



An Internship report on
Risk Management, Corporate Governance and Corporate Social Responsibility of Janata bank
limited:

A study on Polly Biddotaion Board khilkhat Branch

Submitted To :

M. Mokkaom Hossain

Professor

Department of Business Administration

Faculty of Business & Economics

Daffodil International University

Submitted By :

Tasnim Mahmud

ID: 103-11-1707

Major: Accounting

Program: BBA

Batch: 27

Faculty of Business & Economics

Daffodil International University

Acknowledgement

First and foremost, all credit goes to Almighty Allah. Then I would like to express my gratitude to all the people those were involved both directly and indirectly in the preparation of this report. I apologize to the people whose names that I have not mentioned, and their contribution is highly appreciated by me. At first, I would like to thank and convey my gratitude to my honorable Supervisor M. Mokarraom Hossain, Professor, Department of Business Administration, Faculty of Business & Economics, Daffodil International University (diu) for guiding me and for giving me the opportunity to complete this report. More specifically, I would like to thank him for imparting his time and wisdom.

I would like to pass thanks from my core of heart to principal Manager of janata Bank for his random and unconditional support to complete my internship successfully

I also like to give my thanks to all senior and junior staff of janata bank limited at Polly Biddotaion Board khilkhat Branch, whose cooperation helped me to complete my internship properly. I must mention the excellent working environment and the positive group behavior of this Bank which helped me tremendously.

Letter of Transmittal

Date: 28/02/2015

M. Mokkaarom Hossain

Professor

Department of Business Administration

Faculty of Business & Economics

Daffodil International University

Subject: **Submission of Internship Report**

Dear sir,

I have the pleasure to submit my Internship Report after a successful completion of three months Internship attachment at a Janata Bank Limited. The Internship Report concentrates on the "Risk Management, Corporate Governance and Corporate Social Responsibility: **A study on Janata Bank, Polly Biddoiaon Board Khilkhat Branch**"

I have concentrated my best effort to achieve the objectives of the report and hope that my endeavor will serve the purpose. The practical knowledge and experience gathered during the report preparation will immeasurably help in my future professional life. I will be obliged if you kindly approve my Internship Report.

Thanking You

Tasnim Mahmud

ID: 103-11-1707

BBA Major: Accounting

Batch: 27

Daffodil International University

Letter of acceptance

This is to certify that Tasnim Mahmud bearing id: 103-11-1707 has prepared this internship report entitled “Risk Management, Corporate Governance and Corporate Social Responsibility: **“A study on janata bank, Polly Biddotaion Board khilkhat Branch”** under my supervision & guidance. This is for the partial fulfillment of four year graduation degree of BBA in major- Accounting of daffodil international university.

I have gone through the report. He has accomplished the report by himself under my supervision

I wish his every success in life

.....
M. Mokkaom hossain

Professor

Department of Business Administration

Faculty of Business & Economics

Daffodil International University

Declaration

Date:28/02/2015

M. Mokkaom Hossain

Professor

Department of Business Administration

Faculty of Business & Economics

Daffodil International University

Subject: **Declaration regarding the validity of Internship Report**

Dear sir

This is my declaration that the Internship Report “Risk Management, Corporate Governance and Corporate Social Responsibility: **“A study on janata bank, Polly Biddotaion Board khilkhath Branch”** Which is submitted to you is not a copy of any other internship report previously made by any other student.

I also express my confirmation in support of the fact that the said internship report has neither been submitted before to fulfill any other course related purpose nor it will be submitted to any other person or authority in future

Sincerely

.....

Tasnim Mahmud

ID: 103-11-1707

BBA Major: Accounting

Batch: 27

Daffodil International University

EXECUTIVE SUMMARY

The internship is designed to bridge the gap between the theoretical knowledge and real life experience. It is designed to have a practical experience while passing through the theoretical understanding. The report is the result of 3-month internship program in Janata Bank Limited- on Polly Biddotaion Board khilkhat. Today, necessity of a bank as a financial institution is undeniable. These institutions play a vital role in the field of financial stability of a country. Banking sector is one of the most stable financial institutions of any economy.

In the 1st chapter I have discussed the introductory part

In Chapter 2 I have discussed about the profile of Janata Bank Ltd. overview by which we will know history, important vision and mission and objective of JBL & also objective of my report. On the next Chapter, I have discussed Risk Management, Corporate Governance and Corporate Social Responsibility. Basically I have discussed my work related activities in JBL Polly Biddotaion Board khilkhat. After that, I mentioned SOWT analysis and findings associated with the organization and this report. I have also discussed about what I have learnt during the internship at khilkhat.

Lastly I have given recommendations, conclusion and references.

Table of content

Chapter	Title	Page No
	Cover Page	I
	Acknowledgement	Ii
	Letter Of Transmittal	Iii
	Letter Of Acceptance	Iv
	Declaration	V
	Executive Summary	Vi
	Table Of Content	Vii
Chapter-1	Introductory Part	1
1.1	Introduction	2
1.2	Background Of The Report	2
1.3	Scope Of The Report	3
1.4	Objectives Of The Study	3
1.5	Methodology Of The Report	3
1.6	Limitations Of The Study	4
Chapter-2	Profile Of Janata Bank Ltd.	5
2.1	Organizational Profile Of Janata Bank LTD	6
2.2	Janata Bank Limited At A Glance	7
2.3	Organization Hierarchy Of JBL	8
2.4	Mission Of JBL	9
2.5	Vision Of JBL	9
2.6	Values Of JBL	9
Chapter-3	Risk Management	10
3.1	Risk Management	11
3.2	Key Elements Of JBL's Sound Risk Management System	11
3.3	Duties And Responsibilities Of The Committee	14
3.4	Risk Management Striking Force Of JBL	28
Chapter-4	Corporate Governance	29
4.1	Corporate Governance	30
	Policy On Appointment Of Directors	30
	Fit And Proper Test	30
	Process Of Appointment	31
	Board Size	31
	Chairman Of The Board And Chief Executive Officer	32
	Independent Director	32
	Independence Of Board Members	32
	Work-Planning And Strategic Management	32
	Lending And Risk Management	33
	Internal Control Management	33

	Human Resources Management And Development	33
	Financial Management	34
	Vision, Mission And Strategy	37
	Committees Of Board Of Directors	37
Chapter-5	Corporate Social Responsibility	45
5.1	Corporate Social Responsibility (CSR)	46
5.2	Working Area	47
5.3	Sectors Of CSR	47
5.4	Poverty Reduction & Rehabilitation	49
5.5	Combat Against Natural Calamity	49
5.6	A Try To Bring The Marginal Agriculturists And The Poor Out Of The Grip Of Loan	50
5.7	Preservation Of History-Tradition, Culture And Sports	50
5.8	Preservation Of Environment	51
5.9	Expansion Of Technology	51
5.10	Invention	52
Chapter-6	Swot Analysis	54
6.1	SWOT Analysis Of The JBL	55
6.2	Strengths	55
6.3	Weaknesses	55
6.4	Opportunities	55
6.5	Threats	55
Chapter-7	Findings, Recommendations & Conclusion	56
7.1	Findings	57
7.2	Recommendations	58
7.3	Conclusion	59
Chapter-8	Appended Part	60
8.1	Bibliography	61
8.2	Appendices	61

Chapter-1

Introductory part

1.1 Introduction

Janata Bank Limited, one of the state owned commercial banks in Bangladesh, has an authorize capital of taka 20000 million. In today's world education is to understand the real world and apply knowledge for the batter of the society as well as company. From education the theoretical knowledge is obtained from courses of, which is only half way of the subject matter. Practical knowledge has no alternative. Therefore, an opportunity is offered by Daffodil International University, to get three months practical experience, which is known as, "internship program". As practical orientation is integral part of BBA program requirement, worked as an intern **at Janata Bank Limited, Polly Biddotaion Board khilkhat Branch**. An internship program in a bank like janata for three month was a great opportunity for me where learned practical knowledge and experience on the various spheres of banking business. After a discussion and getting constant, started to work on the project title "a study on Risk Management, Corporate Governance and Social Responsibility of **Janata bank limited**"

Janata bank play unifying and intermediary roles between fund-supping and fund-demanding sides of the society, executing saving and investing function. Due to key role in the economy while working under the principal of profitability and productivity, bank are obliged to obey ethical principles of banking profession and organization ethical the banking system plays an important role in the economy, and the activity of the bank are also vital to the achievement of national socio economy development goals of providing shelter, infrastructure and employment.

1.2 Background of the Report

This report has been prepared as a requirement of internship program. As a student of BBA program, assigned of janata bank: study on Polly Biddotaion Board khilkhat Branch. Janata bank limited , a leading & outstanding commercial based bank in the area of banking business, gives many fresh graduated an opportunity to get a real taste of actual banking activities of various department every year. According to the needs & demands of the society & the country as a whole the bank invests money to different update business sectors. The bank participates different activities aiming at creating jobs, implementing development project taken by the Government and developing infrastructure. This study is descriptive in nature.

Janata banks provide necessary funds for executing various programs underway in the process of economic development of a country. Economy of Bangladesh is the world's most undeveloped banking system. Bangladesh government has taken a lot of financial sector reform

measurement for making financial sector as well as banking sector more transparent and formulation participated by the different international organization. Banking delivers strong performance across business and integrates recent acquisition

At the same time effort have been made to explore new clients having good potentiality to diversify and create a well established structure portfolio and minimize overall portfolio risk. Banking area is becoming competitive as well as services are becoming easier and faster.

1.3 scope of the Report

This report is a part of academic program. Working in the Janata Bank Ltd, get the opportunity to gain knowledge of different part of banking system. The BBA program having 128 credit in total, in which it contains six (6) credits hours on the internship program. The period of internship has set for three months. The scope of the study has in the organization, Janata bank Ltd. The study was confident only on the JBL. The time learned lot thing, Foreign Exchange Activities, like about the Export/Import L/C, Back to Back L/C, Document, remittance, that's why this report is a close focus on these three operation of the branch.

1.4 Objectives of the Study

The specific objectives of the study are as under:

1. To evaluate the Risk Management of Janata Bank LTD
2. To have an in depth idea about Corporate Governance of Janata Bank LTD
3. To highlight the corporate social Responsibility of Janata Bank LTD
4. To make some recommendations based on findings LTD

1.5 Methodology of the Report

The report is descriptive in nature. The report would be based on a details discussion on Foreign Exchange Activities of janata Bank Limited. Throughout the report, the use different types of research method to find out proper and correct information. For preparing this internee report, generally their experience from different department of the Foreign Exchange Activities of janata bank limited was used.

With a view to conducting are research study, what is necessary is to design the framework and select the appropriate research methodology. A research design is simply a framework or a plan for study that may be used as a guide in collecting analyzing data. There are various methods of

conducting the research, such as-Interview Method, Observation Method, Historical Method, Questionnaire Method and the like. The information was collected from both primary and secondary sources of data. Regarding the information required was collected within the organization from the corporate Division of Janata Bank limited.

1.6 Limitations of the study

Some data and information for obvious reasons that could be very much essential. From the beginning to the end, the study has been conducted with the intention of making to as a complete and truthful one. But there is some limitations for preparing this report. These are,

1. Difficulty in accessing latest data of internal operations
2. Some information has withheld to retain the confidently of the bank
3. Clients were very busy with their own work in the bank
4. Large –scale research was not possible due to constrains and restrictions posed by the organization
5. Part of the original structure was written from individual perception and it may vary from person to person

With all this limitation I tried my best to make this report as best as possible.

Chapter-2

Profile of Janata Bank limited

2.1 Organizational Profile of Janata Bank LTD

Janata bank limited, one of the state owned commercial banks in Bangladesh, has an authorized capital of taka 20000 million ,paid up capital of TK 11000.00 million reserve of taka 17234 million. The bank has a total asset of TK 508567 million as on 31 December 2012. Immediately after the emergency of Bangladesh in 1971, the erstwhile United Bank Limited were renamed as Janata Bank. On 15 November 2007 the bank has been corporatized and renamed as Janata Bank Limited. Janata Bank Limited operates through 892 branches 4 overseas branches at United Arab Emirates. It is linked with 1202 foreign correspondents all over the world. The Bank employees more than fifteen thousand person. The mission of the bank is to activity participate in the socio-economic development of the nation by operating a commercially sound banking organization, providing credit to viable borrowers, efficiently delivered and competitively priced simultaneously protecting depositors fund and providing a satisfactory return on equity to the owner. The Board of director is composed of thirteen members headed by a Chairman. The Director is representatives from both public and private sector. The Bank is headed by the chief executive officer &management director, who is a reputed banker. The corporate head office is located at Dhaka with ten Division comprising of thirty eight Departments.

2.2 Janata Bank Limited at a Glance

SL	Key Point	Perticular
1	Name of Bank	Janata Bank LTD
2	Logo of Bank	 The logo of Janata Bank Limited features a blue square with a white stylized 'JB' monogram. To the right of the monogram, the bank's name is written in Bengali 'জনতা ব্যাংক লিমিটেড' and English 'Janata Bank Limited' in blue. Below the English name is the Bengali tagline 'উন্নয়নে আপনার বিশ্বস্ত অংশীদার'.
3	Date of Incorporation	Immediately after the emergence of Bangladesh in 1991, the erstwhile United Bank LTD and Union Bank LTD were renamed as Janata Bank
4	Status	Public Company Limited
5	Chairmen	Dr. Abul Barkat
6	CEO & MD	S.M Aminur Rahman
7	Company Secretary	Md. Mosaddake-Ul-Alam
8	Number f Branch	884
9	SME Service Center	12
10	Brokerage House	8
11	Total manpower	15071
12	Earning Per Share	46.46
13	Total Assets	52774.77
14	Capital	3969.33
15	Paid Up Capital	TK.11000 million
16	Growth Rate	36%
17	Profit	TK.14534 million
18	Total Deposit	42354.07
19	Total Lone & Advance	33883.92
20	Corporate Head Office	Janata Bahaban,110, Motijheel Commercial Area, Dhaka-1000,Dhaka-1212,Bangladesh
21	SWIFT	JANATA BD DH
22	Corporate Website &E-mail	www.janatabank-bd.com

2.3 Organization Hierarchy of JBL

Board of Director
Chairmen
Managing Director (MD)
Deputy Managing Director (DMD)
Senior Executive vice president (SEVP)
Executive vice president (EVP)
Assist. Executive vice president (ASEVP)
vice president (VP)
Senior Assistant vice president (SAVP)
Assistant vice president (AVP)
First Assistant vice president (FAVP)
Junior Assistant vice president (JAVP)
Senior Executive President (SEP)
Senior Officer (SO)
Management Trainee Officer (MTO)
Officer
Junior Officer (JO)
Assistant Officer (AO)

2.4 Mission of JBL

We aspire to be the most admired financial institution in the country, recognized as a dynamic, innovative and client focused company that offers an array of product and services in the search for excellent and to create an impressive economic value.

2.5 Vision of JBL

To be the bank of 1st choice by creating exceptional value for our clients, investors and employees

2.6 values of JBL

1. Customer focus
2. Integrity
3. Teamwork
4. Respect for the Individual
5. Quality
6. Responsible citizenship

Chapter-3

Risk management

3.1 Risk Management

Risk Management is a process of identification, analysis and either acceptance or mitigation of uncertainty in investment decision-making. When a bank makes an investment decision, it exposes itself to a number of risks. So, in order to minimize and control the exposure of investment to such risks, bank management should rigorously consider and adapt adequate and sound risk management philosophy within the organization. Without paying due importance to risk management while making investment decisions might wreak havoc on investment in times of financial turmoil in an economy. Different level of risks come attached with different categories of asset classes. Inadequate risk management can result in severe consequences for banks as well as individuals.

3.2 Key elements of JBL's sound risk management system

To have a successful risk management function, leading to successful outcomes even in stressful environments, risk management policy of JBL has been formulated encompassing the following key elements for better risk management:

- a) Risk management structure with board and senior management;
- b) Organizational policies, procedures and limits have been developed and implemented to manage business operations effectively and efficiently;
- c) Adequate risk identification, measurement, monitoring, control and management information systems are in place to support all business operations; and
- d) Established internal control and the performance of comprehensive audit to detect any deficiencies in the internal control environment are in a timely fashion.

A. Risk Management Process of JBL

Risk management process of JBL is based on the Bangladesh Bank guidelines and the clear concept of identification, assessment, parameter setting, controlling and monitoring activities. Board integrated risk management committee oversees overall risk management identified by the bank. Risk management process of JBL consists of:

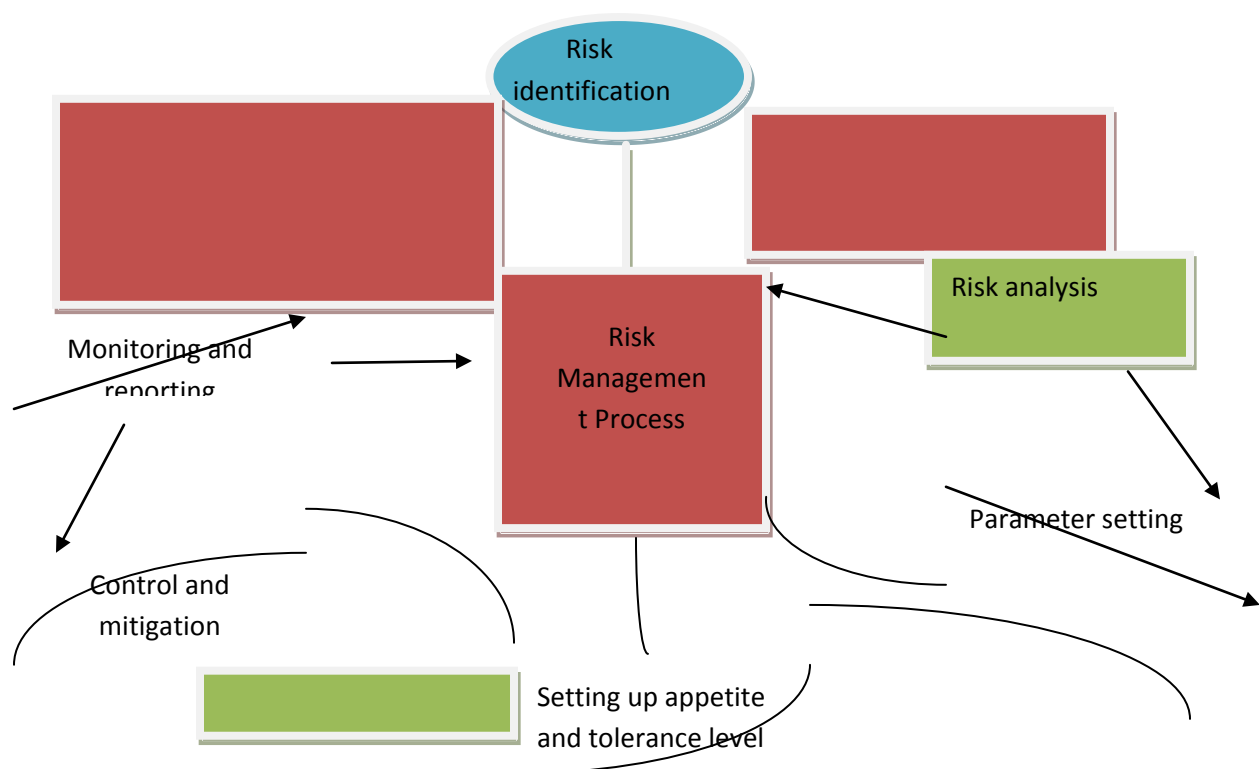
- a. Identification of key risks inherent in business activities;
- b. Analysis and assessment of identified risks;
- c. Parameter setting for risk measurement;

- d. Control and mitigation of risks;
- e. Setting up appetite and tolerance level for formulation of risk strategies;
- f. Monitoring and reporting for decision making.

Risk management desks in different levels of the organ gram collect data from various related sources, verify the accuracy and completeness of the data, analyze and set parameter to assess the level of risk. Tolerable risks are accepted and deal cautiously. Controlling and mitigation actions are applied on the key risks to minimize and control them to achieve the set goals taken as per risk appetite.

B. Risk Management Organization and Governance

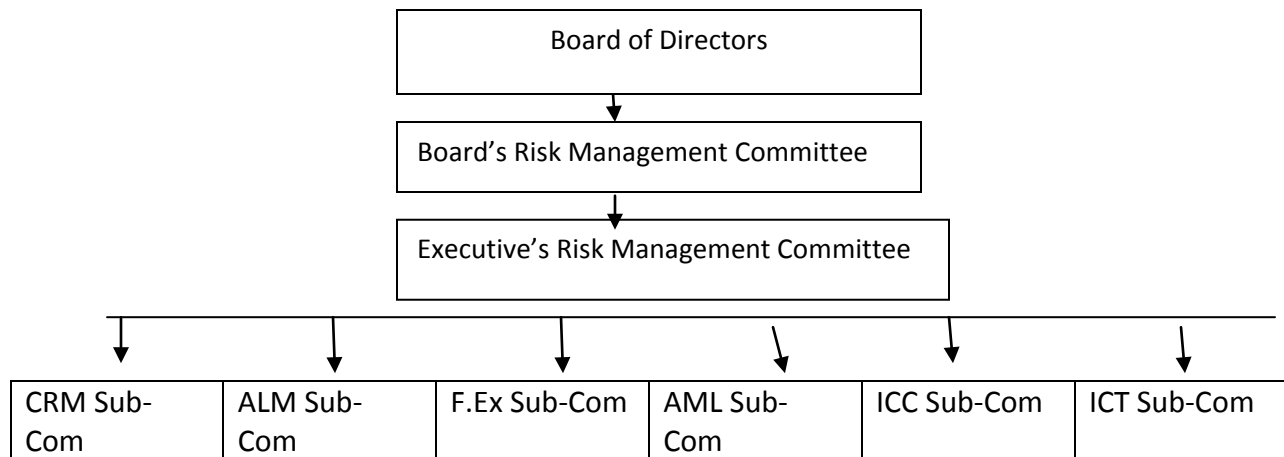
JBL has established a robust risk management framework through strengthening risk-related policies, procedures, processes, control mechanisms and reporting during the last few years. With a view to preserving and enhancing resiliency capacity, the bank continues to increase its risk management capabilities through investing in people, processes and IT infrastructure. In achieving the objective of risk optimization in its overall business strategy, a board integrated and top executive integrated risk management committee has constituted as under:



B.1 Risk Management Structure

B.1.1 Board Integrated Risk Management Committee

A board integrated risk management committee has been formed as per BRPD Circular No.11 dated 27.10.2013 and Bank Company Act-1991(Amendment Act 2013) sec-15(b)(3) comprising of three members from Board of Directors and CEO & MD.

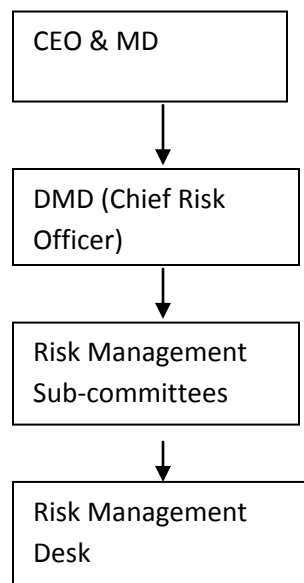


Role of the Committee

- Formulation of policy for risk assessment and risk control.
- Formation of organizational structure for risk management.
- Review of risk management policy.
- Preservation of risk management information and reporting.
- Supervision of the implementation of overall risk management policy.
- Placement/Reporting of risk management issues to the Board of Directors.

B.1.2 Executive Integrated Risk Management Committee

A risk management committee with top management has been formed as per instruction of Bangladesh Bank to supervise risk management activities of the bank. The committee is headed by DMD. Six risk management sub-committees for each core risk headed by respective GM have also been formed to assist the main committee. Deputy General Manager of risk management department works as a Member Secretary of the committee to co-ordinates the entire risk management activities of the bank.



3.3 Duties and Responsibilities of the Committee

Risk management desk collects all risk related information from different sources. They analyze the data, identify the risk and assess the level of risk inherent in bank's operational activities and prepare a risk management paper on monthly basis. The committee, in its monthly meeting, produce analytical and comprehensive discussion paper on risk management and find out the way/course of action/corrective measures to minimize/mitigate the identified key risks. The committee also reports the identified key risks to the Board of Directors and respective department of Bangladesh Bank.

B.2 Board and Senior Management Oversight on Risk Management

The Board and Senior Management analyze and identify the risks;

Find out the way of minimization/mitigation;

Suggest and take appropriate measures to reduce risks;

Aware of any changes in the level of risks;

Actively participate in development of risk related policies;

Policies and procedures are formulated consistent with bank's risk appetite;

Board and Senior Management carefully evaluate all the risks associate with new activities;

Ensure proper infrastructure and internal control;

Provide skilled, knowledgeable and adequate staff for risk management and active supervision of the activities;

B.3 Policies, Procedures and Limit Structure of JBL

Risk Management policies, procedures and limits are properly documented;

Policies are reviewed annually or on demand basis;

All policies and procedures are duly approved by the Board of Directors;

Policies are assigned with full accountability and clear lines of authority for each activity and product area;

A compliance monitoring procedures have been deployed for all policies;

An independent internal control unit is in JBL to check internal compliance.

B.4 Risk Measurement, Monitoring and Management Reporting System

An effective risk monitoring procedure exists in the bank to identify and measure all quantifiable and material risk factors;

JBL has a separate Management Information System Department which provides necessary information to Risk Management Department and senior management for understanding the bank's positions and risk exposures in time.

A strong risk management monitoring culture has been framed in JBL to address all sorts of material risks;

Adequate and accurate reports containing sufficient information are being produced to senior management for identifying any adverse trends and evaluating the level of risk.

B.5 Internal Control and Comprehensive Audit

An effective internal control environment is being maintained in JBL to ensure safe and sound banking operation and to maintain risks at an acceptable level to the management and Board;

Bank has established and maintained an effective and efficient internal audit and internal control system;

J Internal control system is properly structured which helps to ensure compliance with relevant laws, regulations and internal policies;

Internal audit, internal control and information systems are adequately tested and reviewed;

Appropriate and timely high level attention and management's actions are being implemented to indentify the material weaknesses and to correct the deficiencies.

C. Credit Risk Management

Credit risk is simply defined as the potential that a bank borrower or counterparty will fail to meet its obligations in accordance with agreed terms. However, credit risk could steam from both on-balance sheet and off-balance sheet activities. It may arise from either an inability or an unwillingness to perform in the pre-committed contracted manner. Credit risk comes from a bank's dealing with individuals, corporate, banks and financial institutions or a sovereign. The assessment of credit risk involves evaluating both the probability of default by the borrower and the exposure or financial impact on the bank in the event of default.

Credit risk occupies the lion's share of bank's total risk. So credit risk management is a crucial issue of risk management and an essential to the long-term success of any banking organization. JBL's goal of credit risk management is to maximize its risk-adjusted rate of return by maintaining credit risk exposure within acceptable parameter. So, JBL's management has adopted appropriate policy, procedures and methods to manage the credit risk inherent in the entire portfolio as well as the risk in individual credits or transactions. The bank also considers the relationship between credit risk and other risks.

C.1 Sound Practice in CRM

The sound CRM practice is set out in JBL by addressing the following areas:

- (i) Establishing an appropriate credit risk environment;
- (ii) Operating under a sound credit-granting process;
- (iii) Maintaining an appropriate credit administration, measurement and monitoring process;
and
- (iv) Ensuring adequate controls over credit risk.

Although specific credit risk management practice may differ among banks depending upon the nature and complexity of credit activities, a comprehensive credit risk management programme will address these cited four areas. These practices should also be applied in conjunction with

sound practices related to the assessment of asset quality, the adequacy of provisions and reserves and the disclosure of credit risk, all of which have been addressed in recent Risk Management Guidelines

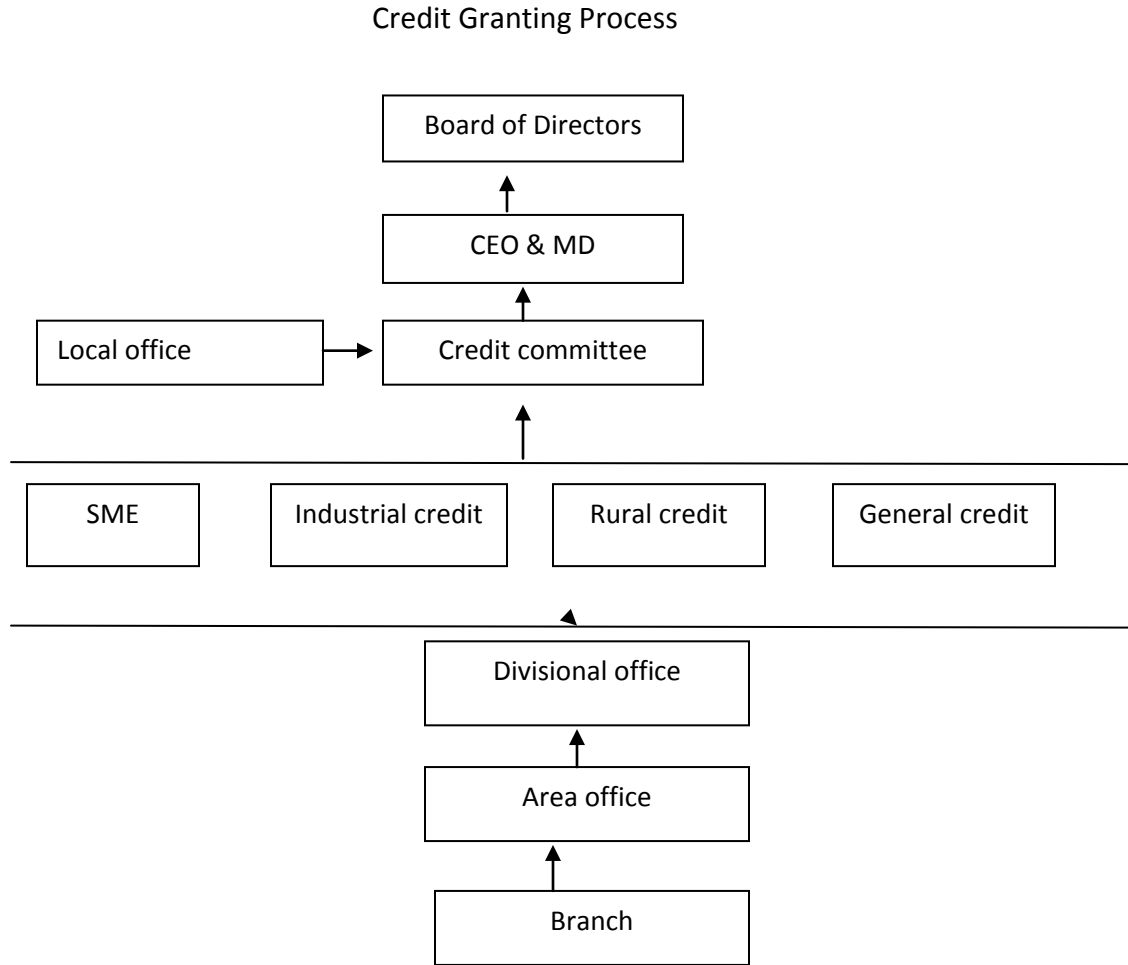
C.2 Sustainable CRM Culture

Sustainable CRM culture in a bank is the most essential factor to enrich the asset quality resulting in the positive curve in its profit. JBL, as a large and first generation bank, has established a sound and sustainable CRM culture of its own over its 41 years journey. Diversified credit portfolio, financial inclusion and regulatory guidance are the main component of JBL's CRM culture. JBL is practicing economic friendly CRM policies and strategies in its borrower selection, credit processing and all other credit related activities.

C.3 Credit Granting

Process Although the Board of Directors holds the sole right of credit sanctioning, the power is delegated to CEO & MD. The credit sanctioning authority is also delegated to various lower level of the management line to strike a balance between adequate control and flexibility in credit operations to ensure full transparency and accountability at all levels. Even a manager of a small branch has the credit sanctioning authority. But there is a well defined, clear and sound credit granting process applicable for all sanctioning authority. The process includes:

1. Selection of borrower;
2. Credit appraisal;
3. Credit assessment;
4. Credit risk grading;
5. Credit approval & sanctioning;
6. Credit disbursement;
7. Credit monitoring;



C.4 Management of Credit Risk

Credit risk is managed through a framework that sets out policies and procedures covering the measurement and management of credit risk in JBL. All credit exposure limits are approved within a defined credit approval authority framework. JBL manages its credit exposures following the principle of diversification across products, geographies, client and customer segments. A Credit Risk Manual (CRM) approved by Board of Directors has been formulated aligned with Bangladesh Bank's CRM policy. A high powered committee is in place for monthly review, monitoring and supervision of risks associated with credit activities.

C.5 Establishing Control over

Credit Risk Risk identification, measurement, mitigation and supervision are the core component of credit risk controlling. Following the Bangladesh Bank's guidelines JBL has formed the structure for overall risk management, specially credit risk management as it is the critical component of a comprehensive risk management arena. Risk management papers are prepared and placed before the RMC on monthly basis to address the risks and find out the way to mitigate them.

C.6 Credit Risk Mitigation

In JBL, potential credit losses from any given account, customer or portfolio are mitigated using a range of tools such as risk based pricing, credit tightening, reducing the amount of credit available to higher risk applicants, diversification, increasing the portfolio mix of borrowers, collateral, credit insurance and other guarantees. The reliance that can be placed on this mitigation is carefully assessed in light of issues such as legal certainty and enforceability, market valuation correlation and counterparty risk of the guarantor.

D. Asset Liability Risk Management

ALM is a process to manage the composition and pricing of the assets, liabilities and off balance sheet items and aims to control bank's exposure to market risks, with the objective of optimizing net income and net equity value within the overall risk preferences of the bank. It has evolved in response to the problems of banks dealing in a wide range of diversified assets, liabilities and contingent liabilities in times of volatile interest rates and more generally a continuously changing economic environment.

ALM programmes focus on interest rate risk, liquidity risk and foreign exchange risk as those represent the most prominent risks and may affect the overall balance-sheet of the organization.

D.1 ALM Governance

The asset and liability management committee (ALCO) is the key unit of the risk management system. The ALCO of JBL consisting of the bank's senior management and headed by CEO & Managing Director is responsible for ensuring adherence to the limits set by the Board and deciding the Credit Risk Grading business strategy of the bank (on the assets and liabilities sides) in line with the bank's budget and decided risk management objectives. The committee meets at least once in a month, addresses all the risks and tries to find out the solution for mitigating the risks. Deputy General Manager of treasury department is the convener of ALCO meeting. The ALCO is supported by the ALCO unit who is responsible for providing necessary

inputs and reports to the committee on the bank's current position as well as external information necessary for making ALM decisions.

D.1.1 Liquidity Risk

The current and prospective risks arise when the bank has not the ability to meet its obligation as these come due without adversely affecting the bank's financial conditions. In ALM perspective, the focus is on the funding liquidity risk of the bank meaning its ability to meet its current and future cash-flow obligations and collateral needs, both expected and unexpected. This mission thus includes the bank liquidity's benchmark price in the market

Statutory liquidity ratio of JBL

Particulars		Dec, 2013	Dec, 2012
Cash reserve requirement	Required	6.00%	6.00%
	Maintained	6.01%	6.08%
Rest of statutory liquidity ratio	Required	13.00%	13.00%
	Maintained	44.39%	33.24%

Structural liquidity profile

Particulars	Dec. 2013	Dec. 2012	Ideal Scenario
Loan deposit ratio	59.71%	74.52%	82%-85%
Maximum cumulative outflow (MCO)	(17.10%)	(24.89%)	(20%)

D.1.2 Interest Rate Risk

The risk of losses resulting from adverse movement in interest rates and their impact on future cash-flows is the interest rate risk. Generally, a bank may have a disproportionate amount of fixed or variable rates instruments on either side of the balance-sheet. One of the primary causes is mismatches in terms of a bank deposits and loans.

Change in net interest income (NII) = $i(\text{Change in interest rate}) \times \text{gap}$ = 1% of 25,442.60 million = 254.4. million According to gap analysis, the increase in market value of equity due to 1% change in interest rate for 31 December 2013 is Tk. 254.4. million.

D.2 Equity Price Risk Management

Equity price risk is the risk of loss in value of the bank's equity investments and / or equity derivative instruments arising out of a change in equity prices. JBL's equity investment activities like holding limit of shares, provision against them and risk management are guided as per Bangladesh Bank policy.

D.3 Foreign Exchange Risk

Management Foreign exchange risk is the risk that a mismatch between the composition of foreign asset and liabilities (in a particular foreign currency) may have an adverse effect on net cash flow and the value of the bank's net equity due to movements in exchange rate.

Foreign exchange risk is measured and monitored by the Treasury Department. A sound and clear policy for dealing room is stated in the Foreign Exchange Risk Management Guidelines of JBL. Front office, mid office and back office operations, dealing room limits, dealer's individual limit are maintained as per the BB guidelines to minimize the inherent risk in foreign exchange transactions.

E. Money Laundering Risk

Management JBL treats the money laundering and terror financing issues as a vital part of its core risk management activities. Bank has formulated its own guidelines for prevention of money laundering approved by the Board of Directors in line with Anti Money Laundering Law and Bangladesh Bank guidelines.

E.1 Anti-money Laundering Policy and Organization in JBL

Bangladesh Bank guidelines contain the following major issues that bank has been incorporated in the respective policy:

Bank has developed, administered, and maintained an anti-money-laundering compliance policy.

The policies have been tailored to the institution and based upon an assessment of the money laundering risks.

The policy address its know your customer (KYC) policy and identification procedures before opening new accounts, monitoring existing accounts for unusual or suspicious activities.

It also includes a description of the roles and responsibilities of the anti-money laundering compliance officers(s)/unit and other appropriate personnel will play in monitoring compliance with and effectiveness of money laundering policies and procedures.

There is a monitoring unit to monitor unusual/suspicious transaction which needs to be reported to Bangladesh Bank.

Cash transaction report (CTR) is being sent to Bangladesh Bank on monthly basis for cash transaction of 1.00 million or above in a day.

Suspicious transaction report (STR) is reported as and when detected.

Officials of the bank are trained up on anti-money laundering policies. JBL has fully complied the above issues. To mitigate money laundering risk, JBL has formed CAMLCO in its head office and BAMLCO in all branches.

E.2 Training/Awareness

Training on anti-money laundering is continuously giving to all categories of officers and executives for developing awareness and skill for indentifying suspicious activities. More than 13 exclusive training courses on money laundering has been organized and 500 officers have been trained up during the current year, besides this every basic course and risk management course include separate sessions on this topic. JBL has planned to organize more training programs and train up its officers/executives in the coming years.

F. ICC Risk Management

Internal control and compliance policy is the policies and procedures established and implemented alone, or in concert with other policies or procedures, to manage and control a particular risk or business activity, or combination of risks or business activities, to which the bank is exposed or in which it is engaged. It refers to the mechanism in place on a permanent basis to control the activities in an organization, both at a central and at a departmental/divisional level.

F.1 Objective

The primary objective of internal control system in JBL is to help the bank perform better through the use of its resources. Through internal control system bank identifies its weaknesses and takes appropriate measures to overcome the same. The main objectives of internal control are as follows:

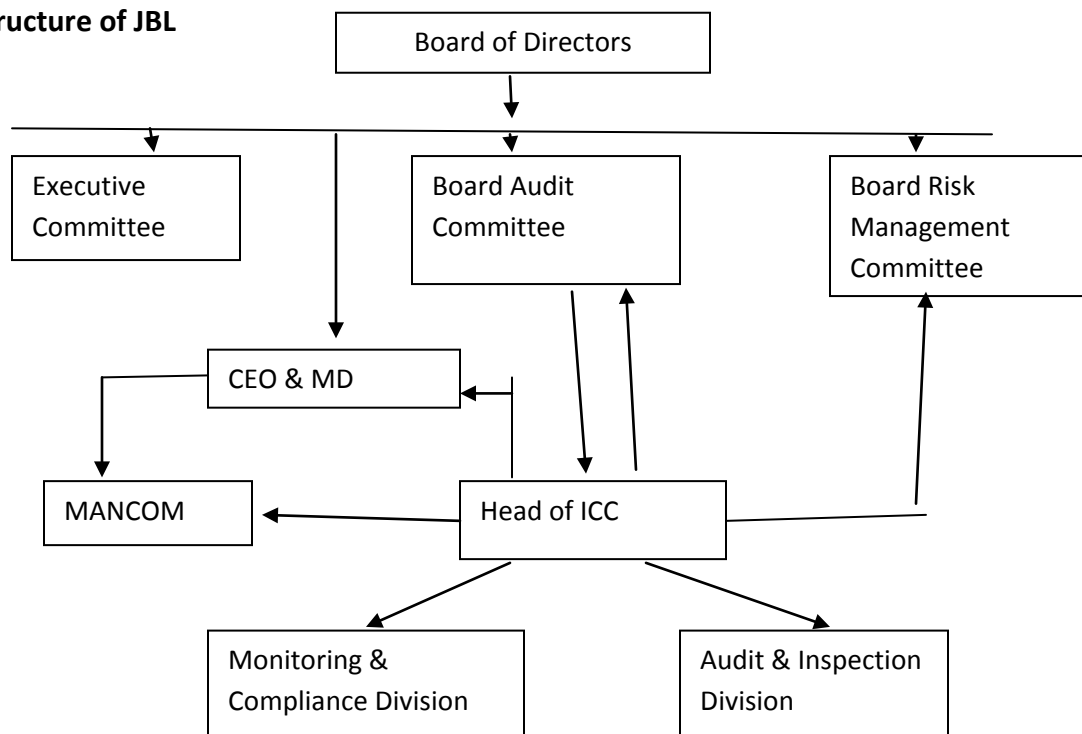
Performance objectives: To maintain the efficiency and effectiveness of overall operating activities.

Information objectives: To ensure the reliability, completeness and timelines of financial and management information.

3.4 Compliance objectives:

To ensure the robust compliance with applicable laws and regulations.

F.2 ICC Structure of JBL



F.3 Management Committee (MANCOM)

In setting out a strong internal control framework within the organization the MANCOM of JBL is responsible for overall management of the bank. The committee puts in place policies and procedures to identify measure, monitor and control these risks and monitors the adequacy and effectiveness of the internal control system based on the bank's established policy & procedure.

F.4 Internal Control Activities

Monitoring activities & correcting deficiencies:

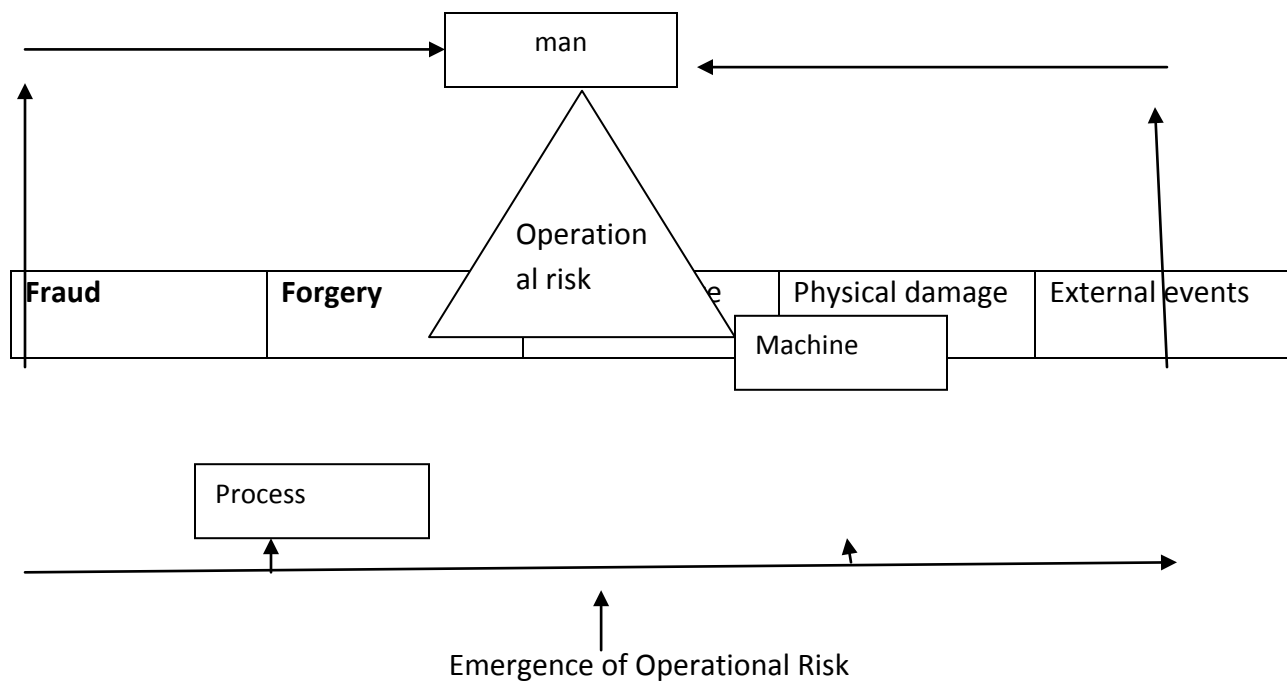
Effectiveness of the bank's internal control is monitored on an ongoing basis. Key/high risky items are identified and monitored as part of daily activities. In addition, there is a periodic evaluation by the business lines and internal audit team.

There is an effective and comprehensive internal audit system which is carried out by operationally independent, trained/skillful and competent staffs who are specially designated by the management. The significant deficiencies identified by the audit team are reported directly to the audit committee of board on a regular basis.

The internal control team also reports to the audit committee /the board of directors at a regular interval.

F.5 Operational Risk Management

The term operational risk management (ORM) is defined as a continual cyclic process which includes risk assessment, decision making, regarding risk and implementation of risk controls, which results in acceptance, mitigation, or avoidance of risk. ORM is the oversight of operational risk, including the risk of loss resulting from inadequate or failed internal processes and systems, human factors or external events.



G. Information and Communication Technology (ICT) Risk Management

The rapid development of information and communication technologies (ICTs) has effectively facilitated reorganizing a bank's business processes and streamlining the provision of its products and services in today's dynamic business environment. ICT provides competitive advantage often brings organizations numerous benefits including fast business transactions, increasing automation of business processes, improved customer service and provision of effective decision support in a timely manner.

ICT applications have also brought organizations' risks related to ICT such as malfunctioning of system, failure of network, lack of technological knowhow, virus attack, hacking, spoofing, unauthorized access etc. In order to minimize and control these risks successfully, ICT risk management policies and strategies have been developed and implemented in JBL in line with the ICT guidelines as prescribed by Bangladesh Bank.

G.1 ICT Risk Mitigation Process in JBL

Janata Bank Limited has formulated the ICT policy to use as a minimum requirement and as appropriate to the level of its IT operation. The guidelines includes IT security policy, physical security policy, password policy, anti-virus policy, server security policy, IT assets administration and management policy, disaster management policy and system audit policy. Effective implementation of this policy will minimize unauthorized access to Janata Bank Limited proprietary information and technology.

Janata Bank Limited has taken steps to automate its business process, data management, accounts etc. to reflect Real Time On-Line Banking through straight processing (STP) and Temenos-24, a world class banking solution has already been implemented in 42 branches.

Janata Bank has adopted sufficient measures to protect the safety and security of information and communication platform from unauthorized access, modification, virus, disclosure and destruction in order to ensure business continuity, data safety and security thereby protecting customers' interest at large.

G.2 IT Audit JBL

has introduced IT audit system, conducting jointly with audit people and IT professional, to ensure more safety and security of banking assets as per the Bangladesh Bank guidelines. The IT audit team is preparing to conduct IT audit in all branches, phase by phase, on a periodic basis and providing suggestions to higher management. IT division also organizing various IT related training programs and IT inspection to make sure that employees are aware of IT risk related issues and comply with the IT policies properly.

H. Environmental Risk Management (ERM)

Environmental risk is a actual or potential threat of adverse effects on living organisms and environment by effluents, emissions, wastes, resource depletion, etc., arising out of an organization's activities. It is a facilitating element of credit risk arising from environmental issues. These increase risks as they bring an element of uncertainty or possibility of loss in the context of a financing transaction.

JBL has formulated a Environment Risk Management Guidelines with the purpose of understanding and managing the risks that arise from environmental concerns. It is introduced in general and sector specific environmental due diligence checklists covering poultry, dairy,

cement, chemicals, pesticides, pharmaceuticals, engineering, housing, pulp & paper, sugar, tannery, textiles & apparels, ship breaking etc. All projects in the said sectors will be rated as high, moderate and low using EDD check list to assess and mitigate social & ethical risks.

I. Strategic Risk Management

Strategic risk is the current or prospective risk relate to earnings and capital that arises from adverse business decisions, improper implementation of decisions or lack of responsiveness to changes in the business environment both internal and external. This risk is a function of the compatibility of a bank's strategic goal, the business strategies developed and resources employed to achieve strategic goal and the quality of implementation of that goal. Sources of strategic risk may be in both external and internal.

External Sources: includes competition, changes of target customer group, technological changes, economic factors and regulations.

Internal sources: includes organizational structure, work process and procedures, personnel, information and technology.

JBL formulates 3-5 years strategic plan, clear and consistent with goal to indentify, measure and mitigate the strategic risks.

J. Compliance Risk

Compliance risk is the current or prospective risk to earnings and capital arising from violations or non-compliance with laws, rules, regulations, agreements, prescribed practices, or ethical standards, as well as from the possibility of incorrect interpretation of effective laws or regulations.

J.1 Identification, Measurement and Monitoring of Compliance Risk

To identify, measure and monitor compliance risk, JBL has taken the following steps:

Identifying the source of compliance risk inherent in all existing or new rules, procedures, internal processes, activities, contracts and court cases.

Maintaining standard process and checklists to identify the strengths and weaknesses of the compliance risk environment.

Analyzing the risk indicator like statistics or matrices that include the volume and/or frequency of law violations, frequency of complains, fines and court expenses, unfavorable court verdicts

or number of finalized court cases on a periodical basis and frequency of actual or suspected fraud or money laundering activities.

Conducting regular legal reviews on different bank's products and services and their relevant documentation in order to ensure that all contracts are in conformity with laws and regulations.

K. Capital Management Risk

JBL is committed to maintain a strong capital base to support business growth, ensuring compliance with all regulatory requirements, obtaining good credit rating and CAMELS rating and having a cushion to absorb any unexpected shocks arising from credit, operational and market risks.

The bank has formulated a five years capital plan considering the following:

Increasing Tier 1 and Tier 2 capital;

Keeping sufficient cushion to absorb unexpected losses;

Keeping sufficient capital to cover the risks associated with its activities;

Maintaining a process to compare available capital with current and projected solvency needs and address deficiencies in a timely manner.

Meeting regulatory requirements.

The bank also has a business plan for next three years consistent with capital requirement, business growth, improvement of credit and CAMELS rating.

3.4 Risk Management Striking Force of JBL

Experienced executives and skilled officers of Risk Management Department (RMD) are the main striking force for entire risk management activities of the bank. Addressing of key risks, assessment of risk appetite, risk rating and measurement, risk reporting to higher management and Bangladesh Bank, application of risk mitigation techniques, risk management policy formulation, bank's credit rating, counterparty rating etc. are done by this striking force. By constant endeavor and restless efforts of RMD, JBL manages to mitigate risks inherent its business operations which ultimately leads to achieve the set goals

Chapter-4

Corporate Governance

4.1 Corporate Governance

Janata Bank commenced its business as Janata Bank Limited on 21st May 2007. As a result, the bank enjoys the status of a corporate entity. Corporate governance policies and practices of JBL are focused on ensuring proper delegation, transparency and accountability in the organization as a whole. The bank is structured and developed in line with the accepted corporate governance practices and guidelines of Bangladesh Bank and the Bangladesh Securities and Exchange Commission's (BSEC) notifications in this regard. As a 100% state owned bank, it attaches utmost importance clearly speed and well defined corporate governance standards which include among others, compliance, disclosure, transparency.

1.0 BOARD OF DIRECTORS, CHAIRMAN AND CEO

1.1 Policy on appointment of directors:

The members of the board of directors of JBL are appointed pursuant to the provision of the Companies Act-1994, the Bank Company Act-1991 (Amended in 2013) and memorandum and articles of association of the bank. The guidelines of Bangladesh Bank are strictly complied with. All board members are nominated by the government of the people's republic of Bangladesh each holding one qualifying nominal share.

1.1.1 Fit and proper test

(a) Directors are knowledgeable individuals with integrity who are able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business;

(b) Four members of the board are business/corporate leader; one is a bureaucrat; three members are university teachers in economics and business studies/managements; two members are professional chartered accountants who are well conversant in the field of accounting and finance;

(c) They have more than 20(twenty) years of professional experiences;

(d) The chairman of the board is an eminent economist in Bangladesh with PhD degree in Economics, teaching at Dhaka University more than 34 years;

(e) Brief profile of the directors are cited in the earlier pages of the annual report (pages 23-36);

(f) They have never been convicted in any criminal offence or involved in any fraud/forgery, financial crime or other illegal activities;

(g) There is no adverse comments or opinion about them in any report/findings;

(h) They have never been found guilty on violation of directions any of the regulatory authorities relating to financial sector.

1.1.2 Process of appointment

A resume of a person, proposed as a candidate for the office of director, is furnished along with his consent letter for the purpose of section 93 of the Companies Act, 1994 as well as a declaration as per the format that (s)he is not disqualified to become a bank director in accordance with the above mentioned fit and proper test.

The declarations are signed by the concerned persons (candidates) and if selected, these declarations are forwarded to Bangladesh Bank by the chairman of the board of directors.

The directors also sign confidentiality declaration paper as per BRPD circular No. 11/2013.

Laws/regulations in connection with the appointment of directors are fully complied. Director appointment related returns Form-XII, Form-IX etc are regularly filed with the Registrar of Joint Stock Companies and Firms. Certified copies of the forms are submitted to Bangladesh Securities and Exchange Commission. Details of the appointed directors are sent to Bangladesh Bank through their web portal on quarterly basis. Particulars of the directors are sent to all bank companies and financial institutions and published in the website of the bank. Particulars of the board of directors of other bank companies and financial institutions are also preserved regularly at JBL.

1.2 Board size

As on 31 December 2013, the board was consisted of 12(twelve) members excluding the Managing Director. The number of board members is within the limit set by the Bank Company Act-1991 (Amended in 2013), Bangladesh Bank and the articles of association of the bank and Bangladesh Securities and Exchange Commission notification No. SEC/ CMRRCD/2006-158/134/Admin/44, dated 07 August 2012.

All directors of JBL are non-executive directors except the Managing Director.

1.2.1 Chairman of the board and chief executive officer

The positions of the chairman of the board and the chief executive officer of the companies are filled by different individuals. The chairman of the bank is nominated by the Government and duly approved by the board. BRPD circular No. 11 dated 27 October 2013 and articles of association of the bank have clearly defined roles and authorities of the chairman and the CEO which are also approved by the board.

1.2.2 Independent director

All the members of the board are nominated by the Government and are professionally experienced. Brief profiles of the independent directors are given in pages 22-36. As per notification of Bangladesh Securities and Exchange Commission guidelines, all of them are justifiably considered as independent director. Because

- a) They hold less than one percent (1%) shares of the total paid up shares of the company;
- b) They are not sponsors of the company and are not connected with the company's any shareholder who holds one percent (1%) or more shares of the total paid up shares of the company on the basis of family relationship;
- c) Their family members also do not hold above mentioned shares in the company.

1.2.3 Independence of board members

The board members are able to exercise independence in expressing their views and opinions freely. The directors cannot have any relationship or involvement with the bank management or maintain any sort of communication. They however, actively take part in deliberations in board meetings on various issues. However, in case of note of dissent, a director may record it in the minutes of the board meeting and/or bring it to the notice of Bangladesh Bank considering its merit. But, no such case raised in 2013.

1.3 Responsibilities and authorities of the board of directors

1.3.1 Work-planning and strategic management

- a) The board determines the broad objectives and goals; and to this end, chalk out strategies, guidelines and work-plans on annual basis. It especially engages itself in the affairs of making strategies consistent with the determined objectives and goals and in the issues relating to structural change and reorganization for enhancement of institutional efficiency and other relevant policy matters. It analyzes/monitors at quarterly rests the development of implementation of the work-plans.

b) The board has its analytical review incorporated in the annual report as regard the success/limitations in achieving the business and other targets as set out in its annual work-plan and appraises the shareholders of its opinions/recommendations on future plans and strategies. It sets the Key Performance Indicators (KPIs) for the CEO and other senior executives and evaluates these time to time.

1.3.2 Lending and risk management

a) The policies, strategies, procedures etc. in respect of appraisal of loan/investment proposals, sanction, disbursement, recovery, rescheduling and write-off thereof are made with the board's approval under the purview of the existing laws, rules and regulations. The board specifically delegates, distributes the power of sanction of loan/investment to the CEO and executives. No director, however, interferes directly or indirectly in the process of loan approval and other decisions.

b) The board frames policies for risk management and oversees its compliance and monitors at quarterly intervals the compliance thereof.

1.3.3 Internal control management

The board is vigilant on the internal control system of the bank in order to attain and maintain satisfactory qualitative standard of its loan/investment portfolio. It reviews quarterly the reports submitted by its audit committee regarding compliance of recommendations made in internal and external audit reports and the Bangladesh Bank inspection reports.

1.3.4 Human resources management and development

a) Policies relating to recruitment, promotion, transfer, disciplinary and punitive measures, human resources development etc. and service rules are framed and approved by the board. But the chairman or the directors in no way to involve themselves or interfere with or exert influence over any administrative affairs including recruitment, promotion, transfer and disciplinary measures as executed under the set service rules. No member of the board of directors is included in the selection committees for recruitment and promotion to different levels. Recruitment and promotion to the immediate two tiers below the CEO, however, is approved by the board. Such recruitment and promotion are effected complying with the service rules i.e., policies for recruitment and promotion.

b) The board focuses its special attention on the development of skills of bank's staff in different fields of its business activities including judicious appraisal of loan/investment proposals and on the adoption of modern electronic and information technologies and the

introduction of effective management information system (MIS). The board gets these programs incorporated in its annual work-plans.

c) JBL has adopted code of ethics which are strictly followed by every level of employees of the bank. The board of directors established high level of ethical standards to develop compliance culture for the bank.

1.3.5 Financial management

a) The annual budget and the statutory financial statements are prepared with the approval of the board. It reviews/monitors at quarterly rests the positions in respect of bank's income, expenditure, liquidity, non-performing asset, capital base and adequacy, maintenance of loan loss provision and steps taken for recovery of defaulted loans including legal measures.

b) The board approves the policies and procedures for bank's purchase and procurement activities and accordingly approves the delegation of power for making such expenditures. The maximum possible delegation of such power is vest with the CEO and his subordinates. The decision on matters relating to infrastructure development and purchase of land, building, vehicles etc. for the purpose of bank's business are, however, adopted with the approval of the board.

c) The board reviews the formation of asset liability committee (ALCO) and its functions which are to be done as per guidelines by Bangladesh Bank.

1.3.6 Appointment of CEO and Managing Director

The board appoints an honest, efficient, experienced and competent Chief Executive Officer (CEO) for the bank with the approval of the Bangladesh Bank to strengthen the financial foundation of bank its sound performance and with trust of customers.

1.3.7 Superior responsibilities

The board follows instructions given by the regulatory authorities properly and timely and confirms the compliance of the same.

1.3.8 Formation of supporting committees

The board forms an executive committee, an audit committee and a risk management committee. There is no committee or sub-committee of the board other than the executive committee, the audit committee and the risk management committee.

1.4 Directors' report to shareholders

The directors report of JBL included all statements regarding section 1.5 of Bangladesh Securities and Exchange Commission notification No. SEC/CMRRCD/2006-158/ 134/Admin/44, dated 07 August 2012 in the directors' report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994)

1.5 Responsibilities of the chairman of the board of directors

(a) As the chairman of the board of directors (or chairman of any committee formed by the board or any director) does not personally possess the jurisdiction to apply executive authority, he does not participate in, or interfere with the administrative or operational and routine affairs of the bank.

(b) The chairman conducts on-site inspection of any bank-branch or financing activities under the purview of the oversight responsibilities of the board. He calls for information relating to bank's operation or asks for investigation into such affairs; he submits such information or investigation report to the meeting of the board or the executive committee and if deemed necessary, with the approval of the board, he effects necessary action thereon in accordance with the set rules through the CEO.

(c) The chairman is provided with an office-room, a personal secretary, a telephone at the office and a vehicle to use within the country.

1.6 Responsibilities and authorities of the CEO and Managing Director

The CEO and Managing Director of the bank, discharges the responsibilities and effects the authorities as follows:

(a) The CEO and MD ensures compliance of the Bank Companies Act, 1991 (Amended in 2013) and/or other relevant laws and regulations in discharge of routine functions of the bank.

(b) He submits information on violation of any law, rules, regulation including the Bank Company Act, 1991(Amended in 2013) while presenting memos before the board or the committee formed by the board.

(c) He provides all information to Bangladesh Bank on the violation of the Banking Company Act, 1991 (Amended in 2013) and/or any other laws, rules and regulations.

(d) The recruitment and promotion of all staff of the bank except those in the two tiers below him is rest on the CEO and MD. He acts in such cases in accordance with the approved service rules on the basis of the human resources policy and sanctioned manpower strength approved

by the board. The authority relating to transfer and disciplinary measures against the employees, except those at one tier below the CEO and MD, delegated to him, which he applies in accordance with the approved service rules. Besides, under the purview of the human resources policy as approved by the board, he nominates officers for training etc.

1.7 Appointment of chief financial officer (CFO), head of internal audit and company secretary (CS)

The bank appointed a chief financial officer (CFO), a head of internal audit (internal control and compliance) and a company secretary (CS). The board of directors has defined clearly the roles, responsibilities and duties of the CFO, the head of internal audit and the company secretary.

1.8 Attendance of CFO and company secretary

The CFO and the company secretary of the company attend the meetings of the board of directors, provided that the CFO and/or the company secretary have not attended such part of a meeting of the board of directors which involves consideration of an agenda item relating to their personal matters.

1.9 Annual appraisal of the board's performance

In every board meetings, the directors attend and actively participate in the various agenda. The performance of the board is also appraised in various ways like submission of the performance of the bank in the board meeting periodically, preparation and monitoring of budget, placing implementation status of the board's decisions, transacting business issues which are within its power and placing implementation status of Bangladesh Bank's observations on various issues. Furthermore, the performance report of the committees formed by the board is also placed in the board through which the performances of the board members are regularly evaluated.

1.10 Annual evaluation of the CEO & Managing Director by the board

The board has a policy of annual evaluation of the CEO & Managing Director. Additionally, the performance evaluation of the CEO is conducted by the board through various reports like performance report of the bank, taking status of various assignments given by the board to the CEO and the management, taking implementation status of budget, operational results etc.

1.11 Policy on training of directors

Up-to-date circulars and guidelines of Bangladesh Bank, Bangladesh Securities and Exchange Commission and Ministry of Finance are placed before board meeting. All important circulars and guidelines are collected and supplied to the directors on yearly basis.

1.12 Number of board meetings

In 2013, 51(fifty one) board meetings were held. A detailed statement showing number of board meetings held and status of participation of the directors is given in page 96.

1.13 Directors' report on compliance with best practice on corporate governance

Status of compliance of corporate governance checklist is included in the directors' report which is fully certified by Ahmed Zaker & Co. Chartered Accountants (pages 99-104).

1.14 Accountability, audit and financial reporting

The board undertakes responsibilities for preparing and presenting a balanced and comprehensive assessment of the bank's operations at the end of each financial year through annual financial statements and annual report and quarterly and half yearly announcement of results of the bank to the shareholders. The audit committee of the board assists in this respect by scrutinizing the information to be disclosed, and to ensure accuracy, adequacy, transparency and completeness.

2.0 VISION, MISSION AND STRATEGY

The vision and mission of the bank are approved by the board. These are disclosed in the earlier annual report, bank's website and other publications. „

Business objectives are focused and the areas of businesses are set out to attain vision, mission and strategic objectives. „

3.0 COMMITTEES OF BOARD OF DIRECTORS

3.1 Executive Committee (EC)

For quick decision on urgent matters and execution of routine work in between the board meeting an executive committee has been formed with directors as per the BRPD circular No. 11 dated 27 October 2013. Executive committee is entrusted with the responsibilities of decisions as authorized by the board within the norms set by Bangladesh Bank.

The executive committee of JBL comprises of 4(four) members of the board. They are appointed for 3 years. The chairman of JBL and company secretary acts as the chairman and secretary to the committee respectively.

The members of the committee are professionally experienced, honest and responsible. They devote enough time for meeting purpose. They have good knowledge in banking business, risk issues in banking, and trade and commerce.

3.1.1 Roles and responsibilities of executive committee

The EC of JBL exercises all the powers of the board except those specifically given to the board by the Bank Company Act, 1991 (Amended in 2013) or other law and regulations.

Entrusted power by the board, the executive committee makes decision on the following matters

- a) Renewal of loan limit of good borrowers;
- b) Transfer/rent increase/redecoration of branch;
- c) Power of attorney;
- d) Visiting foreign countries;
- e) Application for receiving higher education;
- f) Special increment for experienced and exceptionally talented officers;
- g) 100% unrealized and late interest exemption;
- h) Emergency opening of LC or LG;
- i) Appeal of executive/officers/staff on disciplinary action taken against them and
- j) Making instant decision on the instruction of Ministry of Finance and Bangladesh Bank. The proceedings of all meetings of the executive committee are submitted to the board for ratification.

3.1.2 Number of meeting of executive committee

5(five) meetings of the executive committee were held in 2013.

3.2 Audit Committee

- a) JBL has an audit committee as a sub-committee of the board of directors.
- b) The audit committee is responsible to the board of directors. The duties of the audit committee are clearly set forth in writing.
- c) The audit committee assists the board of directors in ensuring internal control system. It also certifies that the financial statements reflect true and fair view of the state of affairs of the company. It issues guidelines for ensuring a good monitoring system within the business.

Audit committee of the bank strictly observes the terms of references issued by Bangladesh Bank

BRPD circular No. 11, dated 27 October 2013 as well as Bangladesh Securities and Exchange Commission notification No. SEC/ CMRRCD/ 2006-158/ 134/Admin/ 44, dated 07 August 2012.

JBL formed audit committee to complete the overall reviewing responsibilities of the board to implement approved strategies and work-plans for the purpose of performing the activities of the bank in a perfect manner. AC reviews/discusses audited and other financial statements release process, internal control system, audit method, the compliance status of existing laws and other instructions given by the controlling authorities and own business rules and regulations.

3.2.1 Composition

- a) Audit committee comprises of 4(four) non-executive director of the bank.
- b) All members of the committee are independent directors.
- c) No member of the audit committee is a member of the executive committee.
- d) They are appointed for three years by the board.
- e) The company secretary acts as the secretary to the committee.
- f) The quorum of the audit committee meeting is at least 2(two) directors.

3.2.2 Chairman of the audit committee

The board of directors selects 1(one) member of the audit committee to be chairman of the audit committee who is an independent director.

3.2.3 Eligibilities of the committee members

- a) The members are honest, competent and highly professional;
- b) They are well aware of about the roles and responsibilities of the committee. They also experienced in banking business, different risks involved in this business and relevant rules and regulations.
- c) The chairman of the committee is a professional accountant with 30 years experience, fellow ICAB, having Ph.D, a former president of the highest accounting body of the country, the ICAB. One member of the committee is a economic columnist, part-time teacher of management department, Dhaka University, having Ph.D degree with 43 years experience while other is a renowned businessman with 27 years experience having MS degree on Industrial Psychology from Dhaka University and another member is a professor of Dhaka School of Economics, having Ph.D degree from University of Philippines with 32 years experience.

3.2.4 Roles and authorities of the committee

a) Reviewing of internal control

1. Audit committee evaluates the compliance culture status of the management's internal control system and the instructions given to the employees about their duties and responsibilities.
2. It reviews the steps taken by management to create a perfect management information system including bank automation system and its uses.
3. AC considers the compliance status by the management on recommendations on internal control strategies or structure by the internal and external auditors.
4. It reviews the internal, external or controlling authorities' inspection report on identification of fraud-forgery, internal control weakness or related field and rectifying steps taken by the management and informs the board regularly in this regard.

b) Preparation and publication of financial statements

1. The committee reviewed and examined the financial statements of 2013 of the bank to see whether all the disclosures and information have been incorporated in the financial statements properly and whether the bank followed international financial reporting standards (IFRS) adopted as Bangladesh Financial Reporting Standards (BFRS) by the Institute of Chartered Accountants of Bangladesh, the Bank Company Act- 1991, the Companies Act-1994, the Securities and Exchange Rule 1987 and other laws and rules applicable in Bangladesh.

2. Before finalization of the financial statements, the committee met with the external auditors as well as management and discussed various issues relating to financial statements for the year 2013.

c) Internal audit

1. AC evaluates the independence status of internal audit from management;
2. It reviews the internal audit activities and organizational structure to confirm removal of all hindrances/ limitations/deficiencies;
3. The committee assess the efficiency and effectiveness of the internal audit;
4. It also assess the consideration of management on observations/recommendations given by the internal auditor after any irregularities detected by them.

d) External audit

1. The committee reviewed the audit activities and audit report prepared by the external auditors;
2. It also assessed the response of management to the observations/recommendations given by the internal auditor after any irregularities identified by them.
3. Every year the audit committee recommends appointment/reappointment of external auditors
4. It also reviewed the progress of audit from time to time;
5. The committee ensures that the external auditors perform the audit with due independence;
6. The committee reviews findings of external auditors, action taken on each items and necessary instructions given to the management on the findings of the auditors.
7. Non-audit work: During 2013, external auditors were not assigned any work except statutory audit.

e) Compliance of existing laws, rules and regulations

Audit committee reviewed the compliance status on existing laws, rules and regulation, instructions of the controlling authorities including Bangladesh Bank as well as the rules and regulation or policies approved by the board.

f) Miscellaneous

1. Audit committee places compliance report to the board on quarterly basis on rectification of fraud-forgery, internal control weakness or other irregularities identified by the internal auditors, external auditors or Bangladesh Bank inspection team;
2. The committee asks for the evaluation report about concerned subject from internal and external auditors;
3. It evaluates its own efficiency and other follow up functions instructed by the board;
4. The committee reviews the self-assessed anti-fraud control report and send to Bangladesh Bank which is jointly signed by AC chairman and CEO & Managing Director.

3.2.5 Reporting of the audit committee

a) Reporting to the board of directors

- (i) The audit committee reports on its activities to the board of directors.
- (ii) The audit committee immediately reports to the board of directors on the following findings, if any:- -report on conflicts of interests; -suspected or presumed fraud or irregularity or material defect in the internal control system; -suspected infringement of laws, including securities related laws, rules and regulations; -any other matter which is required to be disclosed to the board of directors immediately.

b) Reporting to the authorities and the shareholders

If the audit committee reports to the board of directors about anything which has material impact on the financial condition and results of operation and has discussed with the board of directors and the management that any rectification is necessary and if the audit committee finds that such rectification has been unreasonably ignored, the audit committee reports such finding to the BSEC, upon reporting of such matters to the board of directors for three times or completion of a period of 6(six) months from the date of first reporting to the board of directors, whichever is earlier. There was no such case in 2013.

3.2.6 Meeting of the committee

- a) In 2013, twenty two(22) meetings were held by the committee.
- b) The meeting agenda with the memorandums are supplied well ahead of meeting date.
- c) All recommendations and observations of the committee are minuted.

3.2.7 Head of internal audit's access to audit committee

Head of internal control and compliance has direct access to the audit committee and he attends the audit committee meetings regularly.

3.3 Risk management committee

The risk management committee of the bank has been formed by the board of directors comprising the members of the board as per the Bank Company Act, 1991 (Amended in 2013) and BRPD circular No. 11/2013.

Risk management committee reviews the identification of the credit risk, foreign exchange risk, internal control and compliance risk, money laundering risk, information and technology risk, operational risk, interest risk, liquidity risk, green banking policy and other risk-related activities; and measurement of the same and necessary steps to mitigate the risks taken by the management.

RMC comprise of 4(four) directors. The members are honest and competent; and they have adequate knowledge on banking business and different risks involved in this business.

3.3.1 Roles and responsibilities of the committee

a) Identification and controlling strategies of risks: „

The committee identifies risk involved in different aspects in banking business and makes necessary strategies and recommends the way to minimize such risks. „

RMC reviews the risk management policy and oversees if correcting steps have been taken. „

It selects the best existing method for risk management.

b) Preparation of organization structure:

RMC suggests the best organization structure to control banking risks. It follows-up the function of the management level committees to compliance status of all guidelines on credit risk, foreign exchange risk, internal control and compliance risk, money laundering risk, information and technology risk, operational risk, interest risk, liquidity risk etc.

c) Reviewing and resolving of risk management policy

RMC reviews the risk management policy and guidelines; loan approval limit and other financial or other limits at least once in a year and if needed, makes necessary corrections and takes initiatives to get approval of the board.

d) Information/documents preservation and reporting

RMC diligently observes the information/ documents preservation and reporting method of management of the bank and assesses the implication of the method accurately. The proceedings of the meetings are properly minuted and submitted in board meetings.

e) Follow-up the implementation of risk management policy as a whole

RMC follows-up the best implementation of risk management policy of the bank as a whole. It also follows-up the mitigating steps of credit risk, market risk and many other risks.

f) Miscellaneous

1. RMC informs the decisions and recommendations to the board on quarterly basis.
2. The committee takes care on instructions given by the controlling authorities for the time being.
3. The committee seeks complied with evaluation report about concerned subject from internal and external auditors

3.3.2 Meeting of the committee

- a) In 2013, one meeting was held by the committee
- b) The meeting agenda with the memorandums are supplied well head of meeting date.
- c) All recommendations and observations of the committee minuted.

Chapter-5

Corporate Social Responsibility

5.1 Corporate Social Responsibility (CSR)

Corporate Social Responsibility (CSR) has become a key initiative and an essential tool in the development of the third world countries throughout the globe. Primarily CSR starts with the consideration of social implications by any body corporate, which ultimately reflects through its initiatives towards the betterment of the disadvantaged people of a society. As a stakeholder of the society, the Bank is keen to augment CSR activities gradually for building a better society and cleaner environment beyond its financial commitments and regulatory obligations. Considering importance of CSR, Bangladesh Bank since June 2008 officially started encouraging towards mainstreaming CSR in banks and financial institutions of Bangladesh.

As we all know, United Nations has set eight goals (popularly known as Millennium Development Goals; such as eradicating extreme poverty and hunger, achieving universal primary education, promoting gender equality & empowering women, reducing child mortality, improving maternal health, combating HIV/AIDS, malaria and other diseases, ensuring environmental sustainability and developing a global partnership for development) in its millennium summit held at the UN Head Quarters, New York, USA in 2000 and Bangladesh is one of the signatories to achieve those goals by 2015. Keeping these in mind, the bank has aligned the CSR activities partially with those goals. The following table projects the year and category-wise contribution under CSR Programme.

(BDT in Million)

Category	Year wise Contribution					Total
	2009	2010	2011	2012	2013	
Education & Research	5.54	6.77	12.41	28.32	79.53	132.57
Health & Treatment	4.18	15.99	21.89	34.78	38.06	11.9
Poverty Reduction & Rehabilitation	1.8	14.37	5.24	13.06	94.38	128.85
Subsidy against interest , free loan disbursed to the poor, marginal farmers		11.1	7.5	5	10	33.6
History, Culture & Tradition	2.85	9.64	12.58	12.86	39.76	77.69
Information Technology	0.2	2.92	6.58	14.58	20.31	4.59
Natural Calamity	2.5	0	0.33	0.07	2.39	529
Miscellaneous		0.49	2.27	4.71	7.85	15.32
Total Contribution	17.01	61.28	68.8	113.38	292.28	552.1
Total Beneficiary	73	528	1844	3211	3995	9651

5.2 Working Area

To prioritize the development and rehabilitation of the people of poverty afflicted areas the following things are considered:

1. Providing financial help to the people who are physically disabled, deprived and lagged behind.
2. Providing financial help to the people who are affected by natural calamity.
3. Providing scholarship to the students who are meritorious but poor.
4. Poverty reduction.
5. Human resource development.
6. Expansion of education.
7. Expansion of the area of health and treatment
8. Expansion of history, culture, tradition, sports, protection of environment, uphold the spirit of liberation war, enhancement of public awareness etc.

5.3 Sectors of CSR

For bringing dynamism in CSR activities and including the most part of the deprived people, the total activities have been categorized and sub-categorized in the following ways:

1. Education & Research

Education is the backbone of a nation and it enlightens people and society. So, for an enlightened Bangladesh, JBL in light with the vision, puts immense priority on education. It extends support to the exceptionally meritorious and intellectual students. Considering the benediction of education in national progress and development of human resource, the main allocation of CSR budget has been targeted to the development of education, which gets lion's share as 30% of the total budget in the respective year. The 30% budget for education is channeled to boost scientific education. In this case, the people of the deprived areas and issues of freedom fighters get preference and priority is given to the educational institutions which are –

A. Established in comparatively deprived areas

B. Showing outstanding result

C. Run by self-initiative

Besides, financial help by the bank is also extended in case of presentation of research papers in foreign countries, different types of seminars, conferences, convocations run by persons or organizations. Here is a break-down of the year-wise Contribution under the category-

Year	Contribution
2009	5.54
2010	6.77
2011	12.41
2012	28.32
2013	79.53

2. Health & Treatment

JBL sets top priority on health initiatives as health related issues come thrice in the eight Millennium Development Goals (MDGs) that have been taken by the United Nations.

A. Assistance to Health & Treatment

i) Infra-structure development: For infra-structure development of the govt and non-govt. hospitals Janata Bank provides assistance in buying equipments.

B. Individually or in cooperation with other organizations

i). Freedom-Fighters Family: Emphasis is given on the treatment of sick, poverty-stricken freedom-fighters and their families.

ii). Others: Financial assistance is extended to those applied for help. Besides, famous persons those who feel shy to disclose their financial crisis even in time of treatment, Janata Bank takes initiatives to find them out and take necessary steps.

Year	Contribution
2009	4.18
2010	15.99
2011	21.89
2012	34.78
2013	38.06

5.4 Poverty reduction & rehabilitation

Being a socially responsible bank, JBL comes forward for humanitarian cause with passion and affection. For poverty reduction & rehabilitation Janata Bank Limited individually and in co-operation with other private or volunteer organizations provides financial support. In this case, priority is given on the following categories:

a. Freedom Fighters' family: The people who were in liberation war or later on became homeless, helpless & poverty-afflicted and deprived of even fundamental needs are prioritized to be rehabilitated.

b. Others: Disabled and poor section of the population is helped financially directly or with any volunteer NGO or organization.

With a view to focusing on the targeted people for poverty reduction as well as rehabilitation, financial help are being provided to them to buy sewing machines, rickshaw/van, boats and conducting of hawking business etc.

Year	Contribution
2009	1.80
2010	14.37
2011	5.24
2012	13.06
2013	94.04

5.5 Combat against natural calamity

Under the programme, Janata Bank Limited stretches its helping hand to the people who are affected by flood, cyclone, earth-quake, winter, fire etc. In this respect, year-wise contribution of the bank is as follows:

Year	Contribution
2009	2.50
2010	0
2011	0.33
2012	0.07
2013	2.39

5.6 A try to bring the marginal agriculturists and the poor out of the grip of loan

The number of population affected by Sidr, Aila and Monga of the northern belt of the country has been brought under rehabilitation program. In this case, interest of the loans and other expenses will be adjusted from CSR fund. The quintessence of the scheme is to make the deprived population free from the high interest charged by the Mohajons and NGOs, with a view to making them self-depended gradually.

Likewise, assistance is provided from the CSR fund of the bank for the small leather goods producers in a healthy atmosphere for producing quality products.

Not only that, any type of production function having similarity with the following endeavour will be endowed with the support from the CSR fund. The following table depicts the contribution in this sector according to year.

Year	Contribution
2009	0
2010	11.1
2011	7.5
2012	5.0
2013	10.00

5.7 Preservation of history-tradition, culture and sports

Art and culture is the identity of a country. It refines human soul and defines intellect and creativity of a society. This is why JBL promotes and nurtures art, culture and heritage of the country. The great history evolved from the liberation of the country revolves round the war of liberation. It will be more inspiring if the concept of the liberation is invested in the flourishment of JBL culture.

For the purpose of building a tyranny-free society and flourishment of culture with the concept of liberation war, preservation of primitive history with archaeological places, expansion of sports, Janata Bank CSR fund is on the move.

Besides, the financial assistance for arranging programmes for celebration of different Red Letter Days having the enzyme of nation-building, the CSR fund of the Bank loves to leave a footstep. Above all, according to the instruction of Bangladesh Bank, Janata Bank is inspiring

publishing books and making of films/advertisement on anti-terrorism (Jongibad). The table cited below focuses on the contribution according to year

Year	Contribution
2009	2.85
2010	9.64
2011	12.58
2012	12.86
2013	39.76

5.8 Preservation of environment

Global warming i.e. environment pollution is now-a-days a striking problem. Existence of civilization i.e. for sustainable development, preservation of environment and establishing a wave of mob-sense has become an urgent need. Any environment related organization that takes the effort of preserving the environment, the bank stays by their side. Besides, in the field of tree plantation, green-belts, sanitation, and pure drinking water etc. the bank provides assistance. Preference is given on uses of technology, solar energy etc for promoting green banking.

5.9 Expansion of technology

For building technology based skilled human resource, the bank allocates handsome amount of money. Computer is one of the equipments of modern technology. For building the “Digital Bangladesh” outlined by the government, full set of computers are being provided to govt./ non-govt./ educational institutions, non-profitable organizations against their applications.

Year	Contribution
2009	0.20
2010	2.92
2011	6.58
2012	14.58
2013	20.31

5.10 Invention

Besides the categories cited, any invention that can influence the development of the nation by the growth of agricultural production, processing environment-friendly foods, technology, Janata Bank goes for helping the project financially.

Corporate social responsibility is about the integration of social, environmental and economic considerations into the decision-making structures and processes of business. It is about using innovation to find creative and value-added solutions to societal and environmental challenges and ensuring credibility and trust in society. It is not only about complying with the law in a due diligent way but also taking account of society's needs and finding in a more effective way to satisfy existing and anticipated demands in order to build more sustainable businesses. So, JBL plays a role from its capacity to contribute in achieving Millennium Development Goals (MDG) of United Nations by working on education and environment. Bangladesh Bank's six areas of health & safety, social welfare, disaster management, education & sports, environment & ecology and arts & culture are the guiding principles of on-going CSR initiatives of JBL. JBL also takes into account the extent of benefit to society and number of beneficiaries in undertaking a CSR program. It also considers whether the program aligns with JBL CSR Policy that focuses on environment, education, health, culture and heritage and community development.

JBL being a bank of the people and committed partner in progress, has keen eye on the freedom-fighters and their families who sacrificed their lives for the independent Bangladesh. For this purpose, in 2013 JBL has contributed BDT. 561.00 million for the gallantry-awarded to freedom-fighters. Besides, JBL has contributed remarkable amount in 2013 for the following purposes:

SI	Description	Contribution
1	Cash donation to the PM's relief fund for the victims of Rana Plaza accident at Savar and maintenance of two relief camps for three weeks at Savar.	20.00
2	Donation to the University of Dhaka for establishing a new department named "Department of Oceanology"	19.00
3	Donation to "Proyash", Comilla for running a school for the disabled.	10.00
4	Donation to establish "Muktijuddha Smriti Zadughar" at Segun Bagicha, Dhaka	10.00
5	Donation to Hokey Federation for development of the sector.	9.04
6	Providing a bus for the teachers of the University of Dhaka	6.90
7	Providing a bus for the teachers/doctors of Bongobondhu Medical	6.80

	University, Dhaka.	
8	Providing a bus for the teachers of Jahangir Nagar University.	6.80
9	Providing a bus for the students of Shahjalal Science & Technology University, Sylhet.	3.80
10	Providing a bus for the teachers of Chittagong University.	3.80
11	Providing an ambulance to CRP at Savar	3.80
12	Distribution of blankets among the poor	3.20
13	Donation to Dhaka Ahsania Mission for establishing Cancer Hospital	3.00
14	Donation to Begum Rokeya University in Rangpur for foundation of “Shahid Minar”	2.00
15	Donation for establishing Bondor Badhybhumi Smriti Complex in Chittagong	1.00
16	Providing an ambulance to Kushtia General Hospital.	0.80
17	Donation to Dhaka Shishu Hospital for setting up Thalassemia Centre.	0.70
18	Donation for establishing “Shahid Minar” at Borguna	0.67
19	Donation to Shamima Akhter for artificial leg.	0.65
20	Donation to RAZUK for beautification of Hatirjheel project.	0.50

In the days to come, along with building image of the bank the following are going to be launched in CSR programme-

1. An annual prize named “Environment Friend” for contribution in saving the environment.
2. Establishment of Janata Bank Foundation.
3. Financially help near about 25,000 deprived freedom-fighters.

Chapter-6

SWOT Analysis

6.1 SWOT Analysis of the JBL

SWOT Analysis is an important tool for evaluating the company, its strengths, Weakness, Opportunities and threat. It helps the organization to identify how to evaluate its performance and can the macro environment, which is true would help the organization to navigate in the turbulence of competition. Following is given the SWOT analyses of Janata Bank Limited:

6.2 Strengths:

1. JB has strong non-interest earning Base
2. Wide Branch Network among the 3rd generation Bank
3. Low infection in loan exposure
4. Wide product line

6.3 Weaknesses:

1. It has high cost of fund
2. It has highly dependency on term of deposit
3. It has excessive dependency on term of deposit
4. Inadequate delegation of power
5. Inadequate IT infrastructure

6.4 Opportunities:

1. It has credit card business
2. It has scope of market penetration through diversified product and wide banking network
3. It has regulatory environment favoring private sector development

6.5 Threats:

1. It has increasing competition for the market for public deposit.
2. Market share for lowering interest rate
3. Deteriorated export, import and guarantee business due to indecent competition as well as economic slump.

Chapter-7

Findings, Recommendations & conclusion

7.1 Findings

1. The intranet site should be a resource center providing information on the Corporate Risk Policy, risk management principles, procedures and practices, while linking risks to departmental priorities and to its existing planning and reporting processes.
2. *There is evidence of risk considerations in strategic planning. Risk information is embedded in the organization's key planning and performance reports.*
3. limiting the liability of top management and directors by carefully articulating the decision making process;
4. Rationalizing the management and constant monitoring of risk that a firm faces globally;
5. Improving knowledge of CSR and facilitating the exchange of experience and good practice increasing the transparency of CSR practices and tools;
6. Examining the development aspects of CSR.

7.2 Recommendations

1. The department should develop appropriate tools to support staff in understanding and implementing integrated risk management at both the corporate and activity level.
2. The department should modify its existing reporting processes to include an analysis on how all its existing activities are mitigating the key risks identified in the Corporate Risk Profile.
3. Communication and interaction by the company with its investors and other stakeholders
4. Communication aims at ensuring that all shareholders regularly receive the same information.
5. The insight of the board of directors into the dialogue may possibly be established through participation in investor meetings or reporting from such meetings, or through regular reporting from the executive board.
6. Corporate Social Responsibility, or CSR, is a movement within the business world that advocates a larger ethical and social role for corporations. Boards of directors structure corporations to maximize profits for their shareholders, and as a result, according to advocates of CSR, they frequently exploit or neglect the larger community and the natural environment. People who make CSR guidelines design them to amend this problem and to transform large companies into productive corporate citizens who contribute in positive ways to the community

7.3 Conclusion

Banks have their own unique strategy, which leads to their objectives. Some wishes to grow faster and achieve some long range growth. On the other hand some banks want to lead a quite life minimizing risk and convey an image of a sound bank. JBL is pretty new in its operation. Even though the financial analysis on the banks performance seems the banks doing very well in the banking industry of Bangladesh, and has prosperous future.

JBL has established goodwill through innovative products and services. Technology development has opened up a new dimension in the development of creative products, efficient services and customer satisfaction. The bank must cope with this technological advancement its present status.

Though there are some drawbacks in some sectors of Janata Bank Ltd., still modern banking technology and employee and employer sincerity may lead to increased profit. The progress of JBL in Bangladesh is depended on the environment, structure, special features offered by the bank, rapid increase of deposit, investment, profit, dividend on behalf of short time, the public respond over the bank.

The aim of the internship program is to gain knowledge of practical banking and to compare this practical knowledge with theoretical knowledge. During the 3 month internship program, it is not possible to go to the depth or each activities of division because of time limitation. So, objectives of internship program have not been fulfilled with complete satisfaction. However, highest effort has been given to achieve the objectives of internship program. I think this report may show a guideline to JBL for its future planning and its successful operation to achieve its goal in the competitive environment.

Chapter-8

Appended part

8.1 Bibliography

Khan, Dr. Akbar Ali (2009), Ethics in Banking, Dhaka: Bangladesh Institute of bank Management.

Banking Theory & Practice, K.C. Sharkar

Managerial and Cost Accounting, Larry M. Walther , Christopher J. Skousen

Advanced Cost Accounting J. K. Mitra

8.2 Appendices:

Appendix-01

Publications:

Annual Report 2013 Janata Bank Limited

Different type of brochures of JBL

Articles of JBL

<http://www.janatabank-bd.com/>

<http://www.bangladesh-bank.org/>