INTERNSHIP REPORT

ON

ANALYSIS OF THE FINANCIAL PERFORMANCE OF AGRANI BANK PLC

Submitted To

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Session: 2020-2021

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Letter of Transmittal

19th April, 2026

Manjurul Alam Mazumder

Associate Professor

Department of Finance & Banking

Comilla University, Cumilla.

Subject: Submission of internship report **on "Analysis of the Financial Performance of Agrani Bank PLC"**

Honorable sir,

I am pleased to present my internship report, **"Analysis of the Financial Performance of Agrani Bank PLC"** given by you as the essential requirement of my Bachelor of Business Administration (BBA) program.

The paper attempts to offer insightful information on the subject and represents the knowledge I acquired during my internship at Agrani Bank PLC. I eagerly await your comments and any recommendations you may have for enhancements.

I appreciate all of your help during my internship.

Sincerely yours,

Mohammad Faysal

ID: 12117005

Session: 2020-2021

Department of Finance & Banking

Comilla University, Cumilla.

Student Declaration

I**, Mohammad Faysal**, student of Finance & Banking Department, ID: 12117005, session: 2020-2021, hereby certify that, following three months of employment at Agrani Bank PLC, I prepared the internship report on **"Analysis of the Financial Performance of Agrani Bank PLC"**

Additionally, I certify that the report was written just for my academic obligation and that it has never been submitted anywhere else. Additionally, I can guarantee you that this report was not filed for any other degree.

Mohammad Faysal

ID: 12117005

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Session: 2020-2021

Department of Finance & Banking

Comilla University, Cumilla.

Supervisor's Certificate

It gives me great pleasure to certify that Mohammad Faysal, ID: 12117005, a student in the BBA program, completed the report titled **"Analysis of the Financial Performance of Agrani Bank PLC"** under my supervision and guidance. He finished the report on his own.

He has made every effort to accomplish this effectively.

I hope he has prosperity and success.

Manjurul Alam Mazumder

Associate Professor

Department of Finance & Banking

Comilla University, Cumilla.

Acknowledgement

The Almighty and all those who assisted me in completing this internship report on "Analysis of the Financial Performance of Agrani Bank PLC" have my sincere gratitude for giving me the courage, endurance, and direction I needed to complete it successfully.

I owe a debt of gratitude to Manjurul Mazumder, Assosiate Professor in Comilla University's Department of Finance & Banking, for all of his help and support throughout my internship.

This report has been greatly influenced by his wise counsel, unceasing support, and unshakable faith in my talents.

Additionally, I am really appreciative to Agrani Bank PLC for giving me the chance to intern at their prestigious organization. I also want to thank all of the lecturers and personnel at Comilla University's Department of Finance & Banking for their assistance and collaboration.

Despite my best efforts, this report could contain a few small mistakes or omissions. For any such errors, I sincerely apologize.

Mohammad Faysal

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Session: 2020-2021

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Internship Certificate

অগ্রণী ব্যাংক পিএলসি
পদুয়ার বাজার শাখা, কুমিল্লা অঞ্চল, কুমিল্লা।
Agrani Bank PLC, Paduar Bazar Branch, Cumilla.
টেলিফোন নং- ০১৭১৩-২৫৩৫৩৮, ই-মেইল: br5383@bangla.net.

Ref: ABPLC/Padua/Certificate/107/26 Date: 13/04/2026

TO WHOM IT MAY CONCERN

This is to certify that Mohammad Faysal, a student of Comilla University, Department of Finance and Banking, Program: BBA, Roll/ID No: 12117005 has been started his internship program from 04/01/2026 on Agrani Bank PLC, Paduar Bazar Branch, Cumilla. He is sincere, dedicated and dutiful to his work.

I wish him every success in life.

With Regards

13.04.26

(Mohammad Shah Salim)
AGM & Branch Head

Mohammad Shah Salim
Asst. General Manager & Branch Head
Agrani Bank PLC.
Paduar Bazar Branch, Cumilla.

Executive Summary

The internship report titled "Analysis of the Financial Performance of Agrani Bank PLC," which covers the ten-year period from 2015 to 2024, is succinctly summarized in this executive summary. This report's main goal is to assess Agrani Bank PLC's market position, operational effectiveness, and financial stability. The research looks at important performance metrics related to liquidity, solvency, profitability, and market value using a thorough ratio analysis approach. The results show a decade of notable structural difficulties and instability. The bank's profitability remained precarious even if its Total Asset Turnover showed resiliency, peaking at 4.63 in 2024. Deep-seated problems with non-performing loans and excessive operational expenses are shown by critical net losses in 2016 and 2024, which led to a record-low ROE of -30%. Concerns about the bank's stability are further raised by its Equity Multiplier of 41.03 and Total Debt Ratio of 0.98, which show a dangerously low capital cushion and an excessive reliance on external liabilities. The Current Ratio frequently hovered close to the 1.0 threshold, indicating a restricted ability to resist abrupt economic shocks, and liquidity control remained strict throughout the era. Market indicators, such as a persistently low Market-to-Book Ratio, indicate that these financial instability have undermined investor confidence. This report suggests focusing immediately on capital re-injection, aggressively recovering non-performing loans, and accelerating digital transformation in order to maintain long-term sustainability. Agrani Bank PLC may fortify its financial base and maintain its crucial position in the banking industry of Bangladesh by moving toward low-cost deposit arrangements and improving operational transparency.

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List of Abbreviation

Abbreviation	Full from/Description
(NPls)	Non-performing loans
SOCB	State-commercial Banking
AD	Authorized Dealer
CEO	Chief Executive Officer
SME	Small and Medium Enterprises
SDGs	Sustainable Development
GDP	Gross Domestic Product
SLR	Statutory Liquidity Ratio
PCBs	Private Commercial Banks
P/E	Price-Earnings Ratio
CSR	Cash Reserve Ratio
D/E	Debt-to-Equity Ratio
ROE	Return on Equity
ROA	Return on Asset
TIE	Times Interest Earned
EBIT	Earnings before interest and taxes

Chapter-1

Introduction

1.1 Background of the study

1.2 Problem Statement

1.3 Significance of the Study

1.4 Scope of Study

1.5 Research Questions

1.6 Objectives of the Study

1.1 Background of the Study

Bangladesh is mainly dependent on the bank industry in capital formation and economic stability. Agrani Bank PLC is a state owned, leading commercial bank in the country which has transformed the financial environment of the country since its inception in 1972. Since its corporatization in 2007, the bank has moved towards a more market-oriented model and developed a balance between national development concerns and commercial performance.

It is important to evaluate the financial soundness of a bank in a rapidly digitizing world characterized by changing regulatory aspects. The study aim to assess the performance of Agrani Bank over ten-years period (2015-2024). By analyzing an elaborate set of indicators, such as liquidity, solvency, profitability, and market value ratios, this study determines long-term trends and structural strengths. This longitudinal study offers provides information about whether the bank can cope with risks, grow and remain stable in staying afloat in the dynamic economic environment of the last decade while maintaning the confidence of its stakeholders.

1.2 Problem Statement

Although Agrani Bank PLC is a very important state-owned commercial bank, it has continued to experience problems in ensuring optimal financial health in the volatile economic environment. The main issue is to strike a balance between its social development objectives and business profitability and risk mitigation. The banking sector has faced pressure over the last 10 years (2015-2024) due to increasing non-performing loans (NPLs), fluctuating interest rates, and liquidity limitations.

The main issue in this research is to determine whether Agrani Bank has maintained adequate liquidity to meets its obligations, sustainable solvency to safeguard the long-term interests, and competitive profitability with systemic burdens. Moreover, the market value ratios of the bank should be analyzed in order to comprehend the confidence of the investors and stakeholders. It is difficult to identify whether the financial strategies of the bank are actually helping in reducing the risks or whether structural inefficiency are hindering performance well and long run sustainability without a comprehensive longitudinal analysis.

1.3 Significance of the Study

The results of this research have a significant implication for many stakeholders in the financial ecosystem:

- It offers a longitudinal performance roadmap (2015-2024), through which the executives can trace certain patterns in liquidity and solvency there by enhancing the strategic decision-making process and risk reduction.
- The study of market value and profitability ratios the bank’s dividend-paying capacity and feasibility for long term investment.
- The paper can be used to monitor the performance of commercial banks owned by the state by showing how Agrani Bank has been meeting the regulatory requirements and Basel III over the ten-years period.
- It builds trust in the bank by assessing the capacity of the bank to meet the short-term obligations and the financial well-being of the bank in the long term.
- The report is a secondary data source for students and scholars who might want to do some research on the historical financial trends of the Bangladeshi banking industry since 2015.

1.4 Scope of Study

This study focuses on the critical analysis of the financial performance at Agrani Bank PLC. The scope of this study is stipulated as follows:

- The research study will be based on a ten-years longitudinal examination between 2015 and 2024. This timeframe is chosen to reflect the behavior of the bank in different economic cycles, such as the period of the pre-pandemic growth, the COVID-19 challenges, and the post-pandemic recovery period.
- The study is four major financial dimensions Liquidity, Solvency, Profitability, and Market Value. The analysis is made on the basis of secondary data which are obtained from audited annual reports and financial statements of the bank.
- The work is mainly devoted to the consolidated financial performance of Agrani Bank PLC as a whole, although it can also be referred to its involvement in the state-owned commercial banking (SOCB) industry of Bangladesh.

1.5 Research Questions

The research questions that will be used to achieve the aim of this study will be as follows:

- How has Agrani Bank PLC been doing well or poorly in managing its short-term commitments and maintaining an optimal liquidity position between 2015 and 2024?
- How financially stable is Agrani Bank PLC in meeting its debt obligations in the long-term as shown by the past ten-years solvency ratios?
- How has the bank been capable able to generate sustainable returns on its assets and equity even with the changing economic environment and regulatory reforms in Bangladesh?
- What do the market value ratios indicate the investor confidence and the overall market perception of Agrani Bank PLC between the years 2015 and 2024?

1.6 Objectives of the Study

The Main objective of the study is to analyze the financial performance of Agrani Bank PLC.

Specific objective are as follows:

- **To assess the liquidity management of the bank:** By comparing cash reserves and current assets to liabilities, this study assesses the bank's capacity to fulfill short-term financial obligations.
- **To examine the solvency and financial risk of the bank:** By analyzing the debt-to-equity ratio and the bank's ability to cover continuing operating expenses, this evaluation establishes long-term stability.
- **To determine the profitable performance of the bank:** In order to guarantee long-term company growth, this emphasis assesses how well management generates net income from assets and shareholder investments.
- **To analyze market value indicates of the bank:** By contrasting the bank's stock price with its actual earnings and historical book value, this assesses the perspective of external investors.

Chapter-2

Organization Profile

2.1 Introduction

2.2 Agrani Bank PLC Organizational Structure

2.3 Organizational Product and Services

2.1 Introduction

Agrani Bank PLC is a leading state-owned commercial bank in Bangladesh, which was founded on 26th March 1972 following the independence of the country. It was developed as a result of the merger between the former Habib Bank and the Commerce bank. The bank has been pioneer in real-time online banking and agent banking, evolving into a large network of 979 branches and branches with specialized corporate and authorized dealer (AD) branches, headquartered in Motijheel, Dhaka on May 17, 2007, in order to make it more flexible in its operations and competitive. It is governed by a Board of Directors, led by a Managing Director and CEO. In addition to the conventional banking business, Agrani bank operates a number of subsidiaries, such as Agrani SME Financing Company and Agrani Equity and Investment limited and has a strong internationalized with remittance houses in Singapore, Malaysia, and Canada. The bank is committed to its motto, which is Committed to serve the nation, in its effort to foster financial inclusion and sound economic growth.

Strategic objective of Agrani Bank PLC:

Being the biggest state-owned commercial bank in Bangladesh, Agrani Bank PLC has its strategic objectives to retain its leading positions in the market and the stable development of the national economy. Its key objectives include:

- To completely digitize the banking services by ensuring smooth 24/7 banking to all customers.
- To actively control and mitigate Non-Performing Loans (NPLs) by strict credit evaluation and legal procedures of big defaulters.
- To serve the unbanked, by means of the strategic growth of the agent banking system and rural branches, in line with the national vision of Digital Bangladesh.
- To maximize the Operating Profit per Employee and the overall Return on Assets (ROA) through maximizing the efficiency and cost reduction of administrative expenditures and the non-interest sources of revenue.
- To offer specialized financial products and credit facilities to the Small and Medium Enterprises (SMEs) and the export-oriented industries in an effort to spur industrial growth.
- To include Sustainable Development Goals (SDGs) in the lending policies of the bank, it is important to focus on environment-friendly projects and renewable energy financing.

2.1.1 Vision

To be the leading state-owned commercial bank in Bangladesh, operates internationally at the rate of efficiency, quality good management, excellent customer service, and strong financial stability.

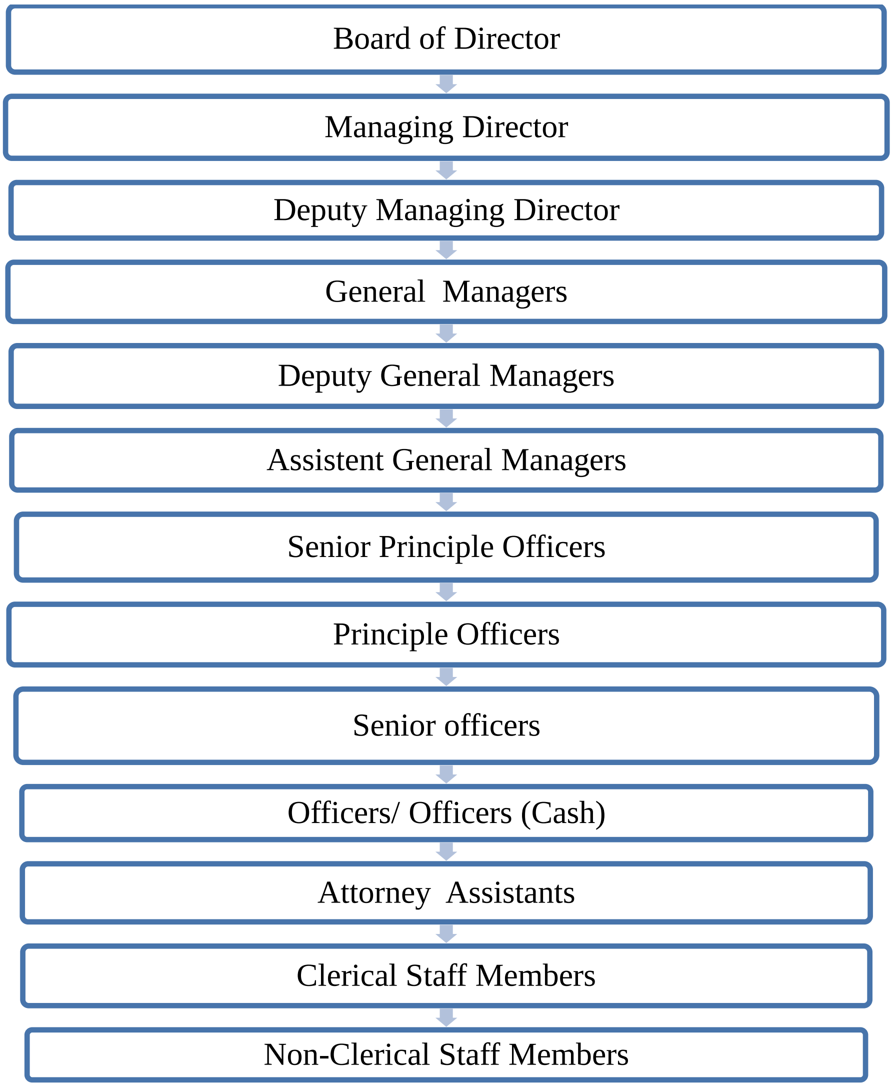
2.1.2 Mission

To work within the tight system that we are governed by in an ethical and equitable way. To embrace the best practices ideas and lessons in an effort to enhance business policies and procedures. To foster maximum advantage to our customers and employees

2.1.3 Slogan

"Committed to serve the nation."

2.2 Agrani Bank PLC Organizational Structure



2.3 Organizational Product and Services

Agrani Bank PLC offers a comprehensive suits of financial solutions designed to cater to retail, corporate, and rural clients. These can be grouped into four primary categories:

Deposit	➢ **Basic Accounts** ➢ **Scheme Deposits** ➢ **Fixed Deposits** ➢ **Specialized Deposits**
Loan and Investment Product	➢ Retail/Consumer Loans ➢ SME and Micro-Credit ➢ Agriculture/Rural Credit ➢ Corporate and Trade Finance
Value-Added and Digital Services	➢ Digital Banking ➢ Agent Banking ➢ Remittance Services ➢ Agency Services
Islami Banking	➢ Deposit Modes ➢ Investment Modes

Table 2.1: Organizational Product and Services

Chapter-3
Literature Review

3.1 Introduction:

The literature review provides a systematic review of the existing literature relating to the financial sustainability of the state-owned commercial banks (SOCBs) in Bangladesh, with a focus on Agrani Bank PLC. This section provides the theoretical basis of the financial performance analysis based on liquidity, solvency, profitability, and market value by reviewing academic papers, journals, and annual reports. It emphasizes the consensus among researchers in terms of the systemic issue of nationalized banks, including high non-performing loans (NPLs) and regulatory changes, and identifies the research gap that which this ten-year longitudinal study (2015-2024) intends to answer.

3.2 Literature Review:

The scholarly sources have continuously pointed out the banking industry as the support of the Bangladeshi economy. Researchers such as Kamal. Y (2006) and J K.M (2020) state that a bank in a developing country is not only a profit-making institution but a key tool in the mobilization of capital. In the case of state owned commercial banks such as Agrani Bank PLC, this represent a dual responsibility, as they must support government development initiatives and at the same time be commercially viable. Roy.D.K (2005) observes that the significance of this sector is manifested by the fact that it not only contributes directly to the GDP but also bridges the gap between the surplus and deficit units in the economy.

Financial ratios are the most popular method of performance assessment. As Islam,M.A (2014) notes, ratios facilitate possible to make a comparison across different time periods and other peer institutions. These are normally divided into four fundamental pillars as found in literature:

- **Liquidity Ratios**: Evaluation of short-term survival.
- **Solvency Ratios:** Evaluation of long-term solvency.
- **Profitability Ratios:** Evaluation of the efficiency in operations.
- **Market Value Ratios:** Evaluation of investor perception.

Banik.B (2015) notes that in the case of SOCBs, such ratios may be subject to the influence of social mandate (like low-interest loans to farmers), and thus the outcomes may be biased against the situation with private commercial banks (PCBs).

The most important indicator of the success of a bank in its operations is profitability. Research studies Kusmayadi, D., Rahman, R., & Abdullah, Y. (2018) and Husna, A.,& Satria, I. (2019). . point out that Agrani Bank has had a stable source of revenue but its Net Profit Margin and Return on Assets (ROA) have been under severe strain. One of the central themes in new literature is the effects of Non-Performing Loans (NPLs). Hossain, M. T. (2018). emphasizes that in the case of state-owned banks, there is a tendency to have an increased volume of defaulted loans due to political interference and ineffective recovery mechanisms.

The dynamic of profitability was changing dramatically between 2015 and 2024. Brume, U.,& Okonkwo, I.V. (2026). notes that the limits on interest rate (6/9% cap) that were lifted in 2023 had a major effect on the net interest spread of Agrani Bank. Moreover, 2024 reforms which in scholarly circles have been termed as the post-July Revolution economic reset unveiled new provisioning requirements that in the short term reduced reported profits but in long-term sought to achieve transparency.

Liquidity management has been an issue of repetition in Bangladeshi banking studies. According to Ratnovski, L. (2013), there is the concept of Liquidity-Profitability Trade-off, according to which having excessive idle cash (to secure liquidity) decreases the funds one can invest in lucrative projects.

Scholarly literature regarding Agrani Bank, in particular, emphasizes the fact that it is a Primary Dealer in government securities. Although this is a guarantee of high liquidity and adherence to the Statutory Liquidity Ratio (SLR) requirements, it may yield lower returns compered to lending in the private sector. Rizkiah, S. K. (2018) notes that in the case of the liquidity crunch during 2022-2023, state-owned banks played the role of a "safety net" of the economy, but this subjected their own liquidity ratios to extreme stress.

Solvency ratios: It is important to note the Debt-to-Equity ratio and the Capital to Risk-weighted Assets Ratio (CRAR) as the most crucial measures of the impact that a bank can withstand shocks. Literature on the implementation of the Basel III framework in Bangladesh reveals that SOCBs have experienced difficulties more than PCBs in fulfilling capital adequacy requirements. According to Uddin, M. M. (2019), governmental recapitalization of Agrani Bank is a constant support of its solvency instead of organic development. This research (2015-2024) aims to examine the extent to which the bank has managed to be less dependent on the state support to achieve independent solvency.

The Market value ratios, such as Price-Earnings (P/E) ratio, Dividend Yield, and others, indicate the investor expectations towards the future of a bank. In the case of a bank such as Agrani, which converted to a PLC in 2007, market perception is a relatively new indicator to the bank with over 50 years of history. According to Ali (2026), the 2024 political transition resulted in a market correction, with the investors demanding greater transparency and improved governance. The 2025 research papers indicate that the banks that adopted the New Bangladesh transparency reforms experienced a rise in the market valuation indicators.

The 2020-2024 period cannot be discussed in any modern literature review on Bangladeshi banks. These findings and conclusions are not limited solely to Chowdhury (2024), who studied the COVID-19 Resilience of SOCBs and discovered that the loan moratoriums only covered the actual situation regarding the quality of assets. Nevertheless, the greatest shift made was in 2024. The Financial landscape was redefined by the discarding of the interest rate system of SMART and the use of a more market-oriented crawling peg to determine the exchange rate, as described by the Bangladesh Economic Review (2025). The research is a critical bridge, in which the study will examine the process through which Agrani bank survived these colossal policy changes during the final year of study period.

Although the literature about the overall performance of the banks of Bangladesh is abundant, there is lack of studies that offer a longitudinal analysis of Agrani Bank PLC over the entire period between 2015 and 2024. The available literature is more of a cross-sectional (comparing multiple banks within one year) or profitability study. This paper fills this gap by presenting a combined perspective of four different categories of ratios in the period of ten years, covering the entire period of economic growth, pandemic crisis, and major economic reforms.

Chapter-4

Methodology of the Study

4.1 Methodology of the Study

4.2 Research Design

4.3 Sources of Data

4.4 Data Collection Procedure

4.5 Tools and Techniques of Data Analysis

4.6 Period of the Study

4.1 Methodology of the Study

The consistency and accuracy of any research work in academics relies on a systematic approach to the gathering, processing and analysis of data. This chapter is a detailed outline of the research framework that will be used to assess the performance of Agrani Bank PLC in terms of financial performance within a period of ten-year between the year 2015 and 2024.

4.2 Research Design

In this research paper, a two-method research designs is employed, which is a combination of Descriptive and Analytical research designs.

- **Descriptive:** It is used in order to describe and report the financial attributes of Agrani Bank. The study offers an objective picture of the position of the bank by describing the changes in assets, liabilities, and equity within 10 years.
- **Analytical Design:** It is goes beyond description to investigate the why and how of financial changes. Using quantitative instruments and analyzing mathematical correlations between financial variables, the study contextualizes the efficiency of the bank, its risk level, and stability within the broader context of the Bangladeshi economy.

4.3 Sources of Data

This research is preserved in terms of integrity as it only uses secondary data. This approach is common in financial analysis as well as longitudinal performance reviews in which audited and historical records are the most reliable evidence.

Data Category	Secondary Sources	Specific Component Extracted
Financial Performance	Audited Annual Reports (2015-2024)	Balance Sheet (Financial Position), Profit & Loss Account (Comprehensive Income), and Cash Flow Statement.
Regulatory Compliance	Bangladesh Bank (Central Bank)	Statutory requirements including Cash Reserve Ratio (CRR), Statutory Liquidity Ratio (SLR), and Basel III capital norms.
Market	Dhaka Stock Exchange	Historical share prices, Dividend

Performance	(DSE)	history, and Total Market Capitalization.
Economic Context	Bangladesh Economic Review	National GDP growth rates, and banking sector performance benchmarks.
Theoretical Framework	Academic Journals & Peer Research	Financial Ratio formulas, literature on banking stability, and previous studies on Agrani Bank.

Table 4.1: Sources of Data

4.4 Data Collection Procedure

A systematic content analysis was carried out in order to collect the data. The 10,000+ pages of reports of financial disclosures were scanned to retrieve certain variables which included: Total Assets, Shareholders' Equity, Operating Profit, Net Income, and Current Liabilities. These figures were gathered in a standardized year-by-year comparison that to ensure consistency and eliminate accounting anomalies by adhering to a uniform data extraction template to form a master database.

4.5 Tools and Techniques of Data Analysis.

In order to convert raw numerical data into comprehensible information, the research will use appropriate financial and statistical methods:

A. Financial Ratio Analysis (Quantitative):

The paper estimates and provides the interpretation of four basic types of ratios to offer a comprehensive perspective of the bank:

- ❖ **Liquidity Ratios:** The capacity of the bank to cover the short-term obligations (Current Ratio, Cash Ratio, etc).
- ❖ **Solvency Ratios:** Measure financial sustainability in the long term and capital composition (Debt-to-Equity, Capital Adequacy Ratio etc).
- ❖ **Profitability Ratios:** Evaluates how well the management is able to make returns (ROA, ROE, Net Interest Margin).
- ❖ **Market Value Ratios:** These are used to examine investor trust and market performance (Market Earning Ratio, Market-to-Book Ratio).

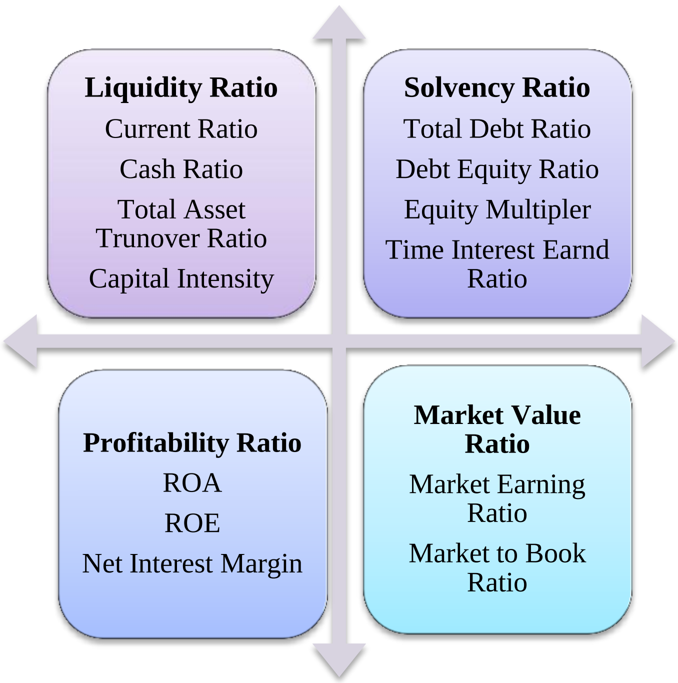


Figure 4.1: Financial Performance Matrix.

B. Statistical and Visualization Software:

- **Microsoft Excel:** It was used to enter the data, perform complex multivariable calculations, and ensure the integrity of the tan-year dataset.
- **Graphical Representation:** In order to make the data more readable, data are presented in Bar Charts (for comparison across years), Line graphs (to identify trends over time) and Data Tables (to obtain data with clear numerical reference).

4.6 Period of the Study

The analysis is done for precisely ten fiscal years between January 1, 2015 and December 31, 2024. This period was selected to measure the performance of the bank in different economic cycles, such as the periods of high GDP growth, the economic slowdown due to the COVID-19 (2020-2021), and the significant changes in the financial sector brought about by the political transition in 2024.

Chapter-5
Analysis and Findings

5.1 Ratio Analysis of Agrani Bank PLC

5.1.1 Liquidity Ratio

- **Current Ratio**: Current Ratio is a liquidity ratio used to assess a company's ability to meet short term obligations using its current assets. Studies have insisted that this ratio is not a formula, but an urgently needed margin of safety for creditors and investors.

"Current Ratio= Current Asset/Current Liabilities."

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Current Ratio	1.17	1.08	1.10	1.03	1.02	1.07	1.04	1.01	0.70	1.02

Table 5.1: Current Ratio of Agrani Bank PLC

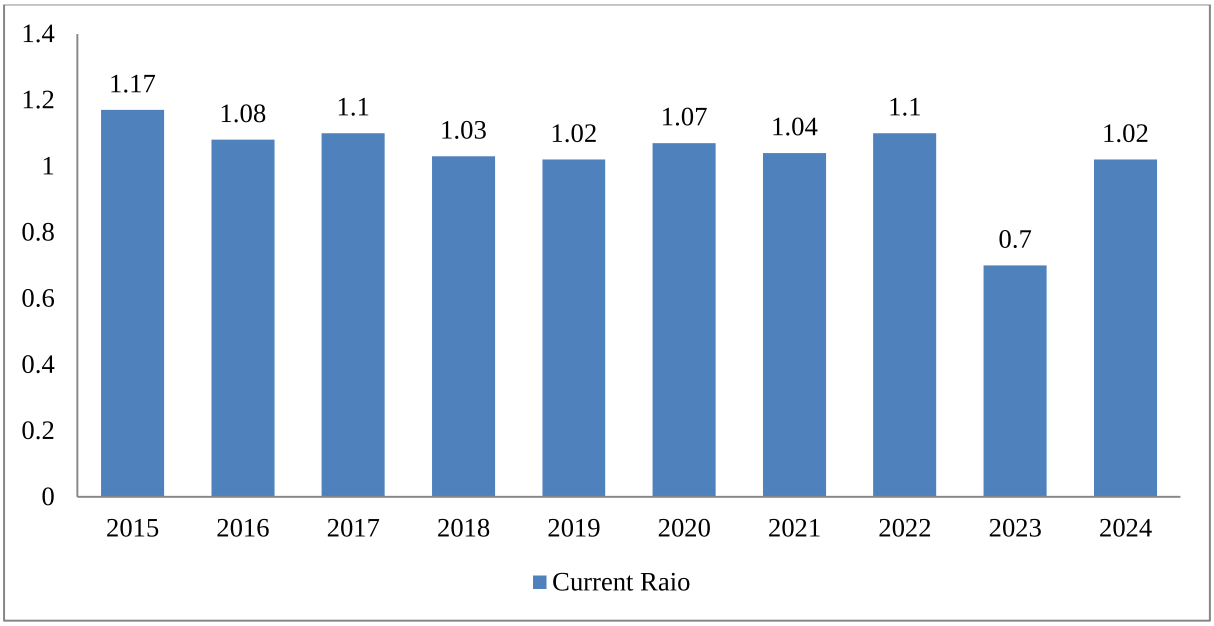


Figure 5.1: Current Ratio of Agrani Bank PLC (2015-2-24)

Analysis: The Current Ratio of Agrani Bank in 2015-24 provides a clue to tight liquidity strategy. Since its healthy position of 1.17 in 2015, the bank has been keeping a small buffer of safety at the margin of 1.00 throughout the decade. In 2023, a serious collapse was experienced as the ratio dropped to 0.70, indicating that current liabilities surpassed liquid assets because of the national liquidity crunch and high costs of paying importers. Nonetheless, a recovery of 2024 to 1.02 reveals an effective stabilization process after changes to the economy. Nevertheless, such a recovery is too little to ensure the company can survive another shock without tighter cash-flow management.

❖ **Yearly Growth Rate of the Current Ratio of Agrani Bank PLC**

Year	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Rate		-7.79	1.85	-6.36	-0.97	4.90	-2.80	-2.88	-30.69	45.71

Table 5.2: Yearly Growth Rate of the Current Ratio

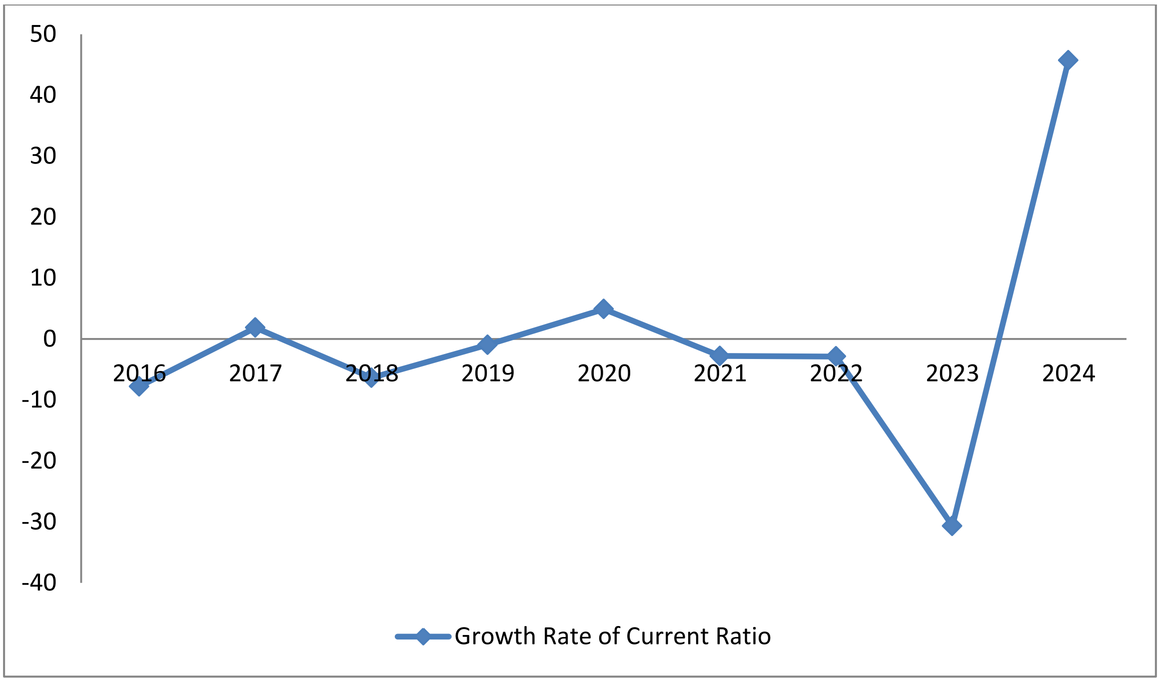


Figure 5.2: Yearly Growth Rate of the Current Ratio of Agrrani Bank PLC (2016-2024)

Analysis: Agrani Bank's current ratio has been declining, reaching a low of 0.70 in 2023. This suggests a brief liquidity crunch where current assets were insufficient to meet short-term obligations. But the 2024 recovery of 45.71% to 1.02 represents a crucial return to stability. Overall, the bank stays near the 1:1 benchmark and has a thin liquidity position.

❖ **Cash Ratio:** One of the leading liquidity ratios is the current ratio which is used to calculate the capacity of a firm to pay off short term debts with the help of the assets it has which are likely to be converted into cash in a period of one year. It is an essential credit rating to creditors seeking to determine instant solvency, financial health and the ability of management to work capital effectively.

"Cash Ratio= Cash/Current Liabilities."

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Cash Ratio	0.08	0.07	0.07	0.06	0.07	0.12	0.45	0.06	0.07	0.06

Table 5.3: Cash Ratio of Agrani Bank PLC.

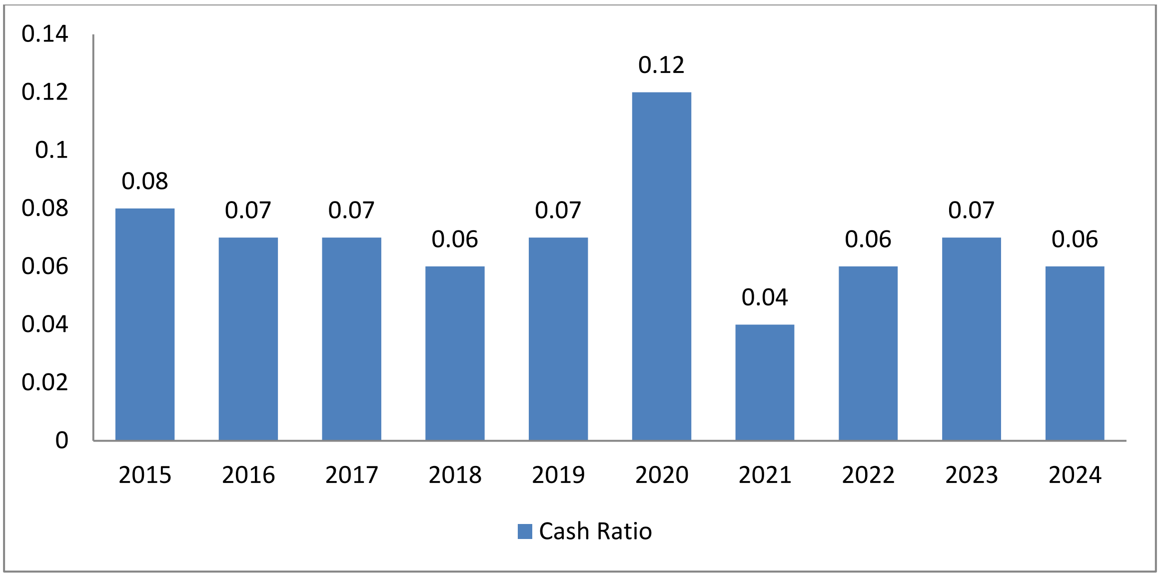


Figure 5.3: Cash Ratio of Agrani Bank PLC (2015-2024)

Analysis: The Quick Ratio (Acid-Test) data indicates that the liquidity position has remained low with an average of 0.07 over the 10-year period. In opposition to the Current Ratio, the Quick ratio does not include less liquid assets; therefore, Agrani Bank has a very low percentage of short-term cash and new cash in comparison with the short-term liabilities. There was also a significantly large outlier in 2020 (0.12), probably because of lending freezes as a result of the pandemic and higher cash holdings. The 2021 (0.04) followed by plateauing to 0.06 in 2024 describes the intensive use of non-immediate assets to pay obligations. This means that there may be a weakness in case of a large withdrawal demand at a short notice.

❖ **Yearly Growth Rate Analysis of the Cash Ratio of Agrani Bank PLC**

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Rate		-12.50	0.00	-14.29	16.67	71.43	275.00	-86.67	16.67	-14.29

Table 5.4: Yearly Analysis of Cash Ratio

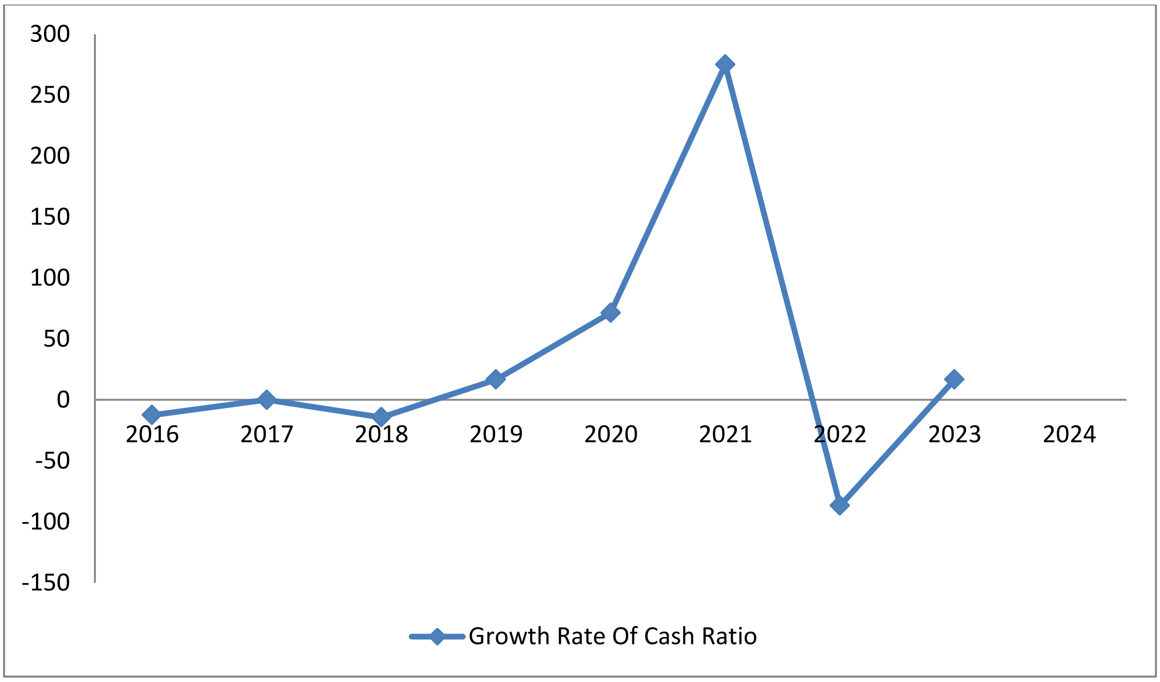


Figure 5.4: Yearly Growth Rate of the Cash Ratio of Agrani Bank PLC (2016-2024)

Analysis: Extreme volatility was seen in Agrani Bank's Cash Ratio, which peaked at 0.45 in 2021 after a huge 275% increase. This suggests an atypical, transient accumulation of highly liquid assets. But the bank's following 86.67% fall in 2022 brought it back to its historical average. The ratio now indicates extremely strict immediate cash liquidity control at 0.06.

❖ **Total Asset Turnover Ratio:** Total asset turnover is an efficiency indicator that determines the capability of a company to make sales based on the total assets. It shows the number of dollars of revenue generated to every dollar of asset invested in assets. The higher the ratio, the more efficient it would be, whereas the lower the ratio, the less efficient or utilized it is in the generation of top-line growth.

"Total Asset Turnover= Revenue/ Total Asset."

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Ratio	4	4.46	4.04	3.56	3.83	3.36	3.79	4.27	4.51	4.63

Table 5.5: Total Asset Turnover Ratio of Agrani Bank PLC.

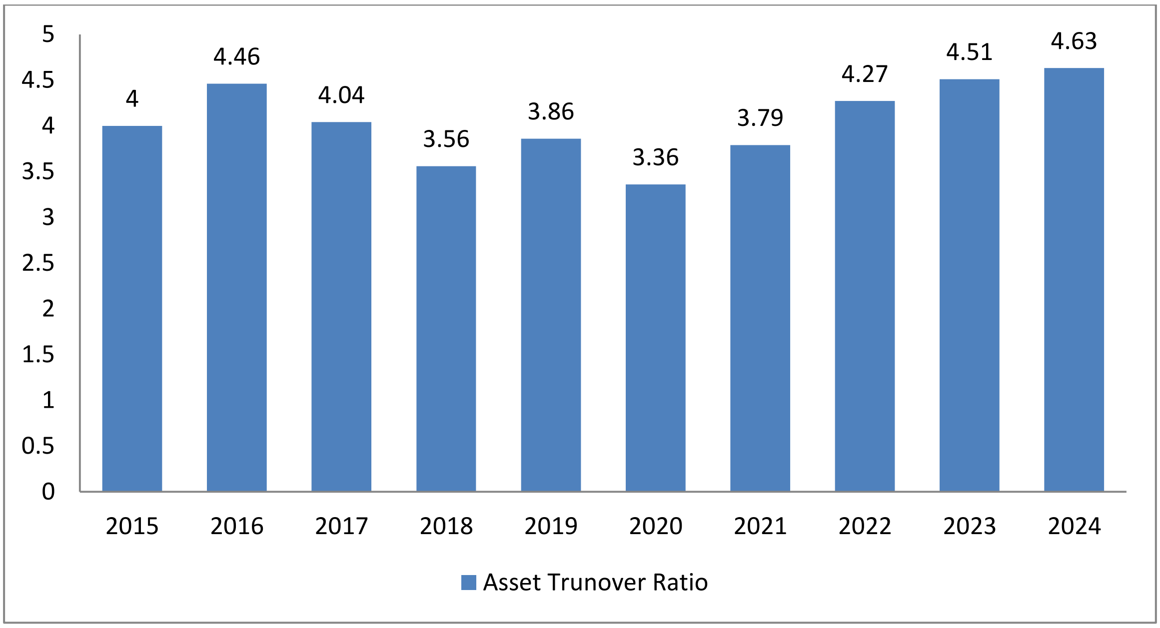


Figure 5.5: Asset Turnover Ratio of Agrani Bank PLC (2015-2024)

Analysis: The statistics indicate a variable nature in the utilization of the assets. Since 2015, there was a downward trend in the efficiency of the bank, reaching a minimum of 3.36 in the year 2020. This dip illustrates the business problems of the pandemic, in which the expansion of assets exceeded the increase in revenues. Nevertheless, the bank has been showing a solid turnaround since 2021 with annual improvements recorded to hit a ten-year peak of 4.63 in 2024. This growth trend is an indication that Agrani Bank has become more effective in maximizing its asset base to generate leading growth in the top line, possibly with a better approach to digital service provision and more vigorous approach to credit deployment in the post-reform era.

❖ **Yearly Growth Rate of the Asset Turnover Ratio of Agrani Bank PLC**

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Rate		11.50	-9.42	-11.88	7.58	-12.27	12.80	12.66	5.67	2.66

Table 5.6: Yearly Growth Rate of the Asset Turnover Ratio

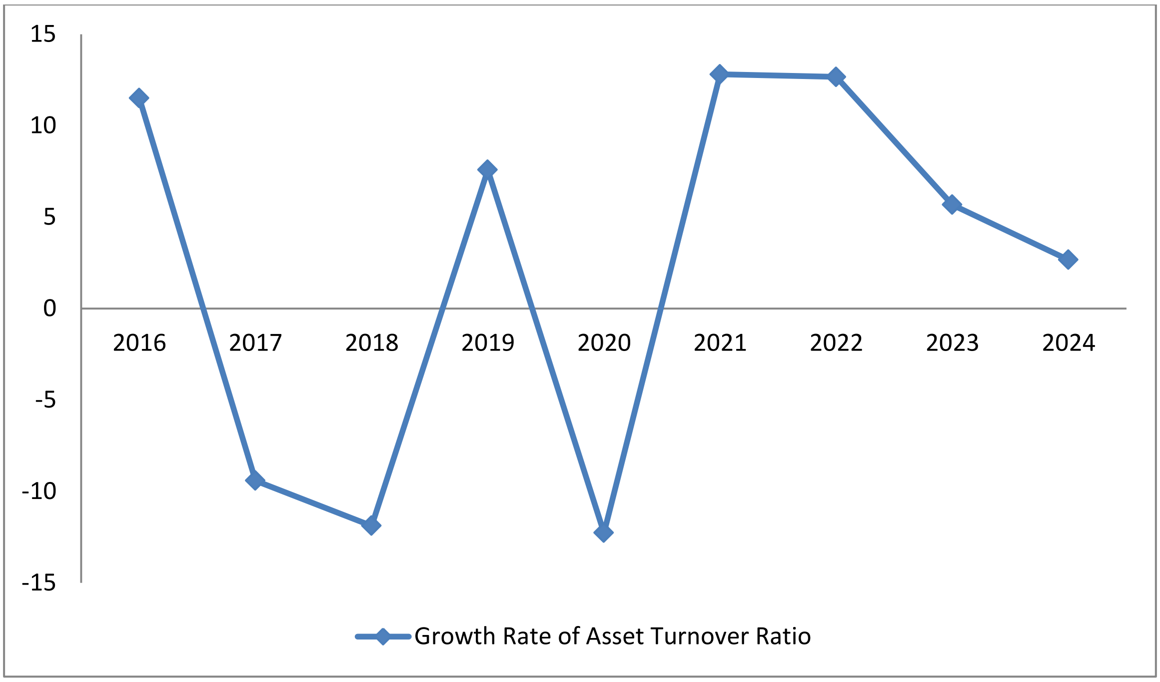


Figure 5.6: Yearly Growth Rate of the Asset Turnover Ratio of Agrani Bank PLC (2016-2024)

Analysis: From a low of 3.36 in 2020 to a peak of 4.63 in 2024, Agrani Bank's Asset Turnover Ratio has demonstrated a strong recovery. The bank is growing more adept at using its assets to produce income, as seen by the steady increase trend over the last four years. It recommends increased operational productivity throughout its asset base and better credit management.

- **Capital Intensity Ratio:** Capital intensity is the level of fixed assets, i.e. machinery and infrastructure, needed to produce one unit of output. It is an indicator of the level of capital intensity of a business relative to labor intensity operations. The capital intensity is usually a sign of large upfront investment, high entry barriers, with a certain possibility of increased long-term efficiency but also also a high risk because of the high depreciation costs.

“Capital Intensity= Total Asset/Total Revenue.”

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Ratio	0.25	0.21	0.25	0.28	0.26	0.30	0.26	0.23	0.22	0.22

Table 5.7: Capital Intensity Ratio of Agrani Bank PLC.

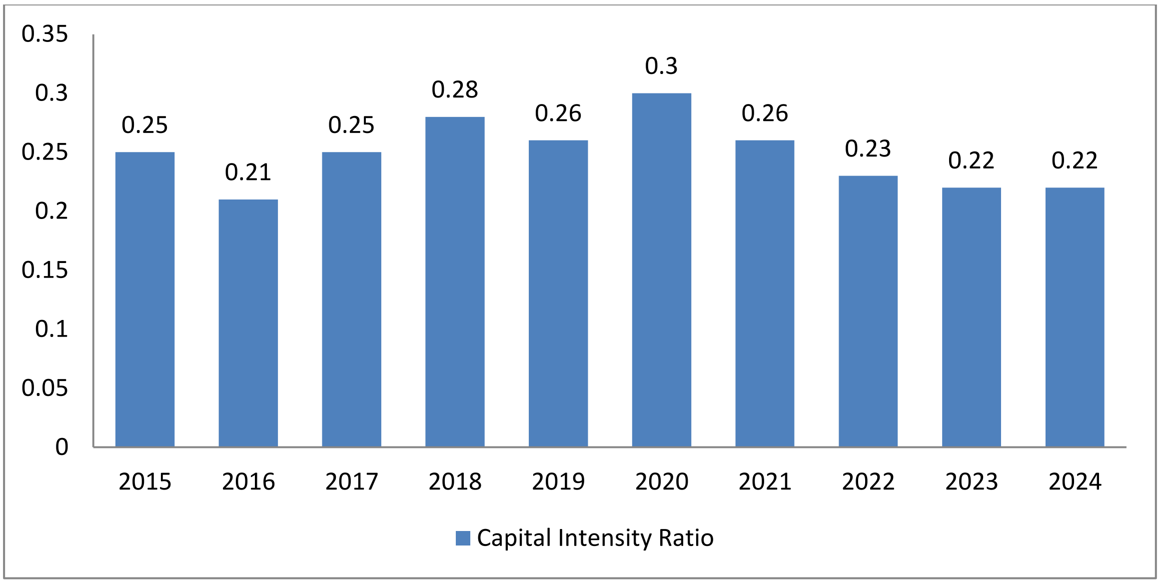


Figure 5.7: Capital Intensity Ratio of Agrani Bank PLC (2015-2024)

Analysis: Agrani Bank PLC Capital Intensity Ratio reveals that there is a steady trend between the 11-year range, ranging between 0.21 and 0.30. The implication of this trend is a steady capital allocation process as compared to the size of operations of the bank. There was a small spike in 2020 (0.30), presumably caused by the economic changes brought about by the pandemic, as well as the protection mechanisms of assets. The ratio however went downwards since 2021 stabilizing at 0.22 by 2024. This decline is a positive indicator of increased capital efficiency which means that the bank has been effective in the deployment of its resources to maintain the operations and increase in revenues with a leaner capital base over the past few years.

❖ **Yearly Growth Rate of the Capital Intensity Ratio of Agrani Bank PLC**

Year	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Rate		-16.00	19.05	12.00	-7.14	15.38	-13.33	-11.54	-4.35	0.00

Table 5.8: Yearly Growth Rate of the Capital Intensity Ratio

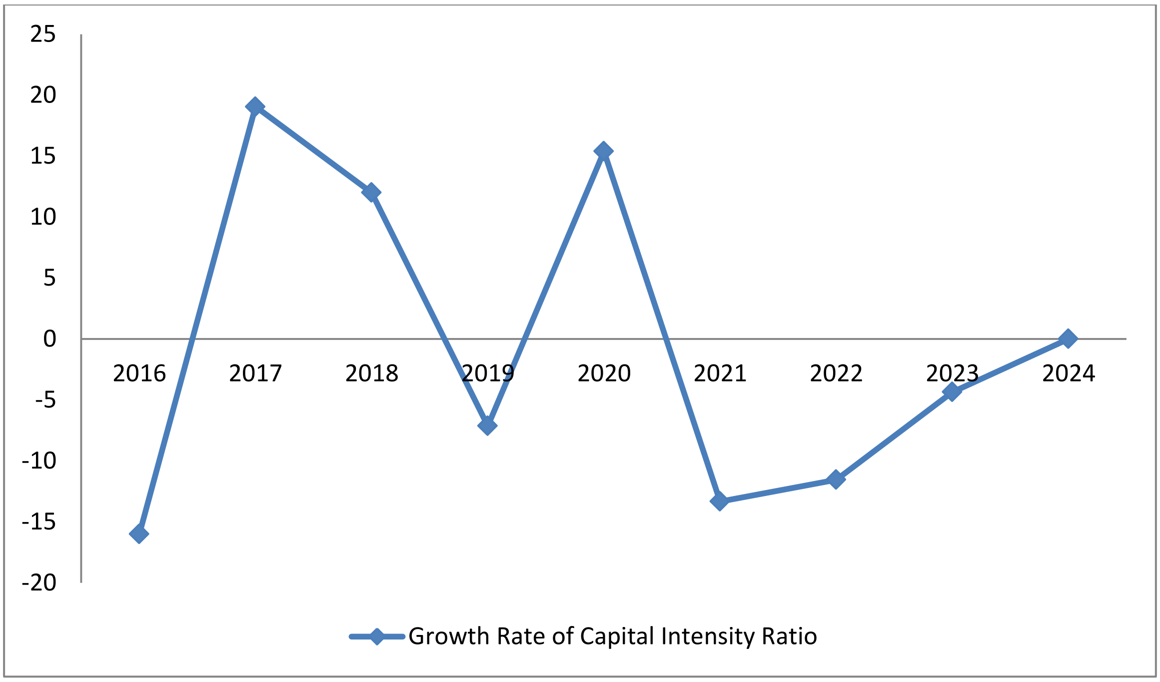


Figure 5.8: Yearly Growth Rate of the Capital Intensity Ratio of Agrani Bank PLC (2016-2024)

Analysis: The Capital Intensity Ratio of Agrani Bank peaked in 2020 at 0.30, but it has subsequently gradually decreased, settling at 0.22 in 2024. This declining trend indicates that the bank is getting more asset-efficient and needs less capital to make money. The recent stability suggests a steady operating approach that strikes a balance between asset development and the capital needed to maintain its banking operations.

5.1.2 Long Term Solvency, or Financial Leverage Ratios

❖ **Total Debt Ratio:** Total Debt Ratio is a solvency ratio that determines the rate of the total assets of a company that are funded by creditors and not shareholders. It can be determined by dividing total assets by the total liabilities. A greater ratio means greater financial leverage and long-term risk since it means the company has been more dependent on debt to finance operations.

"Total Debt Ratio= Total Asset-Total Liability/Total Asset."

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Debt Ratio	0.92	0.94	0.94	0.95	0.95	0.96	0.97	0.96	0.97	0.98

Table 5.9: Total Debt Ratio of Agrani Bank PLC.

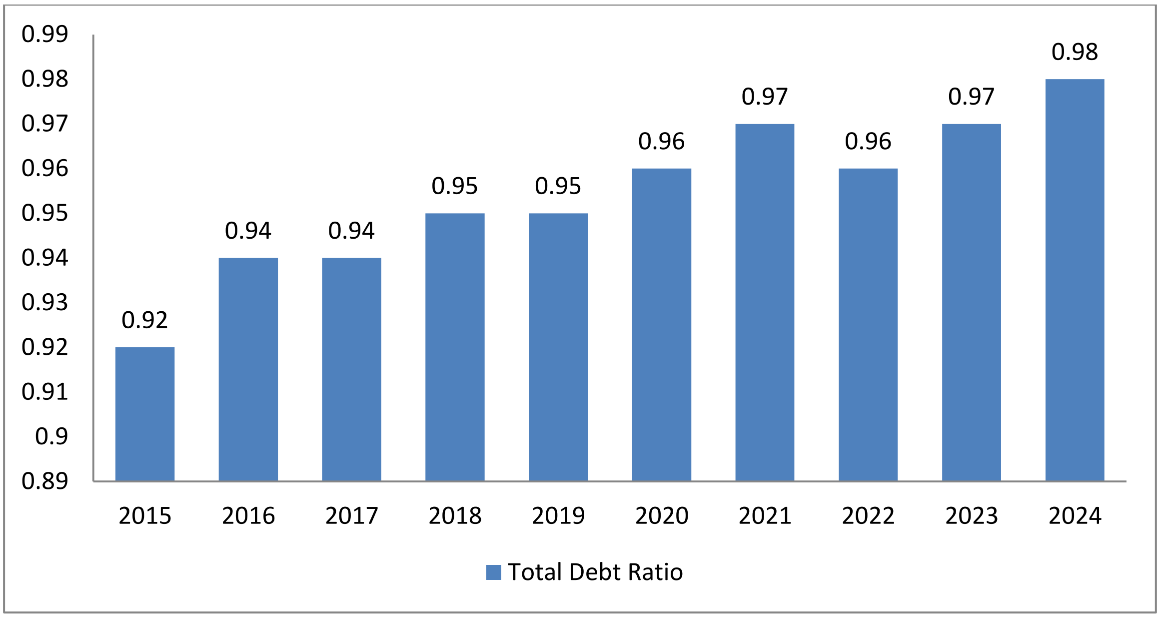


Figure 5.9: Total Debt Ratio of Agrani Bank PLC (2025-2024)

Analysis: The Total Debt Ratio Agrani Bank PLC exhibits the stable, gradually increasing positive trend and this value has increased since the year 2015 to 2024, increasing by 0.92 to 0.98. The high level of this ratio is a clear indication that almost all the assets of the bank are not funded by equity which is the capital of shareholders but are funded by debt which is a customer deposit. In the case of a state-owned commercial bank, it is typical of a high Leverage business model whereby the bank depends on deposit mobilization. Although this validates the banks position in the management of the funds of the people, the high dependency on debt gives focus on the reduced capital buffer, thus the crucial role of risk management in the assets allocation.

❖ Yearly Growth Rate of the Total Debt Ratio of Agrani Bank PLC

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Rate		2.17	0.00	1.07	0.00	1.05	1.04	-1.03	1.04	1.03

Table 5.10: Yearly Growth Rate of the Total Debt Ratio

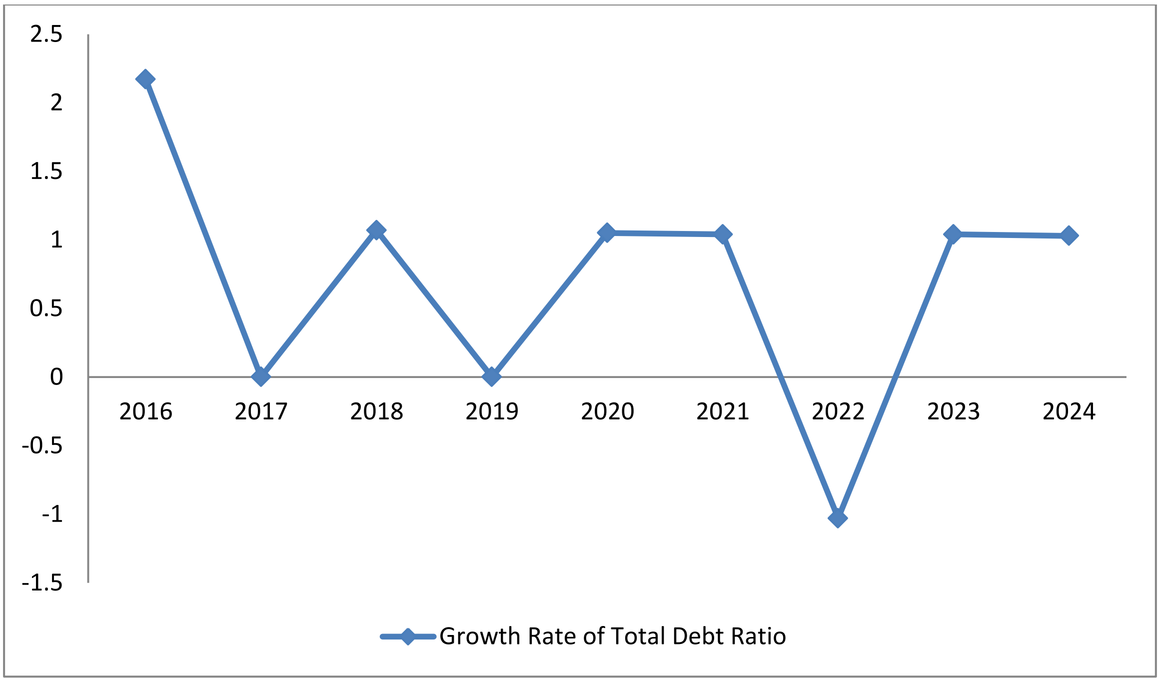


Figure5.10: Yearly Growth Rate of the Total Debt Ratio of Agrani Bank PLC

(2016-2024)

Analysis: Agrani Bank's Total Debt Ratio shows a persistent upward trend, increasing from 0.92 in 2015 to 0.98 in 2024. This consistently high ratio suggests the bank relies heavily on external liabilities (primarily deposits) to finance its assets. While typical for commercial banks, a ratio nearing 1.0 indicates a very thin equity cushion, emphasizing the need for robust risk and capital management.

❖ **Debt Equity Ratio:** A Debt-to-Equity (D/E) Ratio is a solvency ratio that indicates the ratio of total liabilities a firm has to financing by its shareholders. The ratio indicates a ratio between fixed-claim financing (debt) and funds provided by the owners (equity). An increase in the ratio means that the capital structure is more aggressive which means that the company is financed majorly by creditors which poses a risk of raising the level of financial risk when there is a downturn in the economy.

"Debt Equity Ratio= Total Debt/Total Equity"

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Ratio	10.04	13.63	13.36	15.52	16.75	22.93	25.25	23.49	24.52	32.45

Table 5.11: Debt Equity Ratio of Agrani Bank PLC.

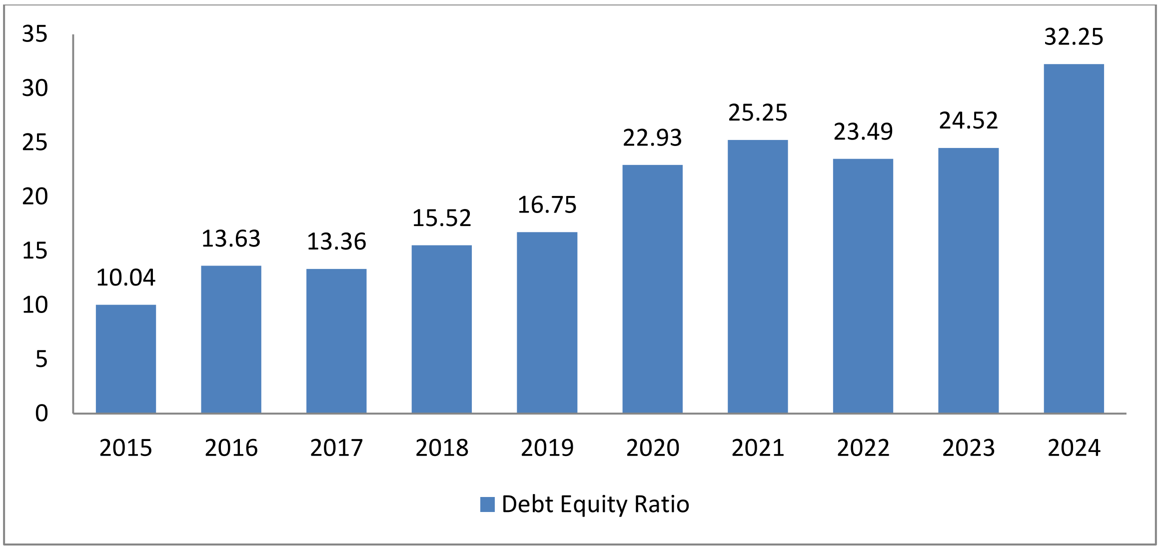


Figure 5.11: Debt Equity Ratio of Agrani Bank PLC (2015-2024)

Analysis: Agrani Bank PLC has an upward trend in Debt-to-Equity Ratio, which started at 10.04 in the year 2015 and reached to a high of 32.25 in 2024. The trend shows the growing dependence of borrowed funds (mainly deposits) as compared to the bank equity. Although the application of high leverage is typical in the banking industry, a leverage value above 30.00 in 2024 indicates an incredibly thin capital cushion. This growth is a sign of an accelerated growth in asset growth and increasing liabilities that have been far ahead equity growth and therefore, the bank may be exposed to credit risks and the capital inflow is urgently needed to achieve long term solvency.

❖ **Yearly Growth Rate of the Debt Equity Ratio of Agrani Bank PLC**

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Rate		35.76	-1.98	16.17	7.93	36.90	10.12	-6.97	4.38	32.34

Table 5.12: Yearly Growth of the Debt Equity Ratio

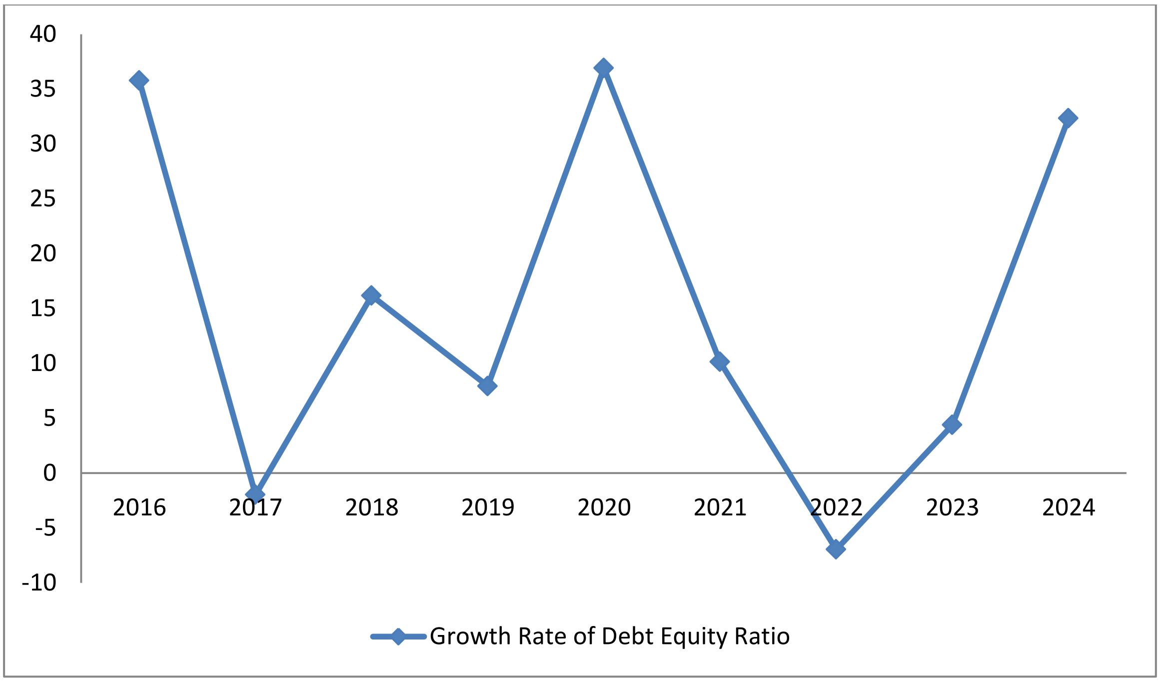


Figure 5.12: Yearly Growth Rate of the Debt Equity Ratio of Agrani Bank PLC (2016-2024)

Analysis: The debt-to-equity ratio of Agrani Bank increased from 10.04 in 2015 to a peak of 32.45 in 2024. The bank is increasingly depending on debt rather than its own equity, as seen by this considerable growth, especially the 32.34 surge in 2024. In addition to indicating ambitious development, such high leverage also raises the possibility of capital adequacy issues and increased financial risk.The debt-to-equity ratio of Agrani Bank increased from 10.04 in 2015 to a peak of 32.45 in 2024. The bank is increasingly depending on debt rather than its own equity, as seen by this considerable growth, especially the 32.34 surge in 2024. In addition to indicating ambitious development, such high leverage also raises the possibility of capital adequacy issues and increased financial risk.

- **Equity Multiplier:** Equity Multiplier is a ratio of financial leverage to gauge the shareholders of a company in terms of financing that company. It is determined by dividing total assets by total shareholder equity. The multiplier will be given as a higher value which shows that the firm is sourcing a larger debt to fund its asset base, raising the financial risk and the possible return on the equity.

"Equity Multiplier= Total assets/Total equity"

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Ratio	12.65	17.05	16.55	18.97	20.13	26.79	29.46	28.18	29.68	41.03

Table 5.13: Equity Multiplier of Agrani Bank PLC.

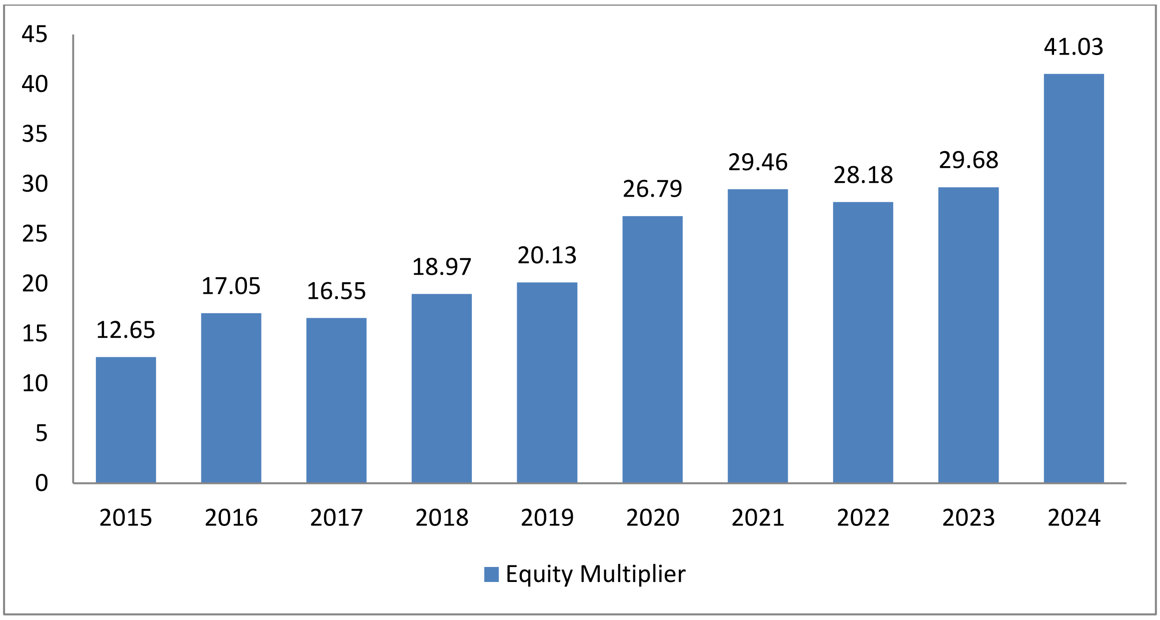


Figure 5.13: Equity Multiplier of Agrani Bank PLC (2015-2-24)

Analysis: Equity Multiplier of Agrani Bank PLC indicates that the value of the multiplier is moving in the direction of the upward trend beginning with 12.65 in 2015 and reaching the decadium of 41.03 in 2024. This is an indication of a high degree of financial leverage which implies that the bank is progressively funding its assets using debt (deposits) as opposed to equity. By 2024, the bank possessed more than 41 times the 1 taki assets per 1 taki equity. Although this high multiplier can increase Return on Equity (ROE), it means that this shows a very low capital cushion and increases financial risk, so there is a pressing necessity to strengthen the capital base: Equity Multiplier.

❖ Yearly Growth Rate of the Equity Multiplier of Agrani Bank PLC

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Rate		34.78	-2.93	14.62	6.11	33.08	9.97	-4.34	5.32	38.24

Table 5.14: Yearly Growth Rate of the Equity Multiplier

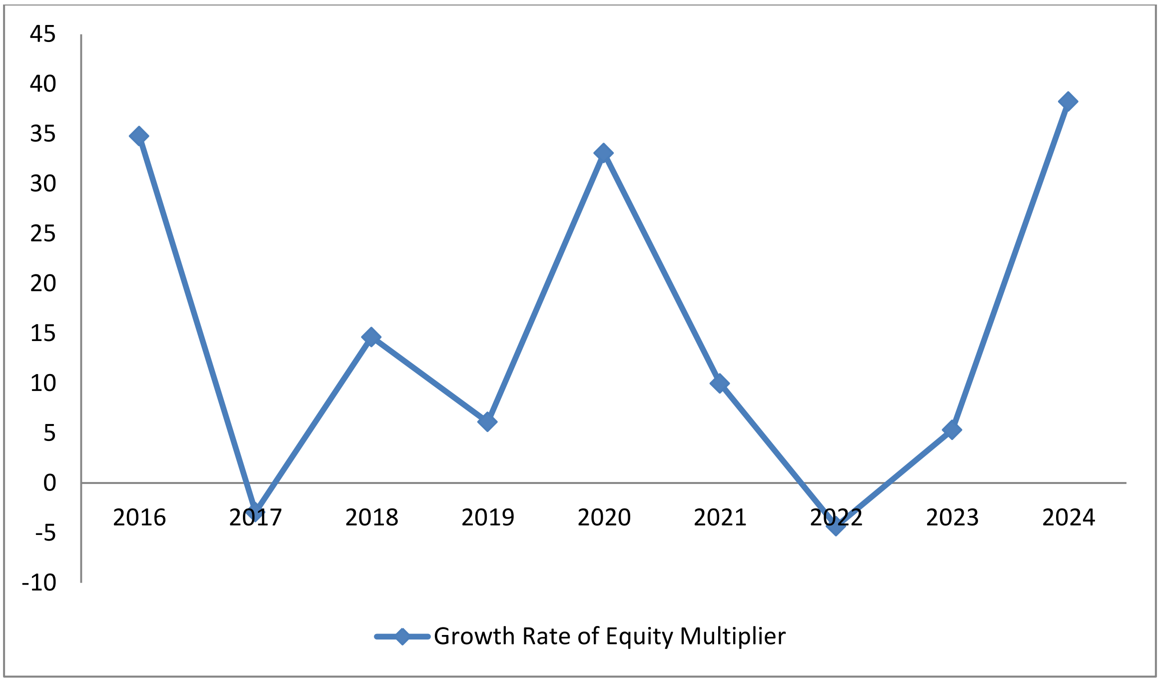


Figure5.14: Yearly Growth Rate of the Equity Multiplier of Agrani Bank PLC (2016-2024)

Analysis: From 12.65 in 2015 to 41.03 in 2024, Agrani Bank's Equity Multiplier rose significantly. This steady growing trend, particularly the 38.24% increase in 2024, shows that the bank is making extensive use of financial leverage. Although high leverage can increase return on equity, it also implies that a significant amount of the bank's assets are financed by debt (liabilities and deposits) rather than shareholder stock, which increases the bank's risk.

❖ **Times Interest Earned Ratio:** Times Interest Earned (TIE) Ratio is a solvency ratio that determines the capacity of the company to cover the interest payments of its operations using its operating revenue. It is estimated as Earnings before interest and taxes (EBIT)/total interest expense. The larger the ratio, the greater the "margin of safety" which means that the firm can comfortably meet its debt obligations even as the earnings become erratic.

"Times Interest Earned Ratio: EBIT/Interest"

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Ratio	1.12	1.08	1.03	0.96	0.92	0.92	0.81	0.53	0.76	0.84

Table 5.15: Times Interest Earned Ratio of Agrani Bank PLC.

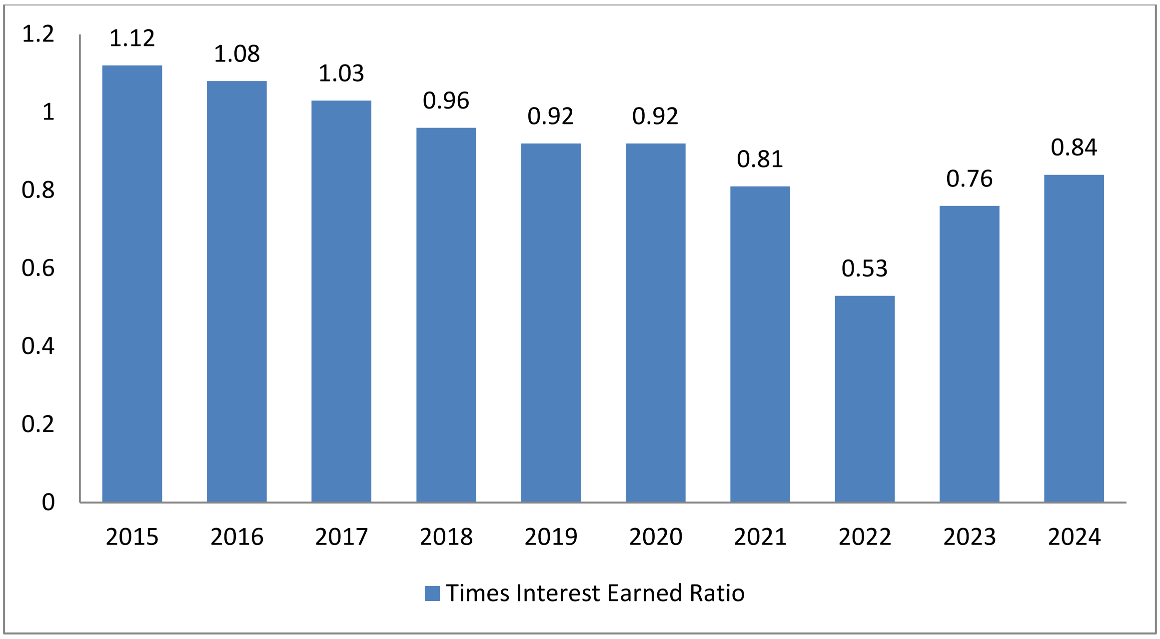


Figure 5.15: Times Interest Earned Ratio of Agrani Bank PLC (2015-2024)

Analysis: The Times Interest Earned (TIE) Ratio of Agrani Bank PLC is also a worrying case as it has been decreasing since 2015 when it was at 1.12, to the lowest of 0.53 in 2022. The ratio has been below 1.00 since 2018, which means that the operating income of the bank was not enough to meet its interests over the three years. This reveals that there is a great financial risk and there is a fight in order to meet the debt obligations using core earnings. Though the ratio has increased to 0.84 as of 2024 after economic reforms, it is still lower than the level of safety, and therefore, the company still requires improved profitability and improved management of interest costs.

❖ **Yearly Growth Rate of the Times Interest Earned Ratio**

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Rate		-3.57	-4.63	-6.80	-4.17	0.00	-11.96	-34.57	43.40	10.53

Table 5.16: Yearly Growth Rate of the Times Interest Earned Ratio

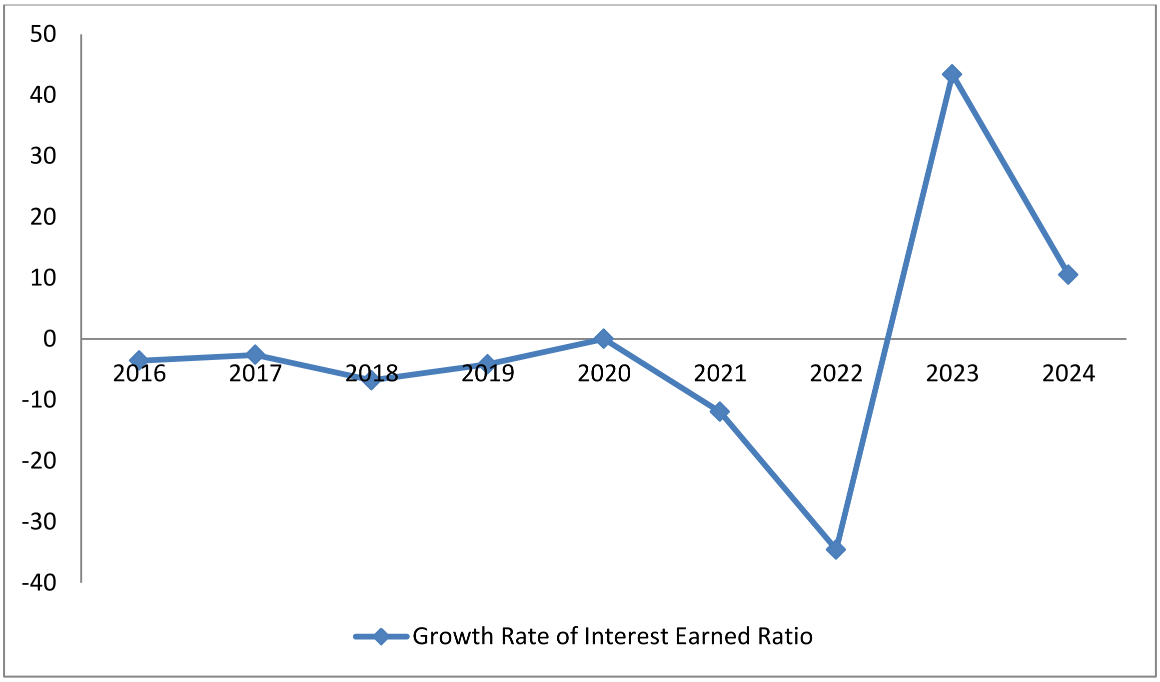


Figure 5.16: Yearly Growth Rate of the Times Interest Earned Ratio of Agrani Bank PLC (2016-2024)

Analysis: Between 2015 and 2022, Agrani Bank's TIE ratio had a worrying decline, going from 1.12 to a low of 0.53. From 2018 forward, a ratio less than 1.0 indicates that the bank's operational revenue was not enough to pay its interest costs. Though it is still below the optimal safety criterion, the notable 43.40 recovery in 2023 and additional increase to 0.84 in 2024 show a recovering capacity to satisfy interest commitments.

5.1.3 Profitability Ratios

- **Return on Assets (ROA):** Return on Assets (ROA) is a profitability ratio which is used to determine how efficiently a company earns using all the assets. It is computed through the division of the net income by the average total assets. The higher the ROA is, the more the management is able to use its resource base to generate profits, and thus it is an important measure of operation performance.

"ROA=Net Income/Total assets"

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Ratio	0.12	-1.12	1	0.13	0.13	0.06	0.21	0.10	0.06	-0.73

Table 5.17: Return on Assets (ROA) of Agrani Bank PLC.

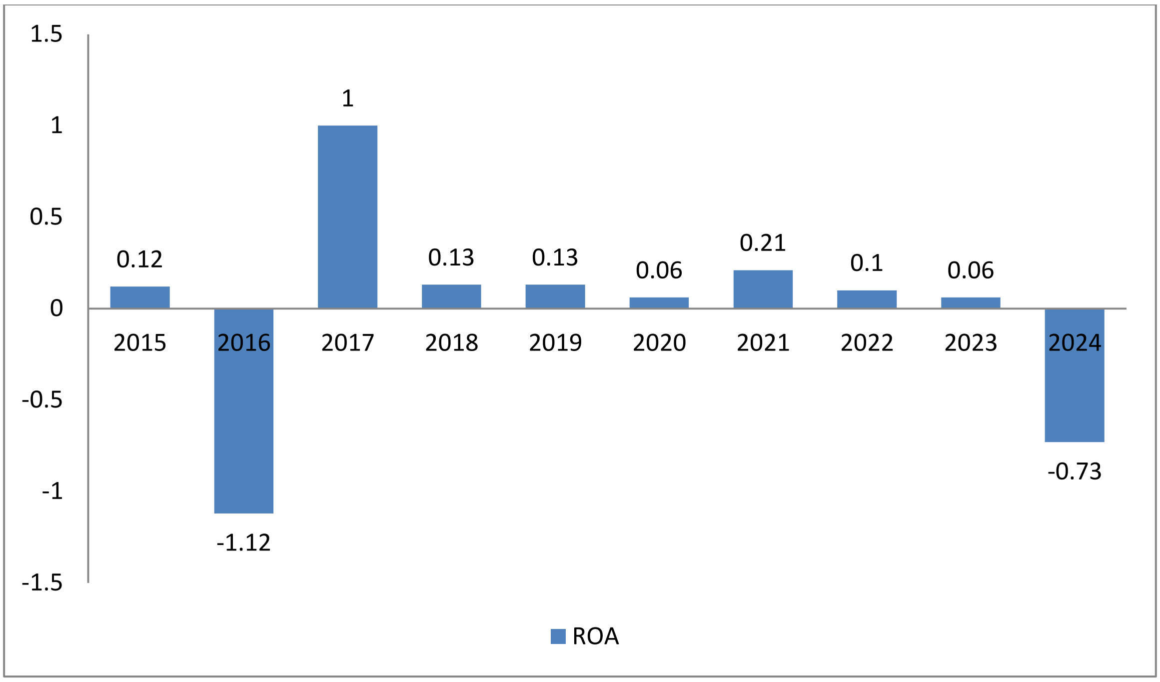


Figure 5.17: Return on Assets (ROA) of Agrani Bank PLC (2025-2024)

Analysis: The Agrani bank PLC Return on Assets (ROA) is very volatile with limited returns and at times net losses. Its lowest level was -1.12 in 2016 and -0.73 in 2024, or during the years when the total assets of the bank did not yield any positive net income. Besides these losses, the ROA was flat ranging between 0.06 and 0.21 which is well below the usual banking standard of 1.00. This is an indication that the bank is running a huge asset base and is therefore not very efficient in turning the assets into real profit due to high operating expenses and non-performing loans.

❖ **Yearly Growth Rate of the Return on Assets of Agrani Bank PLC**

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Rate		-1033.33	189.29	-87.00	0.00	-53.85	250.00	-52.38	-40	-1316.67

Table 5.18: Yearly Growth Rate of the Return on Assets

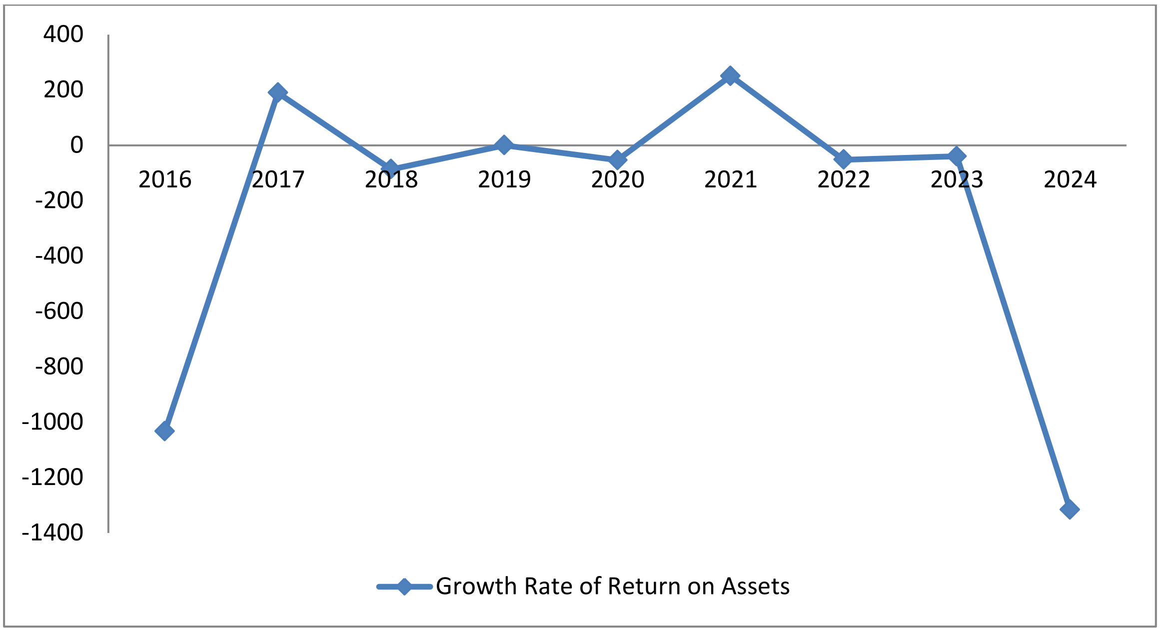


Figure 5.18: Yearly Growth Rate of the Return on Assets of Agrani Bank PLC (2016-2024)

Analysis: The ROA of Agrani Bank has a worrying long-term trend and excessive volatility. Significant losses were incurred by the bank in 2016 and most recently in 2024, when the ratio fell to -0.73. Although asset efficiency peaked between 2017 and 2021, the bank has often had trouble sustaining steady profits. The most recent significant drop in 2024 points to a serious loss in the bank's capacity to make money from all of its assets, most likely as a result of growing non-performing loans or higher operating expenses.

❖ **Return on Equity (ROE):** Return on Equity (ROE) is a profitability ratio which evaluates the performance of a firm to yield profits on investments of the shareholders of the firm. It is determined by dividing by the net income of the total shareholder equity. When ROE is high, it means that the company is efficiently utilizing its equity base in generating value, and thus is an important indicator to investors and the management team.

"ROE=Net Income/Total Equity"

Year	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Ratio	1.46	-19.06	16.59	2.49	3.53	1.49	3.39	2.71	1.66	-39

Table 5.19: Return on equity (ROE) of Agrani Bank PLC.

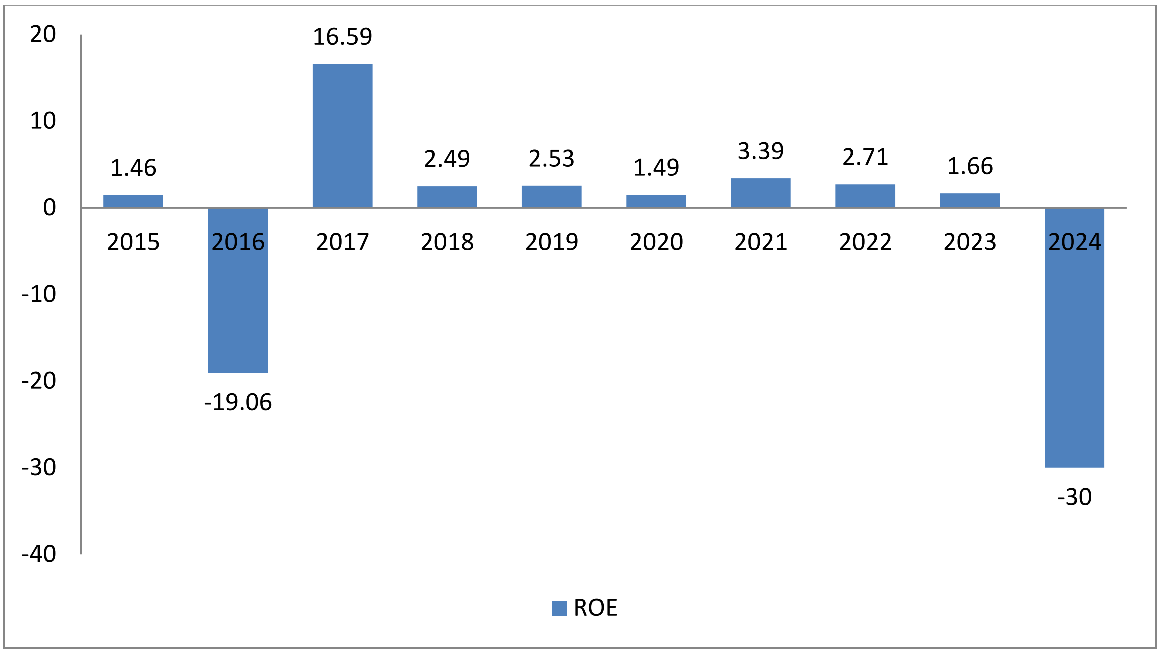


Figure 5.19: Return on Equity (ROE) of Agrani Bank PLC (2015-2024)

Analysis: The Agrani Bank PLC has the greatest levels of volatility on the Return on Equity (ROE), indicating that there is a great deal of instability in the shareholder returns. It went down to a pathetic low of -19.06% in 2016 and a further low of -30% in 2024, which shows that it made massive net losses compared to equity during the years. Although the bank recorded an impressive high of 16.59 percent in 2017, the other years were not consistent as they were mostly in low single digits. These negative spikes underline a weak capital base that is fighting with high operating losses or provisioning needs, which is worrying specifically about the ability of this bank to generate internal capital in the long term.

❖ **Yearly Growth Rate of the Return on Equity of Agrani Bank PLC**

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Rate		-1405.48	187.04	-84.99	41.77	-57.79	127.52	-20.06	-38.75	-2449.4

Table 5.20: Yearly Growth Rate of the Return on Equity

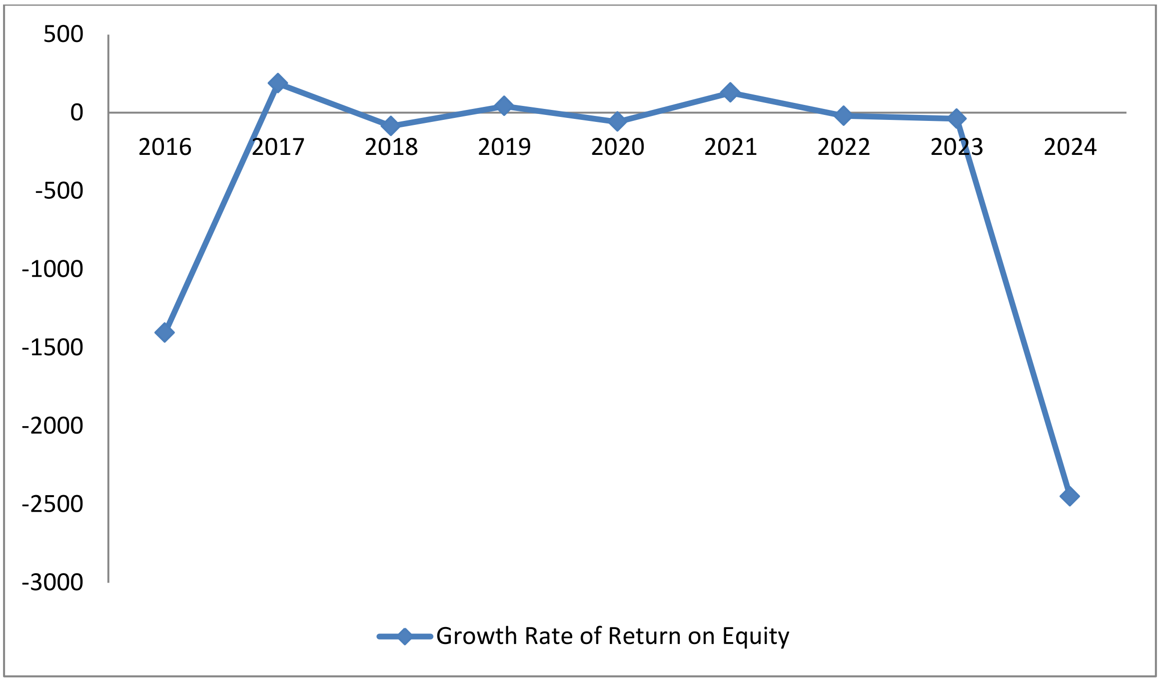


Figure 5.20: Yearly Growth Rate of the Return on Equity of Agrani Bank PLC (2016-2024)

Analysis: The ROE of Agrani Bank is incredibly erratic, fluctuating between large gains and significant losses. The most concerning statistic is the -39% ROE in 2024, which is a 2,449% decrease from the year before. When combined with the previously mentioned high Equity Multiplier, this suggests that the bank's excessive leverage is significantly reducing shareholder value by amplifying losses. This volatility suggests serious underlying problems with capital management and profitability.

5.1.4 Market Value Ratios

- **Price-earnings Ratio:** Price to Earnings (P/E) Ratio is a market value ratio which is a ratio of a current share price of a company to its per-share earnings. It is the degree of eagerness among investors to spend on every dollar of earnings. A large P/E ratio could indicate that a stock is overpriced or the investors anticipate that the company will grow at a high pace in future.

"Price-earnings Ratio=Price per share/Earnings per share"

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Ratio	8.42	7.95	8.11	7.63	6.87	6.54	7.02	8.34	9.12	-3.01

Table 5.21: Price-Earnings Ratio of Agrani Bank PLC.

Figure 5.21: Price-Earnings Ratio of Agrani Bank PLC (2015-2024)

Analysis: The Price-Earnings (P/E) Ratio of Agrani Bank PLC has indicated a comparatively stable valuation during the years 2015 (8.42) and 2023 (9.12) that indicated that the investors were historically eager to pay around 7 -9 times the bank earnings to purchase its shares. The ratio however plummeted to -3.01 in 2024. Negative P/E ratio is a red flag that the bank had made a net-loss in the fiscal year and therefore, it cannot be valued using the traditional earnings-based valuation method. This bottom-line failure in 2024 has indicated extreme bottom-line pressure and dwindling investor confidence, and structural reforms are an urgent requirement to recover the profitability and rebuild investor confidence.

❖ **Yearly Growth Rate of the Price-Earnings Ratio of Agrani Bank PLC**

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Rate		-5.58	2.01	-5.92	-9.96	-4.80	7.34	18.80	9.35	-133.0

Table 5.22: Yearly Growth Rate of the Price-Earnings Ratio

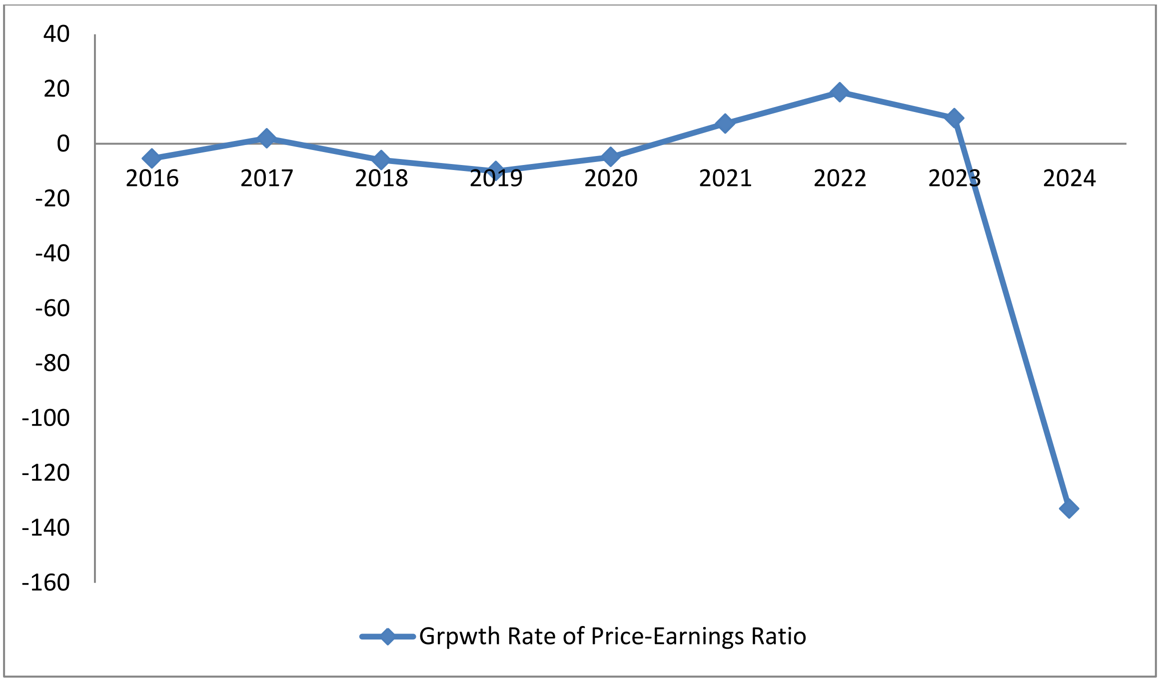


Figure 5.22: Yearly Growth Rate of the Price-Earnings Ratio of Agrani Bank PLC (2016-2024)

Analysis: Agrani Bank's P/E ratio showed a steady market value in relation to earnings for over 10 years, ranging from 6.5 to 9.1. But in 2024, the ratio plummeted to -3.01, a staggering 133% drop. Generally speaking, a negative P/E ratio indicates that the bank incurred a net loss for the year (negative earnings per share). This steep decline indicates serious difficulties with the bank's profitability during the most recent fiscal year and reflects the same financial distress shown in the ROA and ROE indicators

❖ **Market-to-Book Ratio**: Market to Book (M/B) Ratio is a market value sign, which gives an account of a comparison between the present market of the company and the accounting book value of the same company. It determines the under or over value of a stock by comparing the investor expectations with the net asset value. The ratio is usually considered as above 1.0; this means that investors assume that the company will create value in the future which is not reflected in its physical assets.

"Market-to-Book Ratio=Market value per share/Book value per share"

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Ratio	0.92	0.87	0.95	0.90	0.82	0.79	0.84	0.93	1.01	0.74

Table 5.23: Market-to-Book Ratio of Agrani Bank PLC

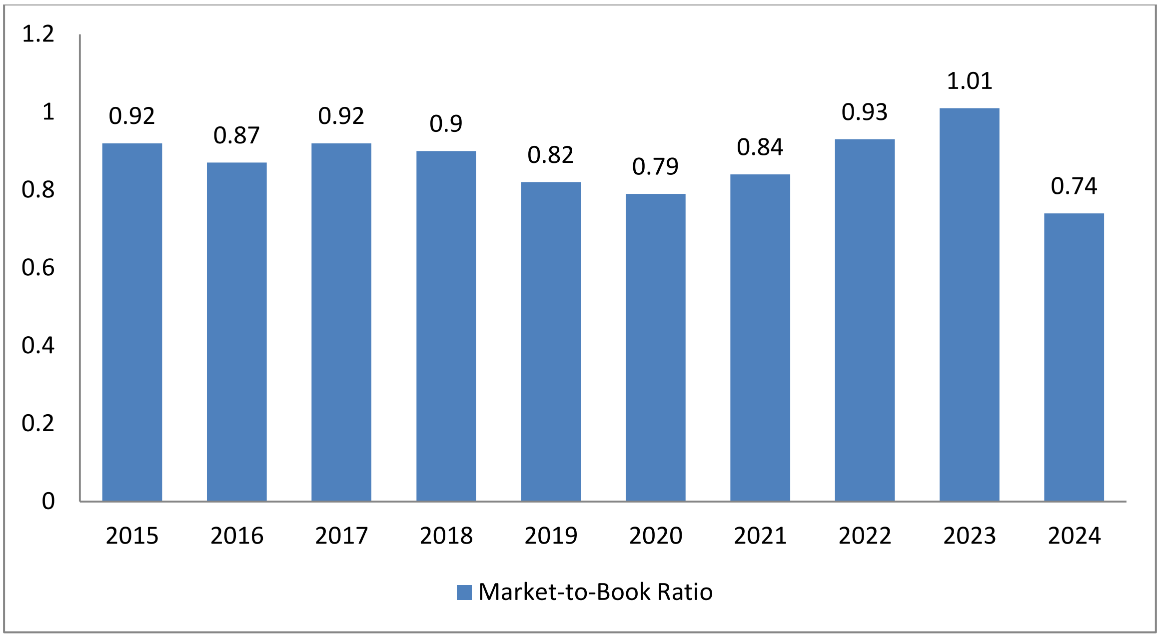


Figure 5.23: Market-to-Book Ratio of Agrani Bank PLC (2015-2024)

Analysis: The Market-to-Book (M/B) Ratio of Agrani Bank PLC reveals the relevance of the stock market on the bank equity in comparison with the book value of the bank. A ratio that is steadily lower than 1.0 over the 2015-2024 time frame indicates that the bank has been underestimated by the market or there is a fear on the part of investors about the quality of its assets and its ability to generate future earnings. The negative P/E and ROE trends are associated with the sharp decrease of 2024 indicating that the market confidence is at an all-time low. This implies that the stock market is grossly underpricing the net asset value indicating a strong investor distrust.

❖ **Yearly Growth Rate of the Market-to-Book Ratio**

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Rate		-5.43	9.20	-5.26	-8.89	-3.66	6.33	10.71	8.60	-26.73

Table 5.24: Yearly Growth Rate of the Market-to-Book Ratio

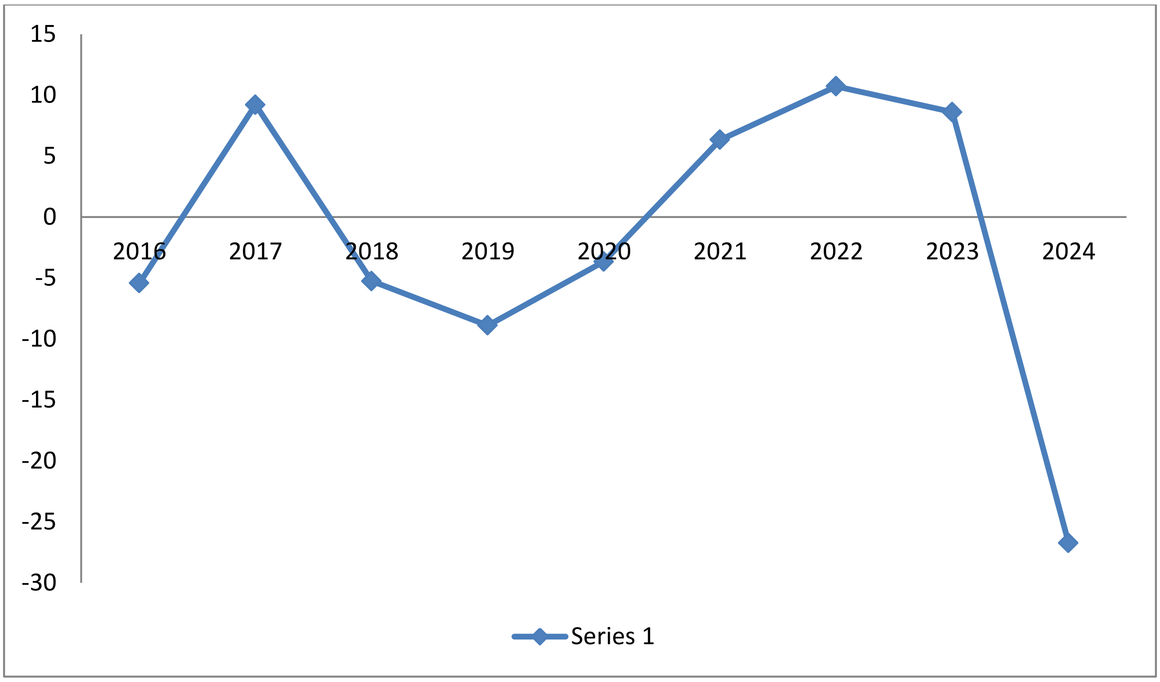


Figure 4.24: Yearly Growth Rate of the Market-to-Book Ratio of Agrani Bank PLC (2016-2024)

Analysis: Agrani Bank's market-to-book ratio has mostly remained below 1.0, indicating that the market often values the bank lower than the net worth of its balance sheet assets. The ratio saw a significant 26.73% drop in 2024, despite a rebound between 2021 and 2023, peaking at 1.01. In accordance with the negative profitability and high financial risk seen in the bank's other 2024 performance measures, this reduction, which reached its lowest point of 0.74, implies investor mistrust and a notable decline in market confidence.

5.2 Findings

The following significant findings have been drawn from Agrani Bank PLC's ten-year financial study (2015–2024). These results demonstrate the bank's advantages and disadvantages as well as the effects of Bangladesh's changing economic environment.

- **Weak Liquidity Position**: Throughout the majority of the decade, the Current Ratio stayed marginal (close to 1.0), hitting a crucial low of 0.70 in 2023. Even though it increased to 1.02 in 2024, the bank's extremely small liquidity cushion leaves it open to unexpected withdrawals of deposits.
- **Persistent Negative Profitability Spikes:** In 2016 and 2024, the bank suffered large net losses due to extreme volatility in ROA and ROE. A significant problem in internal capital creation and operational efficiency is indicated by the 2024 ROE of -30%.
- **Extremely High Leverage:** By 2024, the Total Debt Ratio was 0.98 and the Equity Multiplier was 41.03. This shows that the bank has nearly no capital cushion to withstand loan losses because 98% of its assets are supported by debt (deposits).
- **Insufficient Interest Coverage:** Since 2018, the Times Interest Earned (TIE) ratio has continuously fallen below the 1.0 safety level. The bank's operational earnings is insufficient to meet its interest commitments to lenders and depositors, as evidenced by the 2024 ratio of 0.84.
- **Declining Market Confidence:** The Market-to-Book Ratio is still much below 1.0, and the Price-Earnings (P/E) Ratio went negative in 2024. This implies that investors value the bank less than its accounting net worth because they consider the firm's shares to be high-risk.
- **Better Asset Utilization:** In 2024, the Total Asset Turnover Ratio reached a ten-year high of 4.63. This shows that the bank is increasingly utilizing its asset base to produce top-line income despite its challenges with profitability.
- **Impact of External Shocks:** The data unequivocally demonstrates that the COVID-19 pandemic and Bangladesh's 2023–2024 economic changes were the main causes of the bank's most recent financial instability, especially with regard to net income and liquidity.

Chapter-6

Recommendation and Conclusion

6.1 Recommendation

The following tactics are advised in order to address the goals of market confidence, profitability, solvency, and liquidity management:

- **Strengthening Liquidity Buffers:** A constant current ratio of 1.2 or above should be the bank's goal. There is no room for economic shocks when a 1.0 margin is used. The bank should prioritize low-cost CASA (Current and Savings Account) deposits through digital banking incentives over erratic, expensive corporate deposits in order to stabilize cash flows.
- **Improving Solvency and Lowering Monetary Risk:** With an Equity Multiplier of 41.03, the bank is over-leveraged. To strengthen the equity foundation and act as a buffer against future credit losses, a government-backed capital infusion is required. In order to increase its Capital Adequacy Ratio (CAR) and comply with Basel III rules, the bank must rebalance its portfolio toward lower-risk assets.
- **Reversing Profitability Trends:** Non-performing loans are mostly to blame for 2024's low ROA and ROE. It is essential to establish up a dedicated "Recovery Unit" with legal jurisdiction to resolve long-standing defaults. The bank should automate manual procedures to reduce the "Cost-to-Income" ratio and increase net profit in order to boost Total Asset Turnover.
- **Restoring Market Value and Investor Confidence:** The bank has to strengthen its financial disclosures in order to raise the Market-to-Book ratio. Investor view may be changed from "undervalued/risky" to "recovering" with clear information about reform efforts. To draw in long-term institutional investors, a modest but steady dividend policy should be implemented as profitability stabilizes.
- **Digital Revolution for Upcoming Development:** In order to fulfill the goal of "Growth Prospects," Agrani Bank should collaborate with regional Fin-Tech companies to provide mobile-first loan products, focusing on the unbanked population in order to promote financial inclusion and generate new sources of income.

6.2 Conclusion

This internship report offers a thorough analysis of Agrani Bank PLC's finances from 2015 to 2024, providing a close-up view of the bank's stability across ten years of economic upheavals. Liquidity, solvency, and profitability ratios show an organization that is a pillar of the country's economy yet has serious structural problems. In particular, the record-high Equity Multiplier of 41.03 and a -30% ROE in 2024 demonstrate the ongoing struggle with limited liquidity margins and excessive financial leverage. These indicators highlight the bank's heavy reliance on debt and weak capital cushion, making it susceptible to macroeconomic instability and credit risks. Nonetheless, the steady increase in Total Asset Turnover indicates a strong ability to produce income from its extensive asset base in spite of financial constraints. In conclusion, strong reforms are necessary for Agrani Bank's long-term viability, even though it has proven to be able to grow operations and rebound from particular shocks. The bank can stabilize its financial situation by giving capital re-injection, more stringent non-performing loan (NPL) management, and digital transformation first priority. In order to sustain its leadership and promote financial inclusion over the next ten years, Agrani Bank will need to make the shift from a high-risk, state-supported model to a more effective, capital-rich framework.

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