PROJECT REPORT

ON

FINANCIAL PERFORMANCE EVALUATION OFISLAMI BANK BANGLADESH LIMITED.A STUDY ON KONABARI BRANCH, GAZIPUR

SUBMITTED TO:

Department of Business Administration

Sonargaon University (SU)

Green Road, Dhaka-1215

SUBMITTED BY:

Kazi Rabbi

ID: MBA2103024010

Program: MBA

Major: Finance

Department of Business Administration

Faculty of Business studies

Sonargaon University (SU)

Dhaka-1215

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SUPERVISED BY:

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Submitted for the partial fulfillment of the degree of Masters of Business Administration

Date of Submission: September 5th, 2022

LETTER OF TRANSMITTAL

Date: September 5th, 2022

To
Md. ShahbubAlam
Lecturer
Department of Business Administration
Sonargaon University (SU)
Dhaka-1215

Subject: Submission of the Project Report.

Dear Sir,

I have finished the Project Report that is required to be submitted as a circumstance of finishing the M.B.A. Program and incomes my degree. "Financial Performance Analysis of Islami Bank Bangladesh Limited" is the title of my report.

It is based totally on my few months' attachment onIslami Bank Bangladesh Limited. I have written this file on the foundation of the fabric gathered all through the Project term; I have written this document to share my findings on IBBL's overall performance analysis. If you would be given my record on the above-mentioned subject, it would be notably appreciated.

I believe you will discover the file to be satisfactory. I have put forth my quality efforts in the introduction of this report, and I would truly recognize it if you should grant any remarks on it, especially about any fundamental rectifications.

Sincerely Yours

……..

Kazi Rabbi
ID: MBA2103024010
Department of Business Administration
Sonargaon University (SU)

CERTIFICATE OF SUPERVISOR

This is to certify that, **Kazi Rabbi,** ID: MBA2103024010**,** Program: MBA (Major: Finance)**,** Department of Business Administration**,** Sonargaon University (SU). He has effectively executed his Project application at Islami Bank Bangladesh Limited. He has organized this record beneath my supervision. His assigned Project theme is **"Financial Performance Evaluation of Islami Bank Bangladesh Limited"**. : A Study on Konabari Branch, Gazipur". The document is advocated for submission.

I wish his happiness, good health and every success in life.

……

Md. ShahbubAlam
Lecturer
Department of Business Administration
Faculty of Business Studies
Dhaka-1215

STUDENT DECLARATION

I hereby declared that the Project Report entitled **"Financial Performance Evaluation of Islami Bank Bangladesh Limited"** is an original and benefited work done by me submitted in partial fulfillment of the requirement for the degree of Department of Masters of Business Administration, Sonargaon University (SU), Dhaka.

I confirm that this report is uniquely prepared by me and will not be submitted elsewhere for any other purpose.

…….

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Acknowledgement

I am expressing a lot of thank to my supervisor, **Md. ShahbubAlam, Lecturer, Department of Business Administration, Sonargaon University ,** because of helping me to prepare the Project program successfully. The report may not be completed unless my supervisor gives his excellent advice towards completing the report. I am in new situation for completing the report about **"Financial Performance Evaluation of Islami Bank Bangladesh Limited".** In addition, there was a short period of time to complete the report. But he helps me to overcome the problems.

I would like to extend my deepest appreciation to all my faculty members of Department of Business Administration, Sonargaon University (SU), Dhaka for their individual contribution and cooperation in advancing this report and here by completing my MBA program successfully, I would also like to express my special thanks to the staffs of the College for their excellent administrative supports.

I am also grateful to my classmates who supported me by sharing their views and experiences that help me to prepare the report. Finally, I am much grateful to my family members who provided me all support and inspiration so that I can complete the Project program successfully.

EXECUTIVE SUMMARY

The report that has been completed; it is the requirement of my MBA program in Sonargaon University (SU) Dhaka. Basically, the report has been completed on the basis of my few monthsProject and the annual report. My Project program has been completed in Islami Bank Bangladesh Limited. My honorable supervisor **Md. ShahbubAlam, Lecturer, Department of Business Administration, Sonargaon University** helped me to choose the topic. My topic is **"Financial Performance Evaluation of Islami Bank Bangladesh Limited".**

I tried to look at the monetary performances of Islami Bank Bangladesh Limited making use of the percentage investigation method. The major statistics gathered from every year financial report of IBBL in 2017-2021

The share examination has been completed zeroing in on 5 fundamental measurements of banking things to do like liquidity, profitability, efficiency, solvency, and market aspect.

Productivity proportions assign a financial institution in normal skill ability and execution. By investigating It stated that the return on fairness ratio is beneficial for the IBBL. Management is compelling in developing advantages by way of making use of investors' value. Earnings per ratio exhibit that market believe IBBL will enhance later on. So, I located that the time-honored productiveness of IBBL is acceptable.

Investigation from dissolvability suggests that IBBL makes use of extra influence. It understands that from the responsibility to price share that IBBL is using an extra of the responsibility to again is comparative with investors' cost store. The Dissolvability of IBBL isn't always precisely acceptable.

From the price-earnings ratio, I observed that IBBL cost-profit percentage elevated for the duration of the lengthy term. So, itsees that market believes IBBL will do higher in the future.

After examining of complete asset turnover ratio and stock turnover ratio located that IBBL is very correctly managing its inside asset and liabilities.

The liquidity ratio suggests how shortly IBBL is in a position to convert its asset into cash. So, itclear that the liquidity kingdom of IBBL is excellent.

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CHAPTER ONE

INTRODUCTION OF THE REPORT

Introduction:

Islami Bank Bangladesh Limited is a Joint Venture Public Limited Company engaged in industrial banking business based totally on Islamic Shari'ah with 63.09% overseas shareholding having biggest department community (total 379 Branches, 196 Sub-Branches and 2306 Agent Outlets) amongst the personal zone Banks in Bangladesh. It was once established on the thirteenth March 1983 as the first Islamic Bank in the South East Asia.

It is listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. Authorized Capital of the Bank is Tk. 20,000.00 million and Paid-up Capital is Tk. 16,099.91 million having 33,686 shareholders as on 31st December 2020.

This report, "Financial Performance Evaluation of Islami Bank Bangladesh Limited", has been organized to fulfill the partial requirement of BBA program as a suggest of Internship Program. While getting ready this report, I had a super chance to have an in-depth information of all the banking activities of Islami Bank Bangladesh Limited.

1.1 Significance of the Report:

Education will be the most superb when principle and exercise blends. Theoretical expertise receives its perfection with sensible application. And the internship is designed to bridge the hole bet Itend the theoretical know-how and actual application. It all understand that there is no choice of realistic expertise which is extra recommended that theoretical aspect. The top purpose of this find out about is to come to be acquainted with the realistic commercial enterprise world and to achieve sensible information about the standard Banking and Corporate world, which is so lots critical for every and each and every pupil to meet the excessive developing challenges in job market.

1.2 Scope of the Report:

- In order to keep the speed of improvement now, Banks have to compete in the market each with local as properly as overseas ones. The presentation of the organizational shape and coverage of Islami Bank Bangladesh Limited and investigating the techniques applies by means of it supply the scope of this report. The infrastructure of the enterprise has been certain and appears into the future. The scope of this record is restricted to the common description of the company, its service, its role in the industry, its economic overall

performance evaluation the realistic development of its operation. The scope of the learn about is constrained to organizational setup, functions, and performances.

- The current overall performance of IBBL in phrases of deposit, investment, and overseas exchange.
- To analyze the bank's modern-day economic flows carried out by using IBBL
- To acquire realistic trip about popular banking things to do by way of involving such kind of program
- To construct an expert provider in the banking zone as nicely as any credit-providing institution.

1.3 Objectives

1.3.1 Primary Objective

The prime objective of this report is to evaluate the financial performance of Islami Bank Bangladesh Limited.

1.3.2. Specific Objectives:

The following aspects can be listed as the specific objectives for this practical orientation in Islami Bank Bangladesh Limited:

- To analyze the liquidity, operating efficiency, leverage and profitability of Islami Bank Bangladesh Limited during the year 2017-2021.
- To understand the implications in analyzing and interpreting the financial ratios.
- To identify problems related to the financial performance of the bank.
- To provide recommendations about the problems of the bank regarding financial performance.

1.4 Methodology:

1.4.1. Research design

This document is a descriptive kind of lookup that temporarily displays the universal activities carried out with the aid of Islami Bank Bangladesh Limited. It has additionally been administered through amassing secondary data. Annual reviews of IBBL had been the predominant secondary statistics sources in this regard. Ratio evaluation and style evaluation have additionally been used as main equipment for financial overall performance analysis. The find out about is carried out primarily based on the records extracted from distinct sources accrued by way of the usage of a unique methodology. This record is analytical in nature. The methodology is

1.4.2. Sources of data:

Secondary data:

- ✓ Annual report of IBBL.
- ✓ Different textbooks and journals.
- ✓ Various reviews and articles associated study.
- ✓ Some of my direction factors as associated to this report.
- ✓ Itsb-based guide from the net and intranet.

For the "**Financial Performance Evaluation of Islami Bank Bangladesh Limited**" I primarily used secondary data. Besides this, I additionally gather some statistics through taking professional opinions from the officers and direct remark whilst I take part in the internship software at the bank.

- **Collection of secondary data:**

Secondary information is accumulated essentially from the Annual reports, journals, brochures, papers, magazines, publications, books, and different varieties of publications and professional It be sites.

1.4.3. Instrument Used for Analysis:

Collected facts have been analyzed the usage of ratio, tendencies and some statistical measures i.e., mean, standard deviation, minimum and maximum.

1.5 Limitations

Observing and examining the broad overall performance of a financial institution and one of its Branches are no longer that easy. Moreover, due to apparent motives of scrutiny and confidentiality, the financial institution personnel commonly don't choose to expose all the statistical facts about their organization. Time is every other foremost limitation. The period of the application was once ten It ekes solely and being a brief member of the organization, it used to be now not feasible on my section to observe or specific some of the touchy and different aspects.

Hoistveer, some of the barriers I have confronted whilst getting ready this document is listed as follows:

Time limitations: The insurance policies of the internship are solely three months. Banking is a big phenomenon and a big notion encompassing a fantastic range of divergent fields of studies. It is pretty not possible to be aware of all the considerable substances in three months and create my paper accordingly.

Inadequate Data: Sometimes enough records couldn't be accrued due to a plethora of constraints. Insufficient statistics may also go through from the lack of reliability.

Difficulty in getting full cooperation: Banking is an irritating profession. Every single member has to get absolutely worried in his/her specific assignment. Thereby it is very challenging for him/her to spare time to provide information.

Non-disclosure of the bank's policy: An organization can't expose all its statistics and information to the public due to the fact of its coverage of secrecy. So, all these secret things have now not been feasible to gather and comprise in the file which might also end result in a lesser quantity of acceptability.

Lack of Record: Large-scale lookup used to be no longer feasible due to constraints and restrictions posed by way of organizations. Unavailability of enough written files as required making a complete study. In many cases, updated facts was once no longer available.

Chapter Two

Overview of the Islami Bank Bangladesh Limited

2.1 Background of Islami Bank Bangladesh Limited (IBBL)

The IBBL story started in 2000 when the EU referred to as for a greater progressive society in its Lisbon Strategy. Inspired by using this new path for Europe, the Grand Duchy of Luxembourg determined to enhance "The Luxembourg Health Sciences and Technologies Action Plan", a dedication to make investments in biosciences and make Luxembourg a bioscience hub in Europe. Through the introduction of a middle of excellence in biomedical lookup and development, Luxembourg seeks the long-term enchantment of fitness offerings thru developments in care, recruitment of scientific and technological know-how brain to Luxembourg, long-term partnerships inside the EU, and beyond, and sustainable financial boom for the country.

Islami Bank Bangladesh Limited is a Joint Venture Public Limited Company engaged in business banking enterprise based totally on Islamic Shari'ah with 63.09% overseas shareholding having the biggest department community (total 294 Branches) amongst the personal area Banks in Bangladesh. It was once mounted on the thirteenth March 1983 as the first Islamic Bank in South East Asia.

It is listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. Authorized Capital of the Bank is Tk. 20,000.00 million and Paid-up Capital is Tk. 16,099.90 million having 33,686 shareholders as of thirty first December 2021.

2.1.1 Strategic Objectives

- ✓ To make certain customers' satisfaction.
- ✓ To make certain It flare-oriented banking.
- ✓ To set up a set of managerial succession and undertake technological adjustments to make sure the profitable improvement of an Islamic Bank as a secure monetary institution.
- ✓ To prioritize the client's,itflares.
- ✓ To make investments in the thrust and precedence sectors of the economy.
- ✓ To be top notch in serving the reason of the least developed neighborhood and area.
- ✓ To inspire group contributors to take possession of each and every job.
- ✓ To make certain the improvement of dedicated and cozy human resources.
- ✓ To inspire sound and pro-active future generation.

- ✓ To attain the world standards.
- ✓ To improve corporate culture.
- ✓ To make certain Corporate Social Responsibilities (CSR) via all activities.
- ✓ To promote the usage of photo voltaic electricity and inexperienced banking subculture and ecological balancing.

2.1.2 Core Values

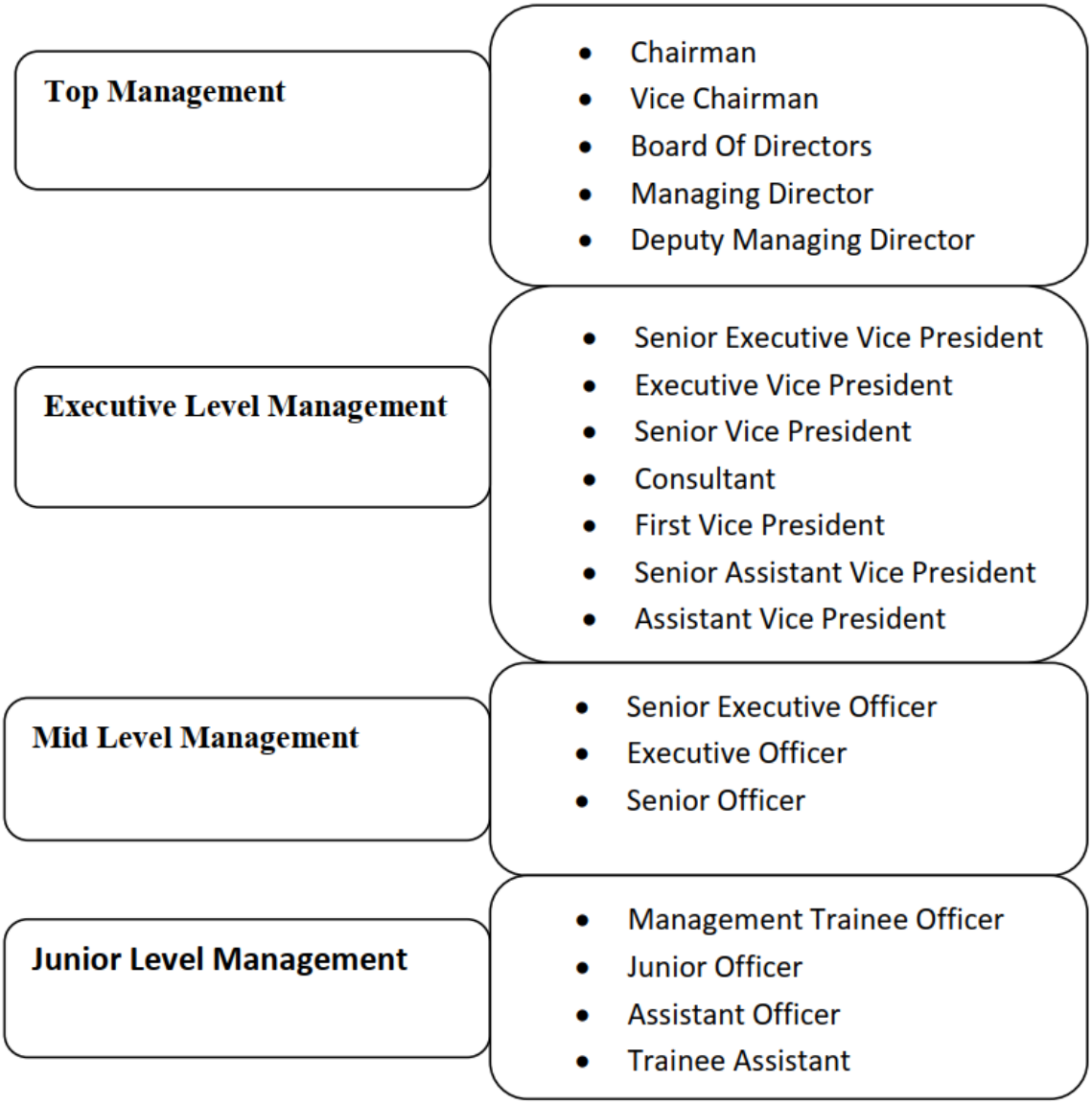
- ✓ Trust in Almighty Allah
- ✓ Strict observance of Islamic Shari'ah
- ✓ Highest trendy of Honesty, Integrity & Morale
- ✓ It flares Banking
- ✓ Equity and Justice
- ✓ Environmental Consciousness
- ✓ Personalized Service
- ✓ Adoption of Changed Technology
- ✓ Proper Delegation, Transparency & Accountability

2.1.3 Commitments

- ✓ To Shariah
- ✓ To the Regulators
- ✓ To the Shareholders
- ✓ To the Community
- ✓ To the Customers
- ✓ To the Employees
- ✓ To different stakeholders
- ✓ To Environment

2.2 Hierarchy of the IBBL:

Management Hierarchy



2.3 Product and Services of IBBL

IBBL offer the following services through the following operations:

Product & Services

- General Banking Service
- Investment Service
- Foreign Exchange Business Service
- Foreign Remittance Service
- ATM Service
- Online Banking Service
- SMS Service
- SWIFT Service
- Locker Service
- Offshore Banking Units
- Deposit Product
- Investment Scheme
- Rural Development Scheme
- NRB Service
- SME Service

Islami Bank Bangladesh Limited mobilizes deposits through different types of accounts.

- Al-Wadeah Accounts
- Mudaraba Accounts

2.3.1 Al-Wadeah Accounts:

Islami Bank Bangladesh Limited operates Al-wadeah Current Account on the standards of Al-wadeah. The Bank commits to refund cash deposited in these Accounts on the demand of customers. On the different hand, the Bank takes permission from clients that the Bank may additionally make use of their money. Customers may also function these Accounts as their desires. No earnings are disbursed in these Accounts and depositors do no longer endure any loss

2.3.2 Mudaraba Accounts

In the point of view of these Accounts, the Bank is 'Mudarib' and clients are 'Shahib Al-Mal'. On behalf of depositors, the Bank invests their deposited cash and distributes a minimal of 65% of funding profits earned thru the deployment of Mudaraba money amongst Mudaraba depositors after the closing of the year.

- ✓ Al-Wadeah Current Account (AWCA)
- ✓ Mudaraba Savings Account (MSA)
- ✓ Mudaraba Term Deposit Account (MTDR)
- ✓ Mudaraba Special Notice Account (MSNA)
- ✓ Mudaraba Hajj Savings Account (MHSA)
- ✓ Mudaraba Special Savings (Pension) Account (MSSA)
- ✓ Mudaraba Savings Bond (MSB)
- ✓ Mudaraba Monthly Profit Deposit Account (MMPDA)
- ✓ Mudaraba Muhor Savings Account (MMSA)
- ✓ Mudaraba Waqf Cash Deposit Account (MWCDA)
- ✓ Mudaraba NRB Savings Bond (MNSB) Account
- ✓ Mudaraba Foreign Currency Deposit Account (MFCD)
- ✓ Students Mudaraba Savings Account (SMSA)
- ✓ Mudaraba Farmers Savings Account (MFSA)

The exceptional function of the Investment Policy of the Bank is to make investments on the foundation of a profit-loss sharing machine in accordance with the tenets and standards of Islamic Shari'ah. Earning income is no longer the solely reason and goal of the Bank's Investment Policy as a substitute the emphasis is given in accomplishing social desires and goals in developing employment opportunities. Following modes are used for investment:

BAI-MODES

- ➢ Bai-Murabaha
- ➢ Bai-Istijrar
- ➢ Bai-Muajjal
- ➢ Bai Salam
- ➢ Bai-As-Sarf

SHARE-MODES

- Mudaraba
- Musharaka

IJARA-MODES

- Hire Purchase Under Shirkatul Melk

Under consumer financing, the Bank finances to the individuals for meeting their personal family and household needs. The Bank has taken up various It lfare-oriented investment Schemes

2.3.3 Investment Scheme

- House Hold Investment Scheme
- Investment Scheme for Doctors (ISD)
- Transport Investment Scheme (TIS)
- Car Investment Scheme (CIS)
- Micro Industries Investment Scheme (MIIS)
- Agricultural Implement Investment Scheme (AIIS)
- Real Estate Investment Program (REIP)
- Real Estate Investment (Commercial & Working Capital)
- NRB (Non-Resident Bangladeshi) Entrepreneurs Investment Scheme (NEIS)
- Women Entrepreneurs Investment Scheme (IT IS)

2.3.4 Rural Development Scheme

Islami Bank Bangladesh Limited was once situated with the major goal of establishing Islamic economic system for balanced monetary increase through making sure discount of rural-urban disparity and equitable distribution of income. In view of the above, Branches of the Bank have been prompted to make investments their deposits in their respective areas and in unique for the financial enlistment of the rural people.

Accordingly, a Scheme in the identify and fashion of 'Rural Development Scheme' has been added to cater to the funding desires of the agriculture and rural region to create probability for era of employment and elevating earnings of the rural human beings with a view to alleviate poverty.

NRB (Non-Resident Bangladeshi) Entrepreneurs Services.

2.4 Remittance Card Service

Islami Bank Bangladesh Limited has introduced 'Islami Bank Remittance Card' to send money from abroad. This card ensures the Non-Residence Bangladeshi of safe and quick hassle-free money transfer to their family.

Benefits

- ✓ 24 Hour Service.
- ✓ Can be received this card from any IBBL branch without any fee.
- ✓ Draw money from any IBBL booth.
- ✓ Card Balance Inquiry from any IBBL booth.
- ✓ Foreign Remittance is deposited in this card.
- ✓ Bank account is not necessary
- ✓ Only foreign remittance sender / receiver can take this service of Remittance Card.
- ✓ Utility Bill can be paid by Remittance Card.
- ✓ Balance inquiry from SMS or iBanking Service.

Transaction Limit

- ➢ For Cash Withdrawal from ATM booth maximum amount is Tk. 50,000 in a calendar date.
- ➢ Any number of amounts from bank counted

2.5 Mission

To set up Islamic Banking thru the introduction of a It lfare-oriented banking gadget and additionally make certain fairness and justice in the discipline of all financial activities, gain balanced increase and equitable improvement in thru diverse funding operations especially in the precedence sectors and much less developed areas of the country. To inspire socio-economic and economic offerings to the loss-income neighborhood mainly in the rural areas.

2.6 Vision

Our imaginative and prescient is to usually attempt to obtain most advantageous economic performance, be regarded a main Islamic Bank through recognition and performance:

Our aim is to set up and keep the modern-day banking techniques, to make sure soundness and improvement of the monetary machine primarily based on Islamic principles, and to end up a sturdy and environment friendly company with fantastically inspired professionals, working for the advantage of people, based totally upon accountability, transparency, and integrity in order to make sure the balance of monetary systems.

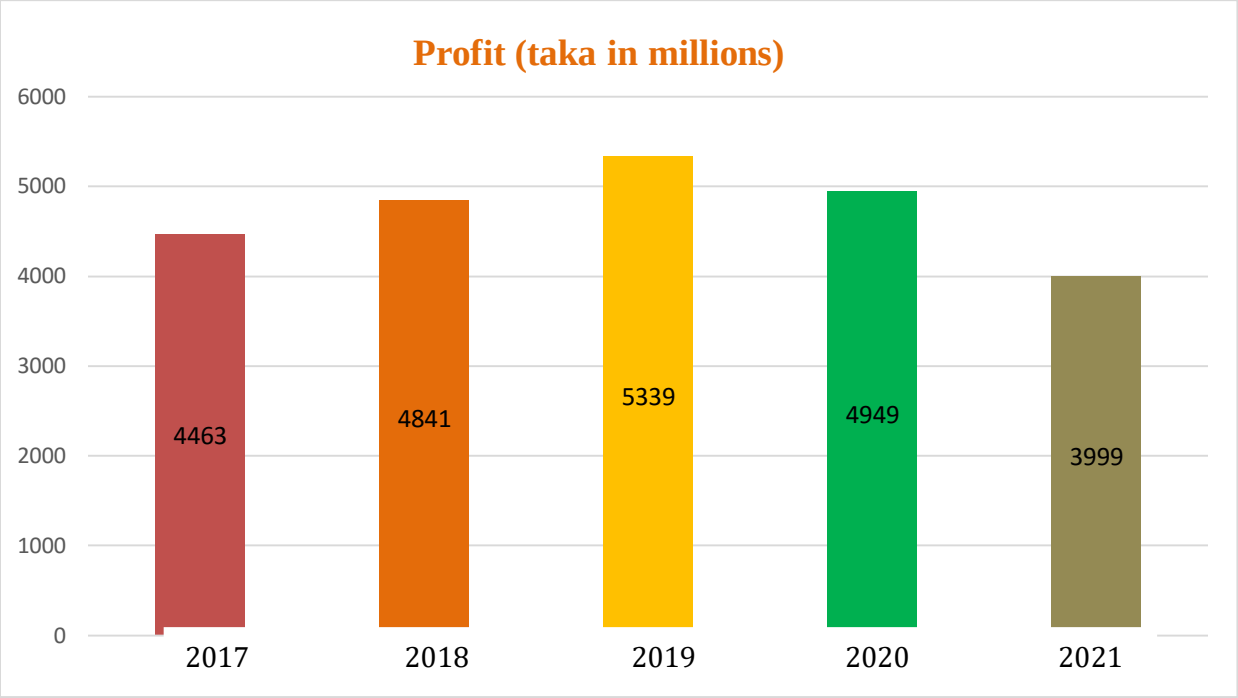
It will strive to inspire financial savings in the structure of direct investment.

It will additionally attempt to inspire funding in particular in initiatives which are more possibly to lead to greater employment.

- ✓ To make certain customers' satisfaction.
- ✓ To make sure It lfare-oriented banking.
- ✓ To set up a set of managerial succession and undertake technological modifications to make certain the profitable improvement of an Islamic Bank as a steady monetary institution.
- ✓ To prioritize the client’s, It fare.
- ✓ To emerge as a healthier & more suitable financial institution at the pinnacle of the banking quarter and continues desk positions in ratings, primarily based on the quantity of pleasant assets

2.7 AT A GLANCE PROFITABILITY POSITION OF IBBL:

Year	2017	2018	2019	2020	2021
Value (taka in millions)	4463	4841	5339	4949	3999



Graph no. 1

Now I additionally furnish an earnings function of 5 years at look and if it sees the above graphical presentation then it can effortlessly apprehend that earnings positions fluctuate over time. In the 12 months of 2020, it's commenced lotring dramatically and 2021 IBBLs income function diminished at 3999 to million which had been the least quantity comparative to relaxation of the years.

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Chapter Three

Theoretical Overview

3.0. Theoretical Aspect:

Financial overall performance analysis of an organization is very vital to get a general view of an organization. It usually consists of the interpretation of the balance sheet and the interpretation of the income statement. By the use of these two sources one can operate the ratio evaluation and trend analysis which are the essential equipment for inspecting the economic overall performance of a bank.

3.1 Ratio Analysis:

Ratio analysis entails strategies of calculating and decoding financial ratios to examine the bank's overall performance and status. The primary inputs to ratio evaluation are the bank's income statement and balance sheet.

3.2 Trend Analysis:

Trend analysis consists of the use of ratios to examine company overall performance on an indicator over time, regularly to forecast or inform future events.

Trend evaluation is an approach used in technical evaluation that tries to predict future inventory charge actions based totally on these days determined trend data. Trend evaluation makes use of historic data, such as fee moves and change volume, to forecast the long-term route of market sentiment.

In addition, style evaluation is the system of evaluating business statistics over time to pick out any steady outcomes or trends. Bank can then improve a method to reply to these developments in line with their commercial enterprise goals.

Banks can use fashion evaluation to enhance their dreams by:

- ✓ Identifying areas, the place the financial institution is performing properly so they can replica their success.
- ✓ Identifying areas, the place the financial institution is underperforming.
- ✓ Providing proof to inform the bank’s decision-making.

3.3 Types of Trend Analysis:

There are 'three' most important sorts of trends analysis. Trend evaluation is the exercise of gathering records and trying to spot a sample or trend in the identical metric historically, both by using analyzing it in tables or charts. Often this trend evaluation is used to predict or inform choices round future events.

Trend evaluation can be performed in extraordinary methods in finance. Fundamental evaluation depends on historic monetary assertion analysis, regularly in the structure of ratio analysis. Trend evaluation the use of monetary ratios can be complex by means of adjustments to organizations and accounting over time.

Trend Analysis of some necessary factors are:

Total assets

Total Investment

Total Deposit

Total Income

Total Liabilities

Net Profit

3.4. Cautions about Ratio Analysis:

Before discussing particular ratios, it has to think about the following cautions:

- ✓ A single ratio does no longer usually provide enough statistics inform which to choose the standard overall performance of the firm.
- ✓ Be positive that the dates of the financial statements being in contrast are the same.
- ✓ It is preferable to use audited financial statement for ratio analysis.
- ✓ Be sure that the facts being in contrast have all been developed in the equal way.

3.5. Groups of Financial Ratios:

Financial ratios can be divided into 4 fundamental groups or categories:

I. Liquidity Ratios

II. Activity Ratios

III. Debt Ratios

IV. Profitability Ratios

Liquidity, activity, and debt ratios chiefly measure risk, profitability ratios measure return. In the close to term, the essential classes are liquidity, activity, and profitability, due to the fact these provide the statistics that is necessary to the short-run operation of the firm. Debt ratios are beneficial mainly when the analyst is certain that the companies will be profitable whether or not in the brief run or lengthy run.

Groups of Financial Ratio:

1) Liquidity Ratio

1. A Net working Capital
1. B Current Ratio
1. CCost Income Ratio

2) Activity Ratio

2. An Inventory Turnover Ratio
2. B Average Collection Period
2. C Average Payment Period
2. D Fixed Asset Turnover
2. E Total Asset Turnover

3) Debt Ratio

Degree of Indebtedness

3. A Debt Ratio
3. B Debt Equity Ratio

The Ability to Service Debt

3. A Time Interest Earned
3. B Fixed Payment Coverage Ratio

4) Profitability Ratio

1.1 Gross Profit Margin

4.2. Operating Profit Margin

1.2 Net Profit Margin

1.3 Return on Investment

1.4 Return on Equity

1.5 Earnings Per Share

1.6 Price Earnings Ratio

3.5.1. Analyzing Liquidity:

The liquidity of an enterprise company is measured by means of its potential to fulfill its temporary responsibilities as they come due. Liquidity refers to the solvency of the firm's standard monetary position. The three simple measures of liquidity are-

35.1.A. Net working Capital:

Net working capital is the distinction bet Itend a company's complete present-day property and present-day liabilities. It displays the company's monetary health. Generally, the large your internet working capital balance is, the extra possibly it is that your company can cover its present-day obligations.

Net Working Capital = Total Current Assets-Total Current Liabilities.

3.5.1. B. Current Ratio:

The current ratio is a liquidity ratio that measures a company's capacity to pay temporary tasks or these due inside one year. It indicates the banks' capability to cover their modern-day liabilities with their current assets.

Current Ratio = Current Asset/Current Liabilities.

Standard Ratio: 2:1

3.5.1. C Quick Ratio:

The quick ratio is a good deal extra exacting measure than contemporary ratio. This ratio suggests a firm's capability to meet present day liabilities with its most liquid assets.

Quick Ratio = Cash + Government Securities+ Receivable/Total Current Liabilities.

Standard Ratio: 1:1

3.5.1. D. Cost to Income Ratio:

It measures a specific Banks working effectivity by using measuring the percentage of the complete working income that the financial institution spends to operate its day-by-day activities. It is calculated as follows:

Cost Income Ratio = Total Operating Expenses/ Total Operating Income

3.5.2. Analyzing activity:

Activity ratios measure the velocity with which debts are transformed into income or cash. With regard to current accounts measures of liquidity are normally insufficient due to the fact variations in the composition of a firm's current accounts can considerably affect its actual liquidity.

A quantity of ratios is on hand for measuring the endeavor of the necessary current accounts which consists of inventory, bills receivable, debts payable. The undertaking of total assets can additionally be assessed.

3.5.2. A. Total Asset Turnover:

The total asset turnover shows the effectivity with which the company is in a position to use all its property to generate sales. The greater your company's asset turnover ratio, the greater environment friendly it is at producing income from assets.

Total Asset Turnover = Sales/ Total Asset

3.5.2. B Investment to Deposit Ratio:

Investment to Deposit Ratio suggests the running effectivity of a unique Bank in merchandising its funding product by using measuring the share of the whole credit score disbursed via the Bank as lengthy and strengthen or as investment. The ratio is calculated as bellows:

Investment to Deposit Ratio: Total Investment/Total Deposits

3.5.2. C. Inventory Turnover:

A ratio displaying how many instances a company's stock is sold and changed over a period. Inventory turnover is the charge that stock is sold, or used, and replaced. A greater ratio tends to factor to sturdy income and a decrease one to It Ak sales.

Inventory Turnover = Cost of Goods Sold/Average Inventory.

A slow turnover implies It Ak income and perchance extra inventory, whilst a quicker ratio implies both strong income or insufficient inventory.

High volume, low margin industries—such as outlets and supermarkets—tend to have the absolute best stock turnover.

3.5.2. D. Average Collection Period:

The average collection duration is calculated by means of dividing the average stability of money omitd receivable by way of whole internet savings income for the length and multiplying the quotient by using the quantity of days in the period.

Average Collection Period = Accounts Receivable/ (Credit sales/365)

A quick collection duration implies instant charge by using debtors. It reduces the possibilities of bad debts. Similarly, a longer series length implies too liberal and inefficient savings series performance. It is hard to supply a standard series duration of debtors.

3.5.2. E. Average Payment Period:

Average payment duration refers to the average time duration taken by using an corporation for paying off its dues with recognize to purchases of substances that are sold on the credit score basis from the suppliers of the company, and the equal doesn't always have any have an impact on on the company's working capital. The calculation of the average payment duration by means of the company can speak about the unique records of the organization such as the money flow role of the organization and its creditworthiness, etc., which is beneficial for many of the stakeholders of the company, particularly the investors, creditors, management, and the analysts, etc. to make the knowledgeable choice with admire to the company.

Average Payment Period = Accounts Payable/Average Purchase Per Day

3.5.2. F Fixed Asset Turnover:

The fixed asset turnover ratio exhibits how environment friendly an enterprise is at producing income from its current fixed assets. A greater fixed asset ratio implies that administration is the use of its fixed assets extra effectively.

Fixed Asset Turnover = Gross Turnover/Net Fixed Assets

3.5.3. Analyzing Debt:

The debt position suggests that the quantity of different people's cash being used in trying to generate profits. In general, the extra debt a company makes use of in relation to its complete assets, the higher its financial leverage, a time period use to describe the magnification of chance and return added through the use of fixed cost financing such as debt and preferred stock.

3.5.3. A. Debt Ratio:

The debt ratio measures the share of total assets supplied through the firm's creditors. In addition, debt ratio is a solvency ratio that measures a firm's total liabilities as a proportion of its total assets. This suggests how many properties the enterprise should promote in order to pay off all of its liabilities.

Debt Ratio = Total Liabilities/ Total Assets.

3.5.3. B. Equity Capital Ratio:

The ratio suggests the role of the bank's owners' equity by using measuring the element of total asset financed by using the shareholders invested cash and it's calculated as follows:

Equity Capital Ratio = Total Shareholders' equity/ Total Assets

The capability to carrier debt:

It refers the potential of a company to meet the contractual repayments required on a scheduled foundation over the lifestyles of a debt. The firm's capacity to meet positive fixed fees is measured the use of insurance ratios.

3.5.3. C. Time Interest Earned Ratio:

This ratio measures the capability to meet contractual interest fee that ability how lots the organization in a position to pay activity from their income. A higher Time Interest Earned ratio potential an organization has adequate money after paying its money omitd to proceed to make investments in the business.

Time Interest Earned Ratio = EBIT/ Interest

3.5.4. Profitability:

These measures evaluate the banks' revenue with appreciate to a given stage of sales, a positive stage of assets, the owner's investment, or share value. Without profit, an association should no longer appeal to outside capital. Moreover, current owners and lenders would turn out to be involved about the company's future and try to get better their funds. Owners, creditors, and administration pay shut interest to boosting earnings due to the wonderful significance positioned on profits in the marketplace.

3.5.4. A. Operating Profit Margin:

The operating profit margin represents what are regularly known as the pure income earned on every income dollar. An excessive operating profit margin is preferred. Operating Profit Margin is profitability or overall performance ratio that displays the share of income a corporation

produces from its operations, prior to subtracting taxes and activity charges. The running earnings margin is calculated as follows:

Operating Profit Margin = Operating Profit/Sales.

3.5.4. B. Net Profit Margin:

The net profit margin measures the percentage of every sale of dollar ultimate after all expenses, which include taxes, have deducted. The greater the net profit margin is better. The net profit margin is calculated as follows:

Net profit Margin: Net profit after Taxes/ Sales

3.5.4. C. Return on Asset (ROA)

Return on asset which is frequently referred to as the companies return on complete assets, measures the normal effectiveness of administration in producing earnings with its reachable assets. The greater ratio is better. ROA offers a manager, investor, or analyst a thinking as to how environment friendly a company's administration is at the usage of its assets to generate earnings. **Return on Asset (ROA) = Net profit after Taxes/ Total Assets**

3.5.4. D. Return on Equity (ROE):

The return on Equity measures the return earned on the owners (both desired and frequent stockholders) investment. Generally, the greater this return, the higher off the owners. The Return on Equity ratio really measures the charge of return that the owners of frequent inventory of an agency acquire on their shareholdings.

Return on Equity = Net profit after Taxes/ Stockholders Equity.

3.5.4. E. Price/ Earnings Ratio:

The Price/Earnings ratio of a stock is a measure of a stock is a measure of the rate paid for a share relative to the profits or income earned by using the company per share.

Price Earnings Ratio = Price per share/ Earnings per share.

3.5.4. F Earning Per Share (EPS):

Earnings per share are the earnings returned on the initial investment amount.

Earnings per Share = Net Income/ No. of share outstanding

Chapter Four

Analysis and Findings

4.0. Quantitative Analysis of Islami Bank Bangladesh Limited:

Ratio Analysis

4.1. Liquidity Ratio:

Liquidity ratio analysis is the use of quite a few ratios to decide the capability of a company to pay its payments in a timely manner. This analysis is necessary for lenders and creditors, who choose to acquire some concept of the monetary state of affairs of a barrior or consumer earlier than granting them credit.

Current Ratio:

The current ratio is a liquidity ratio that measures a company's ability to pay short-term obligations or those due within one year.

Current Ratio = Current Asset/Current Liabilities.

Table 5.1: Current Ratio

Year	2017	2018	2019	2020	2021
Current Ratio	1.09	1.08	1.16	1.14	1.09

Source: Annual Report of IBBL

Analysis:

It is observed that the current ratios mean value is about 1.08 where the standard deviation stands 0.0318 and the ranges fluctuate from 1.08 to 1.16.

Graphical Presentation:

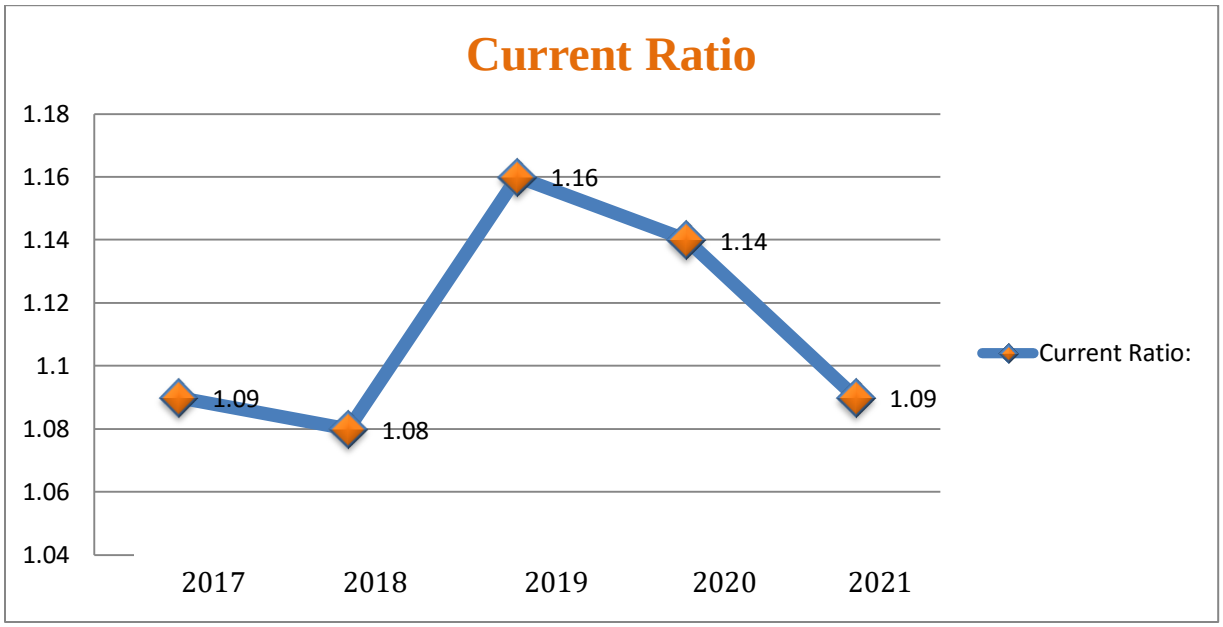


Figure 5.1: Current Ratio

Interpretation:

Here in this analysis, it has been seen that in 2017 IBBLs current ratio was lots at on the contrary in 2019 it's significantly increased and it was almost 1.16. It knows that the standard value is 2:1 for current ratio. So, it can be said that the IBBL's should improve their current position.

A. Net Working Capital:

Net Working Capital= Current Asset-Current Liabilities

Table 5.2: Net Working Capital

Year	2017	2018	2019	2020	2021
Net Working Capital	7,460,168,654	7,670,850,352	7,568,543,648	7,675,605,619	72,455,056,518

Source: Annual Report of IBBL

Analysis:

It is observed that the networking capitals mean value is6,176,099,100 and standard deviation is 2836483427 & the ranging bet Itend505,327,228 to 7,675,605,619.

Graphical Presentation:

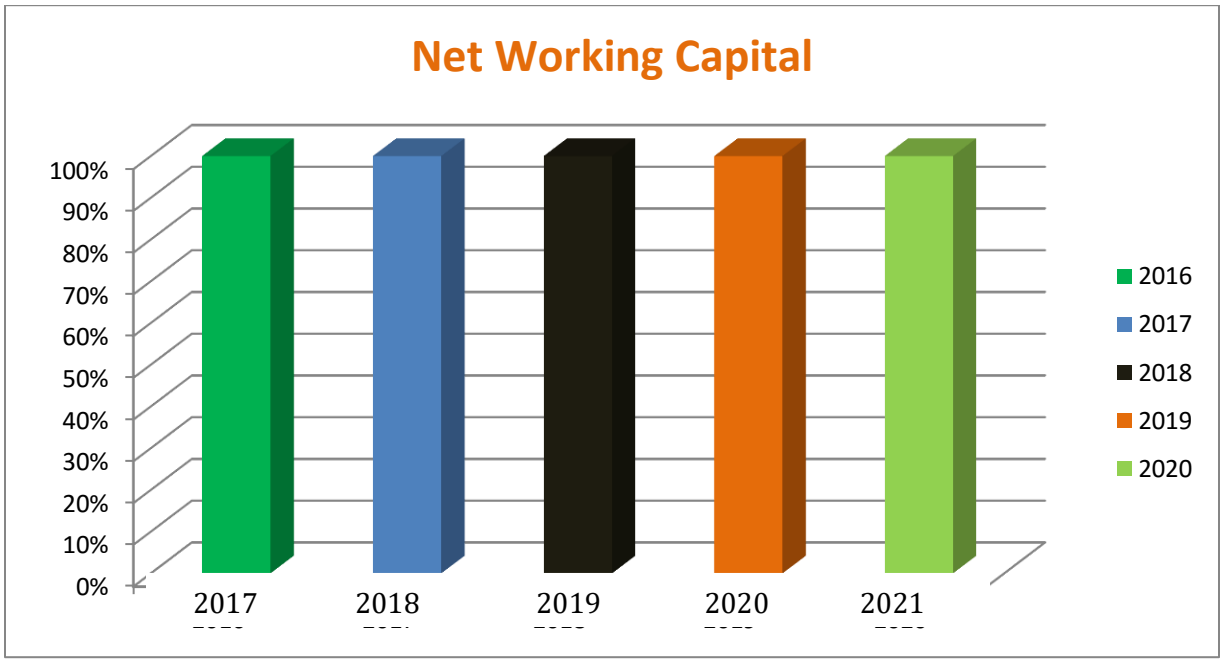


Figure 5.2: Net Working Capital

Interpretation:

From the above graphical presentation, it can see that the net working capital of Islami Bank Bangladesh Limited is in fair position. It knows that bank meet up their current liabilities through current asset. So, it can be said Islami Bank Bangladesh Limited is able to meet up its current obligation.

B. Cost Income Ratio:

Cost Income Ratio: Cost-to-income ratio is a key financial measure used to aid in the valuation of a bank. It is calculated by dividing operating costs by operating income, and as such a lotr ratio indicates a more profitable bank.

Cost Income Ratio= Total operating Expense/Total Operating Income

Table 5.3: Cost Income Ratio

Year	2017	2018	2019	2020	2021
Cost Income Ratio	0.72	0.73	0.69	0.75	0.74%

Source: Annual Report of IBBL

Analysis:

It is observed that the cost income ratio mean value is 1 and the standard deviation stands 0.75. In added that the range fluctuates from 0.0074 to 0.0074 which is stable for IBBL's.

Graphical Presentation:

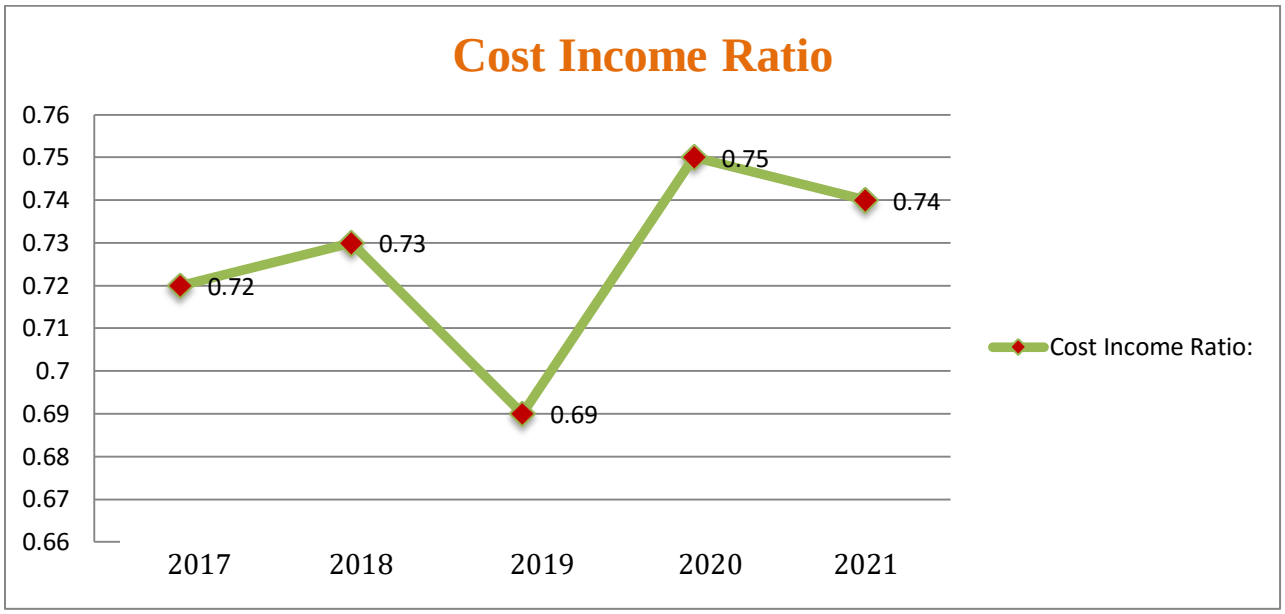


Figure 5.3: Cost Income Ratio

Interpretation:

It knows that this ratio measures the operating efficiency of the bank by measuring the portion if the total operating costs relative to the total operating income of that bank and the higher the ratio, the lot the operating efficiency. It can see in 2019 the operating cost of IBBL was low on the contrary in 2020 it increased drastically. But in 2021 they managed their operating expenses and it's reducing gradually.

4.2 Activity Ratio:

Activity ratios are used to determine the efficiency of the organization in utilizing its assets for generating cash and revenue. It is used to check the level of investment made on an asset and the revenue that it is generating. For this reason, the activity ratio is also known as the efficiency ratio or the more popular turnover ratio.

A. Total Asset Turnover Ratio:

The asset turnover ratio measures the value of a company's sales or revenues relative to the value of its assets.

Total Asset Turnover Ratio: Operating Income/Total Asset

Table 5.4: Total Asset Turnover Ratio

Year	2017	2018	2019	2020	2021
Total Asset Turnover	0.06	0.101	0.085	0.004	0.075

Source: Annual Report of IBBL

Analysis:

It is observed that the total asset turnovers mean value is 0.07 and the standard deviation 0.0334 and the ranging bet It end 0.004 to 0.10.

Graphical Presentation:

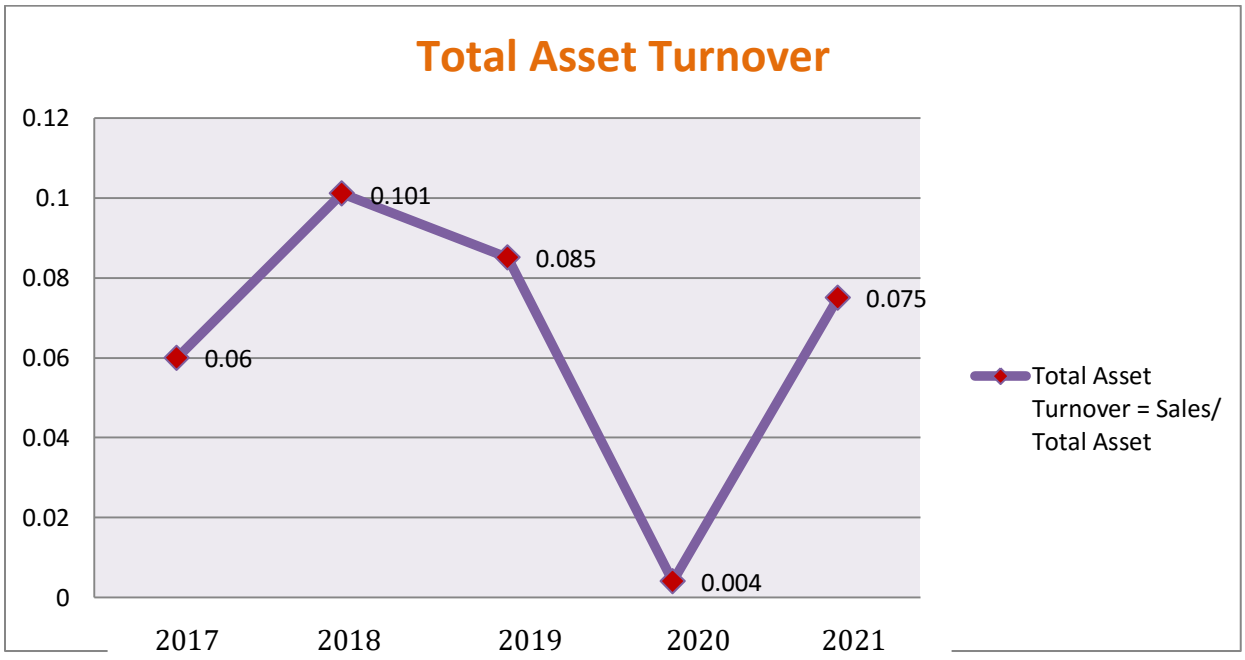


Figure 5.4: Total Asset Turnover Ratio

Interpretation:

The banks total asset turnover ratio fluctuates from time to time. From above graph It cansee in 2020 it was drastically decreased but in 2021 it was going upward and doing better. As it knows that the greater the asset turnover it is more efficient.

Investment to Deposit Ratio:

Investment to deposit ratio shows that which amount of deposit is used to as investment. Investment to deposit Ratio shows the operating efficiency of a particular Bank in promoting its investment product by measuring the percentage of the total deposit disbursed by the Bank as long and advance or as investment.

Investment to Deposit Ratio = Total Investment/Total Deposit

Table 5.5: Investment to Deposit Ratio

Year	2017	2018	2019	2020	2021
Investment to Deposit Ratio	0.9017	0.8947	0.8518	0.8235	0.7988

Source: Annual Report of IBBL

Analysis:

It is observed that the investment to deposit ratios mean value is 0.7988 and the standard deviation is 0.03978 and the ranging bet It end 0.7988 to 0.9017.

Graphical Presentation:

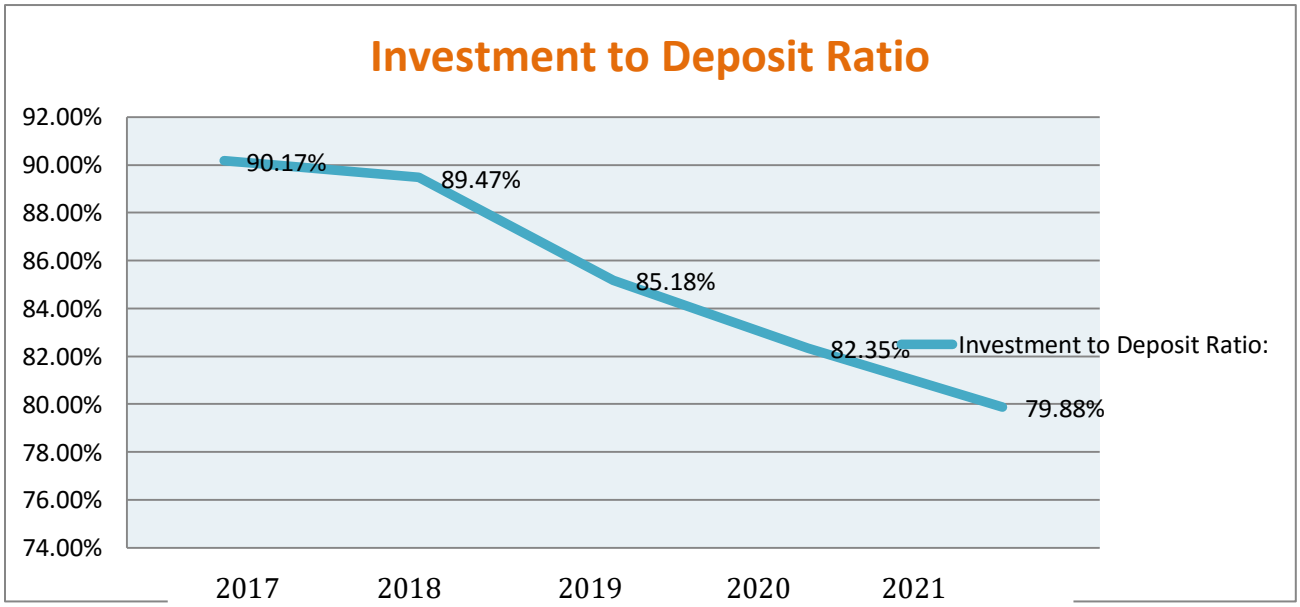


Figure 5.5: Investment to Deposit Ratio

Interpretation:

Investment to deposit ratio shows that which amount of deposit is used to as investment. IBBL's investment to deposit ratio is decreasing gradually which conveys negative signal for the bank. So IBBL's management team should look forward on investment to deposit ratio.

4.3 Debt Ratio:

A. Debt Ratio

The debt ratio measures the preparation of total assets provided by the firm's creditor.A debt ratio measures the amount of leverage used by a company in terms of total debt to total assets**.**

Debt Ratio: Total Liabilities/Total Assets

Table 5.6: Debt Ratio

Year	2017	2018	2019	2020	2021
Debt Ratio	0.049	0.075	0.57	0.561	0.086

Source: Annual Report of IBBL

Analysis:

It is observed that the IBBLs debt ratio mean value is nearly about 0.27 and the standard deviation is0.2430 & it lies bet It end 0.05 to 1.

Graphical Presentation:

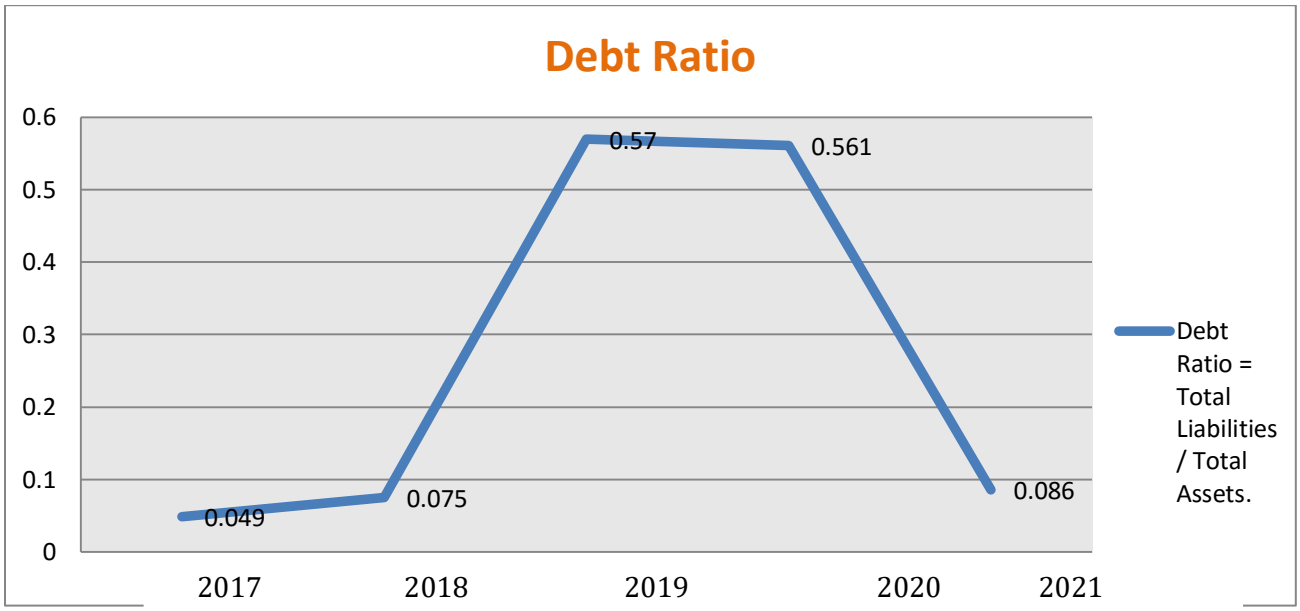


Figure 5.6: Debt Ratio

Interpretation:

The debt ratio of the firm was lots at both in 2017 and 2018 but in 2019 & 2020 it increases dramatically. Debt ratio indicates how much portion of total asset is finance by the debt. When debt capital increases the cost of capital also increase and which decrease the firm's value. In case of decreasing debt capital, the situation is vice versa. So, every organization should give more emphasize on equity capital than debt capital.

4.4. Profitability:

These measures the banks' earnings with respect to a given level of sales, a certain level of assets, the owner's investment, or share value. Without profit, a firm could not attract outside capital. Moreover, present owners and creditors would become concerned about the company's future and attempt to recover their funds.

Net Profit Margin:

Net profit margin measures how much net income is generated as a percentage of revenues received.Net profit margin is one of the most important indicators of a company's overall financial health.

Net Profit Margin: Net profit after tax/operating income

Table 5.7: Net Profit Margin

Year	2017	2018	2019	2020	2021
Net profit Margin	0.989	0.5537	0.3102	0.4157	0.4668

Source: Annual Report of IBBL

Analysis:

From the above table it is observed that the net profit margins value of mean is 1 and the standard deviation is about 1.5507 and the ranges from 0.31 to 4.

Graphical Presentation:

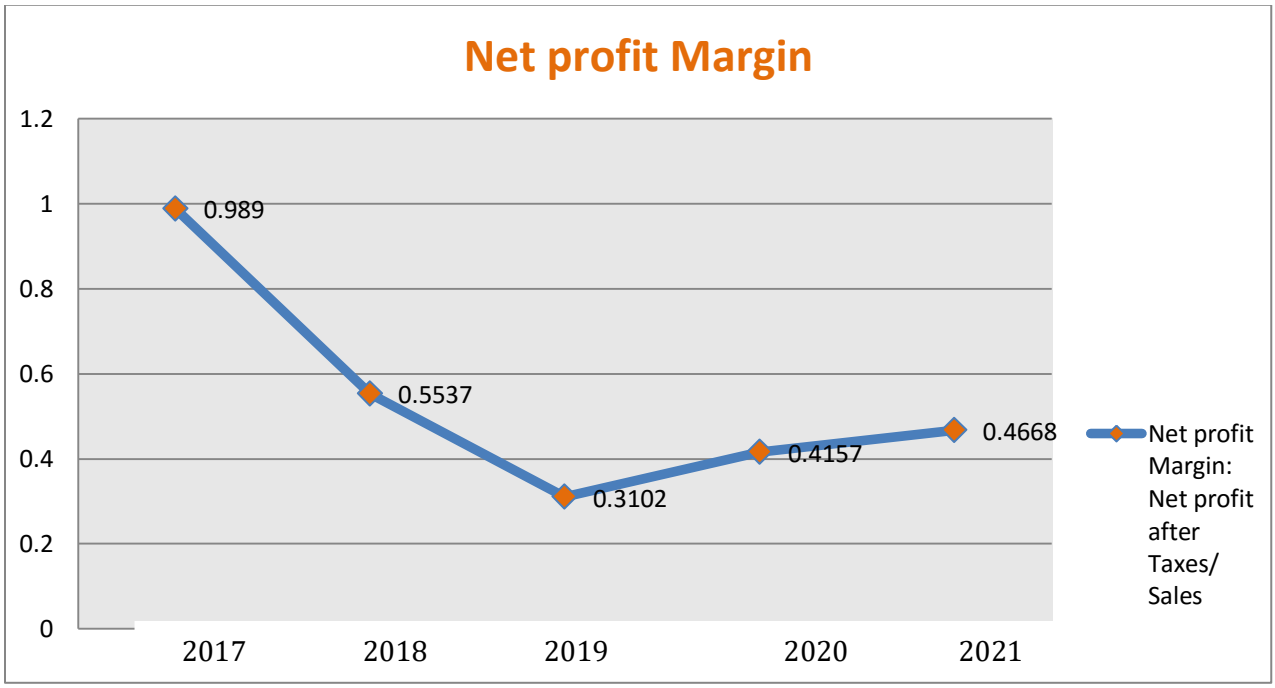


Figure 5.7: Net Profit Margin

Interpretation:

In the year 2017 It can see IBBLs net profit margin was topmost among five years but soon after that year it's gradually decreasing. In added with, from 2020 it increasing again its net profit margin which is nearly about 0.5 or 50% that indicates very good result of the bank.

Return on Asset:

Return on assets is a profitability ratio that provides how much profit a company is able to generate from its assets.ROA measures how efficient a company's management is in generating earnings from their economic resources or assets on their balance sheet.

Return on Asset= Net profit after tax/Total Asset

Table 5.8: Return on Asset

Year	2017	2018	2019	2020	2021
Return on Asset	1.47%	1.35%	1.27%	0.96%	0.67%

Source: Annual Report of IBBL

Analysis:

It's also observed that the return on assets of IBBL mean value is 0.0067 & the standard deviation is 0.00290 with the maximum value 0.0067 and minimum 0.0147.

Graphical Presentation:

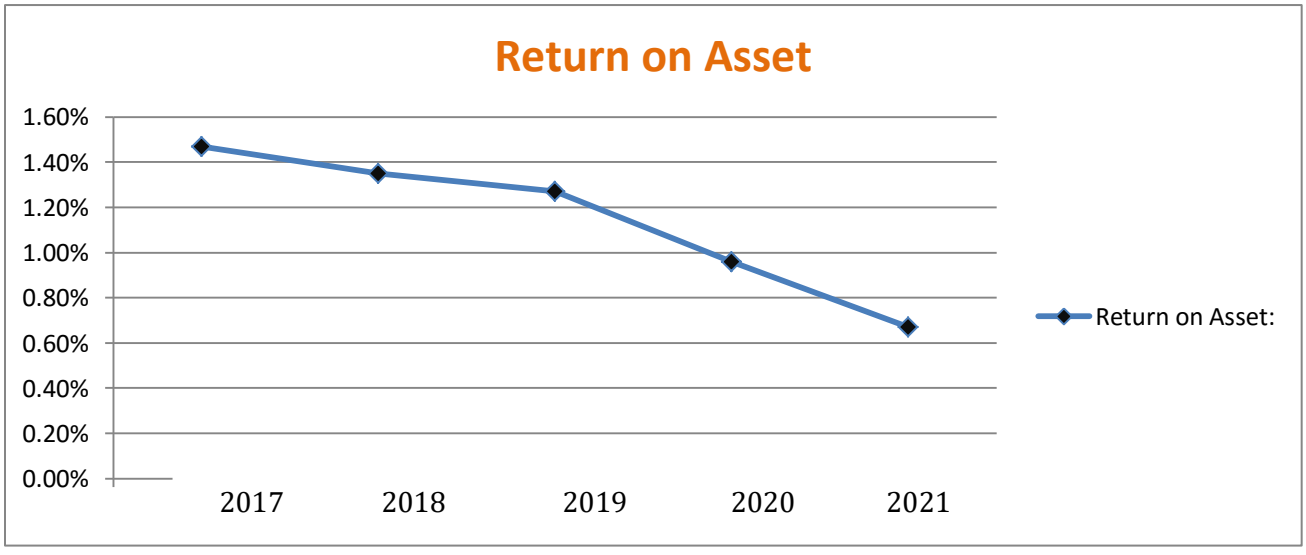


Figure 5.8: Return on Asset

Interpretation:

From the analysis it has seen that IBBLs return on asset It re gradually falling down that means IBBL couldn't utilize their asset properly. As it knows that if return on asset increase than it would be better for bank but from above graph,it can see negative results which are really alarming for IBBL.

Return on Equity:

Return on equity (ROE) is a financial ratio that tells you how much net income a company generates per dollar of invested capital. This percentage is key because it helps investors understand how efficiently a firm uses its capital to generate profit.

Return on equity measures the return earned on the owners (both preferred and common stockholders) investment. Generally, the higher the return the better of the owners.

Return on Equity= Net profit after tax/ shareholders' equity

Table 5.9: Return on Equity

Year	2017	2018	2019	2020	2021
Return on Equity	19.00%	17.42%	13.42%	11.36%	8.85%

Source: Annual Report of IBBL

Analysis:

After observing the above-mentioned statistical analysis, it can be said that the IBBLs return on equity mean value is 0.0885 and the standard deviation is 0.0375 and ranging bet Itend 0.0885 to 0.19.

Graphical Presentation:

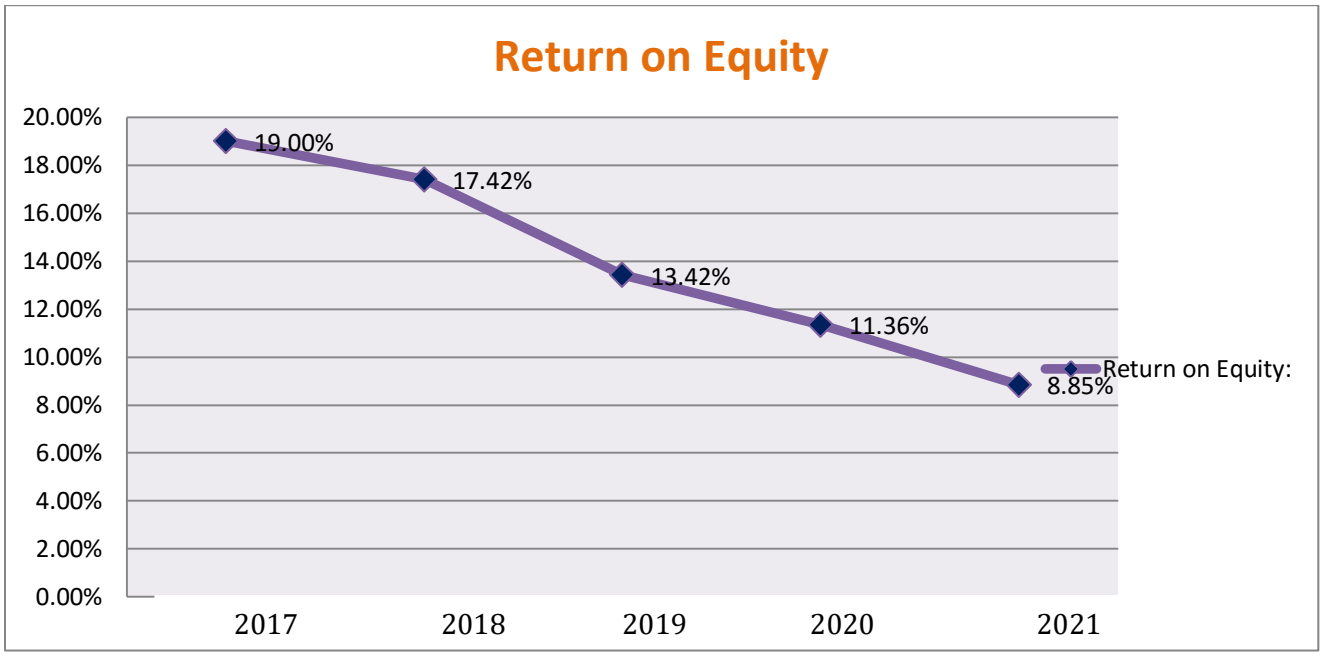


Figure 5.9: Return on Equity

Interpretation:

The banks return on equity deviates from 19 to 8.85 in preceding 5 years and the highest value can be observed in year 2017 and the lotsat value can be observed during the year 2021, which is not desirable. So, the management should work hard to increase the return associated with return on equity.

Earnings per Share:

Earnings per share (EPS) are a company's net profit divided by the number of common shares it has outstanding. EPS indicates how much money a company makes for each share of its stock and is a widely used metric for estimating corporate value.

Earnings per Share= Earnings available for common stockholder/No of shares of common stock outstanding

Table 5.10: Earnings per Share

Year	2017	2018	2019	2020	2021
Earnings Per Share	6.01	4.84	4.2	4	2.48

Source: Annual Report of IBBL

Analysis:

It is observed that the earnings per share of IBBL's mean value is nearly about 4 and the standard deviation is 1.15134 & the ranging bet Itend2 to 6.

Graphical Presentation:

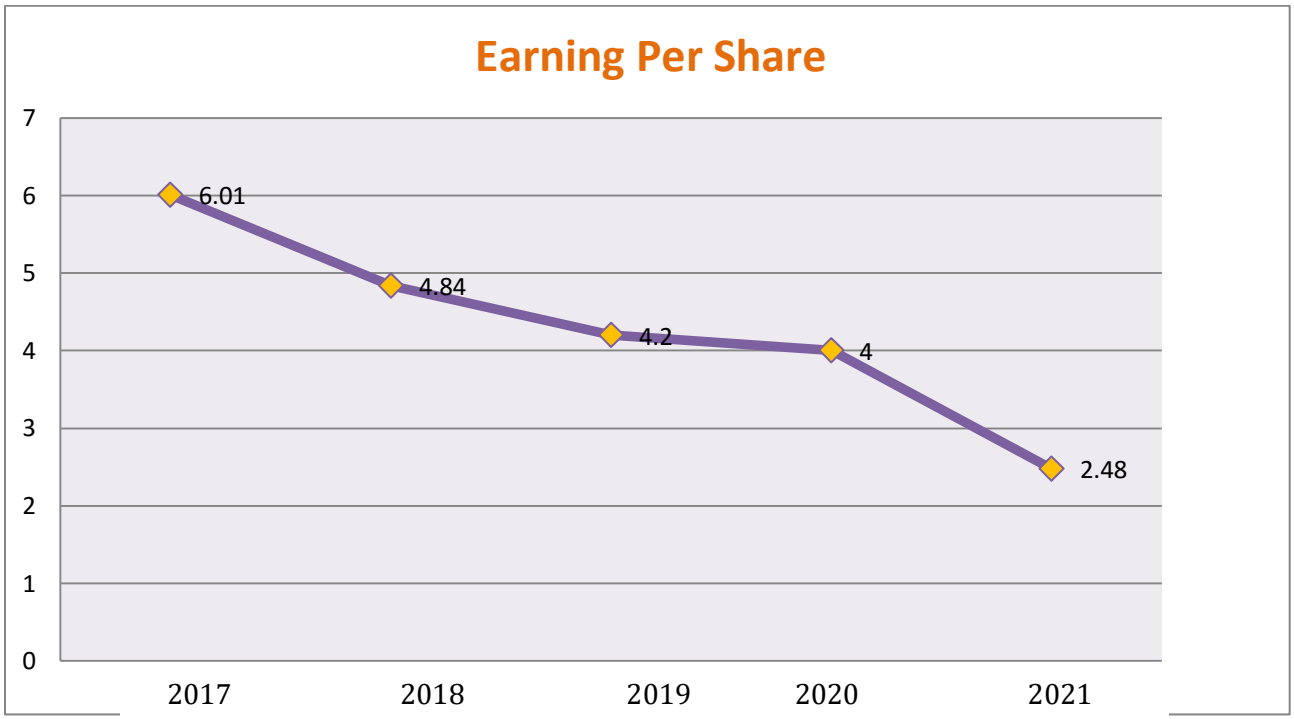


Figure 5.10: Earning Per Share

Interpretation:

The Banks Earnings per share is decreasing from the year 2017 which was 6.01 and reached 2.48 in the year of 2021. So IBBL should increase earnings per share to attract investor. The resulting number serves as an indicator of a company's profitability. Growing EPS also indicates that the company is creating value for its investors. But from above graphical presentation It can see a negative impact occurred in earnings per share.

Price Earnings Ratio:

The price-to-earnings ratio (P/E ratio) is the ratio for valuing a company that measures its current share price relative to its earnings per share (EPS). The price-to-earnings ratio is also sometimes known as the price multiple or the earnings multiple.

A high price earnings ratio could mean that a company's stock is overvalued, or else that investors are expecting high growth rates in the future.

Price Earnings Ratio: Market price per share of common stock/Earning per share

Table 5.11: Price Earnings Ratio

Year	2017	2018	2019	2020	2021
Price Earnings ratio	13.29	11.27	12.21	11.17	11.24

Source: Annual Report of IBBL

Analysis:

It is observed that the IBBL's price per earnings ratios mean value is 12 and the standard deviation is nearly about 0.82135 where the range fluctuates from 11 to 13.

Graphical Presentation:

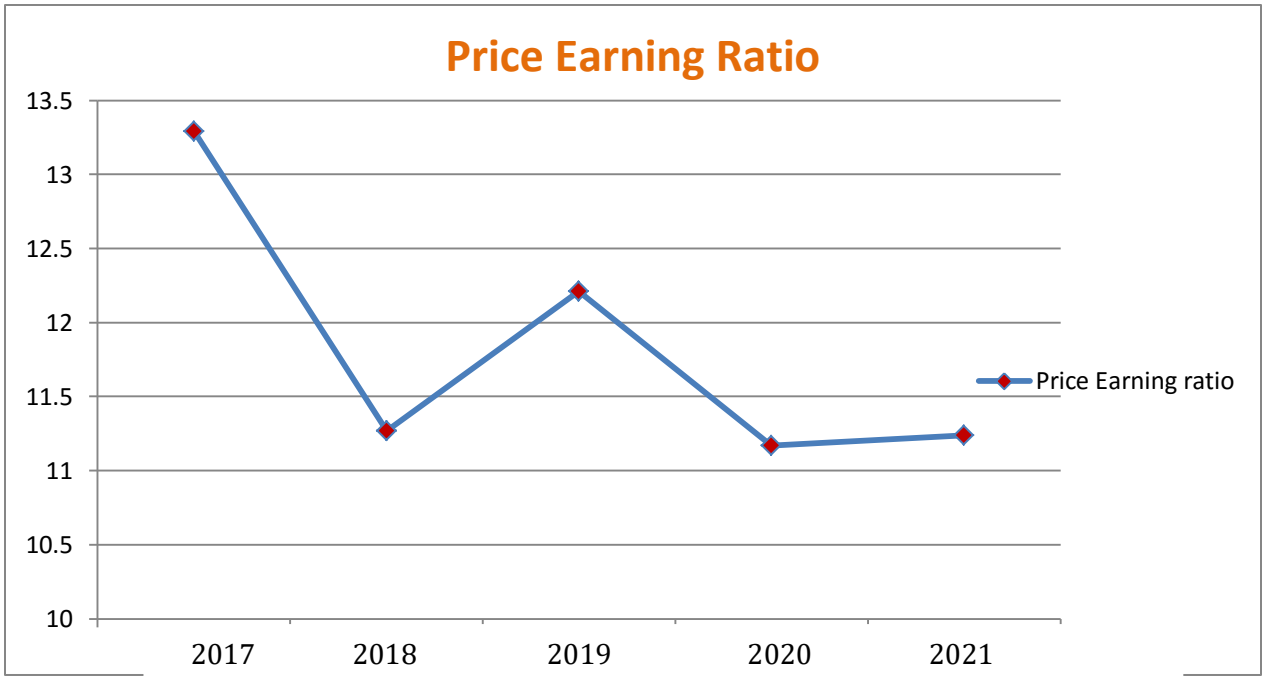


Figure 5.11: Price Earnings Ratio

Interpretation:

IBBL's price earnings ratio fluctuates from 13.29 to 11.24 times in the preceding 4 years. The banks price earnings ratio was decreasing trend. It indicates banks market price of share It re not too high, any investor can invest in IBBL's share.

4.5. Equity Multiplier:

The equity multiplier is a risk indicator that measures the portion of a company's assets that is financed by stockholder's equity rather than by debt.

A low equity multiplier means that the company has less reliance on debt on the contrary a high equity multiplier indicates that a company has a higher level of debt.

Equity Multiplier: Total Assets/ Total owners' equity

Table 5.12: Equity Multiplier

Year	2017	2018	2019	2020	2021
Equity Multiplier	1.0517	1.0809	2.3243	2.2788	1.094

Source: Annual Report of IBBL

Analysis:

It is observed that the equity multiplier of IBBL mean value is 2 & standard deviation is 0.6009where the radius fluctuates bet It end 1 to 2.

Graphical Presentation:

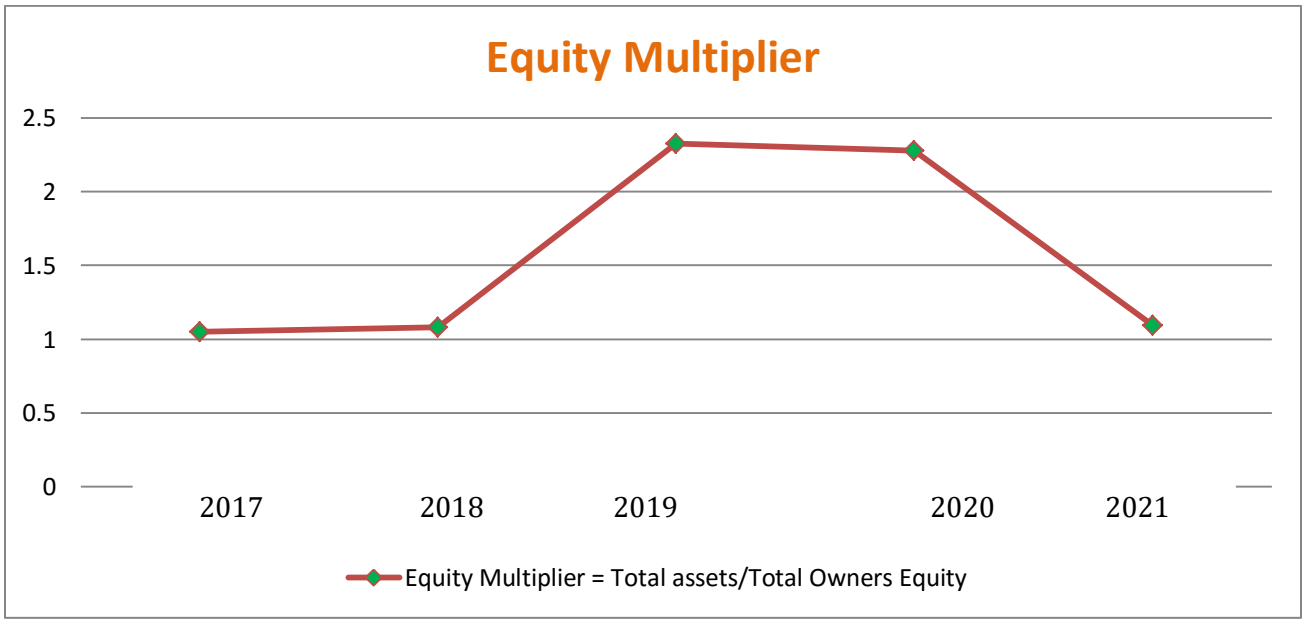


Figure 5.12: Equity Multiplier

Interpretation:

Here It can see the equity multiplier of IBBLs was low both the year of 2017 and 2018 but in the year of 2019 and 2020 its increase dramatically. In added with that in the year of 2021 its again decreasing. It is a great concern to the shareholders of the Islami Bank Bangladesh Limited.

4.6. Trend Analysis

Year (Amount in million)	2021	2020	2019	2018	2017
Total Assets	1624916	1316169	1170422	1069709	936945
Investment	1109395	953150	847370	748672	676747
Total Deposit	1179476	946216	822573	755022	681352
Total Income	84493	88131	77596	66939	61557
Net Profit	4521	5328	6075	4692	4464
Total Liabilities	33869	38371	40819	43414	44126

Calculate the trend analysis from the following figures of the IBBL.

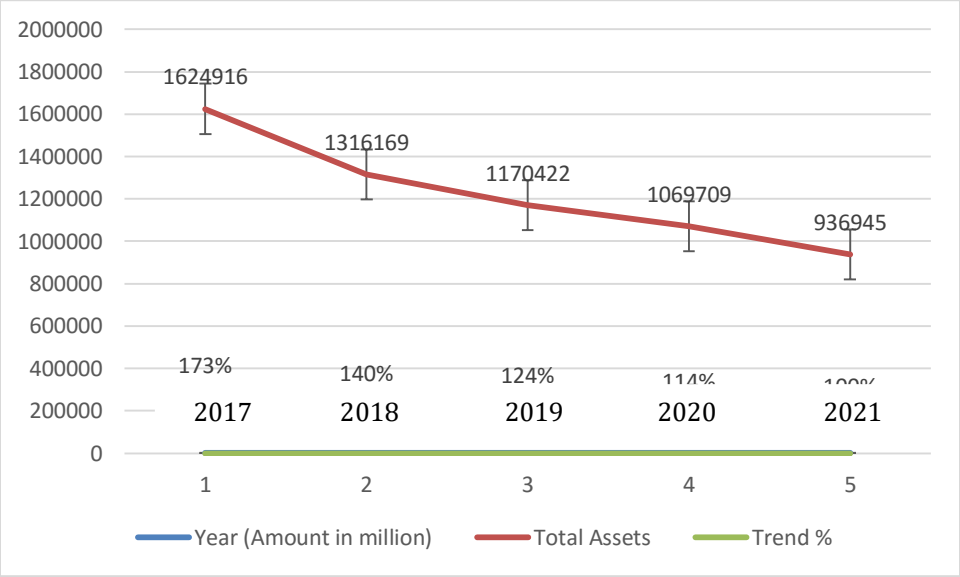
2017 As the based year:

Trend percentage = (Current Year\Based Year) *100

Total Assets

Year (Amount in million)	2021	2020	2019	2018	2017
Total Assets	1624916	1316169	1170422	1069709	936945
Trend %	173%	140%	124%	114%	100%

Graphical Presentation:



Interpretation:

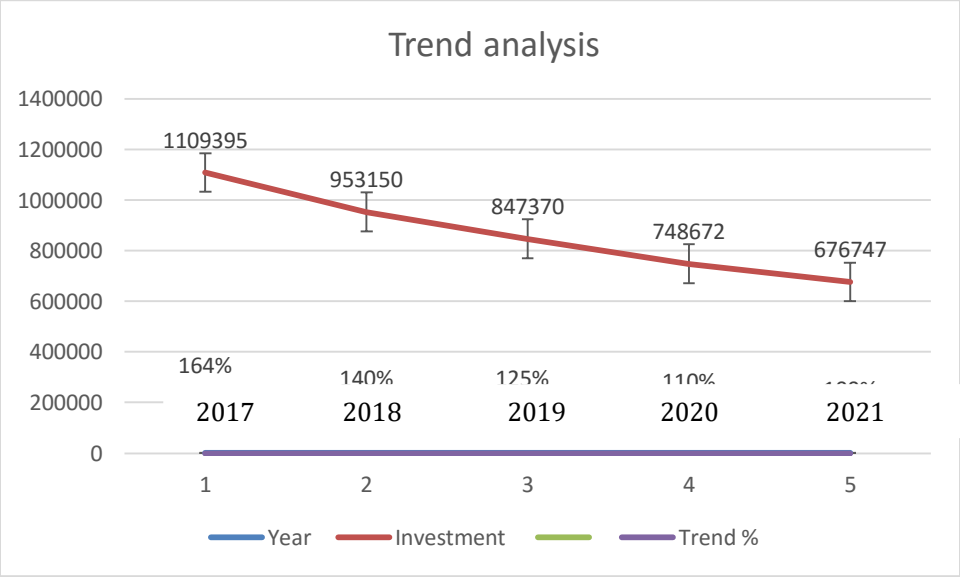
In The above-mentioned trend analysis, it uses 2017 as a base year.

The total assets have increased a lot to 173% which is the highest over the last 5 years. This is a signal that through asset utilization IBBL has managed to originate more revenues than previous years. The amount of assets has increased every year from what it was in 2017, 936945 million. From this It can say that the asset utilization system of Islami Bank is the good.

Total Investment:

Year	**2021**	**2020**	**2019**	**2018**	**2017**
Investment	1109395	953150	847370	748672	676747
Trend %	164%	140%	125%	110%	100%

Graphical Presentation:



Interpretation:

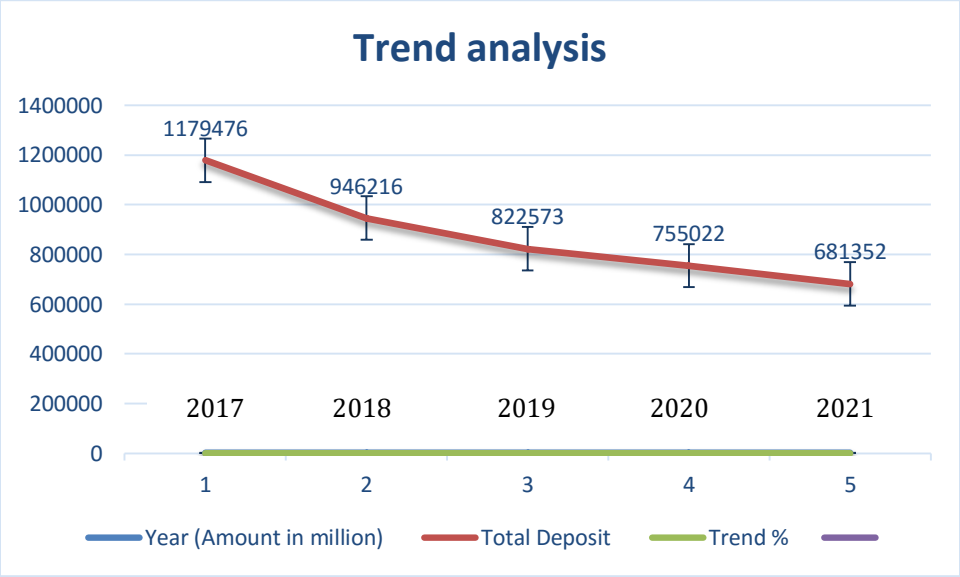
In The above-mentioned trend analysis, it uses 2017 as a base year.

IBBL Total Investment saw a rise in last every year which is a positive sign for them as it means they are making efficient investment continuously. It was the highest in 164%which is 2021.

Total Deposit

Year	2021	2020	2019	2018	2017
Total Deposit	1179476	946216	822573	755022	681352
Trend %	173%	138%	120%	110%	100%

Graphical Presentation:



Interpretation:

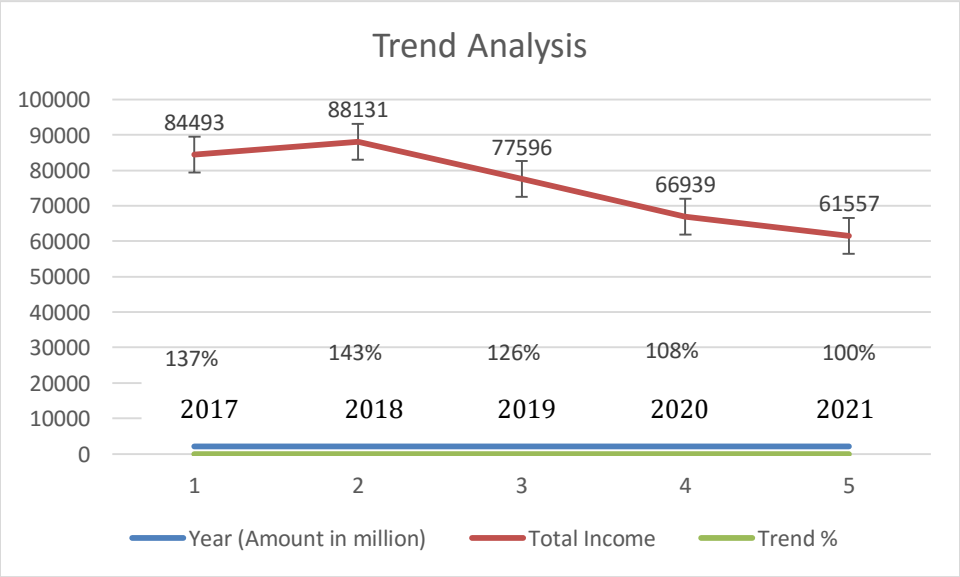
In The above-mentioned trend analysis, it uses 2017 as a base year.

The deposit amount of Islami Bank is constantly increasing as Islami Bank pays dividends to the deposit holder in compliance with Shariah. That's why the graph shows also trend % are really in good health.

Total Income

Year (Amount in million)	2021	2020	2019	2018	2017
Total Income	84493	88131	77596	66939	61557
Trend %	137%	143%	126%	108%	100%

Graphical Presentation:



Interpretation:

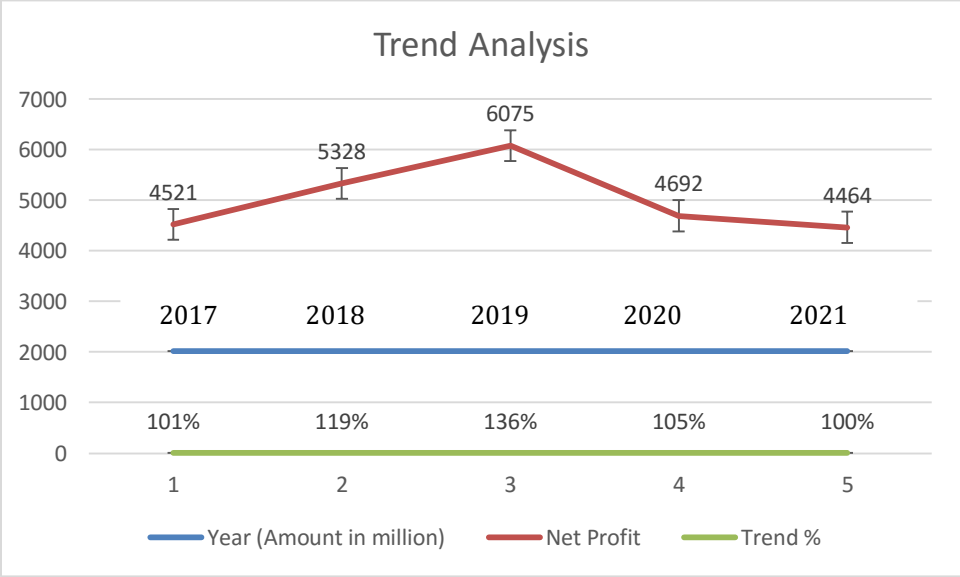
In The above-mentioned trend analysis, it uses 2017 as a base year.

The total income of Islami Bank as It can see from the graph is that in 2018 it has increased by 108% compared to 2017 and in 2019 it has increased to 126%. In 2020 it has increased to 143% but in 2021 it has decreased to 137 due to covid 19 period which is a little less than before. Yet it can say that at present their income is good.

Net Profit

Year (Amount in million)	2021	2020	2019	2018	2017
Net Profit	4521	5328	6075	4692	4464
Trend %	101%	119%	136%	105%	100%

Graphical Presentation:



Interpretation:

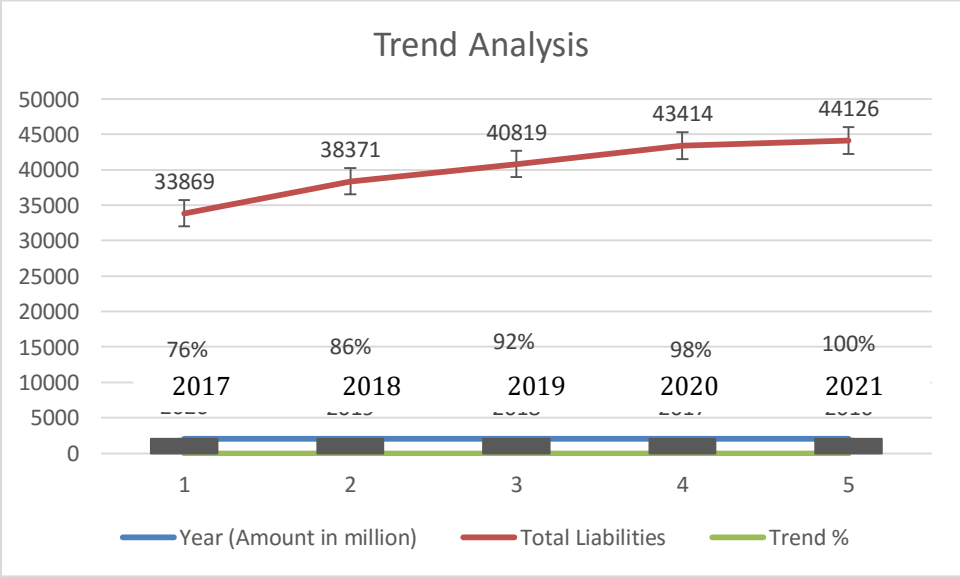
In The above-mentioned trend analysis, it uses 2017 as a base year.

Islami Bank's net profit was the highest in 2019 at 136% compared to 2017, 105% trend in 2018 which dropped to 119% in 2020 and again dropped 101% in 2021 due to the recession of all businesses in the past due to covid 19.

Total Liabilities

Year (Amount in million)	2021	2020	2019	2018	2017
Total Liabilities	33869	38371	40819	43414	44126
Trend %	76%	86%	92%	98%	100%

Graphical Presentation:



Interpretation:

In The above-mentioned trend analysis, it uses 2017 as a base year.

Total Liabilities has also decreased to 76% in 2021. As days go by IBBL is growing quite considerably and with it comes less liabilities. So IBBL can efficiently achieve a significantly more prosperous future by making the necessary balance reserve and deposit modifications.

4.7 Key Findings:

- ✓ In the analysis, it has been viewed that in the yr. 2019 IBBL's contemporary ratio was once best and in 2018 it used to be the ultimate sat amongst the years. Normally banks hold the current ratio of 1:1 and it has been considered that IBBL isn't retaining the position. It suggests that IBBLs liquidity position isn't good enough.
- ✓ In 2019 IBBLs cost-income ratio used to be lot set and it suggests an effective signal however on the opposite in 2020, it elevated drastically. But the tremendous signal is cost-income ratio once more reducing in the yr. 2021 and it is aware of that the lotsat the ratio, the higher the running efficiency.
- ✓ The larger the total asset turnover, it viewed extra efficient. From the analysis, it has been viewed that in the yr. 2017 the whole asset turnover improved and diminished substantially in the yr. 2020. On the contrary, in 2021 it's going upward which is a high-quality signal and higher than the previous year.
- ✓ IBBL's funding to credit ratio is reducing years via years which conveys a bad sign for the bank.
- ✓ From the analysis, it has been considered in the yr. 2019 the internet earnings margin of IBBL multiplied which shows that the bank's working effects are improving. It has additionally been considered that in 2021 IBBL's internet income margin used to be about 50% which shows a very appropriate running end result for the bank.
- ✓ From the graphical presentation, it has been viewed that the banks' liquidity function and potential to fulfill its non-permanent duty is possible. IBBL can effortlessly remedy the firm's liquidity of overall position.
- ✓ It has been viewed that the IBBL's income per share fluctuate from 6.01 to 2.48 and in 2021 its EPS extensively limit in contrast to the relaxation of the years which shows a poor sign.
- ✓ It has additionally been viewed that the price-earnings ratio of IBBLs fluctuates over the year. It was once best in the 12 months of 2017 and going downward in relaxation of the years.
- ✓ Some essential parts of Islami Bank's income statement such as Total Asset, Total Investment, Total Deposit, Total Income, Net Profit, Total liabilities these factors trend analysis shows that,

- ✓ The total assets of Islami Bank have been regularly growing and the amplify is displaying a gradual enlarge of 173% from 2017 to 2021 in style evaluation its ability that their whole property are in a very appropriate position.
- ✓ Islami Bank's Total Investment indicates that the best possible vogue evaluation bet Itend 2017 and 2021 used to be 164% percentage which has been progressively increasing, indicating that their funding quantity is in a high-quality sign.
- ✓ The deposit holders of Islami Bank have extended their financial institution deposits each year due to Shariah compliance, it finds that which suggests that their deposits are in very properly condition.
- ✓ Find that, Islami Bank Total Income has improved each and every year from what it used to be in 2017 however decreased by using 5% in 2021 due to the covid 19.
- ✓ Net Profit's Train Analysis suggests that in 2017, Base year extended its holdings through 2018 by using 105% by a massive increase of 136% in 2019 due to proper business, 119% minimize for 2020 covid 19, and 2021 diminished with the aid of 101% for some reason.
- ✓ Total liability trend evaluation has reduced each year when you consider that 2017, which is a properly sign. This shows that the declining liability of Islami Bank is a precise signal for a bank.

CHAPTER FIVE

CONCLUSIONS & RECOMMENDATIONS

5.1Some Recommendations for Islami Bank Bangladesh Limited:

It is now not predicted to have issues in any organization. To operate any organization there need to have some troubles which have to face however there have to be treatments additionally to observe as Its all. The following hints can be recommended to resolve the problems:

- ✓ As it has been viewed that the current ratio of IBBL wasn't in satisfactory range our first pointers to IBBL are to keep a standard ratio for easily running their banking activity.
- ✓ It indicates that the IBBL's funding to credit ratio decreasing yr. by yr. which conveys a poor sign for the bank. So IBBL's administration group have to look ahead to this count immediately.
- ✓ As it has been obtained that the net income margin of IBBL is improving very slowly so, our suggestion is to IBBL administration is to supply greater focus on this regard also.
- ✓ It indicates that the IBBL's return on assets gradually fell down and they couldn't control their asset properly. So IBBL should try to improve this.
- ✓ From the graphical presentation, it shows that the IBBLs earning per share is notably reducing So IBBL administration have to provide greater emphasis on this regard.
- ✓ After examining the trend analysis of Islami Bank's some vital elements, I would like to supply some tips that their complete asset content material is growing day by using day and that is a very good signal and they will continue to be intact in it. There has been a bit of a trouble with the total profits for covid Nineteen which looks to be getting higher in the future. Since then, the financial institution has carried out Its ll. I am concluding my advice by means of announcing that the quantity of complete legal responsibility which has been steadily decreased is an excellent signal for the financial institution and they must be in a position to preserve it.

5.2 Conclusion:

In the time of turbulent financial conditions, Islami Bank Bangladesh Limited doing It all in the banking arena. As phase of the long-term economic reform and modernization format of the government, the financial institution had been transformed into a public limited company. Islami Bank Bangladesh Limited helps to mobilize the sources to remain sturdy in the key area's operations. In the areas of treasury operation, IBBL stays the key participant in the country's overseas alternate and cash market enhancing profitability through careful pricing and assessment of risk and return on investment, the treasury dealing is being bolstered to facilitate transactions requiring extra sophisticated products and offerings for large institutional and company clients. Though it has a vast vary of community and self-belief from the clients it has some issues these troubles minimize its income. It is PLC however the authority is no longer that bendy and it takes time to make a decision.

From the realistic factor of view, I can declare boldly that I actually have loved my internship at this financial institution from the very first day. Moreover, this internship software that is obligatory for my BBA program, even though short-date however needless to say helped my father and spouse and children as itall to suppose about my career. I have tried my soul to comprise the document with the indispensable applicable records in my report.

Although excellence in banking is the Moto of Islami Bank Bangladesh Limited assembly the demand of the discerning purchaser isn't the sole goal of the bank. Customer family members have to be extra improved to supply suitable carrier to them and deal with them as an asset of the company. Despite these issues Islami Bank Bangladesh Limited making an attempt to enhance this circumstance and take some vital steps to do higher its condition.

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