

Internship Report

On

General Banking Activities and Financial Performance Analysis of Social Islami Bank PLC

Submitted to:

Department of Business Administration

Faculty of Business Studies

Sonargaon University (SU)

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Program: BBA MAJOR (Finance)

Department of Business Administration

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Sonargaon University (SU)

Dhaka-1215

Internship Report On

General Banking Activities and Financial Performance Analysis of Social Islami Bank PLC

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Submitted for the Partial Fulfillment of the Requirements for the Degree the Bachelor of Business Administration

Date of Submission: 7th January, 2025

Sonargaon University (SU), Dhaka-1215

Letter of Transmittal

Date: 7th January, 2025

Md. Shahbub Alam

Lecturer,

Department of Business Administration,

Sonargaon University (SU), Dhaka.

Subject: Submission of Internship Report

Dear Sir,

It is a great pleasure to submit my internship report titled **"General Banking Activities and Financial Performance Analysis of Social Islami Bank PLC"**, prepared as part of the requirements for my Bachelor of Business Administration program at Sonargaon University (SU).

This report highlights my learning experience during the internship at Social Islami Bank PLC, where I gained practical insights into General Banking Activities and Financial Performance Analysis. The report covers various aspects of General Banking Activities and Financial Performance Analysis, including the tools and techniques employed, challenges faced, and solutions implemented. I am grateful for your guidance throughout the process of preparing this report. Your valuable advice has been instrumental in organizing and presenting my findings.

Thank you for providing me with this opportunity. I hope the report meets your expectations. I would be happy to clarify any queries.

Yours sincerely,

Israt Jahan Sweety

BBA2101022059

Department of Business Administration

Sonargaon University (SU)

Certificate of Supervisor

This is to certify that Israt Jahan Sweety student of BBA bearing Department of Business Administration. Sonargaon University (SU), Dhaka. ID No: BBA2101022059, Major in Finance. She has completed the project report on **"General Banking Activities and Financial Performance Analysis of Social Islami Bank PLC"** under my supervision which is the fulfillment of the partial requirement of obtaining a BBA degree.

This report was prepared under my supervision as part of the partial fulfillment of the requirements for obtaining the Bachelor of Business Administration (BBA) degree. Throughout the project, Israt demonstrated dedication, a strong understanding of the subject matter, and the ability to apply theoretical concepts to practical scenarios in the field General Banking Activities and Financial Performance Analysis.

I hereby confirm that the project was carried out under academic guidelines and has been assessed based on the standards set by the university. I wish Israt Jahan Sweety every success in her future academic and professional endeavors.

_____

Md. Shahbub Alam

Lecturer

Department of Business Administration

Faculty of Business Studies

Sonargaon University (SU), Dhaka-1215

Declaration of Student

I, Israt Jahan Sweety, hereby declare that this internship report titled **"General Banking Activities and Financial Performance Analysis of Social Islami Bank PLC"** has been prepared by me as part of my academic requirements. This report is my original work and has not been submitted elsewhere for academic or professional purposes.

I confirm that this report is an original piece of work, and no part of it has been copied or reproduced from any other source without proper citation. Additionally, this report has not been previously submitted or presented for any academic, professional, or other purposes. I understand that any form of plagiarism or unethical academic practices will lead to disqualification and/or disciplinary action, and I take full responsibility for the authenticity and accuracy of the content presented in this report.

I further affirm that all the data and information provided in this report are based on my understanding of General Banking Activities and Financial Performance Analysis of Social Islami Bank PLC.

_____

Israt Jahan Sweety

ID: BBA2101022059

Department of Business Administration

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Acknowledgment

This report would not have been possible without the support and guidance of many individuals.

First, I would like to express my sincere gratitude to my academic supervisor**, Md. Shahbub Alam**, for his constant support, advice, and encouragement throughout the preparation of this report.

I am also grateful to Social Islami Bank PLC for providing me with an opportunity to work as an intern and gain valuable exposure to their operations— special thanks to my on-site supervisor and team members for their support and guidance.

Lastly, I thank my family, friends, and colleagues for their motivation and encouragement throughout my academic journey. This acknowledgment reflects my appreciation for all the contributions, big and small, that made this project a reality.

Executive Summary

This internship report titled "General Banking Activities and Financial Performance Analysis of Social Islami Bank PLC" provides an in-depth study of the banking operations, services, and financial performance of Social Islami Bank PLC (SIBL). The report is based on the practical experience gained during the internship period, along with data gathered from primary and secondary sources.

The report focuses on two core areas. The general banking division serves as the foundation of SIBL's operations. The study highlights the various banking functions, including account opening, cash transactions, clearing services, remittance, and customer relationship management. The bank's customer-centric approach and adherence to Shariah-based principles are explored in detail. The findings reveal how SIBL integrates modern banking services with Islamic principles to cater to diverse customer needs. The report analyzes the financial performance of SIBL over recent years using key financial ratios, including profitability, liquidity, efficiency, and solvency ratios. The analysis identifies trends, strengths, and areas for improvement in the bank's financial stability and growth. Notable findings include SIBL's steady profitability and its ability to maintain competitive efficiency in the banking industry.

The internship experience provided a comprehensive understanding of the operations and financial health of Social Islami Bank PLC. Key observations include the bank's commitment to innovation in Islamic banking, its strong customer service, and its strategic focus on achieving sustainable financial growth.

The report concludes with recommendations aimed at enhancing SIBL's operational efficiency, service quality, and financial performance, ensuring its continued success in the highly competitive banking sector.

Table of Contents

Letter of Transmittal ..... **iii**
Certificate of Supervisor ..... **iv**
Declaration of Student ..... **v**
Acknowledgment ..... **vi**
Executive Summary ..... **vii**
Chapter 1: Introduction **1**
1.1. Background of the study 2
1.2. Rationale of the Study 2
1.3. Objective of the Study 3
1.4. Scope of the Study 4
1.5. Limitations of the Study 4
Chapter 2: Literature review **6**
Chapter 3: Methodology **8**
3.1. Research Design 9
3.2. Data Collection 9
3.3. Data Analysis 9
Chapter 4: Organizational Profile **10**
4.1. Introduction 11
4.2. Background of SIBL 11
4.3. Mission 12
4.4. Vision 12
4.5. Commitments of SIBL 12
4.6. Core Values 13
4.7. Social Islami Bank Limited's organizational structure 14
4.8. Social Islami Bank Limited's company profile 15
Chapter 5: General Banking Activities of Social Islami Bank Limited **16**
5.1. General banking in Social Islami Bank Limited (SIBL) 17
5.2 Account Opening Section 17
5.2.1 Procedure and rules to open a new account: 18
5.2.2 Al-Wadiah Current account (Individual) 18
5.2.3 Mudaraba Special Notice Account 18

5.2.4 Deposits Account by SIBL: 19
5.3 SIBL Young Star Account 20
5.4 Cash Waqf Certificate 21
5.5 Bills and Clearing Section 21
5.5.1. Inward Cheque 21
5.5.2. Outward Cheques: 21
5.5.3. Outward bills for Collection (OBC): 21
5.5.4. Clearing: 22
5.5.5. Receiving Cheques for Collection: 22
5.5.6. Cheque and Crossing 22
5.6. Remittance of Funds 23
5.6.1. Pay Order/ Banker's check 23
5.6.2. Bank Draft: 23
5.7. Cash Section 24
5.8. Locker Service 25
5.9. Closing of an Account 25
Chapter 6: Financial Performance Analysis 26
6.1. Operating Profit as a Percentage of Working Funds 27
6.2 Operating Profit (Taka in Million) 28
6.3. Return on Assets (ROA) 29
6.4. Stock Performance (Stock Price) 30
6.5. Profit after Tax (Taka in Million) 31
6.6. Earnings per Share (Taka) 32
6.7. Total Eligible Capital (Taka in Million) 33
6.8. Net Asset Worth (Taka in Million) 34
6.9. Total Paid-up Capital (Taka in Million) 35
6.10. Total Shareholder's Equity 36
6.11. Cost-Income Ratio (%) 37
6.12. Debt Equity Ratio (Times) 38
6.13. Current Ratio 39
6.14. Gross Profit Ratio 40
6.15. PE Ratio 41

Chapter 7: Analysis & Findings **43**
7.1. General Banking Activities: 44
7.2. Financial Performance Analysis: 44
7.3. Opportunities for Improvement 45
Chapter 8: Recommendations and Conclusion **46**
Recommendations: 47
Conclusion: 47
References **49**
Appendices **50**
Appendix 1: List of Abbreviations 50
Appendix 2: List of Tables 51
Appendix 3: List of Figures 52

Chapter 1: Introduction

1.1. Background of the study

Social Islami Bank PLC (SIBL) is a private owned bank. SIBL is a second generation Islami bank operating since 22 November, 1995 based on Shariah Principles. Now SIBL has 98 branches all over the country with two subsidiary companies-SIBL securities ltd. And SIBL investment ltd. The bank opened 10 branches in 2016 to bring more people under the coverage of banking service. SIBL is a capitalized new generating Bank with an authorized capital of Taka 1000 core in 2015 and paid up capital of Taka 703 core in 2015 and also taka 639 core respectively as of December 2015.

For coordinating my internship I have been placed in Social Islami Bank PLC. After completion of the internship, I will render my all knowledge to present the report on General Banking Activities and Financial Performance Analysis of Social Islami Bank PLC. In the organizational part will briefly describe overview of the organizations historical background, functions, business philosophy, ownership pattern, foreign correspondents and overseas operations and benefits provided to customers by the organization

. The internship program aims to accomplish the following:

- To obtain practical, real-life experience.
- To assess the relevance of the information learned in the BBA program in relation to the real-life scenario.
- To satisfy the BBA program's requirements

1.2. Rationale of the Study

The banking sector plays a critical role in the economic development of a country by facilitating financial intermediation, supporting trade, and promoting investment activities. Social Islami Bank PLC (SIBL), a leading Shariah-based bank in Bangladesh, operates with the vision of fostering economic growth through ethical and inclusive banking practices. Understanding the general banking activities and analyzing the financial performance of this bank is crucial in assessing its contribution to the economy and its operational efficiency. This study is significant for several reasons. First, general banking activities form the core of a bank's operations, encompassing services such as account management, deposits, remittance, and loans. By gaining insights into these activities at Social Islami Bank PLC, the study will help identify how effectively the bank

meets customer needs and adapts to the changing financial landscape. Second, analyzing the financial performance of Social Islami Bank PLC provides a clearer understanding of its profitability, liquidity, asset management, and overall financial stability. This analysis is particularly important as it highlights the bank's ability to compete in a dynamic market and adhere to Shariah principles while maintaining financial growth. This study has practical implications for both academic and professional purposes. For students, it bridges the gap between theoretical knowledge and real-world banking practices, offering an opportunity to gain hands-on experience in understanding banking operations and financial analysis. For banking professionals and policymakers, the findings can serve as a reference for improving performance metrics, customer service, and financial strategies. This study seeks to contribute to the understanding of Islamic banking practices and financial performance in the context of Social Islami Bank PLC. It aims to highlight key operational strengths and challenges while providing actionable insights to ensure sustainable growth in the competitive banking sector of Bangladesh.

1.3. Objective of the Study

The primary objective of this study is

- To examine the general banking activities and evaluate the financial performance of Social Islami Bank PLC.

The specific objectives are as follows:

- To understand the operational framework of general banking activities** at Social Islami Bank PLC, including account management, cash handling, and customer services.
- To analyze the financial performance of the bank using key financial indicators such as profitability, liquidity, and solvency.
- To identify the strengths and challenges faced by Social Islami Bank PLC in its general banking operations.
- To provide insights into the efficiency and effectiveness of the bank's financial management practices.
- To recommend potential strategies for improving both the banking operations and overall financial performance.

1.4. Scope of the Study

The scope of this study focuses on examining the general banking activities and financial performance of Social Islami Bank PLC (SIBL). This report highlights the various functions and services offered under general banking, such as account opening, cash management, clearing, remittance, and customer services. Additionally, it analyzes the financial performance of the bank by evaluating key financial indicators, including profitability, liquidity, and efficiency. The study primarily concentrates on data collected during the internship period, supplemented by annual reports, financial statements, and relevant secondary data. The scope also includes understanding the role of Social Islami Bank PLC in the Islamic banking sector, identifying operational strengths and weaknesses, and assessing how its financial performance aligns with industry standards.

1.5. Limitations of the Study

While conducting this study on the general banking activities and financial performance analysis of Social Islami Bank PLC, several limitations were encountered that may have affected the overall outcome of the research. These limitations are as follows:

- **Limited Timeframe:** The internship duration was relatively short, spanning only a few months. Due to time constraints, it was not possible to conduct an in-depth and comprehensive analysis of all banking operations and financial performance aspects of Social Islami Bank PLC.
- **Lack of Access to Confidential Data:** As an intern, access to sensitive and confidential financial data was restricted. Many detailed and classified figures were unavailable, which limited the scope of the financial performance analysis.
- **Dependence on Secondary Data:** The financial performance analysis relied heavily on secondary data, such as annual reports, financial statements, and other published documents. Any inaccuracies or biases in the data sources may have influenced the findings.
- **Limited Exposure to All Departments:** Although the study focuses on general banking activities, due to operational limitations, exposure to all departments and services, such as foreign trade or credit risk management, was not feasible.
- **Resource Constraints:** The lack of adequate resources, including financial tools, sophisticated software, and data analytics techniques, restricted the ability to carry out

advanced financial performance evaluations.

- **Time Limitation for Client Interaction:** Interactions with customers and bank officials were limited, as daily operational activities kept the employees occupied. This made it difficult to gather extensive feedback and qualitative insights on customer satisfaction and banking operations.

Chapter 2: Literature review

Numerous studies have explored the performance of Islamic banks, including Social Islami Bank PLC (SIBL). Research by Khan and Ahmed (2016) examined the financial performance of Islamic banks in Bangladesh, highlighting the importance of factors such as capital adequacy, liquidity, and asset quality. Another study by Islam and Rahman (2017) analyzed the impact of Islamic banking on economic growth in Bangladesh, emphasizing the role of Islamic banks in promoting financial inclusion and sustainable development.

In the context of SIBL, studies have focused on its financial performance, risk management practices, and customer satisfaction. For instance, a study by Chowdhury and Ahmed (2020) assessed the impact of COVID-19 on the financial performance of SIBL. They found that while the pandemic presented challenges, SIBL was able to maintain its financial stability through prudent risk management and strategic decision-making.

General banking activities are the backbone of a bank's operations, encompassing account management, cash handling, remittance, and clearing activities. Social Islami Bank PLC (SIBL) operates under Shariah-compliant principles, offering specialized deposit schemes such as Mudaraba Savings and Hajj Deposits to meet diverse customer needs. Evaluating SIBL's financial performance through liquidity, profitability, and efficiency ratios highlights its steady growth and resilience in competitive markets. Financial performance analysis further showcases SIBL's effective profit-sharing mechanisms and ethical banking practices, aligning with Islamic principles

By understanding the theoretical underpinnings of Islamic banking and the specific context of SIBL, this study aims to provide a comprehensive analysis of the bank's general banking activities and financial performance.

Chapter 3: Methodology

3.1. Research Design

An examination of the “General Banking Activities and Financial Performance Analysis of Social Islami Bank PLC." is presented in this narrative approach report. Collecting secondary data has been the main method of preparation. For this purpose, the primary secondary sources of information were SIBL's annual reports and financial statements. Primary data sources were utilized in addition to secondary data. In order to compile this research, we gathered data from 2019 through 2023.

3.2. Data Collection

For the purpose of assessing the investment performance of Social Islami Bank Limited, primary and secondary data were utilized.

Primary Data Sources:

- Face-to-face discussion with Bank Officers
- Engaging in direct, personal communication with clients.
- Practical knowledge gained while working in various areas of the Bank.
- Observation of banking operations directly.

Secondary Data Sources:

- SIBL's annual reports
- SIBL's annual financial statement
- The website of the bank.
- SIBL documentation
- Through the internet

3.3. Data Analysis

After collecting primary and secondary data I have processed and compiled them with the help of MS word. I have also prepared the necessary tables on the basis of collected data. Subsequently that I have analyzed this data and come up with some explanation which has been incorporated in the report.

Chapter 4: Organizational Profile

4.1. Introduction

Social Islami Bank PLC. (SIBL) was established in 1995 and is one of the top Shariah-based value-added financial organizations. SIBL Investment Ltd., SIBL Foundation Hospital, and SIBL Securities Ltd. make up SIBL. This groundbreaking three-tiered banking concept (formal, non-formal, and volunteer) brings fresh life to welfare banking in Bangladesh, with the goal of reducing poverty through the implementation of is stated in the mission statement of "Working Together for a Caring Society." For the benefit of our esteemed stakeholders and customers, our goal is to offer customers the most modern services and goods available. Owing to our unparalleled commitment to our customers, we have risen to the top of our industry. As we aid our customers in reaching their full potential, we establish long-term partnerships with them. Across the country, in 179 locations and 213 sub branches, 4,000 employees are at the ready to assist consumers at any time. In addition, the country's most remote areas can access banking services through its 375 agent banking facilities. Building a compassionate society is the unwavering goal of all SIBL programs. Financial activity cannot bring about a fair and equal society, according to SIBL, which has an in-depth connection with other people's emotions. Therefore, for altruistic reasons, it takes part in CSR programs. From empowering families to ending poverty, we cover it everything. In addition to its principal objective of producing a profit, Become the most comprehensive and humanitarian bank in the nation by achieving the milestones set by the Bank. This sets it apart from others.

4.2. Background of SIBL

With a focus on providing innovative banking services that are in line with shariah law, SIBL opened its doors in 1995 in Bangladesh. The Bank is committed to promoting ethical and socially responsible banking practices in accordance with Islamic banking principles. It serves to individuals, SMEs, and corporations by providing a variety of deposit accounts, loans, internet banking services, and financing for international commerce. SIBL is well-established in the banking industry of Bangladesh and runs a branch network all across the nation. By assisting the unbanked and underserved and by backing programs that promote entrepreneurship and the expansion of small businesses, the Bank demonstrates its dedication to fostering social and economic development in Bangladesh. It also provides non-conventional banking services, SIBL has embraced technological advancement and innovation in order to enhance its business

operations and provide superior service to individuals. By providing its customers with the ability to access their accounts and carry out transactions from the comfort of their own homes or while they are on the go, the Bank has developed online banking services as well as mobile banking services. To sum up, SIBL is a respected and trusted commercial financial institutions in the country of Bangladesh that has made a name for itself by promoting for responsible and ethical banking practices. A major player in the country's financial industry, SIBL is well-positioned for future growth and success because to its extensive branch network, wide range of financial goods and services, and emphasis on technology and innovation.

4.3. Mission

- Establishing Three Sector Banking Model
- Transformation to a service-oriented technology driven profit earning Bank
- Fast, accurate, and satisfactory customer service
- Balanced & sustainable growth strategy
- Optimum return on shareholders' equity
- Introducing innovative Islamic Banking Products
- Attracting and retaining high-quality human resources
- Empowering real low-income families and creating local income opportunities
- Providing support for social benefit organizations by way of mobilizing funds and social service

4.4. Vision

- Working together for a caring society

4.5. Commitments of SIBL

- To the regulators
- To the shareholders
- To the nation
- To the customer

- To the employees
- To the other stakeholders

4.6. Core Values

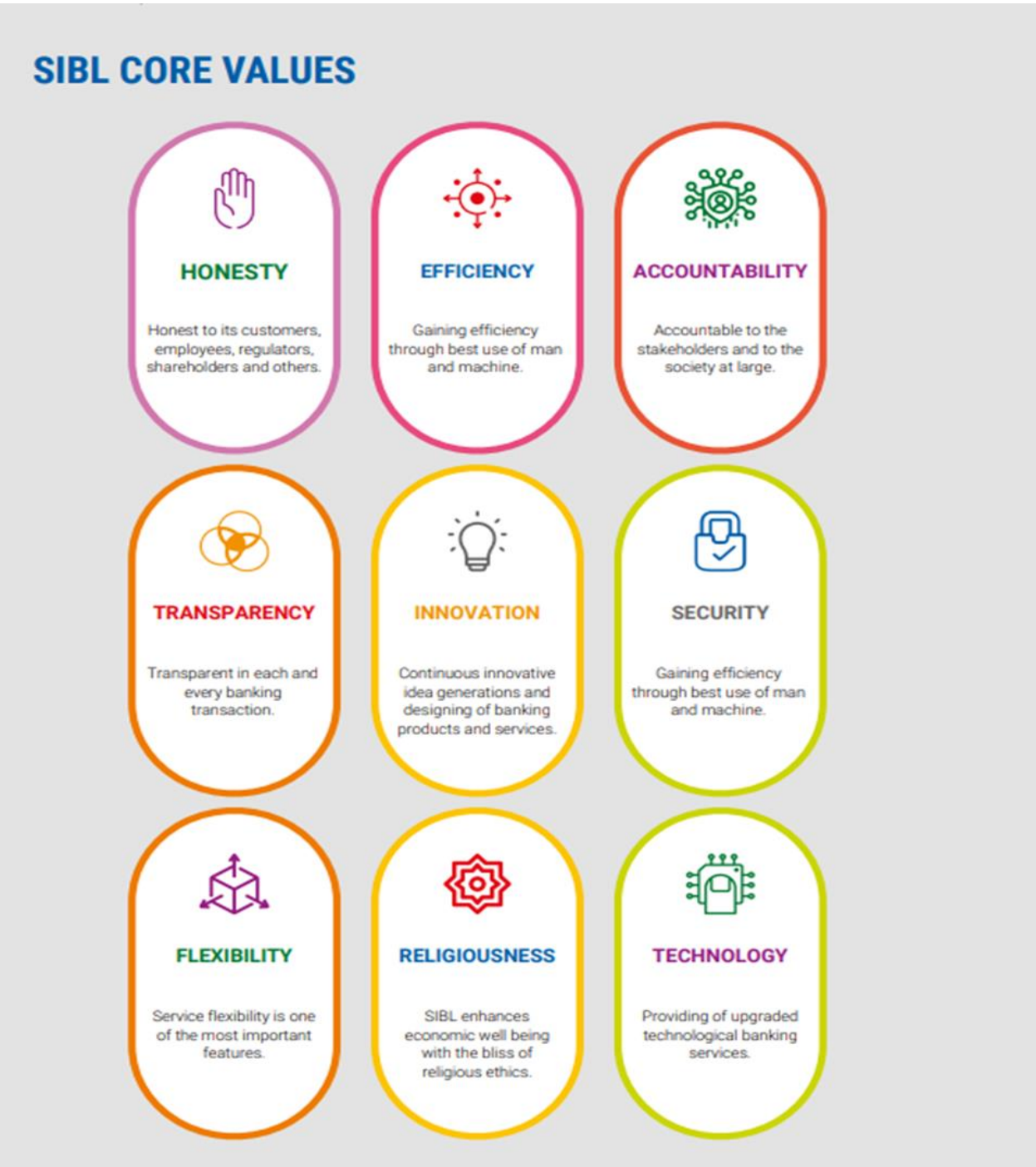


Figure 4.0. 1: Core values

4.7. Social Islami Bank Limited's organizational structure



Figure 4.0 2: Corporate Structure

4.8. Social Islami Bank Limited's company profile

NAME	SOCIAL ISLAMI BANK LIMITED
Date of incorporation	5 July,1995
Date of inauguration of operation	22 November, 1995
Registered office	City Center 90/1, MOTIJEEL COMMERCIAL AREA Dhaka- 1000,Bangladesh
Head Office	City Center 90/1, MOTIJEEL COMMERCIAL AREA Level:19-23,28&29 Dhaka- 1000,Bangladesh
Logo	
Name of Chairman of the Board	MR. BELAL AHMED
Name of Managing Director	MR. ZAFOR ALOM
Number of Branches	179
Services provided	Deposit Scheme, Credit facility, Investment facility &Foreign Exchange services
Paid up Capital	10,341.54 (2022)
Total Capital	33,986.12 (2022)
Technology used	Member of ABABIL
Earnings per share	1.80(2022)
Software Used	ABABIL

Table 4.1: Company Profile

Chapter 5: General Banking Activities of Social Islami Bank PLC

General banking provides the foundation of banker customer relationship through opening account. This is the most busy department and the daily transaction of concerned to the customers for drawing or depository money, Selling of instruments, collection of their instruments providing other additional services to them and keep customer section busy. Officers of this dept. should possess the required behaviors for optimum satisfaction of the customers. The Bank provides different type of accounts and special type of savings scheme under general Banking. For proper functioning and excellent customer service this department is divided into various sections namely as follows:

5.1. General banking in Social Islami Bank Limited (SIBL)

General banking is the starting point of all the banking operations. It is the department, which provides day-to-day services to the customers. It opens new accounts, remit funds, issue bank drafts and pay orders etc. Provide customer through quick and sincere services is the goal of the general banking department. It provides those customers who come frequently and those customers who come one time in banking for enjoying ancillary services. In some general banking activities, there is no relation between banker and customers who will take only one service form bank. On the other hand, there are some customers with who banks are doing its business frequently. SIBL General banking is divided into six sections.

- Account opening section
- Bills and clearing section
- Remittance section
- Cash section
- Locker Service
- Closing of an account

5.2 Account Opening Section

Banker-customer relationship begins with the opening of an account by the customer. Opening of an account binds the same into a contractual relationship. But the selection of customer is very crucial. In fact, fraud and forgery of all kinds start by opening of an account by the customer(s). So, the bank takes extra care in its selection. SIBL officer opens different types of accounts on the request of clients. The procedure of opening account is given below:

5.2.1 Procedure and rules to open a new account:

Before opening of a savings Bank Account the following formalities must the completed by the customers:

- Account opening From: To be filled in and signed by each account holder.
- Latest passport size photograph (2 copies) for each account holder attested by the introducer.
- Account payee cheque in favor of the account holder or cash deposit.
- Copy of Voter identity card/Ward Commissioner Certificate.
- Introduction of account holder (Mandatory): To be signed by introducer with ID and account number.
- 1 (One) copy of nominee's photograph (attested by the account holder).
- Copy of voter identity card (nominee).
- Initial deposit TK. 1000 (One thousand taka only) after fulfilling above formalities, open an account for the client and provide the customer with a deposit book and a checkbook.

5.2.2 Al-Wadiah Current account (Individual)

- Account opening From: To be filled in and signed by each account holder.
- Latest passport size photograph (2 copies) for each account holder attested by the introducer.
- Attested copy of valid Trade license.
- Attested copy of passport of the proprietor.
- Company seal and TIN (Tax identification Number) Certificate.
- Copy of Voter identity card.
- Introduction of account holder (Mandatory): To be signed by introducer with ID and account number.
- One copy of nominee's photograph (attested by the account holder).

5.2.3 Mudaraba Special Notice Account

- Any company, business entity, debt of the govt. organization and trust or any person can open this account.
- This account is operated under Mudaraba principle.
- Any amount can be withdrawn or transferred to al Wadiah current account or any other

accounts after placing a notice of seven days.

- Cheque books are provided for these account

5.2.4 Deposits Account by SIBL:

5.2.4.1. Mudaraba saving Deposits (MSD)

These are profit bearing deposit account. The drawings are restricted in respect of both the amount of withdrawal and the frequency there of so the payment of interest does not become any compensating for the banker. Sometime the restrictions are ignored against the depositor's written confirmation to forgo his claim for interest on the total balance for the whole month of withdrawal. Some Special Saving Scheme

- Mudaraba Hajj Saving Scheme
- Mudaraba Education Scheme
- Mudaraba Millionaire Scheme People of Bangladesh are the followers of Islam.

They are mostly interested to make interest free deposits. Taking these facts into consideration SIBL a joint venture Islami bank introduced a monthly installment based "Mudaraba Millionaire Scheme"

5.2.4.2. Mudaraba Monthly Profit Deposit Scheme

The features of this scheme are as follows:

- Tk. 1, 00,000; 1, 10,000; 1, 20,000 or 1, 25,000 or any amount multiple can be deposited under this scheme.
- Profits shall be distributed under this scheme as follows:
    - 1,00,000 Tk. 900 (Provisional)
    - 1,10,000 Tk. 1000 (Provisional)
    - 1,20,000 Tk. 1100 (Provisional)
    - 1,25,000 Tk. 1150 (Provisional)
- The duration of the amount should be for Five years.
- The payable profit will become due after 1 month of deposit. But the amount will be deposited to account in the last week of the month.
- Generally, a depositor cannot withdraw the amount before 5 years. But in unavoidable circumstance the depositor can withdraw the amount and in that case the depositor will have to submit the duly filled application form of the scheme.

5.2.4.3. Mudaraba Term Deposit

The term and condition Mudarabah is same as general Mudarabah excepting one that under this arrangement the owner of the fund agrees keep the deposit remain with the Islami bank for a particular time period (3 months/6 months). The Interest rate followed by SIBL

- For 3 month @ 9
- For 6 month @ 9
- For 1 Year @ 9
- For 2 Year @ 9
- For 3 Years @ above @ 9

5.2.4.4. Al-Wadiah Current Deposit (Code No: 133)

- AL WADIAH Current Deposit A/c's are opened proper introduction with minimum initial deposit fixed by the Bank.
- II. AL WADIAH Deposit is accepted on AL WADIAH principles which mean al Amanat with permission to use. According to this principle Bank can use the fund of the account along with other funds as per Shariah at bank's own risk. Account holders will not share any profit/loss.
- The Law and regulation of Bangladesh, usual customs and procedures common to banks in Bangladesh including Islamic Banking Principles shall apply to and govern he conduct of account opened with the Bank.

5.3 SIBL Young Star Account

Today's youngsters are going to be the future business personalities of the country. That's why SIBL Young Star account has been introduced with a view to raising savings tendency among school-going children from childhood.

- The beneficiaries are entitled to daily profit on daily balance, which directly adds to the account
- There is no need to keep minimum balance to run the scheme.
- The scheme holders shall be provided annual charge free Debit card and Credit card of the bank
- The account holders shall be given attractive gift hampers at the time of opening the account.

- With the help of school authority and the bank, the students can save money at the institutions in presence of bank's executives.
- After opening Young Star account, the students can pay school-fees through balance transferring from their account.
- SIBL Young Star account holders desiring to achieve higher education in future would get investment facility from the bank.

5.4 Cash Waqf Certificate

- In this case the WAPF concept of Islam has been borrowed by the Islami bank for deposit mobilization purpose.
- The nature of account is donation type.
- The accountholder operate the account for benevolent purposes.
- He can withdraw any amount from the account for personal use or consumption.
- Highest weight age is given to this account in distributing profit.

5.5 Bills and Clearing Section

SIBL Local Office branch performs the bill clearing function through Local office. SIBL Local office acts as the agent of all SIBL branches for the clearing house of the Bangladesh Bank.

5.5.1. Inward Cheque

Inward cheques are those ones drawn the respective branch which have been presented on other banks and will be cleared/honored through the clearing house of Bangladesh Bank. For example the cheque drawn on SIBL Local Office Branch then the cheque is called inward cheque of SIBL Local Office Branch.

5.5.2. Outward Cheques:

Outward cheques are those ones drawn on other bank branches which are presented on the concerned branch for collection through clearing house of Bangladesh Bank. These cheques are called outward cheques.

5.5.3. Outward bills for Collection (OBC):

By OBC, we mean that those cheques drawn on other which are not within the same clearing house. Officer gives OBC seal on this type of cheques and later sends a letter to the manager of the branch of the some bank located in the branch on which cheque has been drawn. After

collection of that bill branch advices the concerned branch in which cheques has been presented to credit the customer account through Inter Branch Credit Advice (IBCA). In absence of the branch of the same bank, officer sends letter to manager of the bank on which the cheques is drawn. That bank will send pay order in the name of the branch. This is the procedure of OBC mechanism.

5.5.4. Clearing:

The scheduled banks clear the cheques drawn upon one another through the clearing house. SIBL is a scheduled Bank. According to the Article 37 (2) of Bangladesh Bank Order, 1972, the banks which are the member of the clearinghouse are called as Scheduled Banks. This is an arrangement by the central bank where every day the representative of the member banks gathers to clear techniques. The place where the banks meet and settle their dues is called the clearinghouse. The clearinghouse sits for two times a working day. The SIBL Local office Br. sends the instruments through Inter Branch Debit Advice (I.B.D.A). SIBL Local Office acts as an agent in this case

5.5.5. Receiving Cheques for Collection:

In SIBL, cheques of its customers are received for collection from other banks. In case of receiving cheques, following points should be checked very carefully.

- The cheques should not carry a date older than the receiving date for more than 6 months. In that case it will be a ‘stale cheque’ and it will not be allowed for collection. Again the date of the cheque should not be more than 1 day’s forward than the receiving date.
- The amount in figures and words in both sides of the pay-in-slip should be same and it should also be same with the amount mentioned in figures and words in the cheque.
- The name mentioned in the cheque should be some in both sildes of the pay-in-slip and it should be the same with the name mentioned in the cheque.
- The cheque must be crossed.

5.5.6. Cheque and Crossing

A “Cheque” is a bill of exchange drawn on a specified banker and not expressed to be payable otherwise than on demand. (According to section-6, Negotiable Instrument Act, 1881). A cheque may be classified into:

- An open cheque which can be presented for payment by the holder at the counter of the

drawer's bank.

- A cross cheque is a check that has two parallel lines drawn across it, either horizontally or through the top left-hand corner.

5.6. Remittance of Funds

Remittance of funds is ancillary services of SIBL. It aids to remit fund from one place to another place on behalf of its customers as well as non-customers of bank .SIBL has its branches in the major cities of the country and therefore, it serves as one of the best mediums for remittance of funds from one place to another. The main instruments used by SIBL, Local Office Branch for remittance of funds.

5.6.1. Pay Order/ Banker's check

The pay order is an instrument issued by bank, instructing itself a certain amount of money mentioned in the instrument taking amount of money and commission when it is presented in bank. Only the branch of the bank that has issued it will make the payment of pay order. The banker's cheque must come the branch for payment wherever it is presented. The procedures for issuing a Pay Order are as follows: 1.Deposit money by the customer along with application form.

- Give necessary entry in the bills payable (Pay Order) register where payee's name, date etc is mentioned.
- Prepared the instrument.
- After scrutinizing and approval of the instrument by the authority, it is delivered to customer.
- Signature of customer is taken on the counterpart.

If a buyer wants to cancel it, he should submit a letter of instrument in this regard and also return the instrument.

5.6.2. Bank Draft:

The person intending to remit the money through a pay order has to deposit the money to be remitted with the commission which the banker charges for its services. The amount of commission depends on the amount to be remitted. On issue of the pay order, the remitter does not remain a party to the instrument 1) Drawer branch 2) Drawer branch 3) Payee. This is treated

as the current liability of the bank as the banker on the presentation of the instrument should pay the money. The banker event on receiving instructions from the remitter cannot stop the payment of the instrument. Stop payment can be done in the following cases:

- Loss of draft before endorsement in this case, "Draft reported to be lost payee's endorsement requires verification" is marked.
- Loss of draft after endorsement: In this case, the branch first satisfies itself about the claimant and the endorsement in his favor.

A commission of 0.15% is taken on the draft value & Tk.50 is taken as postal charge.

5.7. Cash Section

The cash section of any branch plays very significant role in general banking department. Because, it deals with most liquid assets the SIBL Local Office Branch hasan equipped cash section. This section receives cash from depositors and pay cash against cheque, draft, PO and pay in slip over the counter.

- **Receiving Cash:** Any people who want to deposit money will fill up the deposit slip and give the form along with the money to the cash officer over the counter. The cash officer counts the cash and compares with the figure writer in the deposit slip. Then he put his signature on the slip along with the 'cash received' seal and records in the cash receive register book against A/C number. At the end of the procedure, the cash officer passes the deposit slip to the counter section for posting purpose and delivers the duplicate slip to the clients.
- **Disbursing Cash:** The drawn who wants' to receive money against cheque to the payment counter and presents his cheque to the officer.

He verifies the following information:-

- Date of the cheque
- Signature of the A/C hold
- Material alteration
- Whether the cheque is crossed or not
- Whether the cheque is endorsed or not
- Whether the amount in figure and in word correspondent or not Then he

checks the cheque from computer for further verification.

5.8. Locker Service

SIBL Local Office Br is providing facility of locker service for the purpose of safeguarding the valuable property of customers. The person or the organization that has any account in bank branch can enjoy this service. They can keep their valuable assets in banker's custody. Customers have right to look after with a key of their individual locker provided by bank. SIBL maintains the following types of lockers:

- Large locker
- Medium locker.
- Small locker.

For enjoying this service, clients have to give charge yearly Tk. 1500, Tk. 1250 and Tk.700 for large, medium and small locker respectively.

5.9. Closing of an Account

For two reasons, one can be closed. One is by banker and other is by the customer.

- By banker: If any customer doesn't maintain any transaction within six years and the A/C balance becomes lower than the minimum balance, banker has the right to close an A/C.
- By customer: If the customer wants to close his A/C, he writes an application to the manager urging him to close his A/C. Different procedures are followed in cash of different types of A/C to close. Fixed deposit A/C is closed after the termination of the period.

Closing process for current & saving A/C:

- After receiving customer's application the officer verifies the balance of the A/C.
- He then calculates interest and other charges accumulated on the A/C.
- If it bears a credit balance, the officer writes advice voucher. He gives necessary accounting entries post to accounts section.
- The balance is returned to the customer. And lastly the A/C is closed. But in practice, normally the customers don't close A/C willingly. At times, customers don't maintain any transaction for long time. Is this situation at first, the A/C becomes dormant.

Chapter 6: Financial Performance Analysis

Main objective of this report is to analyzing financial performance of Social Islami Bank Limited. So here discus during the period of year 2019 to 2023 financial ratio of Social Islami Bank Limited.

6.1. Operating Profit as a Percentage of Working Funds

Operating profit as a percentage of working funds is a key financial ratio used to measure a bank's operational efficiency.

Year	Percentage (%)
2019	30.72%
2020	24.08%
2021	23.53%
2022	22.80%
2023	21.42%

Table 6.1.: Operating Profit as a Percentage of Working Funds from 2019 to 2023

The provided data reveals a decreasing trend in the Operating Profit as a Percentage of Working Funds for SIBPLC over the years 2019 to 2023.

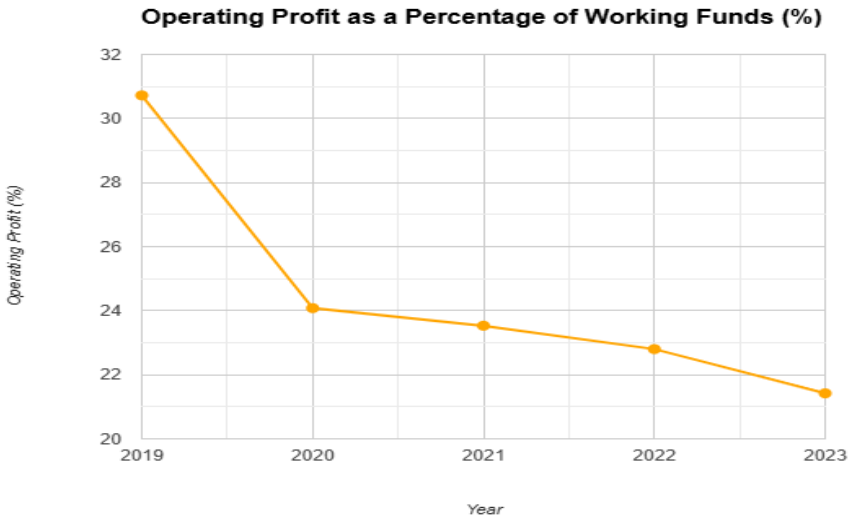


Figure 6.0.1.: Operating Profit as a Percentage of Working Funds from 2019 to 2023

This indicates that while the company's operating profit has been increasing, the efficiency in utilizing its working funds has been declining. This could be due to various factors such as increased operational costs, less efficient use of resources, or changes in the industry dynamics.

It's crucial for SIBPLC to analyze the underlying reasons for this trend and implement strategies to improve its operational efficiency and optimize the utilization of its working funds.

6.2 Operating Profit (Taka in Million)

Operating profit in a bank refers to the profit generated from its core business activities, excluding expenses like taxes and loan provisions.

Year	Operating Profit (Taka in Million)
2019	6342.11
2020	4343.21
2021	4525.23
2022	4786.08
2023	4794.5

Table 6.2.: Operating Profit from 2019 to 2023

The data shows a significant decline in Operating Profit from 2019 to 2023.

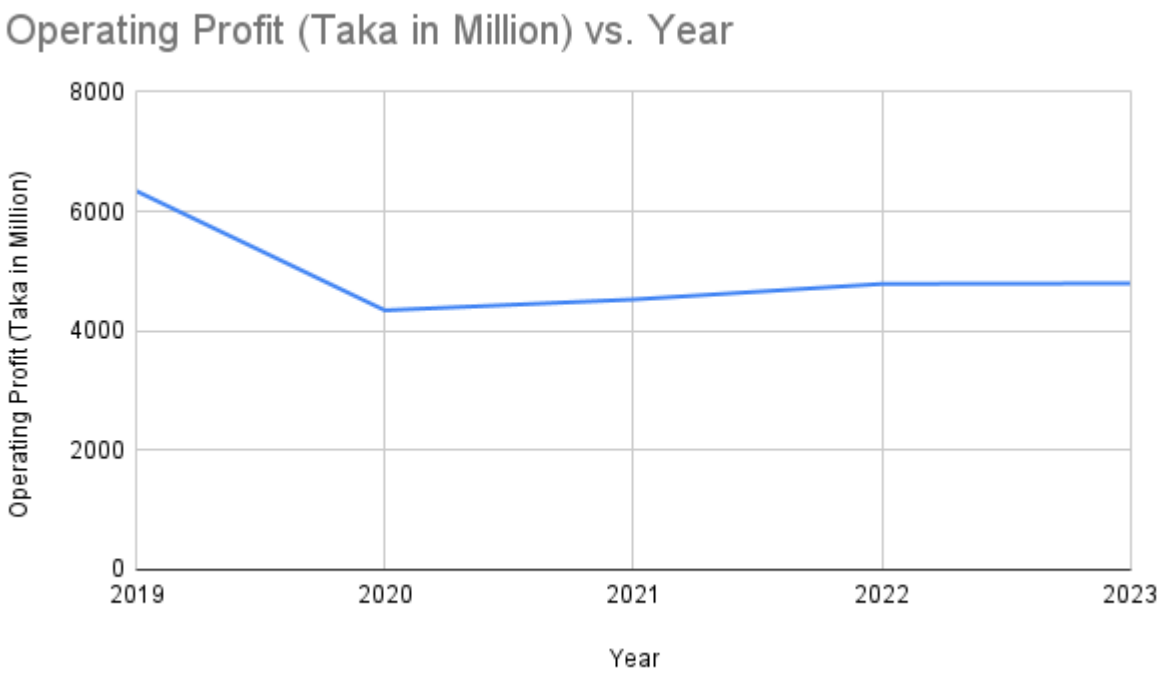


Figure 6.0.2.: Operating Profit from 2019 to 2023

While there was a slight recovery in the following years, the overall trend indicates a downward trajectory. This could be attributed to various factors such as economic downturns, increased operational costs, or changes in market dynamics. To improve the situation, the company may

need to focus on cost reduction strategies, explore new revenue streams, or enhance its operational efficiency. A deeper analysis of the underlying causes for the decline in operating profit is necessary to implement targeted solutions.

6.3. Return on Assets (ROA)

Return on Assets (ROA) is a key profitability metric used by banks to evaluate how effectively they utilize their assets to generate profit.

Year	Return on Assets (%)
2019	0.47%
2020	0.42%
2021	0.42%
2022	0.57%
2023	0.45%

Table 6.3.: Return on Assets from 2019 to 2023

The Return on Assets (ROA) for SIBPLC has fluctuated over the years 2019 to 2023.

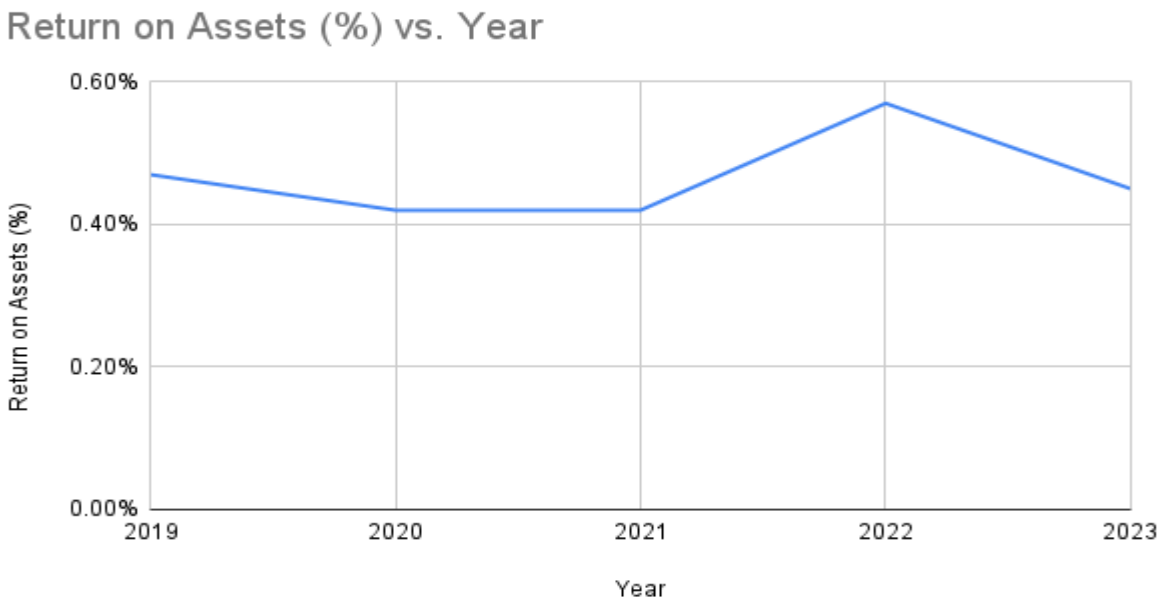


Figure 6.0.3.: Return on Assets from 2019 to 2023

While there was a slight increase in 2022, the overall trend suggests a relatively low and inconsistent ROA. This indicates that the company's efficiency in utilizing its assets to generate profits has been limited. Factors such as inefficient asset management, high operational costs, or industry-specific challenges could be contributing to this. It's essential for SIBPLC to analyze the

underlying reasons for the low ROA and implement strategies to improve asset utilization and profitability. The Return on Assets (ROA) for SIBPLC has fluctuated over the years 2019 to 2023. While there was a slight improvement in 2022, the overall trend suggests a relatively consistent performance. A low ROA can indicate that the company is not efficiently utilizing its assets to generate profits.

6.4. Stock Performance (Stock Price)

Stock performance in banks is typically assessed by examining stock price trends, price-to-earnings (P/E) ratios, dividends, and market capitalization.

Year	Stock Price
2019	13.70
2020	13
2021	14.80
2022	12.30
2023	11.70

Table 6.4.: Stock Performance from 2019 to 2023

The stock price of SIBPLC has shown a fluctuating trend over the years 2019 to 2023.

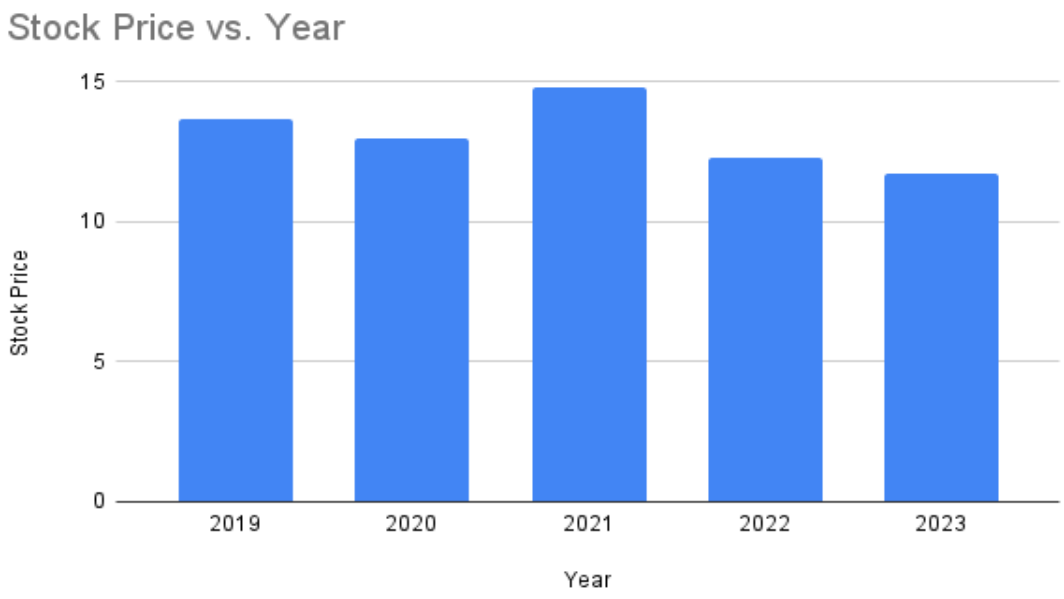


Figure 6.0.4.: Stock Performance from 2019 to 2023

The stock price of SIBPLC has shown a fluctuating trend over the years 2019 to 2023. There was an initial increase from 2019 to 2021, followed by a decline in 2022 and 2023. This fluctuation could be attributed to various factors such as overall market conditions, company performance, investor sentiment, and industry-specific events. It's important to analyze these factors in conjunction with the company's financial performance and strategic initiatives to understand the underlying causes of the stock price movement.

6.5. Profit after Tax (Taka in Million)

Profit after Tax (PAT) in a bank refers to the net income the bank retains after deducting all expenses, taxes, and provisions.

Year	Profit After Tax (Taka in Million)
2019	1521.45
2020	1550.94
2021	1659.71
2022	2429.78
2023	2564.73

Table 6.5.: Profit after Tax from 2019 to 2023

The provided data indicates a positive trend in the Profit after Tax for SIBPLC over the years 2019 to 2023.

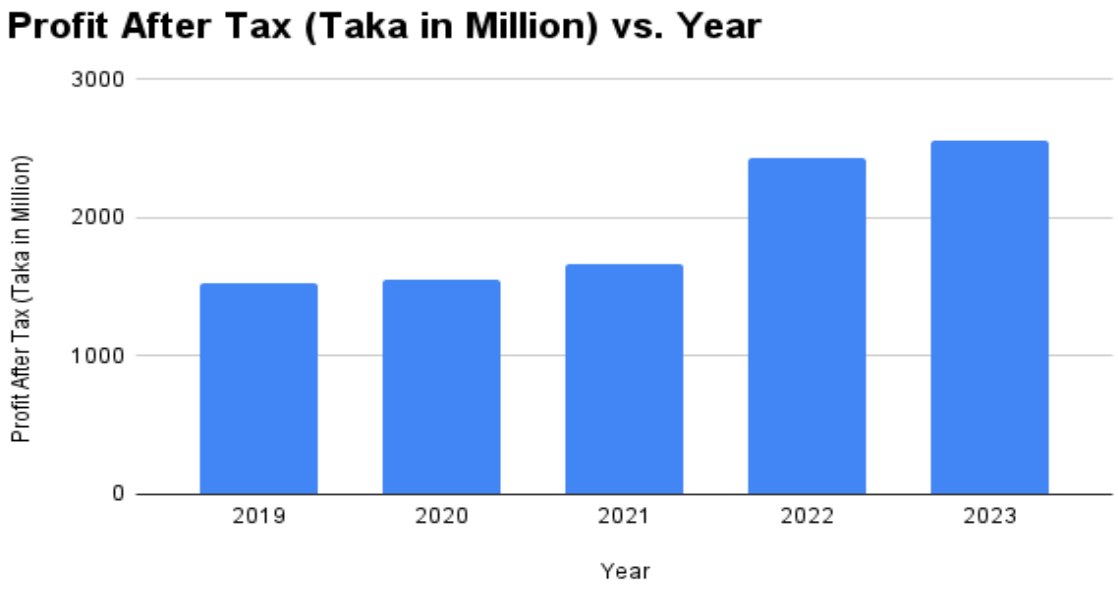


Figure 6.0.5.: Profit after Tax from 2019 to 2023

There is a steady increase in the profit after tax, with a significant jump in 2022. This suggests that the company's profitability has been improving over time. Several factors could contribute to this positive trend, such as increased revenue, cost reduction measures, or favorable market conditions. However, it's important to note that this is a snapshot of the data. A more comprehensive analysis would require considering other factors like economic conditions, industry trends, and specific company strategies.

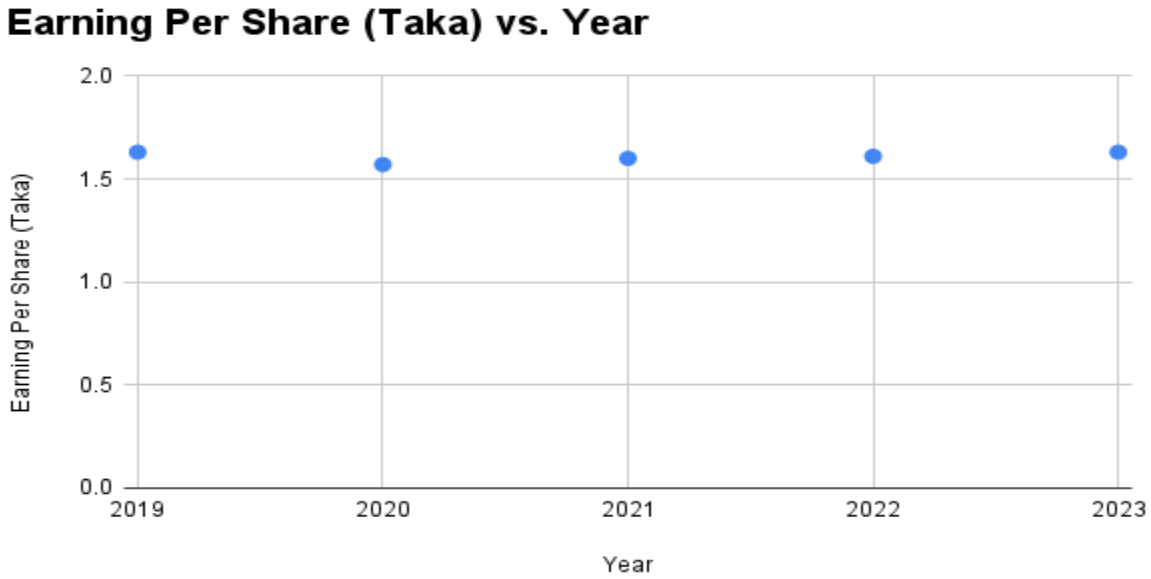
6.6. Earnings per Share (Taka)

The graph illustrates the Earning per Share (EPS) of Social Islami Bank Limited (SIBL) over the years 2019 to 2023. EPS is a financial metric that represents the portion of a company's profit allocated to each outstanding share of common stock.

Year	Earnings Per Share (Taka)
2019	1.63
2020	1.57
2021	1.6
2022	1.61
2023	1.63

Table 6.6.: Earnings per Share from 2019 to 2023

The graph shows a relatively stable EPS trend for SIBL during the specified period.



Fi

Figure 6.0.6.: Earnings per Share from 2019 to 2023

While there are slight fluctuations, the overall trajectory indicates consistent performance. This suggests that the bank has maintained a steady level of profitability and has been able to distribute a consistent amount of earnings to its shareholders. However, without specific numerical values, it's difficult to draw definitive conclusions about the magnitude of the fluctuations or the overall growth rate of EPS.

6.7. Total Eligible Capital (Taka in Million)

The graph depicts the trend in Total Eligible Capital (Taka in Million) of Social Islami Bank Limited (SIBL) from 2019 to 2023.

Year	Total Eligible Capital (Taka in Million)
2019	27901.8
2020	30365.9
2021	32447.95
2022	37966.12
2023	38744.63

Table 6.7.: Total Eligible Capital from 2019 to 2023

Total Eligible Capital represents the sum of a bank's capital and reserves, which serves as a measure of its financial strength and stability.

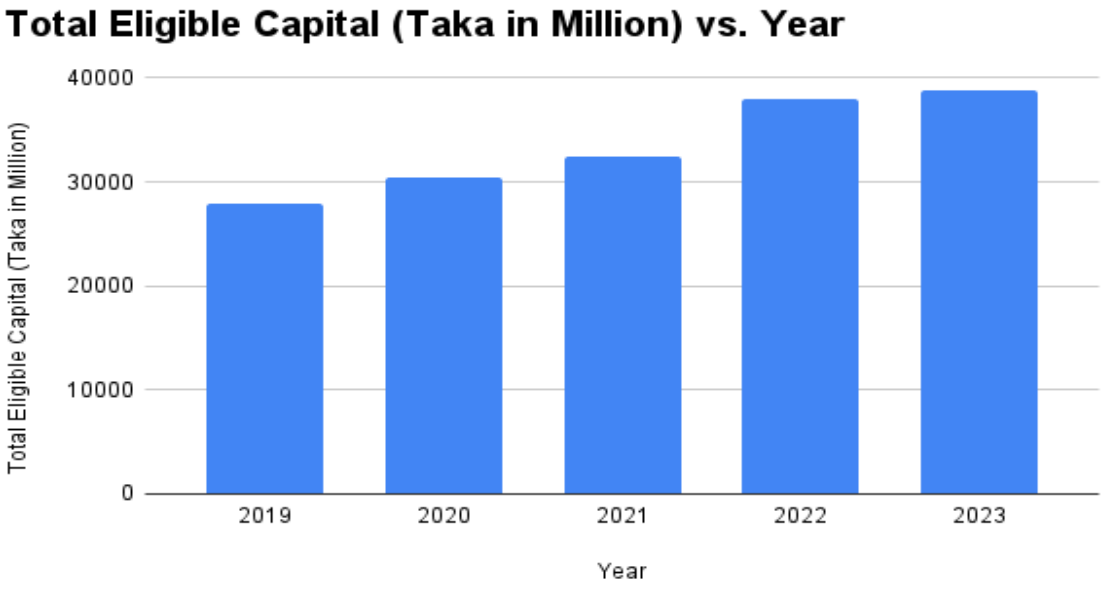


Figure 6.0.7.: Total Eligible Capital from 2019 to 2023

The graph shows a clear upward trend in SIBL's Total Eligible Capital over the years. This indicates that the bank has been consistently increasing its capital base, which is a positive sign for its long-term financial health. A stronger capital base allows a bank to absorb potential losses, invest in growth opportunities, and maintain confidence among depositors and investors. To provide a more comprehensive interpretation, it is essential to consider other factors such as the bank's profitability, asset quality, and overall risk profile. By analyzing these factors in conjunction with the trend in Total Eligible Capital, a more nuanced understanding of SIBL's financial performance can be gained.

6.8. Net Asset Worth (Taka in Million)

The graph illustrates the trend in Net Asset Worth (Taka in Million) of Social Islami Bank Limited (SIBL) from 2019 to 2023.

Year	Net Asset Worth (Taka in Million)
2019	17271.33
2020	18038.33
2021	19237.42
2022	20785.08
2023	22383.44

Table 6.8.: Net Asset Worth from 2019 to 2023

Net Asset Worth represents the total assets of a company minus its total liabilities. It signifies the company's net worth or the value of the company's assets in excess of its liabilities.

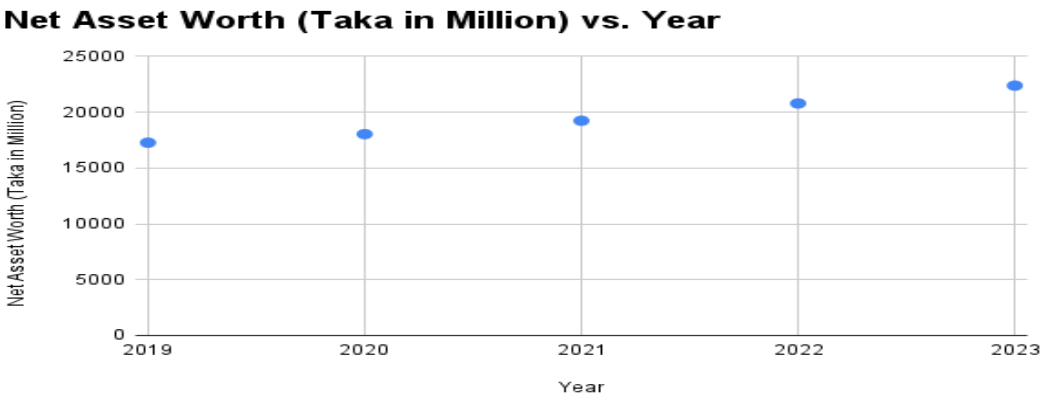


Figure 6.0.8.: Net Asset Worth from 2019 to 2023

The graph shows a steady upward trend in SIBL's Net Asset Worth over the years. This indicates a consistent growth in the bank's financial health and stability. A higher net asset worth implies

that the bank has more assets to cover its liabilities, which enhances its ability to withstand financial shocks and invest in future growth. It's essential to note that a higher net asset worth alone does not guarantee strong financial performance. Other factors, such as profitability, asset quality, and liquidity, also play a crucial role in assessing a bank's overall financial health. Therefore, it's important to consider these factors in conjunction with the net asset worth to gain a comprehensive understanding of SIBL's financial performance.

6.9. Total Paid-up Capital (Taka in Million)

The graph depicts the trend in Total Paid-up Capital (Taka in Million) of Social Islami Bank Limited (SIBL) from 2019 to 2023.

Year	Total Paid-up Capital (Taka in Million)
2019	8833.41
2020	9380.08
2021	9849.09
2022	10341.54
2023	10859.52

Table 6.9.: Total Paid-up Capital from 2019 to 2023

Total Paid-up Capital represents the amount of capital that shareholders have invested in the bank.

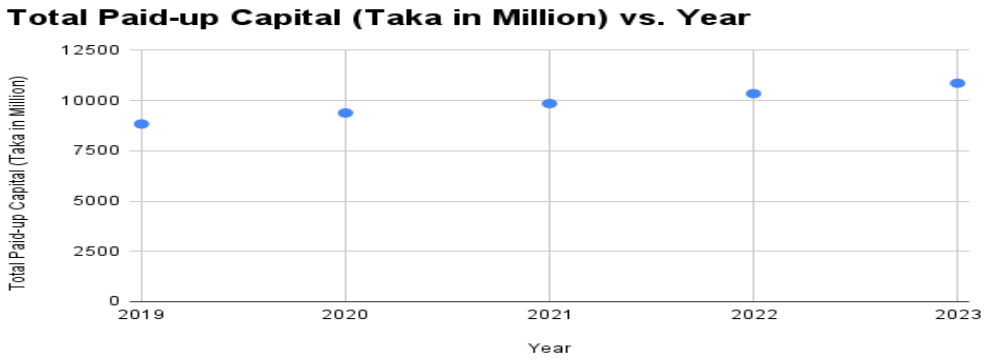


Figure 6.0.9.: Total Paid-up Capital from 2019 to 2023

It's a crucial component of a bank's financial strength as it acts as a buffer against potential losses. The graph shows a steady upward trend in SIBL's Total Paid-up Capital over the years. This indicates that the bank has been consistently raising capital from its shareholders. Increasing the paid-up capital allows the bank to expand its operations, invest in new projects, and enhance its overall financial position. It's important to note that while a higher paid-up capital is generally positive, it's essential to consider other factors like the bank's profitability, asset quality, and

overall financial performance. A well-capitalized bank can withstand economic shocks and maintain its stability, but it's also important to ensure that the capital is utilized effectively to generate returns for shareholders.

6.10. Total Shareholder's Equity

The graph illustrates the trend in Total Shareholder's Equity (Taka in Million) of Social Islami Bank Limited (SIBL) from 2019 to 2023.

Year	Total Shareholder's Equity (Taka in Million)
2019	17771.89
2020	18028.3
2021	19237.42
2022	20765.01
2023	22283.44

Table 6.10.: Total Shareholder's Equity from 2019 to 2023

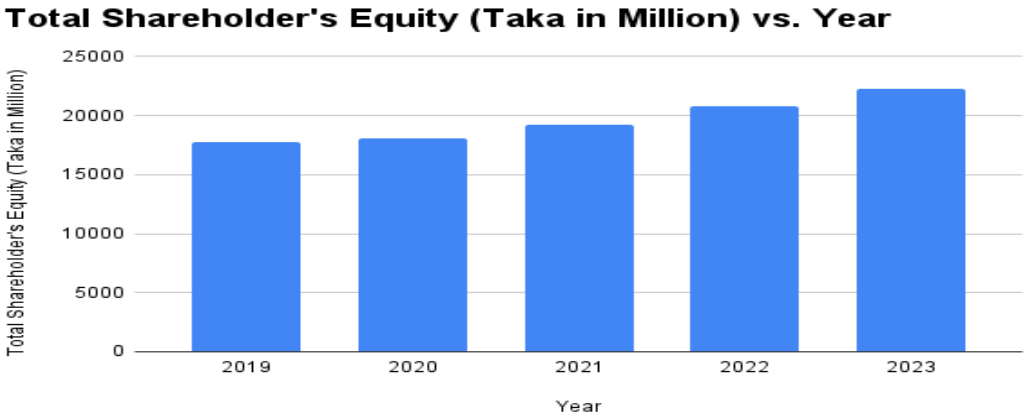


Figure 6.0.10.: Total Shareholder's Equity from 2019 to 2023

Total Shareholder's Equity represents the total value of a company's ownership. It's calculated by subtracting a company's total liabilities from its total assets. A higher shareholder's equity indicates a stronger financial position for the company. The graph shows a steady upward trend in SIBL's Total Shareholder's Equity over the years. This positive trend indicates a growing financial strength and stability of the bank. A higher shareholder's equity allows the bank to absorb potential losses, invest in growth opportunities, and maintain confidence among depositors and investors. However, it's important to note that a higher shareholder's equity alone does not guarantee strong financial performance. Other factors such as profitability, asset quality, and efficient management also play a crucial role in determining a bank's overall financial health.

6.11. Cost-Income Ratio (%)

The graph illustrates the trend in the Cost-Income Ratio of Social Islami Bank Limited (SIBL) from 2019 to 2023.

Year	Cost-Income Ratio (%)
2019	48.36
2020	58.1
2021	57.88
2022	60.85
2023	62.17

Table 6.11.: Cost-Income Ratio (%) from 2019 to 2023

The Cost-Income Ratio is a financial metric that measures a company's operating efficiency by comparing its operating expenses to its operating income. A lower ratio indicates better operational efficiency, as it means the company is able to generate more income relative to its expenses.

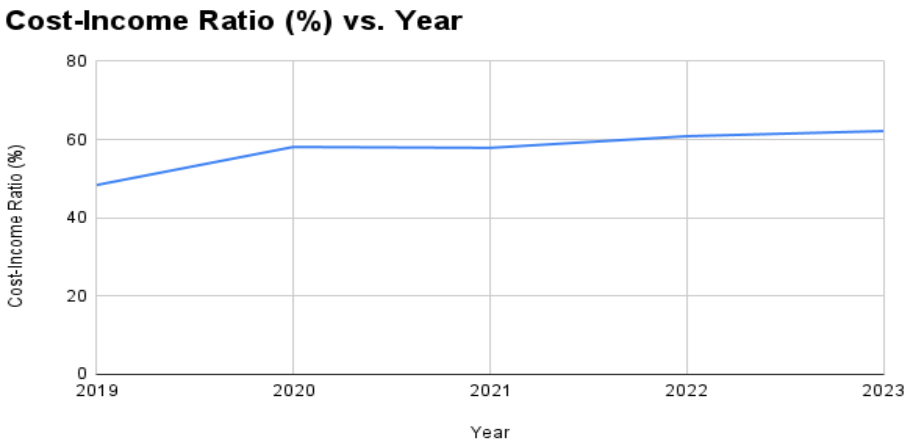


Figure 6.0.11.: Cost-Income Ratio (%) from 2019 to 2023

The graph shows a slight upward trend in SIBL's Cost-Income Ratio over the years. This indicates a marginal decline in the bank's operational efficiency. While the increase is relatively small, it suggests that the bank might be facing challenges in controlling its operating costs or increasing its revenue. It's important to note that a higher Cost-Income Ratio can impact a bank's profitability. By closely monitoring this metric and taking proactive measures to improve operational efficiency, SIBL can enhance its overall financial performance.

6.12. Debt Equity Ratio (Times)

The Debt-Equity Ratio is a financial metric that measures a company's financial leverage. It compares a company's total debt to its total equity. A higher debt-equity ratio indicates that a company is financing its operations more with debt than with equity.

Year	Debt Equity Ratio (Times)
2019	16.67
2020	17.57
2021	17.76
2022	16.42
2023	15.97

Table 6.12.: Debt Equity Ratio (Times) from 2019 to 2023

The graph illustrates the trend in the Debt-Equity Ratio of Social Islami Bank Limited (SIBL) from 2019 to 2023.

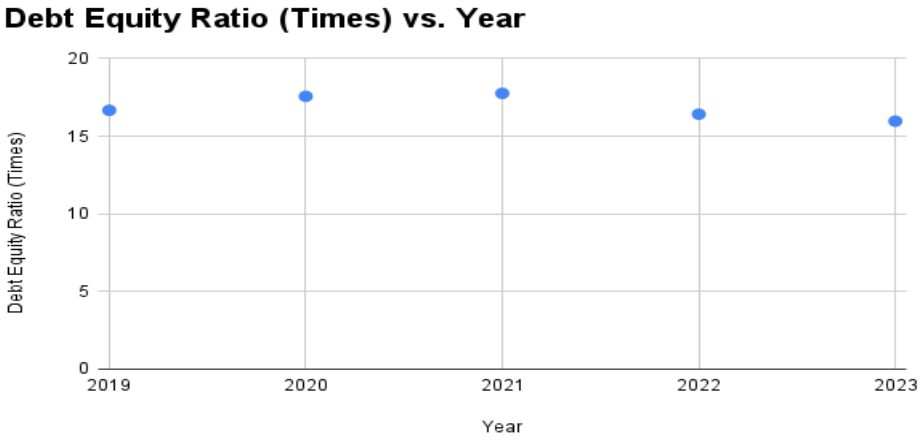


Figure 6.0.12.: Debt Equity Ratio (Times) from 2019 to 2023

The graph shows a relatively stable Debt-Equity Ratio for SIBL over the years. This suggests that the bank has maintained a balanced approach to financing its operations, avoiding excessive debt accumulation. A stable debt-equity ratio can be beneficial for a bank's financial health as it reduces the risk of financial distress. However, it's important to note that a low debt-equity ratio doesn't necessarily mean that the bank is not utilizing its capital efficiently. A certain level of debt can be used to fuel growth and increase returns. Therefore, it's essential to consider other factors such as

the cost of debt, the bank's profitability, and the overall economic environment to assess the impact of the debt-equity ratio on the bank's financial performance.

6.13. Current Ratio

The Current Ratio is a financial liquidity ratio that measures a company's ability to pay its short-term obligations with its current assets. A higher current ratio generally indicates better liquidity.

Year	Current Ratio (Taka in Million)
2019	1.03
2020	1.02
2021	1.02
2022	0.81
2023	1.02

Table 6.13.: Current Ratio from 2019 to 2023

The graph illustrates the trend in the Current Ratio of Social Islami Bank Limited (SIBL) from 2019 to 2023.

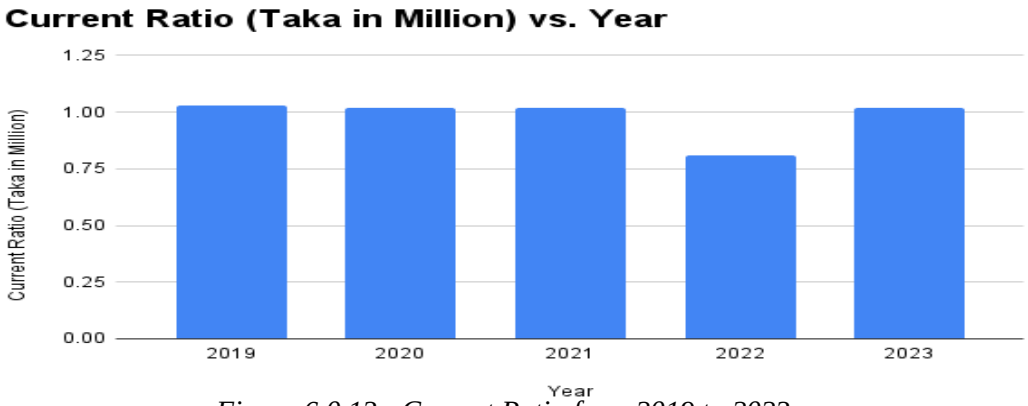


Figure 6.0.13.: Current Ratio from 2019 to 2023

The graph shows a relatively stable current ratio for SIBL over the years, with a slight dip in 2022. This suggests that the bank has maintained a healthy liquidity position, with sufficient current assets to cover its short-term liabilities. A stable current ratio is important for a bank's financial health as it helps to mitigate liquidity risks and ensures that the bank can meet its obligations on time. However, it's important to note that a very high current ratio may also indicate inefficient

use of funds. Therefore, maintaining a balanced current ratio is crucial for a bank's overall financial performance.

6.14. Gross Profit Ratio

The Gross Profit Ratio is a financial metric that measures a company's profitability by comparing its gross profit to its net sales. A higher gross profit ratio indicates better profitability.

Year	Gross Profit Ratio (%)
2019	71.12
2020	57.47
2021	55.86
2022	58.25
2023	56.61

Table 6.14.: Gross Profit Ratio from 2019 to 2023

In the case of this company, the graph shows a decline in the Gross Profit Ratio from 2019 to 2021, followed by a slight increase in 2022 and a subsequent decrease in 2023.

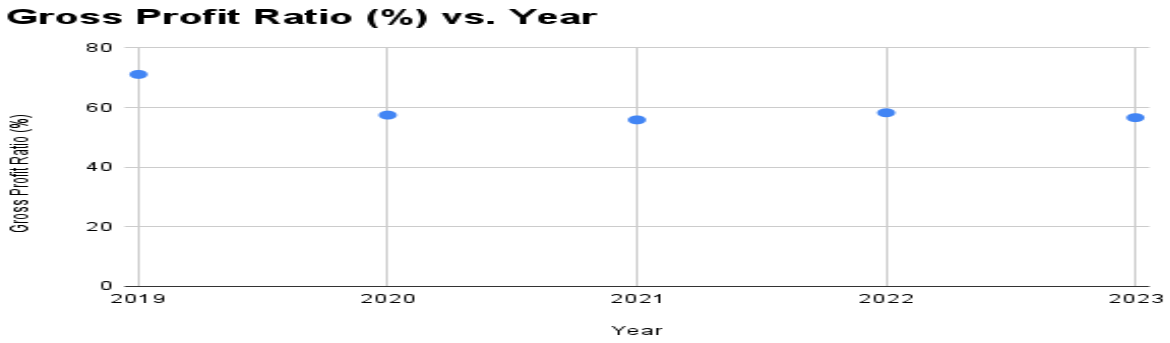


Figure 6.0.14.: Gross Profit Ratio from 2019 to 2023

This indicates fluctuations in the company's profitability over the years.Several factors could contribute to these fluctuations, such as changes in input costs, pricing strategies, product mix, or competitive pressures. To improve the Gross Profit Ratio, the company could consider strategies like increasing selling prices, reducing the cost of goods sold, or focusing on higher-margin

products. A sustained increase in the Gross Profit Ratio would indicate improved profitability and financial health for the company.

6.15. PE Ratio

This is a valuation ratio that compares a company's current share price to its earnings per share. It gives an idea of how much investors are willing to pay for each unit of earnings. A higher PE ratio often indicates that investors expect higher future growth.

Year	PE Ratio (Taka in Million)
2019	8.1
2020	7.86
2021	8.78
2022	6.25
2023	5.91

Table 6.15.: PE Ratio from 2019 to 2023

The graph shows the PE Ratio for a company over the years 2019 to 2023.

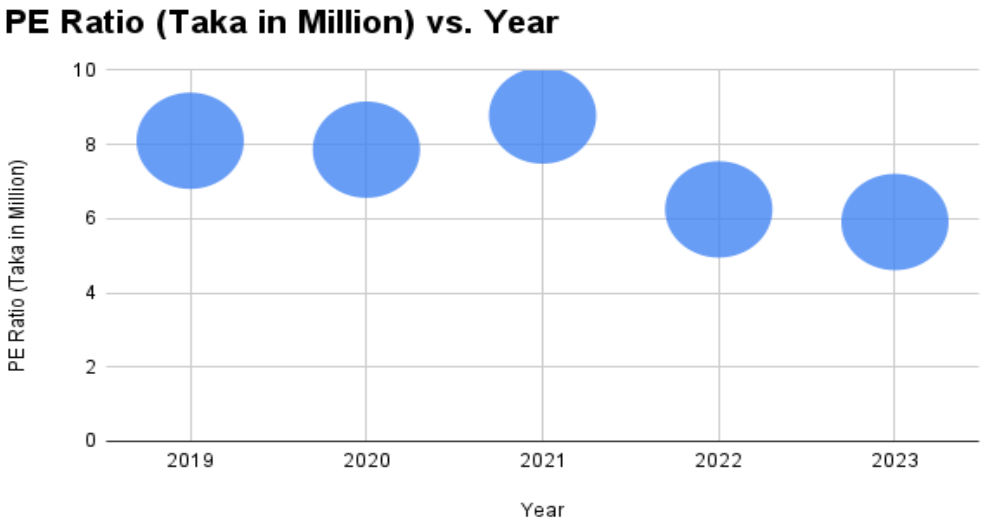


Figure 6.15.: PE Ratio from 2019 to 2023

Initial Period (2019-2020), The PE Ratio was relatively stable during this period. This could suggest a period of consistent performance and investor confidence. Upward Trend (2021). The PE Ratio increased significantly in 2021. This indicates that investors were more optimistic about

the company's future earnings potential, leading to a higher valuation. It could be due to factors such as strong financial performance, positive market sentiment, or anticipated growth. The PE Ratio decreased in both 2022 and 2023.This suggests a decline in investor confidence, potentially due to factors like decreased earnings, increased competition, or overall market conditions. The graph indicates a period of high investor optimism followed by a decline in confidence. It's important to note that the PE Ratio is just one metric and should be analyzed in conjunction with other financial indicators to get a comprehensive picture of a company's performance and valuation.

Chapter 7: Analysis & Findings

7.1. General Banking Activities:

Social Islami Bank Limited (SIBL) has established a comprehensive general banking framework to cater to a diverse range of customer needs. The bank offers a variety of accounts, including savings, current, and term deposit accounts, tailored to different customer segments. Additionally, SIBL provides essential banking services such as remittance, bill payments, and locker facilities. The bank's focus on customer satisfaction and efficient service delivery is evident in its well-organized general banking operations.

7.2. Financial Performance Analysis:

A detailed analysis of SIBL's financial performance reveals a mixed bag of results. While the bank has shown growth in certain areas, challenges persist in others.

- **Profitability:** The bank's profitability, as measured by metrics like Operating Profit and Net Profit after Tax, has shown mixed results. While there have been periods of growth, overall, the profitability has been relatively stable. The Cost-Income Ratio has been increasing, indicating a decline in operational efficiency. The bank needs to focus on cost control and revenue enhancement to improve its profitability.
- **Asset Quality:** The bank's asset quality, as reflected by its Non-Performing Loan (NPL) ratio, needs to be closely monitored. While the NPL ratio has been relatively low, it's essential to maintain stringent credit underwriting standards and effective loan recovery mechanisms.
- **Liquidity:** The bank's liquidity position, as indicated by the Current Ratio, has been relatively stable. This suggests that the bank has sufficient liquidity to meet its short-term obligations.
- **Capital Adequacy:** The bank's capital adequacy ratio has been satisfactory, indicating a strong capital base. This provides a cushion against potential losses and supports future growth.
- **Investor Confidence:** The stock price and PE ratio have shown fluctuations, indicating varying levels of investor confidence. The bank needs to focus on delivering consistent financial performance and implementing strategies to enhance shareholder value.

7.3. Opportunities for Improvement

SIBL has demonstrated a reasonable level of financial performance. However, to sustain growth and improve profitability, the bank should focus on the following areas:

- Operational Efficiency: Continuously strive to improve operational efficiency and reduce costs.
- Asset Quality: Maintain stringent credit underwriting standards and effective loan recovery mechanisms.
- Risk Management: Implement robust risk management practices to mitigate potential risks.
- Customer Focus: Prioritize customer satisfaction and offer innovative products and services.
- Digital Transformation: Embrace digital technologies to enhance customer experience and operational efficiency.

Chapter 8: Recommendations and Conclusion

Recommendations:

Based on the analysis of General Banking Activities and the Financial Performance of Social Islami Bank PLC (SIBL), several recommendations can be made to enhance the bank's operations and performance:

- **Improving Digital Banking Services:** SIBL should invest in strengthening its digital banking platforms to cater to the growing demand for online and mobile banking services. Enhancing user experience through intuitive interfaces and faster transaction processing will improve customer satisfaction and increase the bank's competitiveness in the market.
- **Risk Management Strategies:** Strengthening risk management frameworks to mitigate financial risks is essential. The bank should focus on enhancing its credit risk assessment systems and employ advanced analytics to identify potential defaults early. It should also diversify its risk portfolio by exploring investment options in stable, high-performing sectors.
- **Expanding Customer Base:** SIBL could explore expanding its customer base by targeting underserved segments such as small businesses, startups, and rural populations. Offering customized financial products and services can attract a wider customer demographic, thereby increasing profitability.
- **Cost Optimization:** While SIBL has made strides in managing its operational costs, it could further optimize its costs by automating routine processes, reducing manual interventions, and consolidating resources to eliminate inefficiencies. This can improve the bank's overall profitability.
- **Employee Training and Development:** Regular training programs for employees in customer service, financial products, and regulatory compliance are crucial for enhancing employee productivity and maintaining service quality. Up skilling the workforce will also help in adapting to changing financial trends and customer needs.

Conclusion:

Social Islami Bank PLC has demonstrated a strong commitment to offering a variety of banking services while maintaining solid financial performance. The bank's general banking activities, including deposit management, loan disbursement, and customer service, have contributed

significantly to its growth. However, as the banking sector continues to evolve, SIBL must focus on leveraging technology, improving risk management, and exploring new growth avenues to stay competitive. By implementing the recommendations outlined in this report, SIBL can further enhance its operational efficiency, profitability, and customer satisfaction, ensuring long-term success in a highly competitive financial landscape.

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Appendices

Appendix 1: List of Abbreviations

Abbreviation	Description
SIBL	Social Islami Bank Limited
BSEC	Bangladesh Securities and Exchange Commission
ROA	Return on Asset
ROE	Return on Equity
NIM	Net Income Margin
ROI	Return on Investment
CSR	Corporate Social Responsibility
CEO	Chief Executive Officer
Ltd.	Limited
SDGs	Sustainable Development Goals
CI	Classified Investment
TI	Total Investment

Appendix 2: List of Tables

Table 4.1: Company Profile ……..15

Table 6.1.: Operating Profit as a Percentage of Working Funds from 2019 to 2023……..27

Table 6.2.: Operating Profit from 2019 to 2023……..28

Table 6.3. Return on Assets (ROA)……29

Table 6.4. Stock Performance (Stock Price)……30

Table 6.5. Profit after Tax (Taka in Million)……..31

Table 6.6. Earnings per Share (Taka)……32

Table 6.7. Total Eligible Capital (Taka in Million)……33

Table 6.8. Net Asset Worth (Taka in Million)……34

Table 6.9. Total Paid-up Capital (Taka in Million)……35

Table 6.10. Total Shareholder's Equity……36

Table 6.11. Cost-Income Ratio (%)……37

Table 6.12. Debt Equity Ratio (Times)……38

Table 6.13. Current Ratio……39

Table 6.14. Gross Profit Ratio……40

Table 6.15. PE Ratio……41

Appendix 3: List of Figures

Figure 4.0. 1: Core values ……13

Figure 4.0 2: Corporate Structure …… 14

Figure 6.0.1.: Operating Profit as a Percentage of Working Funds from 2019 to 2023……. …27

Figure 6.0.2.: Operating Profit from 2019 to 2023……28

Figure6.03. Return on Assets (ROA)……29

Figure 6.0.4. Stock Performance (Stock Price)……30

Figure 6.0.5. Profit after Tax (Taka in Million)……31

Figure 6.0.6. Earnings per Share (Taka)……32

Figure 6.0.7. Total Eligible Capital (Taka in Million)……33

Figure 6.0.8. Net Asset Worth (Taka in Million)……34

Figure 6.0.9. Total Paid-up Capital (Taka in Million)……35

Figure 6.0.10. Total Shareholder's Equity……36

Figure 6.0.11. Cost-Income Ratio (%)……37

Figure 6.0.12. Debt Equity Ratio (Times)……38

Figure 6.0.13. Current Ratio……39

Figure 6.0.14. Gross Profit Ratio……40

Figure 6.0.15. PE Ratio……41