RESEARCH ARTICLE

EFFICIENCY OF DEPOSIT MANAGEMENT: A COMPARATIVE ANALYSIS BETWEEN SONALI BANK LTD AND PUBALI BANK LTD IN PABNA REGION, BANGLADESH

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ARTICLE INFO	ABSTRACT
	This study analyzed the relative efficiency in deposit management of Sonali Bank Ltd (SBL) and Pubali Bank Ltd (PBL) for the period 2010 to 2014 concerning with total cash, total liquid assets, total deposit, total assets, total investment, net income, total profit, total operating cost, current deposit, savings deposits and different deposit ratios in the Pabna region of Bangladesh. The Coefficient of Variation (C.V) was applied for measuring stability of deposits and F – test used for showing the significant differences of deposit management for the SBL and PBL. Results showed that the SBL and PBL were significantly different in deposit management and there was no noteworthy difference in the current deposit management and investment to deposit ratio of the banks. It also found that the SBL deposit management is more efficient than that of the PBL in the study area. Finally, some valuable suggestions were made for the better performance in deposit management of the both banks.

INTRODUCTION

The financial sector is treated as a carrier of economic development because of its role that plays in creating deposit and intermediating savings of both private and public sectors and finally turned these to the investment activities to bring the dynamism within the economy. The sector is controlled by the banking sector which in Bangladesh, largely depends on the short- and medium-term deposits (Mansur, 2015). Banking sector is an indispensable part of economic system of any country and Bank is a link between industry and trade, agricultural sector and people. It is obvious that banking structures are necessary and important for both business and economy of the country. Banks are a Quality of not just a separate economic region or a single country. The field of banks' activities has no geographical or national borders because it is a global phenomenon which has a huge financial power. Banking sector of Bangladesh is one of the major sectors, which contributes mainly to the national economy. The sector holds a sum of banks in numerous categories. Attention to ownership the segment can be classified in to four major categories - such as Nationalized Commercial Banks (NCBs), Specialized Banks (SPBs), Private Commercial Banks (PCBs), and Trans-National Banks (TNBs) (Islam and Salim, 2011).

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Money is the mother of banks and these banks are the reformer of money (Berger and Humphrey, 1997). People are now entrusting the banks as safekeeping for deposit their valuable things. The significance and functions of modern banks are so enormous that one cannot imagine the existence of the present society without banks. Industrial and economical development would not have happened in the absence of banks. Bank is one of the essential functions of reducing inflation in the economy. It can control deflation which means that the overall economic activities like production, purchasing power of the people, farming activities and so on reduce in the economy over the period of time. Bank is one of the fundamental institutions of controlling the rate of interest in the economy (Cronje, 2007). It can also equally distribute debt in the society and in the whole world as well. Banks are one of the big sources of employment in our country. Commercial banks are one of the profit creating institutions and they are also making money by investing their deposits to the profitable venture through lending to the entrepreneurs (Samad, 2004). After all, it is said that explains the importance and usefulness of banks in the economy cannot be finished in modern age. Commercial banks maximize their profit with the management of deposit and providing loans. Deposit is like as a blood of human body in case of banking institutions. Without blood human body can't any circulation as like as financial institutions of banking sector cannot any financial activities without deposit. So, deposit is an essential earring source of banking system and

efficiency of deposit management is a necessary for every commercial bank in any economy (Samad, 1999). Efficiency in deposit management is not developed in our country and banks' employments are not well skilled (Alkhathlan & Malik, 2012; Almumani, 2013; Ajlouni & Hmedat, 2011; Akhter *et al.*, 2011; Parvin, 2014; Toby & Adolphus, 2006). In the banking system, banks protection money and deliver loans, credit, and payment services such as checking accounts, debit cards, and cashier's checks. Banks also may proposal investment and deposit products. In a highly economical financial market bank performance provides signal to depositors-investors whether to withdraw from or invest funds in the bank.

Several studies have been done to focus on the issue of efficiency of deposit management of banking sector both in the country perspective and in the viewpoint of other countries (Kabir *et al.*, 2013; Hassan *et al.*, 2004; Islam & Begum, 2004; Qi, J. 1998; Remal and Rodney, 2005; Yudistira, 2004). The findings of these studies widely differed from each other in terms of mean comparative analysis of efficiency in deposit management. Kabir *et al.* (2013) used the Comparative Study survey in 2006-10 and estimated the efficiency in deposit management of Islami Bank Bangladesh Ltd and Pubali Bank Ltd with respect to current deposit, time deposit, saving deposit, total deposit and various deposit ratios and showed that there is a significant difference between the two banks in deposit management. Islam *et al.* (2014) focused a study on a comparative analysis of deposit products in banking industry for the Eastern Bank Ltd. Several systematical tools (Comparative Study, Strategic Group Mapping analysis, SWOT etc.) have been used to analyze the findings. Although there are many studies focusing on comparative efficiency in the framework of various counties, studies on relative efficiency of deposit management in banking sectors as a case study with Pabna district in Bangladesh are not available. Therefore, the main objective of the present study is to evaluate the deposit that affect relative efficiency of deposit management of Sonali bank ltd and Pubali bank ltd and compare the efficiency of deposit management of the both banks in the perspective of Pabna district in Bangladesh.

Rationality of the study

The present age is the age of banking where most of the transactions viz. buying, selling and other perspectives are functioning via banks in terms of check, cash, ATM and saving certificates. Without the banking sector one cannot imagine for a moment in the sense of transactions. The main economic activities are depended on the banking & financial sectors. Producers, investors and customers i.e., all economic agents are directly or indirectly related with banking & financing sectors in the world. So, the banking sector is an important ingredient for the businessmen, industrialists, and all other individuals living in the world at the present time. For this cause, research on banking sector is very essential part of modern time. Although many research activities took place on banking sector but there are very few research on relative efficiency in deposit management of banking sector especially in the sector of relating private and public banks. In this perspective, no mentionable research activities on relative efficiency in deposit management of banking sector took place in the district of Pabna as a whole. Therefore, the current study select Pabna district as a study area more carefully for the purpose of completing the research on the relative efficiency

between the private and public banks specially SBL and PBL Branches. There are many researchers do their research on various banking issues but research on efficiency in deposit management of banking sector is very few. Again for some banks, especially for Sonali Bank and Pubali Bank in Pabna region, relative efficiency is not seen or ignored which is very important to know for producers, investors, customers and in a word for every type of people.

Therefore, the current study is designed to find out the relative efficiency in deposit management of banking sector in the Pabna district for two banks: Sonali Bank Limited & Pubali Bank Limited. Between these, the Sonali bank Limited is a state owned and the Pubali Bank Limited is a privatized bank.

Aims and Objectives

The main aim of this study is to analyze the relative efficiency of the deposit position of Sonali bank limited with that of a Pubali bank limited . Secondary aim is to analyze the Deposit Stability of both SBL and PBL at the different branches in the Pabna district.

Deposit Accounts

In the modern time, commercial banks deal with various deposit services for attracting the customers and clients. Deposit is the main earning source of bank's management system. So, every bank thinks that deposits will be sufficient, safe and the flow of deposit will remain smooth. However, the deposit schemes of the commercial banks are the similar (Kabir *et al.*, 2013) but there are differences in techniques applied in the techniques of deposit mobilization by SBL & PBL banking systems. At present, both banks gather their deposits from four main sources namely demand account, savings, investment (Fixed deposits), and other deposits and shareholders' funds. For this reason, any government or commercial or private banks require to guide and manage its deposit successfully and efficiently.

(i) Demand or Current deposit: Commercial banks collect the deposits in their demand or current deposit holder from current account. It is perfectly a demand deposit account which doesn't provide any interest against the account. There is no limitation on drawing money from this account and there is no border on submitted money of bank account. Commercial banks do not give interest on this type of deposit accounts but commercial banks charge the fee on the account to security transaction and maintain costs.

(ii) Savings Deposits: Savings deposit account is one type of bank account from where account holders get the benefits of interests and this account provides the safety of the deposited money to the customers. Commercial banks propose the predetermined interest rate to the savings account depositors. Simply, the deposited money into SBL & PBL Savings Deposit accounts; interests are calculated daily, paid semi-annually and the rate increases as the balance of Savings Deposit increases.

(iii) Term Deposit: Commercial banks gift various kinds of term deposit accounts for gathering the capitals from depositors for a particular period of time. Depositors are not commonly permitted to pick off money from a term deposit

until the condition of proper time. While the money is deposited, the customer recognizes that the money is there for the pre-determined period which usually ranges from 1 month to 5 years and the interest rate is sure not to alteration for that nominated period of time. Term deposit accounts don't issue the check book. Commercial banks provide the fixed rate of interest on term deposits (A. Das and P. Das, 2002).

(iv) Others Deposit: People can deposit their money and other valuable things by opening new accounts in the banks are called others deposit.

Description of the ratios relating to banking efficiency

Cash to total deposits: Cash is the greatest vulnerable liquid asset of an entity. Cash ratio is a show of company's liquidity and how simply it can deal debit and protection short-time liabilities if the need arises. It displays the proportion of cash to total deposit in each bank. Every bank must maintain CRR prescribed by central bank.

Cash ratio: (Cash/ Total deposits) *100

Liquidity assets to total deposits: Liquidity asset is a source that can simply be changed into cash and used to pay for personal property and services or pay off liabilities. It contains cash in hand, money at call in hand and short notice, bill of exchange and Treasury bill including government approved securities. The proportion of liquefied assets to deposits is related with common norm of SLR for calculating the performance of liquid assets position in the banks.

Liquid assets ratio: (Total liquid assets / Total deposits)*100

Deposits to total assets: Deposit is the most important source of capital funding in the commercial banks. This ratio processes the efficiency and capability of the bank's management in converting the deposits available with the bank into high earnings advances. Total Deposits contain demand deposits, saving deposits, term deposits and other deposits of the banks. Total assets contain liquidity asset, current asset & all types of long and short term assets. It is a good indicator of deposit management.

Total deposits to total assets: (Total deposits/Total Assets)*100

Deposits to Equity: In the commercial bank only head branch provided deposit to equity ratio. But here the researcher takes the branches of SBL and PBL in Pabna region which cannot provide deposit to equity ratio.

Investment to Deposits ratio: According to economics, investment is the application of resources in order to raise income or production output in the future. An amount saved into a bank or machinery that is bought in expectation of earning income in the long run is both examples of investments. Total Investment contains all the investments that are done by the bank in the financial year which comprises all the long term, mid-term and short term investments similar to loans, advances, Investment in stock market, etc. The deposit ratio mentions the deposits mentioned by the bank from, current account, saving account, recurrent deposit account and fixed account. It is most important definitive of any commercial bank for examine efficiency of deposit management. For a bank accepts deposits form their vital

clients and it has provided their deposit security by financing their money in profitable sectors.so capability to pay profit to the depositors rely on the bank's earning source.

Investment to deposits ratio: (Total investment/Total Deposits) *100

Return on Deposits ratio (ROD): It is one of profitability ratio which shows that the bank management capability to operate the customer's deposit in direction to customer profits. In other words, the ROD measures how efficiently a company can manage its deposits to produce profits during a period. The higher this ratio is, the higher is the governance of managerial efficiency in deposit management.

Therefore, ROD: (Net Income/ Total Deposits)*100

Profit paid on Deposits ratio (PPD): This ratio exhibits that the part of profit earning to the depositors on their total deposit. It is a vital ratio for testing the efficiency of deposits management because the proficiency of charming the depositors to the bank rely on it. So, the higher is the rate that ratio shows, the stronger ability the banks have giving profit to depositors and therefore, is a Directing of well presentation in deposit management.

So, PPD: (Total profit paid to the depositors/Total Deposits)*100

Operating expenses to Deposits ratios (OED): It is measured the operating expenses as a percentage of total deposits. It also provides evidence about management proficiency in deposit management. If the ratio is very low then the deposit management efficiency is well-performed and vice versa.

OED: (Total Operating Expenses/Total Deposits)*100

Efficiency ratios are used to measure the efficiency in assets management; it is also called assets utilization or activity ratios. The following ratios are used in this study:

Cost to income ratio (COTIN): In case of banks, observance a close view on overheads would allow it to improve its come-back on equity. Salaries, branch ratio navigation and technology up sequence account for a main part of operating expenses for new generation banks. Even though these outlays result in higher cost to income ratio, in long term they support the bank in improving its return on equity. It is the total operating expense divided by total operating income.

COTIN: (Total Operating Expenses/ Total Operating Income)*100

Operating Expenses to Total Assets (OPEXTA): The expenses that are included in the calculation of Total Expense ratio are the operating expenses like audit fees, bank charges, VAT amount, interest charges, IT Services and Software, Security Services, Office Supplies and Equipment, the management fees, and exit fees.

A high Total Expense Ratio does not purpose that the investment completed in the organization is a bad one. It should be accepted as a negative only if the reserves have higher expense incurred. A high Total Expense ratio is not

always a good performance in the market either. It permits the investors to compare the cost to the companies. Total Expense Ratio creates a better influence on the performance of the fund in the market.

Operating Expenses to Total Assets (OPEXTA): (Total Operating Expenses/ Total Assets)*100

Operating Income to assets ratio (OPINTA): Operating income is a show of profitability that expresses investors how much revenue will eventually become profit for a company. Operating income is also so-called Earnings previously Interest and Taxes (EBIT). It is the most important to comprehend what expenses are involved and excluded when calculating operating income. It naturally excludes interest expense, nonrecurring things (such as accounting adjustments, legal judgments, or one-time transactions), and other income statement items not directly connected to a banking sector core business processes. Operating Income to assets ratio (OPINTA) is calculated by dividing total operating income to assets.

Opinta: (Total Operating Income/ Assets)*100

Methodology of the study

In order to meet the objectives of the study data were collected from the secondary sources mainly from financial reports of these banks. Researcher used C.V for calculating the variability of deposit and F test for testing the significant difference in deposit managements between the banks. ROD, PPD, OE/TD and investment to deposit ratios are also used for indicating which banks are more efficient in deposit management. The period of the study is five years from 01.01.2010 to 31.12.2014.

RESULTS AND DISCUSSION

All pertinent data and ANOVA analysis of this study are tabulated in following (Table-1 to Table-21). Table 1 gives the SBL average value and C.V of total cash are individually 99.8534 and 0.278574, whereas PBL average value and C.V are 207.943 and 0.510653876. This outcome shows though average total cash position of PBL is higher than SBL nevertheless the SBL total cash position is more stable than PBL. One way ANOVA result for the total cash of the two bank shows that calculated F value for between the banks (0.06862) was lesser than critical F value (0.15654). It leads to summary being no significant distinction between the banks. It is seen from the table 2 that the SBL mean value and C.V of total liquid assets are 142.072 and 0.28853, on the opposed the PBL mean value (160.99) and C.V (0.40628). It leads to conclusion that SBL total liquid assets are also more stable than PBL. One way ANOVA result for total liquid assets of two bank shows that the calculated F value between the banks (0.39278) were lower than critical value (0.15654) suggesting the total liquid assets of two banks differ significantly. Table -3 shows the average value and C.V of SBL are respectively 1633.574 and 0.21242 as compared to PBL average value of 779.242 and C.V 0.22379. On the basis of average value and C.V of total deposits of concluding that the SBL total deposits of is more stable than PBL total deposits. One way ANOVA result for total deposits of two banks displays that the calculated F value between the banks (3.95937) is lower than the critical value (6.38823) that leads

to decision the total deposits of two banks differ significantly. Table-4 illustrates the average total assets and C.V of SBL are 3283.947 and 0.39035, while the PBL average value and C.V are 836.928 and 0.24425 respectively. The Average value and variability of total assets of SBL are higher compared to PBL. That total assets of PBL is more stable than SBL. One way ANOVA result for F test value shows that total assets between the banks significantly differ. Because the calculated F value (39.32389) is higher than the critical F value (6.38823).

Table-5 provides that mean value and C.V of SBL total investment are respectively 1310.901and 0.26153 whereas the mean value and C.V of PBL are 433.310 and 0.48885 respectively. Though the mean value of SBL is high but on the basis of C.V the SBL total investment is more stable as compared to PBL. One way ANOVA result for F test shows that total investment between the banks significantly differ because the calculated F value (2.61956) is lower than the critical F value (6.38823).

From the table 6, the average value and C.V of net income for SBL are 43.273 and 0.67802 respectively. On the other hand the PBL average value and C.V are 28.301 and 0.54180 respectively. The average value of net income of SBL is higher but on the basis of C.V the PBL net income is more stable as compared to SBL.

One way ANOVA result for the net income of the two bank shows that calculated F value for between the banks (3.66142) was lesser than critical F value (6.38823). So it leads to conclusion that there was no significant difference between the banks.

Table 7 presents the SBL average value and C.V of total profit paid to the depositors are correspondingly 104.153 and 0.34409, whereas PBL average value and C.V are 43.925 and 0.26295. This result shows though normal total profit paid to the depositor's position of SBL is higher than PBL but the PBL total profit paid to the depositors' position is more stable than SBL. One way ANOVA result for total cash of the two bank shows that calculated F value for between the banks (9.62765) is higher than critical F value (6.38823). It leads to conclusion that there was no significant difference between the banks.

Table-8 showing the average value and C.V of SBL are respectively 137.303 and 0.27299 as related to PBL average value of 73.327 and C.V of 0.32708. On the beginning of average value and C.V of total operating expenses we can conclude that the SBL total operating expenses are more stable than PBL time deposit. One way ANOVA result for time deposit of two banks giving the calculated F value between the banks (2.44260) is lesser than critical F value (6.38823) that leads to conclusion the total operating expenses of two banks differ significantly.

From the Table 9 presents the SBL mean value and C.V of current deposit are respectively 391.521 and 0.27586, whereas PBL average value and C.V are 107.872 and 0.33073.This outcome displays though mean current deposit position of SBL is higher than PBL but the SBL current deposit position is more constant than PBL. One way ANOVA result for the current deposit of the two bank illustrations that calculated F value for between the banks (9.52889) was higher than critical F value (9.11718).

It is perceived from the table 10 showing the SBL mean value and C.V of savings deposit are 718.469 and 0.12804, on the different the PBL mean value (260.0173) and C.V (0.13852). It leads to decision that SBL saving deposit is also more static than PBL. One way ANOVA result for saving deposit of two bank displays that the calculated F value between the bank (6.5227) is higher than critical value (6.38823) that suggests the savings deposit of two banks contrast significantly.

Table -11 provides the average value and C.V of SBL are respectively 190.801 and 0.22846 as likened to PBL average value of 98.659 and C.V 0.39082. On the origin of average value and C.V of time deposit concluding that the SBL time deposit is more constant than PBL time deposit. One way ANOVA outcome for time deposit of two banks showing the calculated F value between the banks (1.27808) is lower than the critical value (6.38823). It leads to decision that there was no significant variety between the banks.

Table-12 presents the average value and C.V of SBL are 355.209 and 0.29384, while the PBL average value and C.V are 331.704 and 0.25552 correspondingly. The Average value and variability of other deposit of SBL are higher related to PBL. That other deposit of PBL is more stable than SBL. One way ANOVA outcome for F test value displays that other deposits being no significantly difference between the banks. Because the calculated F value (1.51650) is higher than the critical F value (6.38823).

It is observed from Table -13 showing the average value and C.V of SBL are respectively 1637.641 and 0.20829 as matched to PBL average value of 731.184 and C.V of 0.17755. On the beginning of average value of the SBL is greater than PBL and C.V of total deposits position of concluding that the PBL total deposits is more stable than SBL. One way ANOVA outcome for total deposits of two banks expressions that the calculated F value between the banks (6.90414) is higher than the critical value (6.38823) leading to summary the total deposits of two banks contrast significantly.

Table 14 showing the mean value and C.V of profit paid on deposit of SBL are 27.877 and 0.49609, on the opposing PBL's mean value and C.V are 22.93553 and 0.13379. These outcomes lead to decision that though PBL deposit cost is less than SBL. One way ANOVA result for F test presents that profit paid on deposit between the banks knowingly contrast. Because the calculated F value (7.81475) is higher than critical F value (6.38823).

Table 15 provides, the mean value and C.V cash to total deposit of SBL are correspondingly 6.0581 and 0.172407. But the PBL mean value and C.V are 25.275 and 0.33654. The mean value of cash to total deposit of PBL and SBL is much higher than standard norms (CRR) of 10.28%. It is observed from the analysis that both banks is suffering from excess liquidity reserve in the form of cash. This analysis also provides evidence that the SBL is more static than that of PBL. One way ANOVA outcome for F test between the bank displays that calculated F value (0.015078) is lower than critical F value (0.15654). So it leads to summarize that cash to total deposit between the banks significantly contrast.

Table -16 gives the average value and C.V of liquid assets to total deposit of SBL are 8.571 and 0.10986 while the PBL average value and C.V are 20.079 and 0.21482 respectively. From the analysis that liquid assets to total deposits of PBL is much higher than that of standard norms (SLR) 17.32% on the other hand SBL liquidity position is much lower as compared to standard norms (SLR) of 7.08%. So this result leads the PBL have surplus liquidity reserve and it remains as an idle money that lose the opportunity cost. The SBL faces deficit liquidity reserve though the SBL cash to deposit is more stable than PBL. One Way ANOVA result for F test liquid assets to total deposit between the banks significantly differs. Because the calculated F value (0.04765) is higher than the critical F value (0.15654).

From the Table – 17 observed that SBL average value and C.V of DAR are respectively 52.795 and 0.18755, while the PBL's DAR average value and C.V are 95.137 and 0.2432.Researcher conclude that the deposit position against total assets of SBL is more stable than PBL. One way ANOVA outcome for F test illustrations total deposit to asset ratio between the banks calculated F value (0.18314) is higher than critical F value (0.15654). It leads to decision deposit to assets ratios between the banks have significantly differed.

In the Table -18 observed that the average value and C.V of Investment to deposit ratio of SBL are 80.308 and 0.30418. But the PBL's average value and C.V are 53.684 and 0.05141 respectively. This result leads to that both bank percentage of investment to deposit is higher than standard of norms 32.43%. So the SBL suffers more liquidity crisis because of this ratio is higher than PBL. The PBL investment to deposit ratio is more stable than SBL. One way ANOVA results for F test shows investment to deposit ratios between the banks does not significantly differ. Because calculated F value (0.48461) is higher than critical F value (0.15654).

Table 19 shows that SBL's the mean value and C.V of return on deposit are correspondingly 2.446 and 0.54054 as compare to the PBL's average value 3.437 and C.V 0.37391.It express that mean value of return earned on deposit of PBL is higher than that of SBL but returns on deposit of PBL are more stable than SBL. One way ANOVA result for F test displays that returns on deposit between the banks significantly differ. Since the calculated F value (1.05828) is higher than critical F Value (6.38823).

From the Table 20 gives the average value and C.V of profit paid on deposit of SBL are 6.224 and 0.16045, While PBL's average value and C.V are 5.590 and 0.08652. These results lead to conclusion that though PBL deposit cost is less than SBL but the PBL profit paid on deposit is more stable. One way ANOVA result for F test shows that profit paid on deposit between the banks significantly differ. Because the calculated F value (4.26281) is lower than critical F value (6.38823).

Table-21 shows the SBL average value and C.V of OPE to deposit ratio are 8.307 and 0.09395. On the other hand PBL average value and C.V are 9.223 and 0.11999. To conclude that operating expense to deposit ratio of SBL is low and more stable than PBL. So scholars can say on the basis of this ratio that SBL deposit management is more efficient than PBL. One way ANOVA results for F test reveals that OPE to deposit between the banks significantly differ. Because the calculated F value (0.49738) is lower critical F value (0.15654).

Annexure- 1

Table:1 Total cash of SBL & PBL (in millions)			ANOVA F-Test Two-Sample for Variances		
Year	SBL	PBL		SBL	PBL
2010	53.203	79.064	Mean	99.8534	207.9442
2011	96.078	136.501	Variance	773.7454	11275.76
2012	121.605	204.462	Observations	5	5
2013	111.01	273.734	df	4	4
2014	117.371	345.96	F	0.06862	
Standard deviation	27.817	106.187	P(F<=f) one-tail	0.011841	
Average	99.853	207.944	F Critical one-tail	0.156538	
C.V	0.278574	0.510654	Significance at 0.05 level		
Sources: Bank's financial statements					

Table:2 Total liquid assets of SBL & PBL (in millions)			ANOVA F-Test Two-Sample for Variances		
Year	SBL	PBL		SBL	PBL
2010	82.021	92.067	Mean	142.0722	160.991
2011	120.837	108.378	Variance	1680.343	4278.092
2012	155.431	150.35	Observations	5	5
2013	166.582	207.78	df	4	4
2014	185.49	246.38	F	0.392779	
Standard deviation	40.992	65.407	P(F<=f) one-tail	0.193734	
Average	142.072	160.99	F Critical one-tail	0.156538	
C.V	0.28853	0.406279	Significance at 0.05 level		
Sources: Bank's financial statements					

Table:3 Total deposits of SBL & PBL (in millions)			ANOVA F-Test Two-Sample for Variances		
Year	SBL	PBL		SBL	PBL
2010	1156.984	531.456	Mean	1633.574	779.2416
2011	1437.387	665.592	Variance	120415.6	30412.85
2012	1650.96	859.964	Observations	5	5
2013	1939.296	892.938	df	4	4
2014	1983.241	946.258	F	3.959368	
Standard deviation	347.01	174.393	P(F<=f) one-tail	0.105578	
Average	1633.574	779.242	F Critical one-tail	6.388233	
C.V	0.212424	0.223798	Significance at 0.05 level		
Sources: Bank's financial statements					

Table:4 Total assets of SBL & PBL (in millions)			ANOVA F-Test Two-Sample for Variances		
Year	SBL	PBL		SBL	PBL
2010	1864.121	663.566	Mean	3283.947	836.928
2011	2281.537	798.226	Variance	1643226	41786.98
2012	3129.585	632.521	Observations	5	5
2013	4249.041	985.626	df	4	4
2014	4895.449	1104.701	F	39.32388	
Standard deviation	1281.884	204.419	P(F<=f) one-tail	0.001814	
Average	3283.947	836.928	F Critical one-tail	6.388233	
C.V	0.390349	0.244249	Significance at 0.05 level		
Sources: Bank's financial statements					

Table:5 Total Investment of SBL & PBL (in millions)			ANOVA F-Test Two-Sample for Variances		
Year	SBL	PBL		SBL	PBL
2010	898.702	240.48	Mean	1310.901	433.3104
2011	1170.774	279.466	Variance	117539.2	44869.78
2012	1466.625	357.391	Observations	5	5
2013	1211.111	536.047	df	4	4
2014	1807.293	753.168	F	2.619562	
Standard deviation	342.84	211.825	P(F<=f) one-tail	0.186811	
Average	1310.901	433.31	F Critical one-tail	6.388233	
C.V	0.26153	0.488853	Significance at 0.05 level		
Sources: Bank's financial statements					

Table:6 Net income of SBL & PBL (in millions)			ANOVA F-Test Two-Sample for Variances		
Year	SBL	PBL		SBL	PBL
2010	15.318	10.649	Mean	43.273	28.3006
2011	11.977	19.005	Variance	860.8363	235.1005
2012	45.717	23.696	Observations	5	5
2013	66.067	40.652	df	4	4
2014	77.286	47.501	F	3.661568	
Standard deviation	29.34	15.333	P(F<=f) one-tail	0.118313	
Average	43.273	28.3	F Critical one-tail	6.388233	
C.V	0.678019	0.541793	Significance at 0.05 level		
Sources: Bank's financial statements					

Table:7 Total profit paid to the depositors of SBL & PBL (in millions) | | | **ANOVA F-Test Two-Sample for Variances** | |

Year	SBL	PBL		SBL	PBL
2010	55.148	25.669	Mean	104.1528	43.925
2011	85.32	39.367	Variance	1284.351	133.4006
2012	108.284	52.374	Observations	5	5
2013	123.065	49.529	df	4	4
2014	148.947	52.686	F	9.627773	
Standard deviation	35.83784	11.54992	P(F<=f) one-tail	0.024894	
Average	104.153	43.925	F Critical one-tail	6.388233	
C.V	0.344089	0.262947	Significance at 0.05 level		
Sources: Bank's financial statements					

Table:8 Total operating expenses of SBL & PBL (in millions) | | | **ANOVA F-Test Two-Sample for Variances** | |

Year	SBL	PBL		SBL	PBL
2010	80.751	42.59	Mean	137.3038	73.3268
2011	126.068	54.82	Variance	1405.035	575.2082
2012	139.094	79.56	Observations	5	5
2013	162.734	89.843	df	4	4
2014	177.872	99.821	F	2.442655	
Standard deviation	37.484	23.984	P(F<=f) one-tail	0.204107	
Average	137.304	73.327	F Critical one-tail	6.388233	
C.V	0.273	0.327077	Significance at 0.05 level		
Sources: Bank's financial statements					

Table:9 Current deposit position of SBL & PBL (in millions) | | | **ANOVA F-Test Two-Sample for Variances** | |

Year	SBL	PBL		SBL	PBL
2010	274.066	65.763	Mean	391.5204	99.4502
2011	307.607	61.247	Variance	11665.31	1272.776
2012	378.003	101.804	Observations	5	5
2013	463.23	128.153	df	4	4
2014	534.696	140.284	F	9.165252	
Standard deviation	108.006	35.676	P(F<=f) one-tail	0.027128	
Average	391.521	99.45	F Critical one-tail	6.388233	
C.V	0.275863	0.330725	Significance at 0.05 level		
Sources: Bank's financial statements					

Table:10 Savings deposits position of SBL & PBL (in millions) | | | **ANOVA F-Test Two-Sample for Variances** | |

Year	SBL	PBL		SBL	PBL
2010	603.049	218.232	Mean	718.4692	260.0172
2011	658.492	235.157	Variance	8461.997	1297.321
2012	720.414	267.102	Observations	5	5
2013	774.518	267.422	df	4	4
2014	835.873	312.173	F	6.522669	
Standard deviation	91.989	36.0184	P(F<=f) one-tail	0.048314	
Average	718.469	260.017	F Critical one-tail	6.388233	
C.V	0.128035	0.138523	Significance at 0.05 level		
Sources: Bank's financial statements					

Table:11 Terms Deposit Position of SBL & PBL (in million) | | | **ANOVA F-Test Two-Sample for Variances** | |

Year	SBL	PBL		SBL	PBL
2010	125.466	53.436	Mean	190.8008	98.6594
2011	190.5199	78.478	Variance	1900.162	1486.748
2012	179.824	88.585	Observations	5	5
2013	217.302	119.899	df	4	4
2014	240.892	152.899	F	1.278066	
Standard deviation	43.591	38.558	P(F<=f) one-tail	0.408908	
Average	190.801	98.659	F Critical one-tail	6.388233	
C.V	0.228463	0.390824	Significance at 0.05 level		
Sources: Bank's financial statements					

Table:12 Other deposit Position of SBL & PBL (in millions) | | | **ANOVA F-Test Two-Sample for Variances** | |

Year	SBL	PBL		SBL	PBL
2010	192.904	194.024	Mean	355.2086	331.7036
2011	354.393	306.531	Variance	10893.84	7183.511
2012	372.719	400.135	Observations	5	5
2013	484.246	377.463	df	4	4
2014	371.781	380.365	F	1.516506	
Standard deviation	104.374	84.756	P(F<=f) one-tail	0.348226	
Average	355.209	331.704	F Critical one-tail	6.388233	
C.V	0.293837	0.255516	Significance at 0.05 level		
Sources: Bank's financial statements					

Table:13 Total Deposit position of SBL & PBL (in millions)			ANOVA F-Test Two-Sample for Variances		
Year	SBL	PBL		SBL	PBL
2010	1172.027	540.42	Mean	1637.64	731.1838
2011	1442.678	656.185	Variance	116354.9	16852.91
2012	1650.96	787.783	Observations	5	5
2013	1939.296	823.159	df	4	4
2014	1983.241	848.372	F	6.904142	
Standard deviation	341.108	129.819	P(F<=f) one-tail	0.043969	
Average	1637.641	731.184	F Critical one-tail	6.388233	
C.V	0.208293	0.177546	Significance at 0.05 level		
Sources: Bank's financial statements					

Table:14 Profit paid on Deposit of SBL & PBL (in millions)			ANOVA F-Test Two-Sample for Variances		
Year	SBL	PBL		SBL	PBL
2010	12.948	15.448	Mean	27.8772	22.9356
2011	18.691	26.963	Variance	191.2595	24.47568
2012	24.013	27.802	Observations	5	5
2013	36.797	22.921	df	4	4
2014	46.937	21.544	F	7.814269	
Standard deviation	13.83	4.947	P(F<=f) one-tail	0.035694	
Average	27.877	22.936	F Critical one-tail	6.388233	
C.V	0.496093	0.215704	Significance at 0.05 level		
Sources: Bank's financial statements					

Table:15 The cash ratio SBL & PBL (in millions)			ANOVA F-Test Two-Sample for Variances		
Year	SBL	PBL		SBL	PBL
2010	4.599	14.877	Mean	6.0582	25.2756
2011	6.684	20.508	Variance	1.090644	72.35466
2012	7.366	23.776	Observations	5	5
2013	5.724	30.656	df	4	4
2014	5.918	36.561	F	0.015074	
Standard deviation	1.045	8.506	P(F<=f) one-tail	0.000655	
Average	6.058	25.276	F Critical one-tail	0.156538	
C.V	0.172499	0.336525	Significance at 0.05 level		
Sources: Bank's financial statements					

Table:16 liquidity assets to total deposits ratio of SBL & PBL (in millions)			ANOVA F-Test Two-Sample for Variances		
Year	SBL	PBL		SBL	PBL
2010	7.089	17.324	Mean	8.57078	20.07932
2011	8.407	16.283	Variance	0.886821	18.60455
2012	9.415	17.483	Observations	5	5
2013	8.59	23.2693	df	4	4
2014	9.3529	26.0373	F	0.047667	
Standard deviation	0.942	4.313	P(F<=f) one-tail	0.006022	
Average	8.571	20.079	F Critical one-tail	0.156538	
C.V	0.109905	0.214802	Significance at 0.05 level		
Sources: Bank's financial statements					

Table:17 Deposit to total assets ratio of SBL & PBL (in millions)			ANOVA F-Test Two-Sample for Variances		
Year	SBL	PBL		SBL	PBL
2010	62.066	80.091	Mean	52.7946	95.1372
2011	63.001	83.384	Variance	98.04186	535.3401
2012	52.753	135.958	Observations	5	5
2013	45.641	90.596	df	4	4
2014	40.512	85.657	F	0.183139	
Standard deviation	9.902	23.138	P(F<=f) one-tail	0.064463	
Average	52.795	95.137	F Critical one-tail	0.156538	
C.V	0.187556	0.243207	Significance at 0.05 level		
Sources: Bank's financial statements					

Table:18 Investment to deposit ratio of SBL & PBL (in millions)			ANOVA F-Test Two-Sample for Variances		
Year	SBL	PBL		SBL	PBL
2010	77.676	45.25	Mean	80.3084	53.6846
2011	81.452	41.988	Variance	129.2227	266.6424
2012	88.835	41.559	Observations	5	5
2013	62.451	60.032	df	4	4
2014	91.128	79.594	F	0.484629	
Standard deviation	11.368	16.33	P(F<=f) one-tail	0.250105	
Average	80.309	53.685	F Critical one-tail	0.156538	
C.V	0.141553	0.304182	Significance at 0.05 level		
Sources: Bank's financial statements					

Table:19 Return on deposit ratio (ROD) of SBL & PBL (in millions)			ANOVA F-Test Two-Sample for Variances		
Year	SBL	PBL		SBL	PBL
2010	1.324	2.004	Mean	2.446	3.43758
2011	0.833	2.855	Variance	1.748476	1.65175
2012	2.769	2.756	Observations	5	5
2013	3.407	4.553	df	4	4
2014	3.897	5.0199	F	1.05856	
Standard deviation	1.322	1.285	P(F<=f) one-tail	0.478671	
Average	2.446	3.438	F Critical one-tail	6.388233	
C.V	0.540474	0.373764	Significance at 0.05 level		
Sources: Bank's financial statements					

Table:20 Profit paid on deposits ratio (PPD) of SBL & PBL (in millions)			ANOVA F-Test Two-Sample for Variances		
Year	SBL	PBL		SBL	PBL
2010	4.767	4.83	Mean	6.2236	5.59
2011	5.936	5.915	Variance	0.996674	0.23389
2012	6.559	6.09	Observations	5	5
2013	6.346	5.547	df	4	4
2014	7.51	5.568	F	4.261304	
Standard deviation	0.998	0.484	P(F<=f) one-tail	0.094644	
Average	6.224	5.59	F Critical one-tail	6.388233	
C.V	0.160347	0.086583	Significance at 0.05 level		
Sources: Bank's financial statements					

Table:21 Operating expenses to deposit ratio (OPD) of SBL & PBL (in millions)			ANOVA F-Test Two-Sample for Variances		
Year	SBL	PBL		SBL	PBL
2010	6.98	8.014	Mean	8.3072	9.2226
2011	8.771	8.236	Variance	0.608862	1.224722
2012	8.425	9.252	Observations	5	5
2013	8.391	10.062	df	4	4
2014	8.969	10.549	F	0.497143	
Standard deviation	0.78	1.107	P(F<=f) one-tail	0.257565	
Average	8.307	9.223	F Critical one-tail	0.156538	
C.V	0.093897	0.120026	Significance at 0.05 level		
Sources: Bank's financial statements					

Conclusion and Policy recommendations

The upward movement of the country can be possible through deposit mobilization and the efficient management of the deposit which can play an important role in the agriculture, industry and socio-economic development. So, the efficient management of the deposit is very essential for any banks. This study made such type of skeletal and the results showed that most of the estimators mentioned that the SBL is more efficient in the deposit management than of PBL. Though both banks are very important in the perspective of Pabna district, the following steps should be taken into consideration so that they become more efficient and succeed in deposit management.

1. To increase the overall banking efficiency of both SBL and PBL, some fruitful and realistic schemes should be launched more gravely in the case of balanced development of banking sector and poverty alleviation especially over the Pabna district so that these two are treated as a socio-economic institution of development.
2. In order to reduce excess cash reserves it should be very effective for both banks to increase the investment amount in the money market where short term transactions happen.
3. The SBL should open new branches all over the country and even in the rural areas for creating new small and medium entrepreneurs.
4. Both banks should be emphasized on the efficient management of deposits because the results of this study are very significant in the sense that deposit

management largely depends on the efficient management not the total size such as total assets, total branches and total employees of the banks.

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