

**An Internship Report**  
**on**  
**Loan and Advances of Jamuna Bank Limited**  
**(A Study at Uttara Branch)**

***Prepared By***

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Major: Finance

Program: MBA

Daffodil International University



**Date of Submission: November 23, 2017**

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***Supervised By***

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# Letter of Transmittal

November 23, 2018

Educator Dr. Md. Abul Hossain

Facilitator (MBA Program), Uttara Grounds

Division of Business Organization

Workforce of Business and Enterprise

Daffodil International University

Subject: Accommodation of temporary job write about "An Entry level position Investigate Advance and Advances of Jamuna Bank Ltd-An Examination at Uttara Branch"

Dear Sir,

With due regard, I might want to advise you that I have arranged my entry level position cover "A Temporary job Give an account of Credit and Advances of Jamuna Bank Ltd-An Examination at Uttara Branch" under your caring supervision. In this report, I have attempted to give my best exertion in consistence with the ideal standard under your guidance. Because of you for the push to guarantee fruitful coordination of the report and the direction you have given.

I, truly, trust that you will discover the report attractive and I will be most obliged to clear up and shield my report.

Much obliged to you for your caring supervision.

Yours genuinely,

*Shahana Akter Shimu 23/11/2018*  
(Shahana Akter Shimu)

ID: 171-14-729

Real: Fund

Program: MBA


Branch of Business Organization

Daffodil International University

## Disclaimer

I am Shahana Akter Shimu, therefore announce that the introduced report of entry level position entitled "A Temporary position Provide details regarding Credit and Advances of Jamuna Bank Ltd-An Investigation at Uttara Branch" is exceptionally arranged by me after culmination of three months' work in Jamuna Bank Restricted.

I likewise affirm that, the report arranged just for my scholarly prerequisite not for some other reason. It probably won't be utilized with the enthusiasm of inverse gathering of the association.

  
(Shahana Akter Shimu)

ID: 171-14-729

Significant: Back

Program: MBA

Branch of Business Organization

Daffodil International University

## Letter of Acknowledgment

This is to confirm that Mrs. Shahana Akter Shimu bearing ID no. 171-14-729 understudy of MBA Program, Daffodil Global College, has finished the temporary job report under my watch. He has worked with Jamuna Bank Restricted as an internee and finished the report entitled "A Temporary position Write about Credit and Advances of Jamuna Bank Ltd-An Investigation at Uttara Branch" as a fractional necessity for getting MBA Degree. She has finished the report without anyone else's input. She has been allowed to present the report.

Mrs. Shahana Akter Shimu bears a solid good character and an extremely satisfying obligation. It has in fact been an extraordinary joy working with her. I wish her everything accomplishment throughout everyday life.



(Educator Dr. Md. Abul Hossain)

Facilitator (MBA Program), Uttara Grounds

Branch of Business Organization

Personnel of Business and Enterprise

Daffodil International University

## **Affirmation**

Right off the bat, I might want to pass on my thankfulness to omnipotent Allah for empowering me the quality and chance to finish the report inside the timetable time effectively.

The temporary job examine paper submitted here is executed as a major aspect of my entry level position program. Arrangement of this report gotten help, direction and took important time of my administrator Educator Dr. Md. Abul Hossain, Organizer (MBA Program), Uttara Grounds, Bureau of Business Organization, Staff of Business and Enterprise, Daffodil Worldwide College.

Be that as it may, I am colossally obliged to a few people of Jamuna Bank Ltd. without whose help the report would have been extremely hard to lead. I would accept this open door here to express gratitude toward them for sharing their significant time for long discourse and astute proposal, considerations amid the temporary job program.

At long last, I might want to offer gratitude to my chief Educator Dr. Md. Abul Hossain for him constant help, support, and counsel and for the time he has spent for the refined my report. Without their nonstop help, the report would have been a directionless composition.

# Dynamic

This report is set up as prerequisite of MBA program. This report centers three months working encounters in, Jamuna Bank Restricted, (Uttara Branch), Dhaka. This report will give an unmistakable thought regarding Advances and Advances of Jamuna Bank Constrained.

The principle question of the report is to think about the advance and propels and the system pursued by the bank for authorizing advance. This Bank endeavors to give higher quality administrations if there should arise an occurrence of authorizing the credits and advances. The data of the report has gathered from auxiliary sources like books, distributed reports and site of the Jamuna Bank Restricted. It incorporate wellspring of existing/distributed information, for example, Operational manual, official site, Saving money diaries, Exploration papers and budgetary explanation.

Subsequent to examining information, it was discovered that clients have picked Jamuna Bank Constrained for its altruism as state claimed bank. Be that as it may, the credit endorse bank is losing its profitable clients in advance and advance office. In this manner, Jamuna Bank Restricted should give more exertion to make well set up market with regards to Bangladesh and be more adaptable to dispense credit and advance.

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## 1.1 Introduction

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We can essentially say that Bank is monetary association that bargains with cash. Yet, it is the exact most definition about bank. In present day age it is difficult to think a nation without bank. Banks assume differentiated job in an economy. The most imperative undertaking that is finished by a bank is working of capital. That is the key factor of the advancement of an economy. Industrialized countries manufacture their modern part with the assistance of saving money segment. The development of the economy likewise relies upon the execution of the keeping money part. Banks secure cash of the general public. Government takes different money related approaches. These strategies are executed with the assistance of managing an account segment. It is difficult to do remote exchange with the assistance of bank. Banks give benefits that assistance the business division a great deal to carry on the business. For instance: giving insurance, diverse sorts of testament, skill counsel to specialists. Banks likewise help to set up great confidence among business people.

Jamuna Bank Ltd. is a third era bank in Bangladesh. It is assuming a critical job to build up the business division. The development of this bank is great. Its proverb is to give an incite and speedy support of the customers. It is being prevalent step by step with its appealing administrations and aggressive item bundle. Due to its warm client benefits, it's agreeableness to the client has been expanded to masses. The Venture of this bank is exceptionally sorted out adequate to the all dimensions. Those reports research every one of the strategies and Get ready Write about Speculation. Jamuna Bank Ltd. has actualized very much organized web based keeping money frameworks that make it less demanding to give provoke administrations to the client.

The report has been set up in the light of commonsense and hypothetical learning. Additionally it is set up under the direction and supervision of the course educator. Amid the entry level position program I have a smart thought about the bank and that is delineated in the report.

## 1.2 Origin of the study

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Master of Business Administration (MBA) Program requires a three months connection with an association pursued by a report appointed by the chief of the college. I was connected with Uttara Part of Jamuna Bank Ltd (JBL) as an internee. My administrator has requested that I make a write about the point of "An Entry level position Give an account of Advance and Advances of Jamuna Bank Ltd-An Investigation at Uttara Branch" – an examination at Uttara branch as a major aspect of the satisfaction of MBA degree.

## 1.3 Objectives of the study

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The goal of this report is to satisfy the prerequisite of the temporary position program as a course necessity of MBA program of Daffodil Worldwide College. The particular targets are as per the following:

### **General Target:**

- The fundamental goal of the examination is Credits and Advances of Jamuna Bank Restricted, Uttara Branch.

### **Optional/Particular Destinations:**

- To talk about credit administrations offered by Jamuna Bank Constrained.
- To depict advance authorizing procedure of Jamuna Bank Restricted.
- To dissect advance activities arrangement of the Jamuna Bank Restricted.
- To distinguish the issues identified with advances and advances activities of Jamuna Bank Restricted.
- To make a few proposals to take care of the issues.

## 1.4 Scope of the study

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The report will primarily center An Entry level position Report Around Credit and Advances of Jamuna Bank Ltd-An Investigation at Uttara Branch. The proposed examination will cover the

system and strategies pursued by the general saving money Division, for example, account opening strategy, clean money, pay arrange, clearings and so forth. That implies, in this report every one of the parts of general saving money exercises has been examined with the issues and proposed arrangements by those the administration can take choices in regards to adjusting their plans for general managing an account and can fortify the association with the business condition and in addition with the customers.

## **1.5 Methodology of the study**

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This report has been set up based on experience assembled amid the time of temporary job program. For setting up the report, I have experienced gathering exchange and gathered information. I additionally considered diverse brochures and documents of the organization.

### **• Study Plan:**

The investigation was completely engaging in nature. The investigation was led utilizing the participatory technique. To know the inside and out data, the theme was talked about with the master experts identified with bank for a few times and survey of record of NBL Bank Constrained and other related auxiliary data. The intention was to get a thought regarding the entire exercises of the branch where I did my useful introduction. Factual information and other important data were assembled from optional sources including a few diaries and booklets.

### **• Data Accumulation technique:**

Information have been gathered from two sources. These are as under:

1. Primary source
2. Secondary source

The essential sources are given beneath:

- Face to confront discussion with Right hand officers.
- Consulting with the director.
- Practical work experienced at various work area.

- Close perception of the errands Jamuna by various offices' officers.

**The auxiliary wellsprings of data are given underneath:**

- Annual report of the Jamuna Bank Constrained.
- Website of the Jamuna Bank Constrained.
- Different productions of the Jamuna Bank Restricted.
- Theoretical books relating managing an account part.
- Bangladesh Bank Web side.

### **1.4 Limitations of the study**

---

In spite of the fact that I have acquired warm participation from workers of Jamuna Bank Restricted, Uttara Branch, they were excessively occupied with, making it impossible to help me once in a while. I have confronted the accompanying issues, which might be named as the impediment/weakness of the report:

- Most of the essential information were not in the shape those can help in composing a report.
- Secondary information is additionally exceptionally uncommon. It is simply just the yearly report and the site.
- Confidentiality of information is another obstruction that was stood up to amid the lead of this examination.
- Lack of understanding of the respondents was the significant issue that made numerous disarrays with respect to check of calculated and hypothetical discernment.

Regardless of these impediment, I have attempted my dimension best to make this report as most ideal as. So perusers are demand to think about these constraints while perusing and legitimizing any piece of the report.

## 2.1 About Jamuna Bank Limited

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Jamuna Bank Limited (JBL) is a Banking Company registered under the Companies Act, 1994 of Bangladesh with its Head Office Jamuna Bank Constrained (JBL) is a Keeping money Organization enlisted under the Organizations Demonstration, 1994 of Bangladesh with its Head Office at present at Motijhil, Dilkusha C/A, Dhaka-1000, Bangladesh. The Bank begun its activity from third June 2001. Jamuna Bank Constrained (JBL) gives business keeping money benefits in the Bangladesh.

In the course of the most recent four years the bank is effectively working its business with the end goal to provide food the managing an account need of quickly developing clients. Janiuna Bank Restricted (JBL) has been expanding its administration inclusion through presenting branches at various deliberately vital regions of the nation. Jamuna Bank Constrained (JBL) is the activity of some neighborhood business people having introduction in readymade articles of clothing (RMG), cowhide parts, Land and so forth. In the course of the most recent four years the bank has been effectively working and giving administrations to an incremental number of customers. The bank essentially takes part in corporate keeping money, exchange back, venture fund, retail managing an account, little saving money endeavor fund, purchaser fund, and syndication. Its scope of administration offering incorporate money administration administrations, treasury administrations, resource administration administrations Society for overall between bank budgetary media transmission (Quick) for outside exchange.

Being a third era Bank of Bangladesh, it centers around

- Remaining with time
- Managing change
- Developing human capital
- Creating genuine client's esteem

The task hour of the Bank is 10:00 A.M. To 6:00 P.M. from Sunday to Thursday with exchange hour from 10:00 A.M. to 4:00 P.M. The Bank stays shut on Friday, Saturday and government occasions However All Advertisement Branch Open on Saturday.

Solid capital construct, Vehicle likewise with respect to 31.12.2013 was 1 1.27%,Paid up capital Tk. 3648.40 Million, Add up to capital Tk. 7552.79 Million, Level I capital TIC 6214.34 Million, Level II capital Tk 1338.45 Million. The Bank attempts a wide range of managing an account exchanges to help the advancement of exchange and trade of the nation JBL's administrations are likewise accessible for the business people to set up new pursuits and BMRE of modern units.

## **2.2 Corporate Mission, Vision & Motto**

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### **2.2.1 Vision of Jamuna Bank Restricted:**

To end up a main saving money establishment and to assume a noteworthy job in the improvement of the nation.

### **2.2.2 Mission of Jamuna Bank Restricted:**

The Bank is submitted for fulfilling differing requirements of its clients through a variety of items at a focused cost by utilizing proper innovation and giving auspicious administration so a feasible development, sensible return and commitment to the improvement of the nation can be guaranteed with an inspired and expert work-compel.

### **2.2.3 The Witticism of Jamuna Bank Constrained:**

"Your accomplice for development"

The adage of Jamuna Bank Restricted mirrors the unyielding duty and conviction of the bank to guarantee practical development and headway of our clients.

## **2.3 Corporate Strategies & Objectives**

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### **2.3.1 Procedures for Jamuna Bank Ltd:**

- To oversee and work the Bank in the most effective way to improve monetary execution and to control cost of reserve
- To take a stab at consumer loyalty through quality control and conveyance of opportune administrations.
- To distinguish clients' credit and other managing an account needs and screen their recognition towards our execution in meeting those necessities.
- To audit and refresh approaches, methodology and practices to improve the capacity to stretch out better administration to clients.
- To train and build up all representatives and give them sufficient assets with the goal that client needs can be sensibly tended to.
- To advance hierarchical adequacy by transparently imparting organization designs, strategies, practices and methods to representatives in a convenient manner.
- To develop a workplace that cultivates positive inspiration for enhanced execution.
- To expand portfolio both in the retail and discount advertise.
- To increment guide contact with clients with the end goal to develop a closer connection between the bank and its clients.

### **2.3.2 Goals for Jamuna Bank Constrained:**

- To win and look after 'CAMEL' Rating 'Solid'
- To build up relationship managing an account and enhance benefit quality through advancement of Key Showcasing Designs.
- To remain Jamuna of the best banks in Bangladesh regarding gainfulness and resources quality.



- To remain Jamuna of the best banks in Bangladesh regarding gainfulness and resources quality.
- To present completely mechanized frameworks through joining of data innovation.
- To guarantee a sufficient rate of quantifiable profit.
- To keep chance position at a satisfactory range (counting any reeling sheet hazard).
- To keep up sufficient liquidity to meet developing commitments and responsibilities.
- To keep up a sound development of business with wanted picture.
- To keep up satisfactory control frameworks and straightforwardness in strategies.
- To create and hold a quality work-constrain through a powerful HR Administration Framework.
- To guarantee ideal usage of every single accessible asset.
- To seek after a powerful arrangement of administration by guaranteeing consistence to moral standards, straightforwardness and responsibility at all dimensions.

## 2.4 Ethical Practices

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- We entirely follow all standards and directions.
- We give reasonable treatment to all partners.
- We keep up strict mystery of client's records.
- We tune in to our clients and work for their prerequisite.
- We give satisfactory revelation of corporate Data and task result to investors for taking appropriate speculation choice.
- We guarantee work under exceptionally energetic solidarity and association bond.
- We don't support ventures which are not condition cordial.

- We stretch out monetary help to forlorn and troubled individuals and in addition give gift/sponsorships to sports, culture, and health-care and network improvement adventures as we are dependable corporate national of the nation.

## **2.5 Corporate Social Responsibilities of Jamuna Bank Limited**

### **2.5.1 Corporate Social Duty:**

Corporate social duty is for the most part about the consciousness of and activities in help of ecologically economical societal advancement. JBL corporate social duty activities go for relieving the various ecological effects of the exercises of the business and at decreasing imbalances and reducing hardship and neediness in the networks the nation over.

Corporate social obligation consumption of banks has far to a great extent been as inactive awards and gifts. Bank is a profoundly receptive to crisis bolster needs of populace bunches influenced in normal and artificial fiascos. Aside from erratic stipends giveaways, bank has commitment in longer term proceeding with help responsibilities. in territories of training and medicinal services.

Other than the detached commitment by method for gifts/gift, the bank is currently getting action occupied with society dependable business tasks, by method for expanded loaning to under-served monetary parts like farming and SMEs, towards more full money related incorporation and quicker destitution annihilation. Bank is demonstrating responsibility for ecological manageability in claim and customer organizations.

Our sound Corporate Social Obligation programs envelop three toy strands:

- Our individuals
- Environment
- Supporting the network and chuckles

We regard the majority of our kin as individual, with decency and regard, similarly that we generally direct our business with trustworthiness and uprightness. These equivalent center

standards support our arrangements on the earth and with nearby networks and philanthropies. We have made a few strides/activities that advantage our workers.

The Bark has a solid ecological approach and we are continually searching for manners by which we can enhance this. We center around various key territories like Green Saving money and Interest in condition agreeable tasks.

### **Commitment to Notional Exchequer:**

Consistently Jamuna Bank Constrained contributes essentially to the Notional Exchequer. The bank deducts/gathers pay charges Tank and extract obligation at sources going along laws/directions and stores the equivalent to the administration exchequer in like manner. Installment to National Exchequer amid 2016 is listed hereunder.

Coming up next are a portion of the social welfare exercises performed by the Jamuna Bank Ltd.

### **Establishment:**

- Tree Ranch and Dissemination with the undertaking of Jamuna Bank Establishment, tree manor and conveyance was held at Tongibari, Ashulia. Md. Mosharraf Hossain Bhuiyann dc, Secretary, Scaffolds Division, Service of Correspondence, Govt. of the General population's Republic of Bangladesh was available as the Main Visitor on the event. The Executive of Jamuna Bank Establishment Al-Haj Nur Mohammed directed the program. Also, the Overseeing Executive of Jamuna bank Md. Motior Rahman, the Representative Overseeing Executive Md. Abul Shahjahan and Md. Obayedul Islam Talukder were additionally present in the program as good visitors. Toward the finish of the program, one thousand trees were planted and appropriated.
- Financial Support for development of Freedom War Historical center at Al-Haj M.A Khayer, Originator Director, Jamuna Bank Constrained gave over a Compensation Request for Tk 50.00 (fifty) Lac to decent Leader of the General population's of Republic of Bangladesh for the honorable purpose of development of the Freedom War Exhibition hall (Mukhti juddho Jadughar) in the interest of Jamuna Bonk Restricted as a piece of CSR exercises.

- Handed over a compensation arrange Tk. 25 Lac to the Fair PM Alleviation and Welfare Reserve for the deprived relative of the casualties of pulverizing blast at Nimtoli and building breakdown in Begunbari in the city.
- With the undertaking of Jamuna Bank Establishment, garments were conveyed at Goyalghunni in Munshigong. The Director of Jamuna Bank Establishment Al-Haj Nur Mohammed was available as the Main Visitor in the fabric dissemination service. Other than the Overseeing Executive of Jamuna Bank Md. Motior Rahman, SEVP of Jamuna Bank Mirza Elias Uddin Ahmed, Opportunity contender Khandaker Delwar Hossain Muon and councilor Abdul Jalil Mathbor were likewise present in the program as good visitors.
- In the blood gift program, the Director of Jamuna Bank Constrained Mr. Md. Mahmudul Hoque was available as the Main Visitor, 40 official, officers and stuffs of the Bank given blood on the event.
- Relief material was appropriated by Jamuna Bank Constrained among the surge influenced individuals of Kurigram sadar upzilla under Kurigram Region.
- Mr. Md. Mahmudul Hoque, Administrator Top managerial staff exhibiting grant to the poorest offspring of the nation scored GPA-5 in SSC and HSC.
- Mr. Md. Mahmudul Hoque, Administrator Top managerial staff introducing the blood gift program at Rajshahi.
- Mr. Md. Mahmudul Hoque, Administrator Top managerial staff initiating the blood gift program at National Press Club, Dhaka.
- Free Grade School given by the Jamuna Bank.

### **2.5.2 Corporate Culture:**

Representatives of JBL share certain normal qualities, which makes a JBL Culture

- The Customer starts things out.
- Search for expert greatness.

- Openness to new thoughts and new strategies to energize inventiveness.
- Quick basic leadership.
- A feeling of expert morals.

## 2.6 Credit Ratings Report

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### Jamuna Bank Limited

#### CREDIT RATING REPORT

#### **(Very Strong Capacity & Very High Quality)**

FICO assessment Organization of Bangladesh (CRAB) has overhauled the long haul rating of Jamuna Bank Constrained to AA3 (articulated as twofold A three) and held the transient rating at ST—2, in light of reviewed financials up to 31 ' December 2013 and other significant data. Business Banks appraised AA 3in the long haul have a place with "Exceptionally Solid Limit and Astounding" accomplice. Banks evaluated AA have extremely solid ability to meet their budgetary duties. AA 3rated banks are made a decision to be of high caliber and are liable to low credit risk. Commercial Banks appraised in the transient ST—2 (High Review) class are considered to have solid limit with respect to convenient reimbursement of commitments. Business Banks appraised in this class are portrayed with admirable position regarding liquidity, interior store age and access to elective wellsprings of assets.

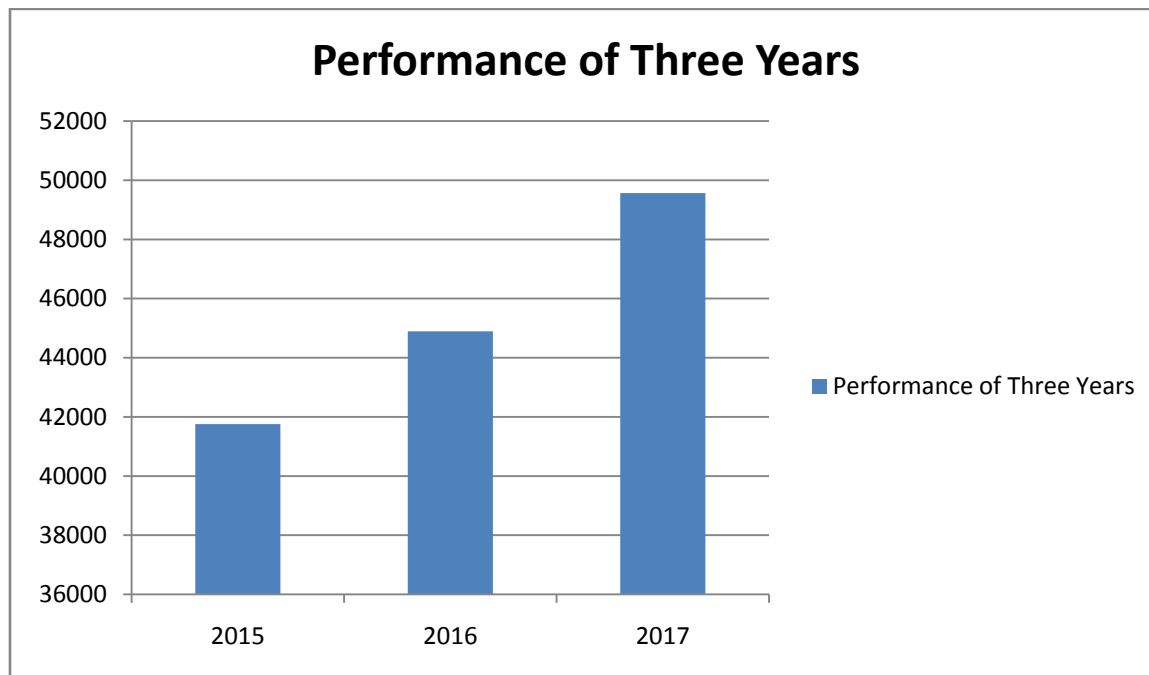
The rating mirrors the Bank's quality in income age and hazard weighted capital sufficiency. Rating likewise factors the high caliber of fluid resource arrangement of the Bank.

## 2.7 Performance Analysis

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Performance Analysis of investment reflects the output over the years from this particular division. Here the performance analysis of five years is shown below in a graphical formation:

### 2.7.1 Overall Jamuna Bank Limited:



*Figure 4: Three year's Performance of Jamuna Bank limited*

The above chart is demonstrating that regarding Speculation, JBL has been accomplishing a standard position at a high development rate. In 2015 the sum was Tk. 33,883.92m, which is expanded by Tk. 41075.97m in 2016. In 2017 the sum was Tk. 45090.10m. The Bank's introduction to advances and advances expanded from Tk. 33,883.92m (2014) to Tk41075.97m (2015) enrolling a well development, which is demonstrating an unmistakable sign of standard approach routine with regards to credit in JBL. JBL give credit offices through its diverse portions as appeared in the Figure 6. Be that as it may, the NPL position for 30th June 2017 shows break down circumstance. Since, the Corporate and the SME-M fragment has a most noteworthy measure of Terrible! misfortune advance separately Tk. 80.45 million and Tk. 77.65 million. Be that as it may, others circumstances are not in peril. JBL should make vital move for recoup the awful/misfortune credit sum.

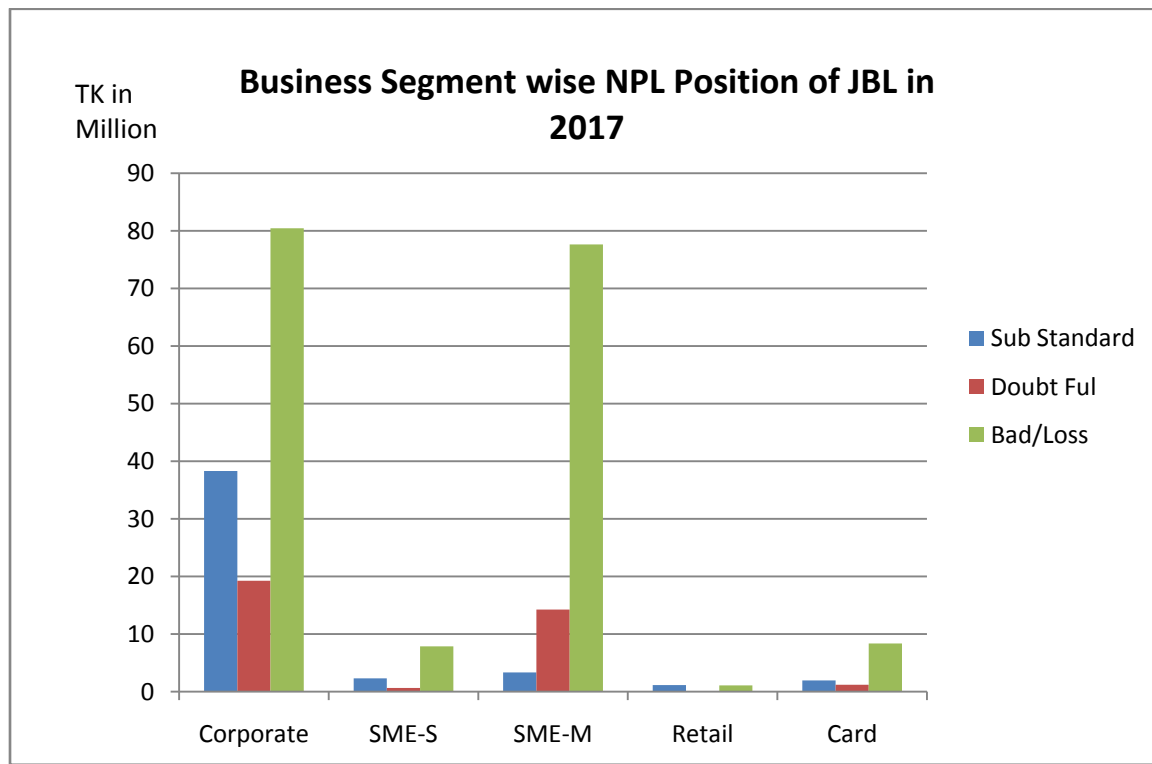
## 2.8 Business segment wise NPL's position of Jamuna Bank Limited

A Non-performing advance is a credit that is in default or near being in default. Numerous advances move toward becoming non-performing in Jamuna Bank Constrained subsequent to being in default for 3 months, yet this can rely upon the agreement terms of Jamuna Bank Restricted with the clients.

"An advance is nonperforming when installments of intrigue and essential are past due by 90 days or more, or if nothing else 90 days of intrigue installments have been promoted, renegotiated or deferred by assention, or installments are under 90 days late, yet there are other valid justifications to question that installments will be made in full".

Coming up next are demonstrating non performing advances in business portion savvy;

### 2.8.1 Overall Jamuna Bank Limited:



*Figure 5: Business Segment-Wise NPL's position of Jamuna Bank Limited*

## 2.9 Human Resource Division

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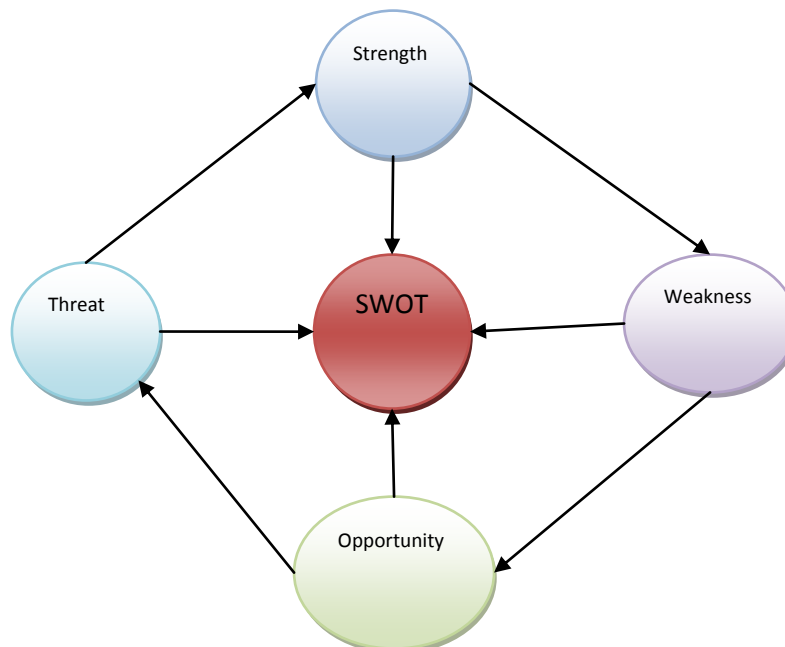
Human asset division of the bank is allocated with the indefatigable assignment of the administration of its workforce in a productive way. In the event that includes enlistment, preparing, evaluation, directing and guaranteeing consistence with work and administration rules, making business esteem through key administration. With all the arrangement bolster from the board and the higher administration, the HR Division is tirelessly proceeding with its endeavors to select the best accessible Officers at passage level through aggressive composed examination/meet. As a major aspect of ability administration, the bank boarded 226 new representatives in the year 2017.

## 2.10 SWOT Analysis of JBL

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- ✓ Strength
- ✓ Weakness
- ✓ Opportunities
- ✓ Threats

*The SWOT analysis for Jamuna Bank Limited can be described as follows:*



**Figure 6: SWOT Analysis**



### **2.10.1 Strength:**

- The Organization has able administration group. The general work power of the organization is considered as key assets for the association. JBL staff are spurred, equipped, vivacious and imaginative. The bank gives most extreme help as far as both specialized and moral.
- JBL has various item portfolio for clients which made them second to none in Managing an account Monetary Industry.
- At JBL basic leadership is free streaming and straightforward. Each appraiser is given example chance to practice his/her imagination in pleasing a client. Approvers are open for any dialog and endorse is to a great extent dependent on proposal of the appraisers.
- JBL is all around presumed bank and has built up a brand picture that is perceived by the clients. JBL is a universal joint-adventure organization and its investors have long records of manageability and unwavering quality in their particular fields. JBL is one of the regarded names in managing an account area of Bangladesh. Since 2001, JBL has denoted its adventure through presentation of different imaginative items and in this way addressing the necessities of substantial corporate customers.

### **2.10.2 Weakness:**

- JBL as some other saving money organizations have surprising expense of store in contrast with banks. As managing an account foundations can take store for short of what one year from any people as banks can do, the store base of JBL isn't solid enough to decrease the normal expense of reserve.
- Too much broadening of item and administrations offering hamper the attention on the center administrations of the association.
- The bank neglected to give a solid quality-enrollment arrangement in the lower and some mid dimension position.
- Amongst the shortcoming of this bank is the inaccessibility of ATM.
- This is a shortcoming of JBL that it is having a gathering of unsatisfied worker

- Now the bank isn't completely online based
- The notice movement should increment about the bank.

### **2.10.3 Opportunities:**

- One of the significant explanations behind flourishing of renting organization in Bangladesh is Non-saving money foundations wastefulness of giving venture plan. This marvel still continues.
- They empowered both nearby and outside clients to open any kind of records.
- In request to decrease the business chance, JBL needs to grow their business portfolio.
- A vast number of private banks are coming into the market in the ongoing time. In this aggressive condition JBL must grow its product offering to improve its manageable upper hand. In the product offering, they can acquaint the ATM with contend with the nearby and the outside bank. They can present plastic framework for their potential clients.
- In expansion to those things, JBL can present exceptional corporate plan for the corporate clients or officers who have a pay level higher from the administration holder. In the meantime, they can present plan for different administration holders. Furthermore, the plan ought to be discrete as indicated by the callings, for example, engineers, attorneys, specialists and so forth.

### **2.10.4 Threats:**

- In late occasions non keeping money establishments like IDLC, DBH and so on are additionally going into renting business which is for the most part considered as elements of Managing an account Organizations.
- The lawful structure of Bangladesh is generally frail. Absence of successful abandonment laws and manual land recording framework makes plausibility of phony and debate.
- In the Head office of JBL have well working conveyance framework however alternate branches working framework isn't so much well. They have lacking of the working framework in the distinctive exchange.
- Another undermine is the unhindered commerce assention.

### 3.1 Loan and advances in Jamuna Bank Limited

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The word credit originates from latin word "philosophy" signifies "I B individuals/firm/organization's capacity and goal order products and enterprises of another as an end-result of guarantee to pay such merchandise or administrations at some predefined time later on. For a bank, it is the fundamental wellspring of benefit and then again, the wrong utilization of credit would bring fiasco for the bank as well as for the economy all in all.

The target of the credit administration is to expand the performing resource and the minimization of the non-performing resource and in addition guaranteeing the ideal purpose of advance and advance and their effective administration. Credit administration is a dynamic field where a specific standard of long range arranging is expected to allot the store in the various field and to limit the hazard and to expand the arrival on the contributed reserve. Consistent supervision, observing and follow-up are profoundly required for guaranteeing the auspicious reimbursement and limiting the default. As a matter of fact the credit portfolio isn't just established the bank resources structure yet in addition an indispensable factor of the bank's prosperity. The ov bank's credit approach, portfolio-u of oftheloanscredit,and m propels.

### 3.2 Credit Principles

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In the element, credit standards incorporate rules of giving credit by Branch administrator (AGM) or credit officer (Advances in control). In the Jamuna Banklocal branch workplaces, the accompanying techniques are pursued while authorizing credits and advances to the customer.

- Credit progression will center around the improvement and headway of client relationship.
- All acknowledge expansion must consent for the Bangladesh Bank's directions, different principles.
- Loans and advance will regularly be finan impermanent assets or acquiring from different banks.
- The bank will give appropriate credit administrations to the business sectors in which it works.
- It ought to be to those clients who can make the best utilization of them. \

- The lead and organization of the credit portfolio ought to contribute inside characterized hazard confinement for accomplishment of portfolio development and unrivaled return of bank capital.

### 3.3 Types of Loan and Advances

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#### **General Items:**

- Industrial Venture Credit
- Cash Credit (Hypothecation)
- Cash Credit (Promise)
- Overdraft (OD)
- Bank Certification
- Student Credit
- Loan under Value Business enterprise Reserve (EEF)
- Green venture Advance
- Renewable Vitality Undertaking credit

#### **Little and Medium Venture Credit (SME):**

- SHOHOJ
- PESHAJIBI
- BABOSHAYEE
- MAJHARI
- Under the 4 SME items, credit to Sunlight based Establishment, Bio-gas and Agro-based undertaking and Prepared Productive experts are given as the particular territory.
- Woman Business person Financing Project

- Cluster Financing

### **Little Endeavor Financing:**

#### **Assembling:**

- Fixed Resources Financing
- Working Capital Financing

### **Exchanging and Administrations:**

- Fixed Resources Financing
- Working Capital Financing

### **Outside Trade Business:**

A wide range of Remote Trade Exchanges ar for Outside Trade Exchanges (GFET 2009)"- by Bangladesh

### **Outside Money Records:**

- Foreign Cash Record
- Resident Outside Cash Store Record
- Non-Inhabitant Remote Cash Store Record
- Private Non-Inhabitant Taka Record
- Non-Occupant Blocked Taka Record
- Non-Occupant Financial specialist's Taka Record (NITA)
- Convertible and non-convertible Taka Record
- Exporter's Maintenance Amount (ERQ) Record

### **Import Back:**

Jamuna Bank Limited bolsters its clients by giving offices all through the import procedure to guarantee smooth running of their business. The offices are:

- Letters of Credit
- Loan against Imported Stock (LIM)
- Loan against Trust Receipt (LTR)

#### **Fare Back:**

Jamuna Bank Limited offers additional cover to its clients for entire fare procedure to accelerate receipt of continues. The offices are:-

#### **Pre-shipment Credit:**

- Cash Credit Against Hypothecation of Crude Materials/Exportable Merchandise
- Cash Credit Against Vow of Crude Materials/Exportable Merchandise
- Packing Credit (PC)
- Back to Back L/C
- Back to Back L/C under Fare Advancement Store (EDF)

#### **Post-shipment Credit:**

- Negotiation of Fare Reports
- Collection of Fare Reports
- Foreign Bills Buy (FBP)
- Inland Bills Buy (IBP)

#### **Current Managing an account administrations:**

- Online exchange office (ABB)
- SWIFT

- ATM benefit
- Western Association

**The bank's Advances for the most part two and types Advances of Advances is:**

1. Funded (Request or Customer advance)
2. Non-Supported (L/C, Bank Certification and so on.)

**Different sorts of advances are likewise accessible in this part of Jamuna Bank:**

- Cash Credit
- Over Draft
- Term Advance

**Request Advance:**

- Loan against DPS.
- Loan against other security

I. Bank Assurance

II. Floor advance

III. PC (Pressing Credit)

IV. Export advancement subsidize (EDF)

V. Letter of Credit

VI. LATR (credit against trust got)

VII. House Building

### 3.4 Loan Sanctioning process for the Client of Jamuna Bank Limited

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1. Application for by Customer in harsh arrangement than implicit configuration.
2. Received
3. Verification (Ordinary than physical)
4. For substantial Advance, Branch needs to submit CIB and Proposition to Head Office and Bangladesh Bank for consent
5. Approved credit application/Reject the proposition
6. Collect security
7. Give new record and authorization to pull back the advance cash.

### 3.5 Basis of Loans and advances of Jamuna Bank Limited Uttara Branch

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I. Lien

II. Mortgage

#### 1. LIEN:

Lien is allowed against the Accompanying:

- DPS= Store Benefits Plan
- FDR= Settled Store Receipt
- PSE= Protirakha Sanchoy Patra

Lien (Esteem) must be higher than the estimation of Credits. 80% of Lien reports (Esteem) is allowed for the Credits and Advances. The situation of Lien Archives must be under the hand of Bank. Here, Financing cost of Advances: 14%



## 2. Mortgage:

- Land
- Building
- Shop

Home loan esteem must be higher than the estimation of Advances. half of Home loan Reports (esteem) is allowed for the Credits and Advances. The situation of Home loan Records require not to be under the hand of Bank just legitimate papers are important to be under the hand of Bank. Here, Financing cost of Credits: 13%.

To get Advances and Advance for the individual customer against DPS (Store Annuity Plan), FDR (Settled Store Receipt), MBDR (Month to month Advantage Store Receipt), DBDR (Twofold Advantage Store Receipt), PSP (Protirakha Sanchoy Patra) and so forth in support outsider the papers followings are required.

- Letter of Understanding
- Letter of Power
- Demand Promissory Note
- Balance Affirmation Slip
- Letter of Lien and expert for advances of outsider's again Stores/Extraordinary Stores or Edge Stores
- Letter of Progression
- Memorandum of Store of Securities

### **3.6 Description of Different Loan Products of Jamuna Bank Limited**

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Contingent upon the different idea of financing, all the loaning exercises have been brought under the accompanying significant heads:

**a) Loan (General):**

Here and now, Medium term and long haul credits permitted to singular/firm/enterprises for a particular reason yet for an unmistakable period and by and large repayable by portions by under this head. This kind of loaning are financing under the classes.

- Large and medium scale industry
- Small and house industry
- Agriculture

**b) House building Advance (General):**

This sort of credit is permitted to individual or endeavor for development of house, as private and business premise. The portion is made by month to month with in a particular period.

**c) House building advance (staff):**

Worker of the Jamuna Bank Constrained can be take advance under this classification for buy or development of house.

**d) Cash Credit (Hypo):**

Advance permitted to individual or Firm to exchange and also discount reason or to businesses to get together the working capital prerequisites against hypothecation of merchandise as Jamuna Bank Constrained security fall under this kind of loaning. It is a persistent credit. It is permitted Linder the classes.

- Commercial loaning when the client is other than an industry.
- Working capital when the client is an industry.

**e) Cash Credit (Vow):**

Money related settlement to both individual and firm to exchange and in addition for discount or to enterprises as working capital against promise of products as Jamuna security fall under this class. It is ceaseless credit.

**f) Hire Buy:**

It is portion credit under which the Contract Buy consents to take the merchandise oil enlist at an expressed rental, which is comprehensive of the reimbursement of essential and in addition intrigue comprehensive of the re installment of central and also lease for modification of the advance inside a predetermined period.

**g) Lease Financing:**

Rent implies a legally binding connection between the proprietor of the benefit and its client for a predefined period against commonly settled upon lease. The proprietor is known as the Lesser and the client is known as the Tenant. Rent fund is a standout amongst the most helpful wellsprings of financing of advantages by means of apparatus, gear vehicle, and so on. The client of the advantages i.e. Resident is profited through assessment points of interest, saving working capital and saving obligation limit. In addition, Rent is a cockeyed sheet thing i.e. rent sum isn't appeared in a critical position sheet of the resident and does not influence obtaining limit. Renting empowers the resident to benefit the administrations of a plant or hardware without making the speculation or causing obligation commitment. The Tenant can utilize the advantage by paying a progression of intermittent sums called "rent installment" or "rent rentals" to the proprietor of the benefit at the foreordained rates and by and large ahead of time. The installments might be made month to month or quarterly. Jamuna Bank Ltd., the exceptionally promoted private Business Bank in Bangladesh has acquainted rent back with encourage financing necessity of esteemed clients and development of their business houses.

**h) Consumer Credit Plan (CCS):**

It is an exceptional credit plan of the bank fund buy Of Shopper's strong to the settled salary gathering (like working class, bring down class, and can be high society) to raise their expectation for everyday comforts. This advance permitted on delicate terms against individual

assurance and store of determined level of value by the client .The advance is repayable by regularly scheduled payment inside a settled period.

**i) SOD (General):**

Advances permitted to the individual or firm against their money related commitment, client take Grass under lien oil FDR, PSP BSP, Protection Arrangement or Offer. Lien must be made by particular bank edge. This could conceivably be a consistent credit.

**j) SOD (Others):**

Progressed permitted against of work arrange for execution of authoritative works. It is by and large took into consideration an unmistakable period and particular reason. It's anything but a nonstop credit.

**k) LIM:**

This is transitory development associated with import, which is known as post import fund, it is "Business Loaning". Advances took into account retirement of delivery reports and arrival of products by promise in distribution center under bank's bolt and key.

**l) LTR:**

Under this sort of credit tile merchandise are given over to the shipper in trust with the plan that deal continues ought to be stored to sell tile credits inside a given period.

**m) Export Money credit (ECC):**

A Client took into account fares of products that can apply for fare money credit. Tile credit must be exchanged out of fare continues inside 180 days.

**n) Packing Credit (PC):**

It is likewise "Fare Credit". The condition is as on the ECC. Credit against particular L/C for preparing or pressing of merchandise to be sent out.

**FDBP:**

Installment made to a gathering through buy of an outside narrative bills falls under this head. This transitory development is customizable from the returns of the debatable transportation/send out archives. It falls under the classification Fare Credit".

**o) LDBP:**

Installment made to a gathering through buy of outside narrative bills under this head. This transitory risk is customizable from continues of the bill.

**p) Time Advance:**

This is one time money related settlement for brief period most extreme a year to meet some particular reason. The credit is movable inside the legitimacy and not sustainable and no exchange is permitted.

### 3.7 Target Market for Loans & Advances

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- Agro Handling Industry
- Textile Turning, Weaving, Sewing and Coloring and Printing Industry
- Export Arranged Pieces of clothing, Sweater and Articles of clothing Frill
- Food and Partnered Industry
- Paper and Paper Items
- Engineering, Steel Factories, Concoction, Pharmaceuticals, and so forth.
- Telecommunications
- Computer Programming and Data Innovation
- Manufacturing of fake blooms
- Electronics
- Infrastructure
- Oil and Gas
- Liquefied Oil Gas (LPG)
- Compressed Petroleum gas (CNG)
- Ceramics

### 3.8 Credit Categories of Jamuna Bank Limited

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As started by Bangladesh Bank vide BCD Roundabout No. 33 dated 16-11-89 various types of loaning were subdivided into 11 classifications i.e. 01-01-90 which was in this manner decreased to 9 vide BCD Roundabout No. 23 dated 09-10-93 and again to 7 areas vide BCD Round No.8 dated 25.04.94 for obsession of rates of enthusiasm by the individual relies upon focused premise contingent upon the expense of Assets, winning economic situation and financial pattern of the nation.

Credit and advances have principally been separated into two noteworthy gatherings:

a) Fixed term credit: These are the advances made by the Manage an account with settled reimbursement plans. The term of advance are characterized as pursues:

Short term : Up to a year

Medium term : More than 12 and up to three years

Long Term : More than three years

b) Continuing credits: These are the advances having no settled reimbursement plan, yet have an expiry date at which it is inexhaustible on tasteful execution.

Further all classes of advances are suited under the 7 divisions as under:

#### **I. Agribusiness:**

Credit offices to the rural segment falls under this classification. It is subdivided into two noteworthy heads:

a) Loans to essential makers: This area of agrarian financing alludes to the credit offices permitted to generation units occupied with cultivating, angling, ranger service or animals.

Advances to processors or merchants of farming items are not to be classes as horticultural credits. Advances to tea gardens for creation are treated as horticultural advance, yet advances to tea gardens for fare ought to be treated under the class "Fare Credit". Correspondingly medium and long haul credits to tea gardens are arranged as mechanical term loaning.

b) Loans to enter merchants/wholesalers: It alludes to the financing permitted to include merchants and (or) wholesalers in the farming areas. Horticultural advances may incorporate short, medium and since quite a while ago settled term advances and in addition proceeding with credits. All things considered, it might fall under the head "Credit (Gen)/Contract Buy/Rent Financing".

## **II. Term Credit for Huge and Medium Scale Industry:**

("Vast Industry" is characterized to incorporate every mechanical venture whose add up to settled expense/substitution cost barring area and manufacturing plant building is over Tk. 100 million. Medium Industry is characterized to incorporate every single modern venture whose add up to settled cost/substitution cost barring estimation of land and industrial facility building is between Tk.15 million to Tk. 100 million.) This classification of advances suit the medium and long haul financing for securing capital hardware of new Ventures or for BMRE of the current units who are occupied with assembling merchandise and enterprises. Term financing to tea greenery enclosures may likewise be incorporated into this classification relying upon the nature and size. As the financing under this class have settled reimbursement plan it falls under the head "Credit (Gen)/Contract Buy/Rent Financing".

## **III. Term Advances to Little and House Enterprises:**

("Little Industry" will mean ventures whose add up to settled expense/substitution cost barring area and manufacturing plant building isn't in excess of 15 million.) No here and now or proceeding with credits are to be incorporated into this class. Medium and Long haul credits are likewise included under this classification. Like the Extensive and Medium Scale Industry it is additionally permitted as "Credit (Gen)/Contract –Purchase/Rent Financing".

## **IV. Working Capital:**

Credits permitted to the assembling units to meet their working capital prerequisites, regardless of their size - enormous, medium or little, fall under the classification. These are generally proceeding with credits and all things considered fall under the head "Money Credit"

## **V. Fare Credit:**

Credit offices permitted to encourage fare of all things against Letter of Credit or potentially affirmed fare orders fall under this classification. It is obliged under the heads "Fare Money Credit (ECC)", Pressing Credit (PC), Remote Narrative Bills Acquired (FDBP), Neighborhood Fare Bills Obtained and so forth. In any case, bills limited/obtained against supply of merchandise and enterprises to organizations/businesses which are situated in the nation and not associated with fare/regarded send out will not fall under fare credit.

## **VI. Business Loaning:**

Here and now advances and proceeding with credits took into consideration business purposes other than fares fall under this classification. It incorporates import financing, financing for inside exchange, benefit foundation, and so on. No medium and long haul credits are suited here. This class of advances are permitted as (i) Advance against imported stock (LIM), (ii) Advance against trust receipt (LTR), (iii) Installment against import archives (Cushion), (iv) Anchored Overdrafts (Turf), (v) Money Credit (CC), (vi) Advance (Gen), and so on for business purposes.

## **VII. Others:**

Any credit that does not fall in any of the above classifications is considered under the classification "Others". It incorporates advance to (i) transport types of gear, (ii) development works including lodging (business/private), (iii) work arrange back, (iv) individual advances, and so forth.

## **VIII. SME Financing:**

Bangladesh Bank vide BRPD Roundabout No. 07 dated 03.11.2004 has given prudential administrative rules for Little Venture Financing.

The job of Little and Medium Undertaking is extremely critical in the financial improvement of the province. Jamuna Bank Restricted has separate SME Financing Plan appropriately affirmed by the Board. There are a few items, modalities and advance roof for SME financing. SME Cell inside Corporate Division handles SME advances.



## 3.9 Remittance

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Sending cash from one place to different spots banks and this administration is a critical piece of nations installment framework. For this administration, individuals uncommonly representatives exchange assets starting with one place then onto the next rapidly. There are different sorts of dispatching cash, for example,

### **A. Pay Request (PO):**

The compensation arrange is utilized for making a settlement to the neighborhood leaser. Pay Request gives the payee the privilege to guarantee installment from the issuing bank. It tends to be en-gotten the money for from issuing bank as it were. In contrast to angel, there is no probability of disrespecting pay arrange on the grounds that before issuing pay arrange bank takes out the cash of the compensation arrange ahead of time. Pay Request can't be embraced or crossed thus it isn't debatable instrument.

### **B. Demand Draft (DD):**

Request Draft is a request of issuing bank on another part of a similar bank to pay indicated total of cash to the payee on interest that is the named individual or request of the interest. It is for the most part issued when client needs to dispatch cash in wherever, which is outside of the clearing-house territory of issuing branch. Payee can be buyer himself or another made reference to in the DD. It is a debatable instrument and it very well may be crossed or not.

### **C. Telegraphic or Telephonic Exchange (TT):**

This strategy exchanges cash to one place to somewhere else by telegram. The sender branch will ask for another branch to pay expected cash to the required payee on interest. For the most part for such sort of exchange payee ought to have account with the paying bank. Else it is extremely troublesome for the paying bank to perceive the correct payee.

When sending cash is critical then the bank utilizes phone for settlement. This administration is accommodated esteemed clients, who is extremely solid and with which banks have long standing relationship.

#### **D. Mail Exchange Counsel (MTA):**

Where the remitter wants the financier to dispatch the assets to the payee as opposed to acquiring a draft himself the investor does it through a mail exchange exhortation. The payee must have a record with the paying office as the sum transmitted record and not for money installment. It is the minimum utilized strategy for exchanging reserve. Where there is no message machine or phone line then this strategy is utilized.

### **3.10 Steps involved in Credit Processing of Jamuna Bank Limited**

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The acknowledge procedure begins for working up association with client through record opening. The fundamental screening of credit proposition and accumulation of data from various sources take places. Possibility study and examination of credit proposition is the vital piece of the loaning procedure. The phase of credit endorsement are done both at the branches and head office higher expert dimension. Endorse of credit is finished by the authorizing officer who has expert to endorse credit. In the wake of satisfying the conditions the credit is dispensed Credit supervision and follow-up begin toward the finish of the credit payment. Important advances ought to be gone out on a limb and increment the arrival of the bank.

#### **Stage 1: Use of Advance Proposition:**

An advance technique formally starts with a credit application from customer who must have a record with the bank. At first, it begins from the branch. When a client chooses to ask for a credit, a meeting with an advance officer more often than not. Pursues immediately, giving the client the chance to clarify his or her credit needs. In the wake of getting an application for an advance, A Jamuna Bank official examinations the past record of the customer. By and large, the examination incorporates

- Account adjusts and the past exchanges.
- Credit report from different banks
- Information of the business by contemplating market plausibility.
- Financial articulations (Monetary record, Income proclamation and Pay explanation)
- Report from credit data agency of Bangladesh bank if the credit is proposed.

### **Meeting the customers:**

Meeting is especially imperative since it gives a chance to officer the b to survey the client's character and since following procedure

- Reputation of the borrower in business cycle.
- Educational capability and involvement in business.
- All wellsprings of salary, sum and length on time.
- Current advance home loan data.
- Other stocks, for example, stocks, bonds and so forth.
- Liabilities
- Purpose of advance

### **Stage 2: Fundamental screening of credit proposition:**

#### **Borrower choice:**

Borrower choice is the most vital piece of loaning process. For the most part, any individual who is a representative of the Jamuna BankLtd can bring credit client for the bank or present client can get credit from the bank. While choosing borrower the advance officers are intrigued to take most extreme consideration with the goal that unfriendly determination isn't made.

#### **Borrower Investigation:**

The inquiry that must be raised that client can reimburse or not. This typically includes nitty gritty investigation of 6 parts of the advance application-Character, limit, capital, guarantee, conditions and control. All must be palatable for a credit a point of view.

#### **Screening of the credit proposition:**

Bank authorities of credit division screening credit proposition at the underlying stage. Candidates formally applies for credit office to the bank, the accompanying reports are gathered to screening the credit proposition.

- Profile of the business
- Copy of exchange permit, TIN declaration, Update of affiliation, Articles of Affiliation.
- Certificate of fuse, Goals of Directorate.
- Deed, Valuation declaration, money related archives, NECF.
- Bank articulations throughout the previous a year from past banks.

### **Stage 3: Achievability examine and evaluation of credit proposition:**

Bank authorities of the credit division will review the proposition for which the advance is connected. Any credit proposition should be assessed based on monetary data given by the advance candidate. In the event that the acknowledge is fulfilled for his credit value at that point second issue must be confronted.

A component of hazard is constantly present in each development. Security is taken against credit and advance to lessen the danger of recuperation of advance. Significance of charging security is

- Protection of intrigue
- Ensuring the recuperation of credit.
- Provision against sudden change
- Commitment of the borrower.

#### **1) Credit Investigation:**

To limit the hazard budgetary data of the borrower is computed with the logical strategy name spread examination. Budgetary spread sheet examination comprises of accounting report, income explanation, salary articulation demonstrated exceptionally powerful in making a decision about the money related strength of the borrower. Here and there credit investigation neglects to demonstrate between the determination of the borrower and the last endorsement of the advance because of absence of legitimate data given by the borrower. In such case money related spread sheet examination creates flawed outcomes. Subsequently, it is recommended that the quantitative acknowledge examination ought to be enhanced for emotional judgment.

## **2) Collection of Borrower's Data:**

CIB (Credit Data Agency of Bangladesh) report Jamuna Bank credit organization division coll diverse banks from the CIB of Bangladesh bank. The data is looked for by topping off the particular CIB request frame.

## **3) Search and Examination report:**

- Physical data
- Customer money related articulations
- Experience of different loan specialists with this client
- Customer Yearly report
- Local Daily papers
- Local Assembly of trade

## **4) Financial Quality Examination:**

Breaking down the money related position is one of the principle components to be distinguished before financing any business. In the application frame, the customer needs to make reference to the aggregate speculation sum for the business. The total assets of the customer must be found by the credit officer.

- a) Paid up capital
- b) Investment in business
- c) Cash stream
- d) Total resources and aggregate obligations
- e) Liability position examination

**While applying for the advance customer must give data about the credit office given by the Jamuna Bank and different banks. The credit officer gathers data about:**

- a) Existing office taken by the Jamuna Bank and different banks.
- b) Existing offices for the sister concern if material.
- c) Debt to resource proportion

**5) Risk Investigation:**

The hazard required with the undertaking or business will decide the arrival from the business. For surveying the hazard bank pursues a few factors, for example, Industry chance, Market hazard, and Security chance.

**6) Types of security:**

Sorts of securities offered by bank change from place to place and business to business. In metropolitan urban communities, it might be govt. bonds, offers or bills receivable and so forth. Though in mechanical zones, Crude materials and completed merchandise are offered as securities.

**7) Collateral securities:**

The substantial securities vowed by the borrower to the bank and also held by the bank to anchor an advance are called guarantee securities. If there should arise an occurrence of development against vow, bank may demand unflinching properties as security. Great guarantee securities have a few attributes.

- a) Tangible
- b) Transferable
- c) Easily attractive
- d) Price Dependability
- e) Durability (Not short-lived)

**f) Guarantee:**

On occasion, when the individual security of the borrower isn't viewed as adequate or when the hazard included is a marginal case and the borrower isn't in a situation to offer adequate insurance against advance, the bank may ask ensure from the outsider whose monetary capacity and credit standing is worthy to the bank. An assurance is an endeavor given to the bank by an outsider called the underwriter who is prepared to give ensure for the benefit of the borrower to the bank.

**g) Margin:**

The distinction between the market esteem and resource estimation of the merchandise, stock, and creation promised/hypothecation to anchor a credit/propels and the measure of the advance/is known as edge. The edge to be held for each sort of advance/advances will be as per directions issued every once in a while by Bangladesh Bank/Head office of the Jamuna Bank. On the off chance that where least edge is indicated, the rate might be expanded by economic situations/sturdiness/examination office and store limit of the products.

**h) Modes of charging securities:**

Vow is a bailment of the merchandise as security for installment of an obligation or execution of a guarantee. A vow might be in regard of merchandise including stocks and offer and additionally records of title to products, for example, railroad receipts, bill of replenishing, dock warrants and so forth appropriately embraced for the bank.

**i) Hypothecation:**

In the event of hypothecation, the ownership and the responsibility for merchandise both rest the borrower. The borrower to the broker makes a fair change to the security. The borrower does this by executing a record known as Assentment of Hypothecation for the loaning bank.

**j) Lien:**

Untruths are the privilege of the broker to hold products of the borrower until the point when the advance is reimbursed. The bank's lien is general lien. A broker can hold all securities in his ownership till all cases against the borrower individual are fulfilled.

**k) Mortgage:**

As indicated by area (58) of the Move Pr enthusiasm for particular unflinching property to secure the installment of cash advance or to be progressed by the method for credit, Existing or future obligation, or the execution of a commitment which may offer ascent to an exchange the responsibility for particular unfaltering property to the home loans, just exchange a portion of his rights as a proprietor. The investor practices the fair home loans.

**Stage 4: Attainability think about and examination of advance proposition:**

In the event that the acknowledge advisory group is fulfilled for the advance application, and its money related data at that point bank will endorsement the credit for the client. An archive is a composed proclamation of actualities of verification or proof emerging out of specific exchange. The exaction of records in appropriate frame is the prerequisites of the law know as documentation. Archives are essential for the affirmation of the obligation by the borrower and charging of securities to the bank by him. Appropriate and amend documentation is fundamental for the wellbeing of advances as well as vital adversary making legitimate move against the indebted individuals is instance of non reimbursement of contribution. Contingent upon the kinds of advances and advances diverse reports are required.

**Documentation of Advance:**

- Demand of Promissory (D.P) Note
- Letter of association (if there should be an occurrence of organization concern) or goals of the directorate (in the event of constrained concern).
- Letter of understanding
- Letter of Payment
- Letter of promise (incase if vow of merchandise)



- Letter of Hypothecation (in the event of Hypothecation of products)
- Trust receipt ( in the event of LTR office)
- Letter of lien and Proprietorship (if there should arise an occurrence of development against offer)
- Letter of Lien for racking credits

### **Stage 5: Payment of Advance and Advances:**

After totally setting up the credit reports, the advance officer is prepared to appropriate the advance to the borrower's advance record. After disb keeping up to guarantee whether the terms and states of the credit satisfied by the bank or customer or not.

### **Stage 6: Supervision and Development:**

Credit supervision and follow-up infers that the checking of the example of the utilization of the dispensed reserve to guarantee whether it is utilized for the correct reason or not. It incorporates a revealing framework and correspondence game plan between the borrower and the loaning organization and inside division, evaluation, recuperations, follow-up and so forth. Jamuna Bankofficer minds the accompanying focuses.

- The borrower's conduct of the turnover.
- The data with respect to the gainfulness, liquidity, money pursue circumstance and pattern in deals in keeping up different proportions.
- The survey and grouping of credit offices begins at credit bureau of the branch with the branch director lastly the head office of credit division.

## **3.10 Loan and Advances of Jamuna Bank Limited at Uttara Branch:**

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### **1) Auto Advance:**

Clients having adequate net income to store the portions routinely of the accompanying section:

#### **Customer Section:**

For changeless/affirmed benefit holders of Govt., Semi-Govt., Self-ruling Associations, Banks, Insurance agencies, Open Constrained Organizations, Worldwide Organizations, NGOs, Representatives of Private Restricted Organizations, worthy to the bank, secured by assurance of another worker of equivalent or higher review. Educators of Colleges, Universities and Schools (Partnered). Proficient people like Specialists, Designers, Contracted Bookkeepers, and Modelers.

**Purpose:**

- To secure fresh out of the plastic new/reconditioned Individual Transport, of age not over 5 years.
- The Vehicle ought to have greatest 10(ten) seats.
- Model year is in the farthest point of multi year.

**Nationality and Age Utmost:**

- Bangladeshi by birth.
- Minimum age 25 years/Greatest age 54 years
- But credit tenor will not surpass 59 years old.

**Minimum Pay:**

- Net Pay ought to be in any event Tk. 40,000/ - every month. (To be substantiated by proof) The client must have adequate net income to reimburse the advance portions frequently.

**Loan Measure:**

- Minimum 5.00 Lac Most extreme Tk. 40.00 Lac.

**Maximum Term of Advance:**

- 5 years.

**Loan to cost:**

- Regulated by Bangladesh Bank now and again. By and by Credit to Vehicle esteem is 50:50 proportion and ought not surpass Tk.40 lacs (Greatest sum)

**Rate of Intrigue:**

- As dictated by the bank from to time.

**Security/Guarantee:**

- Registration of vehicle for JBL

- Personal assurance of the candidate and candidate's mate.

- Third party Underwriter will be equivalent to or trustworthy than the primary candidate.

- Post dated checks for portions and one undated check covering whole advance sum with intrigue.

- Comprehensive first gathering protection inclusion of benefit supporting the bank.

## 2) Any Reason Credit:

Clients having adequate net income to store the portions consistently of the accompanying section:

**Customer Fragment:**

For lasting/affirmed benefit holders of Govt., Semi-Govt., Self-governing Associations, Banks, Insurance agencies, Open Constrained Organizations, Global Organizations, NGOs, Representatives of Private Restricted Organizations, satisfactory to the bank, secured by certification of another worker of equivalent or higher review. Educators of Colleges, Universities and Schools (Subsidiary). Proficient people like Specialists, Designers, Contracted Bookkeepers, and Planners.

**Purpose:**

- For development and remodel of private house/building and buy of Level/Loft and any legal reason.

**Nationality and Age Point of confinement:**

- Bangladeshi by birth.
- Minimum age 25 years/Most extreme age 55 years.
- Loan tenor will not surpass 60 years old.

**Minimum Salary:**

- Net Salary ought to be in any event Tk. 40,000/- every month. (To be substantiated by proof)

**Loan Measure:**

- Least 2.00 Lac and Greatest Tk. 50.00 Lac.

**Maximum Term of Credit:**

- 10 years.

**Loan to cost:**

- Regulated by Bangladesh Bank every now and then.

**Rate of Intrigue:**

- As controlled by the bank from to time.

**Security/Insurance:**

- The credit will be anchored by 200% substantial resource or 100% money related resource.
- In reasonable cases security condition might be loose.
- Hypothecation/Lien/Enrollment/Home loan of some other resource, satisfactory to the bank, as possible relying upon the kind of advantage.
- Personal assurance of the candidate and candidate's life partner.
- Third party underwriter will be equivalent to or trustworthy than the essential candidate.

### 3) Personal Credit:

Clients having adequate net income to store the portions frequently of the accompanying section:

#### **Customer Portion:**

For perpetual/affirmed benefit holders of Govt., Semi-Govt., Independent Associations, Banks, Insurance agencies, Open Constrained Organizations, Worldwide Organizations, NGOs, Representatives of Private Restricted Organizations, worthy to the bank, secured by certification of another worker of equivalent or higher review. Educators of Colleges, Universities and Schools (Associated). Proficient people like Specialists, Designers, Contracted Bookkeepers, and Engineers.

#### **Purpose:**

- Any legal reason.

#### **Nationality and Age Breaking point:**

- Bangladeshi by birth.
- Minimum age 25 years/Most extreme age 57 years.
- But advance tenor will not surpass 62 years old.

#### **Minimum Salary:**

- Net Salary ought to be in any event Tk. 40,000/ - every month. (To be substantiated by proof)

#### **Loan Estimate:**

- Minimum 2.00 lac and Most extreme Tk. 20.00 Lac.

#### **Maximum Term of Advance:**

- 5 years

#### **Rate of Intrigue:**

- As dictated by the bank from to time.

**Security/Security:**

- The advance above Tk. 8.00 Lac will be anchored by 200% substantial resource or 100% money related resource.
- Hypothecation/Lien/Enlistment/Home loan of Offered/Acquired/Obtained/Some other resource, satisfactory to the bank, as achievable relying upon the sort of advantage.
- In reasonable cases security condition might be loose.

**4) Salary Credit:**

Clients having adequate net income to store the portions frequently of the accompanying fragment:

**Customer Portion:**

For perpetual/affirmed benefit holders of Govt., Semi-Govt., Independent associations, Banks, Insurance agencies, Open Restricted Organizations, Worldwide Organizations, NGOs, Representatives of Private Constrained Organizations, worthy to the bank, secured by assurance of another worker of equivalent or higher review. Educators of Colleges, Universities and Schools (Associated). Proficient people like Specialists, Designers, Sanctioned Bookkeepers, and Engineers.

**Purpose:**

- Any legitimate reason.
- Nationality and Age Farthest point:
- Bangladeshi by birth.
  - Minimum age 21 years/Most extreme age 55 years.
  - But advance tenor will not surpass 60 years old.

**Minimum Salary:**

- Net Salary ought to be in any event Tk. 15,000/ - every month.

**Rate of Intrigue:**

- As dictated by the bank from to time.

**Maximum Term of Advance:**

- 5 year

**Loan Estimate:**

- Minimum 1.00 lac and Most extreme Tk. 8.00 lac Or multiple times of gross pay, which ever is lower.

**Security/Security:**

- Lien on Pay and administration advantage of the clients and agree to pay to JBL on interest to modify the advance from his boss on JBL standard arrangement.
- Personal assurance of the candidate and candidate's companion.
- Third party underwriter will be equivalent to or more reliable than the Foremost candidate.

**5) Doctors Advance:**

Clients having adequate net income to store the portions consistently of the accompanying fragment:

**Customer Portion:**

For Salaried Specialists of rumored Restorative Schools and Doctor's facilities, Centers, Demonstrative Focuses, NGOs, Worldwide/Nearby Corporate, Govt. Workplaces, Semi Govt. Workplaces, Self-ruling Associations, National/Worldwide Guide organizations, UN Bodies. Independently employed Duty Paying Specialists having great notoriety and solid pay source(s).

**Purpose:**

Instructive Costs, Office Gear, Restorative Supplies Buy, Proficient Hardware Buy, Business/Office/Chamber Space Buy/, Remodel/Adornment, Office Enrichment, Types of gear, Gadgets things buy.

**Nationality and Age Point of confinement:**

- Bangladeshi by birth.
- Minimum age 25 years/Greatest age 60 years.
- Loan tenor will not surpass 65 years old.

**Minimum Pay:**

- Net Pay ought to be at any rate Tk. 30,000/ - every month. (To be substantiated by proof).

**Loan Measure:**

- Minimum 2.00 lac and Most extreme Tk. 50.00 lac.

**Maximum Term of Credit:**

- 5 years

**Rate of Intrigue:**

- As controlled by the bank from to time.

**Security/Guarantee:**

- Loan above Tk.10.00 lac must be anchored by 200% settled resource or 100% money related resource.
- Hypothecation/Lien/Enrollment/Home loan of Offered/Obtained/Bought/Some other resource, satisfactory to the bank, as possible relying upon the sort of benefit.
- Comprehensive first gathering protection inclusion of advantage supporting the bank, if relevant.
- Personal assurance of the Candidate and Candidate's mate.
- Third party Underwriter will be equivalent to or more reliable than the Chief candidate.



## 4.1 Findings

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From the previously mentioned examination various discoveries can be unveiled. In this part significant discoveries are being expressed and in the quick next section all the conceivable arrangements of negative discoveries will be prescribed.

### **1. Larger credits:**

Bigger credits will have certain terms and conditions or pledges that you should cling to, for example, the arrangement of quarterly administration data.

### **2. Interest on assets:**

Credits are not extremely adaptable - you could be paying enthusiasm on assets you're not utilizing.

### **3. Poor reimbursement framework:**

You could experience difficulty making month to month reimbursements if your clients don't pay you instantly, causing income issues.

### **4. In adequate pay enthusiasm on advance:**

Now and again, credits are anchored against the benefits of the business or your own belonging, your home. The financing costs for anchored advances might be lower than for unbound ones, yet your benefits or home could be in danger on the off chance that you can't make the reimbursements.

### **5. Short term settled rate:**

There might be a charge in the event that you need to reimburse the advance before the finish of the credit term, especially if the financing cost on the advance is settled.

### **6. Strict Prerequisites:**

Since many bank credits require some type of security, new companies and existing organizations with no advantages can think that its hard to get their advance applications

endorsed. On the off chance that these borrowers go for unbound credits, they are hit with higher loan fees.

## **4.2 Recommendations**

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With the end goal to get upper hand and to convey quality administration, top administration should endeavor to alter the administrations.

### **1. Term of Advance:**

The advance isn't repayable on interest thus accessible for the term of the credit - for the most part three to ten years - except if you rupture the advance conditions at Jamuna Bank Constrained.

### **2. Interest rates:**

Financing costs might be settled for the term so you will know the dimension of reimbursements for the duration of the life of the advance.

### **3. Repayment framework will be quicker:**

Toward the start of the term of the credit you might have the capacity to arrange a reimbursement occasion, implying that you just pay enthusiasm for a specific measure of time while reimbursements on the capital are solidified.

### **4. Pay first enthusiasm on credit:**

While you should pay enthusiasm on your credit, you don't need to give the loan specialist a level of your benefits or an offer in your organization.

### **5. Fixed rates will be great:**

Financing costs might be settled for the term so you will know the dimension of reimbursements for the duration of the life of the advance.

## **6. Flexibility:**

With bank advances, you just need to stress over making your normal portion installments on time. This is leeway over overdrafts, where you should pay everything when the bank requests it. Likewise, banks don't more often than not screen how you utilize your credit as long as you make your installments on time, so you can contribute it anyway you esteem fit.

## **4.3 Conclusion**

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As a bank Jamuna Bank Restricted needs to complete a great deal of things for the improvement of the nation. The Bank is emphatically situated in the market and desires and in this manner bring their riches up in future through moral saving money and best evaluating. Accordingly, it needs to step up so it can satisfy the longing of the govt. and individuals. It will upgrade more open administrations and develop working groups to give the best administrations to its significant clients. It must be kept running in sorted out way and control must be guaranteed in all circle of its execution. Proficient fare group, import group and settlement group must be shaped and perform obligations appropriately. Additional preparation, computerization, information accumulation, advertise investigation and quickness in adjusting are basically required. To do these the prescribed recommendations can be utilized. In spite of the fact that it is hypothetical recommendations, it isn't valueless. It has incredible effect on the managing an account business and different areas of the economy. For this, govt. help is fundamental and it is normal that govt. will widen its hand for executing the suggestions for the welfare of the general population of Bangladesh.

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