.972649	7.603618	8.40	10.43
Cash and Cash Equivalents	90.418458	87.686951	32.863813	8.94	45.84
Current Assets	**7,875.88**	**7,677.62**	**7164.625104**	**6,846.28**	**6,984.22**
Total Assets	**7,939.85**	**7,736.19**	**7217.878653**	**6,896.27**	**7,031.64**
Share Capital	3000	3000	3000.000000	3,000.00	3,000.00
Share Premium					
Fair value reserve					
General Reserve		28.002888	28.002888	28.00	28.00
Gain On Marketable Securities(Unrealized)					
Retained Earnings	86.488306	198.49986	15.117108	19.92	(22.31)
Shareholders Equity	**3,086.49**	**3,226.50**	**3043.119996**	**3,047.93**	**3,005.70**
Deferred tax liabilities	1.20	0.51	0.000000		
Total non-current liabilities	1.20	**0.51**	0.000000		
Loan facilities	3933.01253	3788.9348	3387.911205	3,081.35	3,342.06
Liability for withholding taxes	0.046521	0.079303	0.095625	0.02	0.05
Client's dividend suspense A/C				0.10	0.19
Security deposit receipt	0.0441	0.0441	0.044100	0.04	0.04
Provision for expenses	8.037006	7.972785	4.161269	2.17	0.53
Provision for investment and margin loan	504.502037	504.50204	700.000000	672.51	534.54
Corporate income tax payable	155.023509	29.13972	8.534689	7.13	9.85
Accounts payable	10.248937	0.601331	0.673694	0.15	0.98
Dividend payable	240.000006	0.00001	0.000010	0.00	0.00
Other payables	1.239251	177.8957	74.348064	84.68	137.87
Current Liabilities	**4,852.15**	**4,509.17**	**4175.768656**	**3,848.16**	**4,026.13**
Total Shareholders Equity and Liabilities	**7939.845680**	**7,736.19**	**7218.888652**	**6,896.19**	**7,031.82**

Income Statement

	2012A (million)	2013A (million)	2014A (million)	2015A (million)	2016A (million)	
Interest income	861.132742	455.96412	391.826475	314.59	157.29	
Settlement fee	59.535567	45.258899	53.211749	35.67	27.09	
Management fee	43.021047	21.23269	19.872877	15.54	6.67	
Gain/(Loss) on sale of shares	5.191395	252.03357	29.691761	0.33	(64.18)	
Dividend on shares	43.634197	24.160056	31.836370	37.37	47.35	
Underwriting commission	0.1776	0.225	0.539612	0.48	0.21	
Issue management fee		0.05	0.100000	0.05	0.50	
Bank interest on STD accounts	2.630735	5.601605	3.201399	1.29	0.29	
Documentation fees	0.0075	0.017	0.019000	0.01	0.02	
other income	0.125905					
Total Income	**1,015.46**	**804.54**	**530.30**	**405.32**	**175.24**	
Interest expenses	513.953702	568.95008	452.709342	370.05	289.82	
Settlement and other fees	8.737127	6.260808	6.565430	**3.72**	**4.18**	
Salary and allowances	34.528694	31.576176	28.775522	26.19	30.44	
Rent, Taxes, Insurance and Electricity	11.274109	7.649825	7.993200	6.18	9.44	
Legal & Professional expenses	0.339295	0.125525	0.238050	0.20	0.21	
Postage, Stamp and Telecommunication	1.520411	1.512472	0.995916	1.47	1.12	
Stationery, Printing and Advertisement	1.472157	0.93271	1.308710	1.05	0.84	
Directors remuneration	0.0462	0.05945	0.239250	0.29	0.31	
Auditor's fee	0.115	0.115	0.115000	0.12	0.12	
Depreciation and Repair of assets	6.351755	6.26354	6.428119	4.65	3.13	
Entertainment, Travelling & Conveyance	1.141992	1.89594	1.261030	1.25	1.19	
Security expense		1.991839	2.021006	2.45	2.37	
Other expenses	3.062969	1.475824	1.559232	1.54	1.81	
Interest waiver to affected small investors		7.218567	1.299153	1.30	-	
EXPENDITURE	**582.54**	**636.03**	**511.51**	**420.46**	**344.97**	
Profit before provision and tax	**432.91**	**168.52**	**18.79**	**(15.14)**	**(169.73)**	
Add/(Less): Provision for margin loan	(104.50)		-195.497963	27.49	137.97	
Profit before tax	**328.41**	**168.52**	**(176.71)**	**12.35**	**(31.76)**	
Current tax	154.05	29.19	8.532689	7.13	10.65	
Deferred tax		(0.69)	-0.857621	(0.58)	(0.18)	
Income tax expense	**154.05**	**28.50**	**7.68**	**6.55**	**10.47**	
Profit after tax	**174.36**	**140.01**	**(184.38)**	**5.81**	**(42.23)**	
Growth Analysis						**Formula**
Ope. Profit (EBIT)		-61.07%	-88.85%	-180.57%	1021.17%	operating Profit current year/operating Profit previous year-1
PAT growth		-19.70%	-231.69%	-103.15%	-827.39%	PATcurrent year/PAT previous year-1
Return Analysis						
ROE	5.65%	4.34%	-6.06%	0.19%	-1.41%	Net income/Total equity capital
ROA	2.20%	1.81%	-2.55%	0.08%	-0.60%	Net income/Total Assets
Net Profit margin	40.28%	83.09%	-981.27%	-38.35%	24.88%	Profit after tax/operating Income
Non operating margin	5.45%	2.18%	0.26%	-0.22%	-2.41%	(Total operating revenues -total operating expenses)/Total Assets
Debt Analysis						

Debt to Equity Ratio	157.25%	139.77%	137.22%	126.26%	133.95%	Total Debt/ Total Equity
Debt to Asset Ratio	61.13%	58.29%	57.85%	55.80%	57.26%	Total Debt/ Total Assets
Per share figures						
EPS, last audited	0.58	0.47	(0.61)	0.02	(0.14)	PAT/ no of shares
Book Value per share (restated)	10.29	10.76	10.14	10.16	10.02	Equity to CS/no of shares
No of Shares, mn	300.00	300.00	300.00	300.00	300.00	
Tax management efficiency	53.09%	83.09%	104.34%	47.00%	132.95%	**Ratio= Net Income/Pre tax Net Operating income**
Expense control efficiency	32.34%	20.95%	-33.32%	3.05%	-18.13%	**Ratio= pre tax net operating income/ Total operating revenues**
Asset Management efficiency	12.79%	10.40%	7.35%	5.88%	2.49%	**Ratio=Total operating revenues /toal assets**
Funds management efficiency	257.25%	239.77%	237.19%	226.26%	233.94%	**Ratio= Total asset/Total equity capital**

IDLC Investment

Balance Sheet

	2012A (million)	2013A (million)	2014A (million)	2015A (million)	2016A (million)
Assets					
Property,Plant and Equipment-carrying Value	23.58	18.58	15.68	11.71	15.98
Intangible asset	0.33			0.71	0.39
Investments in bond	145.73			0.00	159.27
Deferred tax asset	0.81	5.66	8.11	6.40	5.44
Non-Current Assets	**170.46**	**24.25**	**23.79**	**18.82**	**181.09**
Investment in marketable securities		44.10	5.66	184.21	511.38
Margin loans to portfolio clients	4602.65	3444.94	2020.44	1444.32	1300.51
Account receivables	160.60	177.40	313.39	322.08	243.80
Advance income tax	48.12	44.83	47.60	54.70	106.33
Advances, deposits and prepayments	0.04	0.03	0.02	7.68	6.72
Inter-company receivables		5.23	2.30		
Cash and Cash Equivalents	22.37	88.53	32.03	49.35	355.53
Current Assets	**4833.78**	**3805.05**	**2421.43**	**2062.35**	**2524.27**
Total Assets	**5004.24**	**3829.30**	**2445.21**	**2081.17**	**2705.36**
Share Capital	400.00	1400.00	1400.00	1400.00	1400.00
Share Premium					
share money deposit		1000.00			
Tax Holiday Reserve					
Gain On Marketable Securities(Unrealized)					
Retained Earnings	103.19	110.07	57.00	62.32	232.40
Shareholders Equity	**503.19**	**2510.07**	**1457.00**	**1462.32**	**1632.40**
Deferred liabilities - gratuity payable	2.88	3.96	6.46	7.88	8.97
Term loan from ICB		0.00	0.00	35.42	0.00
Non-Current Liabilities	**2.88**	**3.96**	**6.46**	**43.29**	**8.97**
Short-term loan	3609.66			127.50	360.80
Portfolio investors' fund	700.24			218.04	235.47
Accounts payable	46.71			29.42	192.72
Liabilities for expenses	83.96			12.74	14.81

Provision for margin loan				64.77	47.10
Provision for income tax				**123.09**	**213.09**
Inter-company account	25.73				
Other Liabilities	31.87				
Current Liabilities	**4498.17**	**0.00**	**0.00**	**575.56**	**1063.98**
Total Shareholders Equity and Liabilities	**5004.24**	**2514.04**	**1463.46**	**2081.17**	**2705.36**

IDLC Investment

Income Statement

	2012A (million)	2013A (million)	2014A (million)	2015A (million)	2016A (million)
Interest income	605.98	-160.88	-46.92	149.69	140.22
Income from portfolio management services	94.47	60.25	75.45	67.79	44.56
Settlement and transaction fees	34.16	22.09	26.25	21.66	20.02
Documentation charges	0.03	0.03	0.05	0.07	0.75
Income from investment banking	12.85	17.95	22.76	18.06	28.42
Investment Income	8.94	-32.57	0.26	47.55	79.16
Other income	0.73	0.81	0.88	**1.36**	**9.41**
Operating income	**757.15**	**-92.33**	**78.72**	**306.17**	**322.53**
General & administrative expenses	74.50	65.78	64.18	72.22	72.57
Depreciation on property, plant and equipment		7.01	7.80	8.19	6.20
Amortization on IT software				0.28	0.40
Interest Expenses	565.55				
Other expenses					
Operating expenses	**640.05**	**72.78**	**71.98**	**80.69**	**79.17**
Operating profit	**117.09**	**-165.11**	**6.74**	**225.48**	**243.36**
te back of provision for change in value of investn	-31.23	-49.97	49.98	-33.56	17.67
Prof before tax	**85.87**	**-215.08**	**56.73**	**191.92**	**261.03**
Current tax	43.51	-3.03	6.10	70.89	90.00
Deferred tax	-0.71	4.85	-2.45	1.72	0.95
Income tax expense	**42.80**	**1.82**	**3.65**	**72.60**	**90.95**

Profit ãfter tax	**43.07**	**-213.26**	**53.08**	**119.32**	**170.08**	
Growth Analysis						**Formula**
Ope. Profit (EBIT)		-241.00%	-104.08%	3243.54%	7.93%	operating Profit current year/operating Profit previc
PAT growth		-595.16%	-124.89%	124.81%	42.54%	PATcurrent year/PAT previous year-1
Return Analysis						
ROE	8.56%	-8.50%	3.64%	8.16%	10.42%	Net income/Total equity capital
ROA	0.86%	-5.57%	2.17%	5.73%	6.29%	Net income/Total Assets
Net Profit margin	5.69%	230.99%	67.42%	38.97%	52.73%	Profit after tax/operating Income
Non operating margin	2.34%	-4.31%	0.28%	10.83%	9.00%	(Total operating revenues -total operating expenses
Debt Analysis						
Debt to Equity Ratio	894.51%	0.16%	0.44%	42.32%	65.73%	Total Debt/ Total Equity
Debt to Asset Ratio	89.94%	0.10%	0.26%	29.74%	39.66%	Total Debt/ Total Assets
Per share figures						
EPS, last audited	1.08	(1.52)	0.38	0.85	1.21	PAT/ no of shares
Book Value per share (restated)	12.58	17.93	10.41	10.45	11.66	Equity to CS/no of shares
No of Shares, mn	40.00	140.00	140.00	140.00	140.00	
Tax management efficiency	50.16%	99.16%	93.57%	62.17%	65.16%	**Ratio= Net Income/Pre tax Net Operating incon**
Expense control efficiency	11.34%	232.96%	72.06%	62.69%	80.93%	**Ratio= pre tax net operating income/ Total oper**
Asset Management efficiency	15.13%	-2.41%	3.22%	14.71%	11.92%	**Ratio=Total operating revenues /toal assets**
Funds management efficiency	994.51%	152.56%	167.83%	142.32%	165.73%	**Ratio= Total asset/Total equity capital**

ɔus year-1

)/Total Assets

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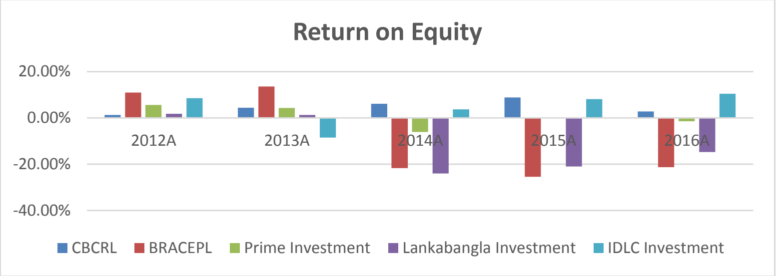
ANALYSIS

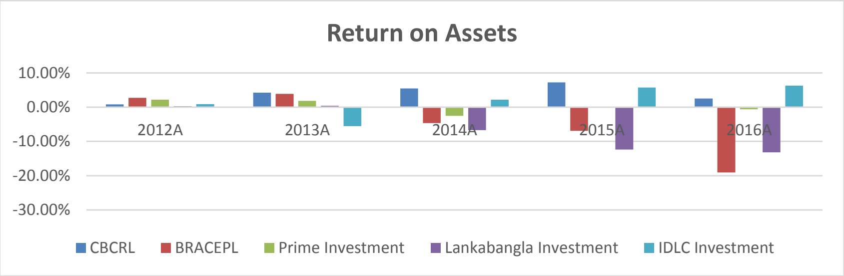
Return on Equity

	2012A	2013A	2014A	2015A	2016A
CBCRL	1.22%	4.35%	6.12%	8.81%	2.75%
BRACEPL	10.90%	13.52%	-21.72%	-25.46%	-21.34%
Prime Investment	5.65%	4.34%	-6.06%	0.19%	-1.41%
Lankabangla Investment	1.79%	1.24%	-24.01%	-21.02%	-14.76%
IDLC Investment	8.56%	-8.50%	3.64%	8.16%	10.42%



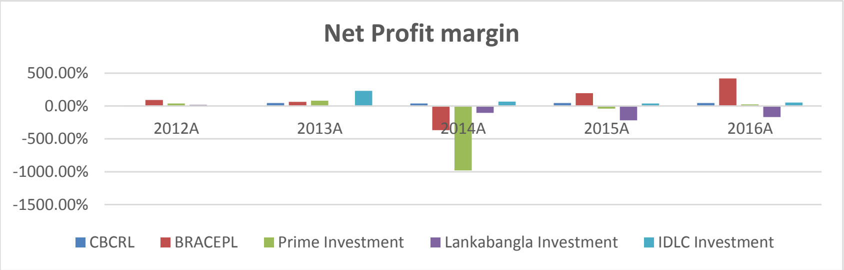
Return on Assets

	2012A	2013A	2014A	2015A	2016A
CBCRL	0.81%	4.21%	5.45%	7.22%	2.53%
BRACEPL	2.76%	3.88%	-4.64%	-6.92%	-19.04%
Prime Investment	2.20%	1.81%	-2.55%	0.08%	-0.60%
Lankabangla Investment	0.29%	0.39%	-6.68%	-12.38%	-13.16%
IDLC Investment	0.86%	-5.57%	2.17%	5.73%	6.29%



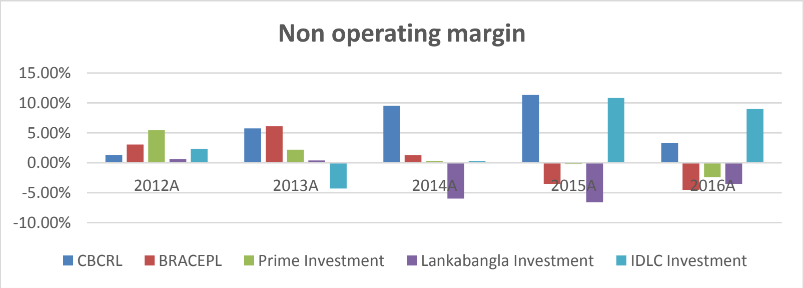
Net Profit margin

	2012A	2013A	2014A	2015A	2016A
CBCRL	6.08%	46.90%	40.20%	45.17%	46.74%
BRACEPL	90.53%	63.55%	-366.24%	195.91%	418.24%
Prime Investment	40.28%	83.09%	-981.27%	-38.35%	24.88%
Lankabangla Investment	18.10%	2.97%	-105.32%	-218.95%	-166.70%
IDLC Investment	5.69%	230.99%	67.42%	38.97%	52.73%



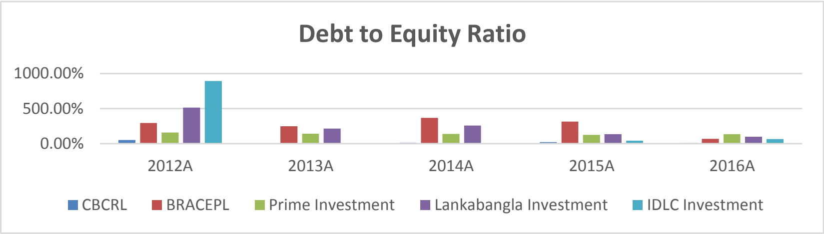
Non operating margin

	2012A	2013A	2014A	2015A	2016A
CBCRL	1.30%	5.73%	9.55%	11.33%	3.34%
BRACEPL	3.04%	6.11%	1.27%	-3.53%	-4.55%
Prime Investment	5.45%	2.18%	0.26%	-0.22%	-2.41%
Lankabangla Investment	0.59%	0.39%	-6.00%	-6.60%	-3.52%
IDLC Investment	2.34%	-4.31%	0.28%	10.83%	9.00%



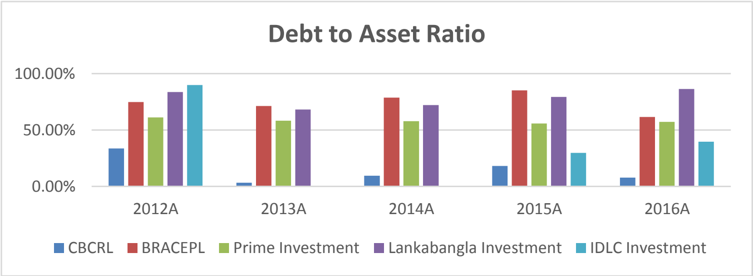
Debt to Equity Ratio

	2012A	2013A	2014A	2015A	2016A
CBCRL	50.79%	3.31%	10.52%	22.02%	8.41%
BRACEPL	295.57%	248.12%	368.01%	312.98%	68.90%
Prime Investment	157.25%	139.77%	137.22%	126.26%	133.95%
Lankabangla Investment	514.50%	213.92%	259.20%	134.56%	96.92%
IDLC Investment	894.51%	0.16%	0.44%	42.32%	65.73%



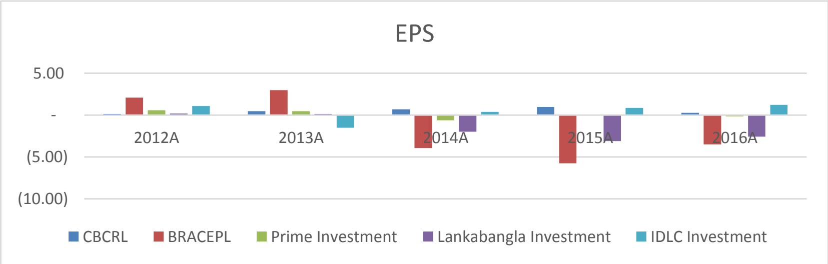
Debt to Asset Ratio

	2012A	2013A	2014A	2015A	2016A
CBCRL	33.68%	3.20%	9.37%	18.05%	7.76%
BRACEPL	74.72%	71.27%	78.63%	85.11%	61.48%
Prime Investment	61.13%	58.29%	57.85%	55.80%	57.26%
Lankabangla Investment	83.73%	68.14%	72.15%	79.26%	86.41%
IDLC Investment	89.94%	0.10%	0.26%	29.74%	39.66%



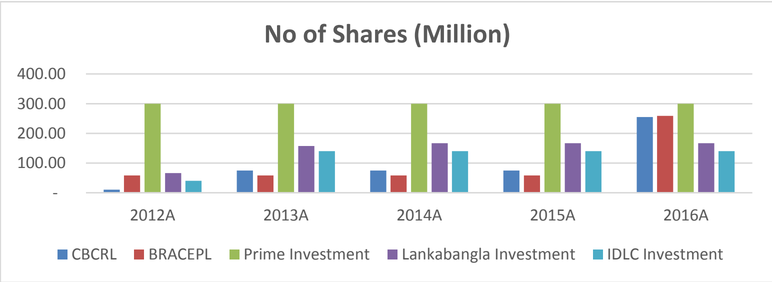
EPS

	2012A	2013A	2014A	2015A	2016A
CBCRL	0.12	0.46	0.68	0.97	0.29
BRACEPL	2.08	2.98	(3.93)	(5.75)	(3.48)
Prime Investment	0.58	0.47	(0.61)	0.02	(0.14)
Lankabangla Investment	0.19	0.13	(2.00)	(3.11)	(2.56)
IDLC Investment	1.08	(1.52)	0.38	0.85	1.21



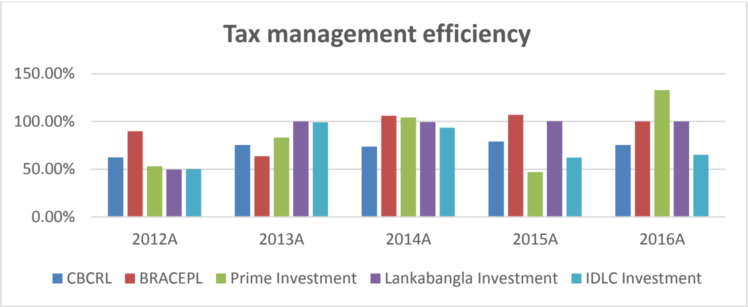
No of Shares (Million)

	2012A	2013A	2014A	2015A	2016A
CBCRL	10.00	75.00	75.00	75.00	255.00
BRACEPL	58.50	58.50	58.50	58.50	258.50
Prime Investment	300.00	300.00	300.00	300.00	300.00
Lankabangla Investment	66.00	157.00	167.00	167.00	167.00
IDLC Investment	40.00	140.00	140.00	140.00	140.00



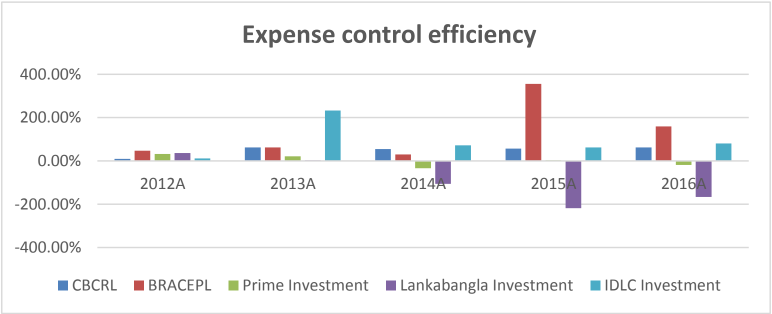
Tax management efficiency

	2012A	2013A	2014A	2015A	2016A
CBCRL	62.50%	75.31%	73.76%	79.11%	75.30%
BRACEPL	89.69%	63.56%	105.97%	107.04%	100.18%
Prime Investment	53.09%	83.09%	104.34%	47.00%	132.95%
Lankabangla Investment	49.72%	100.00%	99.39%	100.27%	100.00%
IDLC Investment	50.16%	99.16%	93.57%	62.17%	65.16%



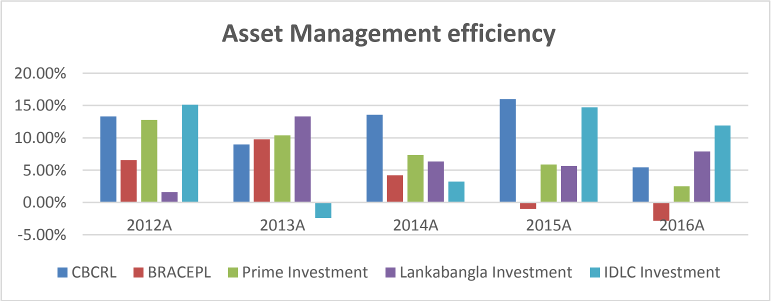
Expense control efficiency

	2012A	2013A	2014A	2015A	2016A
CBCRL	9.73%	62.28%	54.49%	57.11%	62.07%
BRACEPL	46.95%	62.47%	29.45%	355.34%	159.26%
Prime Investment	32.34%	20.95%	-33.32%	3.05%	-18.13%
Lankabangla Investment	36.40%	2.97%	-105.97%	-218.35%	-166.70%
IDLC Investment	11.34%	232.96%	72.06%	62.69%	80.93%



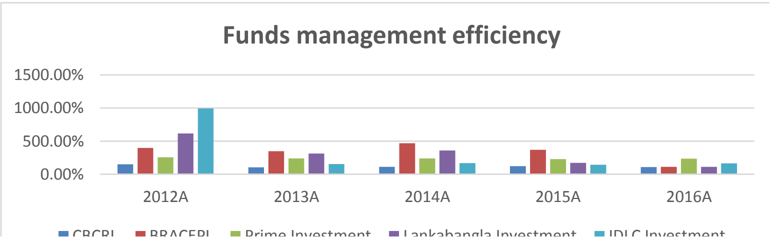
Asset Management efficiency

	2012A	2013A	2014A	2015A	2016A
CBCRL	13.33%	8.99%	13.56%	15.98%	5.42%
BRACEPL	6.54%	9.78%	4.21%	-1.00%	-2.86%
Prime Investment	12.79%	10.40%	7.35%	5.88%	2.49%
Lankabangla Investment	1.61%	13.30%	6.35%	5.65%	7.90%
IDLC Investment	15.13%	-2.41%	3.22%	14.71%	11.92%



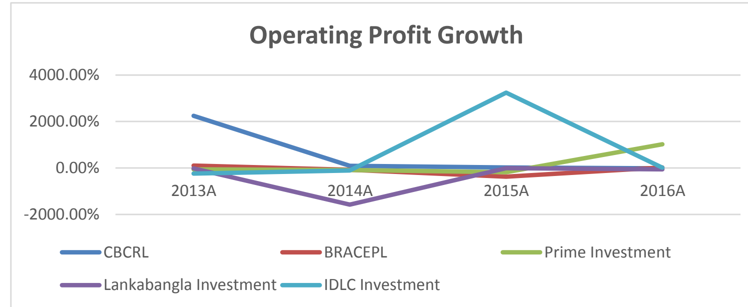
Funds management efficiency

	2012A	2013A	2014A	2015A	2016A
CBCRL	150.79%	103.31%	112.23%	122.02%	108.41%
BRACEPL	395.57%	348.12%	468.01%	367.74%	112.08%
Prime Investment	257.25%	239.77%	237.19%	226.26%	233.94%
Lankabangla Investment	614.50%	313.92%	359.25%	169.76%	112.16%
IDLC Investment	994.51%	152.56%	167.83%	142.32%	165.73%



Operating Profit Growth

	2013A	2014A	2015A	2016A
CBCRL	2245.90%	92.77%	27.03%	-15.80%
BRACEPL	104.28%	-77.10%	-373.19%	25.51%
Prime Investment	-61.07%	-88.85%	-180.57%	1021.17%
Lankabangla Investment	-20.78%	-1577.05%	-7.55%	-58.70%
IDLC Investment	-241.00%	-104.08%	3243.54%	7.93%



Profit after tax growth

	2013A	2014A	2015A	2016A
CBCRL	2658.47%	49.63%	41.85%	0.22%
BRACEPL	43.39%	-231.98%	46.13%	167.96%
Prime Investment	-19.70%	-231.69%	-103.15%	-827.39%
Lankabangla Investment	59.33%	-1745.63%	55.56%	-17.58%
IDLC Investment	-595.16%	-124.89%	124.81%	42.54%