Report On

Comparative Analysis of Prime Bank and Other 2nd Generation Banks: Camel and Basel iii Accord Compliance

By

Sheikh Mahir Faisal
20304035

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
December, 2024

Declaration

It is hereby declared that

1. The internship report submitted is my/our own 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 this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I/We have acknowledged all main sources of help.

Student's Full Name & Signature:

Sheikh Mahir Faisal
20304035

Student Full Name
Student ID

Supervisor's Full Name & Signature:

Riyashad Ahmed

Supervisor Full Name
Assistant Professor, Brac Business School
Brac University

Letter of Transmittal

Riyashad Ahmed

Assistant Professor

Brac Business School

BRAC University

66 Mohakhali, Dhaka-1212

Subject: Submission of internship report on "Comparative Analysis of Prime Bank and Other 2nd Generation Banks: Camel and Basel iii Accord Compliance".

Dear Sir,

With due respect and anticipation, I am pleased to submit my internship report on "Comparative Analysis of Prime Bank and Other 2nd Generation Banks: Camel and Basel iii Accord Compliance" as a partial fulfillment of the requirements for the Bachelor of Business Administration degree at Brac University. This report analyses Prime Bank PLC's current situation using theoretical perspective and collected data. I tried to match Brac University's academic standard while reflecting dynamic and real-world application concept that were studied.

I am extremely thankful for your guidance and support you have provided me during this process and look forward to your valuable feedback.

Sincerely yours,

____

Sheikh Mahir Faisal

ID: 20304035

BRAC Business School

BRAC University

Date: 17 November, 2024

Non-Disclosure Agreement

This agreement is made between Prime Bank PLC and me as a student of Brac University to utilize and access all company information in response to my internship report on "Comparative Analysis of Prime Bank and Other 2nd Generation Banks: Camel and Basel iii Accord Compliance".

The information and the data regarding the company in this report are authorized and conducted under the close supervision of my organizational supervisor. I sincerely appreciate the opportunity to utilize the information for preparing my internship report.

As a requirement of education and as an intern in Prime Bank PLC, the organization receive a detailed report of the internship. I was given clear instruction from the organizational supervisor not to use any confidential information. This agreement cannot be modified or updated without each party's signature on the written document.

Organization: Prime Bank PLC

Supervisor Name: MD Ariful Hoque

Designation: Senior Assistant Vice President

Name of Student: Sheikh Mahir Faisal

Education Institute: Brac University

Address: KHA 224 Bir Uttam Rafiqul Islam Avenue, Merul Badda, Dhaka

Acknowledgement

I am very grateful to Almighty Allah for His blessing and infinite kindness, which have allowed me to successfully complete my internship.

I am deeply thankful to my supervisor MD Ariful Hoque (SAVP), Prime Bank PLC for his continuous support, insightful feedback and invaluable guidance have significantly enhanced my learning experience. I am profoundly grateful for his mentorship and expertise, which were crucial in helping me to navigate the challenges of my internship.

I also want to express my gratitude to Ahmedur Rahman (SAVP), Prime Bank PLC for his collaboration and sharing his knowledge and expertise, which have significantly improved my understanding of complex operations of the banking sector.

I am deeply grateful to my internship supervisor Riyashad Ahmed for his consistent support and insightful advice.

Finally, I am forever grateful to my family and friends for their constant support, encouragement and belief in my abilities throughout this journey.

I express my gratitude to all the persons who have contributed, directly or indirectly to successfully completion of my internship.

Executive Summary

This report provides a comprehensive analysis of my working tenure in Prime Bank PLC and the report focuses on operational, financial and strategic practices that were observed during my internship period. Additionally, it also includes the detailed project on Comparative analysis of Prime Bank PLC with other second-generation banks in the segment of CAMEL Rating and BASEL III accord. This report has three primary sections, summary of internship experience, an organizational analysis and the project part. The first part covers my experience of internship and the variety of contributions to the bank and the skill and knowledge I acquire during the tenure. It also shows the advantages of my internship for m academic and professional growth. The second part start with the overview of the Prime Bank PLC, its vision, mission, corporate philosophy and their board range of products and services. The analysis also shows the banks management practices includes organogram of the bank, leadership style, human resource planning process and selection process and their marketing strategies. this section also highlights their financial performance, operational management and their information system practices which highlights Prime Banks competitive advantage in the market. It also describes SWOT analysis and Porters five forces analysis to highlight their external and internal environments. The third section explores the project work which focus on Prime Banks financial performance in comparison with other second-generation banks through CAMEL rating and Basel III accord. The CAMEL rating is a detailed framework that evaluates financial health of an organizational by evaluating capital adequacy ratio, asset quality, management efficiency, earning efficiency and liquidity ratio. Furthermore, Basel III accords minimum requirements are reviewed including how Prime Bank manages its capital to follow the guidelines. The section also includes the comparison of Basel III by other second-generation banks. The report concludes with the summary of key findings including Prime Banks strengths and the areas of improvements in the context of Basel III and risk management system. Finally, the recommendations for Prime Banks improvement in operational efficiency and strategic orientation.

Table of Contents

List of Tables

List of Figures

List of Acronyms

PLC	Public Limited Company
BB	Bangladesh Bank
SME	Small and Medium Enterprises
COGS	Costs of Good Sold
ROE	Return of Equity
ROA	Return of Assets
OBU	Off-Shore Banking Unit
AML	Anti Money Laundering

Chapter 1: Overview of Internship

1.1 Student Information

I am Sheikh Mahir Faisal and my student Id is 20304035. I am pursuing Bachelors of Business Administration (BBA) at BRAC University and did my major in Finance, Banking and Insurance and Computer Information Management.

1.2 Internship Information

1.2.1 Internship Period and Company Name

I had the opportunity to join as an intern at Prime Bank PLC Head Office from May to October 2024, where I worked in the Business Process Re-engineering Team under Operation division. The office is Located in Prime Tower, Plot 8 and 35 Airport Road, Nikunja-2, Dhaka -1229.

1.2.2 Company Supervisor's Information

Supervisor Name: MD Ariful Hoque

Position: Senior Assistant Vice President

Location: Prime Tower, Plot 8 and 35 Airport Road, Nikunja-2, Dhaka -1229

Job Scope – Job Description/ Responsibilities

- Assist with the documentation of current operational workflows by monitoring current procedures and obtaining information from various departments to assist draw a clear picture of how activities are carried out.
- Gathering and evaluating data related to a variety of operational process, with the goal of identifying patterns, inefficiency and possible areas for development under the direction of senior team member.
- Assist in the creation of flowcharts and process maps that graphically illustrate the process that are already in the place and those are being suggested to facilitate understanding and sharing of process modification.
- Assist in creating comprehensive reports and documents of the process and suggestions of process improvement while making sure that data is clear, well-structured and prepared for top management for review.

1.3 Internship Outcome

1.3.1 Students Contribution to the Company

During the internship tenure at Prime Bank PLC, I had contributed to various works that were designed to enhance the efficiency of the bank's internal procedures in the Business Process Re-Engineering team under operation division. There are several departments inside the bank and my responsibility to organize massive datasets from these divisions. I analyzed the data by making use of Excels complex abilities such as Pivot tables, V-lookup, Data visualization tools to identify the patterns and trends. Also, my main responsibility was supporting the documenting of current procedures which gave me a good starting point for figuring out inefficiencies and areas for further improvement. Apart from these tasks, I also had a major part in creating flow charts and process maps, which were crucial for explaining and illustrating the suggested modification.

1.3.2 Benefits to the Students

During my internship period, I was able to acquire a great knowledge and experience that is very essential for my career. Here are several key lessons and experiences:

- I was able to get practical experience in a real-world workplace in my internship. It provides me the opportunity to implement my theorical learnings during my academic in real life scenarios, which improved my understanding of how ideas are implemented in work environment.
- In my internship period, I acquire essential workplace competencies such as effective communication, collaborative co-operation, proficient problem-solving abilities and others. They are vital for any professional job.
- I acquire valuable knowledge about current industry trends, effective methods, and the difficulties faced by experts.
- This internship gives me the chance to expand my professional networks through interaction with co-workers, supervisors, other industry professionals, that may be useful for my future career. These connections may create a way for future professional development and employment prospects.

- Managing the responsibilities and challenges of my internship has really boosted my confidence. It will help me succeed in my job to feel more confident in my professional skills.
- My resume has been enhanced by the experience I acquired during my internship. It shows I have real experience and understand professional work environments, which make me more competitive candidate for future jobs.

1.3.3 Problems/ Difficulties

Throughout my internship tenure, faced problems/ difficulties are mentioned below:

- I had never worked before, so at first, I had a hard time adjusting to the fast-paced work atmosphere and the demands of the post. It required some time to get used to the companies’ procedures and workflow.
- As an intern, I had limitations in accessing certain resources and systems inside the organization, which sometime hampered my efficiency in completing tasks.

1.3.4 Recommendations

I would like to provide the following advice based on the experiences I gained throughout the internship tenure:

- Intern may get used to the workplace more rapidly if the onboarding process was more structured. This can be a quick introduction to the tools and the resources they will be using, as well as corporate rules, procedures and team dynamics.
- Giving interns limited but essential access to the relevant resources and systems would be advantageous.

Chapter 2: Organization Part

2.1 Introduction

In today's first paced financial environment, it is essential for banking institutions to implement effective management practices in order to achieve sustainable growth and success. Due to the technological advancement, changing consumer expectation, evolving regulatory environment the competitive landscape of the banking sector is changing rapidly. Prime Bank PLC operates in a dynamic environment as a result they have to deal with technological improvements, changing consumer demand and regulatory instructions. It established in 1995 and it's a top tier second generation bank in Bangladesh and it provides a variety of banking services to people, companies and organizations. Prime bank has seen significant expansion

2.2 Overview of the Company

2.2.1 Background of Prime Bank

Prime Bank PLC is a renowned commercial bank in Bangladesh which is established in 1995. The bank is known for the dedication to innovation to the banking industry as well as customer centric approach to banking. Prime Bank has established 146 branches around the entire country and its head office is located in Dhaka. The share-holders of Prime Bank are the renowned figures in the finance industry. Due to their extensive range of experience, Prime Bank successfully obtained their commercial banking license and authorization. The group of skilled experts guides the bank as it carefully and consistently navigates the complexity of the banking business. The bank focuses on understanding and fulfilling the customer request. Prime Bank is continuously realigning itself to the shifting market circumstances. Prime Bank has achieved a remarkable progress in a very short period of time, establishing its position as the country's leading bank. The bank provides a wide range of service to wide range of customers by offering commercial, corporates, and personal banking services. Prime bank has continuously prioritized the adoption of technology as their -fundamental growth strategy. Their continuous allocation of resources towards technology has create a competitive advantage in the banking industry. The bank strategically manages its networks to improve client experiences through different channels to thrive in a rapidly changing environment.

2.2.2 Vision, Mission

Vision: Each organization has a high and ambitious vision. Achieving this vision provides the foundation for the future progress. The vision of Prime Bank limited is- To be the best private commercial bank in Bangladesh in terms to capital adequacy, efficiency, asset quality, management and profitability having strong liquidity.

Mission: Prime Bank is committed to delivering exceptional consumer service, in all aspect of the banking, with the aim of increasing shareholders' investment and offering maximum benefits to their consumers. Their mission is statement is- To build the Prime Bank PLC into an efficient, customer focused, market driven institution with good corporate governance structure.

2.2.3 Corporate Philosophy

For Customers:

- To deliver the most helpful and courteous service in every aspect of their business.
- To innovate new financial products and services.

For Employees:

- By increasing their well-being through competitive compensation and other benefits.
- By providing career growth and training to boost workers morale.

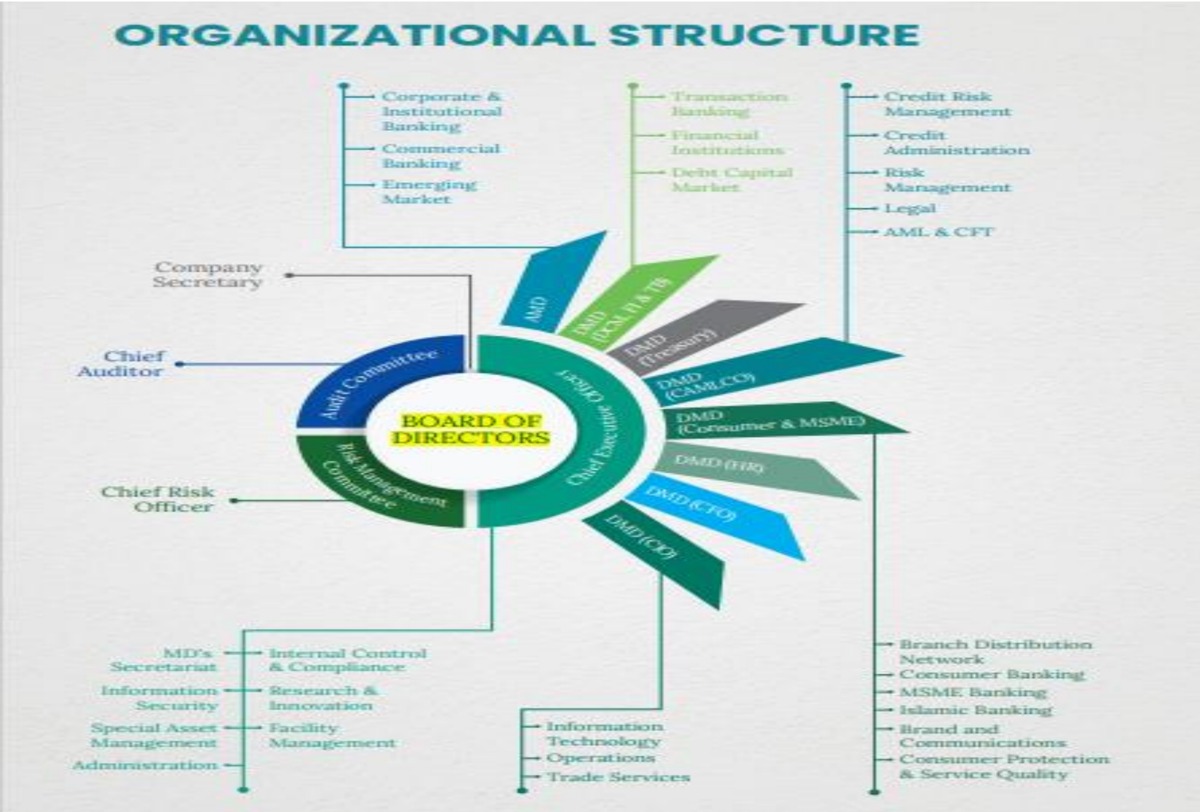
For Shareholders:

- By moving forward and becoming known as trustworthy and a creative financial company.
- By making a profit and receiving a fair reward for their investment.

For Community:

- By actively fulfilling our social responsibility as a corporate citizen and follow the national policies, so we can help the country achieve success.
- By following ethical practices and moral principles.
- Always improve performance by matching our objectives to shareholders expectation.

2.2.4 Organization structure



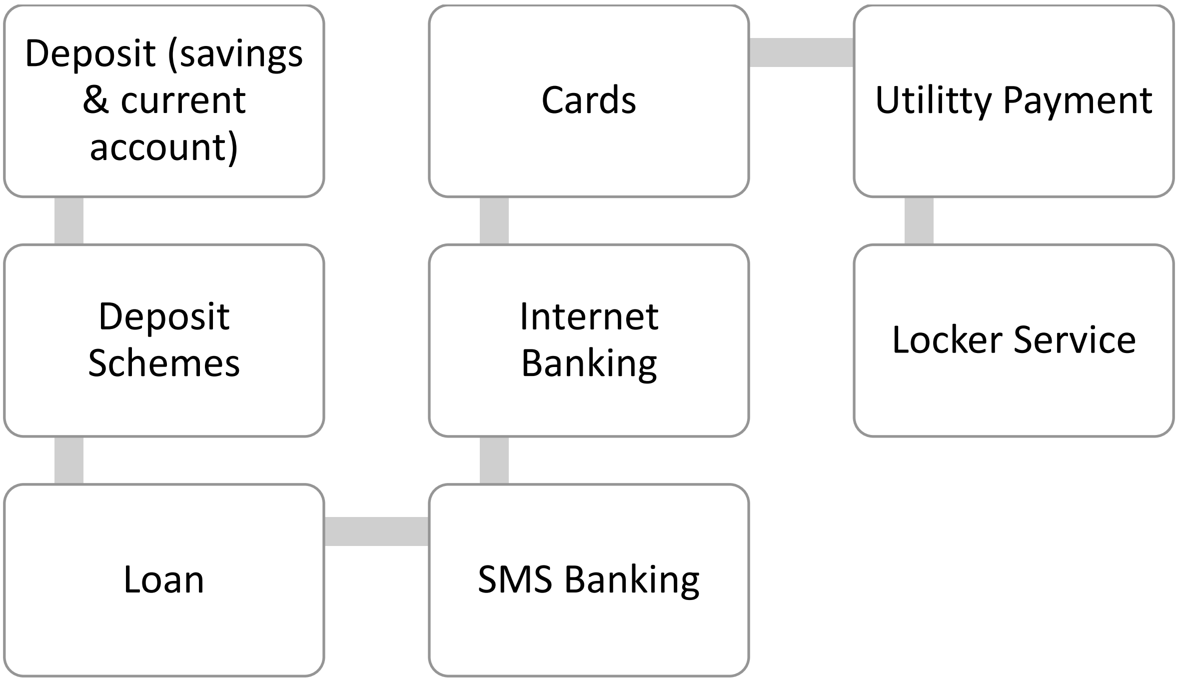
Source: (*Prime Bank PLC.*, n.d.)

2.2.5 Products and Services

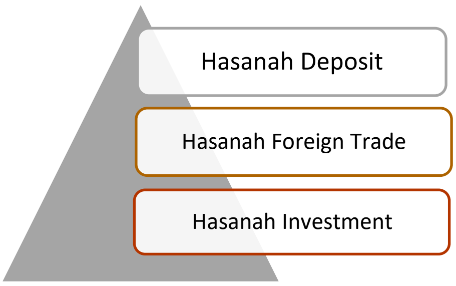
Prime Bank provide a variety of financial services to the people of Bangladesh. The bank provides a large array of products and services to meet their consumers requirement. Their banking service include corporate banking, retail banking, Islamic banking, SME banking, Agriculture banking. These diverse services demonstrated their commitment to serve a wide range of people based on their need.

Corporate Banking: Corporate banking services includes-

Retail Banking: Retail banking services are mentioned below:

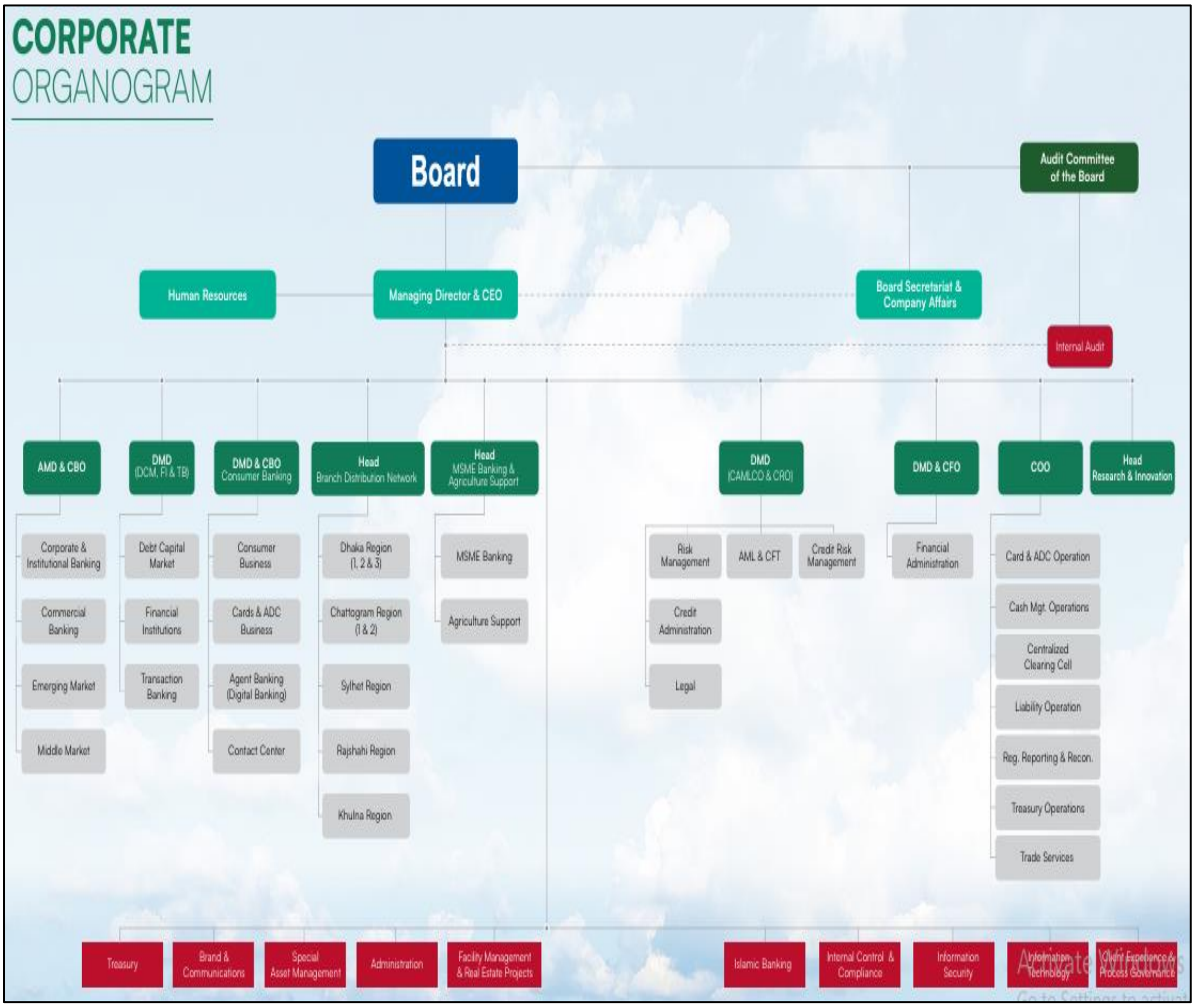


Islamic Banking: Islamic Banking operations are operated based on Shariah principles. The products are-



2.3 Management Practices

2.3.1 Organogram of Prime Bank PLC



2.3.2 Leadership Style

The most important component of any financial sector or banks is that they must in the trust of their customers and depositors in order to their improvement. The process of gaining the trust of generate people is the is a challenging task. The establishment of peoples trust and subsequently improving the performance of the bank relies on the effectiveness and attitude of the directors as well as their employees. To compete globally in the present market, the organization must recruit the best candidates and provide them the new tools and technologies to retain on top performance. To meet the customers, need, prime banks HR policy put a lot of emphasis on encouraging growth, job happiness and right reorganization of outstanding success.

The Prime Bank PLC adopts a highbred leadership style that combine both autocratic and democratic leadership. Although most of the decisions are made by the top-level management, but other employees are also getting the chance to express their opinions different matters. Employees passion and dedication are highly encouraged and reflected in a great work environment. So, Prime Bank has made the continuous development of their workforce as top priority from the beginning. Employees of Prime Bank are assigned to get training for self-development after their assessment of their strength and weakness in order to identify their precise training requirements they need. Prime Bank PLC organize both internal and external to orient and enhance their employees.

2.3.3 Human Resource Planning Process

The recruitment process is the systematic assessment of potential candidates and it is the most important work that they engage in. A company cannot achieve success without the suitable workforce. In order to complete the recruitment process manager and HR executives work together to identify requirements and forecasts. A candidate may be accepted in internal or external recruitment. Prime Bank PLC provides fair employment prospects to all the citizens of Bangladesh. The banks employment policies are typically decided by the board of directors on a case-by-case basis. There are 2 types of recruitment. They are-

- Internal Recruitment
- External Recruitment

Internal Recruitment:

Prime Bank PLC uses many methods for their internal hiring. Some key methods are-

- **Job Posting:** This internal job advertisement is for current employees which allow them to submit their application for vacant job posts before seeking for external candidates.
- **Internal software:** Prime Bank PLC use their internal portal or HR systems to publish job openings and enable workers to submit directly via the system.

- **Referral:** Employee referral is another method where current employee refers potential candidate from the organization for the vacant post.

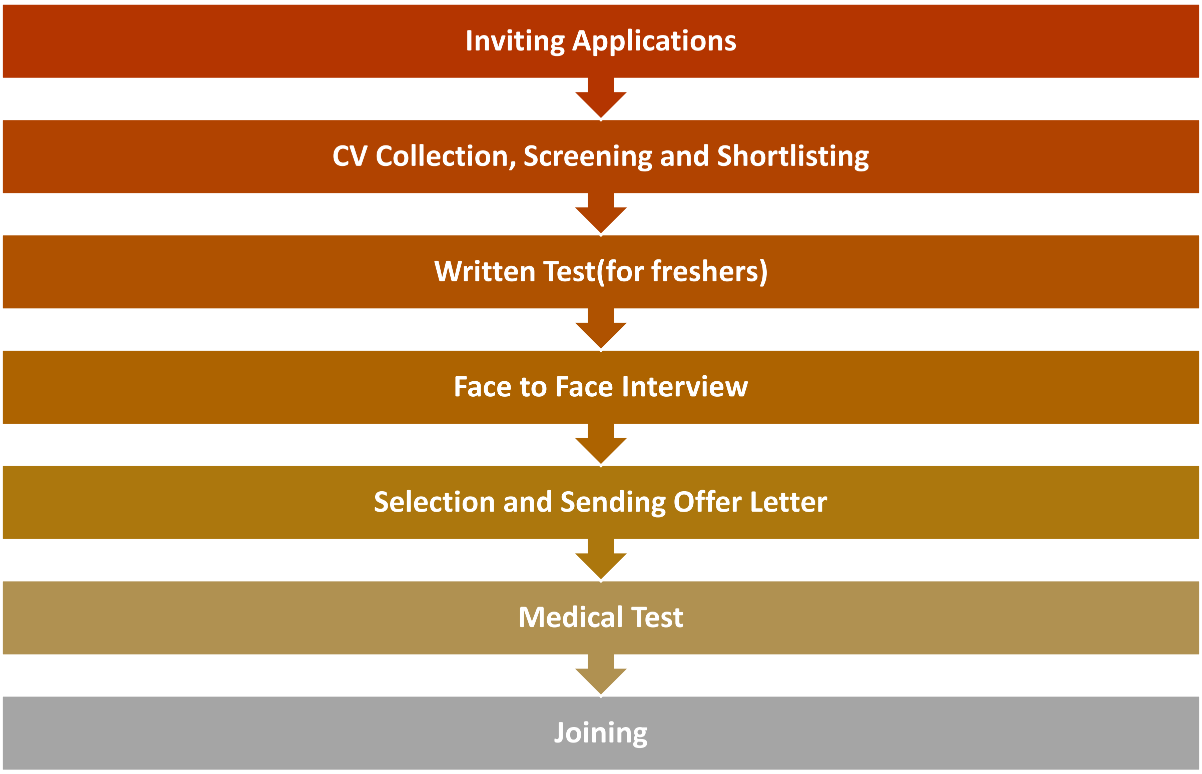
External Recruitment:

External recruitment processes are-

- Advertisement through website, LinkedIn, Bdjobs and more
- Internship
- Referrals

2.3.4 Selection Process

Recruitment and selection process includes-



2.4 Marketing Practice

2.4.1 Marketing Strategy

The marketing strategy of Prime Bank PLC priorities their strategic objectives on their digital banking footprints, improving consumer experience and expanding their market share. Prime Bank PLC uses both market penetration and development strategies. The bank priorities their digital transformation and improves their online and mobile banking to serve tech savvy consumers. The bank provides new services such as AI chatbots, seamless digital transactions and so on. The bank implements a customer centric strategy by dividing their market according to demographic and behavioral analysis, customizing products such as loans, accounts, investment services to meet the need of consumers. Prime Bank aims to enhance their brand reorganization and customer loyalty by community outreach, social media engagement and targeted digital advertising. Furthermore, establishing relations with fintech companies and their comprehensive referral program effectively draw in new consumers with strong relations.

2.4.2 Target Customers, Targeting and Positioning Strategy

Prime Bank PLC targets individual clients, SME clients and corporate clients in a need of dependable financial services. The bank also targets Gen Z and tech savvy millennials for their digital banking offerings and also provide financial products that are especially designed to fit the clients demand such as working capital loan and other loans.

Their targeting strategy involves dividing their clients based on SME group, corporate group, retail groups and offering new products for each segment. The bank improves their client interactions across channels and customize their offerings by their data driven insights.

Their positioning strategy highlight Prime Bank as a reliable, forward thinking and customer focused banking institutions. This institution promotes their digital banking leadership with seamless mobile and online services while highlighting their commitment to SME's and big companies.

2.4.3 Marketing Channels

There are 2 ways to reach and serve the consumers through marketing channels for their goods and services. The ways are-

- **Offline Marketing:** Prime Bank PLC relies mostly on newspaper as their offline marketing choice. They also advertise themselves via a variety of different events such as seminar, magazines, corporate publications and a wide range of other institutions.
- **Online Marketing:** There are many online marketing channels are available for Prime Bank PLC. They use their website, mailing list, Facebook page, Television commercials and others advertising channels. Furthermore, they also used their LinkedIn profile for their online marketing.

2.4.4 Product Development and Competitive Practices

Prime Bank continuous focus on improving their banking services to fulfill their consumer requirements and market expectations through product development. Prime Bank performs their market research to determine their consumer preferences and adopt their product properly. Bank also keep an eye on the product of their rivals, ensure that they have unique features and better interest rate compare to their rivals. This strategy helps prime bank to enhance client connections stay competitive in the market.

2.4.5 Branding Activities

Prime Bank PLC uses a variety of branding activities to increase their market presence and establish a strong corporate identity. Through their logo, slogan and communication channels the brank tries to create a constant brand image that promotes trust, dependability to general people. The bank connects with many communities and shows their dedication to social welfare through sponsorship, CSR activities. Their branding gets strengthen through social media presence, digital marketing and customer centric advertisement. Prime Bank promotes brand loyalty, attract new customers and strengthen their reputation in the competitive environment.

2.4.6 Advertisement and Promotion strategies

Prime Bank PLC employs a wide range of marketing and advertising strategies to increase their brand visibility. In order to engage with a large number of people, the bank choose both conventional and digital marketing channels. These channels include, social media, television, newspaper and so on. They also advertise online adds on digital platforms to attract tech savvy people. In addition, prime Bank provides their promotional packages which include lower interest rate, credit card discounts and their variety of services to encourage the consumers to take that service. The bank raises their public visibility further by planning financial events and sponsoring significant events. Prime Bank also promotes their customer loyalty and acquisition by their clever advertisement with calculated discounts.

2.5 Financial Performance and Accounting Practices

Financial performance of Prime Bank PLCs of the last 5 years are given below- (in terms of liquidity and solvency, efficiency, profitability, leverage, market-value, etc., – using ratio/horizontal/vertical analyses and applying trend, comparative, Du-Pont analyses frameworks. Additionally, you may also undertake analysis based on calculations of EVA, MVA or valuations based on various methods)

Ratio Analysis:

Liquidity Ratio:

Table no 1: Liquidity Ratio

Year	2023	2022	2021	2020	2019
Current Ratio	1.01	0.96	1.11	1.20	1.02
Gearing Ratio	84.00	83.43	85.05	84.43	79.41
Debt to Equity Ratio	12.53	12.42	13.04	11.08	10.50

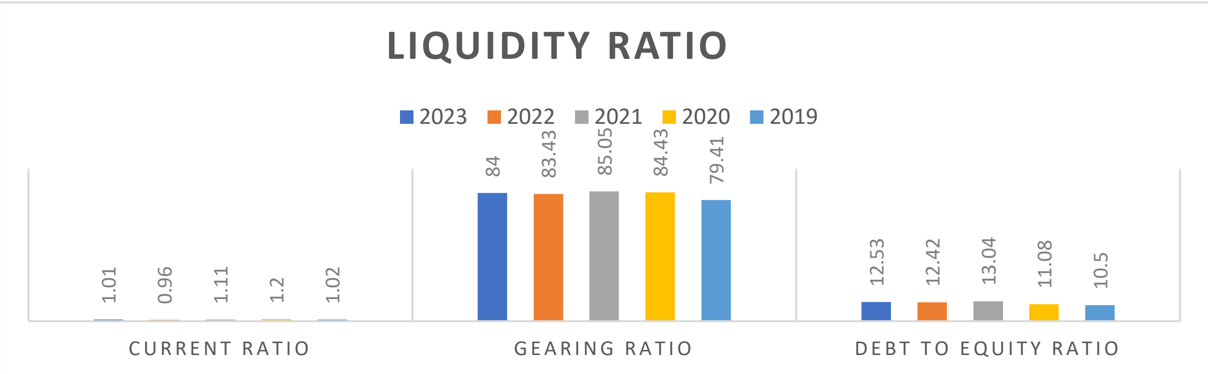


Figure 1: Liquidity Ratio

Current Ratio: Current Ratio measures the organizations' ability to cover their short-term liabilities with short term assets. If the ratio is higher this indicates that the organization is able to fulfill their short-term liabilities without any difficulties. Bank has a 1.02% liquidity ratio in the year 2019, which indicates that the bank is well positioned and able to cover all of their short-term liabilities with their short-term assets. The ratio of 2020 shows that 1.2%, which indicates a stronger liquidity position for this year. In the year 2021 and 2022, the ratio continuously decreases from 1.2% to 1.11% and 0.96%. in 2022, liquidity ratio 0.96% indicates that, their current liabilities exceed their current assets. In 2023, the liquidity ratio raises to 1.01% suggest that the banks liquidity position improved compare to 2022.

Gearing Ratio: Gearing ratio indicate that, how much of the funding came form debt as compared to equity. The higher gearing ratio indicates more financial leverage which rise the banks risk profile. In 2019 the gearing ratio of prime bank was 79.41%, which indicates a high level of debt against the banks' capital but below 80% ratio indicates that the bank has a slightly lower risk position. This ratio increased from 79.41% to 84.83% and 85.05% in the year 2020 and 2021. It indicates the banks reliance on debt financing, which grow their financial risk. In 2022, the gearing ratio decrease from 85.05% to 83.43% but in 2023 it again increases to 84%.

Debt to Equity Ratio: The debt-to-equity ratio shows the structure of an organization about how much debt and equity are used to fund its assets. In 2019 and 2020 debt to equity ratio was quite low 10.50 and 11.08, which indicates that their financing strategy was balanced. This ratio increased to 13.04 in 2021, indicate an increase in debt over their equity. This indicates a growing dependence on debt financing which might increase financial risk. The ratio decreased to 11.52 percent in 2022 and again it increased to 12.53 percent in 2023, showing slight fluctuations but usually high degree of debt compares to equity.

Financial Ratio:

Table no 2: Financial Ratio

Year	2023	2022	2021	2020	2019
Gross Profit Ratio	54.4	62.66	68.91	55.03	54.74
Cost-Income Ratio	47.21	46.99	45.24	54.88	50.82
ROA	1.06	0.98	0.84	0.54	0.54
ROE	14.33	12.93	10.61	6.31	5.93

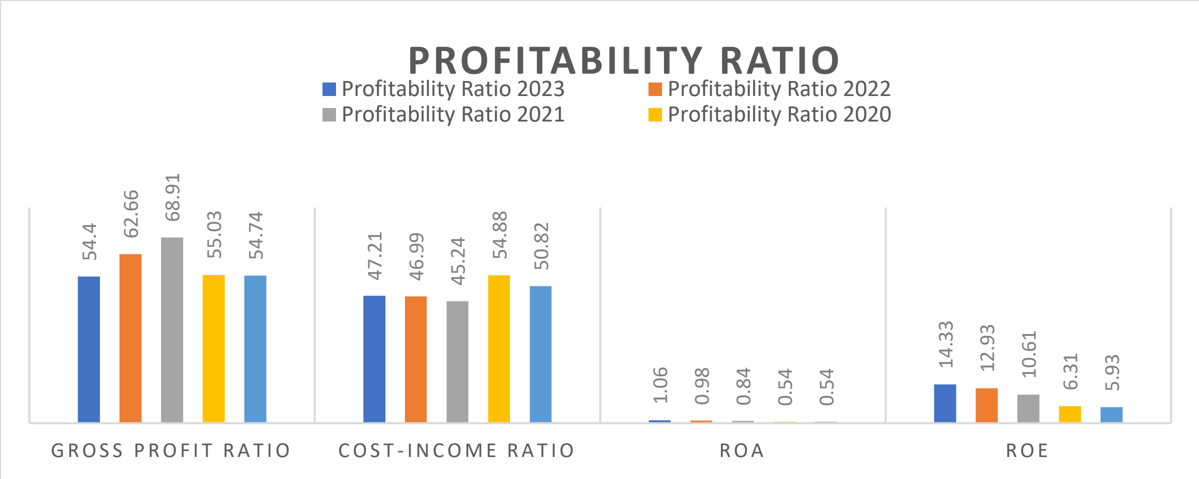


Figure 2: Profitability Ratio

Gross Profit Ratio: Gross profit ratio calculates the percentage of sales revenue that surpasses the cost of goods sold. It shows a company's efficiency in the production of their product also their profit margin before deducting the operating cost. In 2019, the gross profit ratio of 54.74 indicates that the organization recovers 54.74 taka for every 100 taka in their sales, after deducting the COGS. In 2020 and 2021, they perform very well with the gross profit ratio of 55.03 percent and 68.91 percent. In 2022, the gross profit ratio declined to 62.66 percent, indicates the decrease in their profitability relative to their sales. In 2023, it again declines to 54.4 percent which is almost 8 percent decrease from the previous year, which signs decrease in their profitability.

Cost Income Ratio: Cost income ratio is a fundamental measure used to evaluate the effectiveness of an organization specifically for the bank and financial industries. In 2019, cost income ratio was 50.82 percent which indicates the bank pays 50.82 taka in their operational expenditure for each 100 takas of their revenue. In 2020, their cost income ratio increases to 54.88 which indicates their operational cost increase against their revenue which reduces their income. In 2021 to 2022, their cost income ratio continuously decreases to 45.24 and 46.99 indicates they improved their operational efficiency and the company is expending less in their operating expenses which indicate better profitability. In 2023, the ratio slightly increases to 47.21 percent that shows their operational expenses are increased compare to previous 2 year. But this downward trend shows their business process is becoming more cost efficient which means higher profit and better financial health.

ROE and ROA: Return on assets (ROA) is a measurement of how efficiently a organization is generating their profit from **its** assets. The higher ROA reflects a better use of their assets.

In 2019 and 2020, 0.54 percent ROA indicates weak performance in generating revenue from their assets. It shows the company was not utilizing their assets efficiently during those 2 years. In 2021, ROA increases to 0.84, which shows better efficiency in utilizing their assets to generate profit. In 2022 and 2023, ROA continuously increase from the previous year. In 2022 the ROA was 0.98 and in 2023 ROA was 1.04. Those ratio over the last 3 year reflects the operation and their assets utilization become more efficient over the years, which result in high profitability.

Return on Equity (ROE) shows the company's profitability compare to their shareholders equity. It illustrates how efficiently the organization is using their shareholders capital to generate profit. In 2021, the ROE was 5.93 percent which shows that company make a profit of 5.93 taka for every 100 taka they spend; which indicate low profitability relative to their shareholder's equity. In 2020, the ROE increase to 6.31 percent which shows a minimal progress in generating returns for shareholders. In 2021, the ROE shows a notable increase which rise to 10.61 percent. In 2022 and 2023, the ROE was 12.93 percent and 14.33 percent, which indicates the organization is efficiently generating profits for their shareholder. This strong performance suggests that, the organization is generating more profit and making better use of their capital resources.

Share Information:

Table no 3: Share Information

Share Information					
	2023	**2022**	**2021**	**2020**	**2019**
Market price/Share	21	19.2	21.5	17.1	18.2
No of Share Outstanding (Million)	1132	1132	1132	1132	1132
No of Share Holder	10502	11706	13700	12072	12985
EPS	4.26	3.55	2.75	1.59	1.47
Dividend (in percent)	17.5	17.5	17.5	15	13.5
Net Assets per Share	30.89	28.53	26.4	25.4	24.86
Price Earnings Ratio	4.93	5.46	7.83	10.77	12.38

Prime Bank has achieved remarkable success in the banking industry over the time period of 5 years, as seen in the highlight of their financial report. By increasing their profit and shareholders' equity, the bank is one of the most successful banking institutions in Bangladesh. A banks financial performance is determined by their ideal strategy and human resources. Prime Banks outstanding management team allowed them to continuously producing higher earning over the last 5 years.

2.6 Operations Management and Information System Practices

2.6.1 Information System for Data Management

Prime Bank use advance information system tools to effectively handle their huge volume of data. All the division of the Bank use this system to gather, store and analyze data. This ensures that the banks decision making process are based on the information that are accurate and up to date. Prime Banks basic banking software incorporates different kind of operation such as customer account management, processing of transaction, reporting of financial information. This centralized system used for real time data processing, reducing data errors and increase the effectiveness of operations. In addition, the use of that advance information system makes it easier to store confidential data in a safe manner which guarantee compliance with regulatory standards of Banks.

2.6.2 Information Sharing with stakeholders & Clients

At Prime Bank, their IT sector plays a crucial role in ensuring that the information is shared with the stakeholder and the clients in an efficient way. A customer relationship management system is used by Banks in order to keep the database of their consumers preferences, transaction histories also to monitor and record interactions with their consumers. This system makes it possible for Banks to provide personalized services, which increase consumer happiness and ensure their commitment with the bank. Furthermore, users are able to access their bank accounts, execute their transactions and get a real time information due to online and mobile banking systems notification. IT sector also facilitate internal communication by facilitating the exchange of important data across different departments, which assist in the process of making unified decisions and developing strategies.

2.6.3 Database & Office Management Software

Prime Bank uses a comprehensive database management system and office management software to facilitate their operational process. Database management system enable them to organize storing and retrieval of large datasets, which makes it easier for employees in accessing client and transaction data according to their requirement. In order to perform administrative workflow such as document management, scheduling, workflow automation, software's such as ERP system is very important. These technologies enhance the effective administrative activities and minimize the risk of errors.

2.6.4 Quality Management Practices

Prime Bank puts a lot of pressure on their quality management to make sure that high-quality services are always provided. The Bank uses the technical tools to check and improve the level of their services. This kind of systems are used to monitor on different things such as performance, customer reviews, audit and other things, so that they can see what needs improvement and solve them through corrective actions. Prime Bank keeps up their name for dependability and customer happiness by using quality management techniques in all of their business activities.

2.6.5 Operations Management

The operation management of Prime Bank is focuses on the continuous improvement of process and efficient use of technology. The bank uses a variety of operation management methods such as process mapping, six sigma methods, KPI's to monitor and improve operational performance. This procedure is significantly facilitated by IT division, which provide the required data for analyzing operations. Identifying bottlenecks and implementing improvements. The banks dedication to digital transformation also helps them to achieve its objective to delivering faster and dependable services to their consumers.

2.7 Industry and Competitive Analysis

2.7.1 Porters Five Forces Analysis

Porters Five Forces analysis is a strategic technique that are used to analyze the competitive environment of a particular sector. This analytical framework can help Prime Bank by providing insights into external factor that can influence their operations and market positions. The Analytical framework is attached below-

I). Threat of New Entrant (Low to Moderate)

- **a)** In Bangladesh, the Banking industry is highly regulated, including they have a strict requirement for capital adequacy, compliance and getting license. New entrant will face a significant challenge as a result of this.
- **b)** Prime Bank and other well-structured banks experience the advantages of their strong brand reorganization and customer loyalty, which prevent new competitors to enter in the market.
- **c)** To enter in the market the vast amount of financial investment is required due to acquiring advance technology, extensive branch network and a compliance infrastructure requirement, which make prevent the entry of new competitor in the market.

Due to high barriers to entry, the threat is low to moderate. However, the fintech companies are able to join the market with less expensive products with more creative ideas.

II) Bargain Power of the Buyer (Moderate)

- **a)** Digital banking facilities such as banking apps and others make money transferring much easier, which lowers bank switching cost and enhance the bargaining power of the buyer.
- **b)** Customer have now more available options due to the availability of financial services such as fintech solutions, which increase their negotiation power.
- **c)** Corporate customers have more negotiation power and they often get better pricing form the banks because of their large deposit amount and specialized service requirements.

The bargaining power of buyer is moderate. General customers are getting more power while corporate clients remain powerful.

III) Bargain Power of the Supplier (Low to Moderate)

- **a)** Bank sources their capital from a wide range of depositors and other financial institutions, which limits their bargaining power.
- **b)** During this economic downturn, cost of capital may rise, it increases the bargain power of the supplier.

c) The bargaining power of technologies supplier is moderate, as the switching costs are high.

So overall the bargaining power of the supplier is low to moderate.

IV) Threat of Substitute Products/services (moderate to high)

a) Competitive Banking services are offered by fintech platforms & non-banking financial institutions such as rapid loans, peer to peer transferring and lending, online payment services, which might replace conventional Banking services.
b) Nowadays there are many alternative services are provided by many MFS organizations. In some cases, they are not only convenient but also more affordable, which attracts a some of the banks potential customer.

Threat of substitute products/services power is moderate to high due to the rapid growth of fintech platforms and other low-cost solutions.

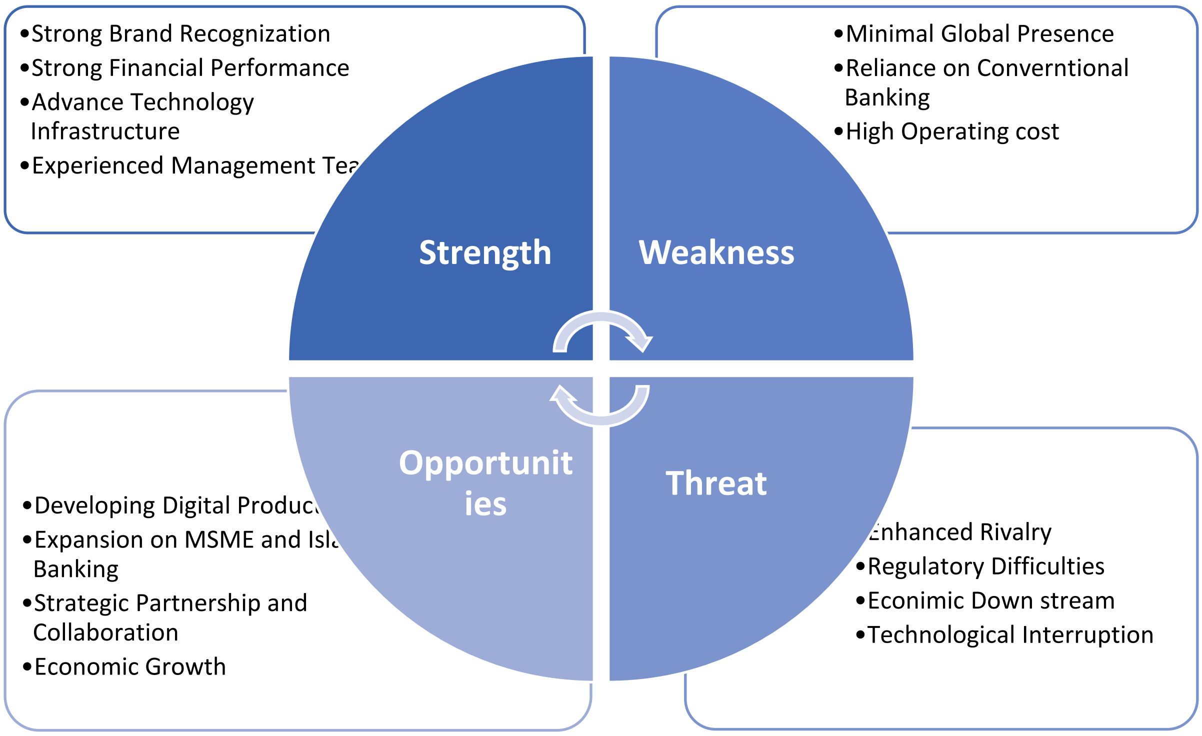
V) Competitive Rivalry (High)

a) In Bangladesh, the banking industry is very competitive due to the presence of the large number to Banks and Fintech organizations both foreign and domestic institutions.
b) There are a lot of banks that provide the similar goods and services which also add the competition between they also aim to stand out as the top banks in Bangladesh.
c) In the present time banking industry is facing a high regulatory expense, which forcing the banks to engage in a competition based on efficiency and quality.

The competitive rivalry is high. Prime Bank must innovate and differentiate their product to stay ahead of conventional banking and fintech companies.

According to this Porters Five Forces framework, Prime Bank faces strong competitiveness and significant risk of replacement in a very competitive market.

2.7.2 SWOT Analysis



Strength

a) **Strong Brand Reorganization:** Prime Bank established themselves as a trusted bank in Bangladesh. This strength of this bank produces a stable deposit basis and customer loyalty.

b) **Strong Financial Performance:** Prime Bank is financially strong due to its constant profitability and strong capital basis. Due to their strength, they are able to make their investment in advance technologies and widen their service offerings.

c) **Advance Technological Infrastructure:** Bank has made a significant amount investment in digital technologies which includes digital banking and core banking products.

d) **Experienced Management Team:** The bank is managed by a skilled management team with vast expertise in financial sector business which allows strategic decision making and excellent risk management.

Weakness

a) **Minimal Global Presence:** Prime Bank is well established in Bangladesh, but they are not well known outside of Bangladesh compare to some of their competitor.

b) **Reliance on Conventional Banking:** Prime Bank still relies on conventional banking in some places despite their digital banking improvements.

c) **High Operating Cost:** Bank has a high operating costs especially for their regulatory compliance and branch network maintenance. These costs affect their profitability in this competitive market.

Opportunities

a) **Developing Digital Financial Services:** Prime Bank may expand developing their digital banking services especially in under developing areas in order to attract young and tech savvy clients.

b) **Expansion on Islamic and MSME Banking:** Prime Bank may develop due to Bangladesh's growing SME sector and Islamic banking demand.

c) **Strategic Partnership and Collaboration:** Partnership and collaboration may provide new products, customer segments and operational proficiency.

d) **Economic Growth:** The rising economy of Bangladesh give the opportunity to increase its clients and create new financial solutions.

Threat

a) **Enhanced Rivalry:** Prime Bank is under pressure in this highly competitive banking industry to continuously innovate and hold their market position.

b) **Regulatory Difficulties:** Implementing strong regulatory difficulties such as Basel III and AML legal system may lead to higher expense for execution which impact profitability.

c) **Economic Down-stream:** Economic downturn, currency fluctuations, inflations could impact on loan portfolio and decrease customer demand.

d) **Technological Interruption:** Traditional Banking is at a great risk due to the exclusive growth of fintech business. So, a lack of innovation from banks may result in loss of customers.

2.8 Summary and Conclusions

In this report, I evaluate various aspects of Prime Bank PLC including financial performance, operational management, marketing strategies, organizational structure and competitive positioning. This analysis draws attention to Prime Banks strong leadership style which combine autocratic and democratic combinations, which help the organization achieve their strategic objective by encouraging employee involvement and efficient decision making. The marketing strategy shows a comprehensive strategy which supports both conventional and digital advertising. At the same time financial performance shows the banks consistency and profitability in recent years. Additionally, Prime Banks operation management methods place a strong attention on integrating information system for quality control and data processing to ensure their accuracy and efficiency in delivery of their services. SWOT analysis and Porters Five Forces analysis are used to conduct the industry analysis. This analysis highlights the competitive advantages and the challenges faced in this changing market environment.

2.9 Recommendations

Based on the above details of the Prime Bank PLC, the following suggestions are made-

- Prime Bank should remain competitive by increase the scope of its digital service, particularly focusing on mobile banking and online platforms to attract tech savvy consumers and handle the rising demand of digital solutions.
- The Bank should continue their effort to innovate their product offering in the areas of SME financing and Islamic Banking. Market share and consumer loyalty can be enhanced by customizing product to satisfy the requirements of the growing industry.
- It is essential for bank to spend in advance security technologies to protect themselves from the possible threats. This will keep customers trusting the banks and protect their reputation.
- Prime Bank should aim to improve operational efficiency by embracing innovative technologies that simplify the procedures and save expenses.

These suggestions aimed to improve Prime Banks operational effectiveness, strengthen their competitive position and ensure sustained development in this rapidly growing financial environment.

Chapter 3: Project Part

3.1 Introduction

3.1.1 Literature Review

The banking sector of Bangladesh plays a crucial role in the economic growth of the country by offering financial services for business organizations and individual customers. In Bangladesh, the banks which was established in the early 1980s and late 1990s are called second generation banks in our country. These banks include Prime Bank PLC, Dutch Bangla Bank PLC, Dhaka Bank PLC, Premier Bank PLC, Brac Bank PLC and other banks are the important banks in the private banking industry. They are involved in an intensive competition with one another to improve their operational efficiency, consumer satisfaction and regulatory compliance.

To analyze the health and performance of the banks regulatory authorities and analyst depends the CAMEL rating system, which assess the banks' capital adequacy ratio, asset quality, management, earnings, liquidity and sensitivity. The regulatory authority rates the banks on the scale of 1 to 5. The CAMELS rating of 1 indicates that everything is running well for the organization while rating 5 indicates that the situation is getting worse as they are moving forward. This method is used to measure the companies' current financial situations.

Furthermore, compliance with Basel III accord id essential in order to ensure that financial insurance have sufficient capital resources and efficiently reduce the risk in accordance with the global standard and Bangladesh Bank rules and regulations. Basel III is the globally accepted list of regulations established by the Basel Committee on banking supervision in response to the economic crisis the occurred in 2008. Their main objective is to improve the supervision, risk management and financial institutions regulations. The central bank made a clear instruction in 2014 to follow the recommendations made by Basel committee. Bangladesh Bank, the central bank of Bangladesh has published a roadmap in 2014 to all the banks of Bangladesh to raise their capital adequacy ratio (CAR) from 10 percent to 12.5 percent against the risk weighted assets by 2019. Prime Bank PLC also fulfills the laws and regulations of Bangladesh Bank. Bangladesh Bank implement Basel III accord according to the Basel Committee to prevent liquidity crisis and strengthen capital structure against the risky situations. The leverage ratio was introduced in the Basel III accord with their primary objective is to prevent the high leverage in banking industry. Also, the leverage ratio ensure that banks does not produce too much debt which can harm both economy and financial institutions. Additionally, Basel III strengthen the risk base standards with a non-risk-based measure. According to Basel III, Prime Bank PLC develop a leverage ratio as a reliable metric against **risk-based** capital requirements.

The comparative analysis of Prime Bank with other second-generation banks using CAMELS rating and BASEL III accord provide a wide view of their financial situation, management practices, risk management tactics. This analysis will help me to find out which bank are the best prepared to deal with economic challenges and downwards.

3.1.2 Objective

The main objectives of this papers are-

- To compare and evaluate the Prime Banks financial performance and regulatory compliance with other second-generation banks of Bangladesh based on CAMEL rating system.
- To evaluate the degree of compliance of Prime Banks with other second-generation banks in Basel III accord, with a focus on risk management and capital adequacy ratio.
- To evaluate the strength and weakness of Prime Bank PLC with other second-generation Banks.
- To provide suggestions for improving Prime Bank PLCs financial strength and regulatory compliance.

3.1.3 Significance

Many factors make this project significance. The factors are-

- The research will provide valuable information about how Prime Bank PLC and other second-generation banks fulfils regulatory standards.
- A comprehensive analysis of CAMELS rating and Basel III accord which will help the stake holders and investors to know the risk and financial stability of these banks and the investment choices will be easier for them.
- This research allows me to apply my knowledge of banking industry and enhance my financial analysis skill, report writing abilities which will support my personal and professional growth.

- This research will serve as a resource for further study and add the information to the available banking performances and regulatory compliance.

3.2 Methodology

These research study follows a systematic method both quantitative and qualitative methods to provide a in depth analysis. Data is collected from both primary and secondary sources to access Prime Bank PLCs performance and regulatory frameworks with other second-generation banks.

3.2.1 Data Collection

Primary Data: Interviews with banking authorities to understand regulatory compliance and management procedures.

Secondary Data: Analysis on financial statements, annual reports, regulatory statements from Prime Bank PLC, Bangladesh Bank and other second-generation Banks.

3.2.2 Analysis

CAMELS Rating: Analysis of Capital Adequacy ratio, Assets quality, Management, Earnings, Liquidity and Sensitivity analysis by using the financial ratios of Prime Bank PLC and other second-generation banks.

Basel III: Analysis of Common equity Tier I, Tier I Capital Ratio, Tier II Capital Ratio, Cash Conservation Buffer by using the financial parameters of Prime Bank and other second-generation banks.

3.3 Finding and Analysis

3.3.1 CAMELS Rating

CAMELS rating is a method that is used by the financial institution to evaluate the financial performance of the banks to identify their strength and weakness. Regulatory authorities always keep an eye on banks to see whether or not there is any issue arise so that they can solve the problems before the bank runs out of money. The trust of the general people is related to the stability of the financial institutions and this trust can be strengthen by avoiding the collapse of the banks in the future. Banks are evaluated using a systematic review procedure by the regulatory authorities. The most common reason behind a bank's collapse is their poor management but pin pointing the exact reasons may be difficult. As a consequence of this, the CAMELS rating system which serves as a framework of the banks overall performance. The criteria of the CAMELS rating are-

- Capital Adequacy Ratio
- Asset Quality
- Management efficiency
- Earning Capacity
- Liquidity Ratio
- Sensitivity Ratio

These six evaluation techniques will be evaluated on a scale from 1 to 5. The ranking are as follows,

Rating 1: Outstanding performance of an institution.

Rating 2: Above average performance that ensure full security of the financial organization.

Rating 3: Indicate a few imperfections of the organization.

Rating 4: Indicates a lower performance below the ideal standard

Rating 5: Indicates disappointing performance, reflects the lowest level of performance.

The rating chart is attached below-

Table no 4: Camel Rating Chart

Rating	1	2	3	4	5
Capital Adequacy Ratio	Above 11%	8-11%	4-8%	1-4%	Below 1%
Asset Quality	Below 1.5%	1.5-3.5%	3.5-7%	7-9.5%	Above 9.5%
Management Efficiency	Below 25%	30-26%	38-31%	45-39%	Above 46%
Earning (ROA)	Above 1.5%	1.25-1.5%	1.01-1.24%	0.75-1%	Below 0.75%
Earning (ROE)	Above 22%	17-21.99%	10-16.99%	7-9.99%	Below 6.99%
Liquidity (L1=Advances/Deposit)	Below 60%	60-65%	65-70%	70-80%	Above 80%
Liquidity (L2=Circulating asset/total asset)					

Capital Adequacy Ratio:

The first component of CAMELS rating system is capital adequacy ratio which measures weather the banks have sufficient liquidity to cover its liabilities.

Capital Adequacy Ratio= (Tier 1 capital + Tier 2 Capital)/ Risk weighted Assets

Table no 5: Capital Adequacy Ratio

Capital Adequacy Ratio										
	2023		**2022**		**2021**		**2020**		**2019**	
	Ratio	**Rating**	**Ratio**	**Rating**	**Ratio**	**Rating**	**Ratio**	**Rating**	**Ratio**	**Rating**
Prime Bank PLC	19.07 %	1	16.78 %	1	17.17 %	1	17.28 %	1	17.42 %	1
Brac Bank PLC	18.61 %	1	19.38 %	1	20.42 %	1	15.13 %	1	16.16 %	1
Dutch-Bangla	16.16 %	1	15.55 %	1	16.41 %	1	17.23 %	1	15.53 %	1

Bank PLC										
Dhaka Bank PLC	15.04 %	1	14.12 %	1	14.65 %	1	14.52 %	1	16.12 %	1
Premier Bank PLC	13.58 %	1	14.18 %	1	13.97 %	1	13.64 %	1	12.61 %	1

Analysis: Capital adequacy ratio form the year 2019 to 2023 from the above table reflects the trends of financial health of some banks. During that time every bank has maintained a rating of 1 which indicates that they meet the requirements for the capital adequacy ratio. Prime Banks capital adequacy ratio increased from 2019 to 2023 from 17.42% to 19.07% which reflects their strong capital position. Brac Banks capital ratio was 16.16% in 2019 and it was 18.61% in the year 2023 and in 2021 their capital ratio was at peak with 20.42%. Dutch Bangla banks capital ratio was 15.55% in the year 2022 and then it increased to 16.16% in the year 2023, which indicates a stable position for the bank. however, Dhaka Banks capital ratio decreased from 2019 to 2023 from 16.21 to 15.04 percent showing a little buffer in their ratio. Lastly, Premier Bank has the lowest capital ratio among these banks from 12.61% in 2019 to 13.58% in 2023. All the banks on the lists fulfill the criteria of getting the Camel rating 1 for the capital ratio.

Asset Quality

The liquidity condition of any financial institutions is evaluated by looking into the loans the organization has issued, which are known as their assets. The quality of the assets is mostly consisting of loans and advances. In addition, it is necessary to focus on non-performing loans in the scenario that the institutions determines that the large amount of loans and advances will not be recovered.

Asset Quality = Non-Performing Loans/Total Loans

Table no 6: Asset Quality

Asset Quality										
	2023		2022		2021		2020		2019	
	Ratio	Rating	Ratio	Rating	Ratio	Rating	Ratio	Rating	Ratio	Rating
Prime Bank PLC	3.54 %	3	3.42 %	2	4.43 %	3	3.46 %	2	4.66 %	3

Brac Bank PLC	3.38 %	2	3.72 %	3	3.90 %	3	2.93 %	2	3.99 %	3
Dutch-Bangla Bank PLC	4.10 %	3	4.30 %	3	3.70 %	3	2.20 %	2	4.40 %	3
Dhaka Bank PLC	4.88 %	3	5.08 %	3	3.32 %	2	3.13 %	2	4.74 %	3
Premier Bank PLC	4.99 %	3	2.90 %	2	2.73 %	2	2.51 %	2	6.70 %	3

Analysis: The asset quality data from the year 2019 to 2023 illustrates variety of trends among the banks. Both Prime Bank PLC and Brac Bank has a moderate fluctuation of their asset quality where Prime Bank decreasing their asset quality from 4.66% in 2019 to 3.54% in 2023. The asset ratio of Brac Bank is more stable with their modest improvement in 2023 with 3.38% from their peak point of 3.99% from year 2019. Both Dutch Bangla Bank, Dhaka Bank and Premier Bank have the higher asset ratios compare to the previous banks which indicates they have a risky loan portfolio compare to the above two banks with Dutch Bangla Bank at 4.10%, Dhaka Bank at 4.88% and Premier Bank at 4.99%. Although most banks have reported improvements of their ratios but there are still some instabilities.

Management Efficiency

Management efficiency is crucial for achieving the organizational success. If a business can effectively handle their regular operation cost, an organization may generate revenue and achieve profitability. This management efficiency evaluates how effectively an organization handled their opportunities and threat in their competitive environment. Management success is evaluated based on their adaptability od market demand, effectively allocating roles and duties and developing plans and work instructions.

Management Efficiency = Total Operating Expense/ Net Income

Table no 7: Management Efficiency

Management Efficiency										
	2023		2022		2021		2020		2019	
	Ratio	**Rating**	**Ratio**	**Rating**	**Ratio**	**Rating**	**Ratio**	**Rating**	**Ratio**	**Rating**
Prime Bank PLC	47.21 %	5	46.99 %	5	45.24 %	4	54.88 %	5	50.82 %	5
Brac Bank PLC	56.00 %	5	58.00 %	5	53.00 %	5	58.00 %	5	53.00 %	5

Dutch-Bangla Bank PLC	59.50 %	5	61.30 %	5	58.80 %	5	60.50 %	5	58.20 %	5
Dhaka Bank PLC	44.00 %	4	49.00 %	5	43.00 %	4	49.00 %	5	44.00 %	4
Premier Bank PLC	48.22 %	5	46.04 %	5	42.45 %	4	44.16 %	4	43.50 %	4

Analysis: The management efficiency ratios from 2019 to 2023 shows a clear picture of the bank's deployment of their resources. Prime Bank improved their efficiency as seen from their ratios falling from 50.82% in 2019 to 47.21% in 2023 which indicates their better management. The ratio of Brac Bank and Dutch Bangla Bank remained high in the year 2023, with Brac Bank reaching 56% and Dutch Bangla Bank reaching 59.50%. This high management efficiency ratio indicates that Brac Bank and Dutch Bangla Bank have lower efficiency. In 2023, Dutch Bangla Bank showed a superior performance with a lower ratio of 44% which indicate their high efficiency level. On the other hand, Premier Bank had minor fluctuations which reach 48.22% in the year 2023. While some banks seem to be managing their finances with lower ratios, others seem to struggle in rising expenses.

Earning Capacity

Earning capacity measure the capability of banks to regularly earn their profit. The financial situation of banks shows their ability to fund their day-to-day operations and also it indicates that how well equipped it is to face unexpected challenges.

Return on Assets (ROA) = It shows the ratio of how profitable the companies' assets are in generating revenue.

ROA= Net Profit/ Total Assets

Table no 8: Earning Capacity (ROA)

Earning Capacity Ratio (ROA)										
	2023		2022		2021		2020		2019	
	Ratio	Rating	Ratio	Rating	Ratio	Rating	Ratio	Rating	Ratio	Rating
Prime Bank PLC	1.06 %	3	0.98 %	4	0.84 %	4	0.54 %	5	0.54 %	5
Brac Bank PLC	1.13 %	3	1.14 %	3	1.31 %	2	1.19 %	3	1.64 %	1
Dutch-Bangla Bank PLC	1.40 %	2	1.10 %	3	1.10 %	3	1.30 %	2	1.20 %	3

Dhaka Bank PLC	0.48 %	5	0.49 %	5	0.65 %	5	0.70 %	5	0.56 %	5
Premier Bank PLC	1.09 %	3	1.09 %	3	0.97 %	4	0.71 %	5	1.40 %	2

Analysis: The statistics on the earing capacity ratio (ROA) from the year 2019 to 2023 illustrates how differently profitable the banks are form one another. Prime Bank PLC's ROA consistently increased from 0.54% in 2019 to 1.06% in 2023 also improved their rating from 5 to 3 over the four years. Brac Banks earning capacity decreased from a maximum ROA of 1.64% in 2019 to 1.13% in 2023, also decrease their rating from 1 to 3 in 2023 over the years. Dutch Bangla Bank has generated a robust ROA of 1.4% in the year 2023, which is an improvement over the previous years. However, Dhaka Banks ROA is relatively low compare to other banks with the ratio of 0.48% in 2023, indicates that they had a poor profitability on a continual basis. The ROA of Premier Bank saw some ups and downs over the years, in 2023 their ROA has improved a little to 1.09% with a rating of 3. Although some banks are showing the signals of progress, others are still struggling to enhance their ability to generate profits.

Return on Equity (ROE) = It reveals the profitability of a company in relation to the equity of its shareholder.

ROE = Net Profit/ Shareholders Equity

Table no 9: Earning Capacity Ratio (ROE)

Earning Capacity Ratio (ROE)										
	2023		**2022**		**2021**		**2020**		**2019**	
	Ratio	**Rating**	**Ratio**	**Rating**	**Ratio**	**Rating**	**Ratio**	**Rating**	**Ratio**	**Rating**
Prime Bank PLC	14.33 %	3	12.93 %	3	10.61 %	3	6.31%	5	5.93%	5
Brac Bank PLC	11.95 %	3	10.22 %	3	11.00 %	3	10.69 %	3	15.60 %	3
Dutch-Bangla Bank PLC	17.90 %	2	14.40 %	3	16.10 %	3	18.40 %	2	17.20 %	2
Dhaka Bank PLC	8.14%	4	8.09%	4	10.53 %	3	11.28 %	3	9.28%	4
Premier Bank PLC	16.67 %	3	17.17 %	2	15.41 %	3	10.62 %	3	19.70 %	2

Analysis: In the period from 2019 to 2023, the earning capacity ratio (ROE) illustrates a variety of profitability patterns in the banking industry. The tables show that, Prime Banks ROE increasing from 9.53% in 2019 to 14.33% in the year 2023 also they increased the rating from 5 to 4 over the years which indicates a consistent improvement for the banks. Brac Banks performance was more consistent, with only minor fluctuations in ROE of 11.95% in 2023, which is lower than 15.06% which achieved in 2019. Dutch Bangla Bank has a robust profitability ratio with a ROE of 17.90% in 2023, with a consistent rating of 2 and 3. Dhaka Bank PLC struggles with their declining ROE, dropping from 9.28% in 2019 to 8.14% in 2023. Although the face fluctuations in their rating, they had a good ROE of 11.28% in 2020 and 10.53% in 2021. Premier Bank shows an increase in their ROE from 10.62% in 2020 to 16.67% in 2023 though their fluctuations in their rating. Although some banks are showing the signals of progress, others are still struggling to enhance their ability to generate profits.

Liquidity Management

Liquidity management is one of the most important components for the financial institutions. Liquidity management refers to the quantity of liquid money the bank hold to satisfy their short-term obligations. The liquid fund is kind of a assets which can be quickly converted into cash or other liquid assets. Their liquidity management will be significantly impacted if the bank is unable to meet their short-term liquidity needs.

Liquidity Ratio (Loan to Deposit): It helps to evaluate the efficiency of banks in generating their loans, their liquidity requirements with their earnings.

Loan to Deposit = Total Loan/ Total Deposit*100

Table no 10: Liquidity Ratio (Loan to Deposit)

Liquidity Ratio [Loan to Deposit] (L1)										
	2023		2022		2021		2020		2019	
	Ratio	Rating	Ratio	Rating	Ratio	Rating	Ratio	Rating	Ratio	Rating
Prime Bank PLC	103.28%	5	111.53%	5	108.21%	5	99.73%	5	98.85%	5
Brac Bank PLC	101.08%	5	106.82%	5	102.10%	5	94.47%	5	98.43%	5
Dutch-Bangla Bank PLC	87.19%	5	83.08%	5	79.56%	4	75.40%	4	84.80%	5
Dhaka Bank PLC	90.82%	5	98.46%	5	93.51%	5	96.59%	5	95.65%	5
Premier Bank PLC	91.33%	5	89.24%	5	92.94%	5	88.24%	5	90.26%	5

Analysis: Loan to deposit analysis data from 2019 to 2023 shows various liquidity positions among the banks. The ratios of Prime Bank and Brac Bank is constantly high through the years and both of them a above 100% loan to deposit ratio. Which indicates that they are lending more money than they in their deposit, it may cause liquidity crisis. In the year 2022, Prime Bank has the highest ratio with 111.53% but they recovered their ratio in the year 2023 with 103.28%. Dutch Bangla Bank has more stable liquidity position as their ratio below 90% which indicates that the are cautious in their lending practices. Both Dhaka Bank and Premier Bank maintain a stable liquidity ratio of around 90% in the year 2023. Overall, the majority of bank has higher loan to deposit ratio, which indicate their aggressive lending alongside liquidity issue.

Liquidity Ratio (Liquidity Coverage): This ratio helps to guarantee that the banks are ready to face temporary liquidity disruptions and can satisfy their customers withdrawal demand.

Table no 11: Liquidity ratio (Liquidity Coverage)

Liquidity Ratio [Liquidity Coverage] (L2)										
	2023		2022		2021		2020		2019	
	Ratio	Rating	Ratio	Rating	Ratio	Rating	Ratio	Rating	Ratio	Rating
Prime Bank PLC	84.87%	5	84.38%	5	82.64%	5	82.66%	5	80.56%	5
Brac Bank PLC	94.17%	5	94.07%	5	93.27%	5	94.61%	5	94.38%	5
Dutch-Bangla Bank PLC	166.00%	5	165.00%	5	161.00%	5	153.00%	5	132.00%	5
Dhaka Bank PLC	92.29%	5	92.75%	5	93.09%	5	92.86%	5	92.56%	5
Premier Bank PLC	87.33%	5	89.29%	5	89.33%	5	90.38%	5	91.30%	5

Analysis: The liquidity coverage data from 2019 to 2023 shows the banks abilities to meet their short-term liquidity needs. Prime Bank constantly have inadequate liquidity coverage ratio with anywhere between 80% to 85% across the years. This indicate that there may be a short-term liquidity issue in the bank. The liquidity coverage ratio of Brac Bank and Dutch Bangla Bank shows a stable liquidity coverage ratio, Brac Bank liquidity coverage ratio was close to 95% which indicates that they are sufficient but slightly below the capital buffer. Dutch

Bangla Bank has the highest coverage ratio of 166% in 2023, which higher than the required ratio by the regulatory agencies. Dhaka Bank and Premier Bank shows a consistent coverage ratio of around 90% in 2023. Overall, most of the bank show their liquidity coverage that lower than their required ratio, except for Dutch Bangla Bank which shows a strong liquidity strength.

Composite Camel Rating

Table No 12: Composite Camel Rating

CAMELS Rating						
	C	A	M	E	L	AVG
Prime Bank PLC	1	3	5	3	5	**3.4**
Brac Bank PLC	1	2	5	3	5	**3.2**
Dutch-Bangla Bank PLC	1	3	5	2	5	**3.2**
Dhaka Bank PLC	1	3	4	4.5	5	**3.5**
Premier Bank PLC	1	3	5	3	5	**3.4**

The camel rating table provide a complete analysis the performance of banking industry in various perspective. Prime Bank has received an average score of 3.4, which indicates that its overall performance is in the modest side. In comparison, Brac Bank and Dutch Bangla Bank's average score is 3.2, which indicate that they perform marginally better than Prime Bank. Prime Bank is noteworthy for their outstanding performance in capital adequacy ratio, where it received a perfect score of 1, aligning with their robust capital position. On the other hand, it faces some problems in management efficiency and liquidity, both have a rating of 5. Which indicates their inefficiency in management of expense and risks related to liquidity. In terms of Earning ratio Prime Bank is be

3.3.2 Basel Accord

The Basel Committee on Banking Supervision (BCSB) was founded in 1974 by the central bank governors of G10 countries. Their primary objective was to strengthen the regulations, supervision and practices of the bank worldwide. Basel I was first introduced in 1988 and put into effect by G10 countries in 1992. Basel I main objective was to focused on credit risk and minimal capital requirement for a financial institution. In the first stage of Basel I, it is considered as too simple due to their only risk factor credit risk and did not mention about market risk or operational risk. As a result of that, Basel II was introduced in 2004 and banks started to adopt it in 2007. Basel II was basically a improve version of Basel I with extending the risk management above the credit risk to add the market risk and operating risk with the credit risk. However, Basel II was criticized for being too complicated and dependent on banks internal risk models, but in 2008 financial crisis revealed that the banks internal risk model is insufficient for the banks. In 2010, Basel III was introduced in response of the 2008 financial crisis which revealed many weaknesses of the banking industry specially in the capital adequacy and liquidity management. Basel III started implement from 2013 and Basel III started their journey in Bangladesh from January 2015. From the January, 2015, Bangladesh Bank prepared a roadmap and guidance to implement Basel III. Basel III is further improved in risk management, liquidity and capital base management. The Basel III's new liquidity criteria for banks may enable them to survive in the major financial crisis. The core elements of Basel III compliance are-

Table no 13: Elements of Basel III

Common equity Tier 1 capital	• Paid up capital • Statutory reserve • General reserve • Non repayable share premium account • Retained earning • Dividend Equalization reserve • Minority interest in subsidiaries
Additional Tier 1 Capital	• Instruments issued by banks that meet the qualifying criteria • Minority interest (AT1 issued by conciliated subsidiaries to third party)
Tier 2 capital	• General provisions • Sub ordinated debt/instruments issued by the bank to qualifying criteria for tier 2. • Minority Interest (T2 issued by conciliated subsidiaries to third parties)

3.3.2.1 Limits of Basel III

These guidelines are implemented gradually beginning in January 2015, with the complete implementation of capital ratios beginning of 2019. The minimal capital requirements are attached below-

Table no 14: Capital Requirements of Basel III

	2015	2016	2017	2018	2019
Minimum Common Equity Tier 1 Capital Ratio	4.5%	4.5%	4.5%	4.5%	4.5%
Capital Conservation Buffer	-	0.625%	1.25%	1.875%	2.5%
Minimum CET1 Plus Capital Conservation Buffer	4.5%	5.125%	5.75%	6.375%	7%
Minimum Tier 1 Capital ratio	5.5%	5.5%	6%	6%	6%
Minimum Total Capital Ratio	10%	10%	10%	10%	10%
Minimum Total Capital Plus Capital Conservation Buffer	10%	10.625%	11.25%	11.875%	12.5%

Source: BB Capital adequacy requirement

3.3.2.2 Capital Structure of Prime Bank PLC

All the qualitative and quantitative data were taken from the annual reports of prime bank and the Basel guidelines documents.

Common Equity Tier -1

Common Equity Tier 1 is made up with the bulk number of common shares which belongs to banks or other financial organization. These specific measures have been taken from the industry to prevent financial downfall. Common equity is calculated by deducting the preferred equity from total shareholders' equity. Common stock is a crucial part for the investors as this is the important part of the investment roadmap.

Table no 15: Common Equity Tier I

Common Equity Tier I	
	Year 2023
Criteria	**Prime Bank (in Cr)**
Common Equity Tier 1	
Paid Up Capital	1132.28
Non repayable share premium	121.19
Statutory reserve	1035.34
General reserve	-

Retained earnings	1048
minority interest in subsidiaries	-
Dividend equalization account	-
Additional Tier 1 Capital	
Instruments issued by banks that meet the qualifying criteria	-
Minority interest	-
Total Tier 1 Capital	**3314.75**

Tier II Capital

The term Tier II capital refers to the second layer of capital in the list. The bank is required to maintain a portion of its necessary reserves. In times of economic hardship, tier ii capital serves as an insurance that a bank can depend on. Tier II capital consist of less stable but vital components for the stability of the banks. Tier II capital is seen riskier than tier I capital as their lower availability during emergencies. Basel III limits the amount of tier ii capital that the bank can use to meet their overall capital needs.

Table no 16: Tier II Capital

Tier II Capital	
	Year 2023
Criteria	**Prime Bank (in Cr)**
General Provision maintained against unclassified loan	632.844
General Provision on off-balance sheet exposure	228.61
General Provision on off-shore banking units	54.70
Special General Provision Covid-19	65.20
Prime Bank sub-ordinated Bond	440.00
Total Tier II Capital	**1421.35**

Risk Weighted Assets

A major idea of Basel III regulatory framework is risk weighted assets. It highlighted the alignments of banks capital need with the risk of its assets, ensuring that the bank hold the minimum capital with the exposure against their risk. This layer of capital keeps the financial organization stable by limiting taking the excessive risks without their sufficient capital reserve. The risk weighted assets includes loans, investments or other assets each given a risk weight according to the probability of default or anticipated loss. Riskier assets such as unsecured loans are distributed into higher risk weights while less riskier assets such as governments bonds are considered as lower risk assets. During economic downfall risk weighted capital methods lowers the possibility of banks failure by retaining more capitals against the risk weighted assets.

Table no 17: Risk Weighted Assets

Risk Weighted Assets	
	Year 2023
Criteria	**Prime Bank (In Cr)**
Risk weighted assets for credit risk	21269.85
Risk weighted assets for market risk	1223.55
Risk weighted assets for operational risk	2572.32
Total Tier II Capital	**25065.72**

Basel III Accord of Prime Bank PLC

Table no 18: Basel III Accord of Prime Bank

Basel III Accord	
	Year 2023
Criteria	**Prime Bank (In Cr)**
Capital to risk weighted assets ratio	17.06%
Common equity tier I to risk weighted asset ratio	11.39%
Tier I Capital ratio	11.39%
Tier II Capital ratio	5.67%
Capital Conservation Buffer	5.39%
Minimum Capital requirement	2506.57 Cr

Minimum Requirement:

- Tier 1 Capital ratio: 6%
- Total Capital ratio: 10%
- Capital conservation buffer: 2.5%
- Total capital plus capital conservation buffer: 12.50%

Prime Bank surpluses the Basel III requirement for the year 2023 showing a strong capital position. The banks capital to risk weighted assets ratio is 17.06% is much higher than the capital requirement of 10%. The common equity tier 1 to risk weighted assets and tier 1 capital ratio is both 11.39% which is above the Basel III requirement of 6%. Prime Bank maintains a capital conservation buffer of 5.39% which is more than twice of the minimum requirement of 2.5%. It indicates that they are well prepared to deal with losses during the financial crisis. Its tier II capital ratio is 5.67%. Prime Banks strong ratio indicates a solid financial position which easily satisfy the Basel III requirement.

3.3.2.3 Basel III Accord of Other Second-Generation Banks

Table no 19: Basel III Accord of Other Second-Generation Banks

Basel III Accord Other Second-Generation Banks				
Criteria	**DBBL**	**Premier Bank**	**Dhaka Bank**	**Brac Bank**
Capital to risk weighted assets ratio	16.16%	13.51%	15.03%	14%
Common equity tier I to risk weighted asset ratio	11.84%	8.43%	9.13%	12.44%
Tier I Capital ratio	11.84%	9.11%	9.98%	12.44%
Tier II Capital ratio	4.32%	4.40%	5.05%	1.57%
Capital Conservation Buffer	5.84%	3.18%	4.63%	4%

3.4 Comparative Analysis of Basel III

There are few differences between Basel III ratios of prime bank and other second-generation banks. Among the banks' Prime Bank has the highest capital to risk weighted assets ratio 17.06%, then comes DBBL with closest 16.16% and the Premier bank has the lowest 13.51%. Common equity tier I to risk weighted asset ratio of prime bank is 11.39%, which is higher than the Premier Banks 8.43% and Dhaka Banks 9.13% but significantly lower than the DBBL's 11.8% and Brac Banks 12.44%. Prime Banks Tier I capital ratio of 11.39% is higher than Dhaka Bank and Premier Bank but lower than DBBL and Brac Bank which have ratios of 11.84% and 12.44%. Prime Banks outperforms all the bank's Tier II capital ratio 5.67%. When it comes to capital conservation buffer, Prime Bank has the 5.39% which is higher than the minimum requirement of 2.5%. but it is somewhat lower than DBBL's 5.84% but stronger than other three banks.

3.5 Summary and Conclusions

The analysis of Prime Bank based on the Camel rating system and Basel III accord, they identify both its strong points and the areas for improvement. Compared to its competitor, Prime Bank shows a high level of capital adequacy ratio, as they received continuously high ratings in this area. Prime Bank also does very well in maintaining assets quality and earnings compared to its competitor. However, they are facing challenges in management efficiency and liquidity when compared to the banks with better management performance such as Brac Bank, Dutch Bangla Bank.

In the Basel III accord, Prime Bank has a much higher ratio compared to its competitors in capital to risk weighted assets ratio 17.06% and common equity tier I ratio 11.39% and both are above the minimum regulatory standard. Prime Bank has a capital conservation buffer of 5.39% which indicates they have the ability to cope up losses in any financial distress. The capital structure of Prime Bank is strong compared to other second-generation banks such as Dhaka Bank, Premier Bank, Dutch Bangla Bank and Brac Bank.

However, in the liquidity section, Prime Bank is facing risk due to their loan to deposit ratio which is over 100% indicates their aggressive lending practices that may put pressure in liquidity. The liquidity coverage ratio of Prime Bank is lower than the Basel III requirement of 100% which indicates they may face difficulties in meeting their short-term obligation. On the other hand, Dutch Bangla Bank demonstrate an excellent liquidity management by maintain a higher liquidity coverage ratio.

In conclusion, Prime Bank is financially strong and well capitalized in Basel III requirements, but in order to lower the risks and long-term sustainability they need to focus on improving their management efficiency and liquidity risks. To be strong and competitive in this changing banking industry, the bank has to solve this issue.

3.6 Recommendations

The Camel rating systema and Basel III accord compliance evaluations of Prime Bank's performance led to the following recommendations to improve their overall stability and competitiveness-

- Prime Bank should improve their operational process to enhance their management efficiency. In order to improve their operational efficiency, they might improve decision making process, enhance staff training and implement stronger performance metrics.
- Maintaining asset quality is crucial for long term sustainability. They should focus on their credit risk management, loan evaluations and monitoring high risk portfolios.
- Prime Bank surpass the minimum capital requirement however diversifying their capital structure may boost their stability. To improve that they could consider issuing more additional tier 1 capital.
- Prime Bank should invest on AI driven analytical tools and automated procedures to improve their operational efficiency and customer service.

These are some areas Prime Bank may make improvements to improve their overall performance, reduce risks and stay competitive and sustainable in the long run.

References

Afroj, F. (2022). Financial strength of banking sector in Bangladesh: a CAMEL framework analysis. Asian Journal of Economics and Banking, 6(3), 353–372. https://doi.org/10.1108/ajeb-12-2021-0135

Ali, M. R., Ratul, M. R., Tisha, R. T., & Islam, M. A. (2021). A comparative performance evaluation of banking industry in Bangladesh: CAMEL rating approach. International Journal of Financial Engineering, 08(01), 2050052. https://doi.org/10.1142/s2424786320500528

Bank, D. B. (n.d.). Dutch-Bangla Bank. https://www.dutchbanglabank.com/investor-relations/financial-statements.html

Basel III: international regulatory framework for banks. (2017, December 7). https://www.bis.org/bcbs/basel3.htm

BRAC Bank. (n.d.). https://www.bracbank.com/en/investor-relations

Chowdhury, S. P. (2020, April 1). Use of CAMEL rating framework: a comparative performance evaluation of selected Bangladeshi public, private and foreign commercial banks. https://dspace.bracu.ac.bd/xmlui/handle/10361/14915

Financial Reports - home. (n.d.). https://premierbankltd.com/pbl/financial-reports/

Haq, A. H. M. Z., & Nasrin, H. (2020). Benchmarking and rating of private commercial Banks of Bangladesh through CAMELS components. Bangladesh Journal of Multidisciplinary Scientific Research, 2(2), 40–49. https://doi.org/10.46281/bjmsr.v2i2.783

Mahmud, I. (2023). CAMEL Ratios and Market Profitability: A study on Banking Sector in Bangladesh. Journal of Financial Markets and Governance, 2(1). https://doi.org/10.54728/jfmg-202209-00062

Prime Bank PLC. (n.d.). primebank.com.bd. https://www.primebank.com.bd/meet-prime-bank

Rajibul, K., & Pareek, G. (2022). IMPACT OF COVID-19 ON THE CAPITAL MANAGEMENT (IMPLEMENTATION AND COMPLIANCE OF THE BASEL-3 FRAMEWORK) OF THE BANKS IN BANGLADESH. Asian Finance & Banking Review, 16–24. https://doi.org/10.46281/asfbr.v6i1.1798

Singhal, P. K. (2020, September 2). An Analysis of Public Sector Banks' Performance using CAMEL Rating Model. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3691543

Appendix A.

BDT in million

Balance Sheet	2023	2022	2021	2020	2019	2018
Authorized capital	25,000	25,000	25,000	25,000	25,000	25,000
Paid-up capital	11,323	11,323	11,323	11,323	11,323	11,323
Shareholders' equity	34,971	32,305	29,889	28,765	28,150	27,894
Deposits	305,269	265,841	243,070	233,028	216,444	197,518
Loans and advances	315,293	296,481	263,015	232,400	213,955	205,810
Investments	86,346	69,211	59,144	54,881	46,914	26,046
Property, plant and equipment	8,566	8,917	8,326	8,150	8,139	6,943
Total assets	473,091	433,410	389,878	347,502	323,788	295,613
Total liabilities	438,121	401,105	359,990	318,737	295,637	267,720

BDT in million except Numbers

Other Business	2023	2022	2021	2020	2019	2018
Import	189,782	199,737	223,419	147,811	185,735	182,263
Export	192,727	206,693	154,746	118,091	137,787	134,616
Remittance	42,230	46,786	38,710	49,267	50,353	45,755
Guarantee Business	18,819	12,959	10,410	14,894	20,137	23,250
No. of Foreign Correspondents	580	596	594	632	650	672

6 YEARS' HISTORICAL PERFORMANCE (TABULAR PRESENTATION)

BDT in million

Result of Operation	2023	2022	2021	2020	2019	2018
Interest income	24,177	18,197	14,852	15,913	19,957	18,191
Interest expenses	14,894	9,834	6,789	10,339	11,684	10,541
Net interest income	9,284	8,363	8,063	5,574	8,273	7,650
Investment income	5,129	3,908	4,115	4,581	2,865	2,154
Commission, exchange and brokerage	1,904	3,177	1,865	1,714	2,168	2,209
Other Operating Income	1,450	1,054	1,006	785	825	887
Operating income	17,767	16,502	15,049	12,653	14,131	12,899
Operating expenses	8,388	7,754	6,809	6,944	7,181	7,180
Operating profit	9,378	8,748	8,241	5,709	6,950	5,719
Provision for loans and assets	2,574	2,517	2,644	1,711	2,300	1,782
Net profit before tax	6,805	6,232	5,596	3,998	4,650	3,938
Tax including deferred tax	1,983	2,210	2,485	2,201	2,988	1,745
Net profit after tax	4,821	4,022	3,111	1,797	1,662	2,193

STANDALONE INFORMATION	2023	2022	2021	2020	2019
EBITDA (Operating Profit + Depreciation & Amortization)	15,836	12,921	12,676	10,284	11,584
Profit before tax	11,013	8,939	7,890	6,735	8,505
Net profit after tax	7,304	5,763	5,547	4,541	5,646
CAPITAL MEASURES					
Authorized capital	50,000	20,000	20,000	20,000	20,000
Paid up share capital	16,088	14,966	13,922	13,259	12,334
Risk weighted assets	393,464	349,832	307,360	276,175	244,401
Common equity tier-1 capital	48,931	43,433	39,607	36,473	33,784
Total admissible tier-1 capital	48,931	43,433	39,607	36,473	33,784
Total admissible tier-2 capital	6,161	5,685	4,525	3,709	3,038
Total capital	55,093	49,119	44,132	40,182	36,822
Capital surplus/(deficit)	5,910	5,390	5,712	5,660	6,272
Common equity tier-I (CET1) capital ratio	12.44%	12.42%	12.89%	13.21%	13.82%
Total capital to risk-weighted asset ratio (CRAR)	14.00%	14.04%	14.36%	14.55%	15.07%
ASSETS QUALITY					
Total loans and advance	519,452	410,676	321,212	273,063	264,091
Classified loans	17,534	15,269	12,523	8,009	10,525
Provision for unclassified loans (GP)	5,082	4,774	3,818	3,254	2,646
Provision for classified loans (SP)	11,667	9,401	8,961	7,494	6,081
Provision for off balance sheet items	1,080	911	707	455	392
Percentage of NPLs to total loans and advances	3.38%	3.72%	3.90%	2.93%	3.99%
NPL coverage ratio (incl. GP)	115%	111%	124%	171%	97%
NPL coverage ratio	75%	69%	82%	114%	65%
FOREIGN EXCHANGE BUSINESS					
Import	249,902	211,111	134,102	81,820	90,661
Export	161,784	148,284	93,786	68,863	71,360
Remittance (inward)	249,361	140,826	137,771	111,468	112,009
Guarantee	13,595	13,555	4,856	2,136	7,783
OPERATING PROFIT RATIOS					
Cost of fund	5.03%	4.83%	4.49%	6.41%	7.04%
Return on assets	1.13%	1.14%	1.31%	1.19%	1.64%
Return on equity	11.95%	10.22%	11.00%	10.69%	15.60%
Return on investment	4.62%	4.69%	6.04%	5.79%	8.04%
Return on Capital Employed	4.40%	4.49%	5.00%	4.50%	6.57%
Debt equity ratio (times)	9.76	8.05	6.65	6.98	7.84
Gross profit margin	60%	67%	75%	60%	59%
EBITDA margin	30%	32%	41%	30%	32%
Net Profit margin	14%	14%	18%	13%	16%
Net interest income ratio	56%	57%	60%	55%	70%
MANAGEMENT EFFICIENCY RATIOS					
Operating income per employee	3.84	3.38	3.07	2.63	2.62
Operating cost per employee	2.15	1.96	1.63	1.52	1.40

STANDALONE INFORMATION	2023	2022	2021	2020	2019
Operating profit per employee	1.69	1.42	1.44	1.11	1.22
PBT per employee	1.34	1.14	1.04	0.87	1.04
Employee productivity rate (income per hour in BDT)	3,753	2,636	2,064	2,195	2,281
Customer retention ratio	68%	75%	90%	60%	89%
Cost to income ratio	56%	58%	53%	58%	53%
Current ratio	118%	108%	111%	105%	106%
Quick ratio	115%	106%	109%	103%	104%
Net interest income as a percentage of Operating cost	100%	99%	113%	96%	131%
Non-interest income as a percentage of Operating cost	36%	40%	29%	23%	29%
DIVIDEND PAYMENT					
Cash	10.0%*	7.5%	7.5%	10.0%	7.5%
Stock	10.0%*	7.5%	7.5%	5.0%	7.5%
Total dividend	20%	15%	15%	15%	15%
Dividend coverage ratio	2.27	2.57	2.66	2.28	3.05
* Proposed					
SHARES INFORMATION					
No. of shares	1,608,829,227	1,496,585,328	1,392,172,399	1,325,878,476	1,233,375,327
Earnings per share (BDT)	4.54	3.58	3.71	3.26	4.26
Number of shareholders	23,478	23,031	17,026	18,659	16,765
Market value per share (year end) in taka	35.80	38.50	55.30	44.30	57.10
Price earnings ratio	7.89	10.75	13.88	12.94	12.47
Net asset value per share in taka	39.64	36.31	36.36	33.38	29.35
Market capitalization at the year end	57,596	57,619	76,987	58,736	70,426
DISTRIBUTION NETWORK					
Number of customer (mn)	1.8	1.4	1.3	1.1	1.3
Number of branches	120	120	120	120	120
No. of SME SC/KB	67	67	67	67	67
Number of sub-branches	40	11	-	-	-
Number of SME unit office	446	457	456	456	456
Number of ATMs	329	324	373	375	424
Number of RCDMs	68	39	-	-	-
Number of CRMs	10	9	-	-	-
Number of employees	8,231	7,863	7,619	7740	8,160
Number of foreign correspondents	400	399	391	381	379

BDT in Million unless otherwise specified

CONSOLIDATED INFORMATION	2023	2022	2021	2020	2019
FINANCIAL POSITION					
Cash and bank balances	74,496	84,822	101,721	62,638	69,662
Investments	191,144	116,552	70,069	94,095	55,952
Money at call and short notice	3,000	6,826	3,500	-	-
Loans and advances	520,288	412,085	322,135	273,439	264,870
Fixed asset	13,019	13,463	12,834	10,606	10,873
Other assets	33,816	20,819	16,222	13,863	12,004
Goodwill	1,373	1,373	1,427	1,427	1,427
Non-banking assets	10	11	5	66	66
Total assets	**837,145**	**655,950**	**527,913**	**456,134**	**414,855**
Borrowing	103,354	81,094	47,327	35,943	35,949
Affordable housing bond	4,751	4,751	-	-	-
Money at call and on short notice	550	-	-	85	1,274
Deposit and other accounts	588,430	447,058	364,330	333,616	297,755
Other liabilities	53,040	41,983	39,308	32,732	33,214
Total shareholders' equity	66,541	61,186	57,187	48,111	40,582
Total shareholders' equity/ Net Assets	66,541	61,186	57,187	48,111	40,582
Non controling interest	20,479	19,878	19,761	5,648	6,081
Total liability and shareholders' equity	**837,145**	**655,950**	**527,913**	**456,134**	**414,855**
CAPITAL MEASURES					
Risk weighted assets	428,039	380,319	337,282	297,178	264,598
Common equity Tier-1 capital	73,493	68,016	64,354	41,252	39,733
Total admissible Tier-1 capital	73,493	68,016	64,354	41,252	39,733
Total admissible Tier-2 capital	6,161	5,685	4,525	3,709	3,038
Total capital	79,655	73,702	68,879	44,962	42,771
Capital surplus/(Deficit)	26,150	26,162	26,718	7,814	9,696
Common equity Tier-I (CET1) capital ratio	17.17%	17.88%	19.08%	13.88%	15.02%
Total capital to risk-weighted asset ratio (CRAR)	18.61%	19.38%	20.42%	15.13%	16.16%
INCOME STATEMENT- PERFORMANCE AND PROFITABILITY					
Total revenue	46,447	37,857	31,623	28,554	27,819
Interest income	41,864	31,370	24,225	27,080	32,623
Interest expense	21,315	12,954	7,913	13,725	14,698
Investment income	12,687	7,586	7,142	8,182	3,057
Commission exchange & brokerage	13,039	11,522	7,993	6,846	6,599
Non-interest income	13,211	11,854	8,168	7,017	6,837
Total operating expenses	30,720	26,392	21,515	20,345	18,859
Total income	67,762	50,811	39,536	42,279	42,517
Total expenditure	52,035	39,346	29,428	34,070	33,557
Operating profit	15,727	11,465	10,107	8,209	8,960
Profit before tax	12,823	9,283	6,910	6,336	7,501
Net profit after tax	8,275	6,142	4,653	4,041	4,583
Earnings per share (BDT)	4.73	3.75	3.65	3.17	3.73
Cost-to-income ratio	66%	70%	68%	71%	68%

BDT in Million unless otherwise specified

STANDALONE INFORMATION	2023	2022	2021	2020	2019
FINANCIAL POSITION					
Cash and bank balances	46,304	48,032	42,558	33,602	38,629
Money at call and short notice	3,000	6,826	3,500	-	-
Investments	115,657	64,288	51,591	68,896	45,944
Loans and advances	519,452	410,676	321,212	273,063	264,091
Fixed asset	7,627	7,779	7,455	6,829	8,189
Other assets	34,672	25,658	22,764	14,526	12,485
Non-banking assets	10	11	5	66	66
Total assets	**726,723**	**563,271**	**449,084**	**396,982**	**369,404**
Borrowing	103,147	80,870	47,310	35,283	35,390
Affordable housing bond	4,751	4,751	-	-	-
Money at call and on short notice	550	-	-	85	1,274
Deposit and other accounts	513,909	384,467	314,591	289,054	268,309
Other liabilities	40,584	34,766	32,763	26,083	25,512
Total shareholders' equity/ Net Asset	63,782	58,418	54,419	46,477	38,919
Total liability and shareholders equity	**726,723**	**563,271**	**449,084**	**396,982**	**369,404**
AD ratio	74.29%	79.94%	81.86%	76.69%	82.10%
Off balance sheet items	182,588	129,667	134,197	93,580	100,137
Interest earning assets	702,954	547,373	434,883	384,778	356,631
Non-interest earning assets	23,770	15,899	14,201	12,204	12,773
Liquid asset to total deposit ratio	34.29%	29.28%	27.40%	32.03%	26.45%
Liquid asset to short term liabilities	197.70%	182.10%	204.39%	229.33%	153.88%
Liquidity coverage ratio (LCR)	170.38%	227.96%	226.61%	358.97%	218.19%
Net stable funding ratio (NSFR)	120.72%	117.74%	105.92%	106.02%	110.01%
INCOME STATEMENT- PERFORMANCE AND PROFITABILITY					
Total revenue	31,610	26,571	23,364	20,336	21,388
Interest income	39,086	28,462	21,586	24,709	29,692
Interest expense	21,367	13,227	7,589	13,502	14,654
Investment income	7,576	5,185	5,781	6,457	3,072
Commission exchange & brokerage	6,172	5,884	3,440	2,560	3,168
Non-interest income	6,317	6,152	3,586	2,672	3,279
Total operating expenses	17,680	15,442	12,420	11,734	11,440
Total income	52,978	39,798	30,953	33,837	36,042
Total expenditure	39,048	28,669	20,009	25,236	26,095
Operating profit	13,930	11,129	10,944	8,602	9,948

	2019	2020	2021	2022	2023	% change over 2022
INCOME STATEMENT						
Interest Income	21,590	17,714	14,914	16,210	21,512	33%
Interest Expense	17,040	13,996	10,394	12,801	14,801	16%
Net Interest Income	4,550	3,718	4,520	3,409	6,711	97%
Investment Income	2,568	3,554	3,446	3,885	4,184	8%
Commission, Exchange and Brokerage	3,421	2,699	3,336	5,949	3,365	-43%
Total Revenue	27,840	24,161	21,953	26,273	29,327	12%
Operating Income	10,800	10,165	11,558	13,472	14,526	8%
Operating Expenses	4,701	4,958	4,931	6,576	6,374	-3%
Operating Profit (profit before provision and tax)	6,099	5,207	6,628	6,895	8,152	18%
Other Operating Income	261	194	257	228	267	17%
Provision for Loans, Investments and other Assets	2,998	2,025	2,514	3,000	4,033	34%
Profit Before Tax	3,101	3,182	4,114	3,895	4,118	6%
Tax Including Deferred Tax	1,529	1,152	2,058	2,236	2,387	7%
Profit After Tax	1,571	2,030	2,056	1,660	1,732	4%
BALANCE SHEET						
Authorized Capital	10,000	10,000	10,000	20,000	20,000	0%
Paid-up Capital	8,532	8,959	9,496	9,496	10,066	6%
Shareholders' Equity	17,211	18,792	20,242	20,773	21,786	5%
Deposits	204,530	205,667	230,417	243,427	282,079	16%
Borrowings	27,725	32,999	44,565	35,385	23,474	-34%
Loans & Advances	195,635	198,660	215,459	239,686	256,187	7%
Investments	36,682	39,445	49,124	53,370	50,886	-5%
Fixed Assets	5,080	9,021	8,955	8,942	8,562	-4%
Earning Assets	242,137	247,418	283,026	292,171	313,947	7%
Net Current Assets/ (Liabilities)	(41,796)	(55,727)	(64,241)	(69,681)	(80,020)	15%
Total Assets	285,009	295,337	335,351	346,556	378,639	9%
Long Term Liabilities/ Current Liabilities	23.08%	21.32%	17.58%	18.17%	18.65%	3%
Total Liabilities	267,799	276,545	315,109	325,784	356,853	10%
Total Off-balance Sheet Items	132,383	130,877	191,377	169,316	198,111	17%
Property, Plant & Equipment	3,739	7,287	7,180	7,006	6,832	-2%
Intangible Assets	569	535	493	430	367	-15%
Impairment of Assets	0	0	0	0	0	
Cash and Cash Equivalents	31,582	36,123	47,703	28,406	42,364	49%
Lease Liabilities	616	1,071	1,194	1,387	1,304	-6%
Foreign Currency in Hand	71	124	35	25	130	420%
FOREIGN EXCHANGE BUSINESS						
Import Business	151,121	124,010	221,940	206,317	223,512	8%
Export Business	130,156	95,335	140,480	168,673	171,695	2%
Inward Foreign Remittance	10,385	15,804	25,367	43,910	77,563	77%
Guarantee Business	38,640	48,487	43,773	37,274	62,116	67%
CAPITAL MEASURES						
Risk Weighted Assets	193,398	199,837	213,899	224,907	232,750	3%
Core Capital (Tier-I)	16,503	17,713	19,433	21,395	23,064	8%
Supplementary Capital (Tier-II)	14,669	11,304	11,902	10,370	11,934	15%
Total/Regulatory Capital	31,172	29,016	31,334	31,764	34,998	10%
Statutory Capital (paid up capital and statutory reserves)	16,159	17,222	18,583	18,992	20,132	6%
Capital to Risk Weighted Assets (CRAR) Ratio	16.12%	14.52%	14.65%	14.12%	15.04%	6%
Tier-I Capital Ratio	8.53%	8.86%	9.08%	9.51%	9.91%	4%
RWA to Total Assets	68%	68%	64%	65%	61%	-6%

	2019	2020	2021	2022	2023	% change over 2022
CREDIT QUALITY						
Volume of Non-performing Loans	9,278	6,227	7,145	12,188	12,514	3%
NPL to Total Loans and Advances (%)	4.74	3.13	3.32	5.08	4.88	-4%
Provision for Unclassified Loans	6,936	5,522	6,704	7,011	9,341	33%
Provision for Classifed Loans	4,601	7,493	7,341	8,894	7,724	-13%
SHARE DISTRIBUTION						
Earnings Per Share (Taka)	1.56	2.02	2.04	1.65	1.72	4%
Number of Shares Outstanding	853.21	895.87	949.62	949.62	1006.60	6%
Number of Shareholders	25,083	23,017	21,988	19,230	18,930	-2%
Net Assets Value (NAV) Per Share (Taka)	17.10	18.67	20.11	20.64	21.64	5%
Market Price Per Share (Taka)	12.00	11.90	14.00	13.20	12.50	-5%
Price Earnings Ratio	7.69	5.90	6.86	7.58	7.27	-4%
Price Equity Ratio	0.62	0.60	0.66	0.60	0.58	-4%
Dividend Per Share						
Cash Dividend (%)	5%	6%	12%	6%	10%	67%
Bonus Share (%)	5%	6%	0%	6%	0%	-100%
Dividend Cover Ratio	1.84	1.89	1.80	1.46	1.72	18%
PROFITABILITY & PERFOMANCE RATIO						
Net Interest Margin (NIM)	3.06	2.97	3.00	2.54	3.59	42%
Credit to Deposit Ratio	84.97	83.28	84.34	87.38	85.98	-2%
Gross Profit Ratio	39%	42%	53%	51%	50%	-3%
Return on Capital Employed	10%	11%	13%	12%	12%	-4%
Cost to Income Ratio	44	49	43	49	44	-10%
Cost of Fund	9.28	7.85	6.25	6.42	7.11	11%
Return on Assets (ROA)%	0.56	0.70	0.65	0.49	0.48	-2%
Return on Equity (ROE)%	9.28	11.28	10.53	8.09	8.14	1%
Current Ratio	0.81	0.76	0.76	0.75	0.73	-2%
Cash Reserve Ratio (at the close of the year)	5.57	4.29	5.00	4.21	4.09	-3%
Statutory Liquidity Ratio (at the close of the year)	16.01	18.20	24.83	21.15	17.86	-16%
Operating Profit Per Employee(mn)	3.11	2.75	3.29	3.49	4.10	17%
Operating Profit Per Branch	59.21	49.59	60.81	61.02	71.51	17%
Current Ratio	0.81	0.76	0.76	0.75	0.73	-3%
Efficiency Ratio	60.25	60.91	54.51	62.80	60.75	-3%
Debt Equity Ratio	15.56	14.72	15.57	15.68	16.38	4%
Customer Retention Ratio	99.59	99.54	99.70	98.95	98.43	-1%
OTHER INFORMATION						
Number of Branches	103	105	109	113	114	1%
Number of Sub-Branches	2	12	21	25	29	16%
Number of ATMs	60	63	75	83	88	6%
Number of ADMs	20	20	20	20	11	-45%
Number of Deposit Accounts	540,493	565,152	560,651	631,372	751,457	19%
Number of Loan Accounts	29,284	29,485	26,592	26,739	28,142	5%
Number of Employees	1,960	1,890	2,012	1,975	1,989	1%
Number of Foreign Correspondents/Banks	475	472	480	475	485	2%

Particulars	2023	2022	2021	2020	2019
Operating performance (income statement) (for the year)					
Total revenue	44,575.1	39,691.2	34,898.8	34,679.6	34,705.8
Total expenses	30,039.0	27,328.4	23,291.6	24,178.3	23,445.8
Profit before provisions	14,536.0	12,362.8	11,607.2	10,501.3	11,260.0
Total provision	3,086.0	3,496.2	3,474.5	840.5	3,823.7
Profit before taxes	11,450.1	8,866.6	8,132.7	9,660.8	7,436.3
Provision for taxation	3,432.7	3,204.9	2,571.6	4,162.1	3,094.9
Net profit after taxation	8,017.4	5,661.7	5,561.1	5,498.7	4,341.4
Statement of financial position (Balance Sheet) (As at 31 December)					
Authorized capital	15,000.0	15,000.0	15,000.0	15,000.0	15,000.0
Paid-up share capital	7,479.3	6,957.5	6,325.0	5,500.0	5,000.0
Total shareholders' fund	48,172.8	41,638.8	36,966.4	32,256.7	27,443.3
Deposits	472,590.1	438,131.3	401,500.3	362,611.0	302,159.2
Loans and advances	412,073.0	364,000.8	319,448.1	273,382.9	256,239.7
Investments	89,205.0	101,673.5	116,681.3	112,589.8	55,104.8
Property, plant and equipment (net)	10,803.0	9,413.2	7,807.0	7,882.8	5,380.6
Total assets	593,883.1	555,473.6	514,399.8	472,355.4	390,362.0
Total earning assets	494,320.5	473,326.7	448,782.7	398,814.2	321,415.8
Total contingent liabilities	95,195.9	104,856.7	109,331.4	82,817.4	75,307.4
Other business (trade finance) for the year					
Import business	164,822.3	183,429.4	178,831.7	127,924.6	143,652.8
Export business	136,367.5	179,471.9	156,652.4	109,085.5	141,688.5
Asset quality (As of 31 December)					
Amount of classified advances (Taka)	17,077.6	15,599.6	11,965.1	5,921.9	11,230.1
Classified loans to total loans (%)	4.1%	4.3%	3.7%	2.2%	4.4%
Capital measurement					
Core (Tier 1) capital	43,293.2	37,388.8	33,815.6	29,682.5	24,636.0
Supplementary (Tier 2) capital	15,804.1	13,961.4	16,419.1	16,401.4	12,556.8
Total capital (Tier 1 and Tier 2)	59,097.3	51,350.2	50,234.7	46,083.9	37,192.8
Total risk weigheted assets	365,671.5	330,120.9	306,117.4	267,462.0	239,471.3
Tier 1 capital to risk-weighted asset ratio (%)	11.8%	11.3%	11.0%	11.1%	10.3%
Tier 2 capital to risk-weighted asset ratio (%)	4.4%	4.3%	5.4%	6.1%	5.2%
Total capital to risk-weighted asset ratio (%)	16.2%	15.6%	16.4%	17.2%	15.5%
Capital surplus	13,388.4	10,085.1	11,970.1	12,651.2	7,258.9
Share information					
Number of share outstanding	747,931,250	695,750,000	632,500,000	550,000,000	500,000,000
Earnings per share (Taka)	10.72	8.14	8.8	10.0	8.7
Market price per share (Taka)	59.1	62.6	78.1	65.0	71.3
Price earning (P/E) ratio (Times)	5.5	7.7	8.9	6.5	8.2
Market capitalization	44,202.7	43,554.0	49,398.3	35,750.0	35,650.0
Dividend per share *					
Cash (Taka)	1.75	1.75	1.75	1.5	1.5
Bonus (%)	17.5	7.5	10.0	15.0	10.0
Net asset value (NAV) per share (Taka)	64.41	59.85	58.4	58.6	54.9
Number of shareholders	8,355	8,441	8,285	6,285	7,840
Finacial ratios (In Percentage)					
Debt equity ratio (%)	24.9	24.0	32.5	43.4	38.4
Loan deposit ratio (%)	82.6	76.5	71.8	67.5	73.9
Return on average investment (ROI %)	7.8	6.7	6.4	8.5	7.8
Yield on loans and advances (%)	7.8	7.2	7.7	8.2	10.3
Return on average equity (ROE %)	17.9	14.4	16.1	18.4	17.2
Return on average assets (ROA %)	1.4	1.1	1.1	1.3	1.2
Other information					
Number of employees	11,130	10,407	9,643	10,022	9,988
Number of branches	241	238	220	208	195
Number of sub-branches	209	104			
Number of ATM Units	4,575	4,934	4,917	4,862	4,837
Number of CRM Units	1,979	743			
Number of Fast Track	1,430	1,396	1,342	1,190	1,100
Number of deposit account holder	9,896,790	9,213,268	8,313,508	8,309,224	8,663,163
Number of loan account holder	120,098	100,867	72,794	60,718	54,932

Taka in million

Particulars	2023	2022	Growth (%)	2021	2020	2019
Result of operation (for the year)						
Total revenue	44,575.1	39,691.2	12.3%	34,898.8	34,679.6	34,705.8
Operating profit	14,536.0	12,362.8	17.6%	11,607.2	10,501.3	11,260.0
Profit before taxation	11,450.1	8,866.6	29.1%	8,132.7	9,660.8	7,436.3
Profit after taxation	8,017.4	5,661.7	41.6%	5,561.1	5,498.7	4,341.4
Financial position (at year end)						
Total assets	593,883.1	555,473.6	6.9%	514,399.8	472,355.4	390,362.0
Total risk weighted assets	365,671.5	330,120.9	10.8%	306,117.4	267,462.0	239,471.3
Total loans and advances	412,073.0	364,000.8	13.2%	319,448.1	273,382.9	256,239.7
Total deposits	472,590.1	438,131.3	7.9%	401,500.3	362,611.0	302,159.2
Total import business	164,822.3	183,429.4	-10.1%	178,831.7	127,924.6	143,652.8
Total export business	136,367.5	179,471.9	-24.0%	156,652.4	109,085.5	141,688.5
Total shareholders' fund	48,172.8	41,638.8	15.7%	36,966.4	32,256.7	27,443.3
Total capital	59,097.3	51,350.2	15.1%	50,234.7	46,083.9	37,192.8
Market capitalization	44,202.7	43,554.0	1.5%	49,398.3	35,750.0	35,650.0
Cash Flow Statement (for the year)						
Cash flows from operating activities	9,736.6	21,217.1	-54.1%	13,679.1	17,170.0	6,425.8
Cash flows from investing activities	(9,545.7)	(8,819.8)	8.2%	(15,912.2)	(14,128.0)	(16,827.0)
Cash flows from financing activities	782.7	(3,106.0)	-125.2%	(2,835.9)	2,720.6	(1,457.5)
Cash and cash-equivalents (at year end)	59,349.9	58,376.3	1.7%	49,085.1	61,314.4	55,551.7
Particulars	**2023**	**2022**	**Deviation**	**2021**	**2020**	**2019**
Per share (Taka)						
Earning per share	10.72	8.14	2.6	8.8	10.0	8.7
Dividend per share *						
Cash (Taka)	1.75	1.75	-	1.75	1.5	1.5
Bonus (%)	17.5	7.5	10.0	10.0	15.0	10.0
Net asset value (NAV) per share	64.41	59.85	4.6	58.4	58.6	54.9
Closing Market price per share	59.1	62.6	(3.5)	78.1	65.0	71.3
Financial ratios (In Percentage)						
Loan deposit ratio	82.6%	76.5%	6.1%	71.8%	67.5%	73.9%
Return on average total assets	1.4%	1.1%	0.3%	1.1%	1.3%	1.2%
Return on average risk weighted assets	2.3%	1.8%	0.5%	1.9%	2.2%	1.9%
Return on average shareholders' fund	17.9%	14.4%	3.4%	16.1%	18.4%	17.2%
Ratio of non-performing loan to total loan	4.1%	4.3%	-0.1%	3.7%	2.2%	4.4%
capital to risk-weighted asset ratio	16.2%	15.6%	0.6%	16.4%	17.2%	15.5%
Cost-income ratio	59.5%	61.3%	-1.8%	58.8%	60.5%	58.2%

Particulars	2023	2022	2021	2020	2019
Income statement					
Interest Income (excluding investment income)	20,834.29	19,750.23	17,967.68	17,881.29	19,573.81
Interest Expanse	16,683.90	14,867.45	13,159.51	14,690.68	13,159.99
Net Interest Income (excluding investment income)	4150.39	4,882.78	4,808.17	3190.61	6,413.82
Income from Investment	3,533.55	3,030.24	3,640.15	4,278.74	2,008.46
Fess, commission and other operating income	9,980.32	10,395.23	6,125.40	4,675.94	4,529.49
Total Operating Income	17,664.26	18,308.25	14,573.72	12,145.29	12,951.77
Total Operating Expenses	8,518.43	8,429.86	6,186.56	5,362.80	5,634.32
Operating Profit (before provision and tax)	9,145.82	9,878.40	8,387.16	6,782.48	7,317.45
Provision charged for loans investment and others	3,885.17	3,699.50	2,943.81	3,107.03	2,798.32
Profit before tax	5,260.65	6,178.90	5,443.35	3,675.45	4,519.13
Provision for taxation	915.12	2,147.84	2,174.23	1,611.82	1,180.98

Balance sheet					
Authorized Capital	15,000.00	15,000.00	15,000.00	10,000.00	10,000.00
Paid-up Capital	12,334.31	11,473.78	10,430.71	9,702.98	9,240.94
Reserve and Surplus	15,019.54	13,295.86	11,763.33	10,538.38	9,363.51
Shareholder's Equity	27,353.85	24,769.64	22,194.04	20,241.36	18,604.45
Perpetual bond	2,000.00	2,000.00	2,000.00	-	-
Borrowings including subordinated bond	38,773.90	39,606.99	44,725.90	36,790.53	22,211.79
Deposits	316,870.64	296,439.86	268,803.05	241,630.24	209,346.02
Other Liabilities	29,403.18	21,955.33	18,851.99	17,061.06	11,738.23
Total Liabilities and shareholders' Equity	414,401.58	384,771.82	356,574.98	315,723.19	261,900.49
Cash in hand and Bank	28,746.44	33,820.66	21,786.94	38,570.97	16,700.58
Investments in govt. securities	43,662.02	45,246.13	46,881.03	33,512.42	33,448.29
Other Investment	13,600.09	13,222.09	9,722.09	6,508.66	5,758.66
Loans and Advances	289,392.27	264,549.64	249,829.58	213,204.68	188,945.47
Fixed Assets	4,920.51	3,307.86	3,332.03	3,201.15	2,649.62
Total Assets	414,401.58	384,771.82	356,574.98	315,723.19	261,900.49
Contingent liabilities and other commitment	233,444.01	211,493.17	234,200.40	165,010.62	154,586.56
Earning assets	349,356.16	327,217.84	309,532.68	253,515.76	229,542.42
Earning assets to total assets	81.60%	85.04%	86.81%	80.30%	87.64%
Statutory liquidity reserve ratio (SLR) (at close of the year) Conventional	15.97%	17.53%	18.73%	25.65%	19.93%
Cash reserve ratio (CRR) (at close of the year) Conventional	4.62%	5.31%	4.62%	13.95%	6.26%
Liabilities to Shareholders' equity (times)	14.15	14.53	15.07	14.60	13.08
Trade business and remittance					
Import	307,871.18	292,227.64	270,335.56	155,414.83	140,628.46
Export	253,862.78	257,627.99	172,080.71	109,637.17	109,235.04
Guarantee	54,047.98	32,101.03	40,170.99	31,735.01	99,287.17
Remittance including Wage earners	100,271.45	92,724.06	60,388.68	40,126.10	52,755.30

Particulars	2023	2022	2021	2020	2019
Capital strength					
Total Risk Weighted Assets (RWA)	294144.79	280,867.91	249,602.84	211,448.41	191,752.42
Minimum Capital Requirement (MCR)	29,414.48	28,086.79	24,960.28	21,144.84	19,175.24
Common Equity Tier-I Capital	24,990.03	23,337.70	20,939.96	18,523.27	16,471.43
Additional Tier-I Capital	2,000.00	2,000.00	2,000.00	-	-
Total Tier-I Capital	26,990.03	25,337.70	22,940	18,523	16,471
Supplementary Capital (Tire-II)	12,951.61	14,503.15	11,941.85	10,311.85	7,717.03
Total Regulatory Capital (Tier-I and Tier-II)	39,941.64	39,840.86	34,881.81	28,835.12	24,188.46
Common Equity to RWA	8.50%	8.31%	8.39%	8.76%	8.59%
Tire-I Capital to RWA	9.18%	9.02%	9.19%	8.76%	8.59%
Tire-II Capital to RWA	4.40%	5.16%	4.78%	4.88%	4.02%
Capital to risk weighted assets ratio (CRAR)	13.58%	14.18%	13.97%	13.64%	12.61%
Leverage Ratio	5.20%	5.49%	5.08%	4.84%	5.03%
Credit quality					
Volume of Non Performing Loans	14,451.50	7,675.95	6,817.97	5,357.21	12,658.13
% of NPL to Total Loans (including OBU & Staff loan)	4.99%	2.90%	2.73%	2.51%	6.70%
Total loans and advances to total assets	69.83%	68.75%	70.06%	67.53%	72.14%
Large Loan Exposure (Funded & Non-Funded)	109,761.60	94,513.00	81,046.70	71,230.90	51,166.20
General Provision for loans (Cumulative)	3,921.18	5,490.28	5,180.02	3,210.02	871.59
Specific Provision for loans (Cumulative)	6,461.46	3,610.66	3,360.26	4,521.73	5,526.22
NPL Coverage Ratio (Specific + General Provision)/ Gross NPL	71.84%	118.56%	125.26%	144.32%	50.54%
Credit rating					
Long Term (Local)	AAA	AA+	AA+	AA+	AA+
Short Term (Local)	ST-1	ST-1	ST-1	ST-1	ST-1
Global Rating (Moody's)	B2	B1			
Share information					
Earning Per Share (EPS) in BDT (Not restated)	3.52	3.51	3.13	2.13	3.61
Earning Per Share (EPS) in BDT (Restated)	3.52	3.27	2.65	1.67	2.71
Operating profit Per Share (OPS) in BDT (Not restated)	7.41	8.61	8.04	6.99	7.92
Operating profit Per Share (OPS) in BDT (Restated)	7.41	8.01	6.80	5.50	5.93
Market price Per Share in BDT as on close of the year at DSE	13.20	13.30	14.90	11.00	12.49
Price Earning Ratio (Times)	3.75	3.79	4.75	5.17	3.46
NAV (book value) per share in BDT (Not restated)	22.18	21.59	21.28	20.86	20.13
NAV (book value) per share in BDT (Restated)	22.18	20.08	17.99	16.41	15.08
Market capitalization (at close of year)	16,281	15,260	15,542	10,673	11,542
Market price to NAV per share (Times)	0.60	0.62	0.70	0.53	0.62
Dividend payment					
Dividend (%)	12.50%	20.00%	22.50%	20.00%	10.00%
Cash (%)	12.50%	12.50%	12.50%	12.50%	5.00%
Stock (%)	-	7.50%	10.00%	7.50%	5.00%
Dividend per share (DPS)	1.25	2.00	2.25	2.00	1.00
Dividend Cover (Times)	2.82	1.76	1.39	1.06	3.61
Dividend Payout ratio (DPS/EPS)	0.35	0.57	0.72	0.94	0.28
Dividend Yield (%)	9.47%	15.04%	15.10%	18.18%	8.01%

Particulars	2023	2022	2021	2020	2019
Operating performance ratio					
Credit to Deposit Ratio (As per Bangladesh Bank)	80.87%	76.86%	76.22%	73.51%	80.01%
Return to Equity (ROE)	16.67%	17.17%	15.41%	10.62%	19.70%
Return on Assets (ROA)	1.09%	1.09%	0.97%	0.71%	1.40%
Net Interest Income as a percentage of Total Assets	1.00%	1.27%	1.35%	1.01%	2.45%
Recovery from written off loans	11.90	4.30	4.92	50.06	12.68
Cost of Deposit & Borrowings	4.85%	4.67%	4.67%	6.06%	6.54%
Cost of Fund with administrative cost	7.68%	7.45%	7.24%	8.70%	9.15%
Net profit margin (PAT/Gross Income)	12.65%	12.15%	11.79%	7.69%	12.78%
Weighted average interest rate of loans (Year end) A	9.34%	8.05%	7.86%	7.90%	11.48%
Weighted average interest rate of deposit (Year end) B	5.36%	4.60%	4.63%	5.24%	6.34%
Spread (C= A- B)	3.98%	3.45%	3.23%	2.66%	5.14%
Management efficience					
Operaing Income per Employee	6.49	7.14	6.38	6.10	6.65
Operaing Cost per Employee	3.13	3.29	2.71	2.69	2.89
Operaing Profit per Employee	3.36	3.85	3.67	3.40	3.76
Cost to Income ratio	48.22%	46.04%	42.45%	44.16%	43.50%
Other information					
Number of Branches	136	132	123	120	115
Number of Sub Branches	67	63	37	11	-
Number of Agent Banking Outlets	175	131	100	100	100
Number of ATMs	127	122	100	80	53
Number of Employees	2,720	2,563	2,286	1,992	1,947
Number of Deposit Accounts	1,102,962	998,335	899,821	801,289	699,272
Number of Loan Accounts	28,941	30,822	32,925	29,640	27,042
Number of Foreign Correspondents	625	604	600	595	590

Financial Goals and Performances (Bank)	Goals 2024	Actual 2023	Actual 2022	Actual 2021
Capital to risk weighted assets ratio (CRAR)	14.5% Plus	13.58%	14.18%	13.97%
Return to Equity (ROE)	18.50% Plus	16.67%	17.17%	15.41%
Return on Assets (ROA)	1.2% Plus	1.09%	1.09%	0.97%
Cost to Income ratio	Less Than 45%	48.22%	46.04%	42.45%
% of NPL to Total Loans (including OBU & Staff loan)	Less Than 3.00%	4.99%	2.90%	2.73%
Total Deposits	330,000.00	316,870.64	296,439.86	268,803.05
Total Loans and Advances	300,000.00	289,392.27	264,549.64	249,829.58