



PROJECT REPORT
ON
FINANCIAL INCLUSION IN BANGLADESH :
A CASE STUDY ON DHAKA BANK LIMITED

15th, March, 2021

Dhaka International University

Dhaka, Bangladesh

PROJECT REPORT
ON
FINANCIAL INCLUSION IN BANGLADESH :
A CASE STUDY ON DHAKA BANK LIMITED

Supervised by:
Mr. Sohag Datta
Assistant Professor

Department of Business Administration
Dhaka International University

Submitted By:

Omit Hasan

ID: 104327

BBA Program

Department of Business Administration
Dhaka International University

Submission date: March, 2021

Dhaka International University

Letter of Transmittal

Date: March, 2021

Mr. Sohag Datta
Assistant Professor
Department of Business Administration
Dhaka International University

Subject: Submission of a report on “**Financial Inclusion In Bangladesh : A Case Study On Dhaka Bank Limited**”.

Dear Sir,

I have the honor to state that I am a student of BBA Program, major in Finance in the Department of Business Administration. I have done three months Project program on “**Financial Inclusion In Bangladesh : A Case Study On Dhaka Bank Limited**” which is a part of our BBA Program.

With great pleasure I let you know that I prepared my Project report successfully on “**Financial Inclusion In Bangladesh : A Case Study On Dhaka Bank Limited**”. I have the honor to present this to you for your kind consideration and necessary appraisal.

I have concentrated my best efforts to achieve the objectives of the work and hope that my endeavor will serve the purpose. I shall be highly grateful & obliged if you kindly accept my report & evaluate it with knowledgeable judgment.

Sincerely yours

Omit Hasan
REG: 104327
BBA Program
Dhaka International University

Student's Declaration

I, **Omit Hasan, Reg # 104327**, Major in Finance, Bachelor of Business Administration, Dhaka International University have completed this Project under the supervision of Mr. Sohag Datta, Assistant Professor and submitted for the partial fulfillment of the requirement of the degree of Bachelor of Business Administration (BBA) at Dhaka International University. This is entitled as “**Financial Inclusion In Bangladesh : A Case Study On Dhaka Bank Limited**”.

Omit Hasan
REG: 104327
BBA Program
Dhaka International University

Supervisor's Declaration

Omit Hasan, ID # 104327, Department of Business Administration, Dhaka International University has completed this Project report under my supervision and submitted for the partial fulfillment of the requirement of the degree of Masters of Science in Business Administration (BBA) at Dhaka International University. This is entitled as “**Financial Inclusion In Bangladesh : A Case Study On Dhaka Bank Limited**”.

Mr. Sohag Datta
Assistant Professor
BBA Program
Dhaka International University

Acknowledgement

At first I convey my sincere gratefulness and thanks to Almighty Allah and I would also like to thank my program supervisor Mr. Sohag Datta, Assistant Professor, BBA Program, Dhaka International University for his brilliant and superiority guidance and assistance to complete this report.

On the other hand, it will be unfair if I omit some names that helped us a lot during the accomplishment of the report. Without their help I could not furnish a proper shape of my report.

I am really grateful from my deep heart to Nurul Arshad Chowdhury, Vice -President & Manager of Dhanmondi branch, Dhaka Bank Limited, Dhaka. I also wish to express my thankfulness to dear Mrs. Tahera Begum, FAVP & Operation Manager of the Branch and Mrs. Ismat Ara Begum, Senior Principle Officer and Mrs. Farhana Hoque, Senior Officer and a lot of special thanks to Md. Alauddin, other officer of Dhaka Bank Limited, Dhanmondi Branch, Dhaka.

I am really grateful to them as all of them share their valuable knowledge and time with us. I tried my level best to make this report more educational and more effective. I hope this Project report will meet the expectation of my honorable program supervisor.

Executive Summary

Dhaka Bank Ltd started its commercial operation as a private sector bank on June 05, 1995. As a private commercial bank it contributes a lot in our economy. From the beginning still now the performance of this bank is developing rapidly. The main sources that work behind such development in the efficient and effective human resources of the bank. It is also true that such performance from the employees were not possible to achieve without the involvement and interest of the management. At Dhaka Bank employees' enjoy a better quality of work life, which encourage them to contribute more and develop the performance of the bank day-by-day.

Though there are some limitations but it was found that the factors that affect the quality of work life of a company are almost positive at Dhaka Bank. Employees' commitment toward their organization is high as 34% of the respondents want to be with Dhaka Bank for 16 years from now. In this organization their all activities are seems to be expanding day by day. The authorized capital of this bank increased to Tk. 10000 million in the year 2010 from Tk. 6000 million. The bank's paid up capital, reserves and other funds, deposits, advances, investment, import business, export business and guaranty and also owner's equity are found to be in an increasing pattern. The bank's Operating Profit is more than Tk. 1000 million than this year and profit after Tax is Tk 1679 million which is also increases from the previous year.

Dhaka Bank declares 7.2 bonus shares to its stockholders in the year 2010. the ROA, ROE, Capital Adequacy Ratio, Volume of non-performing loans, % of NPL to Total Loans and Advances, Amount of Provision against classified loans, Advance / Deposit Ratio, Total Capital Ratio, Current Ratio, Net Interest Margin, Market Price Per Share all of these were increases during this year comparing to other years.

The Dhaka bank limited comparing to other banks has made significant outcomes in this year. First of all dbi has higher return on assets than MTBL and SIBL and then DBL has the highest return on equity than other banks. The bank has the Return on Deposits ratio that is higher than other banks. Finally, Dhaka Bank's profit margin which also found to be higher than the other banks. This comparative ratio analyses shows that comparing with other banks ratio DBLs ratios are in a satisfactory level.

Table of Contents

List of Acronyms	i
List of table	ii
List of Graph	iii
Chapter 1 : Introduction	
1.1	Origin of the Report
1.2	Background of the Report
1.3	Objectives
1.4	Scope of the Study
1.5	Methodology
1.6	Limitations
Chapter 2 : An Overview Of Banks in Bangladesh	
2.1	Banking In Bangladesh
2.2	Historical Background of Banking in Bangladesh
2.3	Bangladesh Bank at a glance
2.4	Classification of Bank in Bangladesh
Chapter 3 : A Brief Description of Dhaka Bank Limited	
3.1	Dhaka Bank Limited at a glance
3.2	Vision
3.3	Mission
3.4	Strategic Objective
3.5	Customer Charter
3.6	Ethical Principles
3.7	Our Strength

3.8	Corporate Values	15
3.9	Our Confidence	15
3.10	Capital Structure	16
3.11	Management	16
3.12	Corporate Profile	17
3.13	Management Hierarchy	18
3.14	An Overview Of Dhaka Bank Ltd	19
3.15	Major Activities of Dhaka Bank Limited	19
3.116	The General Banking Division	22
3.16.1	Learning experience from general banking	22
3.16.2	Learning Experience from Credit Division	24
3.16.3	Learning Experience from Foreign Exchange Division	25
3.16.4	Learning Experience from Accounts Division	26
3.17	Types of Credit Facilities	27
3.17.1	Credit Position of Dhaka Bank Ltd	27
3.17.2	Types of Credit Facilities Extended by DBL	30
3.17.2.1	Detail Operation Mechanism of Each Criterion	31
3.18	Management of Credit	38
Chapter 4 : Product & Services Of Dhaka Bank Ltd		
4.1	Corporate Banking	41
4.2	Deposits Account	41
4.3	Personal Banking	43
4.3.1	Personal Loan of Dhaka Bank Ltd	43
4.3.2	Vacation Loan	45

4.3.4	E-Cash ATM Card	47
4.3.5	Online Banking	47
4.3.6	Credit Card	48
4.3.7	Car Loan	48
4.3.8	Any Purpose Loan	50
4.3.9	Other Services	51
4.3.9.1	Finance & Advisory Services	51
4.3.9.2	Islamic Banking	51
4.3.9.3	Capital Market Services	51
4.3.9.4	SME	51
Chapter 5 : Financial Performance Evaluation of Dhaka Bank Limited		
5.1	Overview	53
5.2	SWOT Analysis	53
5.2	Overall Five Years Performance	56
5.3	Ratio analysis	57
5.4	Findings and Analysis	71
5.5	Problems of Dhaka Bank Limited	72
5.6	Comparative Ratio Analysis	73
Chapter 6: Recommendations And Conclusion		
6.1	Recommendations	76
6.2	Conclusion	78
Bibliography		

List of Acronyms

ATM: AUTOMATED TELLER MACHINES	IBC: INWARD BILL COLLECTION
BAFEDA: Bangladesh Foreign Exchange Dealers Association	IBCA: Inter bank Bill Credit Account
BAL: Bank Asia Ltd	REGIdentification Document
BAS: Bangladesh Finance Standards	NCBs: Nationalized Commercial Banks
BB: Bangladesh Bank	OBC: Outward Bill Collection
BBA: Master of Business Administration	PCB: Private Commercial Bank
B.J.A: Bangladesh Journalist Association	ROA: Return on Asset
CSE: Chittagong Stock Exchange	ROD: Return on Deposit
DBL: Dhaka Bank Limited	ROE : Returns on Equity
DBTI: Dhaka Bank Training Institute	SME: Small □ Medium Enterprise
DSE: Dhaka Stock Exchange	SDR: Security Deposit Receipts
EC: Executive Committee	SIBL: Social Investment Bank Ltd
FCD: Finance Control Department	STD: Short Term Deposit
FDI: Foreign Direct Investment	TBL: Trust Bank Ltd.
FX: Foreign Exchange	TDR: Term Deposit Receipt
GOB: Government of Bangladesh	TIN: Tax Identification Number
GDP: Gross Domestic Product	TT: Telex Transfer/Telegraphic Transfer

List of Table

Table 3.3 Management Hierarchy	19
Table 3.3 Credit Position of Dhaka Bank Ltd	28
Table 3.3 Type of Credit Facilities offered by DBL	31
Table 4.1 Types of Deposits	43
Table 4.2 Personal Loan Monthly Repayment Schedule	44
Table 4.3 Categories of Bangladeshi nationals for Loan	47
Table 4.4 Categories of Loan Amount	48
Table 4.5 Categories of Bangladeshi nationals for Loan	50
Table 4.6 Categories of Loan Amount	51
Table 5.1 Five Years Financial Highlights	57
Table 5.2 Comparative Ratio Analyses	69

List of Graph

Figure: Deposit	20
Figure: Advance	21
Figure: Investment	21
Figure: Profits	22
Figure: Deposit mix	43
Figure: Return on Assets	69
Figure: Return on Equity	70
Figure: Profit Margin	70
Figure: Earnings per Share	70
Figure: Return on Customer Deposits	70

Chapter One

Introduction

1.0 Introduction

Submitting Internship report is one of the most integral parts of BBA program. I was placed in Dhaka Bank Limited at Dhanmondi Branch for the purpose of internship. However, I submitted internship report on **Financial Inclusion In Bangladesh : A Case Study On Dhaka Bank Limited..** My supervisor honorable Mr. Sohag Datta has accepted my topic and instructed me properly to complete my report on this topic.

1.1 Origin of the Report

I am enrolled myself in internship. It has a requirement to submit a paper. To fulfill this requirement, I have prepared this paper and for this I got "**Financial Inclusion In Bangladesh : A Case Study On Dhaka Bank Limited** " as my paper's topic.

Dhaka Bank Limited is a place where I could learn the business dealings. This organization has created a positive image to the customer's mind by providing better service. This bank has introduced some modern banking scheme that has got high market demand.

As it maintains the pace with the competitive business world, its activities, culture, philosophy and style leads an intern student to be the best at any field of working life. As an intern student I have got the opportunity to work with this organization for acquire idea about real business world.

1.2 Background of the Report

Banking is one of the most important sectors for a country's wealth building activities. At present the modern business industrialization, foreign trade, investment almost all dependent on banks. But now a day the Banking sector of Bangladesh is suffering the disease of default culture which is consequence or result of bad performance of most of the banks in Bangladesh. Dhaka bank plays an important role towards the growth and economic development of Bangladesh.

This study is an attempt to produce a constructive report performance of Dhaka bank with special reference to the investment procedures, investment product etc.

1.3 Objectives

1.4.1 Main Objective:

The Prime objective of the report is to know the **"Overall Financial Performance & Deposit Analysis of Dhaka Bank Limited "**.

Primary Objective: To fulfill the partial requirement of the BBA Program.

1.4.2 Specific Objective:

- ❖ To explain the growth of Bank financing in Bangladesh
- ❖ To present an overview of Dhaka Bank Limited.
- ❖ To find out present financial position of Dhaka Bank Limited.
- ❖ To explain five years performance of Dhaka Bank Limited.
- ❖ To find out business growth of Dhaka Bank Limited.
- ❖ To identify problems of Dhaka Bank Limited.
- ❖ To recommend suggestions for the development of Dhaka Bank Limited.

1.4 Scope of the Study:

This report provides emphasis on the performance of the Dhaka Bank Limited. In the first chapter of this report contains introduction of the report. The second chapter contains details about the banks in Bangladesh and in third chapter there is description about the Dhaka Bank limited. The fourth chapter of this report contains Product & Services of Dhaka Bank Ltd and in its fifth chapter Financial Performance Evaluation of Dhaka Bank Limited. In addition to that I have evaluated the performance of Dhaka Bank Limited, which gave me robust and prevailing information of the Bank. Finally in the last chapter it contains the recommendations, conclusion and bibliography of the report.

1.5 Methodology

Although there were so many limitations, it was tried to use both the primary and secondary sources of collecting information to make the report presentable with as less abstraction as possible.

1.6.1 SOURCES OF INFORMATION:

■ Secondary data

Data that were published before for some other reason can be collected using internal and external sources.

- i) **Internal Secondary data:** To furnish the report properly some papers has been collected from the official of Dhaka Bank Limited. Information from annual reports, journals, newspapers and other published documents have been used. Beside other published information about the organization, depth interview of the branch manager.
- ii) **External Secondary data:** For better interpretation some data has been collected from Bangladesh Bank. Internet browsing is also one source of external secondary data.

1.6 Limitations

Although I have obtained wholehearted co-operation from employee of DBL, CDA Avenue Branch, they could not manage enough time to deal with my report. On the way of my study, I have faced the following problems that may be terms as the limitations / shortcomings of the study.

- **Budgeted times for the study:**

The first obstruct is time itself. Due to the time limit, the scope and dimension of the study has been curtailed. Dhaka Bank Limited is a big organization. It is very tough to deal with this Bank within short time. On the other hand due to short time I could not become able to conduct with the customers who have taken loan.

- **Data Insufficiency:**

It was very difficult to collect data from such a big organization. My internship was at CDA Avenue Branch. But for better interpretation I had to collect some information from the Head office. But because of some divisional and confidential problem, I could not get enough information.

- **Lack of Record:**

Sufficient books, publications, fact and figure are not available. These constrains narrowed the scope of accurate analysis. If these limitations were not been there, the report would have been more useful and attractive.

Chapter Two

A Brief Description of Dhaka Bank Limited

2.1 Dhaka Bank Limited at a glance

The importance of commercial banks after the ravage of the liberation war to develop a better economy was severally needed and it is needed now and will be required in future also. In time to time Government of Bangladesh agreed to permit the private commercial banking in the country.

It was a dream of corporate grandeur to be a unique financial service provider that draws inspiration from the riches of golden Bangla, its history and heritage, but adopts global standard, tools and techniques in delivering service. The dream was the brainchild of Mr. Mirza Abbas Uddin Ahmed, a visionary rare individual who longed for a journey to the history and way forward to the future on the wheels of financial service and innovation. A deep insight into the spirit of Bangladesh and its business and a close observation of global financial system urged the futurist leader to form a Bank in Bangladesh matching up the global sophistication with the fragrance of local simplicity. His vision profusely motivated his entrepreneur friends who dared to shoulder the great corporate voyage for excellence. At the opportune moment, Dhaka Bank Limited was born on the 5th of July in 1995 in great expectation of the people of Bangladesh to fulfill their dreams and demands.

From the very year of its landmark journey, Dhaka Bank has truly cherished and brought into focus the heritage and history of Dhaka and Bangladesh from Mughal outpost to modern metropolis. Most of its presentation, publications, brand initiatives, delivery channels, calendars and financial manifestations bear Bank's commitment to the rich heritage and antiquities of Dhaka many of which are literally posted to oblivion. Dhaka Bank Limited is widely recognized today for its exceptional service, simplicity, and proximity and cutting-age way of delivery. The Bank has stood out for its financial strength and operational craftsmanship marking its position as the potential market leader in all core areas of banking in the country.

In addition to our priority of operating profitably and successfully, even in the tough market environment, we are acutely aware of our responsibilities that go beyond banking and reflect our commitment to our employees, society and environment. Above all, the clients are our fond obsession. We are devoted to serving each and everywhere with total simplicity - an approach that personifies our hallmark.

Dhaka Bank was incorporated as a Public Limited Company on April 06, 1995 under Companies Act, 1994 and got listed in Dhaka and Chittagong Stock Exchange in 2000. Headquartered at Motijheel, Dhaka, DBL has rooted deep into a strong capital base and got

hold of a countrywide reach through a larger network of Branches, ATMs, SME channels. Our wings of operations have widened to SME potentials, prospects in agriculture, environmental concerns and capital market opportunities. The Bank is now expanding far and wide to higher market share and big surge in assets. A great total of 226,663 customers now we serve and seek to make them better off" as best as we can. Over 15 glorious years, DBL has made its vibrant presence at 56 locations across the country and strengthened its capital base to Tk. 9,475 million with a capital adequacy ratio of 10.09. Sailing past all odds in 2019, DBL has posted an amazing operating profit of Tk. 3,842 million reflecting a growth of 37% over 2018. Great companies rise in tough times. We believe, Dhaka Bank is on the threshold of emerging as a great Bank. We expect to rise from the heart of Bangladesh as a stronger force in the market we serve. We are committed to our goals to create superior shareholder value in our quest for excellence as we grow and mature into a banking veteran.

Dhaka Bank is one of the few banks permitted by the Bangladesh bank in the early 90s; the other banks permitted earlier were Dutch-Bangla Bank, Al-Arafah Islami Bank, Prime Bank, Dhaka Bank, Eastern Bank. These banks are known as the second generation banks and fortunate to remain immune from the bad loan culture. However, the performance of these banks are not the same, the Dhaka Bank Limited remained as one of the top performers among them. Its performance also has been reflected in its good loan being the 3.5 percent as against the national average of 33 percent in the private banking sector.

The emergence of Dhaka Bank Limited at the junction of liberation of global economic activities, after the URUGUAY ROUND has been an important event in the financial sector of Bangladesh. The experience of the prosperous economies of Asian countries and in particular of South Asia has been the driving force and the strategies behind operational policy option of the Bank, The Company Philosophy - "Excellence in Banking" has been preciously the essence of the legend of bank's success. Dhaka Bank Limited has been licensed by the Government of Bangladesh as a Scheduled Bank in the private sector in pursuance of the policy of liberalization of banking and financial services and facilities in Bangladesh. In view of the above, the Bank within a period of 16 years of its operation achieved a remarkable success and met up capital adequacy requirement of Bangladesh bank.

2.2 Vision

At Dhaka Bank, we draw our inspiration from the distant. Our vision is to assure a standard that makes every banking transaction a pleasurable experience. Our endeavor is to offer you

supreme service through accuracy, reliability, timely delivery, cutting edge technology and tailored solution for business needs, global reach in trade and commerce and high yield on your investments.

Our people, products and processes are aligned to meet the demand of our discerning customers. Our goal is to achieve a distinct foresight. Our prime objective is to deliver a quality that demonstrates a true reflection of our vision - Excellence in Banking.

2.3 Mission

To be the premier financial institution in the country providing high quality products and services backed by latest technology and a team of highly motivated personnel to deliver Excellence in Banking.

2.4 Strategic Objective

Our objectives are to conduct transparent and high quality business operation based on market mechanism within the legal and social framework spelt in our mission and reflected in our vision. Our greatest concerns are our customers to provide them continually efficient, innovative and high quality products with excellent delivery system. Our motto is to generate profit with qualitative business as a sustainable ever-growing organization and enhance fair returns to our shareholders. We are committed to our community as a corporate citizen and contributing towards the progress of the nation as our corporate social responsibility. Our employees are our backbone. We promote their well being through attractive compensation package, promoting staff morale through training, development and career planning. We strive for fulfilment of our responsibility to the government through paying entire range of taxes and duties and abiding the other rules. We are cautious about environment and climatic change and dutiful to make our homeland a green and clean soil.

2.5 Customer Charter

We seek to build long-term, sustainable beneficial relationships with all our customers based on the service -commitments and on our underlying values of mutual respect, the pursuit of excellence and integrity in all our dealings. Our primary concern is to understand and satisfy customers' needs and expectations. We promise to use all means open to us to establish and

understand these needs which are both mutually beneficial and respect the values and principles in all our actions.

We promise to deal quickly, courteously and accurately with all correspondence between us. Should disagreements arise between us, we undertake to seek a speedy and equitable solution, which takes account of the rights and obligations of both parties and is framed in the context of a long- term and enduring relationship. We believe in openness, integrity, transparency and accountability and provide high standard of services to our valued customers. We create customer value, loyalty and equity, which create customer delight over a lifetime of patronage.

2.6 Ethical Principles

- We are compliant to our country's laws and regulations.
- We reject bribery and corruption.
- We avoid compromised gifts and entertainment.
- We speak up if we suspect any actual, planned or potential behavior that may breach any laws and regulations.
- We are compliant to Anti Money Laundering guidelines and other prudential regulations provided by our regulators.
- We resolve customer complaints quickly and fairly.
- We maintain confidentiality and fidelity of our customer.
- We treat our colleagues with fairness and respect; work with highly motivated team spirit and fellowship bondage.

2.6.1 Our Strength

- A dynamic and vibrant Board of Directors
- A strong and resilient capital base
- Highly qualified team of management professionals
- Forward looking strategies and management policies
- Cutting-edge tools and technologies to support real time on-line banking
- Well-diversified line of business
- A good risk management and compliance culture

- Deep focus on quality control
- And a dedicated line of human resources

2.6.2 Corporate Values

- Customer Focus
- Integrity
- Quality
- Teamwork
- Respect for the Individual
- Responsible Citizenship

2.6.3 Our Confidence

- Ability to lead the competition in a changing business environment
- A solid business growth to create sustainable shareholder value
- Enhancement of customer responsiveness by leveraging financial advice
- Rigorous teamwork to bring out synergy for optimum benefits
- Strong compliance of the laws and regulations of the state and regulatory bodies
- Trust by the community as a part of their lives
- A rewarding work environment for our dedicated employees
- High ethical standard in all level of operations under a corporate culture par excellence

2.6.4 Capital Structure

The Dhaka Bank was incorporated as a public limited company on April 06, 1995 under the Companies Act 1994. The Bank started its commercial operation on July 05, 1995 with an authorized capital of Tk. 1,000 million and paid up capital of Tk. 100 million.

The Bank raised its authorized capital from Tk. 1,000 million to Tk. 2,650 million in 2005 and Tk. 6,000 million in 2015, and now it is 10,000 million in 2019. The paid up capital of the Bank amounted to Tk. 2,660 million as on 31 December, 2019. The total equity (capital

and reserves) of the Bank as on December 31, 2019 stood at Tk. 6,580 million including sponsor capital of Tk. 1,113 million.

Aiming at offering commercial banking service to the customers' door around the country, Dhaka Bank Limited establishes 56 branches up-to this year. This organization achieved customers' confidence immediately after its establishment in domestic and international markets.

2.6.5 Management

Pursuant to the slogan 'Excellent in Banking' the DBL has successfully stepped on its 16th year of operation. The bank has distinguished its position in operating and competing with other banks among the peer group in the country since its establishment. Among the second-generation banks, the DBL's performance is satisfactory in terms of profitability and maintaining superior asset quality.

The present Managing Director Mr. Khondker Fazle Rashid has long experience of working for more than 30 years in top positions of foreign banks in different countries. In his management team, the Managing Director is assisted by two Deputy Managing Directors, two Senior Vice Presidents, and nine Vice Presidents. The day-to-day banking functions are handled by these professionals with modern banking knowledge and experience in respective fields. The above management team is well aware of bank's mission and vision. However, in order to keep the bank on competitive edge, professionals need to keep themselves updated with professionalism.

2.6.6 Highlight Corporate Profile:

Name of the Company	: Dhaka Bank Limited
Legal form	: A public limited company incorporated in Bangladesh on 6 th April 1995 under the Companies Act, 1994 and listed in Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.
Dated of Commencement	: 5 th July 1995.
Registered office	: Biman Bhaban (1 st Floor), 100 Motijheel C/A, Dhaka-1000, Bangladesh
Swift Code	: DHBLDBBH
E-mail	: info@dhakabank.com.bd
Web Page	: www.dhakabankedltd.com
Auditors	: Hoda Vasi Chowdhury & Co Chartered Accountants
Tax Consultants	: Howladar, Yunus & Co. Chartered Accountants
Chair person	: Reshad:ur Rahman
Vice Chairman	: Mr. Tahidul Hossain Chowdhury
Director	: Mr. Md. Amirullah
Director	: Mr. Abdul Hai Sarker
Managing Director	: Mr. Syed Mahbubur Rahman
Company Secretary	: Arham Masudul Huq
Number of Shareholders	: 43,256
Capital Adequacy	: 10.09%
Rating Agency	: Credit Rating Agency of Bangladesh
Credit Rating	: Short Term - ST-2, Long Term – A1
Publications	: Quarterly Insight, Annual Report

2.7 Management Hierarchy

Managing Director
Deputy Managing Director
Senior Executive Vice President
Executive Vice President
Senior Vice President
Vice President
Senior Asst. Vice President
First Asst. Vice President
Asst. Vice President
Senior Principal Officer
Principal Officer
Senior Officer
Officer
Probationary Officer
Junior Officer
Asst. Officer/Asst. Cash Officer
Trainee Asst. Officer/Trainee Asst. Cash Officer
Typist/Computer Operator
Trainee Typist/Trainee Computer Operator
Telephone Operator
Trainee Telephone Operator
Electrician
Care Taker
Peon
Security Guard

Table - 1: Management Hierarchy

2.7.1 An Overview of Dhaka Bank Limited

Bangladesh economy has been experiencing a rapid growth since the 90's. Industrial and agricultural development, international trade, inflow of expatriate Bangladeshi workers' remittance, local and foreign investment in construction, communication, power, food processing and services enterprises ushered in an era of economic activities. A group of highly acclaimed businessman of the country grouped together to responded to this need million during the year through public issue of 2320000 shares of Tk.100 each and issuance of 118800 shares of Tk. 100 each as a bonus shares to the sponsor out of profit of 1998. Bank has also made general provision of Tk.37.02 million which is 1% unclassified advances and will be treated as supplementary capital.

2.7.2 Major Activities of Dhaka Bank Limited

- **Branch expansion:**

The Bank has 56 branches and 1 Off Shore banking unit at DEPZ Savar Dhaka, 5 SME Service Centre, 1 Kiosk (Business Centre) across the country and a wide network of correspondents all over the world.

2.7.3 Deposits:

Since the commencement of banking operation, Dhaka Bank Limited has not only gained enormous popularity but also succeeded in raising the deposit to Tk. 67,743 million from Tk. 60,918 million within last year registered a 11% growth.

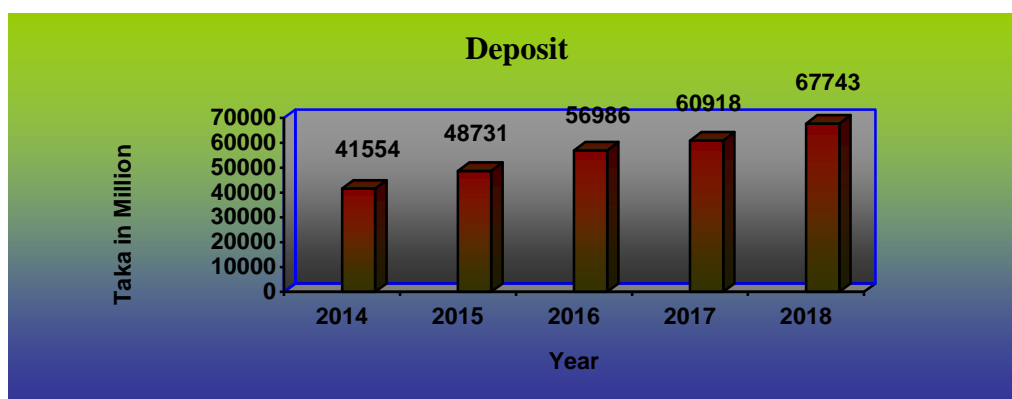


Figure-1 Deposit Position of Dhaka Bank Ltd. 2014-2019

Source: <https://dhakabankltd.com/>

- **Advances**

The advanced portfolio of the bank is well diversified and broad based covering various sectors of the economy. The total loans and advances of the bank stood Tk. 52,910 million as at December 31, 2018 compared to Tk. 63,591 million as December 31, 2019 registering an increase of 20%.

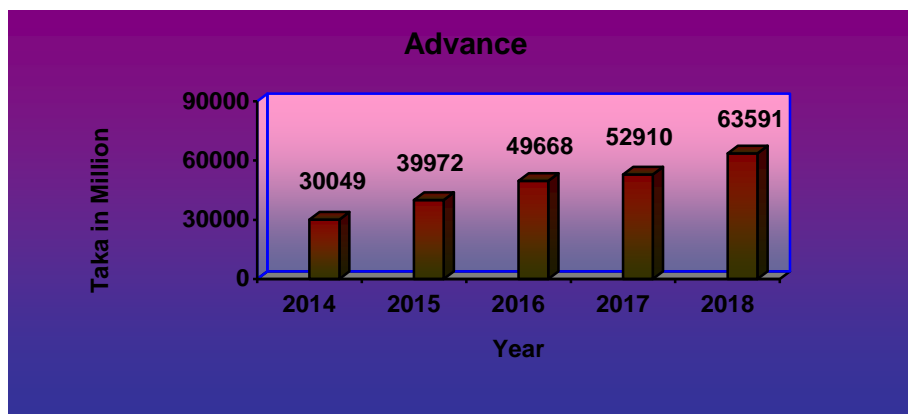


Figure-2 Advances Position of Dhaka Bank Ltd. 2014-2019

Source: <https://dhakabankltd.com/>

- **Investment:**

The Bank's Investment during the year 2019 were mostly in long term Government Securities which stood at Tk. 8,443 million as against Tk. 8,660 million making a decrease of 2% over the last year. The Government Treasury Bonds purchased at higher rate of interest to cover the increased SLR arising from the growth of deposit liabilities.

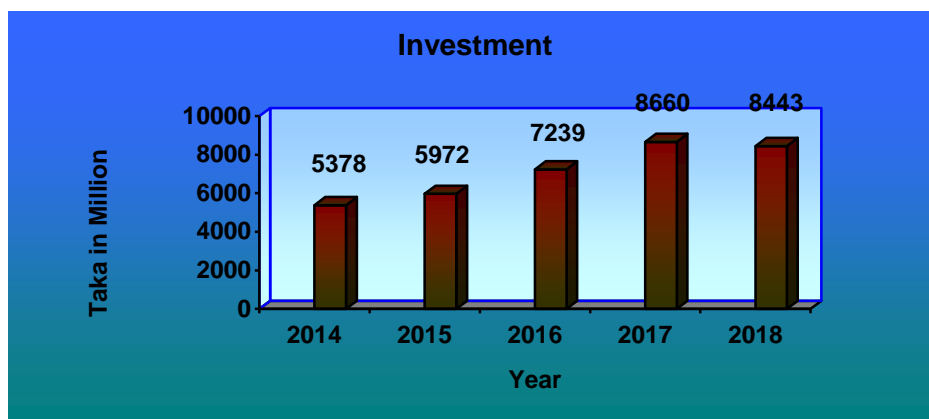


Figure-3 Investment Position of Dhaka Bank Ltd. 2014-2019

Source: <https://dhakabankltd.com/>

- **Profit**

The bank earned an operating profit of Tk. 1679 million in 2019 compared to Tk. 959 million in 2018 making a growth of 75%. After all provision including general provisions on unclassified loans and profit before tax stood at Tk. 3,841 million.

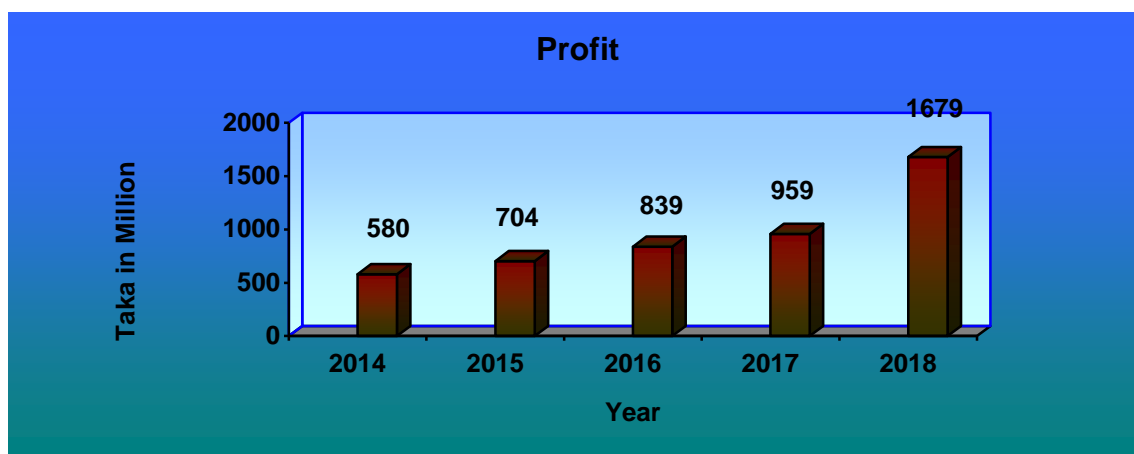


Figure-4 Profit Position of Dhaka Bank Ltd. 2014-2019

Source: <https://dhakabankltd.com/>

- **Dividend**

It is a great pleasure for the Board of Directors of Dhaka Bank Limited to recommended a 35% of Stock Dividend i.e. 100 Bonus Share for every 1 Shares for the year that ended on December 31, 2019 subject to approval of the 16th Annual General Meeting.

- **Locker**

Dhaka Bank Limited has the option of covering your valuables against any unfortunate incident. They are offer security to our locker service as afforded to the Bank's own property at a very competitive price.

They serve from Saturday through Thursday from 9:00 am to 4:00 pm.

Lockers are available at Dhanmondi Dhaka - Gulshan, Banani, Uttara Branch and Chittagong - CDA Avenue, Agrabad,.

- **Inward Foreign Remittance**

Dhaka Bank Limited has continued its upward growth trend from 2014 and had carried the momentum to 2015 in the Inward Foreign Remittance sector. Providing swift and expert service to its expatriate clients has been the Bank's top priority along with increasing the inflow of foreign currency to contribute to the country's foreign

exchange reserve. We begin our journey in 2017 with a view to offer further Banking Services to its valued clients both at home and abroad.

The General Banking Division

At first I was placed to this division. The officers gave me all the briefings about this division.

Learning experience from general banking division:

The main business of this division is dealing with "Deposit". There are two types of Deposit in this branch:

- 1. Demand Deposit**
- 2. Time Deposits**

- **Demand Deposit**

These deposits are withdrawal of money without notice. There are two types of Demand deposit in this branch.

- Current A/C
- Savings A/C

- **Time Deposits:**

A deposit which is payable at a fixed date or after period of notice is a time deposit. I found two types of Time Deposit in this branch.

- Fixed Deposit Receipt (FDR)
- Short Term Deposit (STD)

Task I handled in this division are:

- Issuing Cheque Book
- Opening Account
- Opening various type of scheme etc.
- Demand Draft (D.D)
- Telegraphic Transfer (T.T)
- Mail Transfer (M.T)
- Payment Order (P/O)

Cheque Book issue is very sensitive issue because most of the fraud occur through this cheque book. To open an individual savings account one need to have an introducer in this Bank. But to open a current account one needs to submit the trade license. And if it is Partnership Company, the customers need to submit the partnership deed.

I also dealt with opening other deposit scheme like "Marriage Scheme", I also dealt with receiving documents / letters. In clearing section, I learned about Outward Bill Collection (OBC), Inward Bill Collection (IBCX and Inter bank Bill Credit Account (IBCA), Inter bank Bill Debit Account (IBDA).

The bank has to keep record of the collecting cheque & return cheque in the registered book and some other record keeping books and requires preparing particular schedule paper for sending to the head office within 3 p.m. everyday. In the Transfer Register the Debit and the Credit balance should be matched. Otherwise they need to recalculate the whole transaction again.

The total amounts of every record have to exactly same. I had to work in the deposit section where I have gathered high knowledge about banking deposit. My supervisor told about different types of deposit scheme of the Bank and how they operate all of Diem.

I become myself acquainted with different kinds of deposit of this Branch. This Branch mainly deals with CD, SD and FDR I had to write voucher of pay order, DD & TT and also transferred it into the register book. I saw that, it was very essential for every DD, TT & PO to match the test number. If the test number did not match, then the authority cancelled that.

There is one responsible officer who deals with the daily voucher. He needs to check the entire voucher used previous day. End of the day the officer needs to receive all the vouchers from every section to keep the entire voucher together. I got the opportunity to become acquainted with these facts. The cash in charge and the man who posts the transaction in the computer need to match end of the day.

Learning Experience from Credit Division

This is the place where I have spent most of my intern time duration. My intern supervisor is head of this division. So I have the opportunity to lean about the different functions of this division. The main business of a bank is to provide advances to the customers. But if the

management does not understand the customer's intention the bank might lose huge amount of money from that project. This department exercises the lending function; therefore, distribute its funds among various assets in a manner as to drive sufficient income. The different tasks I found in this division are as follows:

- Except the proposal of different loan from the customer.
- Verifying the customers.
- Investigate the customer's work place.
- Lending Risk Analysis (LRA)
- Send report to the CIB for bigger loans
- Issuing loan for the customers.
- Collecting Charge documents from the customers
- Issuing CCS, SOD, small loan, Bank Guarantee etc.
- Monitoring the recovery
- Report to the Head Office about recovery rate of different defaulters
- Sending letters to the defaulters
- Contact with defaulters etc.

My supervisor told me about all functions of this department and how they deal with these factors. Secured overdraft is one of the important tasks of this Division. The bank gets 16% interest from this loan. A person can take loan from his or her fixed deposit. When a loan is issued to the customers the bank needs to take charge documents from the party. If the party becomes defaulter and the bank requires submitting sue against that party charge document helps the bank a lot in that time. This division needs to monitor the recovery rate of each month.

The responsible officer sends a report about the condition of the loan each and every month. So the officer collects information from the cash department whether all the customers repaid the loan or not. After getting the information he needs to send letters to the defaulters for repaying the loan immediately. Otherwise he needs to contact personally with the customers physically or through telephone. In lending, the most important step is the selection of the borrower.

Due to the asymmetric information and moral hazard, banks have to suffer a lot due to the classified loan and advances, which weakens the financial soundness of the bank. If the

selection of the borrower is correct, i.e. the borrower is of good character, capital and capacity or of reliability, responsible and resourceful; the bank can easily get the return from the lending.

For this the division needs to prepare lending risk analysis for the persons who want to take bigger loans. And send it to the Head Office so that they can verify all the things and issue it for the customers. In this division I had to observe all the things and had to help the officer to learn about this division. Sometimes I had to go with my supervisor to investigate the customers physically.

2.7.4 Learning Experience from Foreign Exchange Division

This is one of the busiest departments, I have found in CDA Avenue Branch. There are two people working from morning to till evening. The big customers that mean the customers who have taken higher amount of loan from this branch needs to have busy with their business. The export and importers need to for opening L/C or go to Back to Back L/C.

Task of this Division:

- Issue L/C
- L/C Advising & Conforming
- L/C Collection & Negotiating
- FDRP
- Selling TC & Dollars Endorsement.

On the first day of this division, the officer told me about all the terms and condition of this division. He made me understand about how to open letter of Credit (L/C) and Back to Back L/C what are the requirement of opening L/C, advising and conforming of L/C. This was a great opportunity for me to gather knowledge about impact of foreign trade as well as the policy and regulation of Bangladesh Bank.

In this division I just discussed with different terms and read some files and documents. Because in this department the jobs were more-or-less based on document verification by getting true and perfect information. There are format of making documents in the computer. The authorized person just changes the number and other required things from the format and

prepares documents for the customers. Here I have check discrepancy of the foreign and local L/C. Everyday almost on an average 3 to 4 L/C is come. I have learnt a lot in this division about the foreign business.

2.7.5 Learning Experience from Accounts Division

Accounts division is one of the most important divisions in the branch. But as an Intern my job is little.

My first job is to match daily position with the daily affaires. After that we have to cheek the amount of Hamara Shipping bills, whether it is posted everything or not. Then I watch how they run the day in the computer. Then nothing to do. In the evening again I have to cheek whether every department complete their posting or not in the computer.

2.7.6 Types of Credit Facilities

Introduction

The word credit comes from the Latin word "credo" meaning, "I believe". It is a lender trust in persons / firms / company's ability or potential ability to command goods or services of another in return for promise to pay such goods or services at some specified tome in the future and extend credit to customers and others out of the funds at bank limited made in different forms, such as loans, overdrafts, cash credits, bills purchased and discounted, bank guarantee etc. Dhaka Bank Limited deals with the money form the depositor repayable on demand. So, it cannot afford to lock up it fund for long periods. DEL usually grant short-term advances, which are utilized to meet the working capital requirements of the borrower. Only a small portion of a bank's demand and time liabilities is advanced on long-term basis where the banker usually insists on a regular repayment by the borrower in instilments.

2.7.7 Credit Position of Dhaka Bank Ltd

Credit Position of Dhaka Bank Ltd In a birds eye view: (fig. in million Tk.)

Particulars	2019	2018	2017
Total Deposit	67743	60918	56,986
Total Loans and Advances	63591	52910	49,698
Guarantee	7,081	6653	7,887
Total amount of Classified Loans	2908	2946	1,909
Amount of Provision against Classified Loans	1481	1488	825
Amount of Provision against Unclassified Loans	742	625	620
Credit Deposit Ratio (%)	93.87 %	86.85 %	87.21 %
Return on Equity (%)	25.52 %	19.32 %	20.97 %

Table 2: Credit Position of Dhaka Bank Ltd

- Performance on Loans, Cash Credit, Overdrafts and others:**

	2019	2018	2017
Overdrafts	13,723,017,000	11,342,253,636	12,331,027,323
Demand Loan	765,309	915,494	85,846
Cash Credit	4,428,120,630	3,362,145,039	3,532,417,037
House Building Loan	1,132,610,258	920,345,334	756,104,195
Transport Loan	681,859,617	457,719,351	390,891,037
Term Loan	16,928,691,272	16,016,404,706	14,767,609,448
Loan against Trust Receipt	9,664,110,969	6,975,966,663	7,576,639,263
Payment against Documents	559,752,275	647,023,683	384,828,078
Loan against Imported	427,974,282	162,366,862	177,256,470
Merchandise	676,226,794	388,396,297	292,315,224
Loan against Accepted Bills	2,215,751	8,243,158	10,956,769
Packing Credit	1,371,962,700	1,221,483,668	1,327,898,411
Lease Finance	163,713,653	144,524,031	120,581,047

Credit Card	3,546,105,881	3,842,429,558	3,803,331,066
Personal/ Car Loan	7,846,403,132	5,853,644,369	2,237,914,983
Other loans			
Total=	61,153,529,522	51,343,861,849	47,709,856,197

Table - 3: Performance on Loans, Cash Credit, Overdrafts

From the above table of the performance of credit, we can see that the total amount of loans is increasing. In 2017, it was 47,710 million and in 2019, it became 61,154 million. From the above categories, LTR, Term Loan, Overdraft, LIM, PAD these loans have been sanctioned most. Other types of loans are sanctioned steadily. Every broad sector of the loan outstanding is increasing. It signifies that the credit policy is well balanced in the portfolio. So in the existing credit policy, every broad sector got the treatment that every sector is doing well.

• **Industry Wise Loans including Bills Purchased & Discounted:**

(fig. in million Tk.)	2019	2018	2017
Agricultural Industries	277	304	176
Pharmaceutical Industries	626	561	747
Textile and Garment industries	13,184	9,729	10,215
Chemical Industries	935	1,304	1,135
Food & Allied Industries	4552	3,503	2,729
Transport & Communication I	2,090	1,905	2,116
Electronics & Automobile	198	94	498
Housing & Constructions Industries	7,333	6,916	4,669
Engineering & Metal Industries	6,066	3,937	2,505
Energy & Power Industries	1,442	584	853
Service Industries.	2,483	1,578	1,163
Other Industries	24,404	22,492	22,891
Total	63,592	52,909	49,695

Table - 4: Industry Wise Loans

From the above table we can see the industry wise loan outstanding of Dhaka Bank Ltd of the year 2017, 2018 and 2019. The above table shows that Engineering & Metal and Food &

Allied industries are given most priority for giving loans. Textile, Housing and Pharmaceutical industries are also sanctioned a good amount of loan during those years. But Agricultural industries are given less amount of loan. The reason for that is, factory for agricultural based products in our country is low. Though our country is an agricultural country and agricultural products are vastly traded all over the country, but because of less scope of agricultural based industries in our country, the sanctioned loan is low in this sector.

• **Geographical Location wise Loans & Advances:** (fig. in million Tk.)

	2019	2018	2017
Urban			
Dhaka Region	42,240	36,420	35,424
Chittagong Region	10,447	8,974	7,151
Sylhet Region	648	620	479
Other	4,963	3,371	3,434
	58,298	49,385	46,488
Rural			
Dhaka Region	4,130	1,725	1,732
Chittagong Region	247	127	78
Sylhet Region	97	201	77
Other	818	1,469	1,322
	5,292	3,522	3,209
Total=		63,591	52,907
49,697			

Table - 5: Geographical Location wise Loans & Advances

Dhaka Bank Ltd is very selective in sanctioning loans to different locations of the country. From the above table we can see that Dhaka is the center of concentration for sanctioning loans of Dhaka Bank Ltd. As Dhaka is the capital, this division is given most priority for giving loans. In the next position, there is Chittagong. Chittagong is the Commercial and Port City of Bangladesh.

Therefore this division is also given priority for giving loans. Sylhet and other regions are also given loans. But in recent years, Dhaka Bank Ltd did not sanction any loan in the rural areas of Chittagong. The reason may be, there are only two branches of Dhaka Bank Ltd in Chittagong. For the shortage of branches in Chittagong, Dhaka Bank Ltd did not sanction any loan in the rural areas of Chittagong.

• **Classification of Loans and Advances:**

(Taka in million)

	2019	2018	2017
Unclassified Loans	60,683	49,964	47,789
Classified Loans			
Sub-standard	776	432	1,909
Doubtful	340	590	139
Bad/ Loss	1,792	1,923	905
Total=	63,591	52,909	50,742

Table - 6: Classification of Loans and Advances

From the above table we can see that in 2017, the amount of classified loans was 2,953 million. But in 2018, it increased to almost double. It was 2,945 million. But in 2019, the amount of classified loan again increases to 2,908 million. Due to huge natural calamities in 2019, the classified amount increased this year.

2.7.8 Types of Credit Facilities Extended By DBL

The credit facilities extended by DBL can be divided in two ways:

CREDIT		
Funded		Non – Funded
<ul style="list-style-type: none"> • Overdraft • Consumer Credit • Loan • PAD • LTR • Packing Credit • Term Loan • Staff Loan • Cash Credit against • House – Building Loan • Demand Loan • Lease Financing 		<ul style="list-style-type: none"> • Letter of Credit • Bank Guarantee

Table 7 Type of Credit Facilities offered by DBL

2.7.9 Detail Operation Mechanism of Each Criterion

- **Overdraft:**

When a current account holder is permitted by the banker to draw more than what stands to his credit, such an advance is called an overdraft. The banker may take some collateral security or may grant such advance on the personal security of the borrower. DBL has given this overdraft facility to its clients.

Eligibility: Overdraft facility are generally granted to businessmen for expansion of their business, against the securities of stock-in-trade, shares, debenture, Government promissory notes, fixed deposit, life policies, gold and gold ornaments etc.

Nature: Short term loan

Interest Rate: 15%- 16% per quarter

Outstanding Amount: In December 2019 Tk. 13,723,017,000 outstanding.

Terms and Condition:

- I. Bank may cancel / alter the sanction without assigning any reason whatsoever.
- II. In case of client failure to pay the bank's dues within the validity of the limit bank may en cash client pledge without any prior intimation to client.

- **Consumer Credit**

Consumer credit is a relatively new field of micro-credit activities; people with limited income can avail of these credit facilities to buy any household effects including car, computer and other commercial durable. Dhaka Bank Limited plays a vital role in extending the consumer credit.

Eligibility: The borrower must be confined official of any of the following organizations:

- Government Organization
- Semi-Government Organization
- Multinational Organization
- Bank and Insurance companies
- Reputed Commercial Organization
- Professionals

Nature: Mid-Term micro credit

Interest Rate: 15% per quarter in cash of household items and car,

Outstanding Amount: In December 2019 Tk. 4,428,120,630 outstanding.

Terms and Conditions:

- I. Client will procure the specific articles from the dealer/agent/shop(s) acceptable to bank.
- II. All the papers / cash memos etc, related to the procurement of the goods will be in the name of the Bank ensuring. Ownership of the goods. Where applicable, the ownership shall be transferred in the name of the clients after full adjustment of Bank's dues.
- III. The client shall have to bear all the expenses of License, Registration, Insurance, etc of the articles wherever necessary.
- IV. The client shall have to bear the cost of Repair and Maintenance of the acquired articles.

• **Demand loan**

This loan is given against Personal Guarantee and cash collateral securities.

Interest Rate: 12% per quarter.

Outstanding Amount: In December 2017 Tk.765,309 were outstanding.

• **Small Loan**

When an advance is made in a lump sum repayable either in fixed monthly instalments or in lump sum and no subsequently allowed except by way of interest, incidental charges, etc. it is called a small loan. The whole amount of loan is debited to the consumer's name on a loan account to be opened in the ledger, and is paid to the borrower either in cash or by way of credit to current / savings account.

Eligibility: Loan is normally allowed to those parties who have either fixed source of income or who desire to pay it in lump-sum.

Interest Rate: 15% per quarter.

Terms and Conditions:

- I. Disbursement will be made after completion of all formalities.
- II. Bank reserve the right to cancel or amend the terms and condition partly or wholly at its direction without assigning any reason whatsoever.

- III. When the principal debtor defaults in fulfilling the obligation or promise liability bestow on guarantor.

- **LTR (Loan Against Trust Receipt)**

DBL has given the facility of LTR. Under this arrangement, credit is allowed against trust receipt and the exportable goods remain in the custody of the exporter but he is required to execute a stamped export trust receipt in favor of the bank. Where in a declaration is made that he holds goods purchased with financial assistance of bank in trust for the bank.

Eligibility: Loan against trust receipt is generally granted to exporter for exportation of export goods.

Interest Rate: 15% P.Q with monthly rest subject to the charge that may be made by the bank from time to time.

Outstanding Amount: In December 2019 Tk. 9,664,110,969 outstanding.

Terms and Conditions:

- I. Disbursement will be made after completion of all formalities as per sanction terms.
- II. Supplies credit report to be obtained before opening of L / C's
- III. Excess drawing over the sanction limit is strictly prohibited.
- IV. Customer will maintain effective and constant supervision and follow up to ensure timely adjustment of the loan to avoid overdue.

Chapter Three

Analysis and Evaluation

3.1 Corporate Banking

Providing a tailored solution is the essence of Dhaka Bank's Corporate Banking services. Dhaka Bank recognizes that corporate customers' needs vary from one to another and a customized solution is critical for the success of their business.

Dhaka Bank offers a full range of tailored advisory, financing and operational services to its corporate client groups combining trade, treasury, investment and transactional banking activities in one package. Whether it is project finance, term loan, import or export deal, a working capital requirement or a forward cover for a foreign currency transaction, DBL Corporate Banking Managers will offer the right solution. One will find top-class skills and in-depth knowledge of market trends in DBLs corporate Banking specialists, speedy approvals and efficient processing fully satisfying your requirements - altogether a rewarding experience.

Our experience in handling Corporate Banking business covers a wide span of businesses and industries. One can leverage on our expertise in the following sectors: particularly Telecom, Media and Technology, Textile, Ready Made Garments, Edible Oil, Consumer and Diversified Industries, Shipping, Ship Breaking, Steel and Engineering, Energy, Chemicals and Pharmaceuticals, Cement and Construction, Financial Institution, Floating of Public Issues. The Bank assists companies to underwrite public issues. Dhaka Bank has successfully participated in a number of issues.

3.2 Deposits Account

The deposit base of the Bank continued to register a steady growth and stood at Tk. 67,743 million excluding call as of 31 December 2019 compared to Tk. 60,918 million of the previous year registered a 11% growth. The growth was supporting by branch network and high standard products & service provided to customers. The customer group of the Bank was Individuals, Corporation, NBFIs, Government Bodies, NGOs, Autonomous Bodies etc.

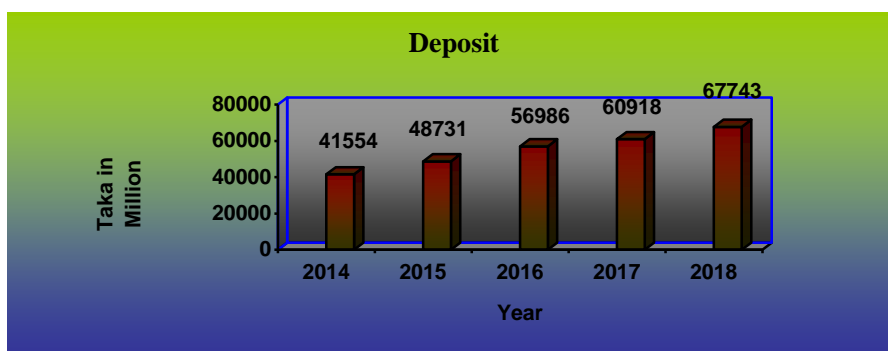


Figure-5 Deposits Account of Dhaka Bank Ltd. 2014-2019

Source: <https://dhakabankltd.com/>

The cost-free and low-cost deposits comprised of 28% of the deposits. Fixed deposits remained the main component of deposits contributing about 70% of the total deposits. Average Cost of Deposits was 9.40% in 2017 as against 8.97% in 2015. Deposit Mix of the Bank as of 31 December 2017 was as follows:

Types of Deposits	Taka in million	% of Total Deposit
Current and Other Deposits	8,184.24	12%
Saving Deposits	7,407.24	10%
Short Term Deposits	3,705.86	05%
Fixed Deposits	44,135.15	66%
DPS/MDS & Gift Cheque	2,993.63	05%
Bills Payable	1,316.88	02%
Total	67743.00	100%

Table - 8: Types of Deposits

3.3 Personal Banking

• Personal Loan of Dhaka Bank Ltd

Dhaka Bank Ltd. believes "It's been a long cherished desire of any person to have own home theatre or enjoy a vacation that he or she has been dreaming about with the family or many more such wishes. Dhaka Bank "Personal Loan" program has brought the opportunity to make these dreams come true".

Eligibility:

To apply for a Personal Loan one should be a Bangladeshi national;

- At least 21 years of age
- A minimum monthly verified family income of BDT 15,000.00

- Salaried employees with at-least 12 months of confirmed service
- Self Employed Professionals having at least three years of continued practice in the area of profession
- Businessmen with at least 3 years of continued operation in the line of business.

Loan Repayment:

The monthly installment will be debited from the client's savings account with Dhaka Bank against the post dated cheques or auto-debit instruction obtained at the time of loan disbursement.

Loan Amount	12 Months	24 Months	36 Months	48 Months
75,000	6,805	3,673	-	-
100,000	9,074	4,897	3,516	-
150,000	16,610	7,345	5,274	-
200,000	18,432	9,793	7,032	-
300,000	27,647	15,132	10,997	-
350,000	32,255	17,644	12,830	10,466
450,000	41,471	22,684	16,496	13,456
500,000	45,366	24,482	17,579	17,171

Table- 9: Personal Loan Monthly Repayment Schedule

Early Settlement:

Early settlement of the loan is allowed after six months and there is no penalty for such pre-payments. Partial pre-payment of the loan is not allowed.

Fees:

1% of the loan amount will be realized in cash as processing fee prior to disbursement of the loan with a non-refundable verification fee of BDT 500 at the time of applying for the loan.

Dhaka Bank's Target Market:

The target market for consumer loan will mainly comprise of residents of Dhaka and Chittagong metropolis falling in the following category –

- a) *Salaried employees* of institutions in the Dhaka, Chittagong and Sylhet markets.

- b) *Professionals* who are self employed and have at-least 3 years of independent practice in the area of profession.
- c) *Businessmen* who are permanent residents of Dhaka, Chittagong and Sylhet metropolis with at least 3 years of continued operation in the line of business.

Restrictions and Client Eligibility:

- Loans are restricted to Bangladeshi nationals falling in the categories mentioned below. The minimum age for any borrower will be 21 years and the maximum age 52 years with a minimum verified Gross Family Monthly Income of BDT 15,000. For DEL employees, any staff with 12 months of continuous service will be eligible under the program.

Salaried Employees

Permanent salaried employees with at-least 12 months of confirmed service with the present employer.

- Work station in Dhaka, Chittagong, Sylhet and where Dhaka Bank operates or University graduates

Professionals

- Doctors, Dentists, Engineers, Chartered Accountants, Architects who are members of their professional institutes.
- Practice and location in Dhaka, Chittagong, Sylhet and where Dhaka Bank operates.
- At-least 3 years of continued practice in the respective profession in Dhaka or Chittagong.

Businessmen

Continued operation of the enterprise of at-least 3 years in the present line of business.

- Membership of the trade association.
- A resident of Dhaka, Chittagong, Sylhet and where Dhaka Bank operates for at least 3 continuous years.

The maximum permitted Equal Monthly Installment (EMI) paid by the borrower should be no more than the 50% of the Family Monthly Disposable Income (FMDI) of the borrower per month. In calculating FMDI, Dhaka Bank uses the following industry standard formula:

Proven income of obligor PLUS proven income of spouse (if the spouse is working) PLUS proven other family income (if any) of the obligor or spouse LESS current monthly loan obligations (if any), other monthly fixed obligations (rent, children's education, monthly food expenses etc.)

- **Vacation Loan**

As part of establishing a personal banking franchise of Dhaka Bank Limited, the bank has successfully launched Vacation Loan. The product is a term financing facility to individuals to aid them in their pursuit of spending a vacation in the country or abroad. The facility becomes affordable to the clients as the repayment is done through fixed installment commonly known as EMI (equated monthly installment) across the facility period. Depending on the size and purpose of the loan, the number of installments varies from 12 to 48 months.

The target market for personal loan will mainly comprise of following category

- Salaried employees of institutions in the Dhaka, Chittagong and Sylhet markets.
- Professionals who are self employed and have at-least 3 years of independent practice in the area of profession.
- Businessmen who are permanent residents of Dhaka, Chittagong and Sylhet metropolis with at least 3 years of continued operation in the line of business.

Restrictions and client eligibility

- Loans are restricted to Bangladeshi nationals falling in the categories mentioned below. The minimum age for any borrower will be 25 years and the maximum age 52 years with a minimum verified Gross Family Monthly Income of BDT 10,000.

Salaried employees	<ul style="list-style-type: none"> - Permanent salaried employees with at-least 12 months of confirmed service with the present employer. - Work station in Dhaka, Chittagong, Sylhet and where Dhaka Bank operates - University graduates
Professionals	<ul style="list-style-type: none"> - Doctors, Dentists, Engineers, Chartered Accountants, Architects who are members of their professional institutes. - Practice and location in Dhaka, Chittagong, Sylhet and where Dhaka Bank operates.

	- At-least 3 years of continued practice in the respective profession in Dhaka or Chittagong.
Businessmen	<ul style="list-style-type: none"> - Continued operation of the enterprise of at-least 3 years in the present line of business. - Membership of the trade association. - A resident of Dhaka, Chittagong, Sylhet and where Dhaka Bank operates for at least 5 continuous years.

Table 10: Categories of Bangladeshi nationals for Loan

Loan amount limits under the program	Type of Loan	Minimum loan amount		Maximum loan amount
	Vacation	BDT 25,000		BDT 500,000
Rate of Interest	16%			
Amount	EMI in months			
	12	24	36	48
25,000	2,269	1,225	-	-
50,000	4,537	2,449	-	-
75,000	6,805	3,673	-	-
100,00	9,074	4,897	3,516	-
150,000	13,610	7,345	5,274	-
200,000	18,147	9,793	7,032	-
300,000	27,220	14,689	10,548	8,503
400,000	36,293	19,586	14,063	11,337
500,000	45,366	24,482	17,579	14,171

Table 11: Categories of Loan Amount

• E-Cash ATM Card

Dhaka Bank E-Cash ATM Card enables clients to withdraw cash and do a variety of banking transactions 24 hours a day. E-Cash ATMs are conveniently located covering major shopping centers, business and residential areas in Dhaka. There are 16 ATM Booths in Dhaka, 2 ATM Booths in Chittagong & 2 ATM Booths in Sylhet and in other cities it will soon be introduced. The network will expand to cover the whole country within a short span of time.

• Online Banking

Convenience is the key feature of DBL Personal banking program. DBL's aim is to provide every customer easy access to his/her account from any branch and ultimately from any where. Recognizing customers need DBL has recently networked all of its branches in

Dhaka, Narayanganj, Chittagong and Sylhet to permit its valued customers to carry out transactions from any branch. Cash withdrawal or deposit or any type of personal banking transactions can be performed using the Any Branch Banking service. All transactions under Any Branch Banking are absolutely free of charge.

- **Credit Card**

“What you can do with your Dhaka Bank Credit Card?”

Everything you would expect from a credit card. You can use it at all the merchant locations that display the Vanik Card sticker. That's not all. You can also use it at all the locations that display the Card sticker. And that's a whopping 1,700 merchants and more than 50 products and services. What's more, we are always increasing our merchant locations. An updated list is available from our Card Centre.

Convenience Unlike other cards, all branches of Dhaka Bank Ltd. can accept your bill payments and handle your card service requests. You may open an account as well with any of these branches to conduct all your banking and card service requirements under one roof.

Flexible Repayment Options Dhaka Bank Credit Card offers you credit facility absolutely FREE up to a maximum of 45 days. You get 15 days time from the date of statement to repay your dues. You can pay in full within 15 days (and save money; no interest accrued, no payout) or in part. The minimum amount required to pay is 1/12th of the total amount or Tk. 200 (whichever is higher). The revolving credit line of your card allows you to select payment terms to suit your other financial commitments.

Quick Replacement If your card has been lost or stolen, don't worry. A replacement will be sent to you within a couple of days. But remember to report the loss as soon as you have detected it. Once reported, there will be no liability on fraudulent charges.

- **Car Loan**

As part of establishing a personal banking franchise of Dhaka Bank Limited, the bank has successfully launched Car Loan. The product is a term financing facility to individuals to aid them in their pursuit of has a car of their dream. The facility becomes affordable to the clients as the repayment is done through fixed installment s commonly known as EMI (equated

monthly installment) across the facility period. Depending on the size and purpose of the loan, the number of installments varies from 12 to 48 months.

The target market for personal loan will mainly comprise of following category

- a) **Salaried employees** of institutions in the Dhaka, Chittagong and Sylhet markets.
- b) **Professionals** who are self employed and have at-least 3 years of independent practice in the area of profession.
- c) **Businessmen** who are permanent residents of Dhaka, Chittagong and Sylhet metropolis with at least 3 years of continued operation in the line of business.

Restrictions and client eligibility

- Loans are restricted to Bangladeshi nationals falling in the categories mentioned below
The minimum age for any borrower will be 25 years and the maximum age 52 years with a minimum verified Gross Family Monthly Income of BDT 45,000.

Salaried employees	- Permanent salaried employees with at-least 12 months of confirmed service with the present employer. -Work station in Dhaka, Chittagong, Sylhet and where Dhaka Bank operates - University graduates		
Professionals	- Doctors, Dentists, Engineers, Chartered Accountants, Architects who are members of their professional institutes. - Practice and location in Dhaka, Chittagong, Sylhet and where Dhaka Bank operates. -At-least 3 years of continued practice in the respective profession in Dhaka or Chittagong.		
Businessmen	- Continued operation of the enterprise of at-least 3 years in the present line of business. - Membership of the trade association. -A resident of Dhaka, Chittagong, Sylhet and where Dhaka Bank operates for at least 5 continuous years.		
Loan amount limits under the program	Type of Loan	Minimum loan amount	Maximum loan amount
	Car	Not specified	Tk 50,00,000

Table 12: Categories of Bangladeshi nationals for Loan

Car Loan						
Rate of Interest	14%					
Amount	New / Recondition Car					Only for New Car Maximum
	12	24	36	48	60	72
500,000.00	44,894	24,007	17,089	13,664	11,635	10,303
750,000.00	67,341	36,010	25,634	20,495	17,452	15,455
1,000,000.00	89,788	48,013	34,178	27,327	23,269	20,606
1,200,000.00	107,745	57,616	41,014	32,792	27,922	24,727
1,500,000.00	134,681	72,020	51,267	40,990	34,903	30,909
2,000,000.00	179,575	96,026	68,356	54,653	46,537	41,212
2,500,000.00	224,468	120,033	85,445	68,317	58,171	51,515
3,000,000.00	269,362	144,039	102,533	81,980	69,805	61,818
3,500,000.00	314,255	168,046	119,622	95,643	81,439	72,121

Table 13: Categories of Loan Amount

- **Any Purpose Loan**

Introducing “Any Purpose Loan” from Dhaka Bank Limited. Now you can get loan up to Tk. 500,000* to spend it any way you choose to. Just walk into any of Dhaka Bank’s branches and walk out loaded.

- **Other Services**

Finance & Advisory Services Given the needs of its large and varied base of corporate clients Dhaka Bank will be positioning itself to provide investment banking advisory services. These could cover a whole spectrum of activities such as Guidance on means of raising finance from the local Stock markets, Mergers and Acquisitions, Valuations, Reconstructions of Distressed companies and other expert knowledge based advice. By this means Dhaka Bank hopes to play the role of strategic counselor to blue-chip Bangladesh companies and then move from the level of advice to possible implementation of solutions to complex financing problems that may arise from time to time.

Islamic Banking Dhaka Bank Limited entered into Islamic banking business with 2 (two) Islamic banking branches. The Bank opened its first Islamic Banking branch on July 02, 2003 at Motijheel Commercial Area, Dhaka. The second Islamic Banking branch of the Bank commenced its operation at Agrabad Commercial Area, Chittagong on May 22, 2004. The Islamic banking operations are completely separate from that of the conventional banking. The Bank is maintaining a separate set of accounts for Islamic banking branches, which is completely different from conventional banking to conform to the standard adopted by Financial Accounting and Auditing organization for Islamic Financial Institutions.

Capital Market Services Capital Market Operation besides investment in Treasury Bills, Prize Bonds and other Government Securities constitute the investment basket of Dhaka Bank Limited. During 2019 the Capital Market Service (CMS) was recognized and during last year it penetrated as one of the competitive front liners in the secondary market under active guidance, proper risk management policies and well- defined guidelines approved by the Management.

SME Dhaka Bank Limited has started its journey for SME operation since 2003 to extend to small and medium sector that has difficulty in credit access from formal financial system. For this program U.S. Agency for International Development (USAID) is associated with Dhaka Bank Limited. We also have a partnership with South Asia Enterprise Development Facility (SEDF) for capacity building of the employees of Dhaka Bank Limited for doing SME banking.

3.4 Overview

Dhaka Bank is a private sector Commercial Bank in Bangladesh. The Bank started its business in 1995 and now it has 45 branches throughout Bangladesh. The main activity of the Bank is banking related business. The activity includes deposit collection, extending credit facilities to different corporate organizations and small & medium enterprises. The Bank issues ATM Cards to the accountholders and it issues Credit cards to the customers through its Personal Banking wing. Moreover, it has different types of loan products such as Personal Loans, Car Loans, Any Purpose Loan, Vacation Loans etc. Being the member of Dhaka and Chittagong Stock Exchanges Dhaka Bank helps people to perform share trading. The accountholders of the Bank can enjoy the SMS banking and Internet banking facilities, which is a part of modern technology.

3.5 Overall Five Years Performance:

Figures in million

Taka

	2014	2015	2017	2018	2019
Authorized Capital	2,650.00	6,000.00	6,000.00	6,000.00	10,000.00
Paid up Capital	1,289.00	1,547.00	1,934.00	2,128.00	2,660.00
Reserve Funds & Other Reserve	1,262.00	1,578.00	2,065.00	2,838.00	3,920.00
shareholders' Equity (Capital & Reserve)	2,551.00	3,125.00	4,000.00	4,966.00	6,580.00
Deposits (Base & Bank)	41,554.00	48,731.00	56,986.00	60,918.00	67,743.00
Advances	34,049.00	39,972.00	49,698.00	52,910.00	63,591.00
Investments	5,378.00	5,972.00	7,239.00	8,660.00	8,443.00
Import Business	46,277.00	49,496.00	65,737.00	46,160.00	69,606.00
Export Business	23,268.00	31,081.00	39,038.00	33,305.00	36,924.00
Guarantee	6,473.00	6,523.00	7,887.00	6,462.00	7,416.00
Operating Profit	1,183.00	2,010.00	2,534.00	2,810.00	3,841.00
Profit after Tax	580.00	704.00	839.00	959.00	1,679.00
Fixed Assets	217.00	291.00	387.00	424.00	977.00
Total Assets (excluding contra)	47,594.00	57,443.00	71,137.00	77,767.00	90,141.00
Number of Branches	37	41	45	50	56
Number of Employees	786	842	898	924	1109
Earning per Share (Tk.)	45.00	46.06	39.42	36.07	46.31
Dividend per share/ Cash Dividend	10%	-----	15%	-----	-----
Bonus Share	1:5	1:4	1:10	1:4	7.2
Return on Equity(ROE)	22.74%	22.53%	20.97%	19.32%	25.52%

Return on Assets(ROA)	1.22%	1.23%	1.18%	1.29%	2.00%
Capital Adequacy Ratio [Required Rate is 8%)	10.36%	11.84%	11.31%	11.31%	10.09%
Volume of non-performing loans	554.00	1,258.00	1,908.00	2,946.00	2,909.00
% of NPL to Total Loans and Advances	1.64%	3.15%	3.84%	5.57%	4.57%
Amount of Provision against classified loans	172.00	439.00	825.00	1,488.00	1,481.00
Amount of Provision against unclassified loans	372.00	465.00	620.00	625.00	742.00
Advance / Deposit Ratio	81.94%	82.03%	87.21%	86.85%	93.87%
Total Capital Ratio	9.43	10.36	11.84	10.36	11.84
Current Ratio	1.24	1.38	1.28	2.10	1.97
Net Interest Margin	3.77	4.54	4.60	4.56	5.24
Market Price Per Share	466.00	706.00	361.00	484.00	76.00

Table - 14: Five Years Financial Highlights

3.5.1 Ratio analysis

1) **Return on Asset (ROA)** = (Net Income/ Average Total Asset)

Year	Net Income	Average Total Asset	Ratio
2017	839	71,137.00	1.18%
2018	959	77,767.00	1.29%
2019	1,679	90,141.00	2.00%

Table - 15: Ratio Analysis Return on Asset

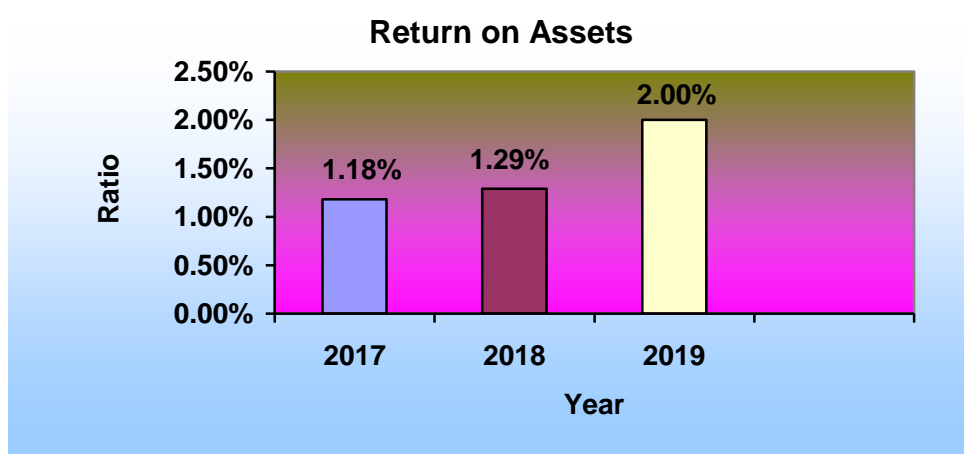


Figure-6 Return on Asset of Dhaka Bank Ltd. 2017-2019

Source: <https://dhakabankltd.com/>

Return on asset Ratio:

- In 2017 Dhaka bank had ROA 1.18% against total assets.
- In 2018 Dhaka bank had ROA 1.29% against total assets.
- In 2019 Dhaka bank had ROA 2.00% against total assets.

So comparatively in 2019 their **Return on asset** Ratio is better

2) Return on Equity (ROE) = (Net Income/Total asset)

Year	Net Income	Total equity	Ratio
2017	839	4,000.00	20.97%
2018	959	4,966.00	19.32%
2019	1,679	6,580.00	25.52%

Table - 15: Return on Equity last three years

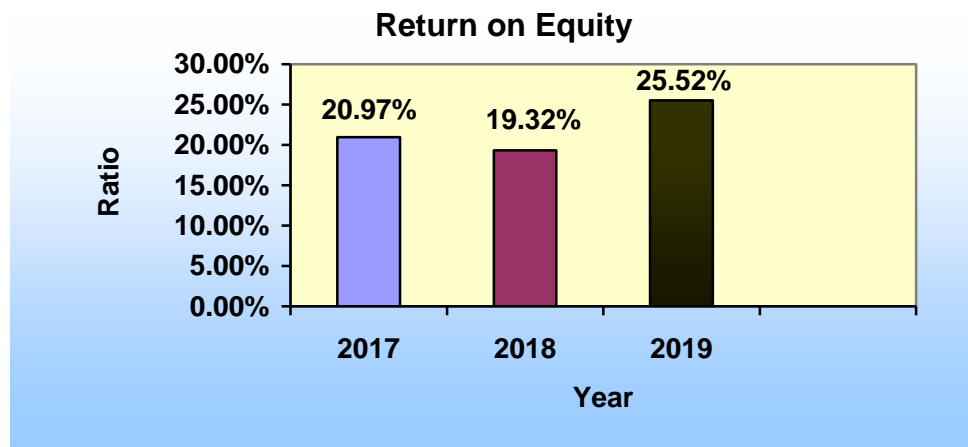


Figure-7 Return on Equity of Dhaka Bank Ltd. 2017-2019

Source: <https://dhakabankltd.com/>

Return on equity Ratio:

- In 2017 Dhaka bank had ROE 20.97% against Total equity.
- In 2018 Dhaka bank had ROE 19.32% against Total equity.
- In 2019 Dhaka bank had ROE 25.52% against Total equity.

So comparatively in 2019 their **Return on equity** Ratio is better.

3) Return on Deposits (ROD) = (Net Income/ Average Total Customer Deposits)

Year	Net Income	Average Total Customer Deposits	Ratio
2017	839.00	56,986.00	1.47%
2018	959.00	60,918.00	1.57%
2019	1,679.00	67,743.00	2.47%

Table - 16: Return on Deposits last three years

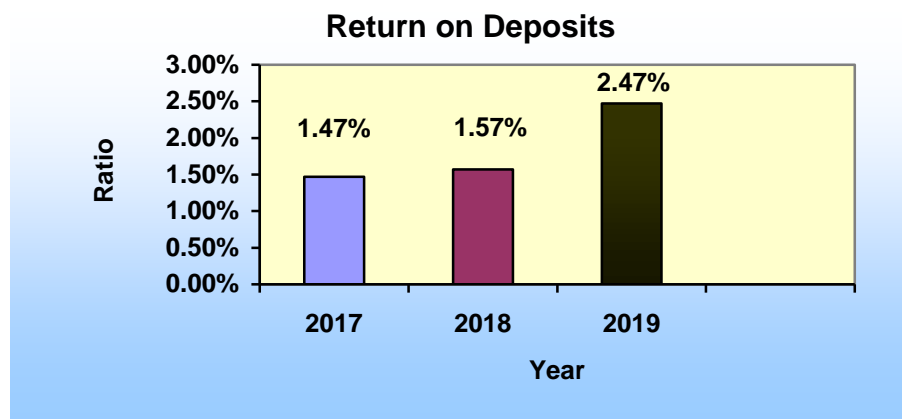


Figure-8 Return on Deposit of Dhaka Bank Ltd. 2017-2019

Source: <https://dhakabankltd.com/>

Return on Deposits Ratio:

- In 2017 Dhaka bank had 1.47% of ROD against Customer Deposits.
- In 2018 Dhaka bank had 1.57% of ROD against Customer Deposits.
- In 2019 Dhaka bank had 2.47% of ROD against Customer Deposits.

So comparatively in 2019 their **ROD** ratio was better

4) **Equity Multiplier Ratio (EMR)** = (Average Total Asset / Average Stockholders Equity)

Year	Average Total Asset	Average Stockholders Equity	Ratio
2017	71,137.00	4,000.00	17.78
2018	77,767.00	4,966.00	15.66
2019	90,141.00	6,580.00	13.70

Table - 17: Equity Multiplier Ratio last three years

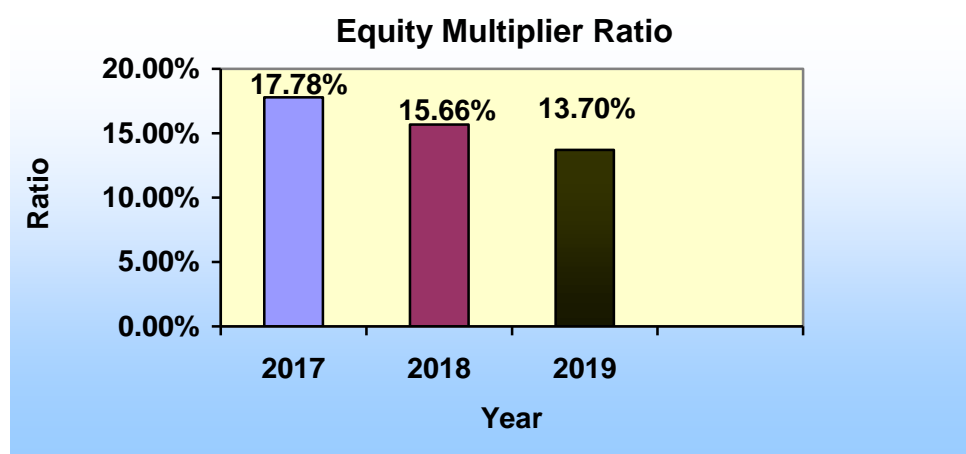


Figure-9 Equity Multiplier Ratio of Dhaka Bank Ltd. 2017-2019

Source: <https://dhakabankltd.com/>

Equity Multiplier Ratio:

- In 2017 Dhaka bank had EMR 17.78 against per Tk 1 equity.
- In 2018 Dhaka bank had EMR 15.66 against per Tk 1 equity.
- In 2019 Dhaka bank had EMR.70asset against per Tk 1 equity.

So comparatively in 2017 their **Equity Multiplier** ratio was better

5) Profit Margin Ratio= (Net Income / Operating Income)

Year	Net Income	Operating Income	Ratio
2017	839.00	2,533.00	33.12%
2018	959.00	2,810.00	34.13%
2019	1,679.00	3,841.00	43.72%

Table - 18: Profit Margin Ratio last three years

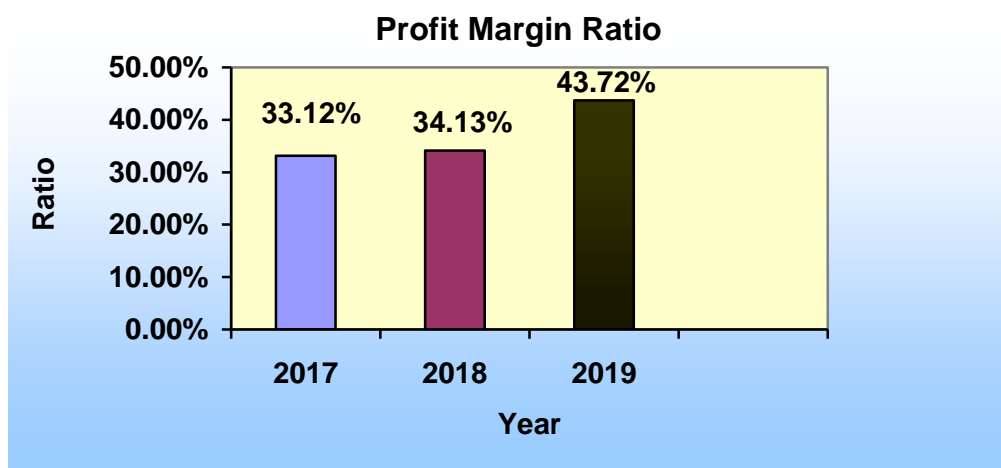


Figure-10 Profit Margin Ratio of Dhaka Bank Ltd. 2017-2019

Source: <https://dhakabankltd.com/>

Profit margin Ratio:

- In 2017 Dhaka bank had 33.12% of Profit margin ratio.
- In 2018 Dhaka bank had 34.13% of Profit margin ratio.
- In 2019 Dhaka bank had 43.72% of Profit margin ratio.

So comparatively in 2019 their **Profit margin Ratio** is better.

6) **Fixed asset turnover Ratio** = (Total income/Net fixed asset)

Year	Total Income	Fixed asset	Ratio
2017	3,841.00	218.00	17.62
2018	4,086.00	292.00	14.00
2019	5,555.00	387.00	14.35

Table - 19: Fixed turnover ratio last three years

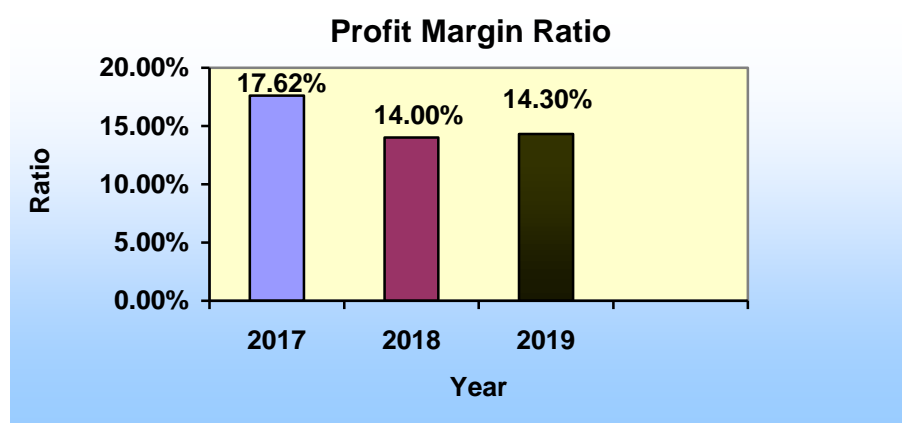


Figure-11 Fixed Asset Turnover Ratio of Dhaka Bank Ltd. 2017-2019

Source: <https://dhakabankltd.com/>

Fixed asset turnover Ratio:

- In 2017 Dhaka bank had 17.62 of Fixed Asset turnover Ratio.
- In 2018 Dhaka bank had 14.00 of Fixed Asset turnover Ratio.
- In 2019 Dhaka bank had 14.35 of Fixed Asset turnover Ratio.

So comparatively in 2017 their **Fixed Asset turnover Ratio** was better

7) **Average Total Asset turnover Ratio** = (Total income/Total asset)

Year	Total Income	Total asset	Ratio
2017	3,841.00	71,137.00	.054
2018	4,086.00	77,767.00	.053
2019	5,555.00	90,141.00	.063

Table - 20: Average total asset turnover ratio last three years

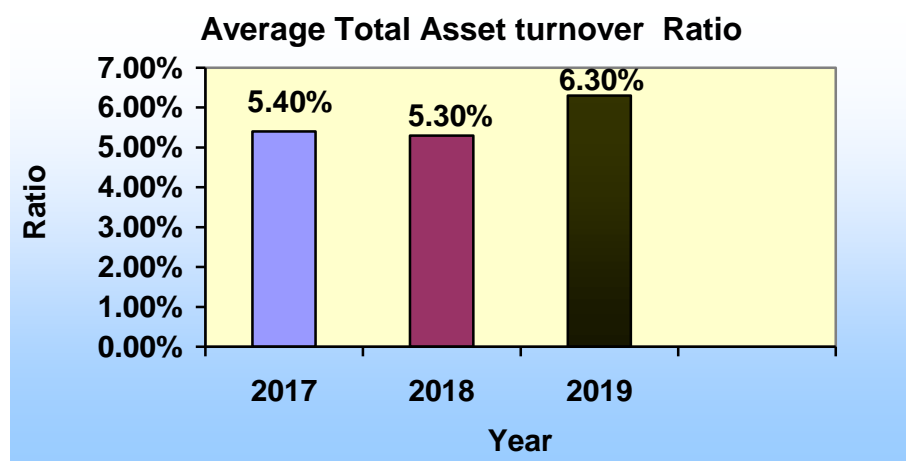


Figure-12 Average Total Asset Turnover Ratio of Dhaka Bank Ltd. 2017-2019

Source: <https://dhakabankltd.com/>

Total asset turnover Ratio:

- In 2017 Dhaka bank had .054 incomes against per Tk 1 Total Asset.
- In 2018 Dhaka bank had .053 incomes against per Tk 1 Total Asset.
- In 2019 Dhaka bank had .063 incomes against per Tk 1 Total Asset.

So comparatively in 2019 their **Total Asset turnover** Ratio better

8) **Net Operating Margin** = Operating profit or income/ Net Interest Income

Year	Operating Income	Interest Income	Ratio
2017	2,533.00	1,958.00	1.30
2018	2,810.00	1,910.00	1.47
2019	3,841.00	2,461.00	1.56

Table - 21: Net Operating Margin last three years

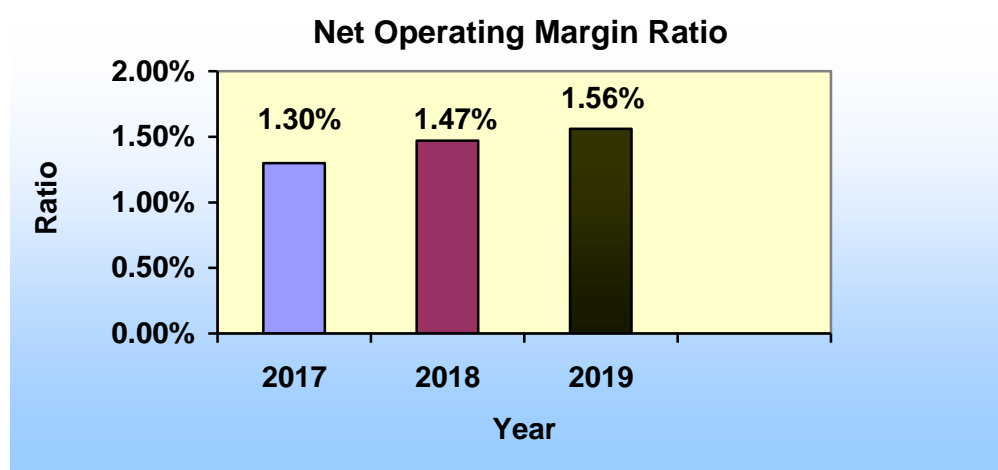


Figure-13 Net Operating Margin of Dhaka Bank Ltd. 2017-2019

Source: <https://dhakabankltd.com/>

Net Operating Margin Ratio:

- In 2017 Dhaka bank had 1.30 Net Operating Margin against per Tk 1 Interest Income.
- In 2018 Dhaka bank had 1.47 Net Operating Margin against per Tk 1 Interest Income.
- In 2019 Dhaka bank had 1.56 Net Operating Margin against per Tk 1 Interest Income.

So comparatively in 2019 their **Net Operating Margin** Ratio is better.

9) Operating Expense to Assets = (Operating Expense / Average Total Assets)

Year	Operating Expense	Average Total Assets	Ratio
2017	1,353.00	71,137.00	0.019
2018	1,276.00	77,767.00	0.016
2019	1,715.00	90,141.00	0.019

Table - 22: Operating Expenses to Assets last three years

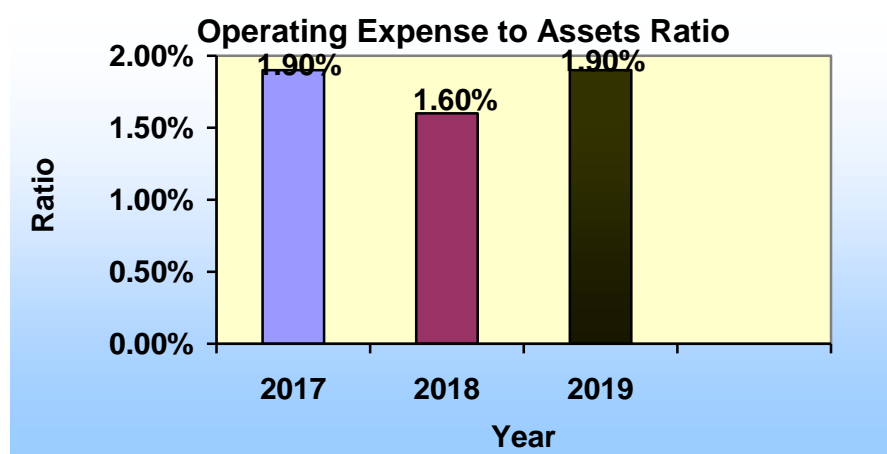


Figure-14 Operating Expense to Assets of Dhaka Bank Ltd. 2017-2019

Source: <https://dhakabankltd.com/>

Operating Expense to Assets:

- In 2017 Dhaka bank had 0.019 Operating Expense against per Tk 1 Total Assets.
- In 2018 Dhaka bank had 0.016 Operating Expense against per Tk 1 Total Assets.
- In 2019 Dhaka bank had 0.019 Operating Expense against per Tk 1 Total Assets.

So comparatively in 2017&10 their **Operating Expense to Assets** Ratio is better.

10) Interest Income to Expenses = (Interest Income-Interest Expenses) / Average Total Loans and Advances

Year	(IN-IE) Net Interest Income	Average total loans and advances	Ratio
2017	1,958.00	49,698.00	0.039
2018	1,910.00	52,910.00	0.036
2019	2,461.00	63,591.00	0.038

Table - 23: Interest Income to Expenses last three years

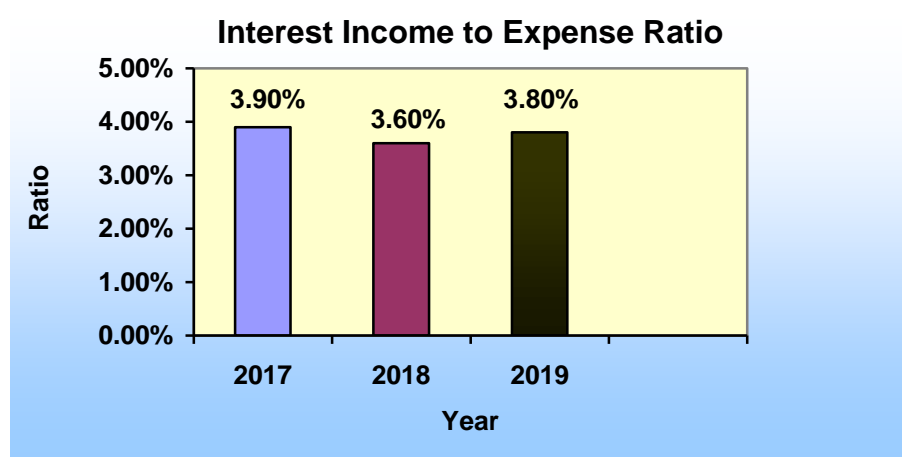


Figure-15 Interest Income to expense of Dhaka Bank Ltd. 2017-2019

Source: <https://dhakabankltd.com/>

Interest Income to Expenses Ratio:

- In 2017 Dhaka bank had 0.039 Interest incomes against per Tk 1 Loans & Advances.
- In 2018 Dhaka bank had 0.036 Interest incomes against per Tk 1 Loans & Advances.
- In 2019 Dhaka bank had 0.039 Interest incomes against per Tk 1 Loans & Advances.

So comparatively in 2017 their **Interest Income to Expenses** Ratio is better.

11) Operating Expenses to Revenue = (Operating Expenses/ Operating Income)

Year	Operating Expenses	Operating Income	Ratio
2017	1,353.00	2,533.00	0.53
2018	1,276.00	2,810.00	0.74
2019	1,715.00	3,841.00	0.45

Table - 24: Operating Expenses to Revenue last three years

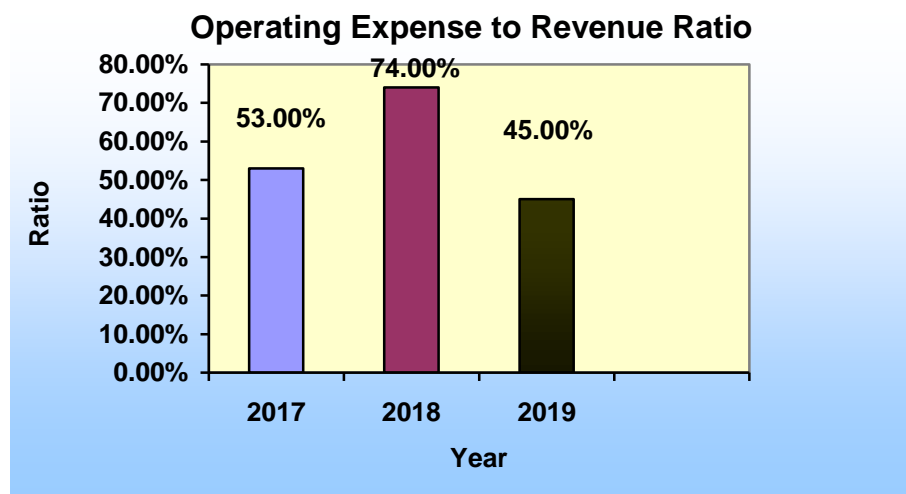


Figure-16 Operating Expenses to Revenue of Dhaka Bank Ltd. 2017-2019
Source: <https://dhakabankltd.com/>

Operating Expenses to Revenue Ratio:

- In 2017 Dhaka bank had Tk 0.53 Operating Expenses against per Tk 1 Revenue.
- In 2018 Dhaka bank had Tk 0.74 Operating Expenses against per Tk 1 Revenue.
- In 2019 Dhaka bank had Tk 0.45 Operating Expenses against per Tk 1 Revenue.

So comparatively in 2018 their **Operating Expense to Revenue Ratio** is better.

12) Loan Ratio = (Average Total Loans and Advances / Average Total Assets)

Year	Average Total Loans and Advances	Average Total Assets	Ratio
2017	49,698.00	71,137.00	0.70
2018	52,910.00	77,767.00	0.68
2019	63,591.00	90,141.00	0.71

Table - 25: Loan Ratio last three years

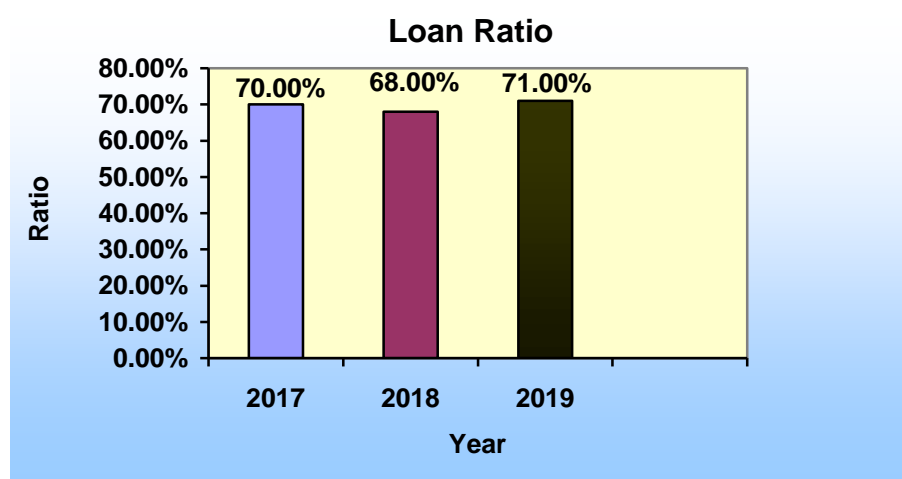


Figure-17 Loan Ratio of Dhaka Bank Ltd. 2017-2019

Source: <https://dhakabankltd.com/>

Loan Ratio:

- In 2017 Dhaka bank had loan ratio Of 0.70 against per Tk 1 Average Total Assets.
- In 2018 Dhaka bank had loan ratio Of 0.68 against per Tk 1 Average Total Assets.
- In 2019 Dhaka bank had loan ratio Of 0.71 against per Tk 1 Average Total Assets.

So comparatively in 2019 their **Loans** Ratio is better.

13) Cash to Assets (CTA) = (Cash / Average Total Asset)

Year	Cash	Average Total Asset	Ratio
2017	3,798.00	71,137.00	0.053
2018	5,036.00	77,767.00	0.065
2019	8,770.00	90,141.00	0.097

Table - 26: Casto to Assets last three years

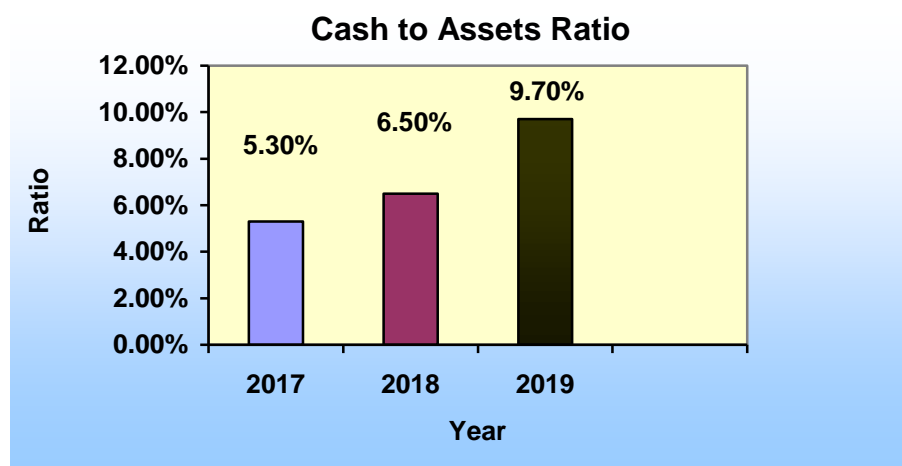


Figure-18 Cash to Assets of Dhaka Bank Ltd. 2017-2019

Source: <https://dhakabankltd.com/>

Cash to Assets Ratio:

- In 2017 Dhaka bank had Tk 0.053 Cash against per Tk 1 Average Total Assets.
- In 2018 Dhaka bank had Tk 0.065 Cash against per Tk 1 Average Total Assets.
- In 2019 Dhaka bank had Tk 0.097 Cash against per Tk 1 Average Total Assets.

So comparatively in 2019 their **Cash to Assets** Ratio is better

14) Cash to Deposits (CTD) = (Cash / Average Total Customer Deposit)

Year	Cash	Average Total Customer Deposit	Ratio
2017	3,798.00	56,986.00	0.067
2018	5,036.00	60,918.00	0.083
2019	8,770.00	67,743.00	0.134

Table -27: Cash to Deposits last three years

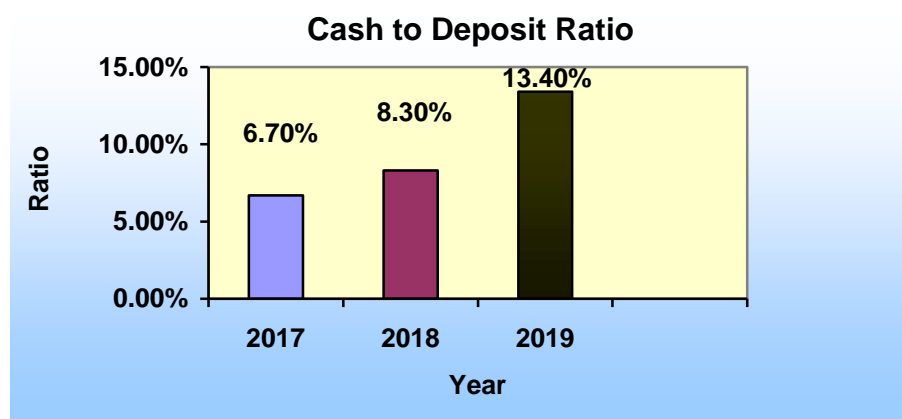


Figure-19 Cash to Deposit Dhaka Bank Ltd. 2017-2019

Source: <https://dhakabankltd.com/>

Cash to Deposits Ratio:

- In 2017 Dhaka bank had Tk 0.067 Cash against per Tk 1 Customer Deposits.
- In 2018 Dhaka bank had Tk 0.083 Cash against per Tk 1 Customer Deposit.
- In 2019 Dhaka bank had Tk 0.134 Cash against per Tk 1 Customer Deposit.

So comparatively in 2019 their **Cash to Deposits** Ratio is better.

15) Deposits to Assets = (Average Total Customer Deposit / Average Total Asset)

Year	Average Total Customer Deposit	Average Total Asset	Ratio
2017	56,986.00	71,137.00	0.86
2018	60,918.00	77,767.00	0.78
2019	67,743.00	90,141.00	0.75

Table - 28: Deposits to Assets last three years

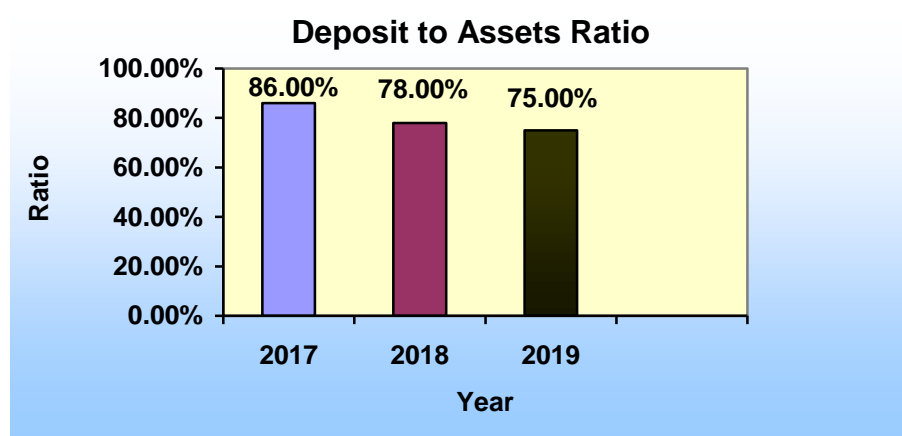


Figure-20 Deposits to Assets Dhaka Bank Ltd. 2017-2019
Source: <https://dhakabankltd.com/>

Deposits to Assets Ratio:

- In 2017 DBL had Deposits to Assets ratio of 0.86 against per Tk 1 Total Assets.
- In 2018 DBL had Deposits to Assets ratio of 0.78 against per Tk 1 Total Assets.
- In 2019 DBL had Deposits to Assets ratio of 0.75 against per Tk 1 Total Assets.

So comparatively in 2017 their **Deposits o Assets** Ratio is better

16) Loans to Deposits = (Average Total Loans and Advances / Average Total Customer Deposit)

Year	Average Total Loans and Advances	Average Total Customer Deposit	Ratio
2017	49,698.00	56,986.00	0.87
2018	52,910.00	60,918.00	0.86
2019	63,591.00	67,743.00	0.94

Table - 29: Loans to Deposits last three years

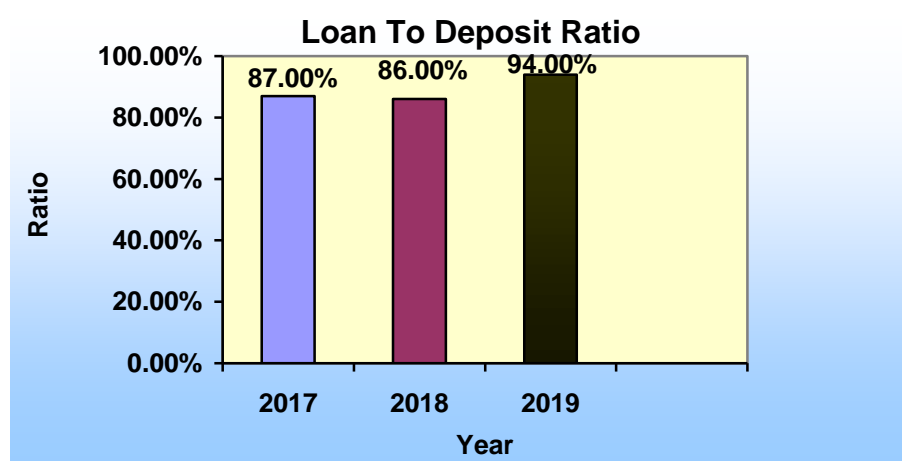


Figure-21 Loans to Deposit of Dhaka Bank Ltd. 2017-2019

Source: <https://dhakabankltd.com/>

Loans to Deposits Ratio:

- In 2017 DBL had Tk 0.87 Customer Loans against per Tk 1 Customer Deposit.
- In 2018 DBL had Tk 0.86 Customer Loans against per Tk 1 Customer Deposit.
- In 2019 DBL had Tk 0.94 Customer Loans against per Tk 1 Customer Deposit.

So comparatively in 2019 their **Loans to Deposits** Ratio is better.

17) **Total Liabilities to Equity** = (Average Total Liabilities / Average Stockholders Equity)

Year	Average Total Liabilities	Average Stockholders Equity	Ratio
2017	60,727.00	4,000.00	15.18
2018	72,802.00	4,966.00	14.66
2019	83,561.00	6,580.00	12.70

Table - 30: Total Liabilities to Equity last three years

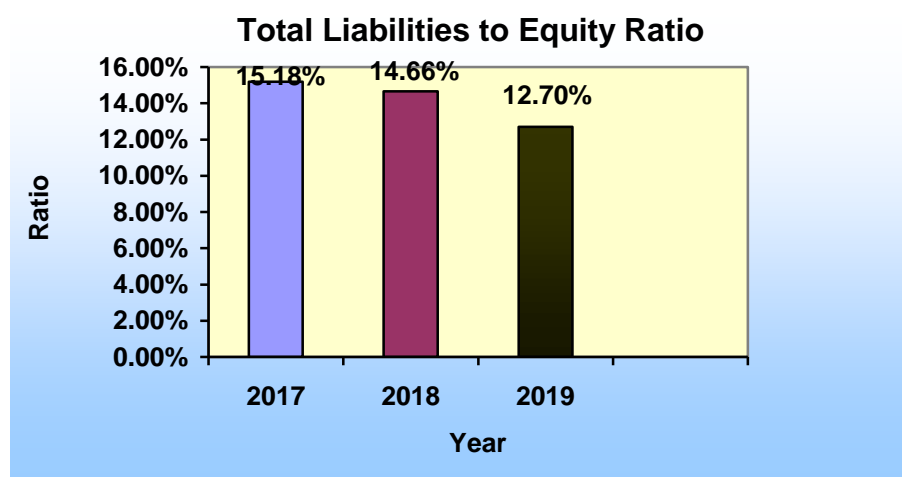


Figure-22 Total Liabilities to Equity of Dhaka Bank Ltd. 2017-2019

Source: <https://dhakabankltd.com/>

Total Liabilities to Equity Ratio:

- In 2017 Dhaka bank had Tk 15.18 Liabilities against per Tk 1 St. Equity.
- In 2018 Dhaka bank had Tk 14.66 Liabilities against per Tk 1 St. Equity.
- In 2019 Dhaka bank had Tk 12.70 Liabilities against per Tk 1 St. Equity.

So comparatively in 2017 their **Total Liabilities to Equity** Ratio is better.

Chapter Four

Findings, Recommendation & Conclusion

4.1 Findings

From the entire study and financial analysis of Dhaka Bank Limited, following findings have been found which can be discussed from operational and financial aspects.

Operational aspects:

Starting from 1995, Dhaka Bank Limited establishes them as a leading and dynamic financial institution. With the purpose in their mind they are growing steadily with their efficient operation policy.

Ownership Structure:

The Directors along with their family members are holding 38.62% of the shares. The sponsors are holding 59.63% while the rest 41.37% are held by Financial Institutions, Investment Corporation of Bangladesh (ICB) and general public.

Management Body:

An efficient management body, composed of highly qualified and experienced top and mid level managers along with energetic bottom level managers which assist the top level management in every aspects to make accurate and quick decisions.

Loan terms and Conditions:

The terms and conditions attached to loan financing provided by DBL is more of less convenient and easy meeting for clients, accept for requirement of cash security which is better position within banking companies in Bangladesh.

Cost Minimization:

DBL is experiencing gradually decreasing operational expanses due to minimizing or financial expenses and administrative expenses which indicates its efficient management of funds and expensive administrative policy.

- It is found from deposit statistics that in last five years bank's deposit amount in savings bank deposit account not increased.
- DBL has committed to their prospective customers to honor it's of check within one minute after submission but unfortunately they are not able fulfill this.
- In the point of industry-wise loans Dhaka Bank Limited paid little amount of loan, if we deeply concentrate that in this area peoples are more conscious about loan back than the others.

4.2 Recommendation

- A Need to extend Branch Network and more New Branch to be opened in other and Towns of Bangladesh to reach out the Potential Customers.
- Adequate measures are to be taken to reduce System failure.
- As long queues are found in the first week of the month and on Sunday as well as on Thursday, Flexible Multipurpose Counter can be opened for Customer Services.
- Cheque Book delivery time needs to be quickened and Dhaka Bank Limited (DBL) needs to be liberal in issuing Counter Check of Customers required amount.
- Dhaka Bank Limited (DBL) needs to advertise through various Media about Credit Cards, ATM Cards, Tele Banking and its other Products and Services.
- Apart from Advertising in Media, the Bank can take some steps for Personal Selling. Staffs/Officers can be hired or Internees can be used for this purpose.
- The Brochures of the Products and Services of the Bank can be mailed or Circulated by the Internees to the Potential Customers and Internees can give brief Idea to the Customers about the Products and Services of Dhaka Bank Limited (DBL).
- The Brochures of the Products and Services of the Bank can be mailed with the welcome letters along with the Statements of the Customers via courier. No extra cost will be incurred in this.
- Like Standard Chartered Bank, who arranged Money Link, Phone Link Nights to promote its Products and Services via Press and Public Exposures, Dhaka Bank Limited (DBL) can arrange Party, Meetings and Press Conferences to create Quality Image for the Bank.
- For Cash Withdrawals and Deposits more ATM can be installed in major cities and towns across the Country through which Customers can easily get access to their Accounts.
- As the Competitors offering a Higher Interest Rate on Deposits and Lower Charges in Loans, Dhaka Bank Limited (DBL) should think about it and if possible then maintain the Interest Rate and Bank Charges as similar as to its Competitors.
- As other Private Commercial Banks like Prime Bank Limited (PBL) offering a more relaxed Individual Loan, so in order to compete the Market Dhaka Bank Limited (DBL) should make their personal Loan more relaxed than other Competitors.

4.3 Conclusion

Dhaka Bank Limited has made an evaluation in the conventional banking system. This bank is committed to run all its activities as per Bangladesh Bank rules and regulation through its continued success and steady progress has, by now, earned the reputation of being one of the leading probate sectors banks of the country.

It has made revaluation specially in the field of bank investment DBL became successful in proving that bank investment can be made properly, Which is also beneficial to human being and society. It has two Islamic Banking branches and these all characteristics of bank investment are absolutely absent in case of conventional bank.

Dhaka Bank limited has earned a good reputation around Bangladesh. Despite competition among banks operating in Bangladesh both local and international, DBL has made remarkable progress, practically in every sphere of its activities.

In this report the study is based on "LC Payment Procedures of DBL. The study covered the activities how LC payment is made under the Operations Division of DBL.

Dhaka Bank Limited was established in July 1995 with a mission that "To be the Premier financial institution in the country providing high quality products and services backed by latest technology and a team of highly motivated personal to deliver Excellence in Banking.

Reference / Bibliography

Books:

- The Analysis and Use of Financial Statements, Third Edition, Gerald I. White, Ashwinpaul C. Sondhi, Dov Fried
- Essentials of Managerial Finance, Twelfth Edition, Scott Besley, Eugene F. Brigham.
- Commercial Banking, The management of risk Second Edition. Donald R. Fraser, Benton E. Gup, James W. Kolari
- Principles of Managerial Finance, Tenth Edition, Lawrence J. Gitman.

Magazines & Reports:

- Dhaka Bank Limited, **Annual Report 2014**
- Dhaka Bank Limited, **Annual Report 2015**
- Dhaka Bank Limited, **Annual Report 2017**
- Dhaka Bank Limited, **Annual Report 2018**
- Dhaka Bank Limited, **Annual Report 2019**
- Dhaka Bank Limited (DBL)'s Brochures, Leaflets and Operational Manual.

Website:

- www.dhakabankltd.com