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BBA

Financial Performance Evaluation of Eastern Bank Ltd

Submitted To:

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Professor

BUS 498

Department of Business Administration

East West University

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2008-1-10-151

BUS 498

Project Work

Department of Business Administration

East West University

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December 21, 2011

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21st December, 2011

Dr. Tanbir Ahmed Chowdhury

Professor

Department of Business Administration

East West University



Subject: Letter for submission of Project Paper.

Dear Sir

With due respect here I present my project paper on "*Financial Performance Evaluation of Eastern Bank Ltd*". This report deals with the corporate structure, operations of the bank, the actual performance of the EBL & to support the findings of the report some ratios and data table was presented too. This report is presented as the requirement of a 3 credit course BUS 498: Project Work. This project is prepared during the 12 weeks of Fall 2011.

I would like to thank you for your guidance and support throughout the whole semester.

I will be glad to clarify any further queries you may have regarding this report.

Sincerely,

Mohius Sunnat Islam

Mohius Sunnat Islam

(2008-1-10-151)

ACKNOWLEDGEMENT

First of all, I would like to thank Dr. Tanbir Ahmed Chowdhury, Professor, East West University for giving me this opportunity to prepare a project paper. By doing this I get an excellent chance to increase my knowledge about banking sector which is one of the most important fields for business students.

I would also like to thank the Md. Fahim Islam, Manager of Corporate Banking, Eastern Bank Limited, who arranged for my attachment with some departments of Eastern Bank Ltd. and provided kind guidance and advice. He is kind enough to provide me important information through flyers, booklets.

EXECUTIVE SUMMARY

The Eastern Bank Limited was formed as a public limited company incorporated in Bangladesh with primary objective to carry on all kinds of business in and outside Bangladesh. EBL has taken over the business, asset, and liability losses of former Bank of Credit and Commerce International Limited (BCCI) in Bangladesh. Bank of credit and commerce international (overseas) limited (BCCI), Branches in Bangladesh with effect from 16th August 1992.

The bank is also listed on the Dhaka Stock Exchange Limited. At the present they (EBL) are operating 51 branches located in main commercial areas of our country their increasing activities call for expansion of network and line with demand they hope to open few more branches in the days to come. To meets the growing market demand they already introduced Debit Card and Internet Banking. Besides the office branches they also have ATM booths which makes it easy for their customers to withdraw money from convenient locations even after the bank service time

EBL has won the Global Award for Brand Excellence in Banking & Financial Services (BFS) category. The Award was announced on November 25, during World Brand Congress held in Mumbai, India. EBL is the first Bangladeshi bank to receive the honor.

Eastern Bank Ltd. also has been recognized as a "Superbrand" for the period 2009-2011. Superbrand is an independent international organization that recognizes top brands worldwide on a global standard.

Its credit rating has also been upgraded from AA- in 2009 to AA in 2010, which shows a good indication of the banks overall performance.

EBL has great opportunity in the banking sector in Bangladesh. They also introduced SME products for Small Businesses & Enterprises. Within a few years it became one of the finest banks in Bangladesh for its innovative products and services.

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Chapter 1: Introduction



Introduction

Eastern Bank Limited is the Largest Private Commercial Bank (PCB) of Bangladesh with paid up capital of BDT 2920 Million. Bank's strong capital base allows it to make large chunk of advances to its corporate clients, and as a result more than 70 percent of its income comes from corporate business. When it was started EBL didn't has SME division, but later it started SME for the small business.

1.1 Origin of the Report

After completion of 11 semesters in the BBA Program of East West University, I took this course as a requirement for completing my BBA program. I completed this project work on Eastern Bank Ltd. During the 12 weeks time I gathered information from the employees of Eastern Bank Ltd. Eastern Bank Ltd. is one of the largest and reputed Private Commercial Bank of the country. While gathering information for this project, I found that EBL strictly follow the rule and procedure of its various departments.

1.2 Purpose of This Report

This report will help the any organization to design their organogram and design their organization's various departments or hierarchy of the employees.

1.3 Objectives

Main objective of this report are to get an idea of management system in real world and find the structure of the various departments of Eastern Bank Limited. To know the organizational framework of EBL is another objective of this project.

1.4 Methodology

The first step of this project was problem identification and deciding on the topic. This was achieved through consultation with my faculty advisor in East West University. After finalizing the particular objectives of the project, based on these objectives, the necessary data for completion of the project were identified. Next, internal and external sources were identified.

For information regarding banking sector, Bangladesh Bank Bulletin, Scheduled Banks Statistics, Text Books and other publication were used as secondary source.

The primary sources of information were the annual reports of the year 2010, 2009 and 2008 were used. EBL officers and flyers, booklets were another source of getting information. The sources of internal secondary information were different publications and other reports of EBL.

After data collection was completed, it was analyzed through various statistical techniques and their implications were found out. Based on these findings, the final report was completed.

1.6 Limitations

Because of the organizational commitment, the employees couldn't provide us some confidential information of the organization. Because of organizational restriction, too much detail of the different of the organization is avoided. All kinds of confidential information were excluded from this report.

1.7 Organization of the Report

This report is broadly organized into two broad parts. The first part is an overview of the organization itself. The second part concentrates on the financial performance of Eastern Bank Ltd.

Chapter 2: Background of Eastern Bank Limited

Background of Eastern Bank Limited

The emergence of Eastern Bank Limited in the private sector is an important event in the banking industry of Bangladesh. Eastern Bank Limited started its business as a public limited company on August 8, 1992 with the primary objectives to carry on all kinds of banking business in and outside of Bangladesh and also with a view to safeguard the interest of the depositors of erstwhile BCCI (Bank of Credit and Commerce International (Overseas)) under the Reconstruction Scheme, 1992. framed by Bangladesh Bank.

2.1 Genesis

In 1980, when BCCI has collapsed internationally, the operation of this bank has been closed in Bangladesh. After a long discussion with the BCCI employees and taking into consideration the depositors' interest, Bangladesh Bank then gave permission to form a bank named Eastern Bank Limited which would take over all the assets, cash and liabilities of erstwhile BCCI in Bangladesh, with effect from 16th August 1992. So, it can be said that EBL is a successor of BCCI.

EBL started its business as a scheduled bank with only four branches, which includes Principal Branch, Dhaka; Motijheel Branch, Dhaka; Agrabad Branch, Chittagong and Khulna Branch. EBL started its business with a motto to grow as a leader in the banking arena of Bangladesh through better counseling and efficient service to clients. EBL resumed its operational activities initially with an authorized capital of Tk. 1000 million, divided into 10 million shares of Tk. 100 each and paid up capital of Tk. 310 million. The initial shareholders were the NCBs, various govt. agencies, and some of the depositors who had agreed to accept shares in the new bank in lieu of their deposits. The first Board of Directors of EBL, constituted by the Govt. of Bangladesh, consisted of 7 directors from various business and professions. Eastern bank limited was under govt. control until the end of 2000 and therefore, there were lots of irregularities in the Bank. In 2001, the board of directors brought in new professional management from various foreign banks who have been trying to modernize the bank ever since.

2.2 EBL's Vision

"EBL's vision is to become the bank of choice by transforming the way we do business and developing a truly financial institution that delivers superior growth and financial performance and be the most recognizable brand in the financial services in Bangladesh."

EBL dreams to become the bank of choice of the general public including both the consumer and the corporate clients. They want to build such an image that whenever people will think of a bank, they will think of Eastern Bank. It has adopted a new logo that looks very dynamic in its attractive colors. The blue, gold and green colors of the logo reflect all the changes that are taking place in EBL. In the words of EBL's promotional literatures, *"Eastern Bank Limited, the inspiration of change is happening now...the vibrant green of mother earth, a blue sky full of possibilities and a yellow rising sun of hope comes together for a new face of EBL."*

2.3 EBL's Mission

In line with its vision, EBL has developed a mission statement that reads as follows and is self-explanatory:

- To deliver service excellence to all its customers, both internal & external.
- To ensure to maximize shareholders value.
- To constantly challenge its systems, procedures & training to maintain a cohesive and professional team in order to achieve service excellence.
- To create an enabling environment and embrace a team based culture where people will excel.

Management Committee (ManCom):

Like any other business organization, all the major decisions in EBL are made by the top management. The board of directors, being at the highest level of organizational structure plays an important role on the policy formulation. The board of directors is not directly concerned with the day-to-day operation of bank. They have delegated their authority to its management committee. The board establishes the objectives and policies of the bank. There are three (3) committee of the board for different purposes:

1. Management committee comprises of 14 members
2. Committee of the board for Administrative matter
3. Committee to examine Bad Loan Cases

Then there is the managing director and the CEO of EBL. The managing director takes necessary steps and initiative of the company. The managing director makes a plan for the whole organization, control the employees to achieve goals and make the plan successful.

Then there are 2 Deputy Managing Director (DMD), who look after some segments; as example DMD (Corporate Banking, Treasury & Investment Banking) and DMD (Consumer Banking). The DMDs report straight to the CEO.

Mid and lower level employees get the direction and instruction from the top executives about the duties and tasks they have to perform. Management of Eastern Bank Limited assumes that employees are the members of the team, who actively participate in accomplishing the organizational goals. The CEO provides the guideline and broad direction to the managers and employees but delegate's responsibility for determining how tasks and goals are to be accomplished. The present top management is as follows:

ManCom

Ali Reza Iftakhar

Managing Director & CEO

Muklesur Rahman

Deputy Managing Director (Consumer Banking)

MD. Fakhru Alam	Deputy Managing Director (Corporate, Treasury & Investment Banking)
Muhibul Alam Tayiab	SEVP & Head of ICCD
Muhammad Musfique Reza	EVP & Head of Finance
MD. Sirajul Islam	EVP & Head of Human Resources
Abul Moqsd	EVP & Head of Credit Risk Management
A M M Moyen Uddin	EVP & Head of Information Technology
Akhtar Kamal Talukder	EVP & Head of AMD (Corporate)
S. M. Akhtaruzzaman Chow	EVP & Head of Operations
Sami Karim	SEVP & Head of AMD (SME & CNB)
Safiar Rahman	SEVP & Company Secretary
Syed Rafiqul Haq	SEVP Area Head- Dhaka (Corporate Banking)
Omar F. Khandaker	IT Consultant

2.5 Branches of EBL:

Initially EBL started with only four branches in August 16, 1992. From the financial report of 2010 we can see that it has currently 49 branches countrywide. In the year 2011 two more branches were added in the list of its branches.

Other than office branches EBL also have their own ATM booths at all convenient location all over Bangladesh. Updated from the financial report 2010, it has 74 ATM booths at convenient location all over Bangladesh. Alone in 2010, it has inaugurated 19 ATM booths in its services.

Table 1: Operating Profit per Branch

Year	Operating profit per branch (in million BDT)	Growth
2006	54.32	-
2007	66.8	22.97%
2008	70.16	5.03%
2009	76.41	8.91%
2010	89.99	17.77%

Source: Annual Report 2010, Eastern Bank Ltd.

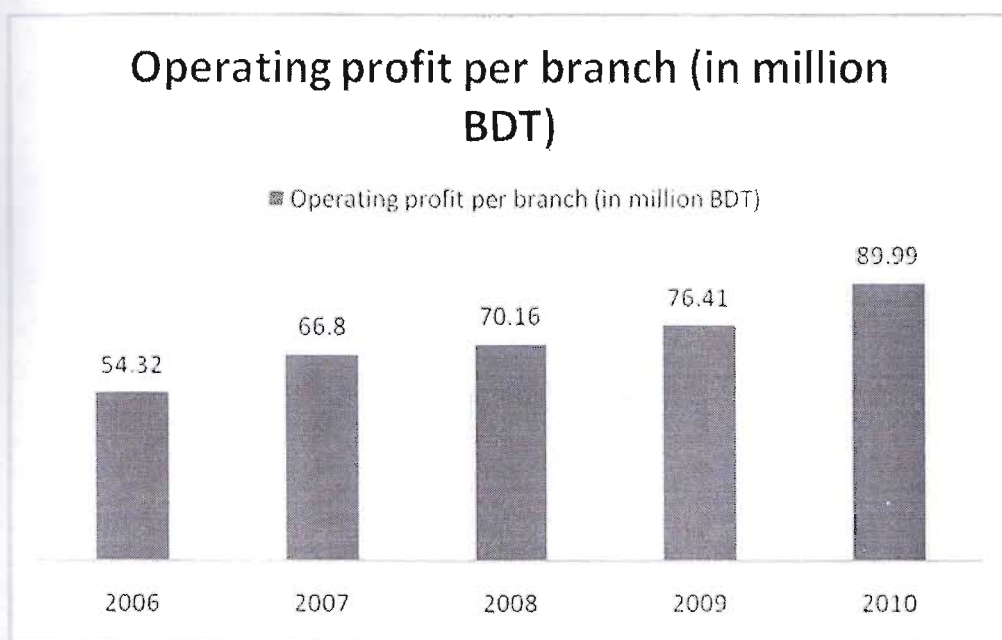


Figure 1: Operating Profit per Branch

From the graph we can see that each year the operating profit per employee is increasing. The growth is also positive each year. The highest growth was in the year 2007, which is 22.97%. In the year 2010 it is 17.77%, which is the second highest growth in terms of operating profit per branch.

If we consider the amount of operating profit per branch then the year 2010 got the highest amount of profit per branch which is 89.99 million BDT per branch.

The Number of Employees:

EBL has 973 employees currently working in all 49 branches. EBL has paid salaries and allowances of taka 1,152,524,093 in the year 2010. In order to ensure better quality service and smooth day to day operations EBL also provide training program to their employees. Alone in 2010, it has conducted 163 training program for its employees. If we breakdown its operating profit per employee, we can see that the contribution of the employees in profit is increasing every year.

Table 2: Operating Profit per Employee

Year	Operating profit per Employee (in million BDT)	Growth
2006	2.22	-
2007	2.71	22.07%
2008	3.13	15.50%
2009	3.39	8.31%
2010	4.53	33.63%

Source: Annual Report 2010, Eastern Bank Ltd.



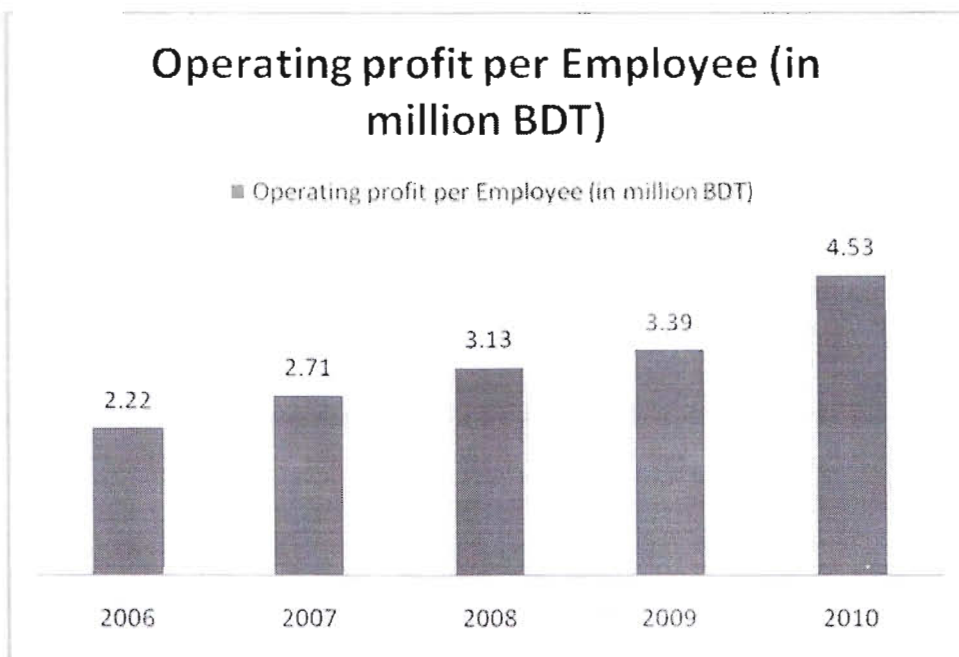


Figure 2: Operating Profit per Employee

From the above graph we can see that the operating per employee is rising every year, though the rate of growth is not same every year.

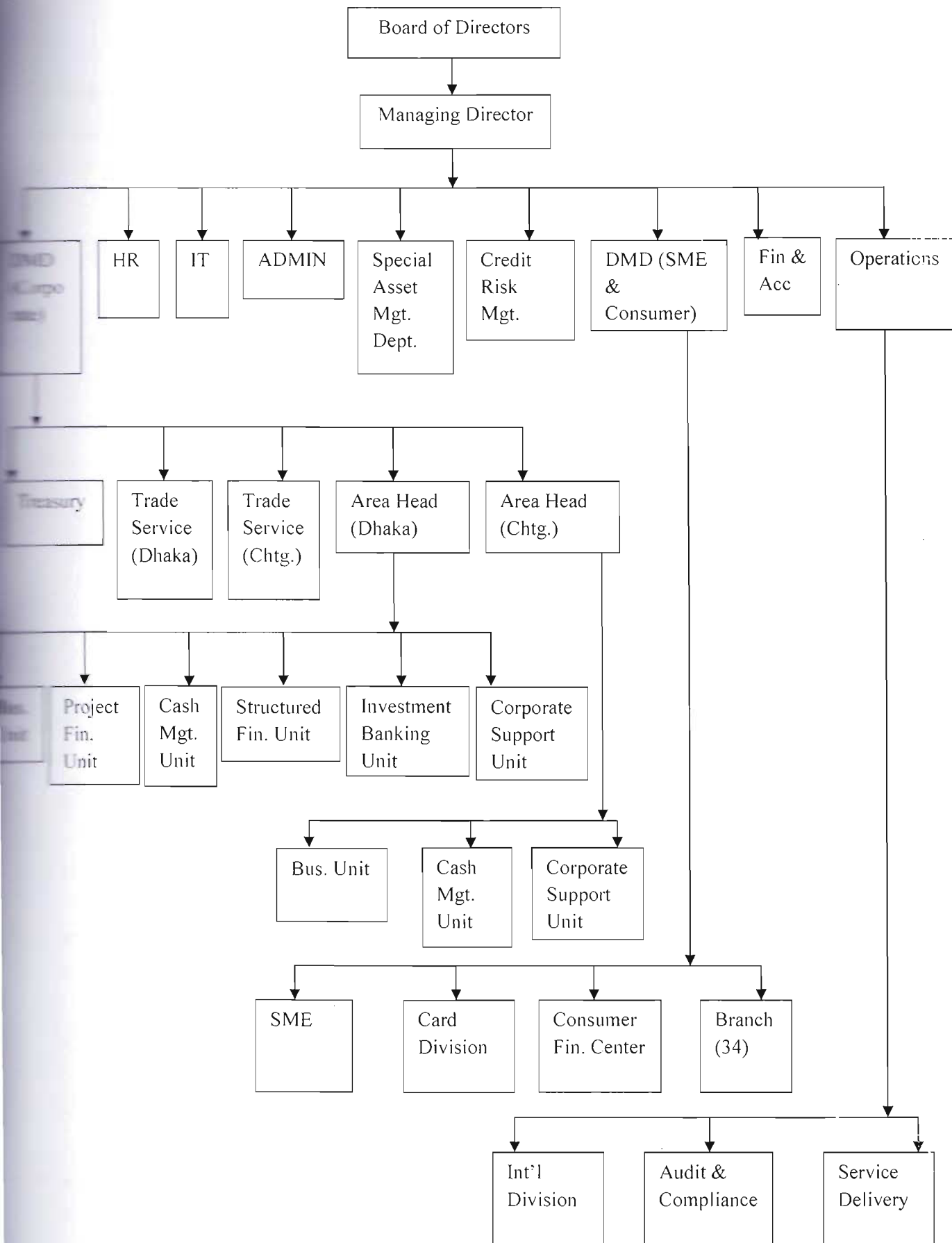
In terms of growth year 2010 has got the highest rate of growth, which is 33.63%. The lowest rate of growth is in the year 2009 which is 8.31%.

If we take into account the amount of operating profit per employee than the year 2010 has got the highest amount of operating profit per employee, which is almost 4.53 million BDT per employee.

2.7 Departments:

All policy formulation and subsequent executions are done in the Head Office. It comprises nine major divisions namely Corporate Banking Division, SME and Consumer Banking Division, Credit Risk Management, Trade Service Division, International Division, Finance and Accounts Division, Human Resource Division, Information Technology Division, and Audit and Compliance Division. The structures and functions of each of these divisions are described below:





2.8 Management Committee:

EBL has some designated committee entrusted with specific objectives. The management committee works under the leadership of MD & CEO to carry out the daily operations to the best interest to the stakeholders.

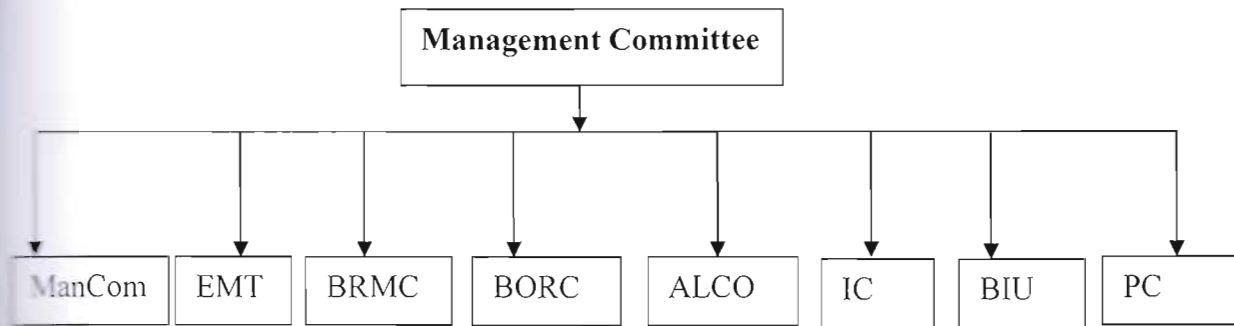


Figure 4: Management Committee

2.8.1 The Management Committee (ManCom):

ManCom is considered the highest decision and policy making authority of the Bank which consists of the CEO and different business and support unit heads. Followings are the major scope of work by this committee:

- Set or review vision, mission and strategies of the Bank as a whole and for business units for effective discharging of management responsibilities.
- Strategic and tactical decisions relating to business, credit, operations, administration, HR, internal and financial control and compliance etc.
- Analysis of business and financial performance of the Bank.
- Review and discuss policies and procedures of the Bank and make changes if necessary before taking to the Board (if needed).
- Finalize periodic (usually once in a year) employee performance appraisal and promotions.
- Market analysis and internal service quality.
- Discuss and approve Budget before forwarding to Board.
- Empowered to co-opt any other member as deemed and decided suitable by ManCom.
- Acting Managing Director can preside over the ManCom meeting in absence of MD.

- The routine agenda of a typical ManCom meeting includes the following:
- Monthly business and financial performance analyses.
- Monthly business review and analysis of each business units (Corporate, Consumer, SME and Treasury) performance.
- Monthly review of control and compliance (internal and regulatory) issues.
- Consider and propose innovative projects, products and services as well as management methodology and business strategies to the Board of Directors (if needed).
- Manage external communications, including management of advertising and public relations.
- Management and development of human resources.
- Exploring ways to strengthen and vitalize support functions (Operations, HRD, ITD, CRM etc.).

Meeting:

Usually MAN COM sits once in every month. However, EBL ManCom held 9 meetings during the year 2010.

2.8.2 Expanded Management Team (EMT):

Expanded Management Team (EMT) is a platform to enhance leadership capability of the potential individuals to drive business results. The team is represented by member (s) from every division and is accountable to Management Committee for its deliverables. EMT comprises of mid level managers (25 members at present) from cross sections nominated by their respective divisional heads on yearly basis. The Scope of this team is to excel the projects and initiatives approved by the ManCom.

During the year 2010, three of the ex EMT members have been promoted as ManCom members to fill two vacant position of outgoing ManCom members.

2.8.3 Bank Risk Management Committee (BRMC):

The Bank formed a separate risk management unit named 'Bank Risk Management Committee' with DMD (Operations) in the chair, to ensure proper and timely identification, measurement and mitigation of risks exposed by the bank in a comprehensive way. This committee and its Terms of Reference (TOR) were subsequently approved by the Board the year 2010.

This committee is also designated as a Supervisory Review Process Team or SRP Team' as Bangladesh Bank instructed all scheduled banks to form such team or committee to ensure maintenance of sufficient capital to fully cover their risk exposure. Furthermore, determination of level of adequate capital will be subject to evaluation and dialogue between Bangladesh Bank (BB) and the well designated SRP team of banks. Major functions of BRMC are:

- Ensure through independent oversight that different risks are identified, evaluated, monitored and reported within the established risk management framework.
- Oversee the capital management functions of the bank in consistence with the risk based capital adequacy/measurement accord (Basel II).
- Review market conditions and take precautionary measures towards facing abnormal market situation and vulnerability of investments of the bank.
- Conduct periodic Stress Test so that any errors or lapses are eliminated gradually during daily operation of the bank.

Meeting & reporting:

As suggested by BB, meeting of this committee should be held at least once in every month, it can be more upon necessity. The minutes of the meeting to be forwarded to Department of Offsite Supervision (DOS) of BB on quarterly basis. This committee directly reports to the Managing Director & CEO and submits reports on monthly basis.

2.8.4 Asset Liability Management Committee (ALCO):

ALCO in EBL is primarily responsible for setting strategies for the following key areas:

- Measuring the risk appetite in Banking and Trading Book.
- Measuring and monitoring liquidity status for both Banking and Trading Book and mitigation strategy for associated risk.
- Monitoring of Interest Rate gap, yield curve shift and basis risk. Strategy for short, mid and long term interest rate risk management.
- Desired Balance sheet mix for DBU and OBU.
- Measuring and monitoring concentration risk, diversification and product profitability.

ALCO in 2010 has spent a very active last quarter in comparison with the rest of the year. First three quarters of 2010 spanned with moderate to high liquidity in Money Market. Lower credit demand and lower commodity price in international market was catalyst for such surplus situation. Rising of interest rate and liquidity crunch started hovering around from the beginning of last quarter eventually results in very challenging situation in December 2010 where the market experienced some record breaking key figures in Money Market rate.

Sudden upward shift in yield curve and low liquidity in money market has created toughest challenge for ALCO for managing repricing effect on asset and liability portfolio which ALCO managed through regular monthly and special meetings. In 2011 ALCO wishes to observe the effect of introducing FP (Fund Transfer Pricing) through Treasury.

28.5 Bank Operation Risk Committee (BORC):

It is a key forum of management to discharge oversight and management responsibilities related to operation risks. The role of BORC is:

- To transform a somewhat 'form filling exercise' into a proactive forum of senior management to discuss, evaluate and decide on existing and potential operation risks.
- To ensure that Managing Director Et CEO is being informed timely regarding status of compliance by the respective employees.
- To ensure compliance with business/function operation risk policies and procedures across all units in the bank.
- To ensure that operation risks identified within businesses are assessed in terms of wider implications of business and strategic risks and those risks are reviewed and reported accordingly.
- To assess reputational implication of operation risks identified and ensure that ManCom is duly updated of the same.
- To ensure that all significant issues raised through internal audit and regulatory review are resolved effectively within agreed timeline.
- To ensure implementation of the real time incident reporting process.

Meeting:

This committee meets once in every month.

2.8.6 Basel II Implementation Unit (BIU):

Bangladesh Bank has selected standardized approach for calculating risk weighted assets and capital charge thereon against credit and market risks and basic indicator approach for the operational risk. Following central bank recommendation, EBL formed a Basel II Implementation Unit (BIU) in April 2007 to act upon roadmap by central bank in implementing Basel II.

Details discussion on the preparedness and implementation status of Basel II by the bank is presented in the Management Discussion St Analysis part of this report.

2.8.7 Investment Committee (IC):

This committee looks after investment in capital market and meets as and when required. They oversee and monitor to ensure that the investment decisions are carried out as per approved strategy and investment policy. This committee regularly monitors EBL's 'Holding of Shares' and 'Capital Market Exposures' and ensures keeping investments within prescribed limit (currently 10% of total liabilities) stipulated by Bangladesh Bank.

2.8.8 Purchase Committee (PC):

The Purchase Committee (PC) consisting five members from Administration, Operations, HRD, Finance and Marketing, plays an instrumental role in the procurement procedure of the Bank.

The main objectives of this committee are to contribute towards sustainable development of the bank following Board approved procurement policy and ensure that value for money is achieved in all procurement activities. Following is the charter of this committee:

- This committee recommends the lists of vendors for annual enlistment after thorough investigation of submitted documents and physical visit of vendors' facilities, if required, to the Managing Director & CEO for final approval.
- The procurement divisions such as Administration, IT, Cards and Marketing Divisions refer all purchases of BDT 1.00 lac and above to this committee.
- As per Procurement and Disposal Manual, sealed quotations are opened by purchase committee and recommend the vendors considering price and quality of the goods and services,
- In case of large procurement such as renovation of branches, PC opens the sealed quotations in front of vendors and declares the name of winning vendor. This practice has

increased competitiveness among vendors which resulted in cost effectiveness in procurement of goods and services which ultimately increased the value to all stakeholders.

Departmentalization based on Business Unit:

Eastern Bank Limited has a combination of functional and geographical departmentalization

The three core businesses units that the bank is currently structured in are:

- Corporate
- SME
- Consumer

2.9 Corporate Banking:

Corporate Banking Division came into existence because of the restructuring of EBL's business processes. Previously all the loan disbursement and monitoring activities were carried out by the officers of individual branches, which resulted in poor management and control of the process. To check this trend, EBL decided to centralize its loan disbursement and monitoring activities in line with the model followed by the foreign banks in the country. As such, EBL was the first private commercial bank in the country to have a separate Corporate Banking Division which started operation on 10th January of 2002. This division is responsible for bringing in profitable new corporate clients and retaining present clients by meeting their various needs. Corporate Banking delivers banking services like products, credit facilities, tailored financial solutions to the specific needs of clients, resolving credit issues, and developing the relationship between the clients and the bank. At present, corporate Banking Division is the main revenue earner of EBL.

EBL's Corporate Banking continues to maintain a strong relationship with premier corporate clientele of the country providing comprehensive and customized financial solutions which include, among others, working capital financing to infrastructure project, structured and syndicated financing, trade finance, financial restructuring and commercial banking products and services.

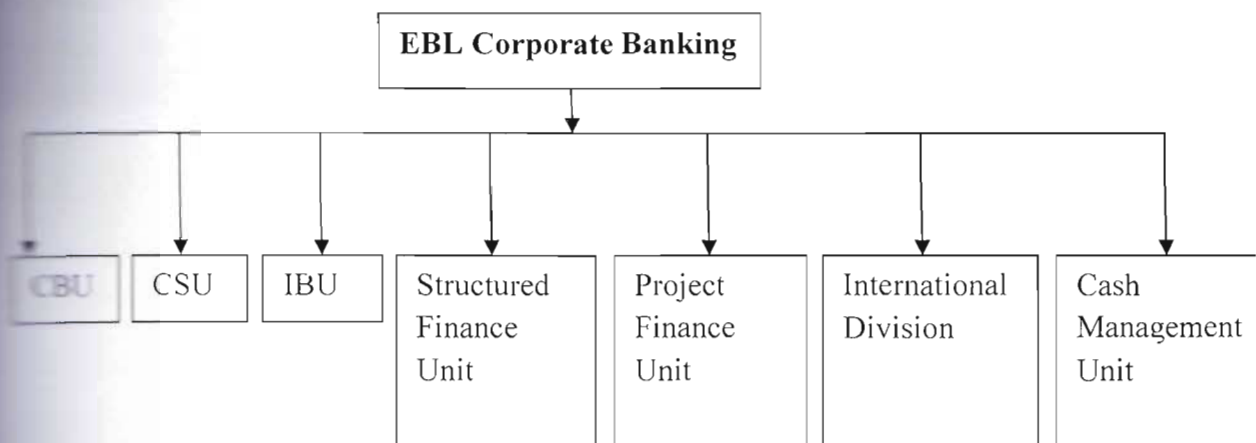


Figure 5: EBL Corporate Banking

A DMD looks after the corporate banking division and he reports to the CEO of the bank.

The whole corporate division is divided in three broad areas, Treasury, Trade Service and Area Head. Trade Service and Area Head is separated into two parts, one is operated in Dhaka and another is operated in Chittagong.

2.9.1 Business Relationship Units (CBUs):

To facilitate the services to the ever-growing list of corporate clients, EBL have in place, a number of corporate relationship units in Dhaka and Chittagong. It has 2 different corporate offices in Dhaka area.

The Relationship managers, equipped with efficient management skill and sound knowledge about the industry, are here to provide a full array of corporate banking solutions, ranging from working capital management, cash management, foreign exchange and currency hedging services to trade finance, loans and structured products. They also partner with EBL's Structure Finance Unit & investment banking units to deliver the large project financing and investment banking capabilities to the relationship clients.

29.2 Customer Support Unit (CSU):

Customer Support Unit assists all relationship teams to analyze and assess financing proposals.

Customer Support Unit (CSU) - provides transactional support to corporate customers and works on developing new products. This unit assists Relationship Units in providing day-to-day services/information required by the customers and also monitors the account performance and status.

Day to day transactions of corporate clients are undertaken by CSU under the direct guidance of Relationship Managers in all the 9 relationship units in Dhaka & Chittagong.

29.3 Structured Finance Unit:

Structured Finance unit is the most active structured finance solution provider in the country covering both offshore and onshore solutions. It has come through a long way since it started its journey in 2003 and now, one of the best in the market for product structuring, syndication arrangement, trustee services and agency functions.

EBL Structured Finance Unit (SFU) structures syndication finance, equity participations, JV projects, bond issuance, agency arrangements and providing package solution to its customers.

The unit within its broad scope of function performs the followings:

- Advise and assist for developing an acceptable financing structure.
- Contact and involve the Potential Lenders to participate in the facility;
- Assist for preparation of an information memorandum, or other written offering materials as required
- Co-ordinate with third party consultants and audit firm; answer to lender's queries;
- Advise and assist for negotiating with the Potential Lenders for their approval process
- Structuring, documenting, and closing the financing deal and
- Assists in process of necessary approvals from the regulators, as and when necessary.

29.4 Project Finance Unit:



Project Finance Unit (PFU) is a specialized unit comprising of experienced professionals who are expert in conducting the Technical & Financial Feasibility of all types of projects. This unit extends its assistance to all the business units of EBL around the country. PFU does vetting of project risks by appraising financial feasibility and viability of the customers' projects during the pre-booking stage and also monitors the progress of the project implementation during the post-booking stage. People working in this unit are experienced in the following industries:

	Pharmaceuticals
Battery	Plastics
Beverage	Poultry & Feeds
	Fish Culture & Processing
Bicycle Tyre & Tubes	Steel & Billet
Ceramics	Yarn Spinning
Footwear	ICT
Glass & Tubes	Dyeing, Printing & Finishing
Home Textiles	Polymer Pipes
Power	Electronics & Electrical Appliance
Melamine	Garments Accessories
Basic Chemical	Food Processing & Products
Ship-Breaking	Ready-mix Concrete
Particle Board	Polymer Fabric, Bags & Pipes
Paper	RMG – Woven & Knit
Petro-Chemical	Renewable Energy (Solar)

2.9.5 International Division:

In order to facilitate Foreign Exchange (FX), Foreign Trade and Other Foreign Currency (FCY) Business and Transactions, EBL maintain Correspondent Banking Relationship with number of banks at home and abroad. Standard Settlement Instructions (SSI) including Drawing and Telegraphic Transfer (TT) arrangements have been established in all major currencies. Business

lines have been established with International Finance Corporation (IFC) and Asian Development Bank (ADB), along with other Global Correspondents.

EBL has arrangement with Commerzbank, Frankfurt, Germany where third bank charges in different countries have been fixed. Swiss Frank (CHF) business arrangements have been established with Zurcher Kantonalbank (ZKB), Switzerland for multi area supports including Foreign Exchange (FX), Fund Transfer (FTT), Documentary Credit, Nostro Transactions, Trade Settlements, Confirmation, Guarantee, remittances etc.

New Foreign Demand Draft (FDD) drawing and Foreign Telegraphic Transfer (FTT) arrangements have been established with JP Morgan Chase Bank NA, London for GBP and with JP Morgan AG, Germany for Euro. With due processing with Bangladesh Bank and Saudi Arabian Monetary Agency (SAMA), an unique arrangement has been established with National Commercial Bank (NCB), Saudi Arabia for Hajj Remittance, Umrah Guarantee, FX Business etc. in Saudi Arabian Riyal (SAR). With the continuous efforts to provide efficient and prompt services to the valued clients. EBL has received award of recognition from International Finance Corporation (IFC), World Bank Group as the "Most Active GTFP Issuing Bank in South Asia

2.9.6 Cash Management Unit:

Companies today find themselves in an increasingly competitive local, regional and global marketplace. Businesses have to focus on staying profitable while managing heightened credit risk and narrowing margins. Keeping in view the challenges of business environment, EBL has developed a range of Cash Management products and solutions that accelerate inflows, maximize liquidity, reduce credit risks, automate payments and strengthen reconciliation. In EBL the products and services are value added and offer end to end solutions that optimize cash flows and reduce operating costs.

In an increasingly competitive market for fund mobilizations at reasonable rates, CMU plays a critical role in sourcing low cost deposit providing Transactional Value to customers. Cash management solutions thus help customers managing four key areas:

- Liquidity Management
- Payments Management
- Collection Management
- Reconciliation St MIS

2.9.7 Investment Banking Unit (IBU):

Investment Banking Unit is basically merchant banking operation. Share investments, portfolio management, issuer underwriter, manager to the issue, sponsor of a mutual fund are various functions of Investment Banking Unit.

EBL's capital market operations are conducted by Investment Banking Unit. IBU capitalizes the huge growth potential therein and diversifies the business to maximize the risk adjusted return. This unit makes investment in the capital markets and contributes towards fee-based income and capital gains by taking acceptable level of risk.

EBL Investment Banking Unit, within a very short span of time, has been active in doing the followings:

- Managing own portfolio
- Participation in Pre-IPO Placements
- Participation in Book-Building Process
- Sponsoring Mutual Funds
- Trustee Services
- Acting as Main Banker for IPO
- Acting as Banker to the Issue
- Participation in IPO Underwriting

2.10 Treasury:

The job of treasury section is to manage local and foreign currency of the bank. The bank gives loan and takes deposits from people. The main job of treasury section is to utilize all the money and invest them such a way so that no money is being unused.

2.11 Trade service:

Trade service section is for helping the customer in exporting and importing. Trade Services of Eastern Bank Limited (EBL) has already earned a niche for itself and is looked up to as a 'Role Model' in the Bangladesh banking industry. With state-of-the-art IT platform and centralized trade operations, EBL's experienced and internationally certified trade specialists are there to serve its valued customers with unwavering dedication complying both local and international rules and regulations. EBL has in its repertoire a diverse portfolio of trade finance products and services suitable for the customers. Having a strong alliance with the leading global banks, EBL's correspondence relationship has been strongest ever. EBL is enjoying regular guarantee

and credit lines from International Finance Corporation (IFC) and Asian Development Bank (ADB) to support its trade finance transactions. As a result, EBL is in an ideal position to facilitate cost-effective, smoother and trouble-free international trade business.

Trade Business in 2010: Overall trade transactions have increased by 12.33% over the previous year and the accuracy level remains excellent like previous year. Though trade opportunities got momentum after the first quarter in 2010, still Trade Services has managed to maintain an increasing trend. Total trade business stood at ROT 113,025.72 million in 2010 compared to ROT 90,236.65 million in 2009 with a growth of 25.25%.

Trade Business of EBL Offshore Banking Unit (OBU): Total trade business in OBU has grown remarkably in 2010 compared to 2009. USD 2.7 million worth of LCs have been issued from OBU during the year 2010. Import Bill Discounting from OBU under Usance LCs has stood at USD 3.18 million. Bill Finance through OBU has significantly increased in 2010 and stood at USD 67.55 million compared to overall trade business of USD 29.67 million in 2009.

Banker made Structured Letter of Credit has been issued worth USD 117.69 million in 2010 compared to USD 26.57 Million in 2009 with an incredible growth of 343%. Such performance not only increased the trade business for EBL but also supported the valued customer with cost effective business opportunities.

2.12 Export:

One of the main services that EBL provide is, it provides trade services to help businesses for import and export. It provides help to importers and exporters through LC opening and through other necessary ways that is needed.

Table 3: Total Export & Growth

Year	Export (in million BDT)	Growth
2006	24,286	-
2007	26,673	9.83%
2008	35,555	33.30%
2009	34,548	-2.83%
2010	39,633	14.72%

Source: Annual Report 2010, Eastern Bank Ltd.

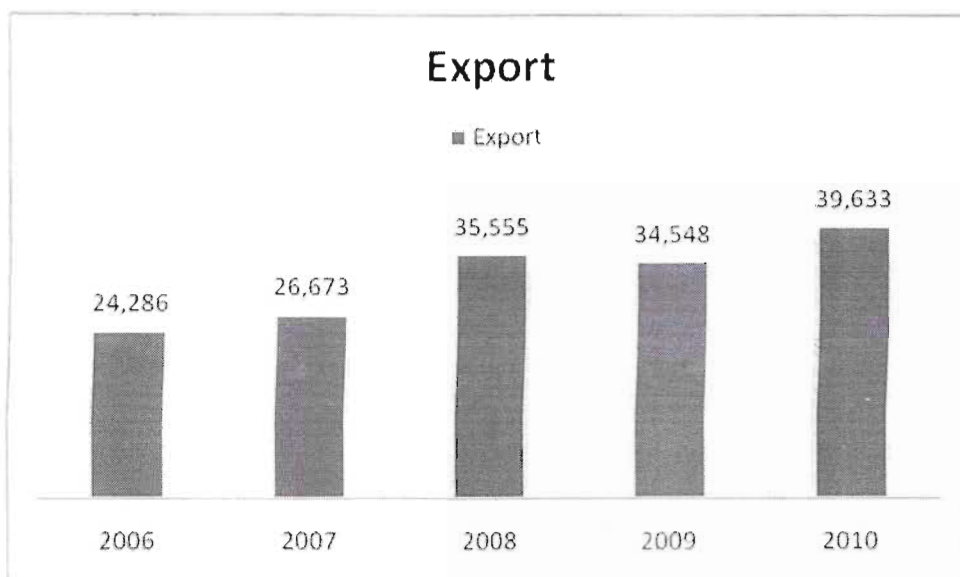


Figure 6: Export

From the graph we can see that the amount of export is increasing each year except in 2009. In 2009 export has decreased to 34,548 million BDT, where it was 35,555 million BDT in 2008. Export was increased again in 2010 and it has passed the amount that was gained in 2008.

2.13 Import:

To help the businesses and ultimately help the country EBL provides services to importers as they import various types of product/goods in the country.

Table 4: Total Import & Growth

Year	Import (in million BDT)	Growth
2006	39,347	-
2007	45,298	15.12%
2008	62,203	37.32%
2009	54,370	-12.59%
2010	70,665	29.97%

Source: Annual Report 2010, Eastern Bank Ltd.

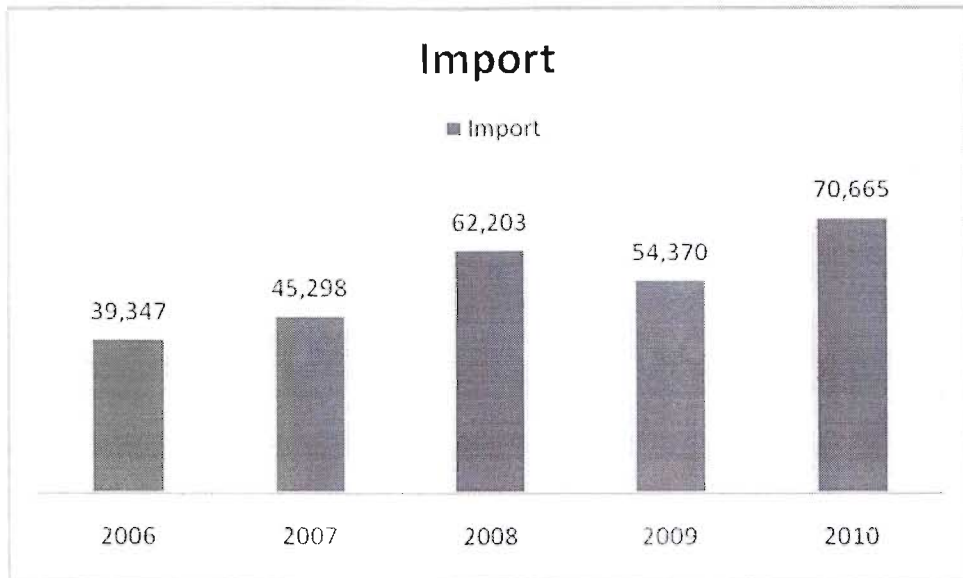


Figure 7: Import

From the graph we can see that the amount of import is increasing each year except in 2009. In 2009 import has decreased to 54,370 million BDT, where it was 62,203 million BDT in 2008. Import was increased again in 2010 and it has passed the amount that was gained in 2008. In terms of growth year 2008 has got the highest amount, which is 37.32%.

2.14 Trade Services provided by EBL:

Table 5: Trade services provided by EBL

NATURE OF BUSINESS	NUMBER OF CASES			AMOUNT IN EQUIVALENT BDT		
	YEAR 2009	YEAR 2010	GROWTH (%)	YEAR 2009	YEAR 2010	GROWTH (%)
LETTER OF CREDIT	12,285	11,916	-3.00	54,370.40	70,665.02	29.97
LETTER OF GUARANTEE	662	725	9.52	1,318.74	2,727.30	106.81
EXPORT BILL (FOREIGN)	12,131	13,009	7.24	29,048.61	31,841.60	9.61

EXPORT BILL (LOCAL)	3,103	3,185	2.64	5,498.91	7,791.80	41.70
SUB-TOTAL EXPORT	15,234	16,194	6.30	34,547.51	39,633.40	14.72
GRAND TOTAL	28,181	28,835	2.32	90,236.65	113,025.72	25.25

Source: Annual Report 2010, Eastern Bank Ltd.

2.15 SME and Consumer Banking:

The mission of Consumer Banking is to serve individual customer and small businesses or entrepreneurs throughout every stage of their life stage. The consumer banking activities are being carried out through the 51 branches of Eastern Bank Limited operating countrywide. Among these branches 25 branches are located in Dhaka, 16 in Chittagong, 5 in Sylhet and 2 each in Khulna and Rajshahi and 1 in Rangpur. Previously these branches used to conduct all kind of business activities, including processing credit issue, conducting trade service, consumer service etc. But after the restructuring process, all these branches are now mainly focusing only on delivering service to individual and corporate customers and are therefore termed as “Sales & Services Centers”. At present, EBL does not have too many attractive consumer products, and therefore this division is producing only 15% of the total revenue. However, EBL has decided to give more focus on consumer banking and is developing modern delivery channels like ATMs, tele-banking, internet banking, credit cards, etc. and many other new consumer products and services to meet specific financial demands of the customers as well as to make their life easy & convenient.

EBL SME Banking started its journey in 2006. Its contribution in the total amount of loans of EBL is also increasing every year. The pie of SME loan portfolio has increased from 10.58% in 2009 to 11.75% 2010.

2.15.1 SME:

The SME section is for the small businesses and entrepreneurs. EBL provides a number of services to the SME customers.

- EBL Agrim

- EBL Puji
- EBL Bannijyo
- EBL Unnoti
- EBL Subidha
- EBL Uddam
- EBL Uddog
- EBL Mukti
- EBL Krishi Rin
- EBL Asha
- SME Equity Builder
- EBL Invoice Fatoring



2.15.2 Consumer:

EBL consumer products include 7 consumer deposits products and 10 consumer loan products.

Consumer Deposits

- EBL Interesting Account
- EBL Campus Account
- EBL Repeat
- EBL Confidence
- EBL High Performance Account
- EBL Secure DPS
- EBL Junior

Consumer Loans

- EBL Jibandhara Loan
- EBL Utshab Loan
- EBL Home Loan

- EBL Fast Cash
- EBL Fast Loan
- EBL Executive Loan
- EBL Auto Loan
- EBL TraveLoan
- EBL Parseloan
- EBL Education Finance Pack

2.15.3 Card Division:

Nowadays EBL is offering several EBL cards. EBL is focusing in their card service as the number of card holders are increasing.

- EBL VISA Platinum Card
- Life Style Card
- Cool Card
- EBL Travel Card
- EBL Payroll Card
- EBL VISA Signature Card
- Simple Credit Card
- EBL Cards Transaction Limit

2.16 Consumer Finance Center (CFC):

Consumer Finance Center (CFC) assess credit risk asset for consumer loan. DMD is responsible for CFC and evaluates credit risk for small business and consumers.

2.17 Operations:

2.17.1 International Division:

The main job of international division is to maintain a good relationship with the corresponding foreign bank for various purposes.

International Division is responsible for assisting the authorized branches to deal in foreign currencies that are import and export businesses on account of the customers of the bank by giving approval for transactions and controlling them at various stages.

It deals with all correspondents of foreign banks having arrangement with the bank. Every year new agents are added. The larger the number of correspondents and the wider the coverage area, the richer will be the international connections of the bank.

2.17.2 Audit and Compliance:

The main function of this division is to provide legal assistance to the branches and implement recovery strategy for stuck-up loan and to ensure strict adherence of rules and policies by all connected of the bank through routine and surprise inspection and audit. The functions of this division are as follows:

- Implement rescheduling process of stuck-up loan to the branches for obtaining repayment schedule through strong persuasion and serve final notice etc. as the condition required.
- Monitor the individual cases with respect to their securities, value of securities, and finally review of possibility of recovery of bank's stuck-up classified loan.
- Investigate suspicious or irregular matters being directed by higher management. Also conduct such inquiry being requested by affected branch-in-charges.
- Time to time follow-up of stuck-up advances of branches and keep the branches under constant pressure.
- Inspect operations of all branches at least once in a year.
- Carry out surprise audit as needed.

2.17.3 Service delivery:

Service Delivery as a part of centralized Operations was established in 2006 at Dhaka and Chittagong with an objective of providing centralized services to branches and business units (Consumer, SME, Corporate, Treasury and Investment banking).

'Service Delivery' is ensured through its three wings at Dhaka, Chittagong and Sylhet and further grouped into six functional units to perform as a focused group to bring in specialization, service excellence, improvement in processes and compliances, and risk mitigated service deliveries:

Account Services, Item Processing, Cash Management Operations, Non Resident Business Operations, Internet Banking Operations and Treasury & Investment Banking Support unit.

2.18 Finance and Accounts:

Finance and Accounts division is a very important division for any Bank, because its task is to

- Maintain daily liquidity positions, treasury bills, call money, debentures, placement of funds etc.
- Monthly-accrued interest calculation of all interests bearing accounts, inter-branch calculation for Head Office, amortization of all fixed and other assets.
- Preparation of statement of accounts and profit and loss account for the bank.
- Weekly deposit and advance analysis of the bank.
- Cost of fund analysis.
- Maintenance of accounts, preparation of annual report of the bank, maintenance of income and expenditure posting, maintenance of salaries and wages of the employees etc.
- Bangladesh Bank reporting and compliance maintain is also done by this section.

2.19 Human Resource (HR):

The employees are Eastern Bank's most valuable resource. Having competent and professional employees is becoming increasingly important in today's competitive world and EBL has a significant competitive advantage in this respect. Many of its employees have worked here since the BCCI area and therefore have vast experience in their respective fields. Also the new employees are recruited with sound academic background and given proper training after recruitment to groom up for their responsibilities.

The Mission of HR Division is to make EBL the *Employer of Choice*. They plan to inculcate a high performance culture where the employees will work with fun and pride. The broad functions of this division are:

- Building relationship with recognized educational institutions in order to create positive awareness about EBL as an employer. This is being done by extending internships to

students, sponsoring student events and by participating in job fairs run by different universities.

- Prepare all formalities regarding appointment and recruitment of the successful candidates.
- Arranging various training programs for its employees both at the Bank's own Training Institute at Shantinagar and at various outside locations, like Bangladesh Institute of bank Management (BIBM).
- EBL has introduced a performance-oriented culture and a participative performance assessment process. Each employee is given annual performance target which is based on a discussion between the employee and his/her supervisor. At the end of the year, a performance evaluation called Annual Classified Report (ACR) is carried out based on the targets and Key Responsibility Areas (KRAs). From now on, all promotions will be given based on the results of this performance evaluation.

2.20 Information Technology (IT):

Previously, Eastern Bank had a very low level of automation. There was hardly any PC in the whole Bank before 2001. But when the new management took over in 2001, it gave huge emphasis on computerizing the bank's operations. After 2 years, almost all the operations in the bank are now automated. The Bank is also shifting to a new IT platform, which aims at maintaining, operating and strengthening the technology base of the bank to enable error free production of information that ensures ongoing efficiency and profitability of operation. A world class banking software called FlexCube has been installed which will centralize operations and provide Online Banking, Internet Banking, Automated Teller Machine, Telephone Banking, Point of sale dispenser, Credit Card facility etc.

The IT division provides 24 hour banking service. The IT section is also responsible for managing a customer database in the bank.

2.21 Administrator:

The functions of this division are:

- Administrator ensures security of bank
- fixed asset management is another function of administrator

- procurement of fixed asset and stationary

2.22 Credit Risk Management:

Credit risk is the risk that counterparty will not settle its obligations in accordance with agreed terms or in other words, the risk associated with the borrower's failure to repay the loan. The Head of Credit Risk Management (HoCRM) has clear responsibility for management of credit risk. Policies/instructions in this respect are approved by the Board of Directors or authorities acting on their delegation. The primary objective of this division is to evaluate the credit worthiness and debt payment capability of present loan of customers and loan applicants. After identifying credit risk, taking precautionary measures is another function of this division, it also monitors to avoid any loan classification. This division is directly monitored by the CEO of the bank. The respective branches send all loans and advances proposals from the prospective borrowers to the Head office Credit Risk Management (HOCRM) for an approval. If this department finds the loan proposal attractive, it either approves it or sends it for board approval. It is also responsible for keeping track of the credit portfolio by obtaining regular information from the branches. It sets prices for credits and ensures affecting it at the branches. This department also monitors the various loan accounts of the branches and prepares various statements for Bangladesh Bank.

Within the Corporate Banking business, a numerical grading system is used for quantifying the risk associated with a borrower. The grading is based on Credit Risk Grading Matrix (CRGM) that analyzes a borrower against a range of quantitative and qualitative measures. There is a clear segregation of duties with loan applications being prepared separately from the approval chain. All large loan exposures are reviewed and approved by the Board of Directors. For Consumer Banking, standard credit application forms are generally used, which are processed centrally using Product Program Guidelines as approved by the Board of Directors. Like corporate banking, origination and approval roles are segregated too.

2.23 Special Asset Management Department (SAMD):

Though loan is provided after a lot of verification and evaluates the risk of the loan, there may be some loans which are in danger to turn into a default loan. If those loan turn into default loan then the bank must take actions to retrieve those loans. To perform those tasks there is a team which is responsible to retrieve classified loans. Special Asset Management Unit monitors the classified loans and takes all legal initiative to retrieve these classified loans.

Chapter 3: Deposits

Deposits

Growth of Deposits:

Deposits are a banks one of the main way of collecting funds. Deposits are the most effective way for collecting funds. Deposits are generally collected from three business units; those are corporate, consumer & SME.

In the below table there are the amount of deposits in BDT in each consecutive year for last 5 years. The percentage growth of deposits is also mentioned in the following table.

Table 6: Deposits & Growth of Deposits

Year	Deposits (in million BDT)	Growth of Deposits
2006	25,734	-
2007	30,092	16.93%
2008	41,573	38.15%
2009	49,190	18.32%
2010	56,425	14.71%

Source: Annual Report 2010, Eastern Bank Ltd.

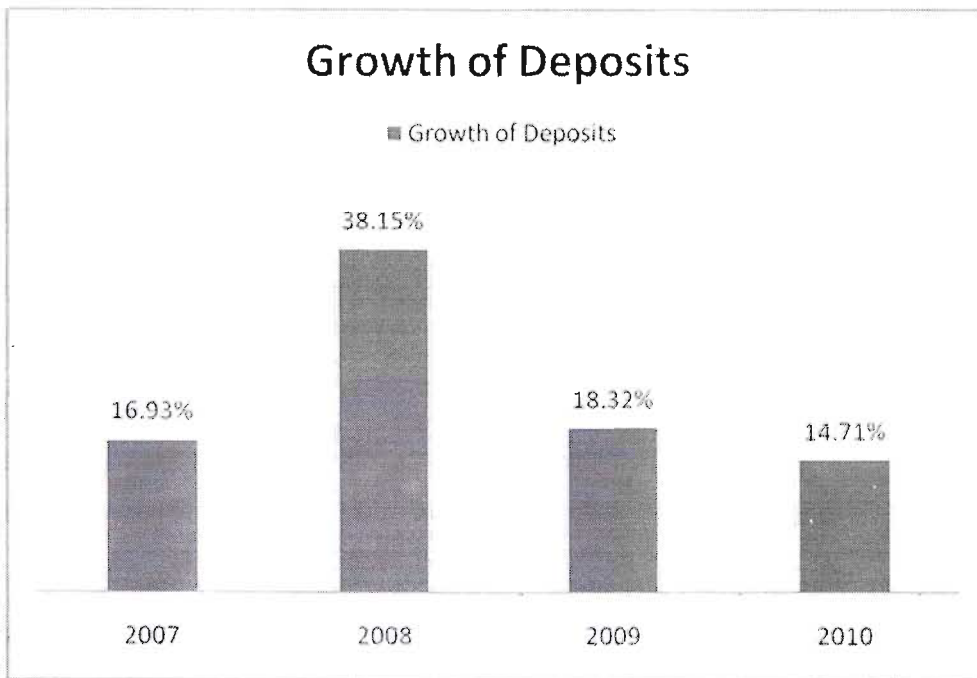


Figure 8: Growth of Deposits

From the graph we can see that though the amount of deposits is increasing each year, but the percentage growth is not same every year. In the year 2008 EBL achieved the highest growth in collecting deposits, and the growth rate was 38.15% and deposits was 41,573 million BDT. Whereas in 2010 the growth rate of deposits of EBL is lowest, the growth rate of 2010 is 14.71% and the deposits are 56,425 million BDT in total. The average deposits is almost 30,000 million BDT

3.2 Business Unit Wise Deposits:

EBL has got three core business units which are corporate, consumer and SME. In the following table contribution of these 3 business units in the total deposits of EBL is mentioned. From the table we can see that in terms of deposits consumer deposits encompasses the largest portion of the total deposits and SME has got least contribution in the total deposits of EBL.

Table 7: Business Unit wise Deposits

Business unit wise deposits	Corporate	Consumer	SME
2010	35.94%	58.74%	5.32%

Source: Annual Report 2010, Eastern Bank Ltd.

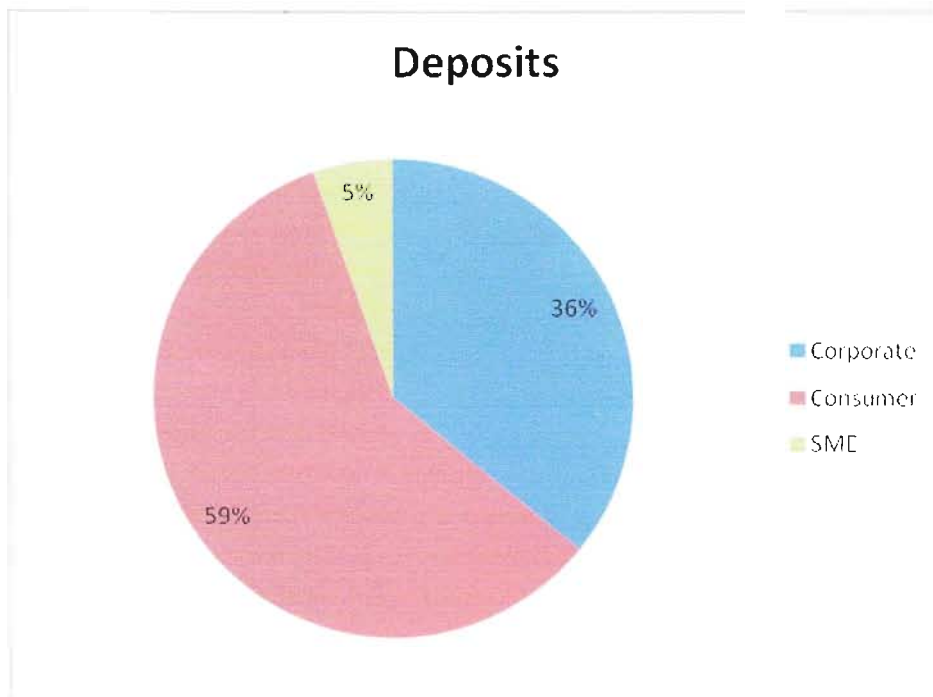


Figure 9: Business Unit Wise Deposits

3.3 Deposit Mix:

In the following table the contribution of different sorts of deposits in the total deposits of EBL is mentioned. From the graph we can identify that fixed deposits has got the biggest part of the pie in the total deposit mix which is almost 65%. Then with 23% of contribution in the total deposit mix fixed deposit has got the second highest contribution in the total deposit mix.

Table 8: Deposits Mix

Deposit Mix	Current Deposits & other accounts	Savings Deposits	Fixed Deposits	Bills payable
2010	10%	23%	65%	2%

Source: Annual Report 2010, Eastern Bank Ltd.

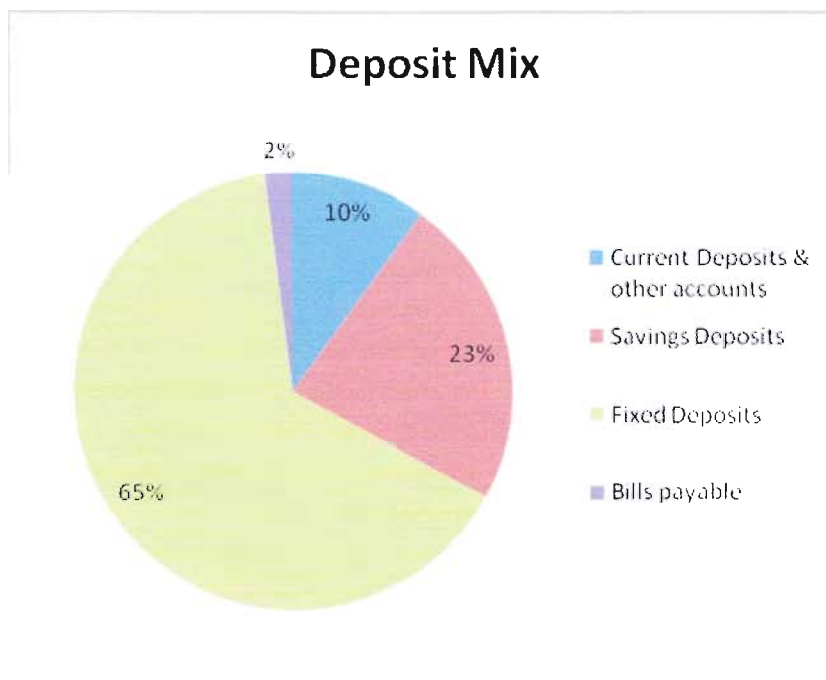


Figure 10: Deposits Mix

EBL Consumer Deposit Products:

EBL has total seven consumer deposit products. These products offer different interest rates and each of the products have different types of feature and also each product is designed for specific types of purpose.

- EBL Interesting Account
- EBL Campus Account
- EBL Repeat
- EBL Confidence
- EBL High Performance Account
- EBL Secure DPS
- EBL Junior

EBL Interesting Account:

In this deposit schemes customers are going to get their savings account interests monthly rather than waiting for six months. One of the special features of this savings account is that customers will have unlimited cash withdrawal facility.

Features:

- Interest calculated on daily balance
- Interest is credited to the customer's account every month
- Competitive interest rate
- Unlimited cash withdrawal
- Available in all EBL Branches
- No extra terms and conditions

The only eligibility to open this account is the customer has to be 18 years old and also a citizen of Bangladesh.

EBL Confidence:

EBL confidence savings schemes is designed in such a way that it will take in monthly small deposit over a period of times and after the maturity the bank will pay out the principal amount

along with the interest amount. The installment will be monthly and the maturity time for opening the account is predetermined. Customers may choose from different maturity period also which is different based on the maturity value

Table 9: EBL Confidence Interest rates

Period	Interest Rate
3 years (36 installment)	9.00%
5 years (60 installment)	9.50%
7 years (84 installment)	9.50%
10 years (120 installment)	9.50%

Features:

- Any citizen of Bangladesh can open this account. This account can be opened in the name of an individual only.
- EBL confidence account holders can deposit at multiple of Tk. 500.00 per month but not exceeding Tk. 20,000.00 per month.
- Any benefit from EBL confidence may come under purview of Income Tax of any other levy as decided by the government of Bangladesh.
- Monthly installments will be automatically realized from the Customer's Personal EBL account linked with EBL Confidence.
- Deduction of the monthly installments will start from the day of opening EBL Confidence and all subsequent installments will be deducted on the same day of following months. Sufficing available/cleared fund must be kept in the linked account on or within next three days of due date to collect the deposits.
- If sufficient balance (full value of installment) is not available in the corresponding account for realizing monthly installment in time, Account Holder will have to pay @ 2% on the installment arrear(s) as penalty.
- In the event of failure to pay monthly installment(s) on or within next three days of the due date, it will be the sole responsibility of the EBL confidence Account Holder to settle the arrear installment(s) before or along with the next deposit due through a written instruction to EBL.
- If any monthly installment remains unpaid for four consecutive months, the account will be closed automatically.

- In case of premature closure of the account Tk. 300 (Taka three Hundred Only) will be charged as closing charge.
- In case of premature closure, the following will be applicable;
 - a) Less than 1 year: self deposited amount without interest;
 - b) More than 1 year but less than 3 years: self deposited amount plus interest @ prevailing savings account interest rate;
 - c) More than 3 years but less than 5 years: matured value of 3 years plus interest @ prevailing savings account interest rate on self deposited amount for fraction period;
 - d) More than 5 years but less than 7 years: matured value of 5 years plus interest @ prevailing savings Account interest rate on self deposited amount for fraction period;
 - e) More than 7 years but less than 10 years: matured value of 7 years plus interest @ prevailing savings account interest rate on self deposited amount for fraction period.
- If there is any loan in the name of the depositor with EBL, then EBL holds the right to adjust the loan amount from the deposit which has been deposited by the by the EBL confidence Account Holder for deposit under the scheme of EBL Confidence.

Table 10: EBL Confidence Maturity Value Table

Maturity Value Table				
Installment Amount	Pre-tax Maturity after 3 Years	Pre-tax Maturity after 5 Years	Pre-tax Maturity after 7 Years	Pre-tax Maturity after 10 Years
Tk. 500	Tk. 20,730.68	Tk. 37,994.91	Tk. 59,800.58	Tk. 100,328.37
Tk. 1,000	Tk. 41,461.36	Tk. 75,989.82	Tk. 119,601.16	Tk. 200,656.74
Tk. 2,000	Tk. 82,922.72	Tk. 151,979.64	Tk. 239,202.32	Tk. 401,313.48
Tk. 5,000	Tk. 207,306.80	Tk. 379,949.10	Tk. 598,005.80	Tk. 1,003,283.70
Tk. 10,000	Tk. 414,613.60	Tk. 759,898.20	Tk. 1,196,011.60	Tk. 2,006,567.40

Tk. 20,000	Tk. 829,227.20	Tk. 1,519,796.40	Tk. 2,392,023.20	Tk. 4,013,134.80
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EBL Repeat:

EBL Repeat is a term deposit scheme and offers monthly return on fixed deposit over a certain period. It is offered to EBL account holders only. There is no maximum principal amount limit. In other words this scheme offers customers a specified interest amount over a certain period and the interest amount will be paid against the fixed deposit of the customers.

Features:

- Minimum principal amount is Tk. 100,000 (Taka One Lac Only). There is no maximum principal amount limit. Accounts in multiple of Tk. 100,000 (Taka One Lac Only) can be opened.
- EBL repeat must be kept for a term of 1 year (12 Months)/ 2 Years (24 Months) / 3 years (36 Months).
- EBL Repeat can be opened by EBL Account Holders only.
- All payments, principal & interest, shall be paid to the above specified EBL Account only.
- In case of early encashment for any of the above tenor, prepaid interest in FD rate will be adjusted from “EBL Repeat” principal amount.
- Depositor has to pay income tax or any other tax the government may fix from time to time, as applicable.
- A system-generated advice will be provided to the depositor which is non – transferable.
- If there is any loan in the name of the depositor(s) with EBL, then EBL shall have the right to adjust the loan amount from the deposit, which has been deposited by the Account Holder under the scheme of EBL Repeat.
- EBL Repeat Account Holders may take OD facility against EBL Repeat account (maximum 90% of the value).
- Unless prior written notice is received by the Bank, the Bank will automatically renew the deposit for the same period on the maturity date at the prevailing rate of interest.
- In case of premature closure, interest will be paid as per the following table:



Table 11: EBL Repeat Interest Rates

Product	No Interest	Interest Rate
EBL Repeat – 1 Year	If encashed before 3 Months on interest will be paid	If encashed after 3 months, interest will be as per prevailing savings account rate
EBL Repeat – 2 Years & 3 Years	If encashed before 6 months, no interest will be paid	If encashed after 6 months, interest will be as per prevailing saving account rate

EBL Junior:

EBL Junior Savings Account is a bank account designed exclusively for children aged between 11 and 17. This deposit scheme is designed for kids under 18 who cannot open an account of their own, it would be joint account for the kids and their parents. It will also help the children to get acquainted with the idea of savings and the services provided by the bank. With this scheme parents can directly deposit the pocket money into their child's account. At the same time it also provides a complete control over the account.

Features:

- Higher Interest Rate - 6% per annum, paid semi-annually
- Interest on Daily Balance
- Cheque book facility for Parents
- Debit Card facility with monthly fixed limit for limited withdrawal
- Free ATM Cash withdrawal at all EBL ATMs
- Free Internet Banking for Balance Checking and Statements
- Minimum Account Maintenance Fee of BDT 50 – half yearly
- Minimum Account Opening Balance - BDT 1000

To enjoy the features of this deposit scheme minimum Balance have to be BDT 5000. The account holders have to provide certification of student from the school to open this account.

EBL Campus Account:

EBL Campus account is also designed for students; but unlike EBL Junior this is not a joint account. students who are 18 years old can avail this scheme. This account offers interest at the same time it also provides debit card for ease of money withdrawal.

Features:

- Interest bearing deposit account
- Interest calculated on the basis of daily balance
- No hidden charges or restrictions apply with regard to interest payment
- No standing in bank branch queues for withdrawal of money as it offers a debit card along with the account.
- Leads into the smart modern world of electronic banking- ATMs, POS terminals, Kiosks etc.

To open this account the interested customers have to be a student and s/he have to provide valid certificates (generally student ID) to prove the state of studentship. Besides the customer have to be 18 years old in order to create this account.

EBL High Performance Account:

This account is a breed of current account and savings account, which means it also serves the purpose of current account and provides the advantages of savings account.

Features:

- Interest calculated on a daily balance
- Minimum balance required: BDT 20,000
- Unlimited cash withdrawal
- Highest interest rate compared to other similar accounts
- No extra terms and conditions apply
- Interest is paid semi-annually

EBL Secure Deposit Protection Scheme (EBL Secure DPS):

EBL Secure DPS offers a monthly savings scheme with life Insurance protection that guarantees the maturity value even if the account holder is deceased after depositing only a single

installment. Unlike the insurance policy it payback the principal amount with specified interest amount at the same time it also provides the features of an insurance policy.

Under the scheme, a depositor can save Tk. 500 up to a maximum of Tk. 13,000 per month for a period of 5 years. The monthly installments have built in life insurance coverage which assures the maturity value of the deposit in case of depositor's death due to any cause (excluding pre-existing illness/disability, AIDS, suicide, murder or assault, war or warlike operation etc.). Other than insurance coverage on the maturity value – EBL Secure DPS offers very attractive interest rates on the deposits made. For example – by depositing Tk. 3,000 per month a person can get a return of Tk. 221,838 at the end of 5 years (60 monthly installments). And if the depositor dies anytime during the DPS period - even after depositing a single installment – EBL shall pay back the full maturity value of Tk. 221,838 subject to fulfillment of Insurance requirements. The monthly installments of the DPS has built-in insurance premium. World's leading insurer American Life Insurance Company is providing the life insurance coverage in EBL Secure DPS.

Features:

- Monthly installments will be automatically realized from the customer's personal EBL account linked with EBL Secure.
- The deduction of the monthly installments will start from the day of opening EBL Secure and all subsequent installments will be deducted on the same day of following months.
- If sufficient balance (full value of installment) is not available in the corresponding account of the applicant for realizing monthly installment in time, accountholder will have to pay @2% installment arrear(s) at the time of realization of the next installment.
- If three consecutive monthly installments are not paid – then the scheme will be closed and the account value will be transferred to customer CASA deducting necessary insurance fees and taxes.
- In-case of pre-mature closure of EBL Secure, Tk. 1,000 (One Thousand Only) will be charged as Closing Fee.
- If there is any loan in the depositor with EBL, then EBL holds the right to adjust the loan amount from the deposit which has been deposited by the EBL Secure accountholder for deposit under the scheme of EBL Secure.
- EBL has entered into an agreement with American Life Insurance Company, Bangladesh where EBL Secure DPS maturity value is assured; the depositor shall be bound by the terms and conditions stated in the master group insurance policy and EBL shall not be liable for any claim declined by American Life Insurance Company, Bangladesh.

Table 12: EBL Secure DPS Maturity Value

Monthly Deposit Amount	Pre-tax Maturity Value at the end of 5 Years (60 Monthly Installments)	Monthly Deposit Amount	Pre-tax Maturity Value at the end of 5 Years (60 Monthly Installments)
500	36,973	7,000	517,623
1,000	73,946	7,500	554,596
1,500	110,919	8,000	591,569
2,000	147,892	8,500	628,542
2,500	184,865	9,000	665,515
3,000	221,838	9,500	702,488
3,500	258,811	10,000	739,461
4,000	295,784	10,500	776,434
4,500	332,757	11,000	813,407
5,000	369,730	11,500	850,380
5,500	406,703	12,000	887,354
6,000	443,677	12,500	924,327
6,500	480,650	13,000	961,300

3.5 SME Products:

SME Equity Builder:

SME Equity Builder from Eastern Bank Ltd. Is designed for the Small and Medium sector businesspersons as an exclusive savings scheme. This SME Equity Builder Account is linked

with customers' Current Account that gives higher return of the customers' monthly savings at the security.

Features

- Minimum installment amount BDT 500 and maximum BDT 50,000
- Tenor 5 years (60 months)
- Higher interest rate compare to other savings scheme in the market
- Pre-mature encashment is allowed anytime*
- One enterprise can open multiple EBL SME Equity Builder account
- 90% SOD facility of the present value of the deposited amount
- Free monthly statement for the Current Account and free half yearly statement for the SME Equity Builder Account
- It's easy, simple and smart savings scheme from monthly business income where customers can build their business equity

Requirement:

Any legitimate business entity-sole proprietorship, partnership or private limited company, with valid Trade License and other documents as per Bangladesh Bank requirements, can open EBL SME Equity Builder

EBL Subidha:

Features:

- Minimum account opening amount BDT 100,000
- Minimum deposit requirement for interest earning BDT 100,000
- Daily interest bearing and half-yearly interest paying account
- Free Monthly Statement for the Current Account and Free Half-yearly Statement for the Shubidha Account
- No Ledger Fee if the Shubidha Account average balance is BDT 100,000 or more; incase of amount less than that a semi-annual ledger fee of BDT 300 will be applicable
- 24-hour money withdrawal facility at any VISA ATM

- No Intercity Transaction Fee Up to BDT 10,00,000 Any EBL Branch Banking Facility
- Evening banking facility at selected EBL branches – anyone can deposit and withdraw money from 6 p.m. to 8 p.m. at these branches

Requirement:

- Any legitimate business entity – sole proprietorship, partnership or private limited company, with valid trade license and other documents as per Bangladesh Bank requirements.

3.6 EBL Corporate Banking:

EBL Corporate Banking provides financial products & services reaching the country's growing corporate base. With expertise and dedication EBL Corporate Banking, aim to provide the best possible services to customers.

In addition to traditional industries like RMG, Steel, Pharmaceuticals, Textiles, Ship Breaking & Trading sector; EBL has enhanced its footprints into Packaging, Food, Power, Construction, Aviation, Glassware, Edible Oil Refinery, Healthcare, Renewable Energy, Plastic Polymer, Telecommunications, Ocean-Going Vessel financing, Agri-Business (Poultry, Food Processing), etc.

EBL's expertise covers areas like Project financing, Trade Financing, Working Capital Financing, etc. Divided into 2 (two) Corporate Banking wings, one in Dhaka and the other in Chittagong, is an integrated & specialized area of the bank, which meets the diverse financial needs of the corporate customers by designing customized and structured solutions for their business.

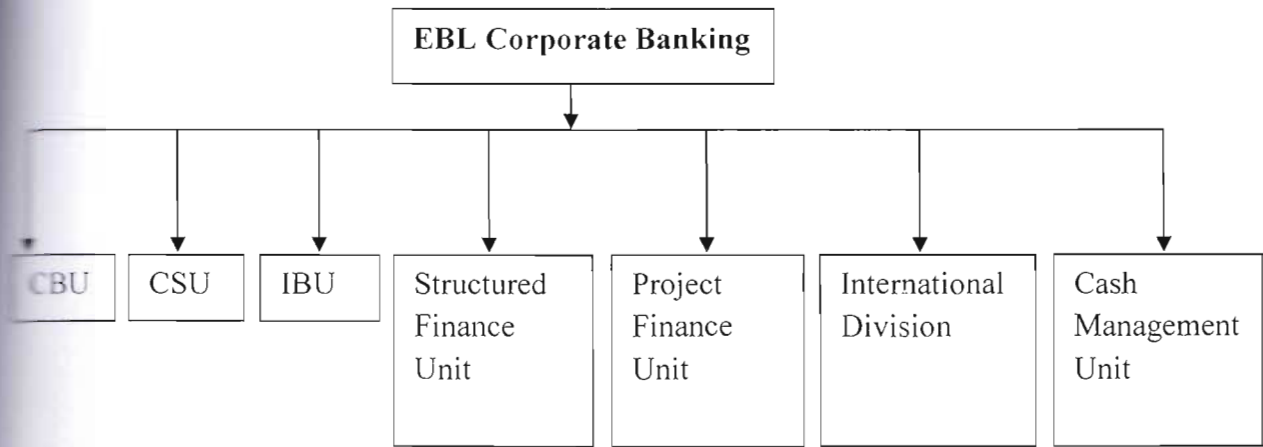


Figure 11: EBL Corporate Banking Structure

Business Relationship Units (CBUs)

Customer Support Unit (CSU)

Structured Finance Unit

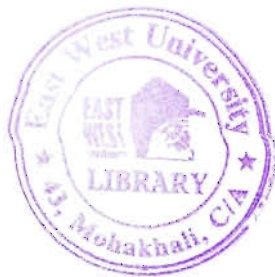
Project Finance Unit

International Division

Cash Management Unit

Investment Banking Unit (IBU)

Chapter 4: Credit



Credit

Growth of Loans

In the following table there are the amounts of total loans provided by EBL in the last five years. In case of total loans the total amount of loans is rising every year. But if we take into account the growth rate of loans then we can see that the year 2008 has got the highest rate of growth which is 28.10% and the lowest rate was in 2007 which is 19.05%

Table 15: Loans Growth of Loans

Year	Loans (in million BDT)	Growth of Loans
2006	26,008	-
2007	30,962	19.05%
2008	39,662	28.10%
2009	47,668	20.19%
2010	58,607	22.95%

Source: Annual Report 2010, Eastern Bank Ltd.

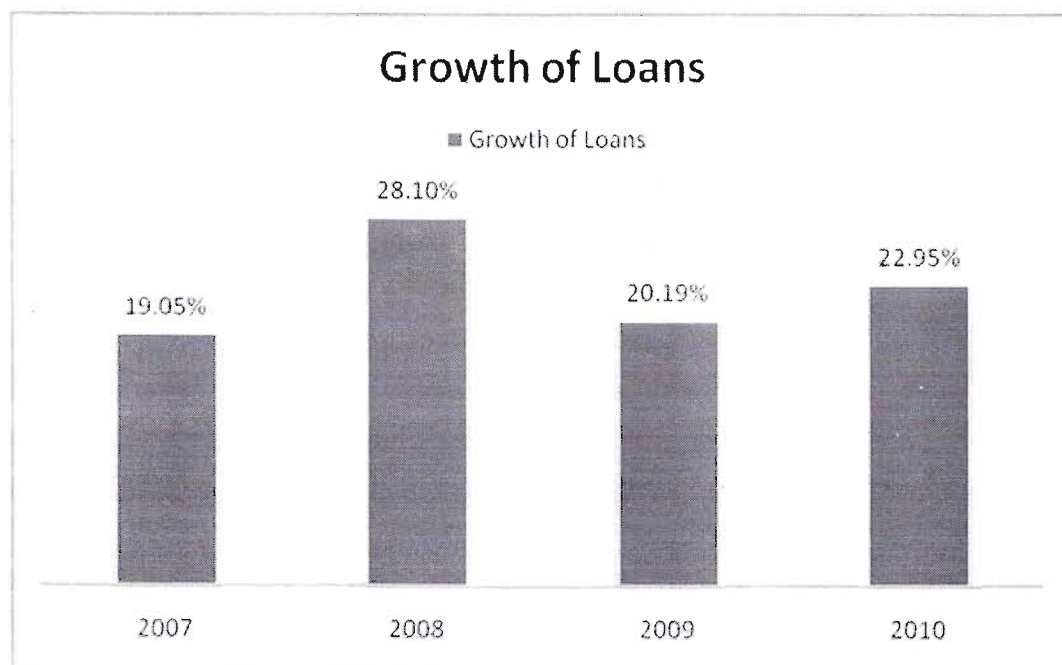


Figure 14: Growth of Loans

4.2 Business Unit Wise Loans

EBL has three core business units; corporate, consumer and SME. Though consumer deposits cover the majority part of the total deposits of EBL, in case of loans corporate loans cover the majority part of EBL’s loans which is almost 74% of the total loans provided by EBL.

After Corporate loans consumer loans covered almost 13.84% of the total loans which has increased from 11.98% of the total loans in 2009. SME loans was 11.75% in 2010, which has increased from 10.58% of the total loans in 2009

Table 13: Business Unit wise Loans

Business unit wise loans	Corporate	Consumer	SME
2010	74.41%	13.84%	11.75%
2009	77.44%	11.98%	10.58%

Source: Annual Report 2010, Eastern Bank Ltd.

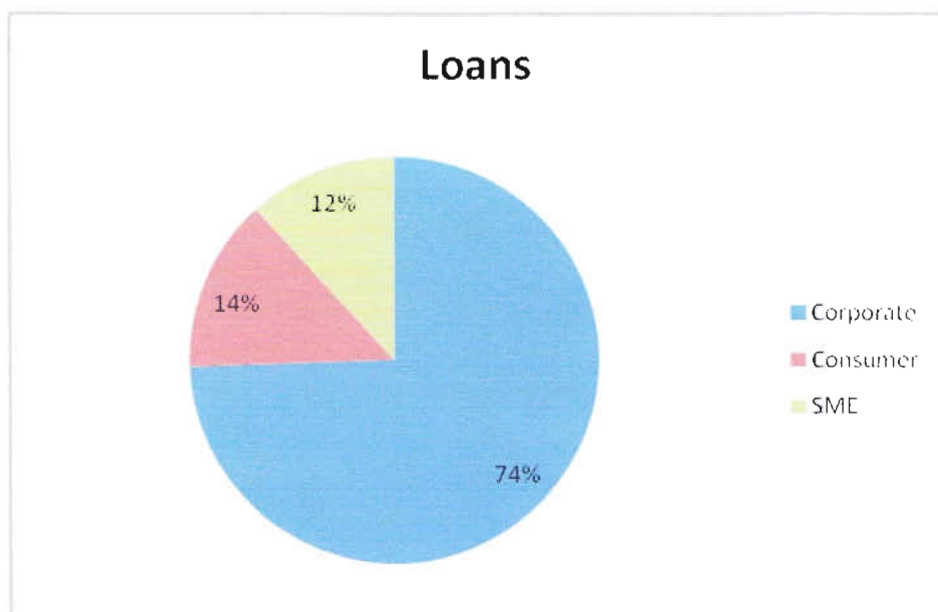


Figure 12: Business Unit wise Loans

4.3 Industry wise concentration of Loans:

In the following table there is a list of industries where EBL provided loans in 2010.

Table 14: Industry wise concentration of Loans

Industry	2010
Commercial & Trading	7,745,250,274
Importer of Commodity	2,762,978,791
Construction	608,435,142
Edible Oil Refinery Industry	2,072,272,539
Electronics Goods	1,948,542,163
Individuals	7,428,150,994
Pharmaceuticals Industries	1,434,226,526
Readymade Garments Industry	7,765,288,638
Ship Breaking Industry	2,365,706,928
Industries for Steel products	3,610,439,295
Telecommunication Sector	698,078,471
Textile Mills	5,813,805,147
Power Sector	2,088,920,848

Industry wise concentratin of Loans

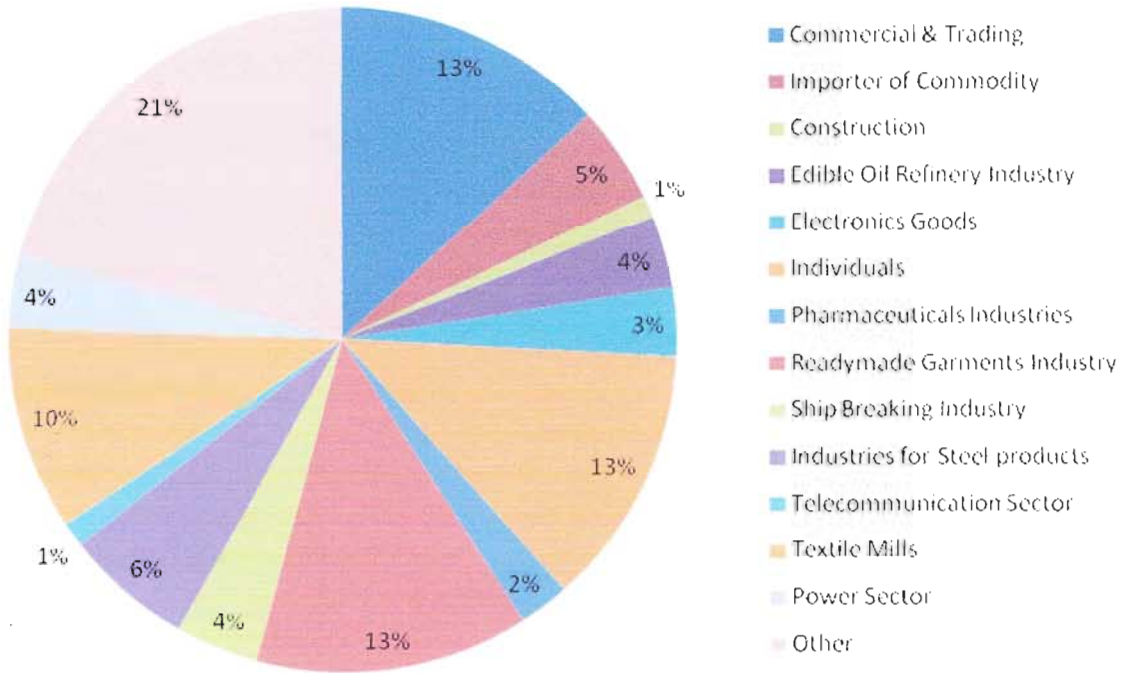


Figure 13: Industry wise concentration of Loans

4.4 Consumer Loan Products:

EBL offers different types of consumer loans. Each type of loans offers different types of feature/advantage and they also charges different rates of interest. EBL offers ten different types of consumer loans.

- EBL Jibandhara Loan
- EBL Utshab Loan
- EBL Home Loan
- EBL Fast Cash
- EBL Fast Loan
- EBL Executive Loan
- EBL Auto Loan
- EBL TraveLoan
- EBL Parseloan
- EBL Education Finance Pack



EBL Jibandhara Loan:

EBL Jibandhara Loan is an unsecured loan facility. Loan amount ranges from BDT 50,000 to BDT 1,000,000 at an attractive interest rate.

Features:

- Loan Amount ranges from BDT 50,000 to BDT 1,000,000 (or 10 times of gross salary, whichever is lower).
- Repayment tenure of 12, 24, 36, 48 or 60 months.
- Payment option available starting after minimum 6 months of disbursement of loan.
- Early full and final settlement allowed.
- No security required.
- Joint application possible
- Interest rate for Jibandhara is a competitive 19.50% per annum.

Requirements:

- Minimum 22 years, Maximum 60 Years

- Professional Experience:
 - a) Salaried Executives : 1 year of experience
 - b) Self employed Professionals: 2 years of experience
- Minimum monthly income:

Table 16: EBL Jibandhara Loan Income Requirement

Types of Profession	Minimum Salary Requirement
Salaried Executives	
Government Employees	Minimum BDT 15,000 / month
Others	Minimum BDT 20,000 / month
Self employed Professionals	Minimum BDT 30,000 / month

Interest Rate:

Table 17: EBL Jibandhara Loan Interest Rate

	Interest Rate
Salaried/ Businessmen	19.5 %
Professionals/Self-employed	19.5 %

EBL Home Loan:

EBL Home Loan is designed to meet almost all sorts of home financing needs. For example; apartment purchase, home construction, extension etc.

Features:

- Loan amount BDT 500,000 – BDT 1 Crore or 50 times of applicant’s Gross Monthly Income, whichever is lower
- Repayment tenure 3 years to 20 years
- EBL Home Loan Interest Rate: 13.50% (floating)

- Loan Take-over facility with attractive interest rate option (1% less than existing other Home Loan but not less than 13.5% per annum)
- Processing fee – 1.25% of the loan amount for the fresh applicants and 0% for the take-over loans
- Loan up to 80% of the property value
- Advance/Partial Prepayment - Anytime and any amount payment facility available, fee is 1% of the Advance/Partial Prepayment amount.
- Additional Loan Top up facility available

Requirements:

- Bangladeshi citizen within age range 22 Years – 57 years
- Length of Service/Business:
 - a) Salaried Executives: Minimum 3 year of experience with 6 month permanent employment with present employer; Contractual Employees of Supranational Organizations, international development organizations & Donor agencies e.g. WHO, FAO, UNDP, CARE etc. will be eligible subject to 1. minimum length of service 5 years 2. contract renewed at least twice
 - b) Professionals: Minimum 3 year of practice in the profession
 - c) Businessman: Minimum 3 years of involvement in business
- Minimum Income for Individual:

Table 18: EBL Home Loan Income requirement

Type	Minimum Salary
Salaried Executives	• Minimum BDT 30,000/-
Self employment	• Minimum BDT 40,000
Business Person	• Minimum BDT 50,000/-

- Combined minimum income of joint and principle applicant must be 40,000 BDT
- Joint Applicant - Spouse and immediate family members (father, mother, son, daughter, brother & sister)
- Total Income for Principal and Joint Applicants:
 - a) BDT 30,000/- per month for Salaried Executives

b) BDT 50,000/- per month for Self Employed, Businessmen and Others

EBL FastLoan:

EBL FastLoan is a short term loan facility. In this scheme the repayment term is given in a range rather than in a constant figure. The customers have his/her own choice for the repayment schedule. Any earning individual having an FD or other securities like Wage Earner's Bond, ICB unit certificate etc is eligible for this loan.

Features:

- 100% cash secured loan
- Repayment tenure of 12 to 60 months
- Competitive interest rates
- Early full and final settlement allowed
- Shortest possible processing time
- Loan Amount ranges from BDT 50,000 to BDT 10 Crore (Maximum 90% of the Present Value of FD)

Table 19: EBL FastLoan Interest Rate

	Interest Rate
EBL FD	FD rate+3% or 12.00 % whichever is higher
Other Bank FD	14.50%
Other security	14.50%

EBL Auto Loan:

EBL Auto Loan is a loan facility for the purpose of purchasing Cars. Loan amount ranges from BDT 350,000 to BDT 2,000,000.

Features:

- Loan amount ranges from BDT 350,000 to BDT 2,000,000 (up to 100% for brand new car and 70% for reconditioned car)
- Competitive interest rates
- Repayment tenure of 12,24,36,48 or 60 months
- Customers have the option of pre-paying loan after a minimum of 6 months of loan disbursement
- Early full and final settlement allowed
- Competitive interest rate of 15%
- One Personal guarantor required.
- Gross monthly salary have to be at least 40,000 per month for both salaried and self employed employees to get this loan

EBL Parsloan:

EBL Parséloan is a partial Secured Loan facility for the individuals where one can take loan up to BDT 1,000,000 by providing 30% or 50% cash security. Loan interest rate is highly competitive and can be repayable in maximum 60 months.

Features:

- Any purpose personal loan facility
- Loan amount BDT 2,00,000 to BDT 10,00,000 or 10 times of Applicant's Gross Monthly Income
- Repayment Tenure - 12 months to 60 months
- Loan facility for both fresh applications and take-over purpose
- Attractive interest on security amount (FD) making the total loan cost minimal
- Processing Fee: Fresh Loans- 1% of the loan amount
- Partial Pre-payment and early final settlement options available
- One Personal Guarantor required

Interest rate:

Table 20: EBL Pasloan Interest Rate

Cash Coverage 50%	16.5 %
Cash Coverage 30%	17.5 %

EBL Utshab Loan:

EBL Utshab Loan was designed to meet any festival related needs. The repayment time of this loan is 1-3 years.

Features:

- Loan amount ranging from minimum BDT 50,000 to maximum BDT 150,000 (or 10 times of gross monthly income, whichever is lower)
- Repayment tenure of 12, 24 or 36 months
- Absolutely no processing fees
- Special discount in interest rate

EBL Fast Cash:

EBL FastCash is a revolving credit facility of Eastern Bank Limited. Customers can meet their urgent cash requirements without encashing their fixed deposit or other securities.

Features:

- Revolving credit facility
- Pre-determined amount of credit from customer’s current account
- Interest charged only for the amount that has been drawn
- Interest charged on quarterly basis
- Repayment at anytime during the stipulated period
- Option of renewal at the customer’s request
- Loan Amount ranges from BDT 50,000 to BDT 10 Crore (Maximum 90% of the Present Value of FD)

Interest:

Table 21: EBL Fast Cash Interest Rate

EBL FD	FD rate+3% or 12.00 % whichever is higher.
--------	--

Other Bank FD	14.50%
Other security	14.50%

EBL Executive Loan:

EBL Executive loan is an offer for the salaried executives. This loan is designed to meet almost any kind of needs. Repayment schedule is from 1-5 years.

Features:

- Loan amount ranging from minimum BDT 50,000 to maximum BDT 1,000,000 or up to 10 times of gross salary, whichever is lower”
- Repayment tenure of 12,24,36,48 or 60 months (Maximum)
- Early full and final settlement allowed
- The Interest rate for Executive loan ranges from 17% to 19%
- Any Salaried Executive can apply for the loan

Interest:

Table 22: EBL Executive Loan

Private Organization Employees	17% - 18%
Government Employee	19%

EBL TraveLoan:

EBL TraveLoan is designed solely for any kind of travel purpose. The loan amount ranges from tk 50,000 – tk 500,000.

TraveLoan - Secured

- Loan amount 90% of the security deposit (EBL FD)

- Easy Monthly Installment Repayment - 12 months to 60 months
- Loan amount Tk. 50,000 - Tk. 500,000
- Processing fee - 1% of the loan amount or Tk. 2,000 whichever is higher
- Advance/Partial prepayment allowed
- Loan disbursement directly to Customer Account
- 50% processing fee waiver for EBL Dual Currency Credit Cardholder
- 50% Dual Currency Credit Card Issuance fee waiver for TraveLoan borrowers

TraveLoan - Unsecured

- Easy Monthly Installment Repayment - 12 months to 60 months
- Loan amount Tk. 50,000 - Tk. 500,000 or 10 times of gross monthly income, whichever is lower
- Processing fee - 1% of the loan amount or Tk. 2,000 whichever is higher
- Advance/Partial prepayment allowed
- 50% processing fee waiver for EBL Dual Currency Credit Cardholder
- 50% Dual Currency Credit Card Issuance fee waiver for TraveLoan borrowers

EBL Education Finance Pack:

EBL Education Finance Pack is designed to provide help for the children's' education to help them grow to reach their full potential. Whether the children is getting educated in Bangladesh or abroad EBL Education Finance Pack provides the necessary help in getting the proper care through covering the cost of their education.

EduLoan Unsecured – Education Loan without Security Deposit

- EMI based loan facility
- Maximum loan amount BDT 10,00,000 or 10 times of Gross Monthly Income of the applicant
- Loan amount up to 80% of the summation of admission fee, tuition fee, semester fee, other fees as stated by the educational institutions, living/lodging expenses and traveling expense
- Processing fee – 1% of the Loan amount
- Repayment tenor : 12 – 60 months

- Advance / partial pre payment is allowed
- Interest Rate: 18%

EduLoan Secured - Education Loan with Security Deposit

- EMI based loan facility
- Loan amount is 95% of the security deposit (EBL FD)
- Processing fee – 1% of the Loan amount or BDT 10,000, whichever is higher
- Repayment tenor : 12 – 60 months
- Advance / partial pre payment is allowed
- Interest Rate: FD+3%
- Student File services available
- Joint Applicant Possible, provided he/she is a co-applicant of the security.

EduLine – Credit Facility against Security Deposit

- Loan amount is 95% of the security deposit
- Advance / partial pre payment is allowed
- Interest against utilization only
- Within same day processing
- Processing fee – 1% of the Loan amount or Tk. 2,000, whichever is higher
- Interest Rate: FD+3%

Interest:

Table 23: EBL Education Finance Pack Interest Rate

Edu Line	as per Fast Loan
Edu Loan (Secured)	as per Fast Loan
Edu Loan (Unsecured)	18% per Annum

4.5 EBL SME Products:

Small and medium enterprises (SMEs) remain the engine of growth in almost all the emerging economies worldwide. SME's contribution to economic growth, risk mitigation through diversification, employment generation and an effective vehicle for sustainable development made it an indispensable way of business in every economic system. To serve this overwhelmingly promising sector, EBL SME Banking started its journey in 2006. Its contribution in the total amount of loans of EBL is also increasing every year. The pie of SME loan portfolio has increased from 10.58% in 2009 to 11.75% 2010. EBL offers 10 different sorts of SME loan products to the consumers.

SME Loan Products

- EBL Agrim
- EBL Uddog
- EBL Puji
- EBL Asha
- EBL Bannijyo
- EBL Subidha
- EBL Uddam
- EBL Unnoti
- EBL Mukti
- EBL Invoice Factoring
- EBL Krishi Rin
- SME Equity Builder



EBL Agrim:

Features:

- Any legal business purpose, loan facility minimum BDT 200,000 – maximum BDT 950,000
- No collateral security required
- Loan tenure 1 month to 6 months
- Single shot payment at maturity but interest will be realized on monthly basis
- Partial payment and early payment allowed- no additional fee required

Requirement:

- Any successful enterprise with minimum two years in same or relevant
- Business cash flow to support the proposed loan in one shot
- Necessary documents of business required
- Bank account in the name of the enterprise or entrepreneurs
- Personal guarantee required

EBL Uddog:

Features:

- Any legal business purpose, loan minimum BDT 6,00,000 – maximum BDT 50,00,000
- Without land/building mortgage
- To be repaid within maximum 60 months.
- Loan repayable in monthly installments
- 50% of the loan amount in the form of fixed deposit is needed.

Requirement

- Any successful enterprise minimum one and a half years in same or relevant business
- Business income to support the proposed loan installment
- Necessary documents of business are required
- Bank account in the name of enterprise or the entrepreneurs.

EBL Mukti:

Features:

Credit facility up to BDT 300,000 (three lac) in any legitimate business

No requirement of land/building mortgage

Yearly interest rate is 10%, which is the lowest in the country

Repayable in 18 months

Facility is only for Women Entrepreneurs

Requirement:

- Any legitimate business with at least two years of operation
- Business Cash Flow to support repayment

Repayment:

- Monthly installment

EBL Unnoti:

EBLUnnoti is a bundle loan product for SME customer having finance against fixed asset and working capital requirement for creditworthy business secured by collateral security (registered mortgage of land & building).

Features

- Any legal business purpose bundle loan for SME
- Loan amount from BDT 10 Lac to 1 Crore
- 50% Term Loan and 50% OD facility of total loan limit
- Maximum tenor for Term Loan is 60 months and Overdraft for 12 months
- Collateral security required along with charge on business assets
- Flexibility in loan usage, interest would be charged on utilization amount only

Eligibility

- Any sole proprietorship, partnership or limited companies having minimum 2 years of successful business operation
- Business cash flow must support to the proposed loan amount

Repayment

- Term Loan is repayable by Equal Monthly Installments

- Regular transaction in OD account is desired and quarterly interest must be served immediately after quarter end.

EBL Krishi Rin:

Agriculture is one of the prime driving force of Bangladesh economy. In order to help the growth of agricultural sector and provide a sector wise loan (in this case agricultural sector), EBL has introduced EBL Krishi Rin facilities for the farmers without any collateral & zero processing fee.

Features:

- Loan for Individual Farmers/Share Cropper who are directly engaged crop cultivation.
- Loan Limit Minimum BDT 10,000.00 and Maximum BDT 1,50,000.00
- Loan may be given for one time or revolving basis.
- Repayment depends on harvesting of the crops.
- No collateral required.
- No loan processing fee

Requirement:

- Any individual Bangladeshi farmer/share cropper has minimum 1 year experience in farming Loan will be extended up to 15 bighas cultivable land owners/7.5 bighas for potato & sugarcane
- Repayment tenor minimum 3 months and maximum 12 months

EBL Bannijyo:

Features:

- Credit facility up to BDT 20,000,000 to any legitimate import business
- Nil margin LC facility
- No requirement of land/building mortgage

- Post import facility up to 6 months
- 30%-40% of total limit in the form of FD as collateral required
- Over Draft facility to support day to day general expenses

Requirement:

- Any legitimate business with three years of operation and at least one year experience in import business
- Necessary import related documents
- Business cash flow to support repayment

Repayment:

- Monthly installment

EBL Uddam:

Features:

- Any legal business purpose, loan amount minimum BDT 10 Lacs to maximum BDT 50 Lacs
- Without land/building mortgage
- 50% of the loan amount in the form of fixed deposit is required
- To be repaid within maximum 48 months
- 50% loan repayable in monthly installments and rest 50% overdraft
- Overdraft facility when necessary

Requirement:

- Any successful enterprise minimum 2 years in same or relevant business can apply for loan
- Business income to support the proposed loan Installment
- Necessary documents to business are required
- Bank account in the name of enterprise or the entrepreneur

EBL Puji:

Features:

- Any business purpose loan from Tk. 500,000 to Tk. 5,000,000
- To be repaid within maximum 36 months (Next loan is repayable within 60 months)
- Collateral security required along with charge on business assets
- Loan repayable in equal monthly installment

Requirement:

- Any sole proprietorship, partnership, or private limited companies having minimum 3 years of successful business operation

Repayment:

- Monthly cashflow to support the proposed loan installment

EBL Asha:

Features:

- Any business purpose loan from Tk. 200,000 to Tk. 990,000
- To be repaid within maximum 24 months (Next loan is repayable within 60 months)
- No requirement for collateral security
- Loan repayable in equal monthly installment

Requirement:

- Any sole proprietorship, or private limited companies having minimum 1.5 years of successful business operation
- Monthly cashflow to support the proposed loan installment

EBL Invoice factoring:

- Interest rate 13% per annum
- Limit amount maximum BDT 5 crore
- Accepted invoice from list of buyers/debtors including EBL's Corporate Clients, MNCs, Multilateral Agencies, Banks, NBFIs Insurance Companies, NGOs

4.6 Corporate Banking Products & Services

Corporate Banking fulfills various banking needs of large Corporate Houses, as well as Financial Institutions & Micro-Credit Organizations. In the process, EBL has gained the confidence of the corporate world and established a unique brand image of sound efficiency and immediate delivery. EBL is now present in key business districts of the country serving both local and multi-national corporate houses, with ready access to EBL's team of relationship managers, product and sector specialists.

EBL's product assortment ranges from short term financing of day to day business operations to long term loans for expansion of business. EBL's objective is to understand specialized needs and design tailored and structured solutions for the business.

EBL's products cover the following broad categories:

- Industrial and Project Financing
- Investments/ Capital Market Services
- Transaction services
- Trade Services and FX
- Deposits & Cash Management Solutions

Regular Credit Products

Short-Term Financing Products:

- a) Working Capital Loan
 - Overdraft (OD)
 - Letter of Credits – Sight/Usance
 - Demand Loan
 - Time Loan

Long Term Financing Products:

- a) Term Loan Financing
 - Medium Term (Max 5 years)
 - Long Term (Above 5 Years)
- b) Private Placement of Debt Instruments
- c) Private Placement of Equity

Trade Service Products

Regular Trade Service Products are:

- Letter of Credit (Documentary Credit)
- Back-to-back Letter of Credit
- Shipping Guarantee
- Delivery Order
- Export LC (Advising & Transfer)
- Letter of Guarantee
- Import Bill Handling
- Export Bill Negotiation/Collection
- Import Loan
- Letter of Trust Receipt (LTR)
- Time Loan

Specialized Trade Service Products are:

- EDF loan
- OBU Financing
- Packing Credit
- Demand Loan
- Tailor made Structured LC
- Syndicated Financing Services

Multi-Bank Products/Services include:

- Loan Syndication (offshore & Onshore)
- Private Placement of Equity
- Project Finance
- Trustee and Legal Facilitator

- Feasibility Study
- Financial/Corporate Advisory Services

EBL doesn't only provide term loans involving local lenders but also arranging Preference Share Subscription, USD Term Loan Syndication, IPFF Fund, Off-Shore Financing, etc for more tailored and competitive products for its valued clients. EBL offers low cost Foreign Currency Financing facilities through their networks with different multilaterals and off-shore Credit Agencies and Development Organizations like:

The World Bank Group

Asian Development Bank (ADB)

DEG Germany

FMO

KfW Germany

Cash Management Solutions

- Payment & Collection Solutions
- Bulk Cheque Processing
- Utility Bill Collection
- Vendor/Salary payment
- Cash Pick Up & Delivery
- Hajj Remittances processing
- Managing IPOs as Lead Bank
- Act as Banker to the issue in IPOs
- Internet Banking
- Automated Cheque Writing Software



Chapter 5: Performance Evaluation

Performance Evaluation

5.1 Return on equity:

The amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested.

ROE is calculated as:

$$\text{Return on Equity} = \text{Net Income} / \text{Shareholder's Equity}$$

Table 24: ROE

Year	ROE	Growth
2006	16.07%	-
2007	11.73%	-27.01%
2008	18.64%	58.91%
2009	22.10%	18.56%
2010	23.64%	6.97%

Source: Annual Report 2010, Eastern Bank Ltd.

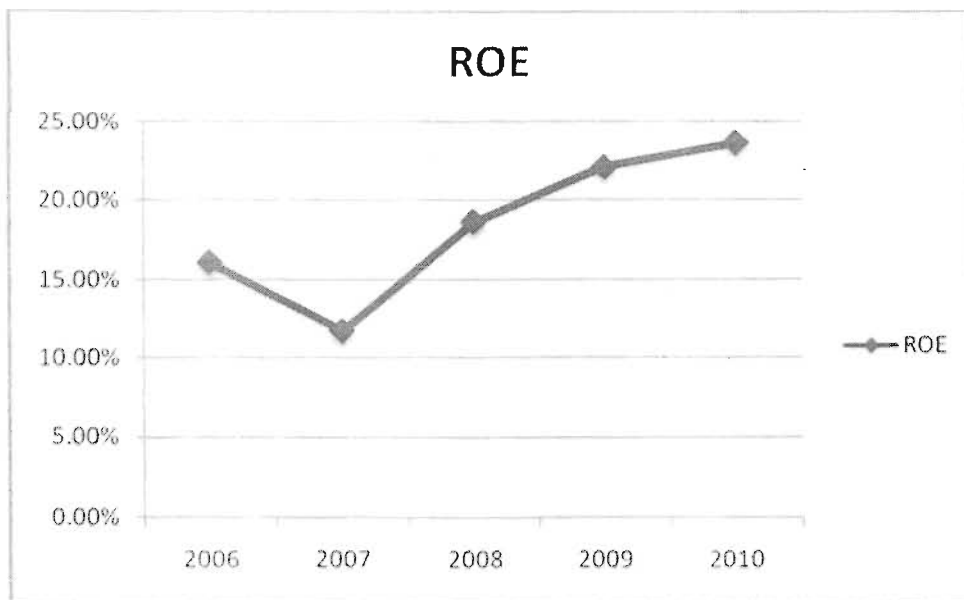


Figure 15: ROE

ROE encompasses the three pillars of corporate management -- profitability, asset management, and financial leverage. By seeing how well the executive team balances these components, investors can not only get an excellent sense of whether they will receive a decent return on equity but can also assess management's ability to get the job done.

As the numerator is net income, so as the net income increases the higher the ROE is. Investors want to get higher return on equity, in order to get higher ROE the company need to have higher net income.

From the graph we can see that, except the decline in 2007 the percentage of ROE is increasing every year. It fell down to 11.73% in 2007, but from the 2008 again it increased and in that year it passed the growth increase of the year 2006. Among the five year ROE reached at the peak in the year 2010, which is 23.64%.

5.2 Return on Asset:

An indicator of how profitable a company is relative to its total assets. ROA gives an idea as to how efficient management is at using its assets to generate earnings. It's calculated by dividing a company's annual earnings by its total assets.

The formula for return on assets is:

Return on Asset (ROA) = Net income/Total Assets

Table 25: ROA

Year	ROA	Growth
2006	1.62%	-
2007	1.10%	-32.10%
2008	1.68%	52.73%
2009	2.34%	39.29%
2010	3.19%	36.32%

Source: Annual Report 2010, Eastern Bank Ltd.

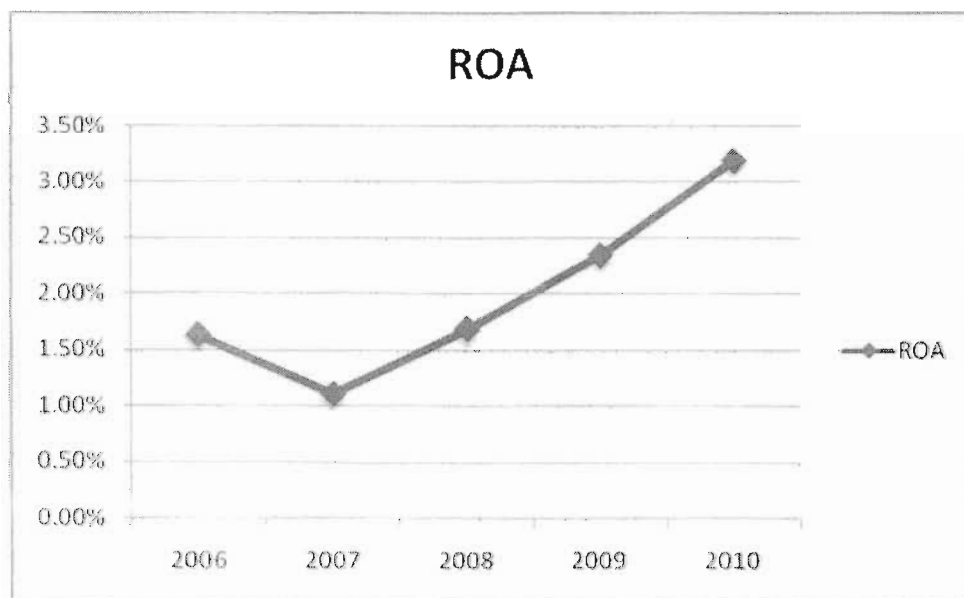


Figure 16: ROA

ROA tells us what earnings were generated from the invested capital (assets). ROA for public companies can vary substantially and will be highly dependent on the industry. This is why when using ROA as a comparative measure, it is best to compare it against a company's previous ROA numbers or the ROA of a similar company or the same industry.

The ROA figure gives investors an idea of how effectively the company is converting the money into net income. The higher the ROA number, the better, because the company is earning more money on less investment. The graph of ROA tells us that, except the year 2007 there is a continuous increase in EBL's ROA. In 2007 the ROA fell down to 1.10% from 1.62% in 2006. Then again from 2008 it increased to 1.68%. EBL's ROE reached the peak in the year 2010, which is 3.19%

5.3 Loan to Asset Ratio:

Table 26: Loan to Asset Ratio

Year	Loan to Asset Ratio	Growth
2006	69.70%	-
2007	71.03%	1.91%
2008	71.08%	0.07%
2009	66.80%	-6.02%
2010	66.42%	-0.57%

Source: Annual Report 2010, Eastern Bank Ltd.



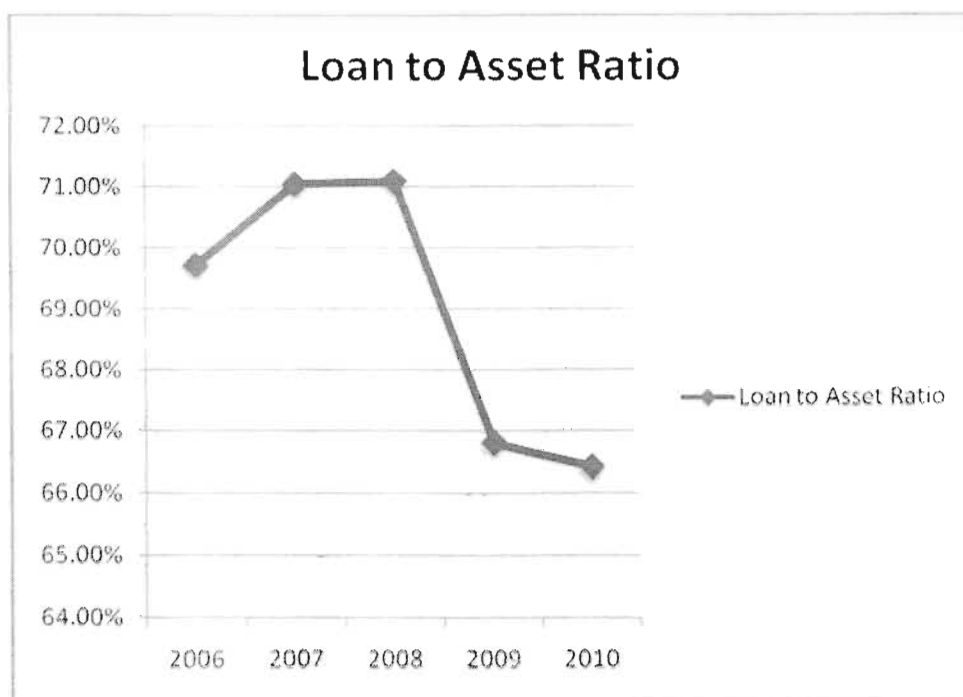


Figure 17: Loan to Asset Ratio

5.4 Net Profit Margin:

Net profit margin is calculated by dividing net profit by net revenues. This number is an indication of how effective a company is at controlling its cost. The higher the net profit margin is, the more effective the company is at converting revenue into actual profit. The net profit margin is a good way of comparing companies in the same industry, because companies that are in same industry are subject to similar business conditions. However, the net profit margins are also a good way to compare companies in different industries in order to gauge which industries are relatively more profitable.

Table 27: Net Profit Margin

Year	Net Profit Margin	Growth
2006	24.32%	-
2007	14.84%	-38.98%
2008	21.57%	45.35%

Table 28: Asset Utilization

Year	Asset Utilization	Growth
2006	5.87%	-
2007	6.64%	13.12%
2008	6.81%	2.56%
2009	6.78%	-0.44%
2010	7.87%	16.08%

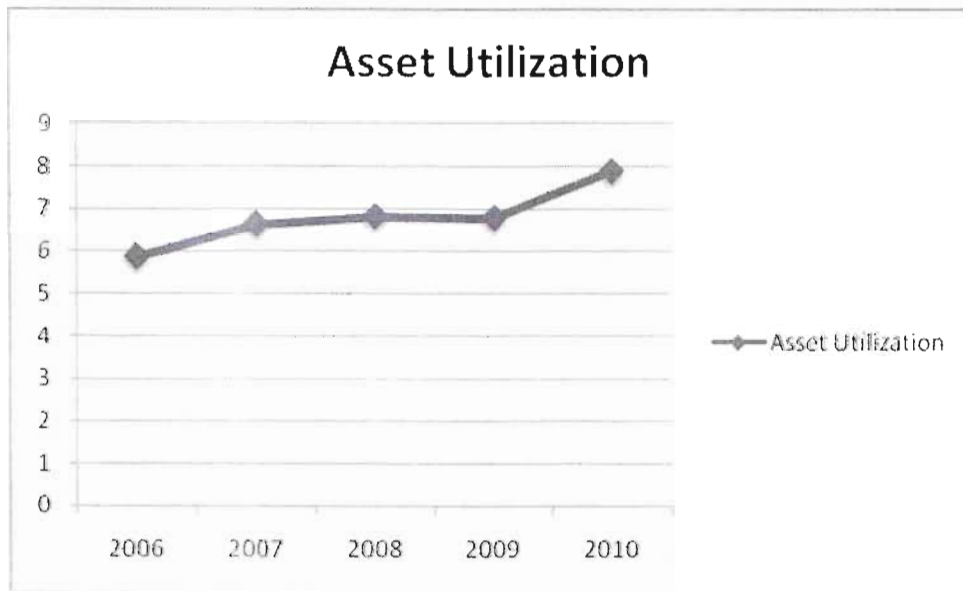


Figure 19: Asset Utilization

The asset utilization table says that the in case of asset utilization the management of EBL is performing better. If we take the data of a single year for example; in 2010 the asset utilization of EBL was 7.87%, which means the company earned .0787tk for each taka of assets held by the company

5.6 Provision for Loan Losses:

A loss ratio is the total amount of unrecoverable debt or default loan when compared to total outstanding debt. For example, in 2010 the Loan loss ratio was 0.72%, which means for every 100tk loan the company has 0.72tk default loan. These calculations are applied class wide and used to determine financing fees on loans. For example; If the average loss ratio on a class of loans is 2%, then the financing fees for loans of that class must be greater than 2% to recover the normal loses and return a profit. A loss ratio is in effect a numerical representation of the risk associated with a loan.

Table 29: Provision for Loan Losses

Year	Loan Loss Ratio	Growth
2006	0.86%	-
2007	1.89%	119.77%
2008	1.15%	-39.15%
2009	0.59%	-48.70%
2010	0.72%	22.03%

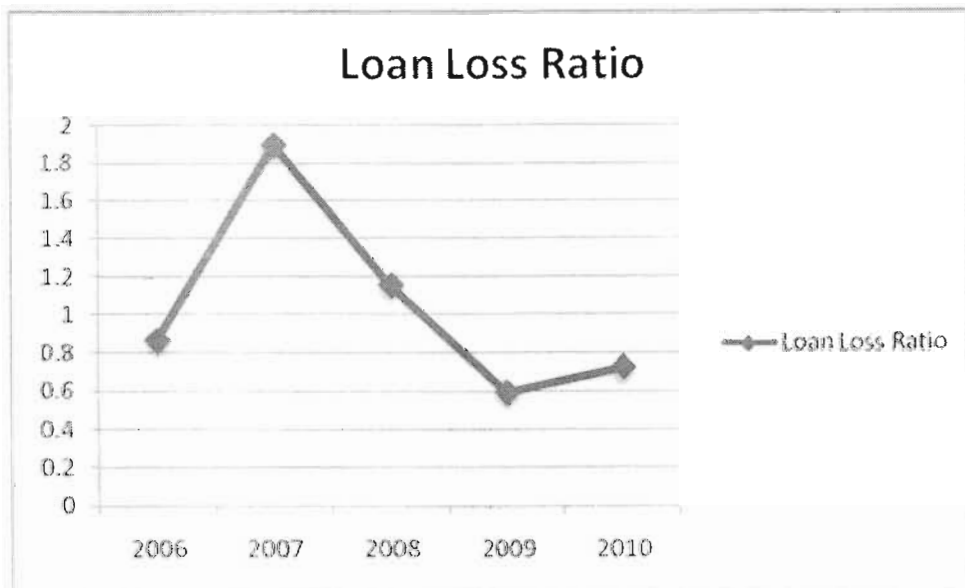


Figure 20: Loan Loss Ratio

Higher loss ratio means the company is facing higher default loan and thus facing higher risk. From the graph we can identify that except the peak in 2007 the loan loss ratio of EBL was getting decreased every year until 2009. After 2009 the loan loss ratio is starting to increase, which is not a good indication for the bank.

5.7 Earning per Share:

The portion of a company's profit allocated to each outstanding share of common stock. Earnings per share serve as an indicator of a company's profitability.

Earning per share is calculated as:

$$EPS = \text{Net Income} / \text{No. of outstanding Shares}$$

When calculating, it is more accurate to use a weighted average number of shares outstanding over the reporting term, because the number of shares outstanding can change over time. However, data sources sometimes simplify the calculation by using the number of shares outstanding at the end of the period.

Table 30: EPS

Year	EPS	Growth
2006	4.96	-
2007	3.02	-39.11%
2008	3.45	14.24%
2009	5	44.93%
2010	8.3	66.00%

Source: Annual Report 2010, Eastern Bank Ltd.

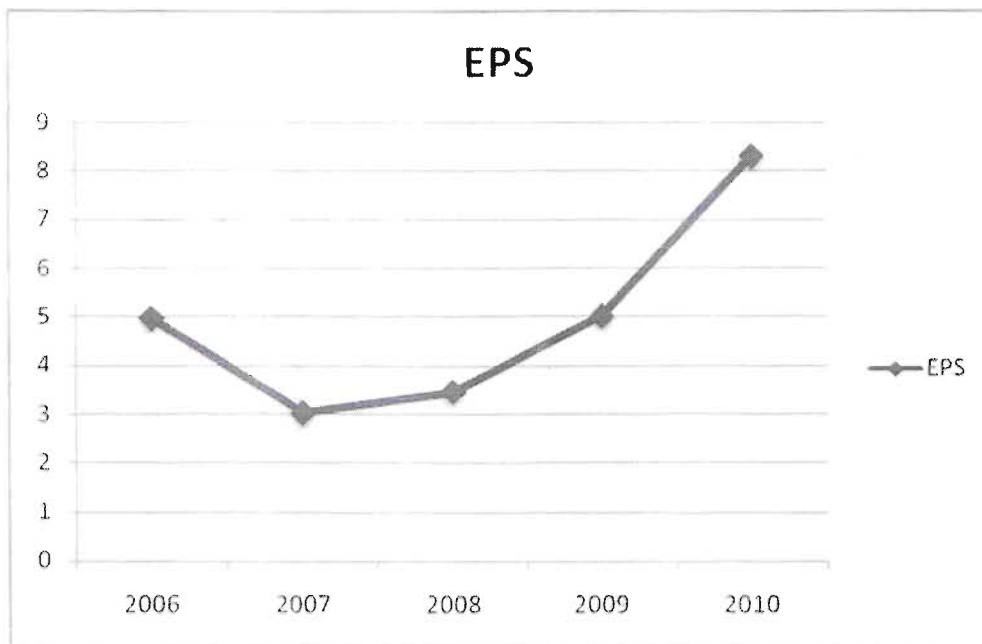


Figure 21: EPS

In this case, EBL had a steady increase in EPS since 2007 to 2009, but in 2007 EBL's EPS had decrease to 3.02 from 4.96 in 2006. Then again in 2008 it recovered and increased to 3.45. The year 2010 has got the highest EPS, which is 8.3.

Higher EPS could mean an increase in net income or it could also mean that the company has less equity. So if the denominator is kept constant a shareholder will always prefer higher EPS. EPS also have an importance in valuation of price to earning ratio.

An important aspect of EPS that's often ignored is the capital that is required to generate the earnings (net income) in the calculation. Two companies could generate the same EPS number, but one could do so with less equity (investment) – that company would be more efficient at using its capital to generate income and, all other things being equal would be a “better” company. Investors also need to be aware of earnings manipulation that will affect the quality of the earnings number. It is important not to rely on any one financial measure, but to use it in conjunction with statement analysis and other measures.

5.8 Price Earnings Ratio:

Price earnings ratio is commonly used to assess the owner's appraisal of share value. The P/E ratio of a stock is a measure of the price paid for a share relative to the annual net income or profit earned by the firm per share (EPS).

The price earnings ratio measures the amount that investors are willing to pay for each dollar of a firm's earning. The level of this ratio indicates the degree of confidence the investors have in the firm's future performance. If the ratio is higher that means the confidence of the investors is higher. The P/E ratio is calculated as follows

$$P/E \text{ ratio} = \text{Market value per share of Common stock} / \text{EPS}$$

Table 31: P/E ratio

Year	P/E Ratio	Growth
2006	15.98	-
2007	26.44	65.46%
2008	17.07	-35.44%
2009	12.89	-24.49%
2010	15.59	20.95%

Source: Annual Report 2010, Eastern Bank Ltd.

Analysis

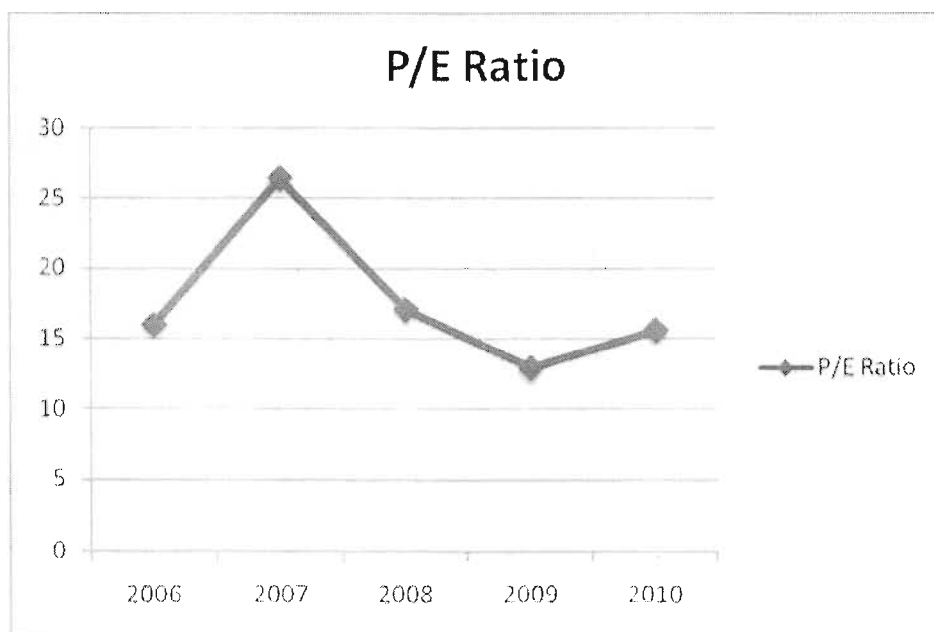


Figure 22: P/E Ratio

From the graph we can see that there is a continuous increase and decrease in the P/E ratio of EBL. P/E ratio of EBL reached the peak in 2007, which is 26.44. The P/E ratio was lowest in the year 2009 and it was 12.89. From 15.98 in 2006 it reached the peak in 2007 then in 2009 it fell down to the bottom, then again in 2010 it started to rise .

5.9 Net Bank Operating Margin:

Net bank operating margin measures the percentage of each sales dollar/taka remaining after all costs and expenses other than interest, taxes & preferred stock dividend are deducted. In other words, Operating margin is a measure of profitability. It indicates how much of each dollar/taka of revenues is left over after both costs of goods sold and operating expenses are considered.

The formula is for calculating operating margin is

$$\text{Net Bank Operating Margin} = \text{Operating Income/Revenue}$$

Table 32: Net Bank Operating Margin

Year	Operating Margin	Growth
2006	47.98%	-
2007	49.07%	2.27%
2008	45.62%	-7.03%
2009	47.95%	5.11%
2010	62.88%	31.14%

It is important to understand which expenses are included and which are excluded while calculating operating margin. The numerator is operating income, which can be calculated by subtracting the operating expenses incurred in the core business operations. It typically excludes interest expense, nonrecurring items (such as accounting adjustments, legal judgments, or one-time transactions), and other income statement items that are not directly related to a company's core business operations. For example; EBL has a net bank operating margin of 62.88%, which indicated that for every 1 tk sales the company makes 0.6288 tk operating income.

Operating Margin

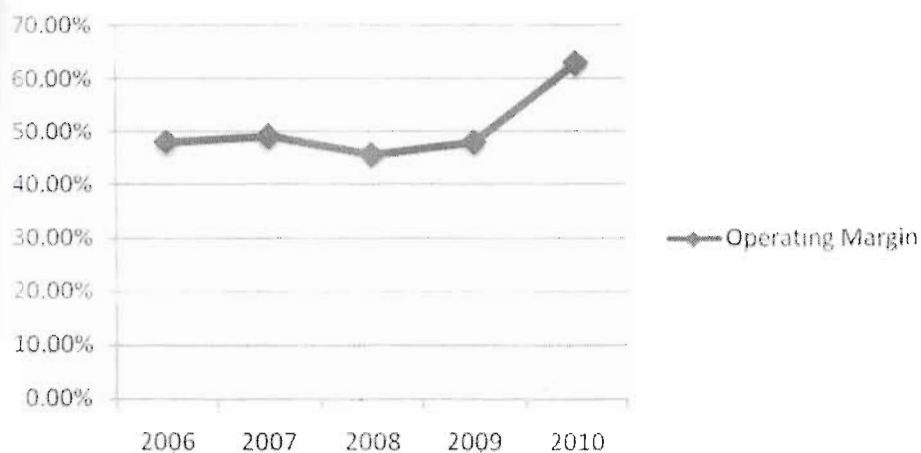


Figure 23: Operating Margin

The net bank operating margin of EBL reached the highest in the year 2010, which is 62.88%. Before that there was a steady growth in the ratio it was ranged between 45% - 49%. In 2008 it was decreased to 45.62%, other than this year the bank operating margin of EBL was increasing every year.

5.10 Cost to Income Ratio:

Cost to income ratio is calculated as dividing operating expense by total revenues. The ratio, which will vary across banks, should be as low as possible (but not so low that it compromises customer service). Banks hope to reduce their cost income ratio as the business grows thanks to economies of scale. The idea is that additional revenue from existing or new customers has a relatively low cost associated with it and so is increasingly profitable.

Table 33: Cost to Income Ratio

Year	Cost to Income Ratio	Growth
2006	36.67%	-
2007	33.72%	-8.04%
2008	35.60%	5.58%

2009	35.62%	0.06%
2010	32.10%	-9.88%

Source: Annual Report 2010, Eastern Bank Ltd.

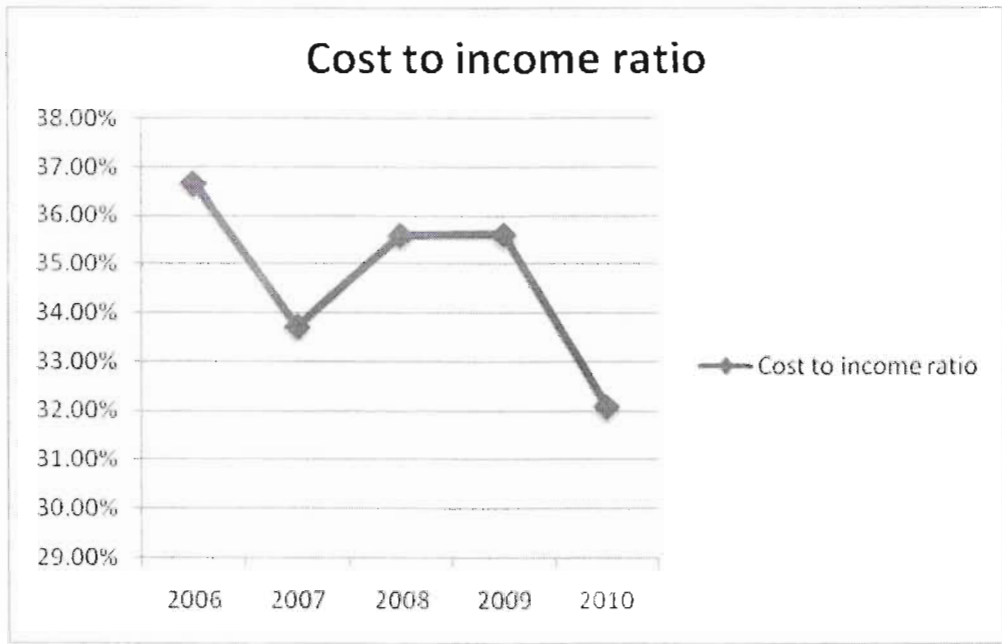


Figure 24: Coat to Income Ratio

EBL's cost to income ratio was highest in 2006, which is 36.67%. The ratio was lowest in 2010, which is 32.10%. Cost to income ratio was decreased to 33.72% in the year 2007, then it increased to 35.60% and continued to rise until 2009, but after 2009 it decreased to 32.10%, which is lowest of them all.

5.11 Net Interest Margin:

Net interest margin is a measure of the difference between the interest income generated company and the amount of interest paid out to their lenders (for example, deposits), relative to the amount of their (interest-earning) assets.

Table 34: Net Interest Margin

Year	Net Interest Margin	Growth
2006	2.30%	-
2007	3.89%	69.13%
2008	3.80%	-2.31%
2009	4.25%	11.84%
2010	4.44%	4.47%

Source: Annual Report 2010, Eastern Bank Ltd.

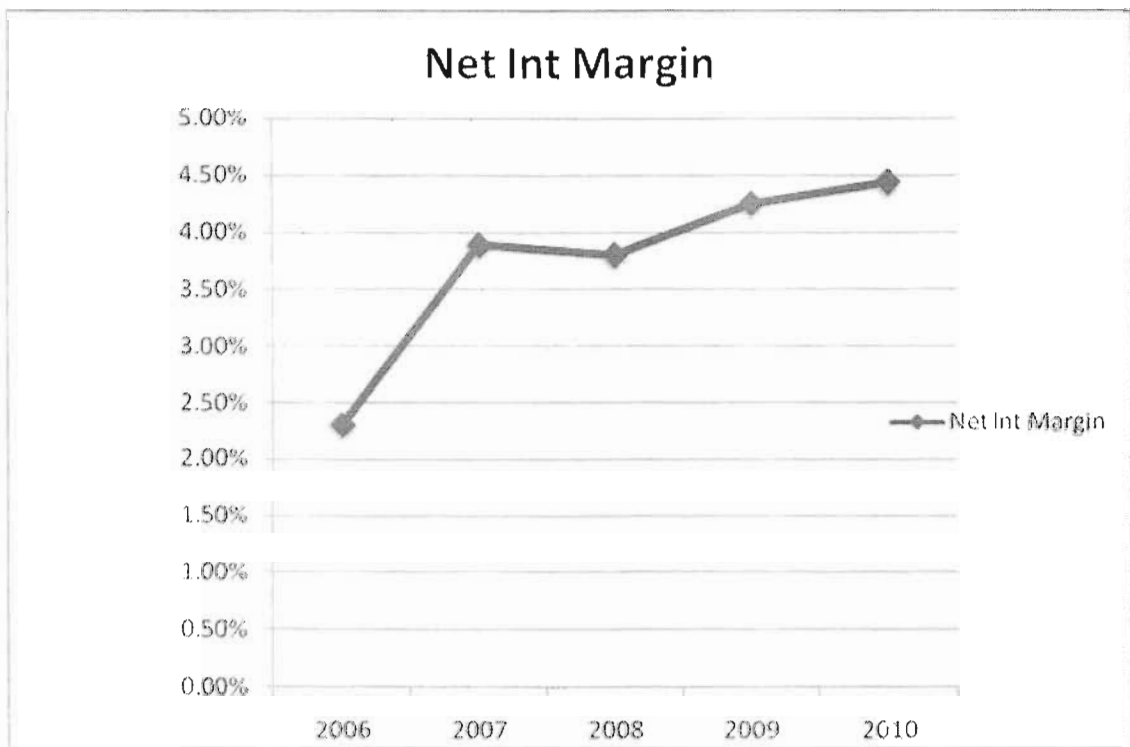


Figure 25: Net Interest Margin

EBL had a relative steady growth of net interest margin, only in 2008 it had a slight decrease and the net interest margin was 3.80% from 3.89% in 2007. The net interest margin reached at the peak in the year 2010, which is 4.44%

5.12 Capital Structure:

Capital structure refers to the way a corporation finances its assets through some combination of equity, debt, or hybrid securities. From the financial statement of 2010 it is found that how much of EBL's total is owned by whom. It is seemed that the highest portion which is 87% of EBL's total share is owned by the general public and the financial institutions owns 9.77% which is a decrease from 10.75% in 2009.

Table 35: Capital Structure

Year	Directors	General Public	Financial Institutions
2010	3.43%	86.80%	9.77%
2009	3.43%	85.82%	10.75%

Source: Annual Report 2010, Eastern Bank Ltd.

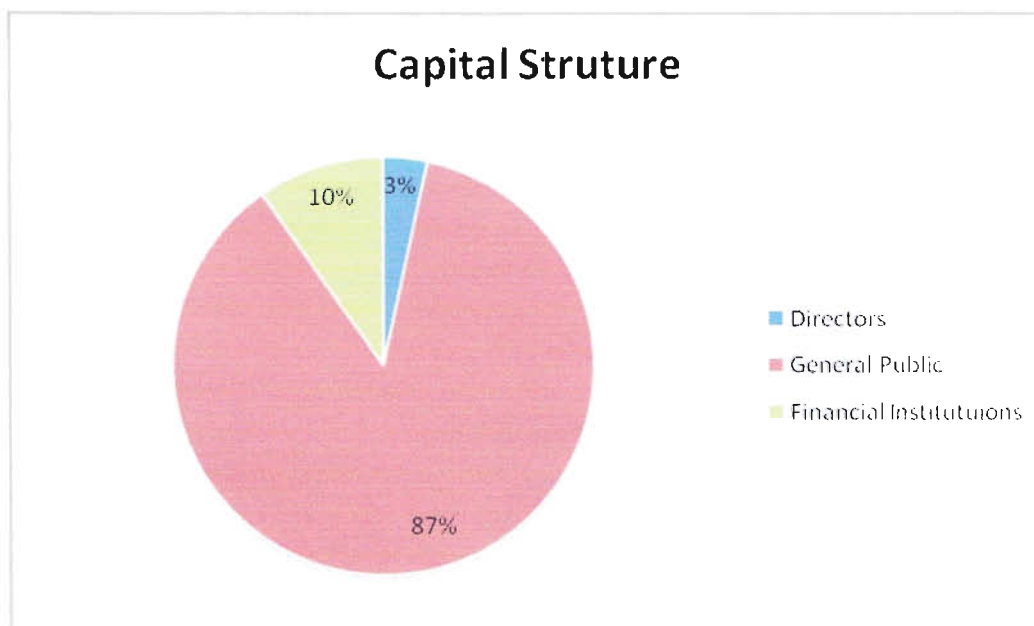


Figure 26: Capital Structure

5.13 Capital Adequacy ratio:

Capital Adequacy ratio is the ratio of a bank's capital to its risk-weighted credit exposure (liabilities). International standards recommend a minimum for this ratio, in order to protect depositors.

Capital adequacy ratio is defined as

$$\text{CAR} = \frac{\text{Tier 1 capital} + \text{Tier 2 capital}}{\text{Risk weighted assets}}$$

Table 36: Capital Adequacy Ratio

Year	Capital Adequacy Ratio	Growth	
2006	14.02%	-	Basel I
2007	13.53%	-3.50%	
2008	12.71%	-6.06%	
2009	11.34%	-10.78%	Basel II
2010	10.81%	-4.67%	

Source: Annual Report 2010. Eastern Bank Ltd.

Analysis 7

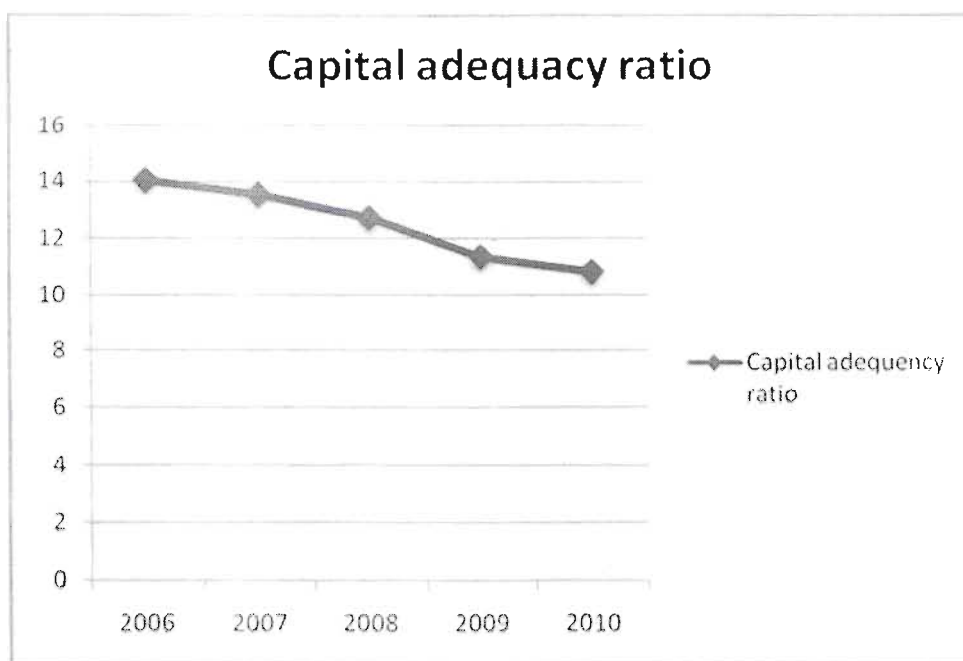


Figure 27: Capital Adequacy Ratio

EBL capital adequacy ratio can be divided into two stages. One is from 2006 – 2008, which was calculated under Basel I and from 2009 – 2010 (under Basel II). The capital adequacy ratio was highest in 2006, which is 14.02%. EBL’s capital adequacy ratio had a steady decrease every year. The lowest capital adequacy ratio is in the year 2010, which amounted 10.81%.

5.14 Non Performing Loan Ratio:

Non performing loan is a loan on which the borrower is not making any interest payments neither repaying the principal amount. At what point the loan is classified as non-performing by the bank, and when it becomes bad debt, depends on local regulations. Banks normally set aside money to cover potential losses on loans (loan loss provisions) and write off bad debt in their profit and loss account.

Table 37: Non Performing Loan Ratio

Year	Non Performing Loan Ratio	Growth
2006	3.79%	-
2007	4.31%	13.72%

2008	3.3%	-23.43%
2009	2.46%	-25.45%
2010	1.99%	-19.11%

Source: Annual Report 2010, Eastern Bank Ltd.

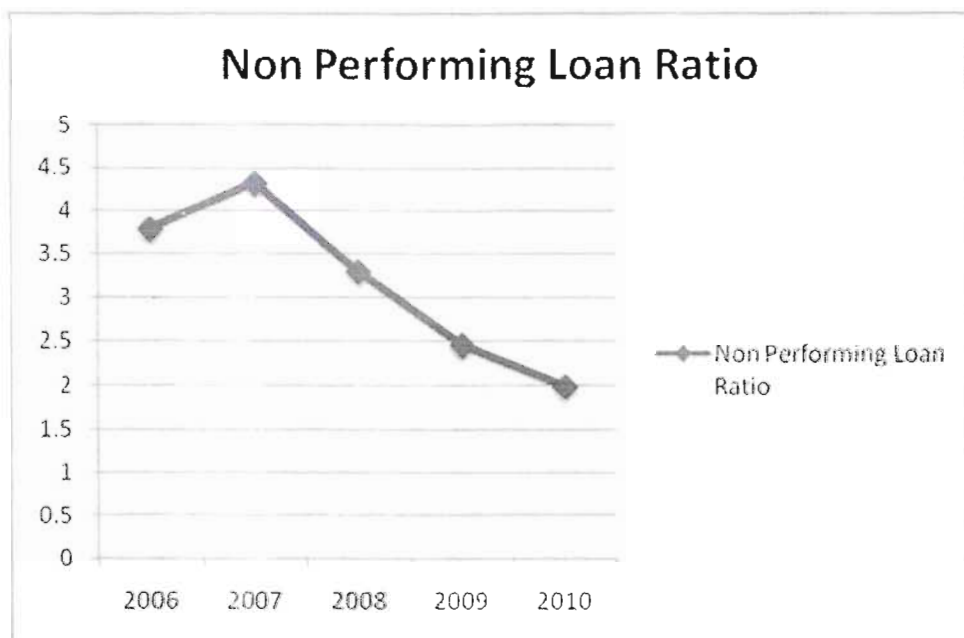


Figure 28: Non Performing Loan Ratio

EBL non performing loan was at the highest in the year 2007 where it gained 4.31%. Later after 2007 the ratio is decreasing each year and NPL was lowest in the year 2010 where it was 1.99%.

Lower the percentage of NPL it was better, because lower NPL means there is less amount of loans that may turn into default loan.

5.15 Market Risk:

Market risk is recognized as loss resulting from changes in market prices and rates. In case of banks exposure to market risk arises mainly from customer driven transactions. The objective of EBL's market risk policies and processes is to obtain the best balance of risk and return whilst meeting customers' requirements. The primary categories of market risk for the bank are:

Interest rate risk: arising from changes in yield curves, credit spreads and implied volatilities on interest rate options.

Currency exchange rate risk: arising from changes in exchange rates and implied volatilities on foreign exchange options.

Commodity price risk: arising from changes in commodity and implied volatilities on commodity options, covering energy, precious metals and agriculture. Currently EBL do not have any exposure regarding commodity financing.

Equity price risk: arising from changes in the prices of equities, equity indices, equity baskets and implied volatilities on related options.

Market risk regulatory capital:

Table 38: Market Risk Regulatory Capital

Particulars	Amount (in million BDT)
Capital required for:	
-Interest Rate related instruments	244.52
-Equities	689.79
-Foreign Exchange position	4.11
-Commodity risk	-
Total	938.43

Source: Annual Report 2010, Eastern Bank Ltd.

5.16 Revenue Diversification:

In the following table there are some data regarding what proportion of income comes from which section. In 2010 the highest proportion of revenue came from interest income which has increased from 46% in 2009.

Table 39: Revenue Diversification

Revenue Diversification	Net Interest Income	Investment Income	Fees & Commission Income	FX Income	Other Income

2009	50%	21%	18%	9%	3%
2010	46%	32%	13%	6%	3%

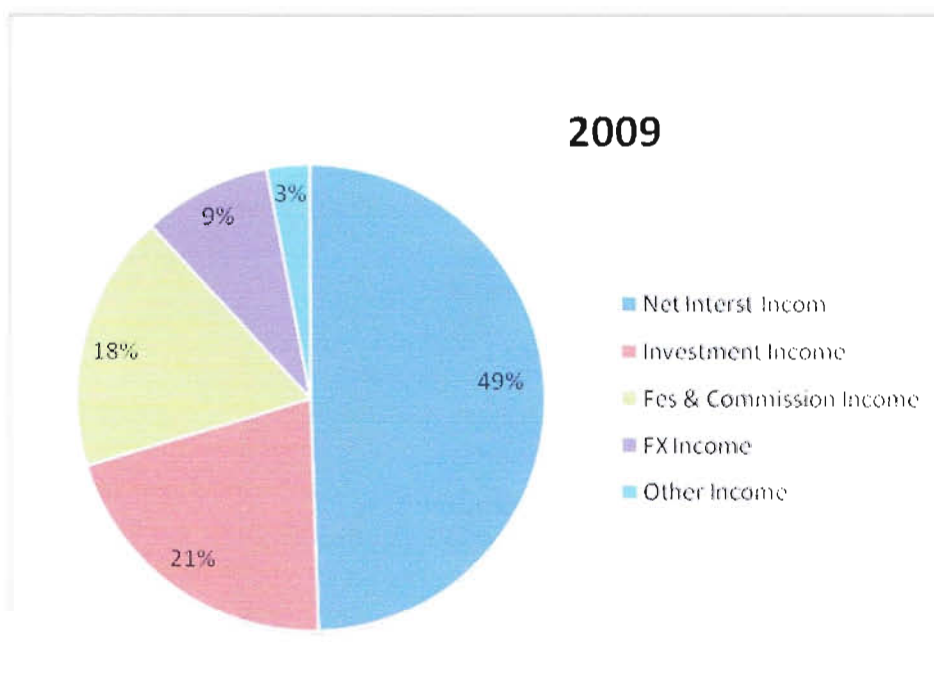


Figure 29: Revenue Diversification 2009



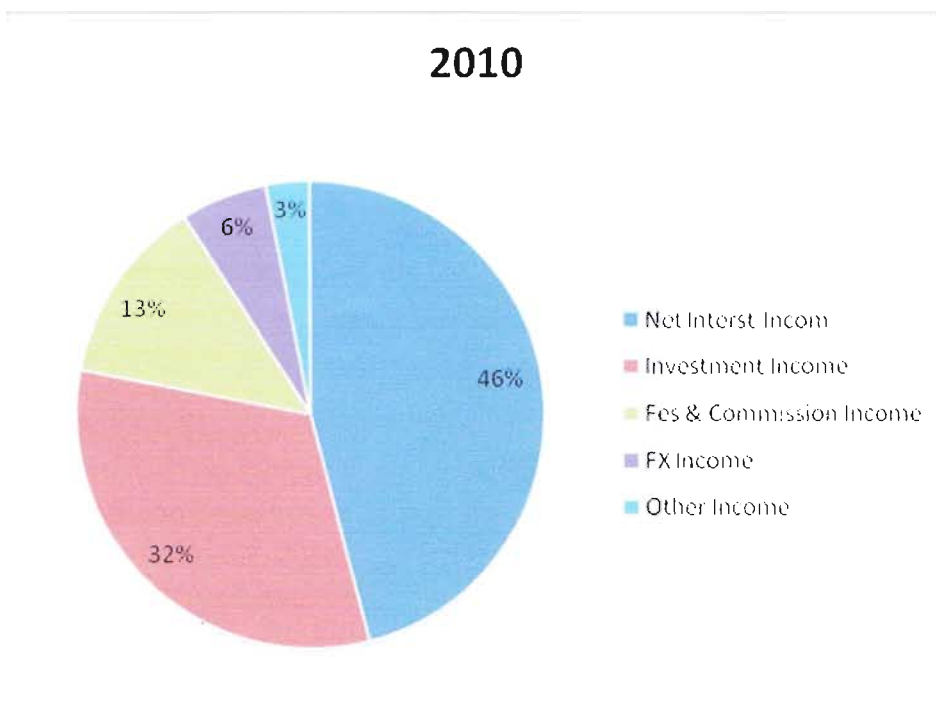


Figure 30: Revenue Diversification 2010

5.17 Operational Risk:

Operational risk is the risk of direct or indirect loss due to an event or action resulting from the failure of internal processes, people and systems, or from external events. In order to survive in the business and ultimately minimize exposure to operational risk EBL had to take this risk into account. EBL already started capturing some pre identified risk events associated with all functional departments of the bank through standard reporting format. In every month, Bank Operation Risk Management Committee (BORC) sits with all these reports and decides action plans to resolve risk issues by specific individual and/or group within an agreed timeline. The committee also escalates “high level” risk to ManCom (Management Committee). BORC is responsible for setting and maintaining standards for operational risk management and measurement, which is separate from the business functions.

Operational Risk Regulatory Capital:

Table 40: Operational Risk Regulatory Capital

Particulars	Amount (in million BDT)

Last 3 years average annual Gross Income	5,149.55
15% of Gross Income	772.43

5.18 Liquidity Risk:

Liquidity risk is the risk that a bank does not have sufficient financial resources available to meet all its obligations and commitments as they fall due, or can only access these financial resources at excessive cost. It is EBL's policy to maintain adequate liquidity at all times, and to leverage the negativity correlation between liquidity and profitability without taking any excessive risk. In EBL ALCO (Asset Liability Management Committee) is the responsible governing body that approves all sorts of liquidity management policies.

5.19 Liquidity Ratio:

This is ratio of liquid assets to liquid liabilities. Liquid assets include all assets with maturity of one year or less, and liquid liabilities define all liabilities with maturity of one year or less. The ratio tells how much taka is available to meet one taka liability in short term.

Table 41: Liquidity Ratio

Particulars	2010 (in million BDT)	2009 (in million BDT)
Liquid Assets	52,345.73	45,182.33
Liquid Liabilities	60,496.60	53,851.10
Liquidity Ratio (%)	86.53	83.90

Source: Annual Report 2010, Eastern Bank Ltd.

Chapter 6: Problems of Eastern Bank Ltd.

Problems of Eastern Bank Ltd.

- If we take into considerations the number ATM booths that EBL currently has, it has only 100 ATM booths (updated as in 2011) whereas in terms of providing ATM service the leading bank Dutch Bangla Bank Ltd. has almost 1750 ATM all over the country.
- In 2010 its investment income growth decreased to 21% from 32% in 2009, which may later affect the overall income in future.
- Though the growth of non performing loan is negative in 2010, but the total amount of non performing loan is still high. The total amount of non performing loan is mentioned in the following table.

Year	Non performing Loan (in million BDT)	Growth
2006	986	-
2007	1334	13.72%
2008	1309	-23.43%
2009	1172	-25.45%
2010	1169	-19.11%

- In 2010 the financial institutions proportion in the total shares of EBL decreased to 9.77% from 10.75% in 2010, which may affect the decisions of the individual shareholders in share market.
- EBL has a capital adequacy ratio of 10.81% (updated from annual report 2010), where Bangladesh Bank requirement is exactly 10% CAR. So it is seemed that the bank has exactly the equal amount as the requirement. So in future it may face challenge in maintaining the requirement set by Bangladesh Bank.

- In 2010 EBL had a loan loss ratio almost 0.72%. The loan loss ratio of 2010 has increased 22.03% from the previous year. Higher loan loss ratio means higher chances of default loans, which in turn minimize the amount of profit.
- In some region EBL has only one or two branches, so consumers may find it difficult to get expected service from Eastern Bank Limited



Chapter 8: Conclusion

Conclusion

Eastern Bank is one of the pioneer private banks in the country. It is one of the front line banks due to its specialized and sophisticated banking services rendered to its customers. In order to remain competitive in the market, it constantly looks for ways and means to improve productivity. Use of information technology remains its mainstay.

EBL is playing significant role in various field of economy such as industry, agriculture, trade and commerce, transportation and many other fields. It is playing a crucial role in human resource development and in creating new employment opportunities. It is also undertaking various welfare activities for the betterment of the society.

EBL has won the Global Award for Brand Excellence in Banking & Financial Services (BFS) category. The Award was announced on November 25, during World Brand Congress held in Mumbai, India. EBL is the first Bangladeshi bank to receive the honor.

Eastern Bank Ltd. also has been recognized as a “Superbrand” for the period 2009-2011. Superbrand is an independent international organization that recognizes top brands worldwide on a global standard.

Its credit rating has also been upgraded from AA- in 2009 to AA in 2010, which shows a good indication of the banks overall performance.

The reliability of the customers on EBL is increased promptly day by day. In EBL all the staffs are performing sands serving the customers untiringly. EBL keeps itself busy to serve the society, to improve the lifestyle of the people, to develop the business environment.

The overall performance of EBL solid revenue growth together with strict discipline on expenses and a culture of sound risk management have upgraded the bank to a level of excellence, the

bank constantly reviews its systems, policies, processes and price of its products and service in line with the changing market reality.

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