

Sonargaon University (SU)



Dissertation Paper

On

Financial Statement Analysis of Uttara Bank Limited

“This Dissertation Paper is submitted to the Master’s of Business Administration under the Faculty of Business Administration, Sonargaon University in partial fulfillment of the requirement for the degree of MBA in Accounting”.

Supervised To:

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Date of Submission: 8th February, 2021

LETTER OF TRANSMITTAL

Date: 8th February, 2021

To

Md. Masud Rana

Assistant Professor

Faculty of Business

Sonargaon University (SU)

Subject: Submission of Dissertation Paper on Financial Statement Analysis of Uttara Bank Limited.

Dear Sir,

It is a great pleasure for me to submit the report on, “**Financial Statement Analysis of Uttara Bank Limited**” as it is a fulfillment of partial requirement to achieve MBA degree.

To prepare this report, I have gathered what I believe to be the most complete information available on the Financial Statement Analysis Reports and Analysis of Uttara Banks. The experience I have gathered during this period will remain as an invaluable asset in my life. I have worked hard preparing this report and I hope that it will fulfill my degree requirement. I will be always available for answering any query on this report. I will be glad if you kindly accept this report.

Thanking you.

Sincerely Yours

Md. Arfatur Rahman

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Student's Declaration

I am grateful for giving me the opportunity to undergo this type of study through the MBA program. We shall be benefited of our education system if we can effectively apply the institutional education in practical fields. Hence, we all need practical education to apply theoretical knowledge in the real world. By considering this importance's our University arranges Thesis Report each semester compulsory for the students through MBA program. As a part of this program I am here with such a wonderful topic as **“Financial Statement Analysis of Uttara Bank Limited”**. The report was prepared under the supervision of **“Md. Masud Rana”** Assistant Professor, Faculty of Business of Sonargaon University (SU).

Even though if there any mistake appears, it is truly undesirable. So, I would request to look at the matter with merciful eyes.

Thanks

Md. Arfatur Rahman

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SUPERVISORS CERTIFICATE

This is to certify that a student of Program MBA, Md. Arfatur Rahman, Id No: MBA2001019010, Major in Accounting, Faculty of Business, Sonargaon University (SU) has completed the Thesis report titled “**Financial Statement Analysis of Uttara Bank Limited**” successfully under my supervision. I wish his every success in his life.

Supervisor

Md. Masud Rana

Assistant Professor

Faculty of Business

Sonargaon University (SU)

ACKNOWLEDGEMENT

AL-Hamdu-Lillah, at first I would like to thank Almighty Allah (SWT) Who gave me the opportunity and showered me with endless Rahma for completion of the study.

I would like to show heart-felt gratitude to our most respected faculty of MBA , for his sincere help, constant encouragement and guidance from the very inception to the completion of this research work. Without whose invaluable suggestions, it would not have been possible to complete the study.

I am highly indebted to Md. Masud Rana, Department of MBA, Assistant Professor, Faculty of Business Administration, Sonargaon University, and My Honorable Supervisor of this research work. He is the key personality whose repeated inspiration, guidance, support, advice was the main foundation of this arduous research work.

Preface

A Bank is an economic institution whose main aim is to earn profit through exchange of money and credit instruments. It is a service-oriented as well as profit-oriented organization. To perform those two functions simultaneously, the Bank divides its operation mainly into three parts: **An Analysis Financial statement of Uttara Bank** also invests security in different types of projects to diversify the risk and to get more profit.

Financial Statement Analysis is essentially a normative concept and could be defined as the conduct of banking in consonance with the ethos and the value system of Islam. Although **Uttara Bank** is a financial institution, its operation and activities show that it is a business firm with general transaction within the boundary of Islamic Shariah. Its main objective is not only to make profit but to develop the economic condition of the people and make the society interest-free and exploitation-free.

This Dissertation Paper, which has been produced as a part of the requirement for obtaining MBA Program of **Sonargaon University (SU), Dhaka**, is a humble effort to make an enquiry into the development of the Financial Statement Analysis system particularly with reference to Bangladesh under the able guidance of **Md. Masud Rana**, Department of MBA, Assistant Professor, Faculty of Business Administration, Sonargaon University.

The study was very interesting to me. Although the paper was written for an academic purpose, it is my expectation that it might generate interest to other scholarly people who would make further advanced research on the subject.

EXECUTIVE SUMMARY

This thesis report has been prepared as a part of a MBA program. This Paper contains the facts related to a particular organization in which the student was authorized to do thesis report on some days basis. Supervisors, both from the University and from the organization, guided the student in writing this Thesis report. I was assigned for doing thesis report in **Uttara Bank Limited** for the time period starting from some days I worked under all departments of the bank. My project was “**An Analysis of Financial statement of Uttara Bank Limited**”, which has chosen with the consent of honorable supervisor. Both the primary and secondary sources of data had been used in preparing this report.

The rationale behind this study is exploring performance of **Uttara Bank Limited** which is reflected on its financial statement, Financial Analysis and to provide some comments to its banking business. The analysis includes the horizontal (trend) analysis and ratio analysis of UBL’s past five years “**An Analysis of Financial statement of Uttara Bank Limited**”.

The report is divided into the following six parts- Introduction, Organization Overview, Literature view, An Analysis of Financial Statement, SWOT Analysis and Concluding Remarks of Uttara Bank Limited, and Concluding Remarks. Introduction section deals with some elementary issues regarding the background and the process of preparing this report. The next section following the introduction helps to know the brief history of **Uttara Bank Limited**.

“**An Analysis of Financial statement of Uttara Bank Limited**” is the most crucial section which covers important finding of the study. Horizontal (trend) analysis and key financial ratio analysis tools are to assess the financial statement of the bank is also major part of this report.

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Chapter-One

Introduction of the Report

1.1 introduction of the topic:

The necessity of general banking can not be ignored in any ways because of its dependency in the banking sector. It can be considered as the backbone of any bank as it shows the ways to do all the banking tasks & it is actually the starting point of all the banking operation. It provides the opportunity to its clients to deposit money and at the same time attractive service are ensured as per the customer needs, wants & demands with the changing environment and competition. General banking of a bank permits to open & close account, issuing cheque book, remit funds, issue bank drafts, pay order, telegraphic transfer, mail transfer, demand draft, receive cheque for clearing etc. it also offers the customer to deposit money for FDR (fixed deposit receipts) with attractive interest rate at maturity. So, all the operation are started form the general banking & all of these are based on the monetary transaction. As a result, recording of all monetary transaction has become compulsory in the modern business sector. Not only recording, but also it includes the process of communicating, summarizing and explaining the economic events of a bank within a specific period of time. So, considering all of these reasons, I have chosen the “**An Analysis of Financial Statement of Uttara Bank Limited**” as my internship topic. I strongly believe that any business graduate ought to have the basic understanding about general banking as it can show the ways to enter in the new business world because of its strong relation with all of the financial activities. In all of my internship report I have tried of my best to provide almost all of the basic idea of general banking activities and basic accounting procedures that’s practiced in all of the branches of **UBL**. I have also concerned about the performance evaluation from different perspective.

1.2 Rationale of the study:

In the present global economy, banking sector is the prerequisite to ensure better life for the people of any country. But to establish a strong banking sector, it is required to have good study in all operations of banking. For that we should do all of these operations step

by step & obviously we must have to know about general banking & transaction procedure of banking sector. Not only this, but also evaluation of performance to compare with other financial institution & taking corrective action has become compulsory for any bank. So, it is also true for **UBL** to run with strong competition & to take proper action. On the other hand, MBA program Accounting, **Sonargaon University, Dhaka** of Bangladesh is a partial requirement for the graduation of MBA students. I have been placed at Eskaton Branch, Dhaka, Uttara Bank Limited in order to do my internship. The report is based on “**Analysis Financial Statement of Uttara Bank(UBL)**” I had been preparing this report under the guidance of **Md. Masud Rana, Assistant Professor & Supervisor, Sonargaon University, Dhaka** and I am really glad to **Ahsanur Rahaman**, second officer, solved all of my problems especially of guided me about cheque received, , TT receive MT transfer and different entry **Md. Shahjahan Kabir**, officer also guided me. **Md. Masudur Rahman Bhuiya, PO** about opening/closing account and issues regarding different cheques. **Mrs Suriya Jahan**, senior officer all the procedures of foreign remittance including ways writing different vouchers & giving entries in different registers **Md. Zahirul Islam, OG**, he taught me how to posting in related activities in computer. With all of them **Md. Nizan Uddin** , manager of the branch, was carefully regarding all of my problems.

1.3 Objective of the report:

The major objectives of financial statement analysis is to provide decision makers information about a business enterprise for use in decision-making. Users of financial statement information are the decision makers concerned with evaluating the economic situation of the firm and predicting its future course.

1.3.1 Broad objective:

The main objective of this report is to know about the analysis financial statement & general activities & the process of financial transaction and also to find out the ultimate solution to solve all of the problems that the bank is facing.

1.3.2 Specific objectives:

- To represent an overview of financial performance
- To represent an overview of general banking and basic accounting practice.
- To find out the difference of academic and real life accounting practice those are practiced in the bank.
- To know the tasks of different department of the bank.
- To understand about day operations of the bank.
- To realize how the customers are behaved in different situation
- To identify the usages of modern technology in different operation.
- To identify how the bank is careful to segregate the duties & responsibilities of all employees.
- To represent what types of analysis the bank undertakes for its financial events.
- To represent the comparative analysis with other banks.
- To know about the culture that the bank follows.
- To find out where the bank was and where the bank is standing at present time.
- To identify the main problems the bank is facing.
- To recommend on how the problems can be fixed.

1.4 Scope and Limitation of the Report:

Uttara bank limited is one of the traditional bank of Bangladesh. the scope of the report covers the organization overview & structure, background, basic functions, transaction procedure, customer dealings & performance of the bank. With a view to completing the whole report, it was required to concentrate on the overall banking process & financial analysis. However, in this report, the presentation of the basic functions & process of

general banking with the basic accounting practice are focused that the bank is following and also different analysis & comparison are showed to evaluate the performance of the bank. But to complete all of these mentioned above, following limitation were present:

- Enough time to concentrate on all of the investigations was required.
- All sufficient data & information were not enough for the purpose of study & assumption were made in some cases.
- The website of the bank was not that much rich to collect data.
- This report has been prepared on the activities of all branches, but visiting all the branches to collect data & information was not possible.
- Sometimes such kinds of tasks were given in the bank that was no way related to my topic & really it was responsible to break my concentration in my major area of investigation.

1.5 Methodology of the Study: The study requires a systematic procedure from selection of the topic to final report preparation .To perform the study the data sources are to be identified and collected, they are to be classified, analyzed, interpreted and presented in a systematic manner and key points are to be found out.

The overall process methodology writes down given in the below:

1.5.1 Section of the Topic:

The topic of the study was suggested by my supervisor. Before assigning the topic it was discussed with me so that a well-organized internship report can be prepared.

1.5.2 Source of information:

Essential data sources both primary and secondary are identified which will be needed to complete and work out the study .To meet up the need of data primary data are used and study also requires interviewing the bank clients, accountholders, and business people. The report also required secondary data. This report is mainly prepared by the secondary sources of information and some few primary sources of information like –

1.5.2.1 Primary Source:

The primary data were collected from the posta Branch Lalbagh, Azimpur, Dhaka of UBL that was my working place for last three months. During that time, interviews of the manager & different officials of different departments were takes. Besides that various organizational procedures & structures were observer & communication directly with the customers was helpful. Primary data were mostly gathered from the discussion with the employees & through surveys on customers of the organization.

1.5.2.2 Secondary source:

Secondary sources of information have also been used for the research study that can be presented like following:

Internal sources:

- Annual report of UBL. 2011-2015
- Various publication of the bank.
- Various circulars issues by head office
- Any information regarding the banking sector
- Official Records of Uttara Bank Limited.
- Official web site of the Uttara Bank Ltd.

External sources:

- Different books and periodicals related to the banking sector
- AUB library
- Magazines & Newspapers

Chapter-Two

Organization Overview



Head office

90 Motijheel Commercial Area
47 Bir Uttam Shahid Asfaqus Samad Sarak
Dhaka -1000, Bangladesh

2.1 History of Bank in Bangladesh

Bank system was practiced in Indian subcontinent by the Indian subcontinent merchants; Goldsmith Moneylenders were the primary bankers. During the mughal period banking and credit business was enchanted rapidly.

In 1700 AD “Hindustan bank” was established as the first joint stock bank. In 1784 “Bengal bank” and in 1786 “general bank of India “were launched. Then both the banks absolved respectively in 1793 and 1832.

During the early period of nineteenth century the three banks “Bank of Bombay”, “Bank of Madras” and “Bank of Bengal” merged to “Imperial bank of India”.

In 1947 after the separation of Bengal, bank business faced a severe disaster as non-Muslim bankers migrated to India. In order to rebuild the bank business State bank of Pakistan was established as a central bank of Pakistan in 1948.

In 1971 Bangladesh became independent. After liberation ‘Bangladesh bank’ was automated with the assets and liabilities of former “State bank of Pakistan”

The rate of growth and development of banking sector in the country was extremely slow until 1983 when the government allowed to establish private banks and started denationalization process. Initially, the Uttara Bank in the same year and thereafter, the Pubali Bank, and the Rupali Bank in 1986. There were no domestic private commercial banks in Bangladesh until 1982 when the Arab- Bangladesh Banks (AB Bank) commenced private commercial banking in the country. Five more commercial banks came up in 1983 and initiated a moderate growth in banking financial institutions.

The banking system is composed of four state-owned commercial banks, five specialized Development banks, thirty private commercial Banks and nine foreign commercial banks.

2.2 Overview of Uttara Bank Limited

- Uttara Bank Limited was established in 1965 under the name “Eastern Banking Corporation Limited” with the specific objective of accelerating trade and investment in the economically depressed eastern wing of the than Pakistan.
- After liberation of Bangladesh the Bank underwent a major change namely, it was nationalized in March, 1972 and given the name “Uttara Bank”.
- The Bank again in 1983 was denationalized and made a commercial bank in the private sector under the name “Uttara Bank Limited”.
- The Bank was incorporated as a banking company on June 29, 1983 and obtained business commencement certificate on August 21, 1983.
- The Bank floated shares in the year 1984.
- UBL is one of the largest private banks in Bangladesh.
- It operates through 227 fully computerized branches ensuring best possible and fastest services to its valued clients.
- The bank has more than 600 foreign correspondents worldwide.
- Total number of employees nearly 3,562.
- The Board of Directors consists of 13 members.
- The bank is headed by the Managing Director who is the Chief Executive Officer.
- The Head Office is located at Bank’s own 18-storied building at Motijheel, the Commercial center of the capital, Dhaka.

2.3 Mission of UBL

- Maintaining the maximum ethical standards community accountability praiseworthy of a leading corporate citizen.
- Continuously improving profitability, productivity and thereby enhancing shareholder value.
- Creating and maintaining a set of hard working and efficient employees.
- To extend financial assistance to poorer section of the people.
- To achieve balance growth & equitable development.

2.4 Vision of UBL

- To be leading commercial bank in the country and contribute maximum of the welfare for
- The people of the country.
- Prime objective is to deliver a quality that demonstrates a true reflection of its vision.
- Excellence in banking.
- To provide quality service to the customer.
- To set high standard of integrity.
- Bring total satisfaction to its clients, sponsors and employees.

2.5 Objectives of UBL

Objectives mean the end towards which an activity is aimed. An organization without objective is like a person who is wandering with no purpose. All the activities of an organization are due to its objectives and goals.

For the attainment of those objectives, various types of financial

- To ensure growth and development of the bank.
- To use resources of the bank efficiently.
- To get more deposits.
- To participate in development of the country.
- Paying special attention to the areas, which are under developed.
- To develop SME'S, foreign remittance, foreign trade.
- To increase industrialization in the country.
- To provide employment opportunities.
- To make people more of mind to have saving habits.
- To increase the services (backed by technology) by efficient employees.
- To increase deposit mobilization.
- For smooth functioning of foreign trade, establish large foreign network.
- To expand the more credit facilities for the customers.
- To maintain a good position in the competitive banking sectors in Bangladesh.

2.6 Technologies, Products & Services of UBL

UBL's products and services are regularly upgraded and realigned to fulfill customer expectation. Their delivery standards are constantly monitored and improved to assure the highest satisfaction. Their people are routinely up skilled and empowered to be able to effectively responding to customer needs. The bank specially emphasizes on the service base on technologies. Because the life became very fast and people want take service within sort time. The consumer-banking sector of the Bank deals with number of tasks related to various services. Transaction account, savings schemes or loan facilities also provide a rare blend of conveniences and unparalleled secure quality services. The products that are recently being offered by the bank are as follows –

❖ General Banking Services:

Uttara Bank Limited provides all general banking services to its customers through 227 fully computerized branches all over Bangladesh. It presents Savings account and Current account for deposit and withdrawal of money as and when required. In addition it provides other banking services of transfer of money through Pay order, Demand draft etc. As a result of adapting the modern technology it's able to deliver quickest and most accurate services to the clients.

❖ Deposit Schemes:

In addition to normal banking services Uttara Bank entertains special depositors with enhanced interest rates. Special deposit schemes available with UBL are Fixed Deposit Receipt account, Double Benefit Deposit scheme and Monthly Deposit scheme.

Any Bangladeshi staying at home or abroad may have a FDR account at Uttara Bank. The duration of a FDR may be 3, 6, 12, 24 and 36 months. Interest rate is quite attractive which varies with duration. Double Benefit Deposit Scheme doubles your deposit just in 8.5 years. Minimum deposit required for the program is BDT 100,000.9Monthly Deposit

Scheme is another unique opportunity for limited income people to save money for future. This scheme is of two options, 5 years and 10 years of duration. Another selection to be made is for monthly installment. You have 5 alternatives here, starting from BDT 500 through 10,000. Lucrative interest rate is offered here. These deposit schemes are targeted to definite groups of people and in the mean time all these schemes have successfully hit their targets. Every day new clients are getting in for a deposit scheme in Uttara Bank limited. In addition to the above, Uttara Bank has introduced another deposit scheme, named Special Notice Deposit. Government, semi Government organizations and individuals are entitled to open this scheme in UBL. A 7 days' notice is required to withdraw money from this account. This scheme offers a handsome interest as well.

❖ **International Banking:**

Any individual, firm or organization earning foreign exchange may open a foreign currency account with Uttara Bank. Account holder is allowed to make payments abroad in foreign currency and local payment in BDT. Account is also entitled to get interest under some conditions. Uttara Bank maintains its accounts with a good number of reputed banks in Europe, America, Australia and Far eastern countries. This is to settle any trading issue or help remittance payment for expatriate Bangladeshis.

❖ **Loan and Credit Schemes:**

Uttara Bank distributes loans in different schemes. It provides Consumer credits, Personal loans, Building repair loans and small business loans. UBL started Uttara Consumer Credit scheme in 1996. This scheme provides financial assistance to people for purchasing Motor Bike, Motor car, Refrigerator, Air cooler, Personal computer and many more consumer

goods.¹⁰ Personal loan is available for salaried officers to meet their emergency needs like marriage of self or dependent, medical expenses of self or dependent or educational expenses. This program doesn't ask for a security even. Building repair loan is sanctioned for those having buildings of their own.

With reasonable interest rate UBL provides this loan to a deserving candidate. People doing small businesses often suffer from inadequacy of fund. They have almost no source of finance. UBL comes forward with sufficient fund for them.

❖ **Other Products and Services:**

This bank up date itself everyday with modern world and provides modern banking services like online banking, Automated teller machine and card to its clients. Uttara Bank offers locker service for its clients and all major branches are ready with lockers at reasonable charge. Bank also provides several of service and promises to upgrade their products and services for clients.

2.7 UBL Networks

➤ Corporate Offices (Corporate Branch & Local Office)	2
➤ Regional Office	12
➤ Worldwide Affiliates	600
➤ Total Branches (Including Corporate Branch & Local Office)	227
➤ Authorized Dealer Branches	38
➤ Treasury & Dealing Room	1
➤ Training Institute	1
➤ Man Power-	3562

2.8 Branches of UBL

Map of Bangladesh Showing the Branches-District Wise

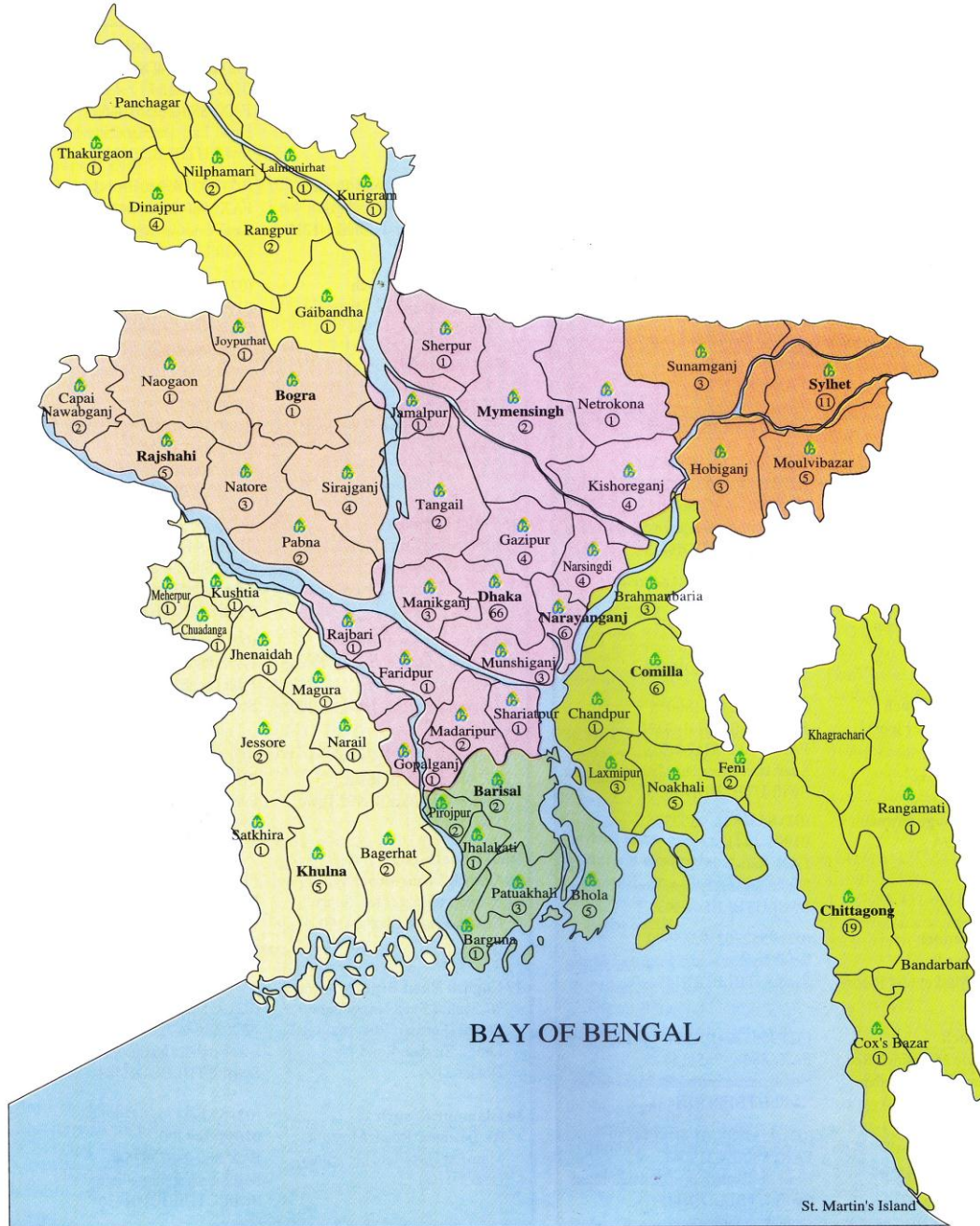


Figure 2.1 branch of UBL

2.09 Hierarchy of Uttara bank Limited.

Managing Director
Additional Managing Director
Deputy Managing Director
Executive General Manager
General Manager
Deputy General Manager
Assistant General Manager
Senior Principal Officer
Principal Officer
Senior Officer
Officer Grade-II
Assistant Officer

Figure: Hierarchy of Uttara Bank Head Office

2.10 Board of Directors of UBL:

UBL formed with the Bank Company Act 1991, the rules and regulations issued by the Bangladesh Bank, the Company Act 1994, and the Securities and exchange Rules 1987 and other applicable laws and regulations in 1999. The first Board of Directors of the bank was constituted with 13 Directors. Since the Bank has floated its share for public subscriptions; two Directors have been elected from the public shareholder. The director's list is following:

Name	Desiccation
Mr. Azharul Islam	Chairman
Mr. Iftekharul Islam	Vice Chairman
Mr. Syed A.N.M	Director
Engr. Tofazzal Hossain	Director
Mr. Asif Rahman	Director
Mr. Faruque Alomgir	Director
Mr. Md. Arif Rahaman	Director
Dr. Md. Rezul Karim Mazumder	Independent Director
Mr. M. Tajul Islam	Depositor Director
Prof. Dr. Abu Hossain Siddique	Independent Director
Col. Engr. M.S Kamal (Retd.)	Director
Mr. Shaikh Abdul Aziz	Managing Director

Chapter Three

Literature Review

3.1 Literature Review:

A literature review is an evaluation report of information found in the literature related to selected area of study. The review should describe, summarize, evaluate and clarify this literature. It should base for the research and help determine the nature of research. Which are irrelevant should be discarded and those which are peripheral should be blocked at critically.

3.2 Finance:

Finance is a field that deals with the study of investments. Which includes the dynamics of assets and liabilities over time under conditions of different degrees of uncertainty and risk. Finance can also be defined as the science of money management. A key point in finance is the time value of money. Which states that purchasing power of one unit of currency can vary over time. Finance to price assets based on their risk level and their expected return. Finance can be broken into three different sub-categories: personal finance, corporate finance, and public finance.

3.3 Areas of Finance:

3.3.1 Personal finance:

Personal finance may involve paying for education, financing durable goods such as real estate and cars, buying insurance, e.g. health and property insurance, investing and saving for retirement. Personal finance may also involve paying for a loan, or debt obligations.

3.3.2 Corporate finance:

Corporate finance deals with the sources of funding and the capital structure of corporations and the actions that managers take to increase the value of the firm to the shareholders, as well as the tools and analysis used to allocate financial resources.

3.3.3 Public finance:

Public finance describes finance as related to sovereign states and sub-national entities (states/provinces, counties, etc.) and related public entities (e.g. school districts) or

agencies. It usually encompasses long-term, strategic perspective regarding investment decisions that affect public entities. These long-term, strategic period usually encompass five or more years.

3.3.4 Experimental Finance:

Experimental finance aims to abolish different market settings and environments to observe experimentally and provide insights through which science can analyze agents' behavior and their salient characteristics of trading flows, information diffusion and aggregation, price setting mechanisms, and returns processes. Researchers in experimental finance can study to what extent existing financial economics theory makes valid predictions and therefore prove them, and attempt to discover new principles which such theory can be extended and be applied to future financial

3.3.5 Behavioral Finance:

Behavioral finance studies show the psychology of investors or managers affects financial decisions and markets when making a decision that can impact either negatively or positively on one of their areas. Behavioral finance has grown over the last few decades to become central and very important to finance.

3.3.6 Intangible Assets finance:

Intangible asset finance is the area of finance that deals with intangible assets such as patents, trademarks, goodwill, reputation, etc.

3.3.7 Financial Economics:

Financial economics is the branch of economics studying the interrelation of financial variables, such as prices, interest rates and shares, as opposed to goods and services

Chapter Four

AN ANALYSIS OF FINANCIAL STATEMENT

AN ANALYSIS OF FINANCIAL STATEMENT BANK

4.1 Balance Sheet of Uttara Bank Limited

Particulars	Year (Amount in Taka)				
	2019	2018	2017	2016	2015
PROPERTY AND ASSETS					
Cash	12,455,654,196	10,701,403,843	8,775,084,704	8,522,613,338	6,770,218,585
Cash in Hand(including foreign currencies)	2,563,655,628	2,371,010,602	2,685,850,825	2,055,238,090	1,550,160,241
Balance with Bangladesh Bank and its agent Bank(s) (including foreign currencies)	9,891,998,568	8,330,393,241	6,089,233,879	6,467,375,248	5,220,058,344
Balance with other Banks and financial institutions:	8,447,162,788	1,012,268,602	1,419,777,400	693,726,068	5,366,014,413
In Bangladesh	7,758,192,142	54,762,804	523,349,441	37,458,892	4,976,518,084
Outside Bangladesh	688,970,646	957,505,798	896,427,959	656,267,176	389,496,329
Money at call and short notice	200,000,000	460,000,000	600,000,000	200,000,000	
Investment:	41,336,583,796	42,787,914,497	45,749,476,371	41,998,232,796	22,894,749,808
Government	40,008,575,490	42,359,906,191	44,638,631,012	41,837,372,042	22,735,889,054
Others	1,328,008,306	428,008,306	1,110,845,359	160,860,754	158,860,754
Loans and Advances:	75,806,888,472	74,198,912,815	64,829,765,885	61,328,563,493	54,010,287,476
Loans, cash credit, over draft etc.	73,099,733,543	71,312,996,622	61,181,473,090	56,568,567,232	49,384,251,667
Bills purchased and discount	2,707,154,929	2,885,916,193	3,648,292,761	4,759,996,261	4,626,035,809
Fixed assets including land, building furniture and fixtures	3,355,551,865	3,351,964,701	3,204,271,407	2,843,356,991	2,762,228,892
Other Asstes	9,559,632,178	8,559,121,109	7,456,268,224	8,030,328,459	5,520,848,031
Non Banking Assets	70,912,083	71,276,237	75,399,854	76,975,748	93,580,592
Total Assets	151,232,385,378	141,142,861,804	132,110,043,811	123,693,796,893	97,417,927,797
LIABILITIES AND CAPITAL					
Borrowings from other Banks, Financial Institutions and Agents	1,389,304,955	2,068,330,312	94,627,649	9,669,428,603	7,229,331,894
Deposits and other accounts:	122,089,061,903	113,656,554,164	110,989,817,567	93,541,400,358	72,152,375,394
Current and other accounts etc.	49,550,453,193	43,952,345,749	41,986,398,330	32,505,531,569	24,704,157,771
Bills payable	2,417,231,139	2,417,499,268	1,799,303,242	1,918,087,695	1,842,478,227
Saving bank deposits	32,606,700,358	28,464,319,302	24,984,705,080	23,906,373,171	24,033,793,494
Fixed deposits	35,986,579,093	36,849,717,017	40,484,068,695	1,524,481,718	19,969,079,718
Bearer certificate of deposit					
Other deposits	1,528,098,120	1,973,672,822	1,735,342,520	1,929,101,150	1,602,866,184
Other liabilities	14,552,029,230	13,201,396,227	10,324,454,912	10,673,418,744	8,402,189,838
Total Liabilities	138,030,396,088	128,926,280,707	121,408,900,428	113,884,247,704	87,783,897,126
Capital/Share Holders' Equity					
Paid up capital	4,000,803,370	4,000,803,370	3,637,093,980	3,306,449,080	2,875,173,120
Issuance of bonus shares					
Statutory reserve	4,330,837,039	4,030,837,039	3,680,837,039	3,330,837,039	2,980,837,039
Other reserves	3,560,849,046	3,08,257,251	2,390,506,675	2,262,442,592	2,735,908,947
Surplus in profit and loss account	1,309,461,090	1,097,645,237	992,668,383	909,813,718	1,042,111,565
Total equity attributable to equity holders of the company	13,201,950,545	12,216,542,897	10,701,106,077	9,809,542,429	2,453,557,159
Total Liabilities and Share Holders' Equity	151,232,385,378	141,142,861,804	132,110,043,811	123,693,796,893	52,860,332,730

4.1.1 Horizontal Analysis

A company's financial statements for a single accounting period can reveal important information about its performance and financial health. But comparing the financial statements of more than one period can provide better context and help identify any changes that may signal strengths or weaknesses. We can compare financial statements for more than one period by using horizontal analysis. Horizontal analysis, also called "trend analysis," is used to discover trends in the earnings, assets and liabilities of a company over the course of several years. With horizontal analysis, we compare the amount changes and the percent change of each item in a financial statement for two consecutive periods. A financial statement showing horizontal analysis of two consecutive periods is called a comparative financial statement.

4.1.2 Horizontal Analysis of Balance Sheet

In this horizontal analysis of Balance sheet, here all the particulars from the FY2015-FY2019 have shown by the amount, increase or decrease in the amount and also in the percentage. To do so, I have assumed the FY2015 as a base year. For the purpose of calculation, here I have shown all the data in million. The horizontal analysis of Balance Sheet is given bellow as a table:

Graphical Presentation & Discussion of Cash:

Particulars	Year (Taka in Million)					
	2015	2016	2017	2018	2019	Average
Cash	6,770.22	8,522.62	8,775.08	10,701.09	12,455.66	4,725.63
Increase or Decrease		1,782.4	2004.87	3,931.19	5,685.44	3,350.98
Growth		26%	29%	58%	83%	49%

Cash

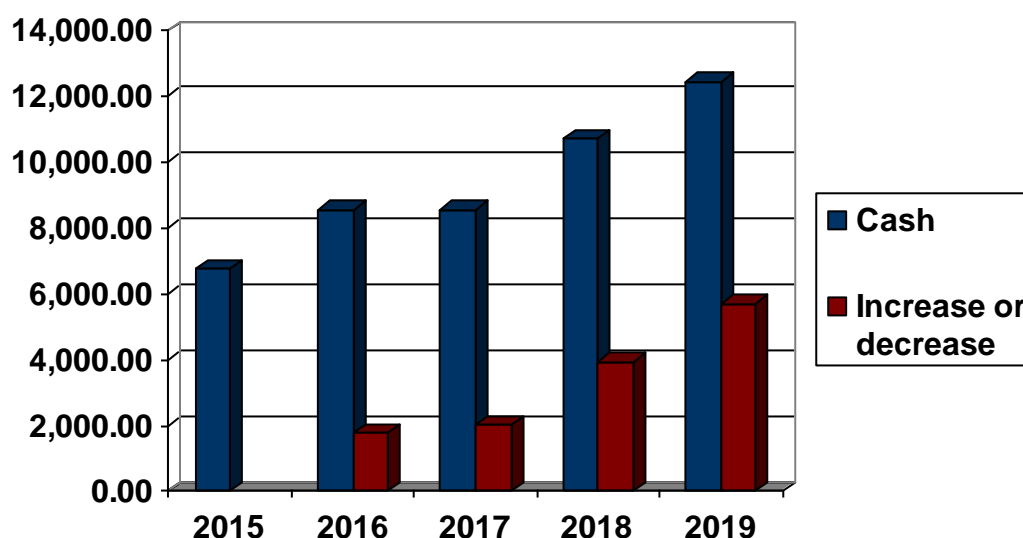


Figure: cash (Amount in Million)

During the five years (2015-2019) of study the total growth of cash of Uttara Bank Limited were on average 49%. In appendix total cash ranges from 6,770.22 to 12,455.66 million maintaining Tk. 4,725.63 million on an average per year. Moreover, significant changes have occurred in cash amount in each year. As here, FY2015 is the base year, so the changes in amount have been increased from FY2018 to FY2019. In FY2019 the highest increased in cash amount have been occurred compared with the other FY but in FY 2015 the lowest increased in cash amount. Only remaining FY 2017, it has been clear that there is an increasing trend in the changes of cash. So, with the cash or liquidity the bank will be able to make payments. In addition, each FY the percentage change of cash is increasing. It is very clear that an increasing upward trend is there from FY 2016 to FY 2019. Amount is increasing which means current assets is also increasing in each of the year. After end of the each year, the bank will have maximum liquidity in their hand.

Graphical Presentation & Discussion of Investment:

Particulars	Year (Taka in Million)					
	2015	2016	2017	2018	2019	Average
Investment	22,894.7	41,998.2	45,749.5	42,787.9	41,336.6	38,953.38
Increase or Decrease		19,103.5	22,854.8	19,893.2	18,441.9	20073.35
Growth		83%	99%	86%	80%	87%

Investment

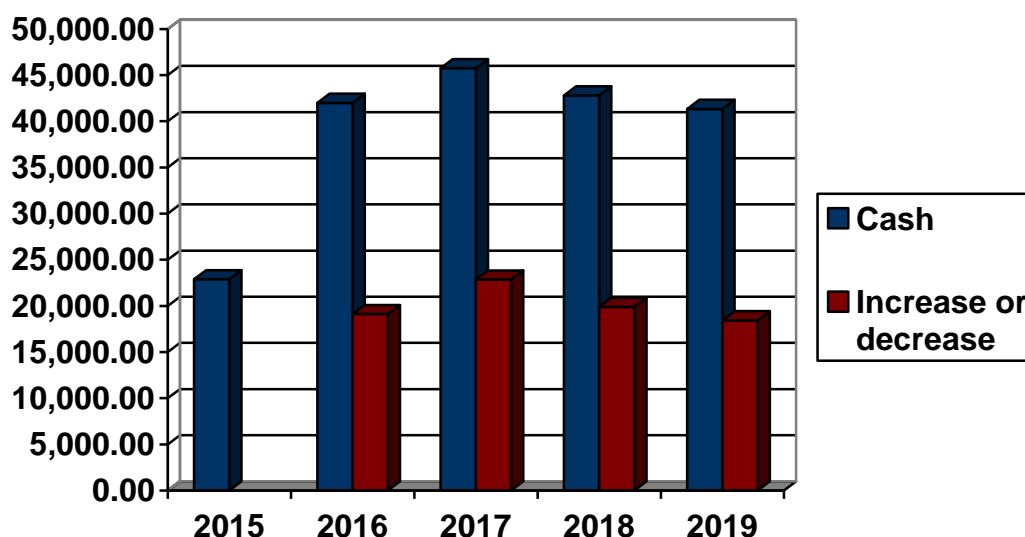


Figure: investment (Amount in Million)

During the five years (2015-2019) of study the total growth of investment of Uttara Bank Limited were on average 87%. Here, Investment ranges from 22,894.7 to 41,336.6 million maintaining Tk. 38,953.38 million on an average with a standard deviation of Tk. 5,087.09 million per year. Moreover, significant changes have occurred in investment in each year. As here, FY2015 is the base year, so the changes in investment have been increased from FY2017 to FY2018. In FY2016 the highest increased in investment have been occurred compared with the other FY but in FY 2017 the highest decreased in investment. In addition, each FY the percentage change of investment is increasing . Only remaining FY2017, it is very clear that an increasing upward trend is there from FY 2017 to FY 2019. So, in each year bank's investment is increasing which makes their revenue more prosperous.

Graphical Presentation & Discussion of Loans & Advances:

Particulars	Year (Taka in Million)					
	2015	2016	2017	2018	2019	Average
Loans & Advances	54,101.29	61,328.57	64,829.77	74,198.92	75,099.74	65,911.66
Increase or Decrease		7,227.28	10,728.48	20,097.63	20,998.45	14,762.96
Growth		13%	19%	37%	38%	26%

Loans & Advance

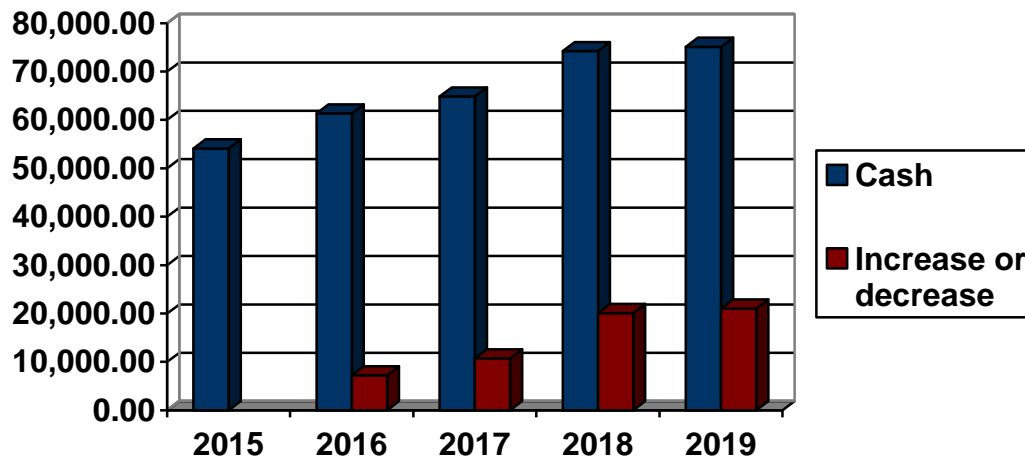


Figure: Loans & Advance (Amount in million)

During the five years (2015-2019) of study the total growth of loans and advances of Uttara Bank Limited were on average 26%. Loans and advances ranges from 54,101.29 to 75,099.74 maintaining Tk. 65,911.66 million on an average per year. Moreover, significant changes have occurred in loans and advances in each year. As here, FY2019 is the base year, so the changes in loans and advances have been increased from FY2016 to FY2017. It has been clear that there is an increasing trend in the changes of loans and advances. In FY2019 the highest increased in Loans and Advances have been occurred compared with the other FY. In addition, each FY the percentage change of loans and advances is increasing. It is very clear that an increasing upward trend is there from FY 2016 to FY 2019. So, in each year bank's loans and advances is increasing which makes their investment capability is adequate.

Graphical Presentation & Discussion of Fixed Assets:

Particulars	Year (Taka in Million)					
	2015	2016	2017	2018	2019	Average
Fixed Assets	2,762.2	2,843.4	3,204.3	3,352.0	3,354.5	3,221.74
Increase or Decrease		81.2	442.1	489.8	583.3	499.1
Growth		2%	16%	21%	21%	15%

Fixed Assed

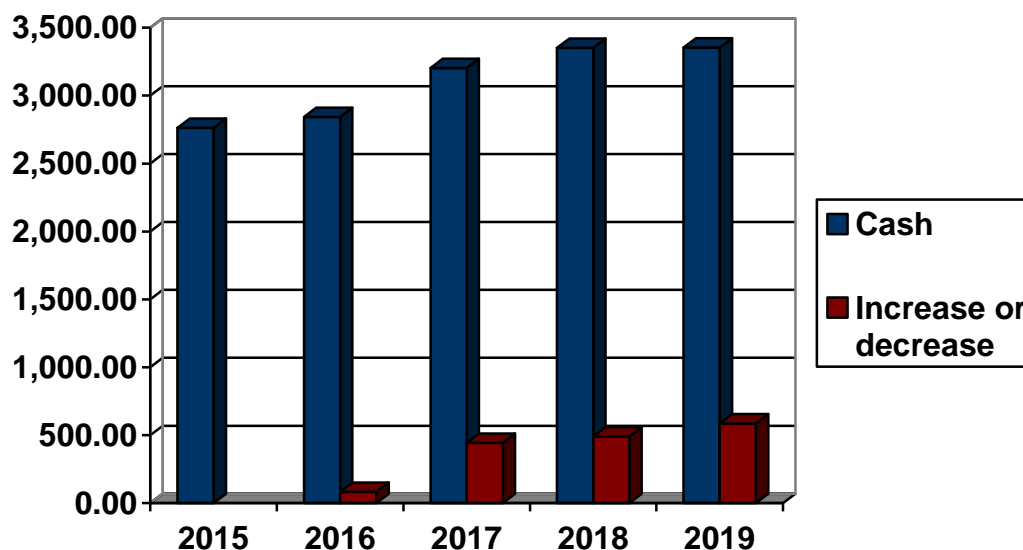


Figure: Fixed Assed (Amount in Million)

During the five years (2015-2019) of study the total growth of fixed assets of Uttara Bank Limited were on average 15%. Total cash ranges from 2,762.2 to 3,3524.5 million maintaining Tk.3,221.74 million per year. Moreover, significant changes have occurred in fixed assets in each year. As here, FY2015 is the base year, so the changes in fixed assets have been increased from FY2016 to FY2018. In FY2019 the highest increase in fixed assets has been occurred compared with the other FY but in FY 2015, the changes in fixed assets slightly decline compared to FY 2010. Only remaining FY 2019, it has been clear that there is an increasing trend in the changes of fixed assets. In addition, from FY2016 to FY 2018 the percentage change of fixed assets is increasing. It is very clear that an increasing upward trend is there from FY 2016 to FY 2018 but FY 2019 the percentage changes slightly fall.

Graphical Presentation & Discussion of Total Assets:

Total Assets

Particulars	Year (Taka in Million)					
	2015	2016	2009	2010	2015	Average
Total Assets	97,417.9	123,790.6	132,385.5	141,406.2	151,476.3	129,295.3
Increase or Decrease		26,370.7	34,967.6	43,988.3	54,058.4	39,846.25
Growth		27%	35%	45%	55%	40%

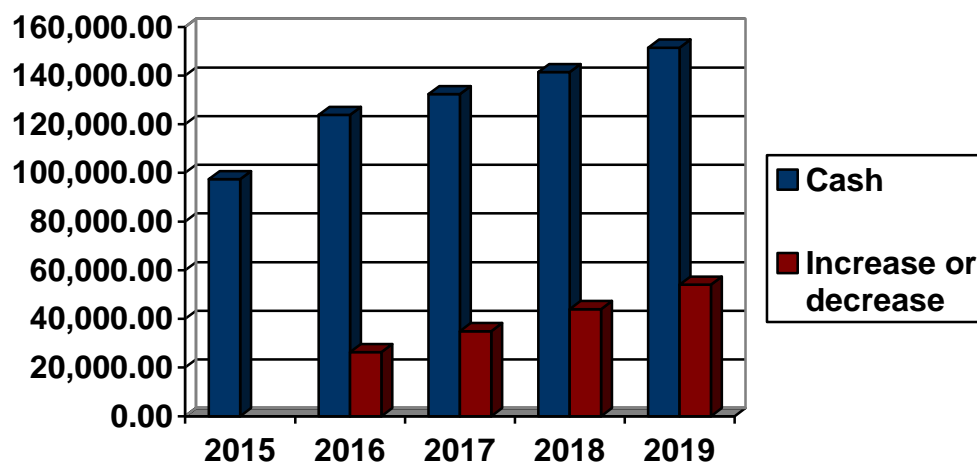


Figure: Total Assets: (Amount in Million)

During the five years (2015-2019) of study the total growth of total assets of Uttara Bank Limited were on average 40%. Total assets ranges from 97,417.9 to 151,476.3 million maintaining Tk. 129,195.3 million on an average per year. Moreover, significant changes have occurred in total assets in each year. As here, FY2015 is the base year, so the changes in total assets have been increased from FY2016 to FY2019. It has been clear that there is an increasing trend in the changes of total assets. In FY2019 the highest increased in total assets have been occurred compared with the other FY. In addition, each FY the percentage change of total assets is increasing. It is very clear that an increasing upward trend is there from FY 2016 to FY 2019. So, in each year bank's total assets is increasing which makes their loan repayment capability is adequate

Graphical Presentation & Discussion of Total Liabilities.

Total-Liabilities

Particulars	Year (Taka in Million)					
	2015	2016	2017	2018	2019	Average
Total Liabilities	87,783.90	113,884.25	121,408.11	128,926.29	138,030.40	118006.59
Increase or Decrease		26,100.35	33624.21	41142.36	50246.5	73338.36
Growth		29%	38%	46%	74%	56%

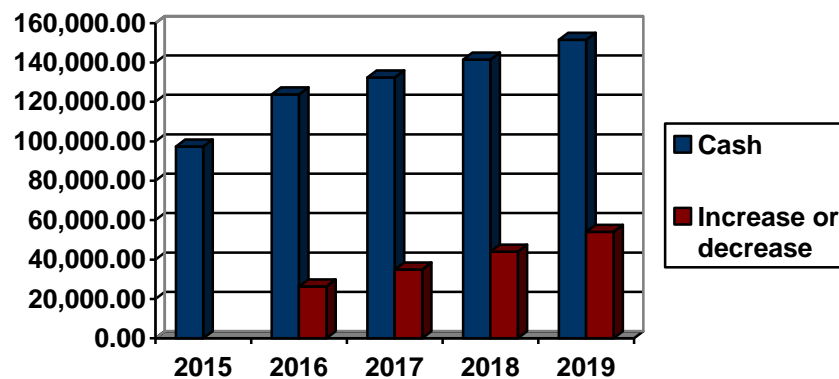


Figure: Total-Liabilities (Amount in Million)

During the five years (2015-2019) of study the total growth of total liabilities of Uttara Bank Limited were on average 56%. Total liabilities ranges from 87,783.90 to 138,030.40 million maintaining Tk. 66,305.24 million on an average with a standard deviation of Tk. 14,920.85 million per year. Moreover, significant changes have occurred in total liabilities in each year. As here, FY2015 is the base year, so the changes in total liabilities have been increased from FY2016 to FY2019. It has been clear that there is an increasing trend in the changes of total liabilities. In FY2019 the highest increased in total liabilities have been occurred compared with the other FY. In addition, each FY the percentage change of total liabilities is increasing. It is very clear that an increasing upward trend is there from FY 2016 to FY 2019. So, in each year bank's total liabilities is increasing which makes their lending capability is adequate.

Graphical Presentation & Discussion of Total Share Holders' Equity:

Total Share Holders' Equity:

Particulars	Year (Taka in Million)					
	2015	2016	2017	2018	2019	Average
Total Share Holders' Equity	2,453.56	9,809.55	10,701.11	12,216.55	13,201.96	9,876.55
Increase or Decrease Growth		7,355.99 299%	8,247.55 336%	9,762.99 397%	10,748.4 438%	9028.74 367%

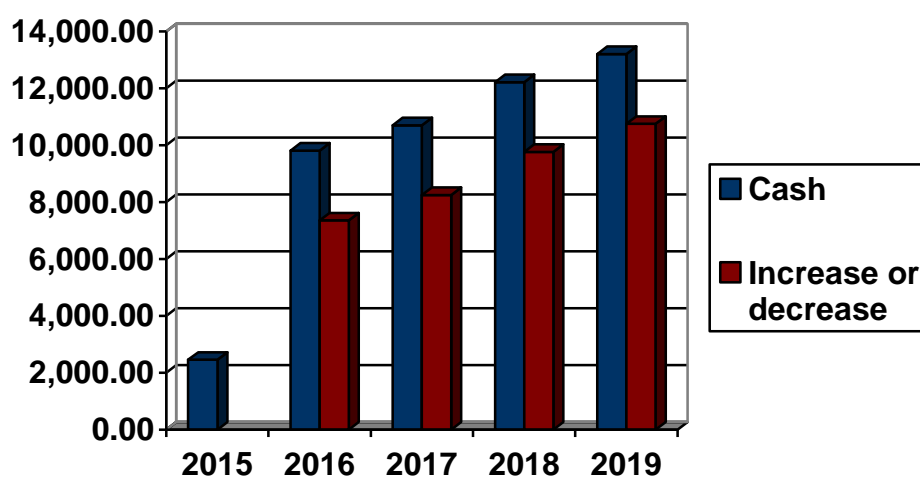


Figure: Total Share Holders' Equity (Amount in Million)

During the five years (2015-2019) of study the total growth of total share holders' equity of Uttara Bank Limited were on average 367%. Total share holders' equity ranges from 2,453,56 to 13,210.96 million maintaining Tk.9,876.55 million on an average per year. Moreover, significant changes have occurred in total share holders' equity in each year. As here, FY2015 is the base year, so the changes in total share holders' equity have been increased from FY2016 to FY2019. It has been clear that there is an increasing trend in the changes of total share holders' equity. In FY2019 the highest increased in total share holders' equity has been occurred compared with the other FY. In addition, each FY the percentage change of total share holders'

equity is increasing. It is very clear that an increasing upward trend is there from FY 2016 to FY 2019. So, in each year bank's total share holders' equity is increasing which makes their value of share holders' is adequate

Graphical Presentation & Discussion of Total Liabilities & Share Holders' Equity:

Particulars	Year (Taka in Million)					Average
	2015	2016	2017	2018	2019	
Total Liabilities & Share Holders' Equity	52,860.34	123,693.80	132,110.05	141,142.87	151,232.39	120,207.89
Increase or Decrease Growth		70,833.56 134%	79,249.71 149%	88,282.53 167%	98,372.05 186%	84184.47 159%

Total liabilities & share Holders Equity

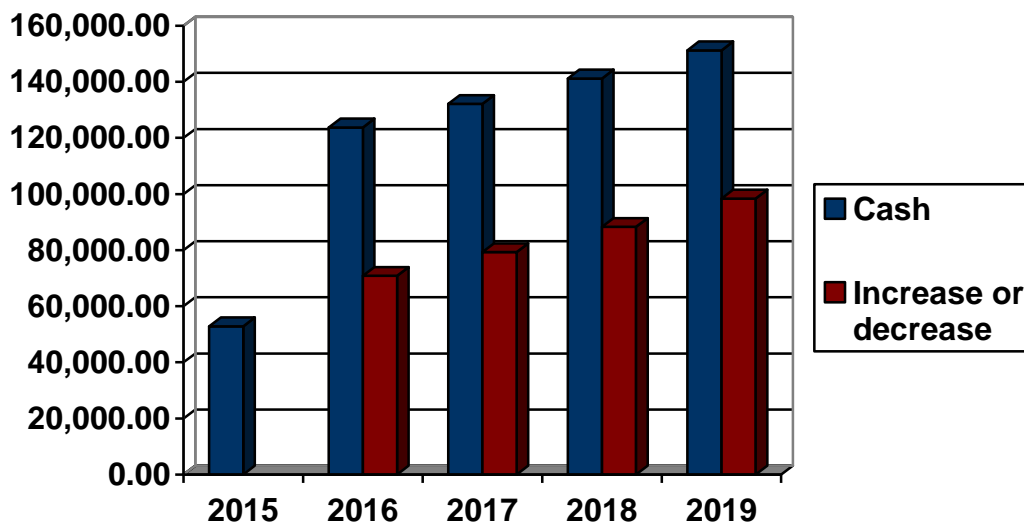


Figure: Total liabilities & share Holders Equity(Amount in million)

During the five years (2015-2019) of study the total growth of total liabilities and share holders' equity of Uttara Bank Limited were on average 159%. Total share holders' equity ranges from 52,860.33 to 151,232.39 million maintaining Tk. 120,207.89 million on an average per year. Moreover, significant changes have occurred in total liabilities and share holders' equity in each year. As here, FY2015 is the base year, so the changes in total liabilities and share holders' equity have been increased from FY2016 to FY2019. It has been clear that there is an increasing trend in the changes of

total liabilities and share holders' equity. In FY2019 the highest increased in total liabilities and share holders' equity has been occurred compared with the other FY. In addition, each FY the percentage change of total share holders' equity is increasing. It is very clear that an increasing upward trend is there from FY 2016 to FY 2019. So, in each year bank's total liabilities and share holders' equity is increasing which makes their lending capability as well as value of share holders' is adequate.

4.2 Profit and Loss Account of Uttara Bank Limited

Particulars	Year (Amount in Taka)				
	2019	2018	2017	2016	2015
OPERATING INCOME					
Interest Income	9,356,693,207	9,439,769,828	9,261,110,722	8,209,924,355	6,604,198,304
Interest paid on deposits, borrowings etc.	6,471,137,5787	7,260,076,507	8,302,433,469	6,469,409,231	4,148,108,568
Net Interest Income	2,885,555,630	2,179,693,321	958,677,233	1,740,515,142	2,456,089,736
Income from Investment.	5,141,230,634	4,378,142,115	4,447,142,890	3,716,097,423	2,204,265,420
Commission, Exchange and Brokerage	740,938,634	786,775,604	879,974,481	942,848,379	987,134,228
Other Operating Income	531,166,792	573,722,170	655,211,100	804,256,981	872,603,275
Total operating income	9,298,891,647	7,918,338,210	6,941,005,705	7,203,717,925	6,520,092,641
OPERATING EXPENSES					
Salary and allowances	3,283,676,064	2,729,071,134	2,563,440,679	2,358,396,133	2,200,353,628
Rent, taxes, insurance, electricity etc.	410,235,064	386,371,886	310,673,620	274,523,600	246,142,347
Legal expenses	23,224,538	16,724,222	13,932,373	11,497,601	10,571,793
Stationery, printing, advertisements etc.	109,271,339	107,921,574	80,443,934	48,680,579	40,064,254
Managing Director's salary & allowances and fees	101,251,828	108,892,992	96,207,426	92,438,687	10,627,301
Directors' fees	14,843,180	2,094,00	1,570,000	2,275,000	2,670,000
Auditors' fees	2,59,8000	12,833,680	500,000	500,000	500,000
Charges on Loan losses account	525,000	520,000	-	135,020,994	86,643,022
Repair, maintenance and depreciation of Bank's property	305,587,441		194,695,240	166,540,874	157,564,629
Other expenses	718,762,108	422,803,588	517,794,222	829,772,337	535,437,646
Total operating expenses	5,302,911,306	4,082,258,258	3,791,079,914	3,929,486,006	3,369,753,025
Profit before provision	3,995,980	3,836,079,088	3,149,925,790	3,274,231,919	3,150,339,616
Provision	1,461,084,750	910,000,000	455,000,000	725,000,000	150,000,000
Provision for loans & advances & off balance sheet exposures	1450,000,000	240,000,000	450,000,000	720,000,000	150,000,000
Provision for Other	6,084,750	20,000,000			
Transfer to benevolent fund	5,000,000	5,000,000	5,000,000	5,000,000	22,500,000
Profit before tax	2,534,895,591	2,926,079,088	2,694,925,790	2,549,231,919	3,000,339,616
Provision for Taxation	1,022,918,517	1,250,000,000	1,375,458,317	1,304,828,344	1,350,000,000
Current tax	1,109,179,952	1,239,639,400	1,289,549,014	1,304,539,662	1,314,855,569
Deferred tax	86,261,435		85,909,303	288,682	35,144,431
Profit after taxation	1,511,977,074	1,404,250,342	1,319,466,924	1,244,403,092	1,650,339,616
Retained earning brought forward	97,484,563	43,394,237	23,201,455	15,410,626	1,771,949
Profit available for appropriation	1,609,461,090	1447,645,237	1,342,668,383	1,259,813,718	1,652,111,565
Appropriation	300,000,000	350,000,000	350,000,000	350,000,000	610,000,000
Statutory reserve	300,000,000	350,000,000	350,000,000	350,000,000	610,000,000
General reserve	-				
Issue of bonus share					399,329,600
Retained surplus	1,309,461,090	1,09,645,237	992,668,383	909,813	1,042,111,565
Earning per share (EPS)	3.78	3.51	3.63	3.42	5.74

Graphical Presentation & Discussion of Net Interest Income:

Particulars	Year (Taka in Million)					
	2015	2016	2017	2018	2019	Average
Net interest income	2,456.09	1,740.52	958.68	2,179.70	2,885.56	2,044.11
Increase or Decrease		-715.57	-1,497.41	-276.39	429.47	-729.71
Growth		-29%	-60%	-11%	17%	-29%

Net Interest Income

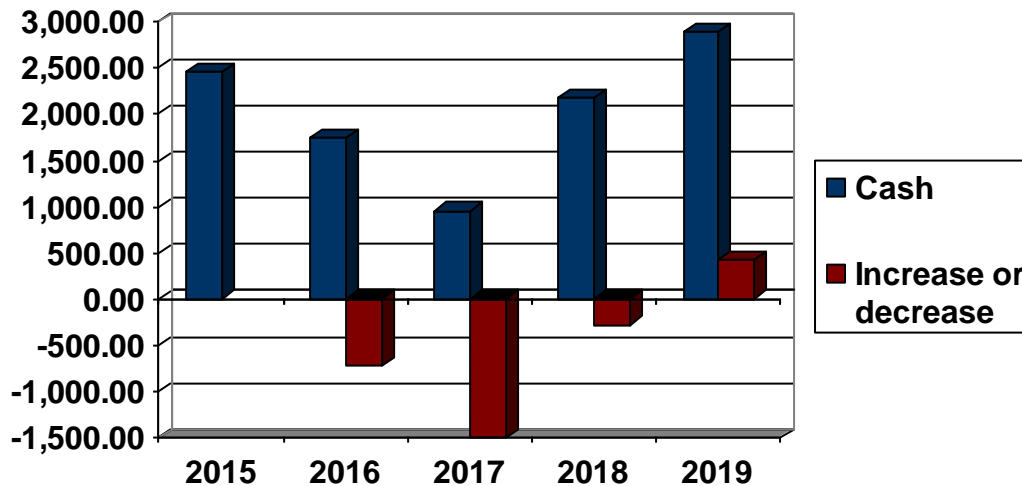


Figure: Net Interest Income (Amount in Million)

During the five years (2015-2019) of study the total growth of net interest income of Uttara Bank Limited was on average -29%. net interest income ranges from 2,456.08 to 2,885.56 million maintaining Tk. 2,044.11 million on an average per year. Moreover, significant changes have occurred in net interest income in each year. As here, FY2015 is the base year, so the changes in net interest income have been decreased from FY2016 to FY2019. It has been clear that there is an increasing trend in the changes of net interest income. In FY2019 the highest increased in net interest income has been occurred compared with the other FY but FY 2019 changes in net interest income is higher than FY 2017- FY2019 and lower than FY2017. In addition, from FY 2017- FY 2019 the percentage change of net interest income is increasing. It is very clear that a decreasing lower trend is there from FY 2016 to FY 2018. So, in each year bank's net interest income is increasing which makes their profit is adequate.

Graphical Presentation & Discussion of Total Operating Income:

Particulars	Year (Taka in Million)					
	2015	2016	2017	2018	2019	Average
Total operating income	6,520.10	7,203.72	6,941.00	7,918.34	9,298.90	7,576.42
Increase or Decrease		683.62	420.9	1,398.24	2,778.8	1,320.39
Growth		14%	6%	21%	42%	20%

Total Operating Income

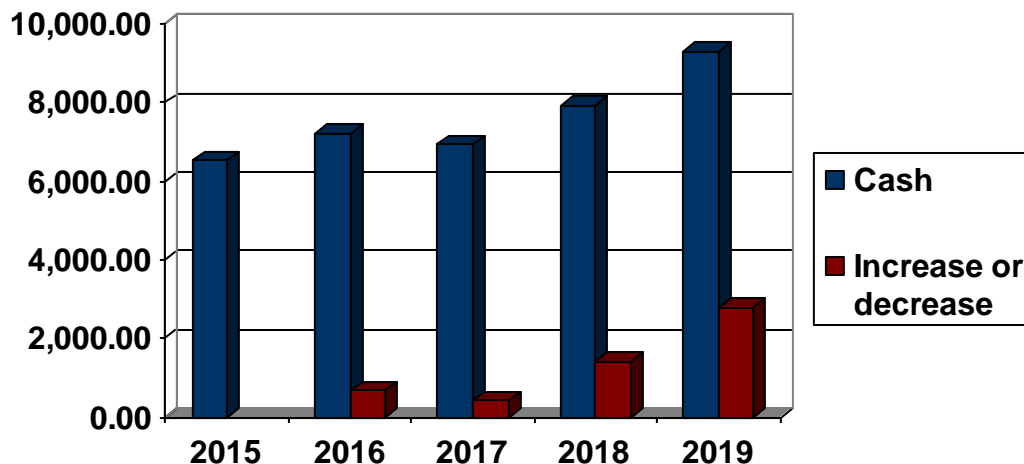


Figure: Total Operating Income (Amount in million)

During the five years (2015-2019) of study the total growth of total operating income of Uttara Bank Limited were on average 20%. Total operating income ranges from 6,520.10 to 9,298.90 million maintaining Tk. 7,576.42 million on an average per year. Moreover, significant changes have occurred in total operating income in each year. As here, FY2015 is the base year, so the changes in total operating income have been increased from FY2016 to FY2019. It has been clear that there is an increasing trend in the changes of total operating income. In FY2015 the highest increased in total operating income have been occurred compared with the other FY. In addition, each FY the percentage change of total operating income is increasing. It is very clear that an increasing upward trend is there from FY 2016 to FY 2019. So, in each year bank's total operating income is increasing which leads to profit are adequate.

Graphical Presentation & Discussion of Total Operating Expenses

Particulars	Year (Taka in Million)					
	2015	2016	2017	2018	2019	Average
Total operating expenses	3,369.76	3,929.49	3,791.08	4,082.26	5,302.92	4,095.11
Increase or Decrease		559.73	421.32	712.5	2017.16	926.68
Growth		16%	12%	21%	59%	27%

Total Operating Expenses

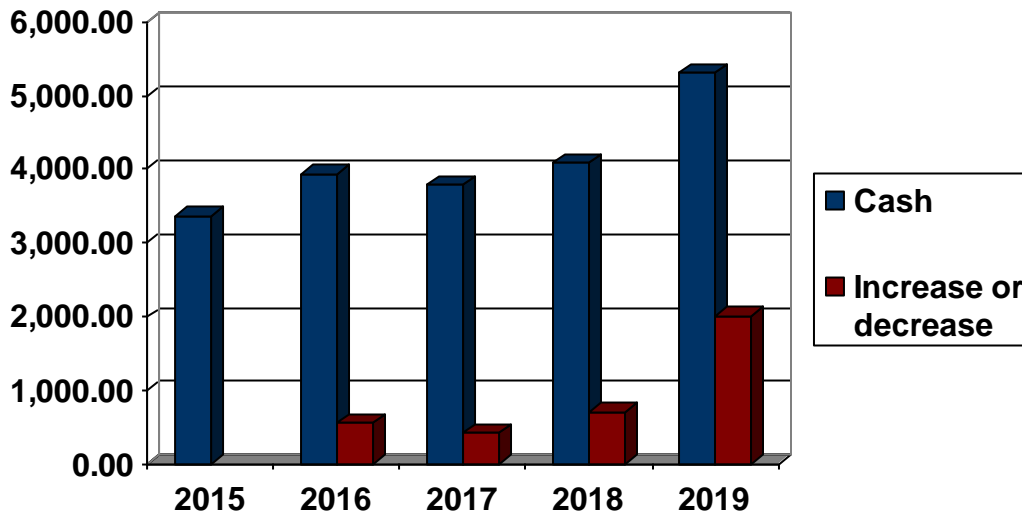


Figure: Total Operating Expenses (Amount in million)

During the five years (2015-2019) of study the total growth of total operating expenses of Uttara Limited were on average 27%. Total operating expenses ranges from 3,369.76 to 5,302.92 million maintaining Tk. 4,095.11 million on an average per year. Moreover, significant changes have occurred in total operating expenses in each year. As here, FY2015 is the base year, so the changes in total operating expenses have been increased from FY2016 to FY2019. It has been clear that there is an increasing trend in the changes of total operating expenses. In FY2019 the highest increased in total operating expenses have been occurred compared with the other FY. In addition, each FY the percentage change of total operating expenses is increasing. It is very clear that an increasing upward trend is there from FY 2016 to FY 2019. In each year bank's total operating expenses is increasing, so the top management of UBL has to think about operating expenses and how to reduce total operating expenses.

Graphical Presentation & Discussion of Profit before Provision:

Particulars	Year (Taka in Million)					
	2015	2016	2017	2018	2019	Average
Profit before provision	3,150.34	3,274.24	3,149.93	3,836.08	3,995.99	3,481.32
Increase or Decrease		123.9	-0.41	685.74	845.65	413.93
Growth		3%	-0%	21%	26%	12%

Profit before Provision

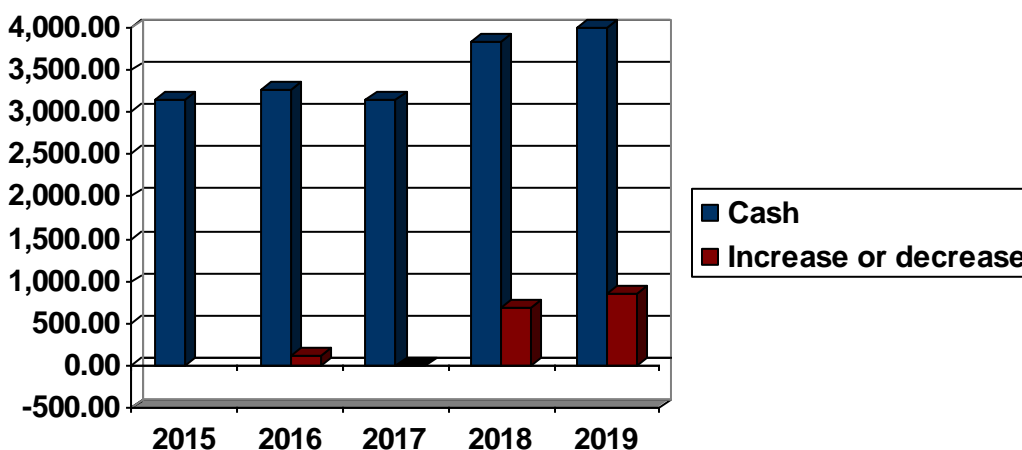


Figure: Profit before Provision (Amount in Million)

During the five years (2015-2019) of study the total growth of profit before provision of Uttara Bank Limited were on average 12%. Profit before provision ranges from 3,150.34 to 3,995.99 million maintaining Tk. 3,481.32 million on an average per year. Moreover, significant changes have occurred in profit before provision in each year. As here, FY2007 is the base year, so the changes in profit before provision have been decreased from FY2016 to FY2019. The changes of profit before provision is little close from FY2017. The profit before provision was relatively same for FY 2018- FY 2019. In FY2019 the highest increased in profit before provision have been occurred compared with the other FY. In addition, each FY the percentage change of profit beforeprovision is increasing. It is very clear that an increasing upward trend is there from FY 2015 to FY.2019.

Graphical Presentation & Discussion of Profit before Tax:

Profit before Tax

Particulars	Year (Taka in Million)					Average
	2015	2016	2017	2018	2019	
Profit before tax	3,000.34	2,549.24	2,694.93	2,926.08	2,534.90	2,741.10
Increase or Decrease		-451.1	-305.41	-74.26	-465.44	324.06
Growth		-15%	-10%	-2%	-15%	-10%

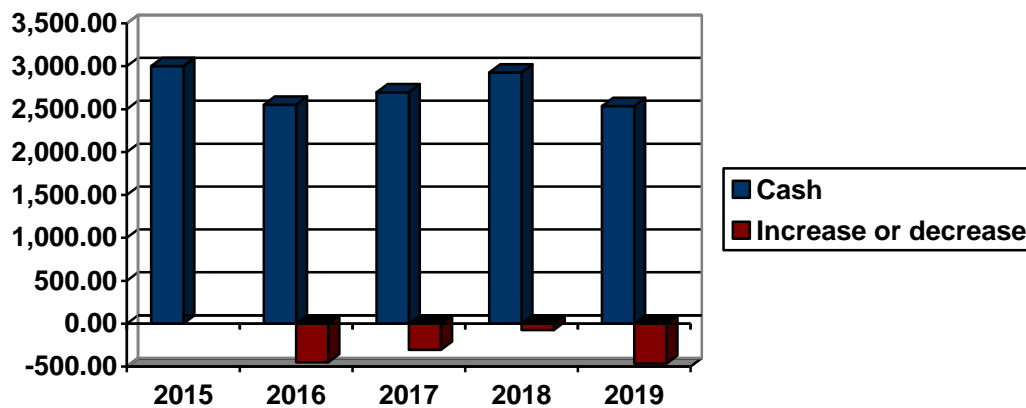


Figure: Profit before Tax(Amount in Million)

During the five years (2015-2019) of study the total growth profit before tax of Uttara Bank Limited were on average -10%. Profit before tax ranges from 3,000.34 to 2,534.90 million maintaining Tk. 2,741.10 million on an average per year. Moreover, significant changes have occurred in profit before tax in each year. As here, FY2015 is the base year, so the changes in profit before tax have been increased from FY2016 to FY2019. The changes of profit before tax is little close from FY2016-FY2019. The profit before tax was relatively same for FY 2016-FY 2017. In FY2015 the highest increased from FY2008 to FY2015. The changes of profit before tax is little close from FY2016-FY2017. The profit before tax was relatively same for FY 2016-FY 2017. In FY2019 the highest decreased in profit before tax have been occurred compared with the other FY. In addition, each FY the percentage change of profit before tax is increasing. It is very that an increasing upward this gives an investor a good idea of increasing in profit from year to year.

Graphical Presentation & Discussion of Profit after Taxation:

Profit after Taxation

Particulars	Year (Taka in Million)					
	2015	2016	2017	2018	2019	Average
Profit after taxation	1,650.34	1,244.41	1,319.47	1,404.26	1,511.8	1,426.06
Increase or Decrease		-405.93	-330.87	-246.08	-138.36	-280.31
Growth		-24%	-20%	-14%	-8%	-16%

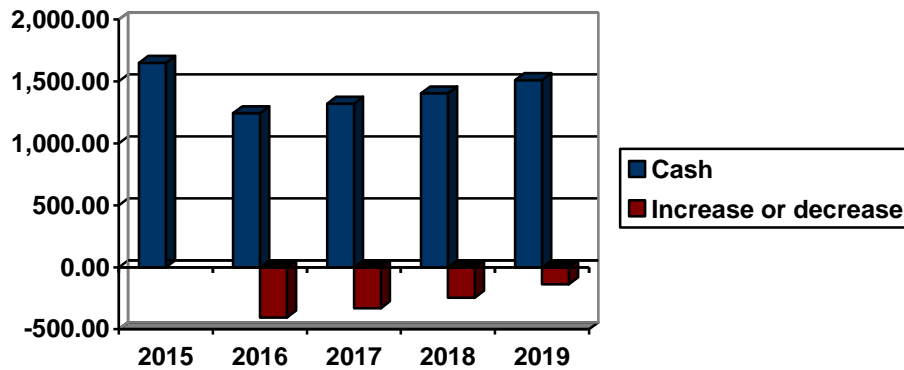


Figure: Profit after Taxation (Amount in Million)

During the five years (2015-2019) of study the total growth of profit after taxation of Uttara Bank Limited was on average -16%. Profit after taxation ranges from 1,650.34 to 1,511.8 million maintaining Tk. 1,426.06 million on an average per year. Moreover, significant changes have occurred in net interest income in each year. As here, FY2015 is the base year, so the changes in profit after taxation have been increased from FY2016 to FY2019. It has been clear that there is an increasing trend in the changes of profit after taxation. In FY2016 the highest decreased in profit after taxation income has been occurred compared with the other FY but FY 2019 changes in profit after taxation is higher than FY 2016 and lower than FY2017-FY2018. In addition, from FY 2016- FY 2019 the percentage change of profit after taxation is increasing. It is very clear that an increasing upward trend is there from FY 2016 to FY 2015. So, in each year bank's profit after taxation is increasing which makes the bank can invest more money for their business purpose as well as the bank can pay more dividends to their shareholders.

4.3 Ratio Analysis

A bank's balance sheet and profit and loss account are valuable information sources for identifying risk taking and assessing risk management effectiveness. Although the taka amounts found on these statements provide valuable insights into the performance and condition of a bank, financial analysts, bankers and bank supervisors typically use data from them to develop financial ratios to evaluate bank performance. This is done to provide perspective and facilitate making comparisons. There are literally hundreds useful financial ratios we can use to evaluate bank performance. However, in most instances, directors only need a few basic ratios to identify fundamental performance issues and help them formulate questions regarding any underlying problems and asking management's plans for correcting them. This section will discuss some selected ratios from various perspectives. From this various perspective Ratio Analysis can be dividing into five categories. These five categories are as follows:

Liquidity Ratios:	Efficiency Ratios:
Advances to Deposit Liquid Asset to Liability Advances to Liability	Operating Expense to Assets Operating Expenses to Net Interest Income Operating Expenses to Operating Income
Leverage Ratios:	Market Value Ratios:
Debt to Assets Debt to Equity Equity Multiplier	Earning per Share Price Earning Ratio
Profitability Ratios:	
Return on Assets Return on Equity Return on Deposit Net Interest Margin	Noninterest Income to Assets Noninterest Income to Assets Assets Utilization Ratio

Table: Selected financial ratios with their definitions

Symbol	Ratios	Numerator	Denominator	Indicator
ATD	Advances to Deposit	Total Advances	Total Deposits	Liquidity
LATL	Liquid Asset to Liability	Liquid Assets	Total Liabilities	Liquidity
ATL	Advances to Liability	Total Advances	Total Liabilities	Liquidity
OETA	Operating Expense to Assets	Total Operating Expense	Total Assets	Efficiency
OETNII	Operating Expenses to Net Interest Income	Total Operating Expense	Net Interest Income	Efficiency
OETOI	Operating Expenses to Operating Income	Total Operating Expense	Total Operating Income	Efficiency
DTA	Debt to Assets	Total Liabilities	Total Assets	Leverage
DTE	Debt to Equity	Total Liabilities	Share Holders' Equity	Leverage
EM	Equity Multiplier	Total Assets	Share Holders' Equity	Leverage
ROA	Return on Assets	Net Profit	Total Assets	Profitability
ROE	Return on Equity	Net Profit	Share Holders' Equity	Profitability
ROD	Return on Deposit	Net Profit	Total Deposits	Profitability
NIM	Net Interest Margin	Net Interest Income	Total Assets	Profitability
NITA	Noninterest Income to Assets	Noninterest Income	Total Assets	Profitability
NITOI	Noninterest Income to Operating Income	Noninterest Income	Total Operating Income	Profitability
AUR	Assets Utilization Ratio	Total Operating Income	Total Assets	Profitability
EPS	Earning per Share	Net Profit	Number of Shares Outstanding	Market Value
P/E	Price Earning Ratio	Market Price per Share	Earning per Share	Market Value
MVPS	Market Value per Share	Market Value per Share	Total Number of Share	Market Value

4.3.1 Advance to deposits

Advance to Deposit (ATD) ratio is the most commonly used liquidity ratios of a bank. A low ratio of ATD indicates excess liquidity, and potentially low profits, compared to other banks. A high ATD ratio presents the risk that some loans may have to be sold at a loss to meet depositors' claims.

The ATD ratios of Uttara Bank Limited are given below:

Year	2015	2016	2017	2018	2019	Average
ATD	0.75%	0.65%	0.58%	0.65%	0.62%	0.65%

Advance to deposits

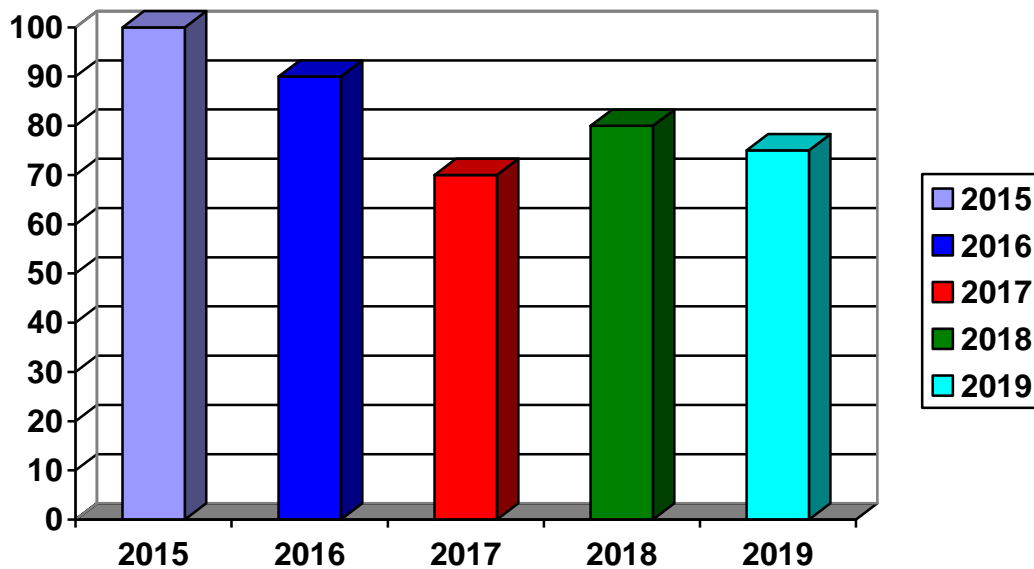


Figure: Advance to deposits (Amount in Million)

The bank's ATD ratio increases from FY2015 to FY 2016 and in FY2017 ATD ratio slightly fall after then it increases till FY2015. The highest ATD ratio was in FY2019 which surely helps to higher risks of loan losses but it also increases profits in that period. On an average, the bank maintained 0.65% ATD ratio which is moderate in terms of lesser risk and greater profits.

4.3.2 Market Value per Share

Market Value per Share (MVPS) is defined as the company's assessed market value divided by the total number of shares held by stock owners in the company. The market value per share is a financial metric that investors use to determine whether or not to purchase a stock.

The MVPS ratios of Uttara Bank Limited are given below:

Year	2015	2016	2017	2018	2019	Average
MVPS	77.80	38.10	31.10	25.90	22.70	39.12

Market value par share

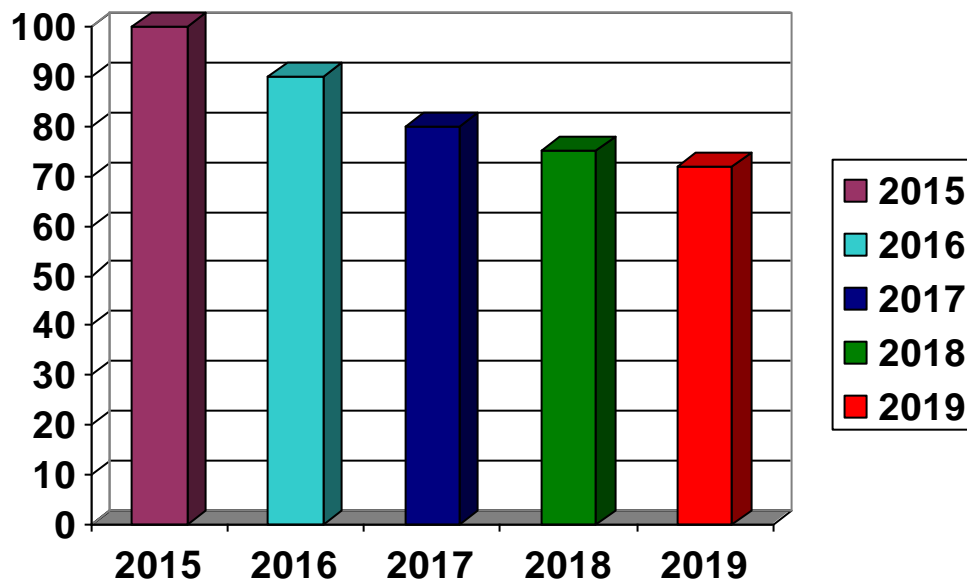


Figure: Market value par share

MVPS ratio of UBL continuously decreases till FY2018 and then it slightly increases in FY2019 (22.70 Tk.) after then MVPS ratio dramatically decreases in FY2019 (22.70 Tk.). The highest MVPS ratio was 77.80 taka per share in FY2015 and the lowest MVPS ratio was 22.70 taka per share in FY2019. On an average, the bank maintained MVPS ratio of 39.12 taka per share.

4.3.3 Earnings per share

Earnings per share (EPS) are the company's profit allocated to each outstanding share of common stock. EPS serves as an indicator of a company's value for a market. The EPS ratios of

Uttara Bank Limited are given bellow:

Year	2015	2016	2017	2018	2019	Average
EPS	4.99	3.40	3.28	3.47	3.76	3.78

Earnings per share

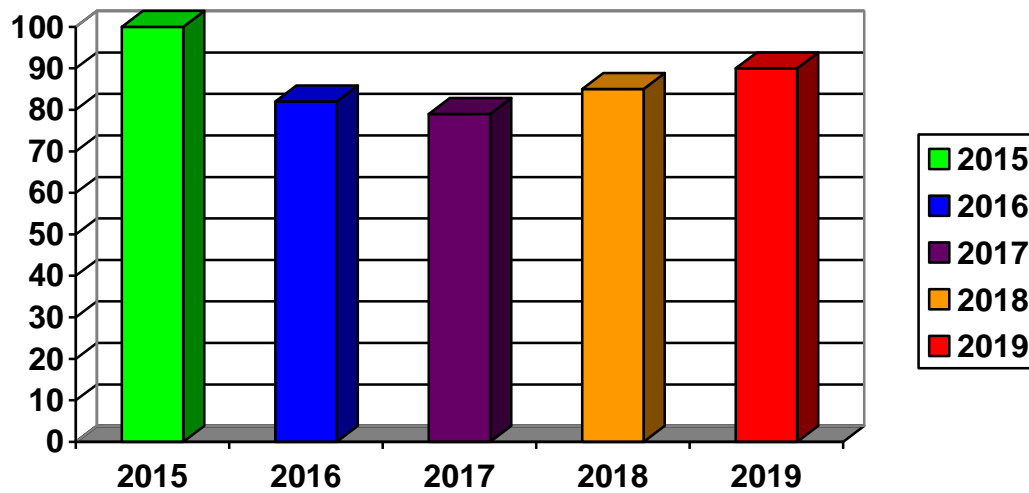


Figure: Earnings per share (Amount in Million)

EPS ratio of UBL was increasing from FY2015 (4.99Tk.) to FY2016 (3.40 Tk.) and then it was decreasing till FY2017 after then EPS ratio slightly increase in FY2019 (3.73Tk.). The highest EPS ratio was 4.99 taka per share in FY2015 and the lowest EPS ratio was 3.28 taka per share in FY2017. On an average, the bank maintained EPS ratio of 3.78 taka.

4.3.4 Price Earning Ratio

The Price Earning (P/E) Ratio of a stock is a measure of the price paid for a share relative to the annual Earnings per Share. The price-to-earnings ratio is widely used valuation multiple used for measuring the relative valuation of companies. A higher P/E ratio means that investors are paying more for each unit of net income, so the stock is more expensive compared to one with a lower P/E ratio. The P/E ratios of Uttara Bank Limited are given below:

Year	2015	2016	2017	2018	2019	Average
P/E	15.59	11.21	9.48	7.46	6.04	9.95

Price Earning Ratio

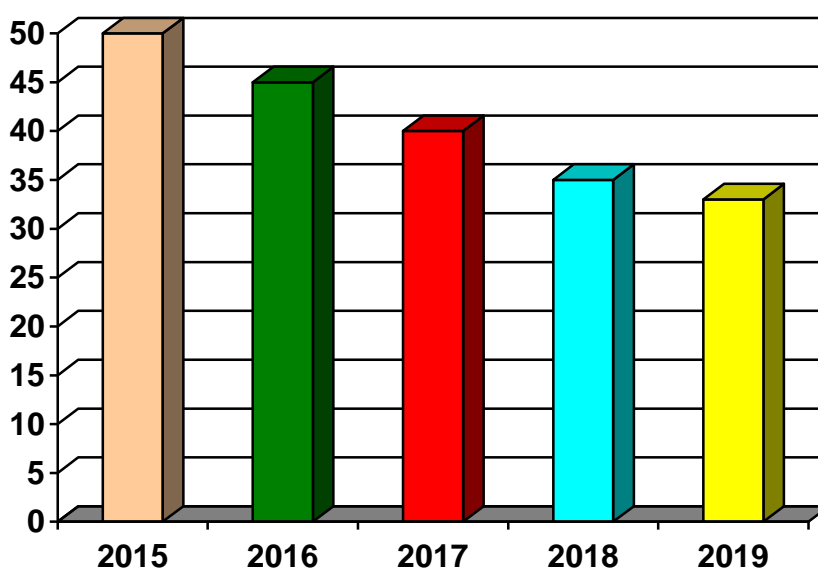


Figure: Price Earning Ratio (Amount in Million)

P/E ratio of UBL was continuously decreasing at an average 9.95 (times) from FY2015 to FY2016 and then it dramatically increase in FY 2015(15.59) times) after that it sharply decreases in FY2015 (13.55 times). The highest P/E ratio was 15.59 times in FY2015 and the lowest P/E ratio was 6.04 times in FY2019.

4.3.5 Return on Investment

Return on Equity (ROI) ratio is also very important tools for measuring the profitability of a bank. The greater ROE ratio is better for the bank. The ROI ratios of Uttara Bank Limited are given below:

Year	2015	2016	2017	2018	2019	Average
ROE	9.63%	8.75%	9.72%	10.23%	12.44%	10.15%

Return on Investment

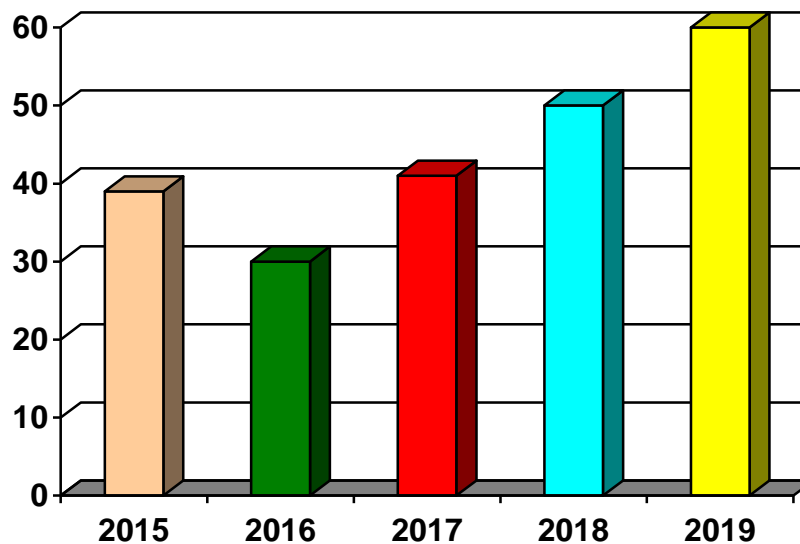


Figure: Return on Investment (Amount in Million)

The ROI ratio of UBL was dramatically increases from FY2015 (9.63%) to FY2016 (8.75%) and then it significantly decrease in FY 2016 (8.75%) after then ROE ratio was increasing at a slower rate in FY 2019(12.44%). The ROI ratio of UBL is decreasing from FY2016 (8.75%) to FY2019 (12.44%) which is bad sign for a bank. So, we can observe that ROI ratios were fluctuating at an average rate of 10.15% per year. The highest ROI ratio was 12.44% in FY2019 and lowest ROE ratio was 8.75% in FY2016.

4.3.6 Return on Assets

Return on Assets (ROA) ratio is very important tools for measuring the profitability of a bank. The greater ROA ratio is better for the bank. The ROA ratios of Uttara Bank Limited are given bellow:

Year	2015	2016	2017	2018	2019	Average
ROA	1.69%	1.0%	0.99%	0.89%	0.99%	1.12%

Return on Assets

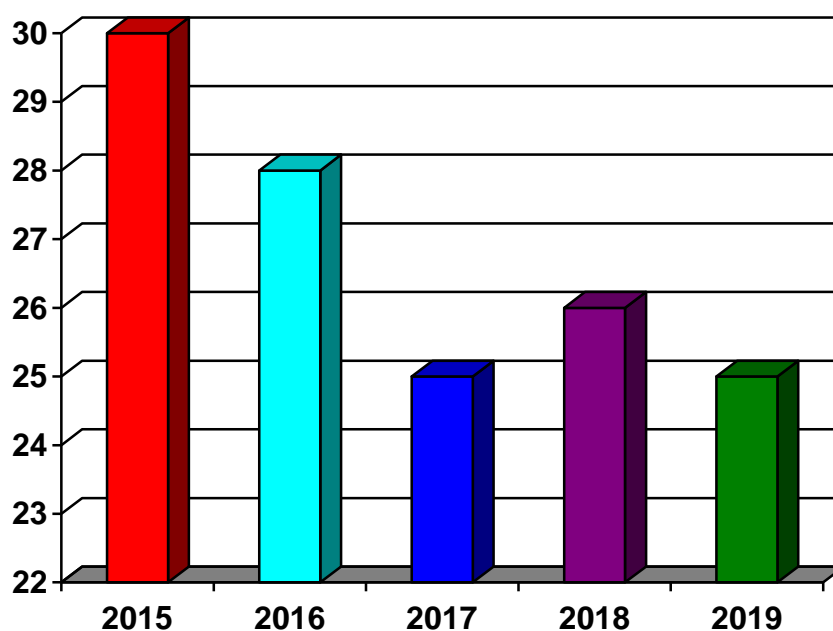


Figure: Return on Assets (Amount in Million)

The ROA ratio of UBL was increasing from FY2015 (1.69%) to FY2008 (1.95%) and then it slightly decrease in FY 2018 (0.89%) after then ROA ratio was increasing in FY 2015. The ROA ratio of UBL is decreasing from FY2017 (0.99%) to FY2019 (0.99%) which is bad sign for a bank. So, we can observe that ROA ratios were fluctuating at an average rate of 1.12% per year. The highest ROA ratio was 1.00% in FY2016 and lowest ROA ratio was 0.89% in FY2018. On an average, the bank maintained 1.12% ROA ratio.

4.3.7 Income to Assets.

Income to Assets Ratio (ITA) is an indicator of the operational performance. It indicates the proportion of fees and other income in respect of total assets of banks. Highest ITa ratio is better for a bank. The ITA ratios of Uttara Bank Limited are given below:

Year	2015	2016	2017	2018	2019	Average
ITA	1.69%	1.00%	0.99%	0.99%	0.99%	1.14%

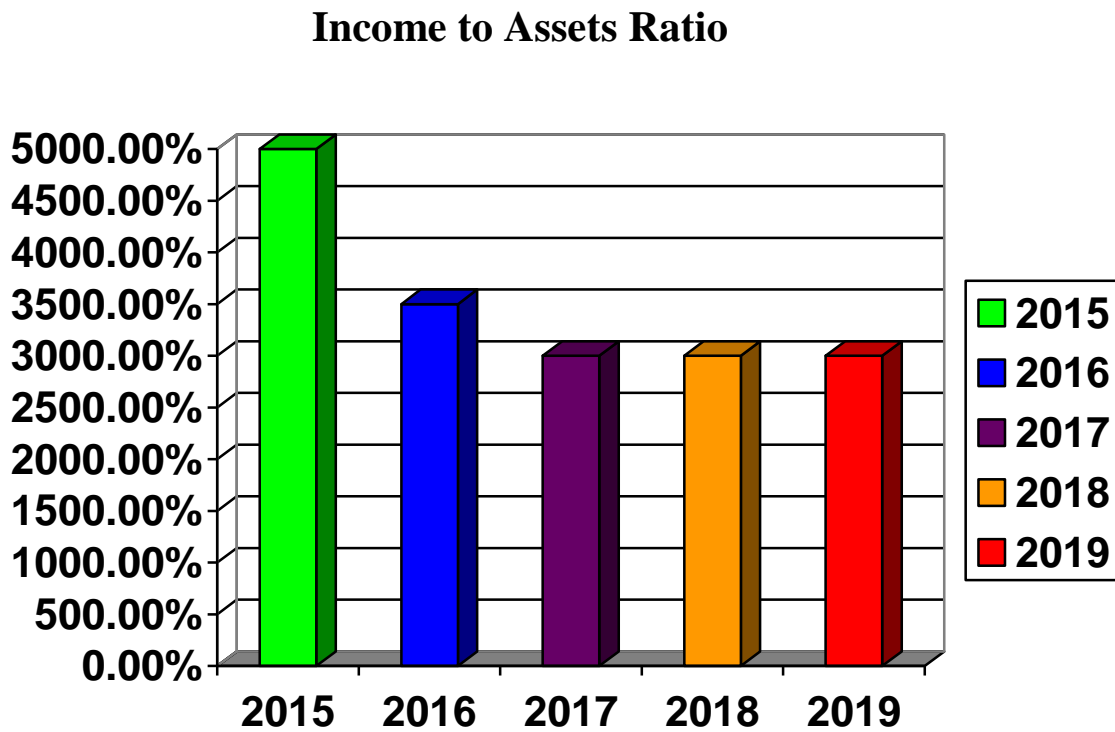


Figure: Income to Assets ratio (Amount in Million)

The ITA ratio of ITA was decreasing from FY2015 (3.83%) to FY2008 (3.81%) and then it continuously increasing at an average rate of 1.14% per year but it slightly decreases in FY2019 (0.99%). The highest ITA ratio was 1.69% in FY2015 and the lowest ITA ratio was 0.99% in FY2017,2018&2019.

4.3.8 Income to Equity

Income to Equity (ITE) ratio is used for measuring the financial performance of a bank because usually the portion of debt of a bank is significantly higher than the portion of its equities. The

ITE ratios of Uttara Bank Limited are given below:

Year	2015	2016	2017	2018	2019	Average
ITE	17.13%	12.62%	12.27%	11.41%	11.42%	12.97%

Income to Equity

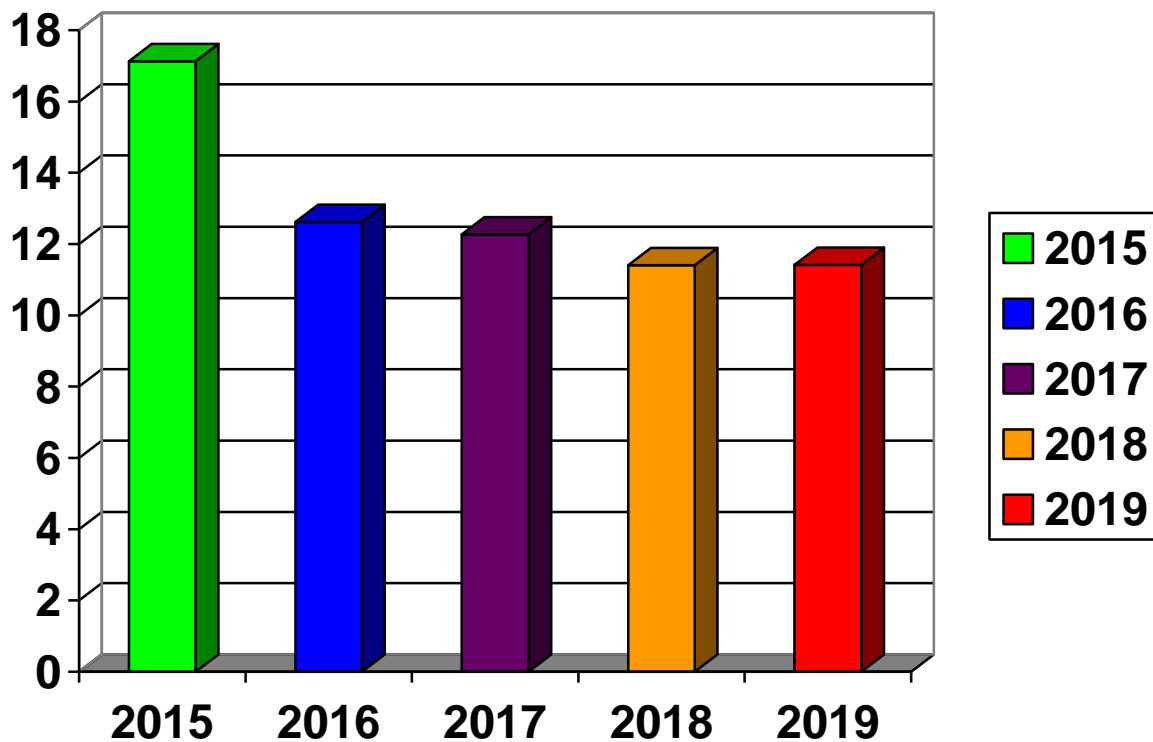


Figure: Income to Equity (Amount in Million)

The ITE ratio of UBL is decreasing from FY 2016 to FY2019 after then it slightly decrease in FY 2015. The highest ITE ratio was in FY2015 (17.13%) and lowest ITE ratio was in FY 2018 (11.41%). On an average, the bank maintained 12.97% DTE ratio

4.3.9 Net Total Advance

Net Total Advance (NTA) ratio is the most commonly used liquidity ratios of a bank. A low ratio of NTA indicates excess liquidity, and potentially low profits, compared to other banks. A high NTA ratio presents the risk that some loans may have to be sold at a loss to meet depositors' claims.

The ATA ratios of Uttara Bank Limited are given bellow:

Year	2015	2016	2017	2018	2019	Average
NTA	3.20%	4.32%	5.85%	5.84%	5.92%	5.03%

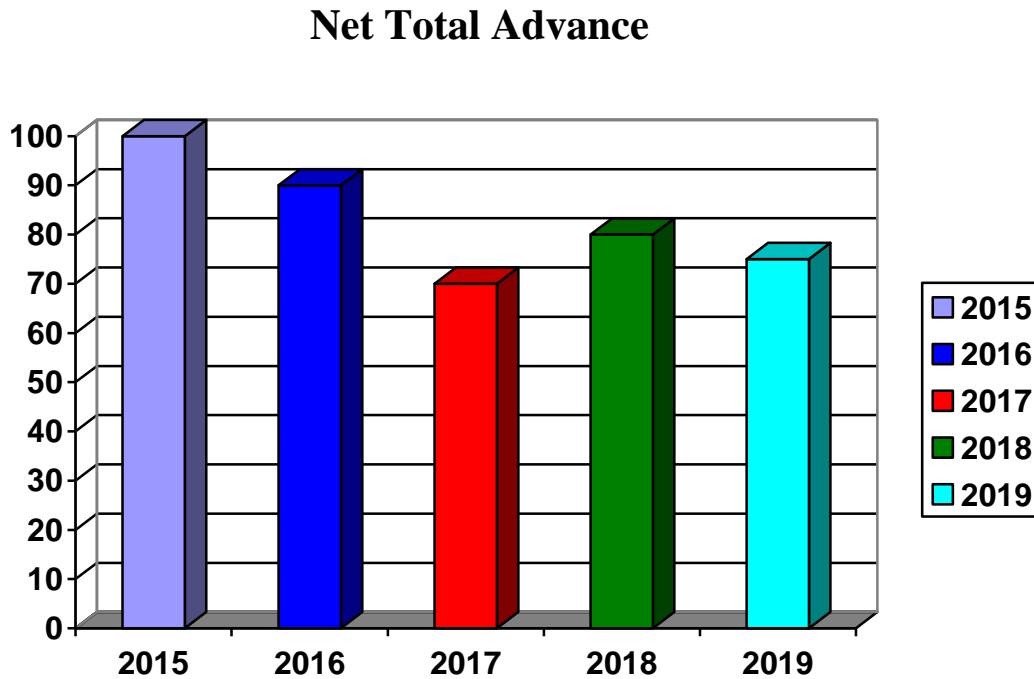
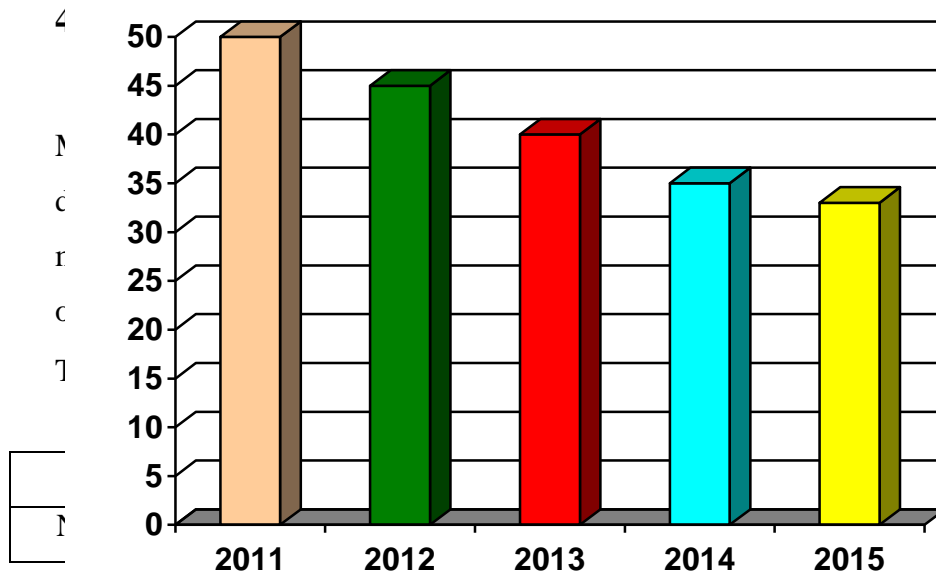


Figure: Net Total Advance (Amount in Million)

The bank's NTA ratio increases from FY2016 to FY 2019 and in FY2015 NTA ratio slightly fall after then it increases till FY2015. The highest NTA ratio was in FY2019 which surely helps to higher risks of loan losses but it also increases profits in that period. On an average, the bank maintained 5.03% NTA ratio which is moderate in terms of lesser risk and greater profits.



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19	Average
88	31.16

Net Asset Value per Share

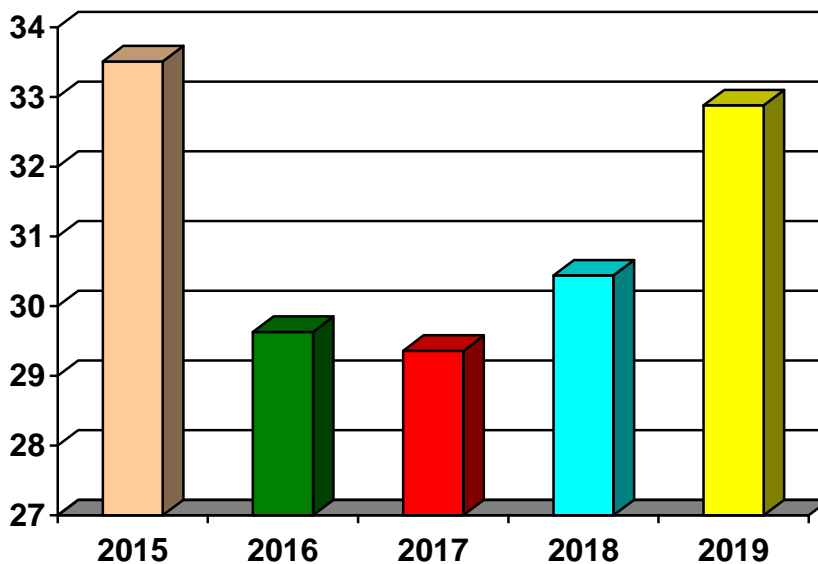


Figure: Net Asset Value per Share(Amount in Million)

NAV ratio of UBL continuously decreases till FY2016 and then it slightly increases in FY2017 (25.90 Tk.) after then NAV ratio dramatically decreases in FY2019 (32.88Tk.). The highest MVPS ratio was 77.80 taka per share in FY2015 and the lowest NAV ratio was 29.36 taka per share in FY2017. On an average, the bank maintained NAV ratio of 31.16 taka per share.

Chapter Five

SWOT Analysis

5.1 SWOT Analysis of Uttara Bank Limited

SWOT analysis is a tool for auditing an organization and its environment. It is the first stage of planning and helps marketers to focus on key issues. SWOT stands for strengths, weaknesses, opportunities and threats. Strengths and weaknesses are internal factors. Opportunities and threats are external factors. The SWOT analysis heading provide a good framework for reviewing strategy, position and direction of a company or business proposition or any other idea.

S=Strengths (Positive + Internal)

W= Weaknesses (Negative+ Internal)

O= Opportunities (Positive + External)

T= Threats (Negative+ External)

SWOT analysis of Uttara Bank Limited is given below:

Strengths:

- The Bank has been providing services successfully and has achieved goodwill in all over the country.
- Bank has a very competent and experienced top Management.
- UBL is operating their business all over the country with 227 branches.
- Stable Source of Funds
- Strong Liquidity Position
- Satisfactory Profitability
- Low Cost Fund

Weaknesses:

- The Bank does not have any formal promotional activity, does not give any sort of Advertisement or does not have any marketing activity.
- There is no online and mobile banking facility.

- Limited number of ATM booth.
- The remuneration of the officers of Uttara Bank is lower compared to other private Banks. This is why high skilled human resources are discouraged to join here.
- The decision making of the Bank is too much centralized. No decision is made without the authorization of the head office.

Opportunities:

- Scope of whole sale banking with NBFIs (Non Banking Financial Institution).
- Increasing awareness of banking system
- E-money facility
- Advanced credit card business
- Growing need for alternate banking channel
- Banks can offer new innovative products

Threats:

- Increased completion in the banking sector
- Many multinational banks operate their activities in the country.
- Many A/C holder trust to multinational bank rather than local commercial bank.
- Inadequate market information
- Third generation private commercial banks and their offering different types of attracting products.
- Large non-performing assets of public sector banks
- Money laundering has been identified as a major threat to the financial services community.
- Overall liquidity crisis in money market.

Chapter Six

Concluding Remarks

CONCLUDING REMARKS

6.1 Findings

- UBL's property and assets is increasing year by year.
- Investment shows increasing trend.
- UBL's loans and advances is also increasing trend.
- Deposits and other account of UBL shows increasing trend.
- UBL's total liabilities and share holder's equity is increasing year by year.
- UBL's operating expenses is increasing year by year.
- UBL's net interest income is increasing year by year.
- Total operating income of UBL shows increasing trend.
- UBL's net profit is increasing year by year.
- UBL's operating expenses to net interest income ratio was very poor.
- Return on Assets (ROA) of UBL was not superior.
- UBL's market value per share is decreasing year by year.
- Insufficient usage of modern facility like communication technology.
- Little application of modern technology such as computer and internet.
- Poor condition of balance of payment.
- Lack of enthusiastic scheme for exporter and importer.
- Absence of attractive remuneration package.
- Network of corresponded banks is poor.
- Non-cooperation of government bodies.
- Lack of fair entrepreneur class.
- Knowledge of entrepreneur regarding foreign trade policy is limited.

6.2 Recommendation

It was really difficult for me to find out any significant negative sides of Uttara Bank Limited among its numerous positive sides in terms of efficiency, profitability and managing foreign exchange activities. However, there are few problems which need to be corrected by the management of the bank. Some necessary steps are recommended below on the basis of collected data, observation, expert officers' opinion and my knowledge and judgment.

- Horizontal analysis of total operating expense was increasing from FY2015 to FY2019 which was bad sign for a bank. The management of UBL should focus on slow down the increasing rate of total operating expense over the year by cutting down unnecessary costs.
- Horizontal analysis of total liabilities was increasing from FY2015 to FY2019 which was not superior for a bank. The management of UBL should focus on slow down the increasing rate of total liabilities.
- UBL should pay attention to reduce their operating expense to operating income ratio. This margin is categorized as unsatisfactory from FY2015 to FY2019. This ratio was increasing year by year which is bad sign for a bank. The bank may decrease this ratio either by increasing operating income by attracting more clients to invest or decreasing operating expense by making an optimum portfolio of investment which will reduce the overall expenses.
- UBL should pay attention to reduce their operating expense to asset ratio. This margin is not good enough from FY2015 to FY2019. This ratio was increasing year by year which is bad sign for a bank. The bank may reduce this ratio by increasing assets such as raise their cash, investment, loans and advances.
- Operating expenses to net interest income ratio was very poor because each year operating expense exceeds net interest incomes.

UBL should pay attention to reduce this ratio by net interest income by attracting more clients to invest or decreasing operating expense.

- Return on Assets (ROA) of UBL was not superior. ROA ratio was decreasing FY2015 to FY2019. UBL should pay attention to increase this ratio because higher ROA ratio Indicated bank is running well.
- Introducing new marketing strategy to attract more clients, this will increase the total Export and import business.
- Attractive incentive package for the exporter, this will help to increase the export and accordingly it will diminish the balance of payment gap of UBL.
- Effective training is very much essential for the foreign exchange officials so that they can easily deal with their valuable customers.
- Online Banking system is very important to maintain secure foreign exchange operationfor UBL.
- Introduction of various incentives to increase remittance.
- Foreign exchange operation is more dynamic, less time-consuming and challenging job for a bank. Uttara Bank Ltd. should pay more attention to cope up with modern facility to face the challenges.
- In our country, financial problem is a great constraint to foreign trade and UBL is very mush conservative to post shipment finance. If the Bank takes a bit liberal position the exporter will easily come out from financial constraint.

6.3 Conclusion

The finding in this report cannot be taken as a conclusion and it will wrong to end here with such results. Because this study actually gives a simple picture and leaves room for further study in different areas of banking functions such as product of banks, productivity analysis, Data Environment analysis, CAMELS rating and more.

Banking sector is the chief financial intermediary in a country. It is a very challenging institution and in the age of globalization and free trade, the process and the system of running a Bank is changing. UBL already managed itself with this changing environment. The company strategies are clear and concise. The return is attractive for the bank. If the Bank goes this way, one can expect that in near future Uttara Bank Limited may become one of the top performers.

From the discussion it can be concluded that Uttara Bank Limited playing an important role in the economic development of the country and it has a prospect future to have a very good

position in the Banking sector. To do this it should increase promotional activities to reach to the people easily as well as Uttara Bank Limited focus on major banking activities that may increase the bank ranking and financial performance position comparing with other banks. Such information assists the management of this bank in creating appropriate financial strategies for attaining the required planned financial performance.

The study provides bank managers with understanding of activities that would improve their bank's financial performance and foreign exchange operation. The results of this study imply that it might be necessary for the management of Uttara Bank Limited to take all required decisions by consistently observing key financial ratios, horizontal (trend) analysis among various elements and foreign exchange operation to enhance their position in the banking industry.

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