Internship Report on

“Foreign Exchange Operations of Dhaka Bank PLC”

Submitted by

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ID: 201-10-2196

Fall Semester 2024

Department of English

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Submitted to

Dr. Md. Mostafa Rashel

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30 November 2024

Letter of Transmittal

Dr. Md. Mostafa Rashel
Associate Professor
Department of English
Daffodil International University

Subject: Submission of Internship Report on **"Foreign Exchange Operations of Dhaka Bank PLC".**

Dear Sir,
With due respect I am very pleased to present my internship report on **"Foreign Exchange Operations of Dhaka Bank PLC"** which was the topic of my internship program as an important prerequisite. It is really a huge prospect for me to collect knowledge and understand properly the topic. I considered the analysis to be quite fascinating, informative, useful and I tried my best to prepare accurate and a creditworthy report.

I believe that the internship program has given me a vast opportunity to enrich both of my knowledge and experience while working on "Dhaka Bank PLC, BB Road, Narayanganj Branch". I made my best effort to fulfill the objective of the report. and believe that it will meet your expectation. I shall be very sweet obliged if you are kind enough to agree and give your valuable opinion after reviewing my report.

Yours sincerely,

……………………….
Afia Zahin
ID: 201-10-2196
Department of English
Daffodil International University

Letter of Acceptance

This is to certify that Afia Zahin ID No. 201-10-2196 a regular student of Daffodil International University (DIU of Bachelor of Arts (BA Hons Program under the department of English. She is successfully completed her internship report on “Foreign Exchange Operations of Dhaka Bank PLC, BB Road, Narayanganj, Branch for the aware of the degree of Bachelor of Arts under my supervision.

I am pleased to state that Afia Zahin worked hard in preparing this report and she has been able to present a good report seem to be authentic and accepted.

I wish her every success in life.

Best Regards,

……………………………

Dr. Md. Mostafa Rashel
Associate Professor
Department of English
Daffodil International University

Student Declaration

I announce that this study is entitled “Foreign Exchange Operations of Dhaka Bank PLC.” is submitted in full compliance with requirements towards the degree BA program in Daffodil International University.

My original work is presented to Daffodil International University and for any other degree or affiliation, no part of the research was submitted and the study was not published in any journal or magazine.

Signature

Afia Zahin

……………………….

Afia Zahin
ID: 201-10-2196
Department of English
Daffodil International University

Acknowledgement

First and foremost, I want to express my gratitude to Allah for providing me with the courage, chance, and self-assurance to finish the report assignments on the assigned topic within the allotted time, particularly after I was able to secure an internship at Dhaka Bank PLC. In the meantime, I would like to express my sincere gratitude to my respected instructor and internship supervisor, Dr. Md. Mostafa Rashel, Associate Professor in the English Department of the Faculty of Humanities and Social Sciences at Daffodil International University, for his constant support, thoughtful advice, and direction in working on my report.

I'm immensely grateful that Dhaka Bank PLC let me work as an intern for them. It is an effort to gain practical understanding about the Dhaka Bank PLC, Narayanganj Branch's Foreign Exchange Department. I want to sincerely thank Md. Imdadul Haque Fahad, SAVP & Operation Manager, and Mohammed Soharab Hossain, VP & Manager, for their invaluable time, cooperation, inspiration, suggestions, and encouraging information.

I also want to express my gratitude to all of the employees of Dhaka Bank PLC, Narayanganj Branch, for allowing me to successfully finish my internship, for giving me important information, and for allowing me to use a variety of documents throughout my internship. Their insightful recommendations, guidance, and constant support have been extremely helpful.

I would especially want to thank the English Department of Daffodil International University of Daffodil. The names of my department's respectable teachers, from whom I have learnt during the academic years, should also be mentioned.

Executive Summary

Banking sector of Bangladesh is in the growth stage. There are many things that are still to be introduced in Bangladesh for a modern banking sector specially the Foreign Exchange sector, so this sector is becoming more competitive day by day.

The report is originated in result of my internship program. The report is completed based on my three months internship in Dhaka Bank PLC. This is an affiliation report that contains the real-life day to day working activity of different tasks Bangladesh's banking industry is expanding. The modern banking sector in Bangladesh is growing more competitive every day because

there are still many things that need to be introduced, particularly in the foreign exchange sector. The report was created as a consequence of my internship. My three-month internship at Dhaka Bank PLC served as the basis for the completion of the report. This affiliation report details the various jobs. In addition to studying the general procedure of foreign exchange operations at Dhaka Bank PLC, one of the top private banks in Bangladesh, the study aims to satisfy the requirements of the BA program. Dhaka Bank serves the country by providing its customers with services like general banking, capital market operations, loan and advance services, and one of the most significant functions in the foreign exchange industry through its state-of-the-art computerized banking system.

The activities of Dhaka Bank PLC's Foreign Exchange, which are monitored by the Foreign Exchange Department, are included in the report. By working in various duties, I have acquired practical understanding of this department. This experience has been a real-life example of what it's like to work for a company and has allowed me to gain insight into the corporate culture, which will be a significant career milestone. This report was completed as a course study for my department's requirement on the subject of "Foreign Exchange Operations of Dhaka Bank PLC." My internship was completed in Dhaka Bank PLC. I have

included my experiences, growth, and limitations from this internship, along with any pertinent information, in this report.

The report includes an introduction to the issue and the rationale behind the study, as well as a brief history of the bank and its goal, vision, functions, departments, managerial structure, and objectives. Information on Dhaka Bank PLC's Foreign Exchange Department's experience and operations is contained in the main body. And it is the report's most crucial section.

Lastly, I have included the study's lessons learned, limitations and how they might be improved, and a closing comment based on my experience throughout my internship.

Table of Contents

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Title of the Report

"Foreign Exchange Operations of Dhaka Bank PLC"

Chapter One

Introduction

1.1 Background of the Bank:

Amongst the top private sector commercial banks in Bangladesh, Dhaka Bank Limited provides a wide range of services for individuals, businesses, international trade, online banking through the Dhaka Bank Plus App, foreign exchange, lease financing, and capital markets. From tiny businesses to major trading and industrial conglomerates, DBL has received widespread praise from the business community for its forward-thinking business orientation and creative financing solutions. It is also the top-rated corporate borrower. Supported by the newest technology and a group of highly inspired officers and employees, the Bank provides both personal and corporate clients with a wide range of banking and financial services.

The Bank has issued a co-branded credit card, joined a nationwide ATM network, and started offering online banking services. Additionally, a procedure is in progress to offer the bank's customers e-business facilities via online and home banking options.

In the foreign exchange industry, Dhaka Bank is significant in a number of ways. With the goal of making the best use of its resources and taking every measure to protect them, Dhaka Bank keeps investigating and diversifying its import, export, and remittance sectors. Customers desire to transact internationally in a secure manner with dependable advantages and methods, and this relates to our foreign exchange. Therefore, Dhaka Bank PLC's management must work hard at managing foreign exchange.

On April 6, 1995, Dhaka Bank was established as a private limited company in accordance with the Companies Act 1994. On July 5, 1995, the Bank began conducting business with a paid-up capital of Tk. 100 million and an authorized capital of Tk. 1,000 million. aiming to deliver commercial banking services to clients' doorsteps across the nation. Dhaka Bank PLC opened branches at 114 sites around Bangladesh, including two Islamic banking branches, two offshore banking units, three SME service centers, twenty-six sub-branch locations, eighty-seven ATMs, and twenty ADMs. As soon as the company was established, it gained the trust of both domestic and foreign consumers. The core of the bank's success story has been its corporate philosophy, "Excellence in Banking."

As a CSR, Dhaka Bank PLC recently gave Taka 2 Cr to the chief advisor's relief and welfare fund. Additionally, the Bank received an ICAB certificate of merit.

1.2 Vision

"All of us at Dhaka Bank find inspiration in the far-off beginnings. Our staff is dedicated to providing a level of service that makes every financial transaction enjoyable. Our goal is to provide you with a razor-sharp glitter through money, dependability, prompt delivery, state-of-the-art technology, customized business solutions, worldwide trade and commerce reach, and a high return on investment. "Our personnel, goods, and procedures are all in line with our discriminating clients' needs. We want to be as distinguished as the stars in the sky. Our main goal is to provide quality that accurately reflects our vision, which is excellence in banking.

1.2.1 Mission:

"To be the premier financial institution in the country providing high quality products and services backed by latest technology and a team of highly motivated personnel to deliver Excellence in Banking."

1.2.2 Bank Slogan:

Excellence in Banking.

1.2.3 Objectives:

- Rank among Bangladesh's top banks. Attain unparalleled customer service excellence and surpass all competitors.
- To create strategic marketing programs in order to build relationship banking and enhance service quality.
- To continue to be among the top banks in Bangladesh in terms of profitability and asset quality, and to sustain a robust commercial expansion with the intended image.

- To use computerized information technology to implement fully automated systems;
- To provide a sufficient rate of return on investment; and
- To keep sufficient liquidity to fulfill maturing commitments and obligations.
- To maintain proper control mechanisms, transparency in procedures, and a risk position within an acceptable range.

1.2.4 Functions of Dhaka Bank Limited:

Commercial banks today perform a wide range of tasks. All things considered, Dhaka Bank's operations can be roughly divided into two groups: primary and secondary functions.

Main activities: Dhaka Bank Limited performs the same main duties as other commercial banks. These include taking deposits, making loans, building credit, and establishing a means of exchange.

Secondary functions: In order to satisfy the expanding demands of the modern world, contemporary commercial banks such as DBL offer a broad range of financial and non-financial services in addition to their primary activities. A modern banker's subsidiary services can be divided into four categories: foreign exchange department, cash division, credit management, and general banking.

1.2.5 Values of DBL:

- Focus on customer.
- Integrity
- Honesty
- Quality
- Respect for individual
- Responsible citizenship
- Transparency
- Accountability
- High Morale

1.2.6 Management:

The chairman and a vice-chairman are members of the board of directors, which is in charge of managing the bank. The bank's chief executive is the managing director. He receives assistance from executive vice presidents, nine senior vice presidents, junior vice presidents, senior assistant vice presidents, and assistant vice presidents. A collection of highly qualified individuals with a variety of banking and financial backgrounds serves as the bank's managing, additional managing, and deputy managing directors. Understanding and anticipating the needs of the bank's customers is a constant emphasis of the management. Therefore, it is the bank's duty to develop new products and strategies to adapt to the changing environment. Additionally, this bank is well-known for its reputation and has already been listed among the best service providers.

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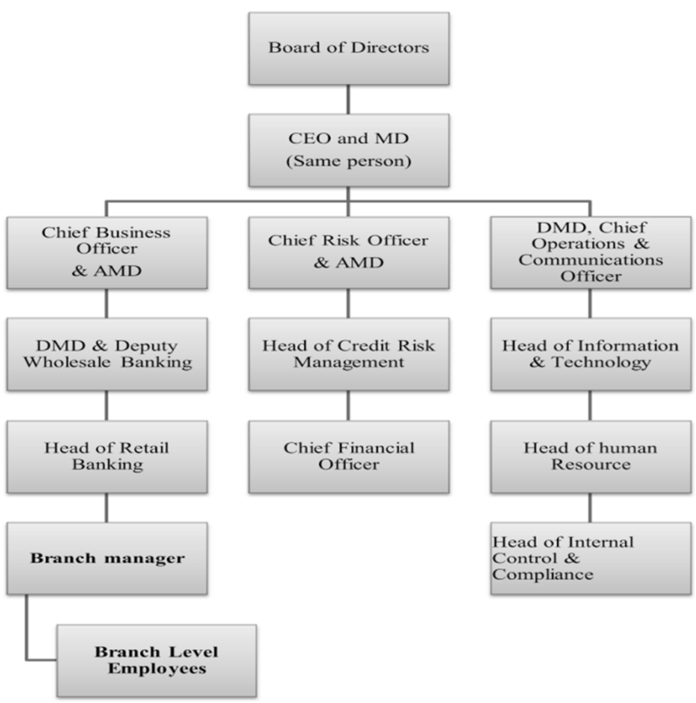
1.2.7 Management structure of Dhaka Bank PLC:

The organizational hierarchy is displayed in ascending order below.



1.2.8 Internal Control System:

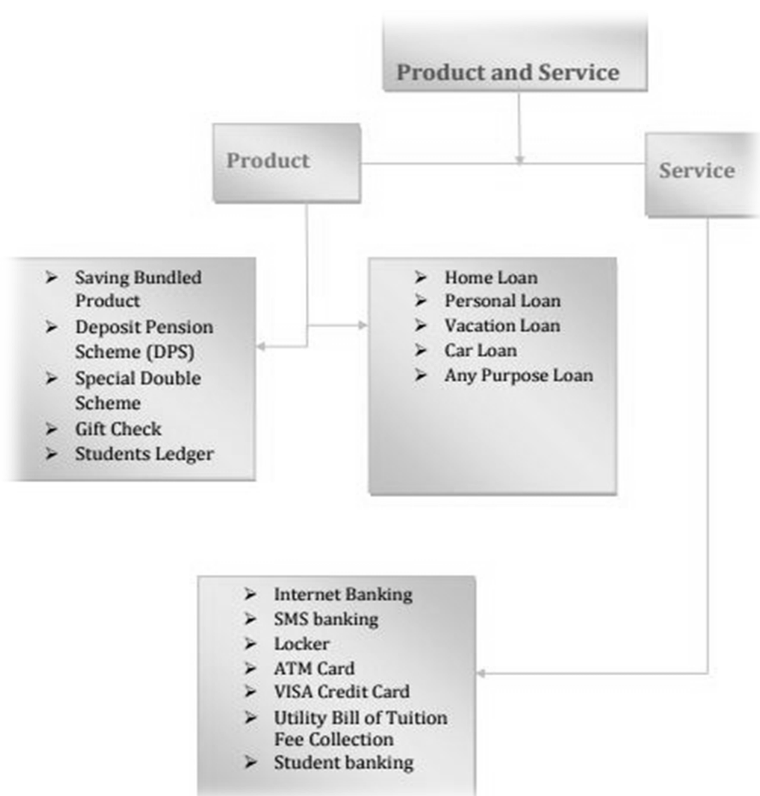
There are audit and inspection, compliance, and monitoring techniques aimed at examining and assessing internal control systems. The audit and inspection system performs internal audits of branches once a year as well as special and snap audits at regular intervals to provide an efficient internal control system.

1.2.9 Human Resource Management & Development:

HIR is tasked with managing it effectively, which includes hiring, training, evaluating, monitoring and guaranteeing adherence to employment and service regulations, and generating economic value through strategic management. The HRD is working tirelessly to find the best officer available, with the board and upper management providing full policy support.

1.2.10 Product/Service Offerings:

The chart below displays the goods and services that Dhaka Bank provides:



1.3 Objectives:

Broad objectives: Completing the requirements of the BA program is the main objective of this report. This affiliation internship report aims to shed light on Dhaka Bank Limited's entire foreign exchange operations procedure.

Particular goals: In addition, the study included the following particular goals in order to gain a comprehensive understanding of Foreign Exchange, the topic of the report:

- To give a concise synopsis of Dhaka Bank Limited, including its everyday activities and services.
- To assess the current state of the foreign exchange industry.
- To assess the bank's import, export, and remittance activities;
- To identify DBL problems in its Foreign Exchange Operations division; and
- To have the opportunity to learn about the sector by looking at DBL's recommendations and services.

Chapter Two

Activities Undertakes

2.1 Work-related:

On October 1, 2024, I started working at the Dhaka Bank PLC, Narayanganj BB Road Branch. General Banking, Cash Department, Credit Sector, and Foreign Exchange Operation are the four primary departments of this bank, each of which has a few sub-departments. Working in the foreign exchange department and learning about Dhaka Bank PLC's operations was a fantastic experience for me. Foreign exchange or trading is one of the commercial bank's biggest operations. Trade between different nations depends on the tight relationship between the parties involved. The circumstance necessitates knowledge of foreign exchange operations. The term "rendering international banking operation" refers to the bank that offers this service. Transactions with foreign nations mostly involve import, export, and foreign exchange.

2.2 Foreign Exchange:

The process of converting one national currency into another and transferring it from one nation to another is known as foreign exchange. The only entity with the legal authority to manage foreign exchange or transactions is a bank. Of all the departments at Dhaka Bank, the foreign exchange department is one of the most crucial. There are primarily three kinds of transactions at this bank that result in foreign exchange. These are the sections on imports and exports.

Import, Export and Foreign Remittance Section.

• Section on Foreign Remittance

I worked in the foreign remittance division, which included three sub-sections of the foreign exchange departments, throughout my internship.

2.3 Experiences of Working in DBL:

2.3.1 Import Section:

- This section's primary duties include handling several elements like: • Letter of Credit (LC. Document-based payment (PAD).
- Loan against Imported Merchandise (LIM); • Payment against Trust Receipt (PTR).
- Filling up the LC & IMP forms.
- Entering the IMP and LC into the appropriate registers.
- Making photocopies and getting ready for the Control Processing Center (CPC) paperwork.
- Apply several kinds of seals on the forms.

Definition of a Letter of Credit (L/C)

"An arrangement wherein a bank guarantees on behalf of his customers to make payments to the beneficiary upon presentation of documents specified in the credit" is the definition of a Letter of Credit (L/C). The steps involved in opening L/C

Application for L/C opening

If an importer wants to import products from another country, they will apply to the issuing bank to obtain an L/C. The following details will be mentioned in the application that the importer provides:

• The applicant's bank account details in full.

• Business categories.

• The historical context.

• The necessary L/C limit amount.

• The L/C margin amount.

• Conditions of payment.

Export Section:

This division collects and buys the export bill and negotiates the export documentation. Regarding export credit, the bank permits the exporter to use one of two kinds of credit facilities.

Two types of financing are pre-shipment and post-shipment.

Finance Prior to Shipment

An exporter requires funds to buy items to be exported when they want to ship them to a buyer abroad. Additionally, he or she can rely on the bank to set up credit for the supply of commodities.

Finance After Shipment

Compared to pre-shipment finance, post-shipment finance is more focused on banks. After the goods have been transported, this kind of financing begins.

Export protocols

Anyone who wants to export should apply to CCLNE for an ERC. The individual should then proceed to the bank to get an EXP form for export purposes. The following documents must be submitted by him or her:

- A trade license.
- ERC.
- A certificate from the relevant government agency.

The exporter will receive an EXP form from the banker once the documents have been approved. Shipping and other papers from the shipment process will now be sent to the exporter.

Export Documents:

The following important documents are needed for export:

- A business invoice.
- The bill of lading.

The EXP form.

- The Bill of Exchange.
- A copy of L/C.
- The packing list.
- Origin Certificate.

• A certificate of quality control.
• The weight list.
• A certificate of inspection.

2.4 Foreign Remittance Section:

Through the foreign remittance department, various money is mobilized from foreign countries to our country. Foreign currency purchases facilitate inward remittances, whereas foreign currency sales represent outbound remittances. The climate at Dhaka Bank is affluent, with money coming in from all around the world. Either internal or outbound remittances of foreign exchange between the two nations are part of the authorized dealer's foreign exchange transaction.

There is an authorized dealership for Dhaka Bank. Dhaka Bank offers its clients overseas remittance services through a number of branches, including the Motijheel Branch and the overseas Exchange Branch. Traveler's checks (FBP), FTT, FBC, and LFBC are among Dhaka Bank's overseas remittance services.

Remittance Procedure of Foreign Currency

Remittances can be classified into two categories: inward and outward.

Remittance inward

There are various categories of inward remittances. The following details these remittance procedures:

Foreign Demand Draft (FDD

The draft bearer must complete form "C" if a draft is given to their name from overseas. This form asks them to provide information such as who sent the draft, where it came from, and other details. Regardless of whether the draft was for family use or not, there is no need to apply VAT on it. The concerned officer keeps a register known as the Register for Foreign Currency Paid for the purpose of paying drafts.

One of the most significant methods for moving foreign exchange from one nation to another is the Telegraphic Transfer (TT).

External Remittance

Sales of TC and FC notes, among other things, are included in outward remittance. Working experience in the remittance business includes rearranging files, photocopying clients' national identification cards, and filling out transfer forms.

2.5 Organization-wide:

I had experience in DBL's general banking and credit departments in addition to the foreign exchange division.

2.6 Additional Tasks:

• Attach the stamp; • Update the record upon request from another officer.

Chapter Three
Constraints/ Challenges
Proposed Course of Action for Improvement

3.1 Limitation identified in the bank:

There were certain restrictions on the current investigation. There are certain restrictions or limitations at the bank as well, which can be divided into the following categories:

- My own limitations
- Organizational limitations
-

3.1.1 Limitations faced by me:

As a financial institution, banks are limited in their ability to provide the public with all of their actual data; as a result, the study mostly relies on official documents, yearly reports, and bank websites.

I occasionally encountered some misunderstanding in my tasks because I am not a trained bank employee. In addition, the majority of the time, employees were too busy to complete the survey.

The investigation is only included in a few places due to time and financial constraints. This internship had to be completed in just three months, whereas a study on the same subject could take a long period.

3.1.2 Limitations Observed in the Organization:

I saw several of my bank's limitations during my internship. Describe it using the SWOT analysis, which takes into account the external environment of threats and the internal environment of weaknesses. If an organization's shortcomings are identified early on, they can be transformed into opportunities. Furthermore, ignoring any threat could cost you important business chances. Because of this, every corporate organization must use SWOT analysis to evaluate its performance. Here, a SWOT analysis of Dhaka Bank Limited's weaknesses and threats has been created.

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Strengths of the bank:

- Using up to date software such as Flex cube or others in all the section of banking save time and reduces labor of employees making the bank more efficient in delivering services.
- Skilled manpower and efficient employees are being involved in every department to meet the client's satisfaction.
- Enthusiastic & empowered work force and motivated environment.
- There are efficient performance and strong financial position.

Opportunities of the bank:

- Nationwide network;
- Skilled administration
- A sizable populace.
- Making use of effective software.

Threats of the bank:

New banks entering the market increase competition; other banks provide comparable offerings.

3.2.1 Mismatches with my academic preparation:

- My university academic environment and my internship banking environment is totally different from each other that's why facing some problems to adopt the environment.
- University helps to learn only important lessons or topic they are not practical.
- University well result cannot achieve good performing job skills only hard work and practical knowledge can achieve good performing job skills.

3.2.2 Relevance of the academic preparation:

Even though there were some gaps in my academic background, I discovered some courses that were really helpful because I needed the theoretical knowledge of those courses to complete the DBL banking internship program. Only a handful of the courses could be named, and these are:

• Business introduction: This course provides a thorough understanding of commercial invoices, letters of credit (L/C, B/L, and L/C), and their operations in the business world.
• International financial management: Learn about inflation, interest rates, currency derivatives, the foreign exchange market, the balance of payments, the international monetary system, and other topics.

• Business Communication: Writing business letters and using other corporate communication strategies, as well as demonstrating attitude in them, were all made easier by this training.

University education is necessary to fill in the following knowledge and skill gaps that are pertinent to banks and future professionals:

Chapter Four

Lesson Learned from the Internship Program

4.1 Implications to the bank:

Dhaka Bank Limited has provided me with the chance to gain real-world work experience. I got the chance to work and learn about the various areas of this bank's foreign exchange department. I can say that from the first day of my internship, I truly enjoyed it. In order to connect the theoretical knowledge, I had acquired from various courses with real banking, I attempted to learn it during my practical orientation. Some of the things I've learned from my internship program include the following:

- The first thing learned in my internship is that bank is such an organization which has nothing but earn money with the people's money.
- Know the banking overall history.
- Gather knowledge the way and means of communication beside this how to communicate in a corporate environment.
- To know the foreign transaction roles.
- I have learnt the activities of foreign exchange department & deeply know about the remittance functions.
- Learnt how to work under friendly environment.
- Also learnt corporate dress code and manner.
- How to maintain good relationship with supervisors & co-coordinators, also colleague.
- Works with another internee by sitting together like a group.
- In the bank most of the clients are business level and I have tried to get some knowledge about their expectation.
- This internship program encourages me to overcome challenge & execute my skills properly.

4.2 Implications to university's internship program:

My Bachelor of Arts program includes an internship. I now have the chance to participate in a hands-on work experience at DIU prior to starting a full-time, permanent position. I learn a lot of things from it that will be extremely useful in the near future. I learned the following during my internship at the university:

• To adhere closely to supervisor instructions;

• It facilitates the preparation of reports by giving me pertinent internship information.

• The report's presentation of job experience.

• How to build positive relationships with others.

• It gives me energy and creativity.

• It increases my workload, which is advantageous for my future career.

• Acquired knowledge of the distinctions between the professional and academic worlds.

• How to apply theoretical knowledge to real-world situations.

4.3 Others:

In addition to what I have learnt from the university and the bank, I have also learned a few other things that are crucial to me.

Those are as follows-

- It seen and understood that all type of employees are valued equally there are no discrimination in this bank and also everybody done their work at their own position.
- Increasing trust, confidence and professionalism.
- Increasing superiority.
- Ethics, Behavior, Rules and Regulation, Efficiency.

Chapter Five

Concluding Statements

5.1 Recapitulation /Summary:

Amidst the competition from both domestic and international banks doing business in Bangladesh, DBL has made good strides in its operational sectors and generated a respectable operating income in prior years. The bank wants to make sufficient progress in every aspect of its business, including reaching its profitability goal. For amiable and individualized financial services, Dhaka Bank PLC. is the go-to option.

A highly skilled and committed team of officers and employees work in Dhaka Bank's Foreign Exchange section, constantly striving to give customers the best possible service. They constantly keep an eye on their position and the transactions in other areas.

Due to provide the services, they assess the client's suitability for satisfaction and the safety of the international transaction.

Lastly, the bank's operational skill and strength made it stand out, positioning it as the prospective market leader in all of the nation's key banking sectors.

Practically speaking, I can say with confidence that I have loved my internship at Dhaka Bank Ltd. since day one. The DBL Narayanganj branch is a pleasant place to work with its kind and helpful staff, based on my experience with the entire internship program.

In addition, my BBA program requires me to complete an internship, which is undoubtedly beneficial for developing my career.

5.2 Recommendations for future strategic sections:

- The university could organize activities to ensure that students who are unable to manage their internships acquire their internships on time. Additionally, supervisors can set up group discussions to share knowledge and ensure interns fully understand it.

- We are unable to provide enough information relating to the issue because to affiliation page limitations.
- There should be more specialized training for accounting software and other pertinent tools.

Chapter Six

Suggestion for Improvement or Course of Action

6.1 Suggestions for improvement:

Based on the facts gathered, observations, expert staff opinions, my knowledge, and my judgment, a few necessary actions are suggested below. Better procedures for Dhaka Bank in the future are ensured by the likely solutions to the identified issues.

Converting corporate goals into personal objectives is crucial.

To enhance bottom-line management performance, job descriptions should be made clear and adequate training facilities should be provided. Workers should have more training and expertise in using the latest banking technology.

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