UGC & Govt. Approved
Sonargaon University (SU)
সোনারগাঁও ইউনিভার্সিটি (এসইউ)

Internship Report

On

"Loan and Advance of Agrani Bank PLC"

Supervised By

Department of Business Administration
Sonargaon University (SU)
Submitted for the partial fulfillment of the degree of
Bachelor of Business Administration

Submitted By

Nasma Akter
ID: BBA2002020017
Program: **BBA**
Major: Finance
Semester:Spring-2024
Sonargaon University (SU)

Sonargaon University (SU)
147/1, Green Road, Tejgaon, Dhaka-1215, Bangladesh

Date of Submission: 5th May, 2024

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Internship Report

On

"Loan and Advance of Agrani Bank PLC"

Supervised By

Nowshin Mahmood Tahiya
Lecturer
Department of Business Administration
Sonargaon University (SU)

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

Submitted By

Nasma Akter
ID: BBA2002020017
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147/1, Green Road, Tejgaon, Dhaka-1215, Bangladesh

Date of Submission: 5th May, 2024

Letter of Transmittal

5th May,2024

To

Nowshin Mahmood Tahiya

Lecturer

Department of Business Administration

Subject: Submission of Internship Report on **"Loan and Advance of Agrani Bank PLC"**

Dear Sir,

I am submitted my internship report on "**Loan and Advance of Agrani Bank PLC"**.

I tried my best to put a best effort for this report.

I have gathered valuable experiences from practical life situations in the process of preparing the report. I would like to thank you for your kind-hearted cooperation with me in preparing this report.

Sincerely yours,

Nasma Akter

ID: BBA2002020017

Program: BBA

Major: Finance

Semester:Spring-2024

Sonargaon University

Student's Declaration

I **Nasma Akter** hereby declare that the internship report titled "**Loan and Advance of Agrani Bank PLC"** is prepared by me after the completion of three months work at Bay Emporium Ltd, perused under the supervision of **Nowshin Mahmood Tahiya**, Lecturer of Department of Business Administration , Sonargaon University (SU).

I also confirm that the report is prepared for academic purpose and I have not submitted this report any other place before.

Nasma Akter
ID: BBA2002020017
Program: BBA
Major :Finance
Department of Business Administration
Sonargaon University (SU)

Supervisor's Declaration

This is to certify that **Nasma Akter** , is a student of BBA Program, ID No: BBA2002020017 under the Department of Business Administration, Sonargaon University. I will try to sccessfully completed this internship report entitled "**Loan and Advance of Agrani Bank PLC**" under my supervision for partial fulfillment of the award of BBA Program.

Nowshin Mahmood Tahiya

Lecturer

Department of Business Administration

Sonargaon University (SU)

Acknowledgement

For the very first of I would like to express my gratefulness and harmony to the Almighty Allah the supreme authority of the Universe.

I would like to thank my supervisor **Nowshin Mahmood Tahiya**, Lecturer, Department of Business Administration without whose help, suggestion and cooperation the total report will be valueless. I would like to convey my gratitude is the Vice President of Corporate Office Branch, Mr. Md. Mansur Ali Miah for his kind consideration to give me an opportunity to complete my internship at Bay Emporium Ltd. I would also thankful to Subroto Kumar Pal, Assistant Vice President (Foreign Exchange Division) of Bay Emporium Ltd, Corporate Office for his kind cooperation.

Agrani Bank Limited has secured the first position among the state-owned commercial banks in the government's Annual Performance Agreement (APA) evaluation for fiscal year 2019-2020.

The bank was awarded with a crest and acknowledgement certificate to honor the achievement, says a press release.

Mohammad Shams-Ul-Islam, managing director and CEO of Agrani Bank Limited, received the accolade on behalf of the bank at the 9th monthly APA meeting.

Executive Summary

This report aims to provide knowledge on products, activities and operation of Agrani Bank PLC. Before going to the analysis, it is mandatory to know something about the organization, its core products that it offers to its customers; about the loan & advances, its classifications and the whole of its process starting from loan sanction to recovery and closing of the loan.

That's why, first of all, I made an overview of the organization, Agrani Bank PLC, where I had completed my internship program. Here I tried to focus the bank's history of origination, its mission and vision, major departments and business units and major products and services. Then I said something about, the department where I was to perform my job responsibility. Credit department is the next section where I gave my concentration. Here I focused on the terms and conditions of giving loan, enterprise selection criteria and documentation. Then talked about the procedure of loan where I delineated the sanction, disbursement, repayment and closing of loan.

After talking about the whole process of loan, I tried to analyze the repayment behavior of borrowers. Then I have chosen eight major variables which have an impact on the recovery rate of loan. That is, these are the variables which may change the repayment behavior of borrowers. I found some significant variable like age, experience and income of the entrepreneurs which might have an impact on repayment of the loan.

Finally, I got some findings from the analysis of the repayment behavior of loan borrowers. Then I conclude my report saying some policy implications.

Acronyms

Acronym	Definition
ABPLC	Agrani Bank PLC
CBS	Core Banking Software
CDR	Credit Deposit Ratio
CCS	Consumer Credit Scheme
cc	Cash Credit
DBS	Double Benefit Scheme
EDS	Education Deposit Scheme
IBP	Inland Bill Purchase
1C	Industrial Credit
LIM	Loan against Imported Merchandise
LTR	Loan against Trust Receipt
MSS	Marriage savings Scheme
MES	Monthly Earning Scheme
NPL	Non-Performing Loan
RDS	Rural Deposit Scheme

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Chapter 1

Introduction

1.1 Background of the Study

The Internship of BBA is a partial requirement to take test of real-life challenge conducted by the Internship. It is the important part of BBA program. This program is three-month duration. During this period, I have worked closely with the employee of Narinda branch. This report presents the outcomes of the Report during the Internship Agrani Bank PLC. I was assigned to topic "Loans & Advances of Agrani Bank PLC (Narinda branch). Internship Report prepared as a requirement for the completion of the BBA program of the Jagannath University. The primary goal of Internship is to provide on the job exposure to the student and an opportunity for translation of theoretical conceptions in real life situation. Students are placed in enterprises, organizations, financial institutions, research institutions as well as development projects. The program covers a period of 12 weeks of organizational attachment.

After the completion of four-year academic BBA Program, I, Nasma Akter , Student of Savannah University, was placed in Agrani Bank PLC for the Internship. As a requirement for the completion of the program I need to submit a report, which includes loans and advances of Agrani Bank PLC (Narinda branch).

1.2 Objectives of the Report

This study is intended for providing me practical knowledge about banking operation system in Bangladesh. The prime objective of the study is to examine the performance of Agrani Bank PLC

- To analyze the loan and advance policies of Agrani Bank PLC .
- To highlight the practices of loan and advances disbursement in Agrani Bank PLC.
- To Study the socio-economic backgrounds and other characteristics of the Bangladesh.
- To identify the Products and Services offered by Agrani Bank PLC.
- To suggest appropriate policies for the development of entrepreneurs with view of alleviating poverty through Agrani Bank PLC finance in Bangladesh.
- To fulfill the partial requirement of BBA program.

1.3 Scope of the Study

Banks play an important role in the economy of nation. Banking Institutions are indispensable in a modern economy and banks play the role of vein in the economic body of the society. Banks also play pivotal role in the economic development of the country and form the core of money market in an advanced country. Of late new, new banks are coming with new, new produces and the entire banking concept is undergoing significant changes due to technological changes and due to the concept of globalization. Banking in Bangladesh is still in its childhood and has not been ABPLC to stand on the strong footing and it is lagging far behind in adapting itself to the changing international scenario. In this report, the main thrust is given on the general banking. Though this aspect of banking does not put much emphasis on profit making, it highlights the most dominant area of banking- the deposit. Without deposit, no bank can make good investment and advances. So, deposit is the lifeblood of a banking institution. Yet, other areas such as foreign exchange, foreign remittance, advance, merchant banking, Micro Credit, Rural Credits have been given due importance.

1.4 Methodology

This is a descriptive type of report. Information collected to furnish this report is both from primary and secondary source.

Primary Sources

- Face to face conversation with the officers
- Face to face conversation with the customers

Secondary Source

- Annual reports of Agrani Bank PLC.
- Different publications regarding Banking functions by Agrani Bank PLC.
- Official website of the Agrani Bank PLC.
- All the officers and customers of Agrani Bank PLC. Narinda branch.

1.5 Limitations of the Study

Despite all out co-ordination from the bank officials, researcher faced some limitations. The notable some of these areas under:

There are some limitations of the reports which are described briefly.

i. **Time factor:** The duration of the internship/report is only 3 months. Banking is a vast phenomenon and a huge concept encompassing a great variety of divergent field of studies. It is quite impossible to grasp all the relevant matters within 3 months and make a report on it. Only a bird's eyes view has been presented in the report due to the time constraint.

ii. **Non-disclosure of the bank's policy:** A business organization cannot reveal all its data and information to public because of its policy of secrecy. So, all these secret matters have not been possible to collect and to incorporate in the report which may result in less acceptability.

iii. **Lack of comparative information:** To make a proper judgment of the functions and other companies/institutions in the industry. But it is really difficult to get that information because of business secrecy of those companies.

iv. **Insufficient data:** Sometimes sufficient data have not ABPLCe to be collected due to many constraints. Insufficient data may suffer from the lack of reliability.

v. **Difficulty in getting full cooperation:** Banking is a busy job. Every employee has to get fully involved in his/her specific assignment. So, it is very difficult for him/her to spare time to give information to project report like this. In spite of a good intention to extend full co-operation, the employees could not make time always to help making the report.

vi. **Absence of organization to make thorough report:** There is lack of well-organized research unit to report the present position and innovate newer ways to face the challenge of banking of the modern time.

CHAPTER 2

ORGANIZATIONAL PROFILE

2.1. Company Profile of the Agrani Bank PLC:

Agrani Bank PLC, a state owned leading commercial bank with 953 outlets strategically located in almost all the commercial areas throughout Bangladesh, overseas Exchange Houses and hundreds of overseas Correspondents, came into being as a Public Limited Company on May 17, 2007 with a view to take over the business, assets, liabilities, rights and obligations of the Agrani Bank which emerged as a nationalized commercial bank in 1972 immediately after the emergence of Bangladesh as an independent state. Agrani Bank PLC started functioning as a going concern basis through a Vendors Agreement signed between the ministry of finance, Government of the People's Republic of Bangladesh on behalf of the former Agrani Bank and the Board of Directors of Agrani Bank PLC on November 15, 2007 with retrospective effect from 01 July, 2007.

Agrani Bank PLC is governed by a Board of Directors consisting of 10 members headed by a Chairman. The Bank is headed by the Managing Director & Chief Executive Officer; Managing Director is assisted by Deputy Managing Directors and General Managers. The bank has 11 Circle offices, 36 Divisions in head office, 53 zonal offices and 953 branches including 34 corporate, 42 AD (authorized dealer) branches and 5 subsidiary companies.

Agrani Bank PLC (ABPLC) is the first state-owned Commercial Bank in Bangladesh to introduce Agent Banking. Currently ABPLC has 200 agent booths who are operating Agent Banking activities around the rural areas of Bangladesh. In Agrani Bank PLC, Islamic Banking system is operated under 'Islamic Banking Unit' since February 28,2010 through 5 Islamic Banking Windows.

2.1.1. Organizational structure

Agrani Bank PLC has a board of directors consist of seven members as authority of bank's internal policy making. The government appoints chairman and director of the board. Managing Director is the chief executive of the bank. Board of directors implement administrative, business and financial power and internal policy of bank under the power or authority vested upon board by the government. Organizational structure of the bank is divided into six layers such as:

(i) Head office

(ii) Circle

(iii) Zone

(iv) Corporate branch

(v) Branch

(vi) Head office:

2.1.2. Capital Structure of Agrani Bank PLC:

Agrani Bank PLC. is a hundred percent government owned nationalized commercial bank. Agrani Bank had, authorized capital of Tk. 5 crore and paid up capital of tk. 1 crore in 1972, shouldered an uphill task fairly responsibility to materialize government policy stance in matters of recasting country's economic infrastructure, speeding up economic growth and uplifting the financial condition of the nation's people from, all walks of life. Its authorized capital now increased to Tk. 2,500 crore crore and paid up capital increased to Tk. 2,072.29 crore in 2022.

2.2. History:

Agrani Bank PLC(ABPLC) was incorporated as a state-owned Commercial Bank on 17 May 2007 under the companies act 1994. Agrani Bank emerged as a Nationalized Commercial Bank following the Bangladesh Banks (Nationalization) order 1972 Vide president's Order No. 26 of 1972 under which erstwhile Habib Bank Limited Commerce Bnk Limited and renamed as Agrani Bank. On a going concern basis ABPLC took over the business, assets, liabilities, rights and obligations of Agrani Bank through a vendor's agreement signed on 15 November 2007 between the ministry of Finance of the Peoples' Republic of Bangladesh and the board of directors of ABPLC with retrospective effect from 1 July 2007.

ABPLC has 943 branches widely distributed and is a technology pioneer, with all branches providing real time online banking. We also have six subsidiaries: a merchant bank, a small and media, sized enterprises (SMEs) financing company and remittance house in Singapore, Malaysia, Canada and Australia. ABPLC believes in responsible financial services provider and committed to making a difference in the lives of our stakeholders and nation of the country. Just as dedication to helping

customers, managing finances wisely and grow its business. ABPLC is steadfast in our support of socio-economic development of Bangladesh

2.3. Vision:

Become a leading bank of Bangladesh operating at international levels of efficiency quality and customer service.

2.4. Mission:

We will go operating ethically and fairly within the stringent framework set by our regulators. We will go fusing ideas and lessons from best practice to explore newer ways to stay stronger and more efficient, nimble, and adapTable and competitive as will. We will keep abreast of the advances of information and communication technology for the benefit of our customer & employees. We will invest to strengthen the future of the bank.

2.5. Motto:

To adopt and adapt modem approaches so to stand supreme in the banking arena of Bangladesh.

2.6 Corporate Profile of Agrani Bank PLC

Name of the Company	: Agrani Bank PLC
Chairman	:Dr.ZaidBakht
Managing Director and CEO	: Mr. Mohammad Shamsul Islam
Company Secretary	: Mr. A.K.M SajedurRahman Khan
Legal Status	: Public Limited Company
Date of Incorporation	: 01 July 2007 as Limited Company
Date of Vendor's Agreement	: 15 November,2007
Registered Office	: 9 Dilkusha C/A, Dhaka-1000
Authorized Capital	:Taka 2,500.00 Crore
Paid-up Capital	: Taka 2,072 .00 Crore
Number of Employee	: 12,798
Number of Branches	:943
Phone-PABX	:9566153-54 9566160-69,9566074-75
FAX	: (+8802) 956 2340, 956 3662
Web-site	: www.agranibank.com.bd
E-mail	: agrani@agranibank.org

2.6 Organizational Hierarchy of Agrani Bank PLC

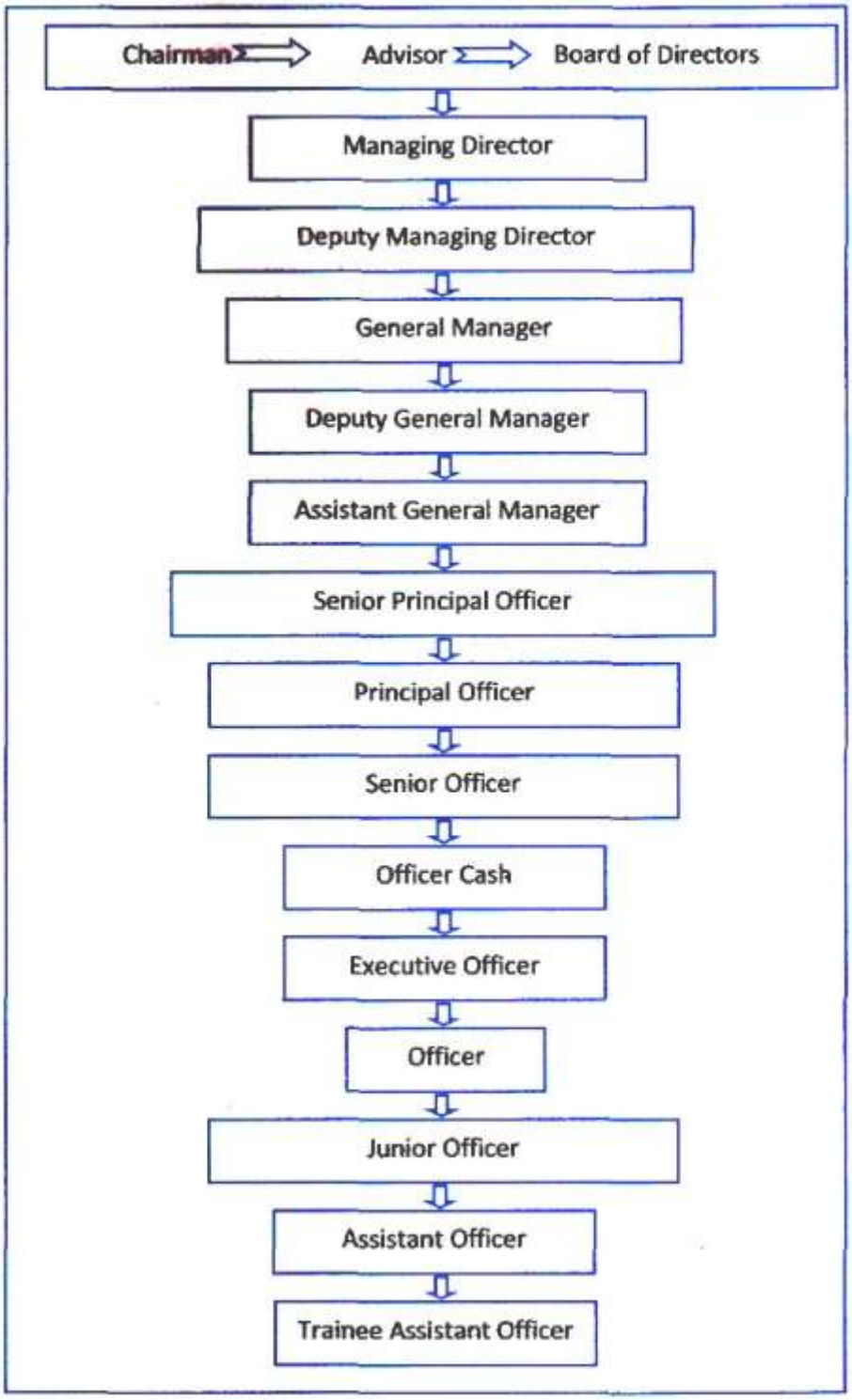
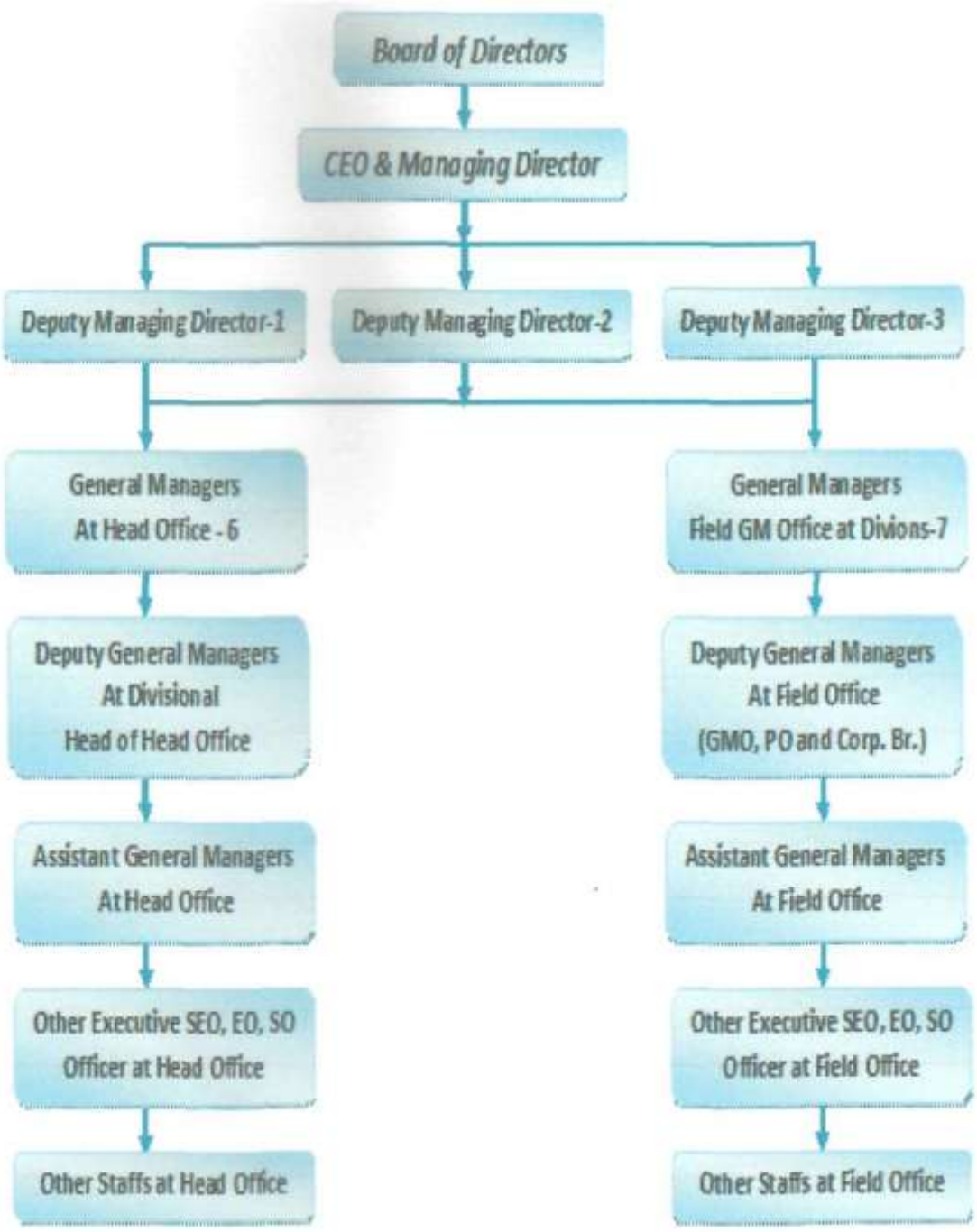


Figure 2.1: Organizational Hierarchy of Agrani Bank PLC

2.8 Management Structure



2.9 Business Strength

- Second largest bank of the country
- Wide network of 943 branches across the countries
- Holds a sound reputation in the banking industries
- Sponsoring by the Government, Personalized services

- Well-connected distribution channel from head office to all branches
- Healthy correspondent relationship with foreign banks
- Provide a record business in international trade and remittance
- Majority of the branches run with computers under centralized network • Sound and large capital base, Sustainable growth

2.10 Business Prospects

- Maintaining require Capital Adequacy
- Business expansion in Capital Market
- Gradual expansion of branch network
- Progressive automation of the branches
- Real online banking software will be in function soon

2.11 Products and Services of Agrani Bank PLC

Time Deposits

- Fixed Deposits
- Special Notice Deposits
- Deposit Pension Scheme
- Agrani Bank Special Deposit and Pension Scheme
- Savings Deposits
- Non-Resident Foreign Currency Deposits and Resident Foreign Currency Deposits
- Account ATM A/C
- Agrani Deposits Scheme
- Education Deposit Scheme
- Medical Deposit Scheme
- Rural Deposit Scheme

- Monthly Earning Scheme
- Marriage Savings Scheme
- Double Benefit Scheme
- Agrani Bank Daily Profit A/C « Non-Resident Deposit Scheme
- School Banking Scheme

- Retirement Savings Scheme
- Triple Benefit Scheme
- Agrani Bank PLC Millionaire Scheme

Demand Deposits

- Current Deposits
- Call Deposits
- Foreign Currency Deposits
- Foreign Bank's Deposits
- Exporter's Foreign Currency Retention Quota

Sundry Deposits

- Margin on Letters of Credit
- Margin on Letters of Guarantee
- Hajj Deposits
- Employees Contributory Provident Found
- Employees General Provident Found
- Agrani Bank PLC Employees Pension Fund
- Agrani Bank PLC Employees Pension and Death Cum
- Drafts Payable
- Govt. Drafts Payable
- Payment Orders issued
- Foreign Drafts/Travelers Cheque Issued
- Foreign Correspondents Charges

2.12 Performance of Agrani Bank PLC at a Glance

Table 2.3: Agrani Bank Ltd at a Glance

Particulars	2022	2021	2020	2019	2018
Deposit	53,035	49,405	43,998	38,392	34,868
Loan and Advances	31,912	26,587	24,480	23,509	20,297
Classified Loans	5,570	6,804	4,640	3,966	3,580
Import	13,267	10,153	10,917	15,741	15,947
Export	7,059	7,396	7,543	8,345	7,845
Remittance (Inward)	10,605	12,022	13,204	12,980	12,657
Operating Profit	813	555	878	1,074	1,064
Net Front	676	(697)	65	199	905
Total Capital Adequacy Ratio Basel-ll	-	-	-	10.44%	10.04%
Number of Employees	12,798	12,672	13,396	13,414	14,005
No of Branches	943	935	930	921	899
Authorized Capital	2,500	2,500	2,500	2,500	2,500
Paid up Capital	2,072	2,072	2,072	2,072	2,072

CHAPTER 3

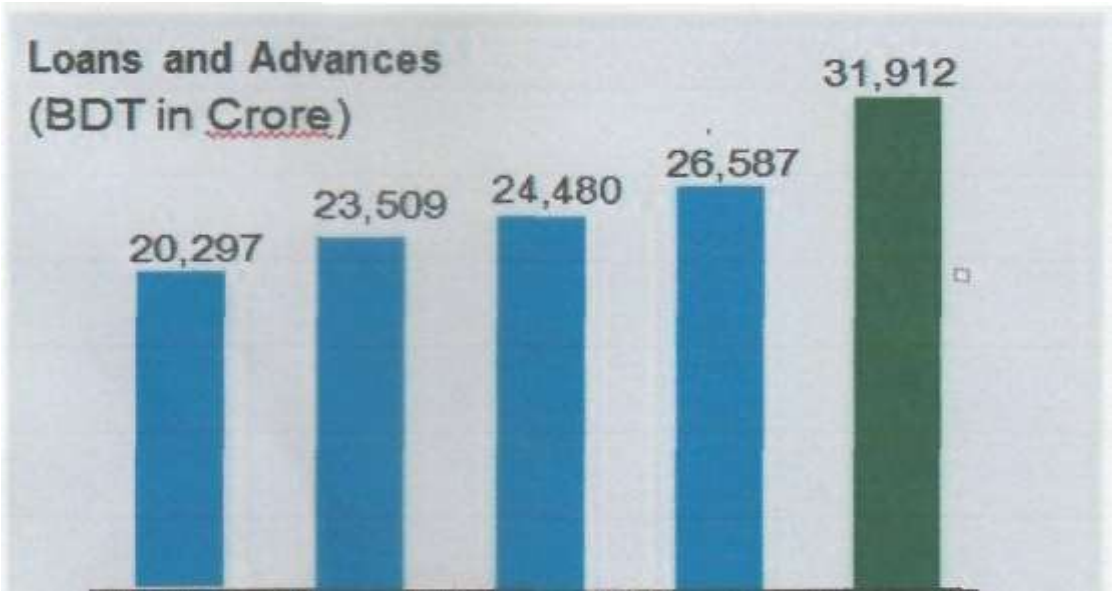
LOANS AND ADVANCES OF ABPLC

3.1. LOANS and ADVANCES:

In the general sense, the loan means "document"- any written record which serves as an evidence in respect of a transaction and be described as anything obtained for recording a transaction.

Documentation may be described as the process or technique of obtaining the relevant documents. A banker must obtain proper documents executed from the borrower to protect himself against willful defaults. Moreover, when money is lent against security of some assets, the documents must be got executed in order to give to the banker a legal and binding charge against those assets.

ABPLC has its own policy formulated in the light of directives and guidelines issued by Bangladesh Bank from time to time. The main focus of this policy is to maximize profit through feasible investment ensuring sustainable growth. The bank always tries to extend credit facility to unconventional sectors along with conventional ones. Various Agri-Projects, IPFF membership, etc. helped largely to achieve fruitful results. Gross loans grew 20% year-on-year to BDT 31,912 crore as at 31 December 2022.Dhaka region which accounted for 62% of the total loan reported 21% growth year-on-year to reach BDT 19,932 crore while other regional average growth of 18%.



(Fy:2019-2022)

3.2. LOAN PRODUCTS:

1. Continuous Loan:

a. Secured Over Draft Against Financial Obligation [SOD(FO)]
b. Secured Over Draft Against Work Order [SOD(G)]
c. Cash Credit (Hypothecation)
d. Cash Credit (Pledge)
e. Export Cash Credit (ECC)

2. Demand Loan:

a. Loan general
b. Demand loan against ship breaking
c. Payment against documents (pad)
d. Loan against import merchandise (LIM)
e. Loan against trust receipt (LTR)
f. Forced loan
g. Packing credit
h. Secured over draft against cash incentives
i. Foreign documentary bills purchased (FDBP)
j. Local documentary bills purchased (LDBP)
k. Festival business loan

3. Term Loan

a. Project loan
b. Transport loan
c. House building loan
d. Small business loan
e. Consumer finance loan
f. Lease finance
g. Personal loan

3.3. CREDIT ANALYSIS: What makes a good loan?

Credit analysis is the analysis of financial statement of business/customers for the purpose of lending. Credit analysis are conducted to determine whether the customer is creditworthy and whether the customer has sufficient cash flow and back up assets to repay the loan. The main purpose of credit analysis is to ascertain whether the loan can be serviced by the customer and whether the bank is well protected to realize the loan in the event of default by the borrower to repay the loan.

The quality of credit analysis in our country is very poor. Many of the credit officers even do not know how to analyze credit proposal or what is its importance in credit making process.

3.4 MAJOR ISSUES ANALYZED IN CREDIT ANALYSIS:

- Is the borrower creditworthy?
- Whether purpose of the loan is consistent with bank's credit policies and Government regulations.
- Whether the customer or his business has the ability to generate enough cash to repay the loan.
- Whether sufficient security has been offered, so that in the event of default bank's fund can be recovered.
- Whether bank claims on the security can be established without risk or with low risk.
- Fixing of amount of loan, loan terms and conditions, documentations, etc. meet the needs of the borrower and to protect the interest of the bank.

3.5. PURPOSE OF LOANS:

- Customer must have a well-defined purpose for requesting the loan.
- The purpose of the loan must be consistent with the bank's existing credit policy.
- The purpose of the loan also should be consistent with the government policy and regulation.
- ABPLC outline industries or lending activities that are discouraged. ABPLC has segregated sectors to be discouraged based on the following:

Table: Discouraged Business Types for lending

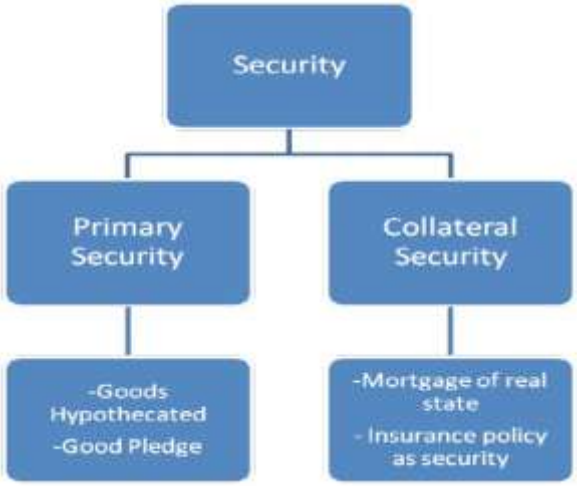
Government Specified	Best Practice	Company Specific
• Military Equipment/Weapons Finance. • Lending to companies listed on CIB black list or known defaulters.	• Highly Leveraged Transactions. • Logging, Mineral Extraction/Mining, or other activity that is ethically or environmentally sensitive. • Counter parties in countries subject to UN sanctions.	• Finance of Speculative Investments. • Share Lending • Taking an Equity Stake in Borrowers. • Lending to Holding Companies. • Bridge Loans relying on equity/debt issuance as a source of repayment.

3.6. SECURITY OF LOAN:

There are three securities of loan

- The most preferred is business's income or cash flow from which the customer will pay the loan
- Second security consists of customers balance sheet – his assets that can be liquidated for adjust of loan and

- Guarantees from owner's or from a third party.



3.7. TYPES OF LOAN:

Loans are the largest asset item, which generally account for half to almost three quarters of the total value of all bank's assets. A bank's loan account typically is broken down into several groups of similar type loans. The Loan and Advances made by the NCCBL can broadly be classified by following categories-

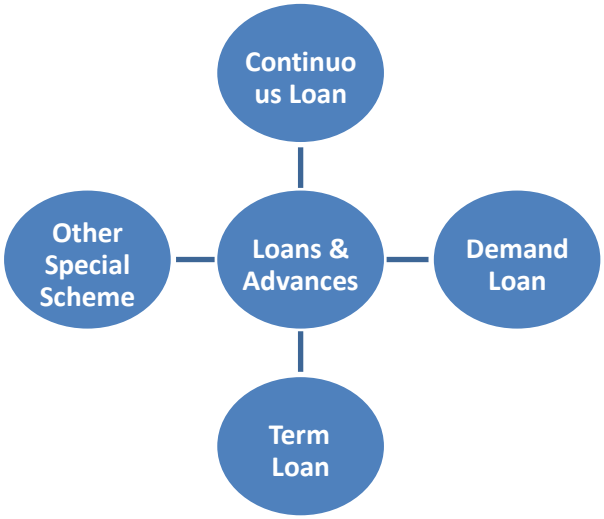


Fig: Four types of Loans

3.7.1. Continuous Loan

There are different types of continuous loan are discussed below:

3.7.1a Secured Overdraft (FO)

Advance is granted to a client against financial obligations that is deposited in the bank. A client can get up to 80% loan of the total deposited value. Loan repayment period is maximum 1 year. If client can not repay the loan in this stated period then it is again renewed for 1 year more.

- Interest rate is 14% to 16%.

3.7.1b Secured Overdraft (G)

This loan is granted against the work order of government departments, corporation's autonomous bodies and reputed multinational private organization. To arrive at logical decision, the client's managerial capability, equity strength, nature of scheduled work is to be judged. Disbursement is made after completion of documentation formalities, besides usual charge documents like a notarized irrevocable power of attorney to collect the bills from the concerned authority and a letter from the concerned authority confirming direct payment to the bank. The work is strictly monitored to review the progress at each interval.

- Interest rate is 14% to 16%. Only renowned clients get this loan.

3.7.1c Cash Credit (Hypothecation)

The mortgage of Table property for securing loan is called hypothecation. Hypothecation is a legal transaction where goods are made available to the lending banker as security for a debt without transferring or possession of the property. The banker has only equitable charge on stocks, which practically means nothing. Since the goods always remain in the physical possession of the borrower, there is much risk. So, it is granted to parties of undoubted means with highest integrity.

- Interest rate is 16%. Loan repayment period is maximum 1 year.

3.7.1d Cash Credit (Pledge)

In case of CC (pledge), the bank acquires the possession of the goods or a right to hold goods until the repayment of credit. If loan is not repaid in due time then bank sells

the goods to collect money. But at present, bank didn't give this loan because it has to maintain warehouse which creates extra burden on officers.

3.7.2. Term Loan

3.7.2a House Building Loan

House Building Loan facility starts from Tk. 6 lac to 40 lac. Maximum loan repayment period is 15 year including a grace period of 3 years and repayment is done through equal monthly installment. Registered mortgage of land and building is required. This scheme covers three aspects for sanctioning loan to clients which includes- purchase of flat, purchase of building & self construction.

- Interest rate is 16% p.a.

3.7.2b Lease finance

This type of financing is usually provided for machinery, transport etc. Now a day this Lease Financing is one of the popular financing projects. Loan period is 3 to 5 year. Maximum loan facility is tk. 15 lac. Rate of interest is 15%. For lease financing, registered mortgage of land & building as collateral is required.

3.7.3. Demand Loan

3.7.3a Loan (general)

The loan which is sanctioned for more than one year is considered as loan (general). Under this facility, an enterprise can get loan from setting up of the business to final production of goods or services. NCCBL offers this facility only to big industries.

3.7.3b Loan against Imported Merchandise (LIM)

LIM is allowed for retirement of shipping documents and release of goods imported through L/C taking. When the importer failed to pay the amount payable to the exporter against import L/C, then NCCBL gives loan against imported merchandise to

the importer. The importer will bear all the expenses i.e. the warehouse charge, insurance fees, etc. and the ownership of the goods is retaining with the bank. This is also a temporary advance connected with import, which is known as post import finance.

- Interest rate is 16%.

3.7.3c Loan against Trust Receipt (LTR)

Trust Receipt is a document which creates the banker's lien over the goods and practically amounts to hypothecation of the proceeds of sale in discharge of the lien. Loans against Trust Receipt to the clients are allowed when the documents covering an import shipment are given without payment. However, prior permission of Head Office must be obtained for such advances. The clients hold the goods or their sales proceeds until the loan allowed against the Trust Receipt is fully paid off. This is also a temporary investment connected with import and known as post import finance and falls under the category "Commercial Lending".

- Interest rate is 16%.

3.7.3d Loan documentary Bill Purchase (LDBP)

The loan is made against documents representing sell of goods to local export-oriented industries, which are deemed as exports and which are dominated in local currency/foreign currency. The bill of exchange is held as the primary security. The client submits the bill and the bank discounts it. This temporarily liability is adjusTable from the proceeds off the bill. Current interest rate is 16%.

3.7.3e Foreign Bill Purchase (FBP)

Payment that is made to customer through Purchase of Foreign Currency Cheques /Drafts falls under this head. This temporary investment is adjusTable from the proceeds of the cheque/draft.

3.7.3f Loan under SME

Loan provided to SME client (Medium and Small size) in the category of trading, manufacturing and service.

3.7.4 Other Special Scheme

3.7.4a Consumer Credit Scheme

This scheme is aimed to attract consumers from the middle and upper middle class population with limited income. The borrower should have saving or current deposit account with the bank. Minimum 25% of the purchase cost of the product is to be deposited by the borrower with the bank i.e. equity before disbursement of the loan. The rest 75% is to be kept as cash collateral (FDR, Shanchay Patra etc.) with the bank. The purchased items are hypothecated with the bank. Loan amount is disbursed through pay order/demand draft directly to the seller after submission of the indent, deposit of client equity and completion of documentation formalities. The bank obtains post dated a/c payee cheque drawn in favor of the bank for the monthly installments covering the lending period from the borrower and the loan amount is adjusted on the due date of installments.

3.7.4b House Repairing/Renovation Loan

This loan is offered for renovation and modernization of the house/building/flat. The genuine residential owners can avail this kind of loan. Loan facility starts from Tk. 1 lac upto Tk 5 lac. Loan can be repaid by monthly equal installments including interst within maximum 5 years.

- Interest rate is 16%.

3.7.4c Small Business Loan

This loan is offered to the small and promising entrepreneurs to meet their capital requirement and enABPLCe them to operate and expand the business purposely. It is apporved against collateral and estimation of the revenue generation of the project for which the loan is sanctioned. The range of this type of loan is one to five lac taka.
Loan repayment period is maximum 5 years.

3.7.4d Personal Loan

This loan is provided to salaried persons in various organizations to meet any emergency cash needs. The loan facility starts from Tk 20000 and maximum credit ceiling is Tk 1 lac. Loan repayment period is maximum 3 years.

- Interest rate is 15% p.a.

From the above chart it is shown that, bank has invests a greater amount in demand loan. Second highest loan is given to term loan category. Sanction of SME loan has fallen in comparison of financial year 2005. Because bank now focus on term loan and demand loan as these sector earns a higher interest rate than SME loan. Also, default risk is low in these two categories.

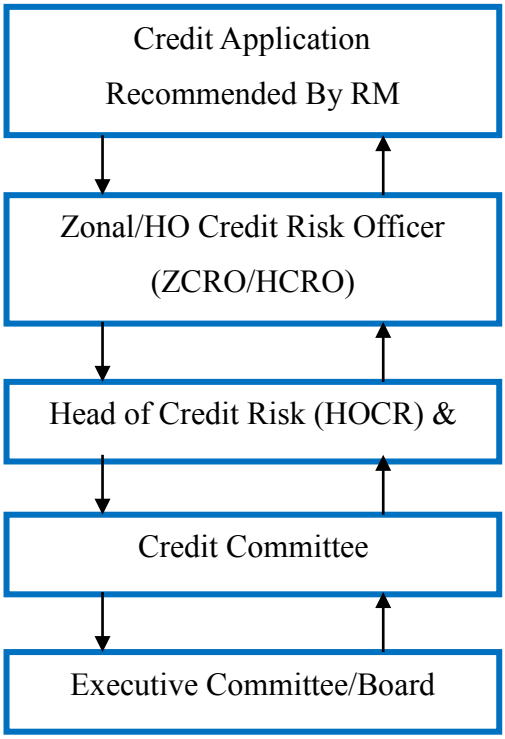
3.8. GENERAL PROCEDURES OF SANCTIONING LOAN:

Approval Process

The approval process reinforces the segregation of Relationship Management/Marketing (RM) from the approving authority. The responsibility of preparing the credit application is rest on the Relationship Management. Credit Applications are recommended for approval by the RM team and forwarded to CRM for their review and assessment. The credit subsequently approved by proper approval committee.

NCCBL has established various thresholds, above which, the recommendation of the Head of business unit is required prior to onward recommendation to CRM and subsequent appropriate authority for approval.

The procedure for all the business units is as shown in the next page:

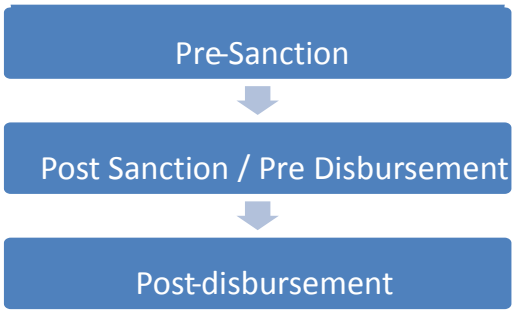


- Application forwarded to Zonal Office or Head Office for review by the ZCRO or HCRO.
- Advise the review to recommending branches.
- ZCRO/HCRO supports & forwarded to Head of Business Units (HOBU) within their delegated authority and to Head of Credit Risk (HOCR) for onward recommendation.
- HOCR advises the review to ZCRO.
- HOCR & HOBU supports & forwarded to Credit Committee.
- Credit Committee advises the decision as per delegated authority to HOCR & HOBU.
- Credit Committee forwards the proposal to EC/Board for their approval within their respective authority.
- EC/Board advises the decision to HOCR & HOBU.

The approval process may vary in NCCBL depending on the types of products and exposure. For example, lending to Corporate and SME's is mostly unstructured due to diverse nature of risk exposure. On the other hand, consumer lending is mostly structured by standardizing the product and risk aspects of individuals. As such applications for consumer lending may be done within the head of consumer unit subject to delegation of authority to do so.

Lending Process

The main function of commercial bank is to take deposit and invest this fund. But in the process of lending it has to safeguard the depositor's money as well as business of the bank. Therefore, proper management supervision and follow-up is very important in the lending and recovery process. NCCBL follows a three-step process firmly to supervise and follow-up the lending and recovery process.

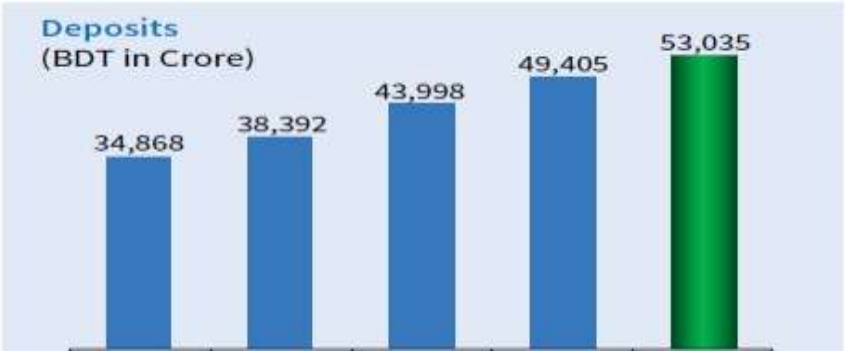


Chapter Four
Analysis

4.1. Financial Performance of ABPLC

4.1.1 Total Deposit of Agrani Bank from the year 2018 to 2022

Deposit is the major source of found for Agrani bank. All the bank wants that they have sufficient deposit to expand their business with a continuously trend. So nowadays, "Deposit mobilization" has a challenging task for the commercial banks.



(Fy : 2018-2022)

Interpretation: From the above graph, it has seen that year the Agrani Bank PLC increase of deposit in 2022, the bank mobilized total deposit of 53,035 core taka compared to that of 49,405 cores up to 2021 end. The growth rate is 6.84 % in 20212022. The figure show, the bank has a good position because, year by year the growth rate is increasing. So, the bank has more ability to provide loan and advance.

4.1.2. Loan of Agrani Bank from the year 2018 to 2022:

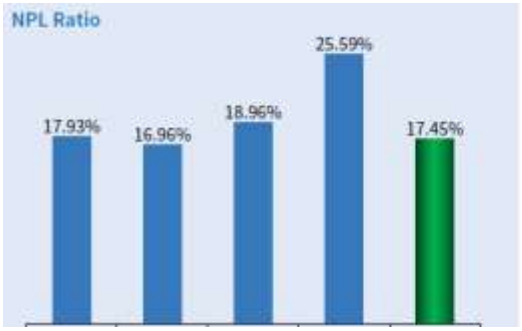
Loan & advance are focal point of all the activities of every bank in the Agrani Bank PLC this is every more seriously dealt with to up the zero-classification policy of the bank.



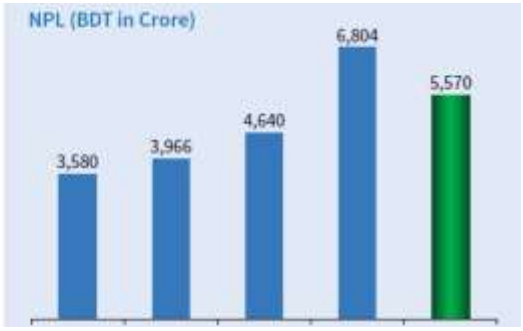
(Fy : 2018-2022)

Interpretation: From the above graph, it has seen that year the Agrani Bank PLC loan and advances increased to loan & advance m 31,912 crore in 2021-2022. The growth rate is **16.69%.**

4.13. Classified and Unclassified Loan of Agrani Bank from the year 2018 to 2022:



(Fy : 2018-2022)



(Fy : 2018-2022)

Category	Cash recovery	Regulariza-tion	Write-off	Total recovery	increace/ decrease	Cash recovery	Regulariza-tion	Write-off	Total recovery	increace/ decrease
Classified	576.04	1,287.80	10.76	1,874.60	921.02	379.23	540.03	34.32	953.58	(139.21)
Overdue	239.87	42.78	0.00	282.65	(94.93)	323.78	53.80	0.00	377.58	(21.05)
Total	**815.91**	**1,330.58**	**10.76**	**2,157.25**	**826.09**	**703.01**	**593.83**	**34.32**	**1,331.16**	**(118.16)**

Interpretation:

Total loans and advances (including staff loan) on 31-12-2021 stood at Tk. 27587.11 crore. Against this, the amount of classified loans was Tk. 6804.49 Crore,i.e. 25.59% of total loans and advances. On the other hand, in the year 2022 total loans and advances (including staff loan) was Tk.31911.86 crore. Against this, the amount of classified loan was Tk.5115.78 crore. i.e. 16.03% of total loans and advances. In the year 2022 recovery of classified loans was Tk. 1874.60 crore (against the yearly target of Tk 3000.00 crore) which was 62.49% of yearly recovery target of Tk.3000.00 crore.

Loan Recovery Plan 2018

Recovery target for all the circles and corporate branches was fixed at the beginning of the year by Head Office. Follow up of recovery target achievement is going on in every month by Recovery and NPA Management Division. Besides, a circular has been issued which pertains to the recovery strategy of classified and written off loan for the year 2018.

NPL Management in ABPLC

Now-a-days it is a hard task to manage NPL in banking arena. NPL is the asset that performs no income for the bank. On the other hand, a provision is to be kept from income that hampers on capital of the bank. Non-performing loans and written-off loans are of this kind. A special work plan has been chalked out to recover from NPL. Own NPL management division and CL division co-ordinates the program as it secretariat. In this plan from our MD & CEO to all succeeded executives and branch level related officers have been included. In this work plan MD & CEO of the bank has taken the responsibility of top-20 non-performing loans and top-20 written-off loans. Then DMD has been engaged for next top-20 of the non-performing and written-ofY loans. Thus, the decedents have been delegated accordingly. Total team performed accordingly and it brought fruitful effect for the bank. Banks conducts time to time meeting with default client to understand their problems to meet up the set terms and conditions. Bank gives them strategic support to convert the NPL to performing assets. When all these tools fail then it goes to court to recover them. A set of expert panel lawyers has been engaged to fight the law suit. About thirteen thousand employees are engaged to mitigate all risk and serve the people of all strata of the nation to bring this institute the fast-growing financial leader.

4.1.4. Total Income from Asset and Others of Agrani Bank from the year 2018 to 2022



Operating Profit

ABPLC enjoyed a good year overall in 2022. We accelerated a whopping operating profit of BDT 813 crore (8.13 billion) that means the bank registered a 46.49% growth in profit

Net Interest Income

ABPLC also achieved new height in net interest income. Net interest income rose 424% to BDT 435 crore (4.35 billion) from a year ago largely on the back of reduction of classified loan and healthy loan growth and also attributed to higher yields from interbank and non-banking financial institutions balances. Our total loans and advances reached to BDT 31,912 crore (319.12 billion) by increasing 20% up on 2021 and investment hi interbank and non-banking financial institutions rose by 183% to BDT 7,314 crore (73.14 billion).

4.1.5. Total capital of Agrani Bank from the year 2018 to 2022:

All scheduled banks need to maintain adequate capital as per provisions of Section 13(2) of the Banking Companies Act 1991 and BRPD circular 18 dated 21 December 2019 issued by Bangladesh Bank to operate the banking activities smoothly. The Bank maintained total capital of Tk. 3,448.26 crore against requirement of Tk. 3,367.88 crore (Tk. 400 crore or 10.00 percent of total risk weighted assets of Tk. 33,678.81 crore whichever is higher) on 31-12-2022. Thus, the Bank was able to maintain capital surplus of Tk. 80.38 crore on 31-12-2022 which was Tk. 7.29 crore as on 31-12-2021. Moreover, minimum capital requirement of the Bank was 10.24 percent as on 31-12-2022 which was 10.03 percent as on 31-12-2021.

Balance Sheet Matrix					
Particulars	**2022**	**2021**	**2020**	**2019**	**2018**
Authorized Capital	2,500	2,500	2,500	2,500	2,500
Paid-up Capital	2,072	2,072	2,072	2,072	2,072
Reserve Fund	1,938	1,744	1,747	1,693	1,659
Total Shareholders' Equity	4,073	3,658	4,468	3,957	3,564
Deposits	53,035	49,405	43,998	38,392	34,868
Loans and Advances	31,912	26,587	24,480	23,509	20,297
Investments	17,088	22,754	20,570	15,228	14,993
Fixed Assets	1,556	1,578	1,595	1,545	1,525
Total Assets	67,392	62,357	56,535	49,487	44,416
Total Off Balance Sheet Items	12,334	8,390	9,007	8,398	11,382
Interest Earning Assets	39,708	29,115	26,265	25,031	21,185

Non-interest Earning Assets	27,684	33,242	30,270	24,456	23,231
Income Statement Matrix					
Interest income	2,253	2,145	2,364	2,339	2,395
Interest Expenses	1,818	2,062	2,294	2,221	2,268
Investment income	1,469	1,561	1,495	1,301	1,114
Non-interest income	449	436	428	530	605
Non-interest Expenses	1,540	1,525	1,114	876	781
Total Income	4,171	4,142	4,286	4,170	4,113
Total Expenditure	3,358	3,587	3,408	3,096	3,049
Operating Profit	813	555	878	1,074	1,064
Profit Before Tax	968	(751)	(60)	170	689
Net Profit After Tax	676	(697)	65	199	905
Capital Measures					
Risk Weighted Assets	33,679	26,700	26,469	25,326	21,370
Going concern capital (Tier-1)	2,066	1,692	1,747	1,552	1,212
Gone concern capital (Tier-2)	1,382	985	111	1,092	933
Total Capital	3,448	2,677	2,524	2,644	2,145
Capital Surplus/(Deficit)	80	7	(123)	112	8
Tier-I Capital Ratio	6.14%	6.34%	6.60%	6.13%	5.67%
Tier-II Capital Ratio	4.10%	3.69% .	2.94%	4.31%	4.37%
Total Capital Adequacy Ratio Basel-II	-	-	-	10.44%	10.04%

Capital to Risk Weighted Asset Ratio Basel-Ill	10.24%	10.03%	9.54%	-	-
Credit Quality					
Classified Loans	5,570	6,804	4,640	3,966	3,580
Provision for Unclassified Loans	394	502	459	325	212
Provision for Classified Loans	2,750	3,057	2,245	1,930	1,687
Provision for Contingent viabilities	123	84	90	84	114
Percentage of NPLs to total oans and Advances	17.45%	25.59%	18.96%	16.96%	17.93%

Five Year Graphical Presentation of ABPLC



(Fy : 2018-2022)

NPL Recovery

The Bank has become able to pull down the amount of NPL through cash recovery of BDT 576 crore, regularization of BDT 1,288 crore and writing off BDT 11 crore. In 2017, the total recovery of NPL amounted to BDT 1,875 crore, which was BDT 954 crore in 2016. NPL recovery growth rate recorded 97% higher than previous year.

NPL Cash Recovery

Cash recovery increased to BDT 576 crore which is 52% higher than a year ago.

NPL Recovery
BDT **1,875** crore
+97%

Cash Recovery
BDT **576** crore
+52%



(Fy : 2018-2022)

Customer Deposits/ Loans

Customer deposits grew 7% to BDT 53,035 crore, led by growth in deposits especially in no and low cost deposits.

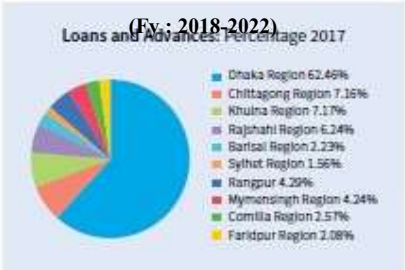
Customer loans grew 20% from a year ago to BDT 31,912 crore in 2017 because of quality loan disbursement.

The Bank's funding position continues to be strong with a healthy loan-to-deposit ratio at 60.17% in 2017.

Customer Deposits
BDT **53,035** crore
+7%

Customer Loans
BDT **31,912** crore
+20%

Loan/Deposit Ratio
60.17 %
+6%



(Fy : 2018-2022)

Loans by Geography

Gross loans grew 20% year-on-year to BDT 31,912 crore as at 31 December 2017.

Dhaka region which accounted for 62% of the total loan reported 21% growth year-on-year to reach BDT 19,932 crore while other rigonal average growth of 18%.

Highest Growth
Dhaka Region
+21%

4.2 SWOT of Agrani Bank PLC.

STRENGTHS:

- ✓ Largest commercial bank in Bangladesh.
- ✓ Widely recognized and strong brand name.
- ✓ Agent of Bangladesh bank.
- ✓ Qualified and experienced workforce.
- ✓ Strong liquidity and financial condition. ✓ Strong networks all over in Bangladesh.

WEAKNESSES

- ✓ Huge amount of bad/debt loan.
- ✓ Lack motivation of workers.
- ✓ Service is not up to the mark.
- ✓ Online banking is not strong.
- ✓ Absence of teamwork.
- ✓ Weak branch controlling and monitoring system.

OPPORTUNITIES

- ✓ Investment potentiality in Bangladesh.
- ✓ Increasing demand of customer finance.
- ✓ Enormous opportunity in foreign remittance section.
- ✓ By implementing e-commerce and online banking remarkABPLCe ✓ Opportunities are created.

THREATS

- ✓ High standard Commercial/Foreign bank as well as private bank.
- ✓ Illegal interference of CBA in banking activities.
- ✓ Highly qualified and experienced bankers leave the bank a very high percentage.
- ✓ Cannot take proper action against bad debtor due to political interference.
- ✓ Increasing percentage of shifting customer loyalty.
- ✓ Low Interest rate compare to private /Foreign banks.

4.3 **Ratio Analysis**

A ratio analysis is a quantitative analysis of information contained in a bank's financial statements. Ratio analysis is used to evaluate various aspects of a bank's operating and financial performance such as its efficiency, liquidity, profitability and solvency. Ratio Analysis is a form of Financial Statement Analysis that is used to obtain a quick indication of a firm's financial performance in several key areas. There are many standard ratios used to try to evaluate the overall financial condition of a corporation or other organization. Financial ratios may be used by managers within a firm, by current and potential shareholders (owners) of a firm, and by a firm's creditors.

Chapter 5

Finding

5.1 Findings:

The credit department is a vital department of the bank. If this department is efficient, the project is supposed to run successfully and loan amount is supposed to be recovered. But for this smooth recovery, many other things need to be modified in time of loan sanctioning. As per my concern, I observed there are some limitations in credit operation department. The findings are as follows;

- Form the analysis it has seen that the ability to provided loan & advance of the Agrani bank is increasing year by year, which is good sign. Agrani Bank PLC increased loan & advance in 2021-2022, from 26,587 crore to 31,912 core takas, the growth rate is 16.68 % & loan & advance in 2019-2020 increased from 24,480 core to 26,587 cores. The growth rate is 7.92%.
- In case of credit/ deposit ratio the graph shows a fluctuating trend.
- Total loans and advances (including staff loan) on 31-12-2021 stood at Tk. 27587.11 crore. Against this, the amount of classified loans was Tk. 6804.49 Crore,i.e. 25.59% of total loans and advances. On the other hand in the year 2022 total loans and advances (including staff loan) was Tk.31911.86 crore. Against this,the amount of classified loan was Tk.5115.78 crore. i.e. 16.03% of total loans and advances. In the year 2022 recovery of classified loans was Tk. 1874.60 crore (against the yearly target of Tk 3000.00 crore) which was 62.49% of yearly recovery target of Tk.3000.00 crore
- Total capital of ABPLC has increased from 2,677 to 3,448 in 16-17, the growth rate is 22.36 whereas in 2020-2021 growth rate is 5.71%.
- In most of the cases, if a client comes to take loan, the questionnaire form filling becomes hard for him and takes a lot of time. The bank's standard questionnaire form is of 16 pages. So, this form should be modified and easy for the person filling it.
- Lack of adequate, updated and accurate information in the country. Both primary and secondary data are not readily available.
- Inadequate attention to social cost and benefits.
- Sometimes inefficient allocations of resources have created a huge amount of bad debt.
- Lack of co-ordination among the various departments.
- Lack of motivation and team speed.

Chapter Six

Recommendations and Conclusion

6.1. Recommendations:

- The management functions (from planning to control) are not clearly present in their various activities. Only the cash section of the branch is computerized. But for reducing bankruptcy Agrani Bank PLC should develop immediately Credit & Project Finance Information System through computer.
- Agrani Bank PLC should introduce the networking system by which all branches of the bank can be connected easily as a largest commercial bank in Bangladesh. By using computerized networking system Agrani bank could disbursement of services on ATM, Debit card, Master card, Q-Cash facilities.
- Officers who are working on Credit risk management & Project finance procedure, they should give attention on timing of sanctioning finance because demand of any kind of product is being flexible. So, if other thing is remaining constant, sanctioning procedure should not be delayed.
- At last Agrani Bank PLC should develop the proper environment so that borrowers can bargain or negotiate about loan and finance. Because Agrani Bank PLC must have thought about borrowers needs, wants and demands and beside his profitability.

6.2 Conclusion:

Banking sector is very crucial for any economy. To understand this sector is very vital for any business graduate. I am really glad to be oriented to this sector through the nation's one of the largest commercial bank "Agrani Bank PLC". This bank performs hundreds of important activities both for the public and for the govt. as a whole. It is doing a outstanding job to develop business sector. It has strong performance on General Banking, Loans &Advances, Industrial credit and foreign exchange. Agrani Bank continues to play its lending role in socio-economic development of the country as a companion of independent Bangladesh. Since the inception of Agrani Bank, it has been rendering its' banking services to meet the needs of the state and the nation and to cope up with the demands of mass people of the country giving priority to service. Almost there is no area in Bangladesh where Agrani Bank is not existed. Not only loan sector but also general banking, foreign exchange dealings, etc. are efficiently and effectively guided by Agrani Bank, that's why it has been established as a trustee of the people of Bangladesh.

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Appendix

(Fy : 2018-2022)

Property and Assets					
Cash	5.70%	5.74%	5.97%	6.10%	5.91%
Cash in hand (including foreign currencies)	0.56%	0.62%	0.72%	0.86%	1.07%
Balance with Bangladesh Bank and its agent bank (including FC)	5.14%	5.13%	5.25%	5.25%	4.84%
Balance with Other Banks and Financial Institutions	11.54%	4.45%	3.70%	3.11%	2.73%
In Bangladesh	10.85%	4.14%	3.18%	2.64%	2.54%
Outside Bangladesh	0.69%	0.31%	0.52%	0.47%	0.19%
Money at Call and Short Notice	0.40%	0.14%	0.28%	1.02%	0.55%
Investments	25.36%	36.49%	36.38%	30.77%	33.76%
Government	21.61%	32.47%	32.01%	26.20%	28.88%
Others	3.75%	4.02%	4.37%	4.57%	4.88%
Loans and advances	47.35%	42.64%	43.30%	47.50%	45.70%
Loans, cash credit & overdraft etc.	46.96%	42.05%	42.47%	46.40%	44.50%
Bills discounted and purchased	0.40%	0.59%	0.83%	1.10%	1.20%
Fixed assets including land, building, furniture and fixtures	2.31%	2.53%	2.82%	3.12%	3.43%
Other Assets	7.33%	8.01%	7.54%	8.38%	7.92%
Total Assets	100.00%	100.00%	100.00%	100.00%	100.00%
Liabilities and Capital					
Liabilities					
Borrowings from Other Banks, Financial Institutions and Agents	2.06%	0.71%	1.56%	1.80%	0.77%
Deposit and Other Accounts	78.70%	79.23%	77.82%	77.58%	78.50%
Current deposits & other accounts	17.82%	17.28%	7.42%	7.74%	7.77%
Bills payable	0.83%	1.02%	0.86%	1.02%	1.09%
Savings bank deposits	23.90%	22.94%	20.72%	21.23%	21.44%
Fixed deposits	36.15%	37.99%	48.83%	47.58%	48.20%
Other Liabilities	13.20%	14.19%	12.71%	12.63%	12.71%
Total Liabilities	93.96%	94.13%	92.10%	92.00%	91.98%
Capital/Shareholders' Equity					
Total Shareholders' Equity	6.04%	5.87%	7.90%	8.00%	8.02%
Paid-up capital	3.07%	3.32%	3.67%	4.19%	4.67%
Statutory reserve	1.16%	0.94%	1.04%	1.18%	1.24%
General reserve	0.09%	0.09%	0.09%	0.00%	0.00%
Asset revaluation reserve	1.63%	1.77%	1.96%	2.24%	2.49%
Revaluation & amortization reserve	0.25%	0.69%	0.98%	0.41%	0.13%
Retained surplus/(deficit)	-0.15%	-0.94%	0.17%	-0.02%	-0.51%
Total Liabilities and Shareholders' Equity	100.00%	100.00%	100.00%	100.00%	100.00%

Operating Income					
Interest and Revenue Income	54.01%	51.78%	55.15%	56.09%	58.22%
Interest Paid on Deposit,Borrowings etc.	43.59%	49.79%	53.53%	53.25%	55.14%
Net Interest Income	10.42%	2.00%	1.62%	2.84%	3.08%
Investment Income	35.21%	37.70%	34.89%	31.20%	27.08%
Commission,Exchange and Brokerage	8.14%	7.46%	7.60%	10.40%	12.50%
Other Operating Income	2.63%	3.06%	2.37%	2.31%	2.20%
Total Operating Income	56.41%	50.21%	46.47%	46.75%	44.86%
Salaries & Allowances	25.75%	24.30%	16.22%	14.78%	12.91%
Rent,Tax,Insurance,Light etc.	2.15%	2.56%	1.99%	1.82%	1.58%
Law charges	0.06%	0.09%	0.06%	0.05%	0.06%
Postage,Telegram & Stamp, telecommunication	1.01%	0.84%	0.58%	0.38%	0.42%
Stationery,Printing & Advertisement etc.	0.40%	0.50%	0.65%	0.60%	0.53%
Chief Executive's Salary and fees	0.01%	0.01%	0.01%	0.01%	0.01%
Directors fees & allowance	0.01%	0.01%	0.01%	0.01%	0.01%
Auditors fees	0.01%	0.01%	0.01%	0.01%	0.01%
Depreciation & Repairs of bank's assets	3.17%	2.22%	2.26%	1.72%	1.43%
Other expenditure	4.34%	6.27%	4.20%	1.62%	2.02%
Total Operating Expenses	36.92%	36.81%	25.99%	21.00%	19.00%
Profit/(Loss) before Amortization, Provision & Tax	19.49%	13.40%	20.47%	25.75%	25.86%
Amortization for valuation adjustment	6.94%	6.66%	6.92%	7.26%	7.74%
Profit/(Loss) before Provision & Tax	16.30%	10.19%	17.37%	22.56%	22.63%
Provision for Loans & Advance/Investments					
Provision for loans and advances	-12.09%	19.72%	12.97%	9.81%	0.00%
Provision for off balance sheet exposure	0.95%	0.00%	0.14%	-0.72%	0.03%
Provision for diminution in the value of Investment	-1.71%	2.25%	2.62%	4.06%	2.58%
Provision for employees benefits	3.26%	2.58%	1.87%	1.80%	1.82%
Other provision	2.68%	3.78%	1.17%	3.52%	1.43%
Total Provision	-6.91%	28.33%	18.77%	18.47%	5.88%
Total Profit before Tax	23.21%	-18.13%	-1.40%	4.09%	16.76%
Provision for Taxation					
Current Tax	6.43%	5.61%	0.31%	0.30%	0.00%
Deffered Tax	0.57%	-6.91%	-3.23%	-0.98%	-5.24%
Net profit /(loss) after Tax	16.20%	-16.83%	1.52%	4.76%	22.00%