

FOREIGN EXCHANGE OPERATION OF RUPALI BANK LIMITED.

Submitted To

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Date of Submission:

Letter of Transmittal

Date:

Dr. S M Sohel Rana
Associate Professor
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Subject: Application for the submission of the Internship Report

Respect Sir,

Here is the internship report that I was obliged to get ready as a major aspect of the BBA program of Daffodil International University. The subject that I was allocated entitled on "Foreign Exchange Operation of Rupali Bank Limited". I have attempted my level best to set up a successful and dependable report. To satisfy the necessity of the report, I have adhered to your guidance and rules recorded as a hard copy of the internship report. Every one of the information were gathered with the direction of my manager so as to evade any break of secret data of the association.

I might want to thank you for enabling me to set up this report, which will show the foreign exchange framework and its noteworthy work in the monetary advancement of our country. Coincidentally, I would be glad to clarify the errors that may emerge in this short report.

Sincerely,

Masud Mia

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Supervisors Declaration

This is to certify that Masud Mia, ID:161-11275, Department of Business Administration, Faculty of Business and Entrepreneurship, Student of Permanent Campus, Daffodil International University. This internship report entitled "Foreign Exchange Operation of Rupali Bank Limited" under my supervision. Ensured further that to the best of my information the work reported in this does not frame some portion of some other undertaking or report or exposition based on which a degree or grant was presented on a previous event on this or some other candidate.

.....

Dr. S M Sohel Rana

Associate Professor

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Student Declaration

I do therefore pronounce that the work introduced in this Internship Report has been done by me and has not been recently submitted to some other University/Organization for a scholarly capability. The work I have displayed does not break any current copyright and no segment of this report is replicated from any work done before for a degree or something else.

I further attempt to repay the Department against any misfortune or harm emerging from rupture of the previous commitments.

.....

Masud Mia

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Acknowledgment

It is a matter of extraordinary satisfaction and pleasure to present this report entitled Foreign Exchange Operation of Rupali Bank Limited. I accept this open door to owe my thanks to every one of those associated with my preparation.

Firstly, I might want to express gratitude toward My Supervisor Dr. S M Sohel Rana, Associate Professor, Department of Business Administration, Faculty of Business and Entrepreneurship for the encouragement, discussions and basic assessment of the Internship Report. I put on record my sincere thanks to my University, Daffodil International University, for giving me such a chance.

I am extremely appreciative to Rupali Bank Limited, Corporate Branch, Mirpur 01, for allowing the chance to complete my Internship Report in the association It was a decent encounter for me to work with Rupali Bank Limited. I am incredibly obliged to Deputy General Manager Mr. Mohammad Afzal Hossain for my Bank Supervisor who have shared their expertise and information with me without which the completion of the Internship Report would not have been possible.

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List of Abbreviations

SCB	-	State-owned Commercial Bank
NCB	-	Nationalized Commercial Bank
RBL	-	Rupali Bank Limited
BB	-	Bangladesh Bank
NRTA	-	Non-Resident Taka Account
NRFCA	-	Non-Resident Foreign Currency Account
MOF	-	Ministry of Finance
MOC	-	Ministry of Commerce
FE	-	Foreign Exchange
EFT	-	Electric Fund Transfer
NRB	-	Non-Resident Bangladeshi
ATM	-	Automated Teller Machine
SWIFT	-	Society for Worldwide Interbank Financial Telecommunication
ID	-	International Division
AD	-	Authorized Dealers
RBTI	-	Rupali Bank Training Institute
NFCD	-	Non-Resident Foreign Currency Deposit
RFCD	-	Resident Foreign Currency Deposit
SME	-	Small & Medium Enterprise

Executive Summary

This report demonstrates an appraisal of import, exchange and foreign settlement business of RBL. To finish the evaluation two sorts of data were accumulated - essential data and optional data. Most of the heads, FE officials of Approved Seller Branches and cautious individual for the widespread division of Rupali bank ltd. are related to the foreign exchange business. Principal data amassed through a formed survey with effectively reasonable open-completed structure. Encountering distinctive archive and papers, yearly report, flyers, manuals of RBL, objectives the optional data is amassed. It is found that the volume of foreign settlement is better than the import and segment business. All the bit of RBL is confirmed for foreign settlement exchanges that are the explanation the volume of foreign settlement is commonly raised. Separated and the area, import volume is higher. From the above assessment, it might be said that if RBL makes certifiable moves to for managing a less perplexing course for the inflow of foreign settlement and skilled work are set for giving better association, by then the inflow of foreign settlement will be extended fundamentally. For passage, the movement of something different, the advancement of standard things like jute, looking for new goals offering awakening forces to exporters, etc are clear for extending assertion settlement. On the other hand, the new client needs to find managing the present issue to support the FE business of RBL.

Chapter 01

Introduction

1.1 Background of the Study

Rupali Bank Ltd. is one of the best state-guaranteed open obliged banks of Bangladesh. It plays an essential development in banking business by offering association to the mass people and in the cash related improvement of the district. The fundamental segments of a business bank are to accumulate cash from the surplus unit, move it to the need unit. Rupali Bank Ltd. is one of the best state-guaranteed open obliged banks of Bangladesh. It plays an essential development in banking business by offering association to the mass people and in the cash related improvement of the district. The fundamental segments of a business bank are to accumulate cash from the surplus unit, move it to the need unit. The Foreign Exchange Division of Rupali Bank Limited is a large office with a huge profit spread. The foreign settlement exchange of a bank is the uttermost point in the worldwide division of how they plan their strategy. With the exception of import-pass on business, putting foreign cash in the overall offer market by utilizing its overseeing room is another business of this bank. Rupali Bank Ltd. is doing its foreign exchange business by its 183 foreign journalists. The foreign exchange business is guided by some national and overall courses of action. Among the national principles Bangladesh Bank, Boss controller of import and toll, Service of Trade, Service of record are the decision star.

1.2 Objectives of the Study

The broad objective of the examination is to analyze the foreign exchange execution of Rupali Bank Ltd. In any case, the particular objectives are accompanying:

- ➔ To identify the present pattern of import, export and foreign remittance of Rupali Bank Limited;
- ➔ To analyze year-wise import, export and foreign remittance business of Rupali Bank Limited;
- ➔ To identify whether there is any problem in import, export and foreign remittance of Rupali Bank Limited;
- ➔ To suggest the better ways for increasing the foreign exchange performance of Rupali Bank Limited;

1.3 Methodology

For leading an overview exact information and data ought to be gathered from the correct sources. For the present study, two sources were utilized for gathering information. They are as per the following:

- ❖ Primary data
- ❖ Secondary data

Primary Data:

- ❖ questionnaire.
- ❖ face to face conversation

Secondary Data:

- ❖ different documents and papers,
- ❖ annual report,
- ❖ brochures,
- ❖ manuals of RBL,
- ❖ web sites.

In preparing the information, Microsoft Word and MicroS Excel was utilized. Tables and Graphs were readied utilizing separate offices given by MS Excel.

1.4 Limitations of the Study

To set up the report I have stood up to certain issues. That is the explanation this report isn't free from restrictions. During the hour of data gathering, data amassing and setting up the report the going with confinements were found-

- ➔ The bank master was not intrigued to give the specialist enough time to talk about different issues.
- ➔ Time was not adequate to accumulate data and meeting different officials of the bank as for the subjects that were helpful to finish the study brilliantly.
- ➔ The data gathering is stacked with complexities in light of the fact that relevant data sources are tricky out.
- ➔ There are such huge numbers of deterrents in light of the fact that Rupali Bank Ltd. isn't happy to reveal their practices, arrangements, and adaptabilities towards their rivals.

- ➔ There may have a reaction botch. Respondents were hesitant to the reaction that is the explanation numerous data and data couldn't be accumulated.
- ➔ To set up a descriptive report money related help is required. The scientist didn't get any cash related help. That is the explanation different kinds of the investigation didn't wind up conceivable.
- ➔ The analyst didn't get help from any study on the equivalent on RBL. Along these lines, a near study between times couldn't be made.

Chapter 02

Organizational Profile of Rupali Bank Ltd.

2.1 Historical Background

Rupali Bank Ltd. (RBL) was set up with the merger of 3 (three) past business banks, for instance, Muslim Commercial Bank Ltd., Australasia Bank Ltd. and Standard Bank Ltd. which was worked in the then Pakistan on March 26, 1972, under the Bangladesh Banks (Nationalization) demand 1972 (P.O. NO. 26 of 1972), with all of their favorable circumstances, benefits, rights, powers, authorities, benefits, liabilities, borrowings, and duties. Rupali Bank filled in as a nationalized business Bank till December 13, 1986. Rupali Bank Ltd. Ascended as the greatest Public Limited Banking Company of the country on December 14, 1986.

2.2 Present Capital Structure

Authorized Capital	:	Tk. 7000 million (US\$ 88.66 million)
Paid-up Capital	:	Tk. 1650 million (US\$ 20.9 million)

Break up of paid-up Capital:

Government shareholding	:	90.19%
Private shareholding	:	09.81 %

Present Share Structure:

Total Number of share (Each lot : 10) 16,50,00,000

Share Demented by: 124358890
shareholders

Rupali Bank works through 550 branches. It is connected to its foreign reporters everywhere throughout the world. The complete number of representatives is 4293. The Bank is regulated by the Managing Director (Chief official) who is a rumored professional Banker.

2.3 Vision

To emerge as the main financial institution of the country to support the various activities of the mechanical and extraordinary influence of the private sector in the financial progress of the country. In the same way, she becomes a working member in Business Banking by presenting a new diagram of the item and wonderful support to the client.

2.4 Mission

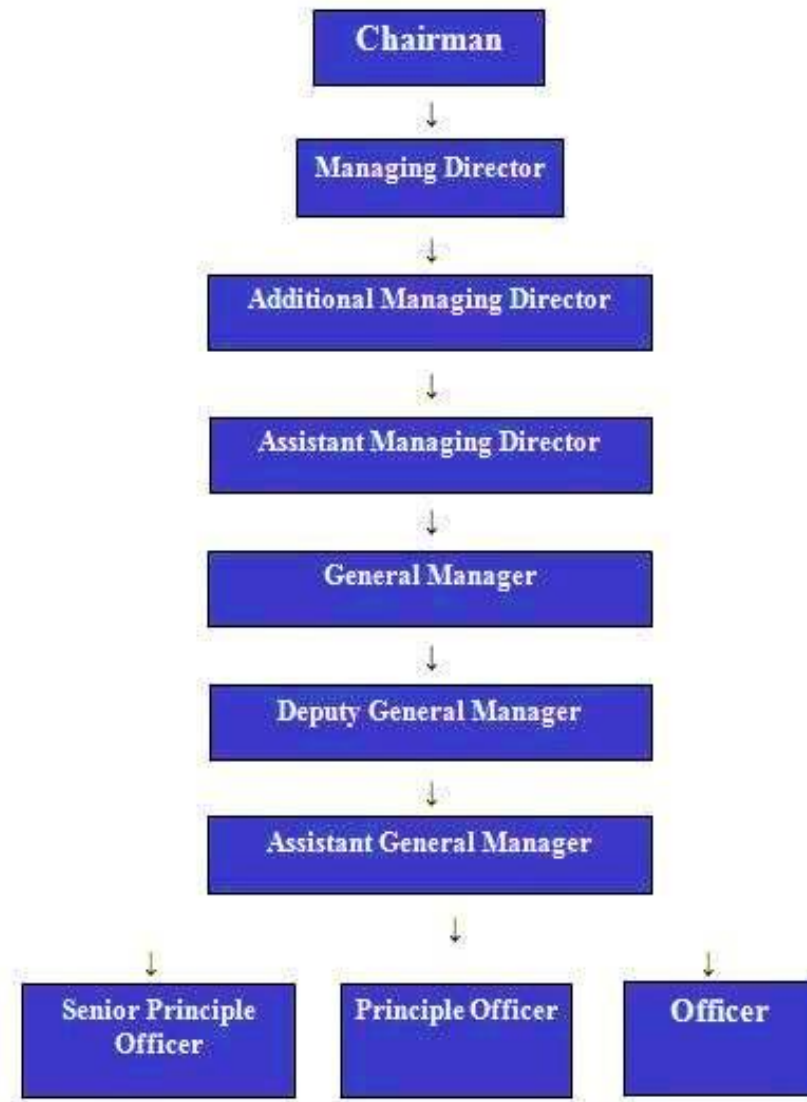
- ❖ Be aggressive with various banks and financial institutions in rendering administration
- ❖ To add to the nation's financial advancement by distinguishing new and profitable zones for speculation,
- ❖ To gather stores for a profitable venture,
- ❖ Expanding the branch system to financially and geologically important spots;
- ❖ To use quality HR and to improve their capacity through inspiration and the right kind of preparation at home and abroad;
- ❖ Designating the highest ultimate authority with a guarantee of legal responsibility;
- ❖ Maintain a constant improvement and up-degree in business systems and procedures;
- ❖ To embrace and adapt to new innovations;
- ❖ Expanding profits through strong, productive and judicious financial performance;
- ❖ To identify new product offerings together with market needs.

2.5 Strategic Objectives

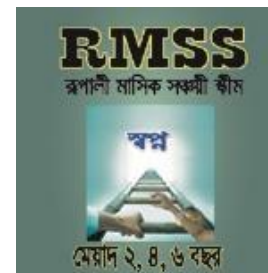
- Increment our piece of the overall industry by following a product development technique.
- Accomplish a noteworthy portion of the store and credits from the current and specialty markets.
- Create inventive items and administrations that pull in our focused on clients and market fragments.
- Support an amazing resources portfolio to accomplish solid and practical returns and to ceaselessly assemble investors' worth.
- Build up a client arranged administration culture with an uncommon accentuation on client care and openness.
- Fortify the bank's image acknowledgment.

- Investigate new open doors for development and profitability, especially by broadening advance portfolio through organized money and extension of retail and SME financing.
- Fortify the bank's image acknowledgment.

2.6 Operational network organogram



2.7 Product and Services of RBL



Chapter 03

Foreign Exchange Business of Rupali Bank Ltd

3.1 Foreign Exchange

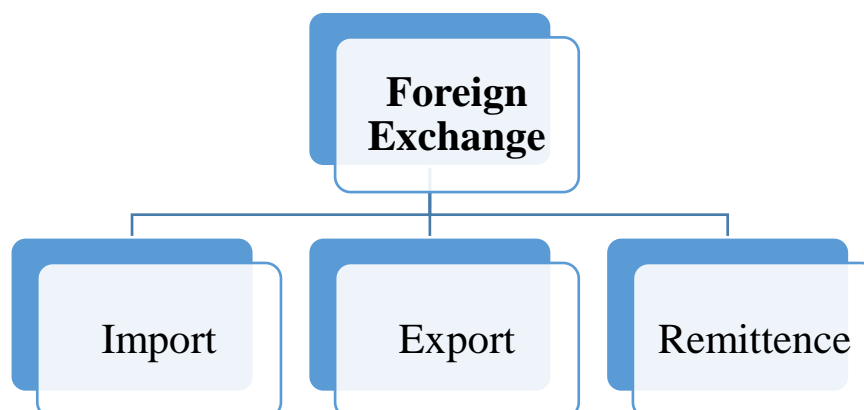
Foreign Currency - refers to any equipment drawn, recognized, made or issued under the provisions (1) of section 4 (1) of the Foreign Exchange and Bangladesh Bank Order 1977.

- ❖ All stores, credits, and parities were payable if there should be an occurrence of any remote cash.
- ❖ Any draft, voyager's check, credit letter and bill trade charge correspondence, and alluring Bangladesh money is as yet payable in any remote cash.

Foreign currency means cash in the name of money of other nations or social events of countries. Foreign currency can be money, using credit and charge cards, pilgrims' checks, bank stores or other transit cases. Just when a company offers merchandise or administration to a foreign client and receives foreign money, it needs to be converted to residential cash. When bringing in, the company will have to switch to the family's above-mentioned foreign cash to pay for a foreign supplier. This change, as a rule, occurs between the company and its bank.

Foreign exchange transactions will be exchanges with any highlights

- ➔ Any cash other than neighbor money is involved, for example, cross-money exchanges.
- ➔ Claims include a nation at any rate other than race, for example, cross outsourced exchange.



3.1.1 Import

The importer wants to buy goods from outside the country and bring the goods inside the country. From a very precise reference point, RBL has launched a comprehensive foreign exchange business with the ultimate goal of empowering the country's global exchange exchange. The bank funded the import, including electronic equipment, sports merchandise, rice, wheat, seeds, soybeans, polyolefin, dye, synthetics, decoration and more.

To prepare for the import into the RBL, a merchant must secure the import and listing of imports from the Central Controller of Charges. When issuing credit cards in RBL, the papers are taken –

- ➔ Application
- ➔ Pro-forma invoice/ indent order
- ➔ Insurance cover note
- ➔ Letter of credit authorization form
- ➔ IMP form
- ➔ Charge form vii) Trade license viii) IRC
- ➔ Income tax certificate
- ➔ Membership certificate
- ➔ VAT registration certificate

Types of Importer

Commercial importer

It infers a trader is selected under the imports, exporters, and indentors enrollment demand, 1981 who import merchandise available to be gained. Precisely when issued to a business shipper, gives the class held by him with ITC portrayal and open notice against which they are surrendered into import exchange.

Industrial importer

Right when issued to a cutting edge buyer, gives the things of import as unpleasant materials and crushing materials and additional parts, and so forth.

Import Procedures of RBL

- Registration of importer
- Outfit the pertinent papers/records through the named bank one can demand see from CCI&E
- The assigned bank of the candidate will examine the papers/records and confirm the mark of the candidate
- L/C approval structure
- Opening of L/C
- The assignment of Banks-The issuing bank opens/issues the L/C as per the guidance/solicitation of the importer and solicitation another bank situated in the seller's/exporters nation to exhort the L/C to the recipient. The issuing bank may likewise demand the encouraging bank to affirm the credit, if important.
- The exhorting bank prompts/illuminates the dealer that the L/C has been issued.
- When the exporter/vender gets the L/C and is fulfilled that he can meet the L/C's terms and conditions, he is in a situation to make a shipment of the products.
- The arranging bank inspects the reports and whenever discovered O. K arranges the records and sends the said reports to the L/C issuing bank.
- In the wake of accepting the archives, the L/C issuing bank additionally investigates the records and whenever discovered o.k. makes the installment to the arranging bank.
- The L/C opening bank at that point demands the importer to get the records on installments.
- The importer in the wake of paying all levy gets the records from the L/C issuing bank and then discharges the imported products from the port power.
- Import against LCA structure without opening L/C.

3.2 Documentary Credit/Letter of Credit

Documentary credit is an affirmation of the segment by the bank. It is a course of action under which the bank as per the buyer or in disengagement attempts to make part to the trader give chose reports are submitted. Documentary credit is a course of action whereby a bank acting at the deals and on the bearing of a client or in seclusion reason handles to make bit to or to the deals for a distant or see and oversee tabs of exchange drawn by the beneficiary, or confirm another bank to manage against stipulated records gave the terms and conditions to the credit have consented. In like way, Documentary credits are a kind of bank ensures. In like way language, they are known as a letter of Credit. Bank affirmations are, regardless, issued to

cover the circumstance of non-execution while documentary credits are issued in light of real stress for the buyer to cover the state of execution, for instance, the issuing bank consents to make a bit to the beneficiary once he gives up the essential agreeing reports.

Letter of Credit Transactions

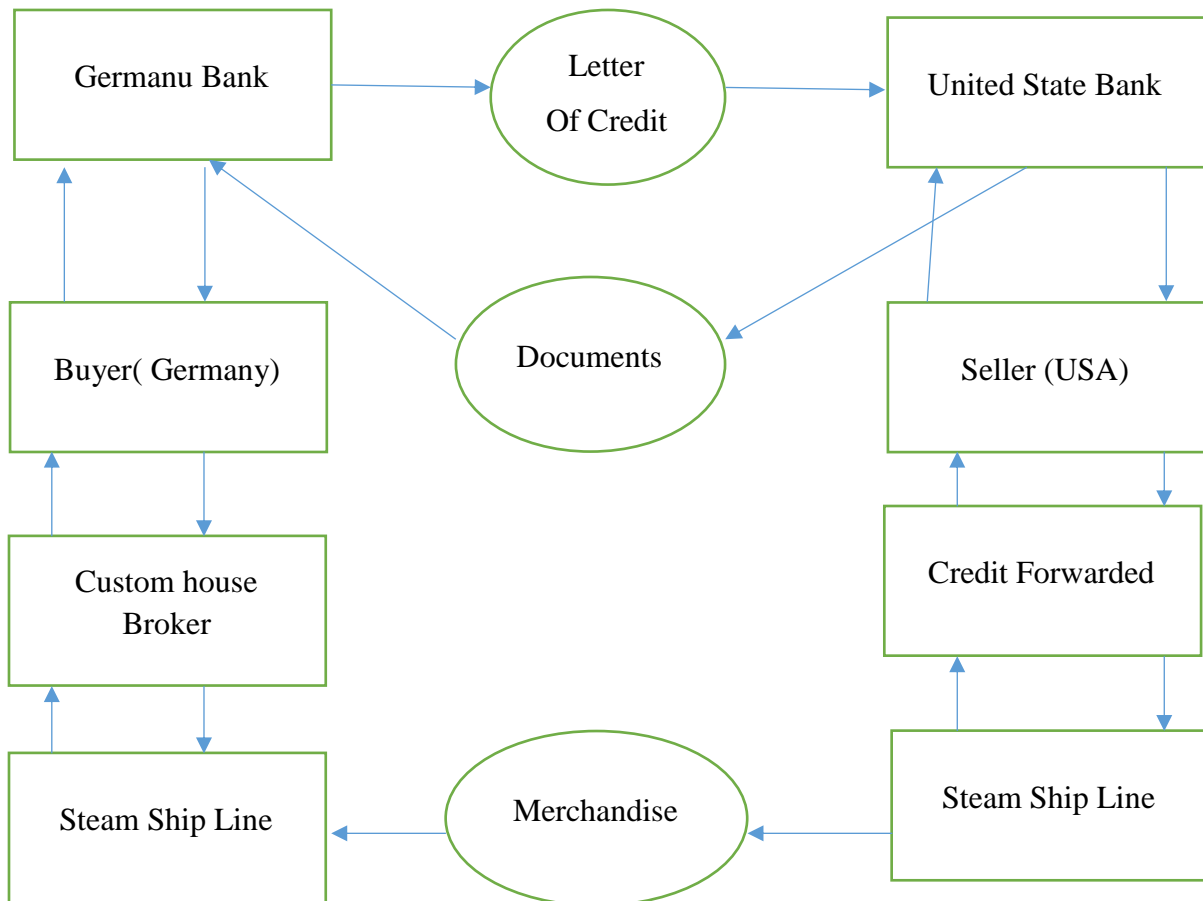


Figure 10 outlines the courses taken by the product, letter of credit, and archives in a letter of credit exchange between a U.S vender and a German purchaser. At the point when the German purchaser acknowledges the terms of the offer that accommodate an affirmed and unalterable letter of credit, she goes to her bank to mastermind opening the required letter. The purchaser will outfit the bank with the data contained in the Pro-forma receipt, indicate the records that the exporter must present to get installment and set the termination date for the credit. The German bank at that point educates its reporter bank in the United States to affirm the credit and advise the dealer that it has been built up. The dealer readies the product for shipment and tells the cargo forwarder, which books space on a ship readies the fare records and orchestrates to have the product conveyed to the port. The records together with a sight or time draft drawn

by the merchant are exhibited to the U.S bank, which pays the dealer and advances the reports for accumulation to the German bank.

At the time of lodgment and retirement, the following accounting procedure is maintained

Dr. Banks liability A/C	Dr. Margin A/C
Cr. Customers liability A/C	Dr. Party A/C
Dr. PAD A/C	Cr. PAD A/C
Cr. HO/ID A/C	Cr. Income A/C

3.3 Parties to a Letter of Credit

- The issuing Bank
- The Confirming Bank, if any and
- The Beneficiary

Opening /issuing bank

Opening or Issuing bank is the bank which opens/issues an L/C in the interest of the importer. It is additionally called the importer's/purchaser's bank.

Confirming Bank

A conforming bank is a bank that affirms its affiliation with the affiliate and is done with the issuing bank. The confirming bank may be the prospecting bank.

Exporter's /Seller/ Beneficiary

Exporter/Merchant/Recipient is the gathering in whose support the L/C is built up.

Importer/Buyer

The candidate is the independent bank claiming to open the L / C. It is otherwise called importer / buyer / customer.

Advising/Notifying Bank

Advising bank is the bank through which the L/C is encouraged to the exporter. It is a bank arranged generally in the conveying country and it might be a piece of the opening g bank or a reporter bank. It might likewise expect the activity of confirming and/or masterminding bank dependent upon the states of the credit.

Negotiating Bank

Arranging the bank is the bank, which arranges the bill and pays the sum to the beneficiary. It needs to purposely investigate the documentary credit before the course of action to see whether the reports unmistakably are for the most part together or not. The advising bank and the arranging bank could possibly be one and the equivalent. Now and then it can likewise be the confirming bank.

Paying/Accepting Bank

Paying bank is the bank on whom the bill will be drawn. It is assigned in the credit to make installments against stipulated records consenting to the particulars of the credit. It could conceivably be the issuing bank.

Reimbursing Bank

Paying bank is the bank on whom the bill will be drawn. It is selected in the credit to make installments against stipulated reports consenting to the details of the credit. It could possibly be the issuing bank.

Transferring bank

Moving the bank is the bank which will move the L/C, being told by the first recipient.

3.4 Special Documentary Credit

Revolving Credit

Revolving credit is the amount it provides for restoring credit to the first amount after use. Credit must be noted in how often this happens. Rolling credit can be either sequential or non-numeric.

Transferable Credit

Transferable credit is a credit that can be transferred in whole or in part to one or more beneficiaries by the first recipient. Such credit may be transferred only once unless otherwise specified. Transferable credit fractions can be transferred individually, including but not limited to incomplete shipment.

Back to Back Credit

Back-to-back credit is a type of opening credit based on other types of unique credit. Under the assumption that the seller is the recipient of the first recognition, it protects the consulting bank from paying the second credit. The recipient of continuous creditors may be in or out of the first recipient nation.

Red Clause Credit

One of the special conditions recognized by the Red Clause is the credit for consolidation which allows the authority to proceed to the beneficiary before submitting the documents to the confirming bank or any other designated bank. Under the above credit, if the recipient fails to compensate or notify the documents for the exchange, the bank is at risk of opening the bank for pre-shipment advance.

Standby Credits

Standby credit is a documentary credit or similar format, however described or described, which is a payment made by a candidate as a beneficiary's promise to the promising bank to return the money paid or to advance or advance the candidate's record. Or committed because it is a default in payment by Rothi.

3.5 Shipping Documents Required Under Documentary Credit

Following types of shipping, documents are used in L/C operation –

1. Transport Documents
2. Commercial Invoice
3. Insurance Documents
4. Other Documents

Bill of Lading

The bill to replenish is the most important archive on the World Exchange. It was identified by the ship's delivery or shipping company or its operator in recognition of the merchandise receipt indicated on the ship's board, which was delivered to the proctor named in the bill, or for the purpose of installing a compensation called cargo, on request or similar to its trustee. Billing Bill is not a negotiation tool although it does have some negotiation features. It may be transferred with approval. The bill of lading serves three main purposes - as a document of title to the goods.

- ❖ As a receipt from the shipping company

- ❖ As a contract for transportation of the goods

Airway Bill/Air consignment Note

Airway Bill / Air Invoice Notes A receipt that confirms delivery of the goods to an airline or its specialist to a naming representative by airplane, which is indicated by the specifications and the agreed terms and conditions. Airway bills/air consignment notes are not controversial materials, but rather, airline bills are made for a large part of the case where goods are shipped, and therefore the exporter's budget incentive is taken around.

Roadway Bill/ Truck Receipt

It is an internationally approved document of transportation when goods are sent by roads.

Railway Receipt

Railway Receipt / Railway Invoice Note is a receipt issued by the railway experts when the exporter or its operator arrives at a designated target for a driven vehicle which expresses the precision of the target and the target they are pursuing.

Postal Receipt

This is a receipt received by the post office for a parcel received directly for delivery to the address office.

Courier Receipt

This is a receipt issued by Courier Services for the goods they have received/received for direct delivery to the address provided.

Contents of Transport Documents

In examining or detecting transport documents, it is very important to know its contents. A complete transport document should contain the following information:

- Name of the carrier and be signed
- Description of goods
- Identifying marks and number
- The name of the carrying vessel or the intended vessel
- An indication of dispatch or taking in charge or loading onboard and the place of final destination.

- Whether the freight has been paid or to be paid
- Terms and conditions of the carriage
- Date of issuance

3.6 Export

Chowdhury, L. (2011), says, by the admission, we mean out stud of anything starting with one country then onto the next. Admission as sending of obvious things outside the country accessible to be acquired. Admission exchange plays a key activity in the advancement procedure of an economy. Import installment is settled with the charge income.

3.6.1 Export Procedure of RBL

In the fare processing, various functions are finished by the bank among them L/C advising and negotiations are important. At the point when an L/C comes to the bank for advising then exporter is informed by the bank. In the wake of getting the L/C exporter goes to set up the goods according to L/C terms and conditions. In the wake of making the shipment, exporter comes to the bank for exchange. In the event that the bank finds all documents comply with the terms and conditions of the letter of credit then the bill is arranged. Gathering finds the bill worth and bank send the documents exactly of credit issuing bank claiming the L/C esteem according to terms and conditions.

Preparation of export documents

1. These documents are prepared before the export shipment -
2. Bill of exchange /draft
3. Commercial invoice
4. Bill of lading
5. Inspection certificate
6. Packing list
7. Shipment advice
8. Certificate of origin
9. Weight certificate
10. Certificate of analysis
11. DHL courier Receipt

Export documents checking

These Export documents are checked very carefully before shipment –

- L/C restricted or not.
- Exporter has to submit documents before the expiry date of the credit.
- Shortage of documents.
- Each and every point is verified with the L/C.

Flow chart for export

- ➔ Merchandise prepared for shipment
- ➔ Examination of the merchandise from the capable authority according to L/C terms
- ➔ Planning of receipt and pressing rundown and vessel booking specifics
- ➔ Papers to be sent to the C&F operator for shipment
- ➔ C&F will direct the custom conventions. Checking the merchandise according to the receipt and pressing rundown assessment report.
- ➔ C&F will take consent for shipment/handover the merchandise to delivery co.
- ➔ After the finish of all traditions customs, the choosing shipping co. gotten the merchandise for sail/load in the ship and issued a receipt which is known as a mates receipt.
- ➔ Handing over the delivery receipt to the exporter by the C&F specialist, the first B/L may likewise be taken in an installment of cargo and other consumption.
- ➔ The exporter may dispatch the shipment exhortation to the importer legitimately according to L/C terms.
- ➔ C&F operator gets the first B/L from the relative transportation co. and dispatches the equivalent to the bank for an arrangement or gets from the delivery co. legitimately.
- ➔ The exporter presents all unique and copies sets of records to the opening bank for arrangement.
- ➔ After arrangement bank should dispatch the records to the opening bank for the conveyance of the merchandise from the port.
- ➔ The opening bank holds up, the reports and make installment to the arranging bank A/C according to L/C terms.

Export Financing

A pre-shipment fund is a development that allows an exporter to bank on an exporter until the product is pressed for rent to a foreign buyer. This is done at the pre-shipment stage. So this is also called pre-shipment advance. The purpose of the investment is to purchase raw materials for processing finished products or production, to impose transportation to the warehouse/port, and more. Develop for collection of pre-shipment finished products.

Issuance of Proceeds Realization Certificate (PRC)

Bill charging is not a management device though it does have some exchange highlights. It may be removed with approval. The refill bill fulfills three policy requirements - as a record of the product's title.

3.7 Foreign Remittance

Chowdhury, L. According to (25), the money from one place through the remittance banking channel means the money to the next spot/nation. Foreign workers' cash remittances are called foreign remittances. In the broadest sense, foreign remittances include import and export exports/installments and each foreign bill and cash purchases and offers for various purposes. Remittance means the transfer of money/funds from one place to another through the banking channel over the next channel/nation.

Inward Foreign Remittance (Incoming Foreign Remittance):

Private remittances, indenting commissions, agent commission appointments, export bills, importers' claims, gifts, grants, foreign donations, service charges, FC notes and more. (Internal remittance of various exchange houses or companies through NRTK account: Demand Draft, TT, Instant Payments, and more).

Outward Foreign Remittance (Outgoing Foreign Remittance):

Travel Expenses (Cash FC, TC), medical expenses, education expenses, examination/tuition fees, membership fees, foreign investment gains/benefits, service charges, insurance premiums, Hajj travel expenses, foreign loan payments, consulting expenses, import payments, etc.

3.7.1 Parties of Foreign Remittance

The four major parties of remittances are:

- a) Remitter
- b) Remitting Bank
- c) Receiving Bank
- d) Beneficiary.

3.7.2 Modes of Foreign Remittance

There are various types of remitting money, such as:

- Pay Order:
- Local Demand Draft:
- Foreign Demand Draft:

- Telegraphic Transfer (TT)
- Foreign Telegraphic Transfer (FTT)
- Mail Transfer (MT)

3.7.3 Foreign Remittance Trade Mechanism of Rupali Bank Ltd.

Travel Expenses (Cash FC, TC), medical expenses, education expenses, examination / tuition fees, membership fees, foreign investment gains / benefits, service charges, insurance premiums, Hajj travel expenses, foreign loan payments, consulting expenses, import payments, etc.

- Purchasing of foreign currencies
- Selling of foreign currencies
- Selling of foreign currencies in the local market
- Front office activities
- Back office activities

Facilities allowed in connection with foreign remittance

- ❖ No commission is collected for collecting draft money from the same bank branch.
- ❖ Payment of remittance within three days.
- ❖ Customers can make any complaint regarding payment through Compliance Cell.

Chapter 4

Study Results and Findings

4.1 Present Scenario of FE Business of RBL

Market price per share of RBL

Rupali Bank Ltd. market price per share for the last four years is given below –

(In taka)

Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Price	85.50	90.80	87.30	136.60	79.40	65.20	79.20	80.90	119.80	118.60

Table 2: Market price per share of RBL

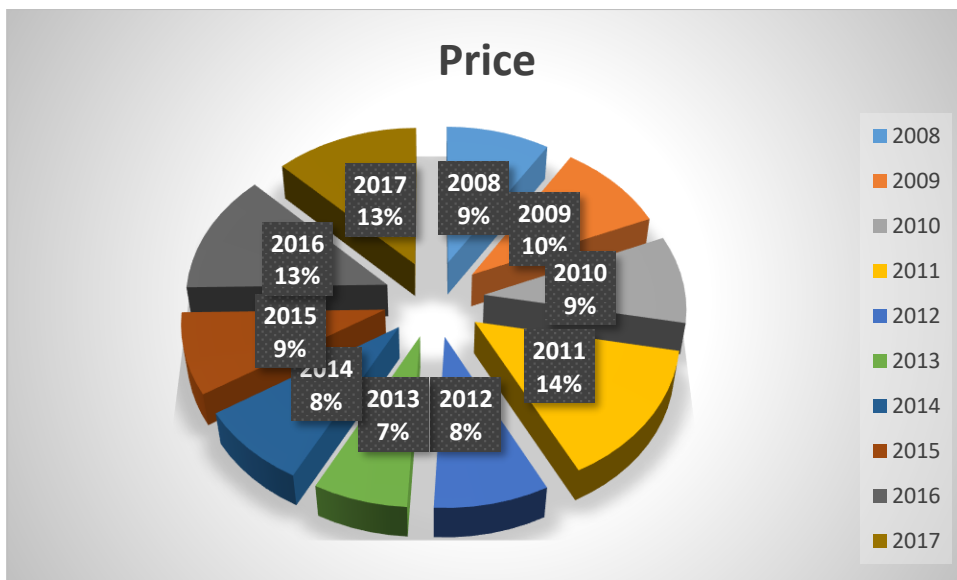


Figure 1: Market price per share of RBL

Analysis

From figure 1 we see that the offering expense of Rupali Bank Ltd. is diminishing bit by bit. The cost diminished by 1.2% from the last financial year. This is predominantly on the grounds that its ordinary execution in the market and furthermore increments in the number of investors.

Return on shareholder's fund

The return on shareholder's fund scenario for the last two years is given below –

(In percentage))

Year	2016	2017
Return	17.37%	17.10%

Table 3: return on shareholder's fund

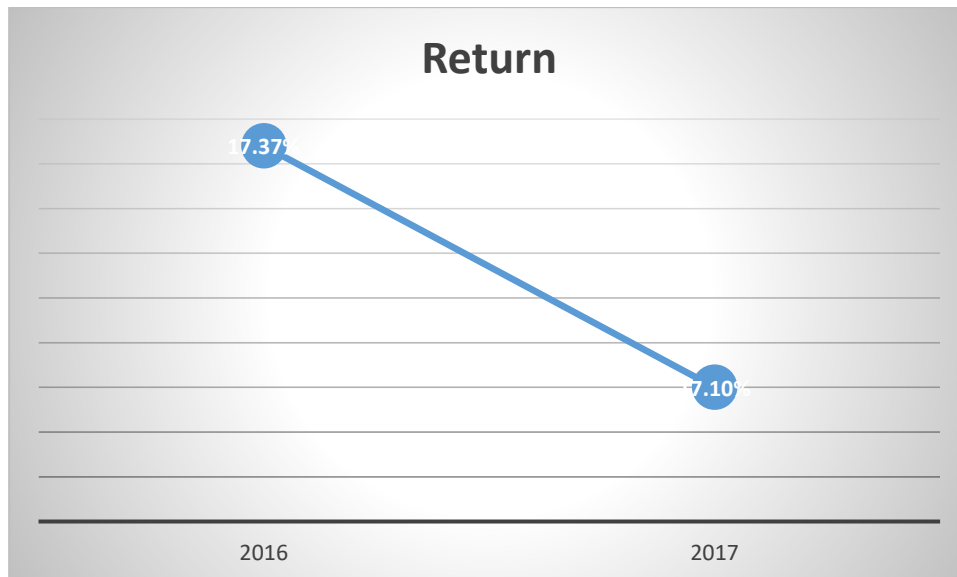


Figure 2: Return on shareholder's fund

Analysis

From figure 2 we see, the rate return on investor's venture or reserve diminished from the earlier year. In 2016 it was 17.37% however it decreased to 17.10% in 2017. This is fundamentally a direct result of the diminishing in the offer costs in the market and normal market execution of Rupali Bank Ltd.

Deposit of RBL

Rupali Bank Ltd. deposit figures for the last five years are given below –

(In millions)

Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Deposit	9785.66	8675.87	9585	9785.40	9785.80	7585	10723.40	13659.88	17795.64	22165.68

Table 4: Deposit of RBL

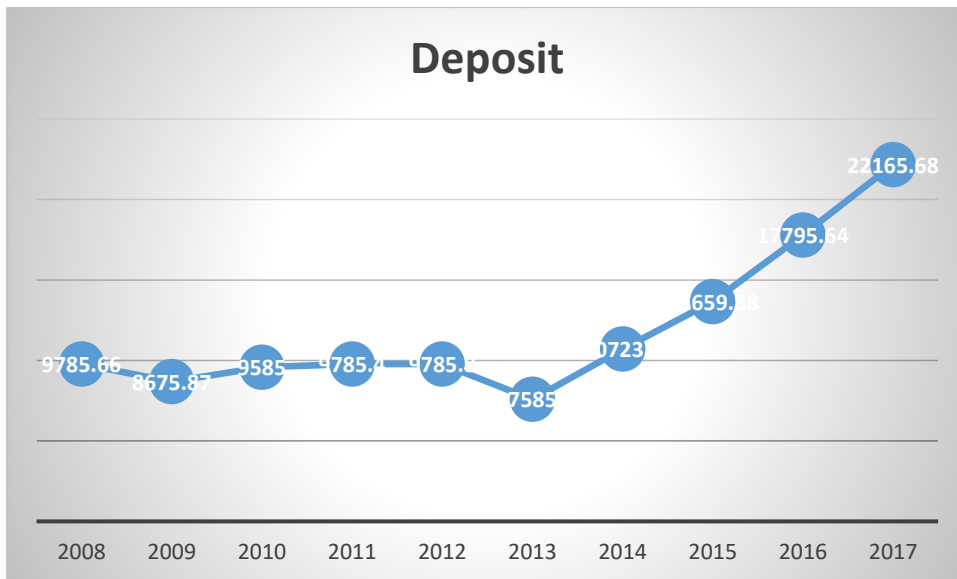


Figure 3: Deposit of RBL

Analysis

From figure 3 we see, Rupali Bank Ltd. is getting an expanding number of stores bit by bit. The store expanded from 2015 to 2017. It demonstrates the sound measure of store execution of Rupali Bank Ltd.

Loans and advances of RBL

Rupali Bank Ltd. loans and advance figures for the last five years are shown below –

(In millions)

Year	Loan and Advances
2008	5535.36
2009	6035.48
2010	6380.48
2011	6535.45
2012	6620.70
2013	5505.80
2014	7652.49
2015	9064.16
2016	10742.63
2017	12501.20

Table 5: Loans and advances of RBL

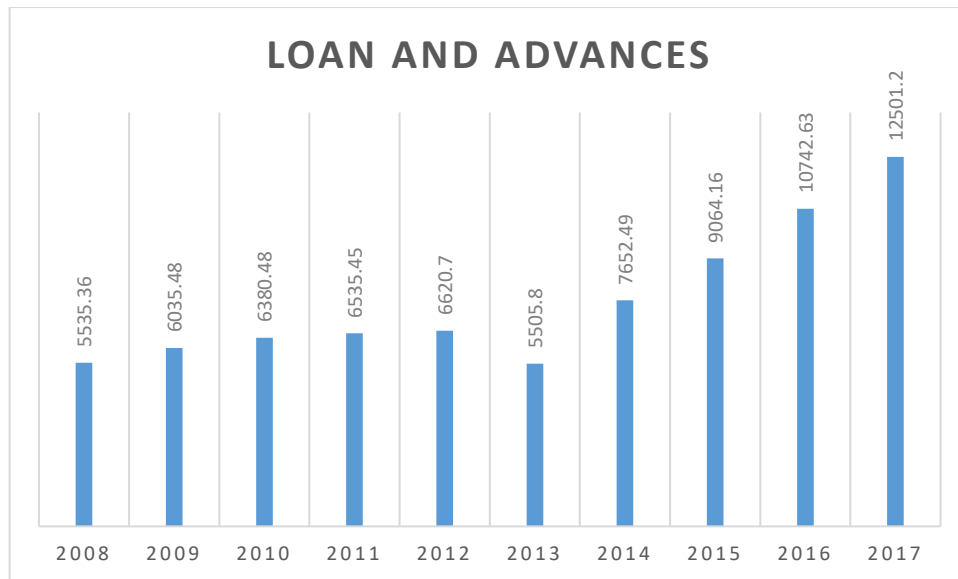


Figure 4: Loans and advances of RBL

Analysis

As we can see from the fourth figure, the measure of the amount of cash or credit and advances that Rupali Bank Limited is expanding every year. The number of advances and advances extended from 2016 to 2017 is 16.37%. It shows that Silver Bank is shining through its large number of stores to give credit and advance.

Import performance

Import performance of the last five years for RBL is given below –

(In millions)

Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Import	56720	5520	6024	6826	6724	6960	6926	4510.82	6516.51	7798.49

Table 6: Import performance

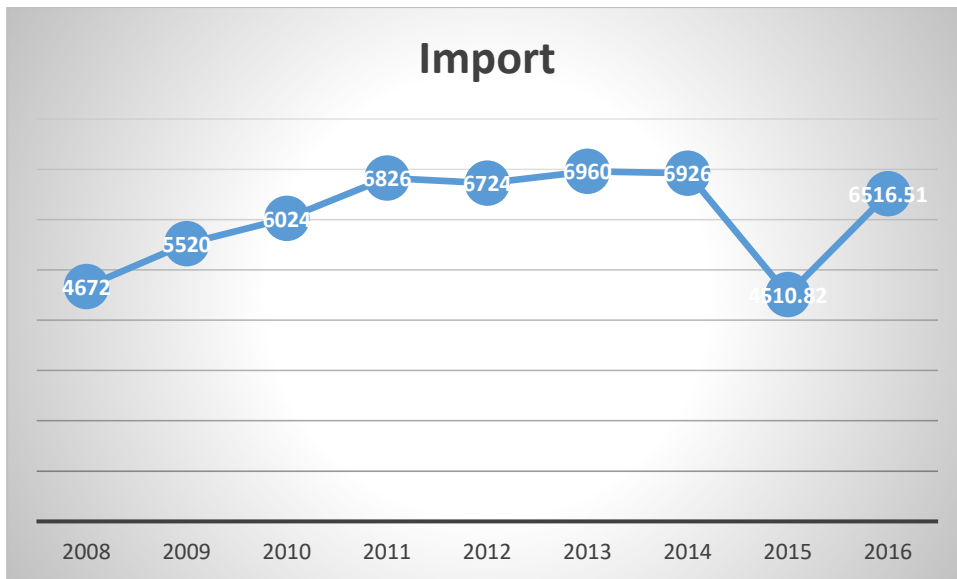


Figure 5: Import performance

Analysis

As we can see from Figure 5, Silver Bank Limited reliably works with a wide range of imported L / C. Expansion of import L / C from 2015 to 2017 from 1. 197%. This is a typical example of our international business as we import more as we have a keen interest in the creation and supply closer.

Export Performance

Export performance of the last five years for RBL indicates that,

(In millions)

Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Export	1248.48	1248.20	1285.50	1190.80	1283.20	1340.50	1351.31	1550.58	1817.08	1941.31

Table 6: Export performance

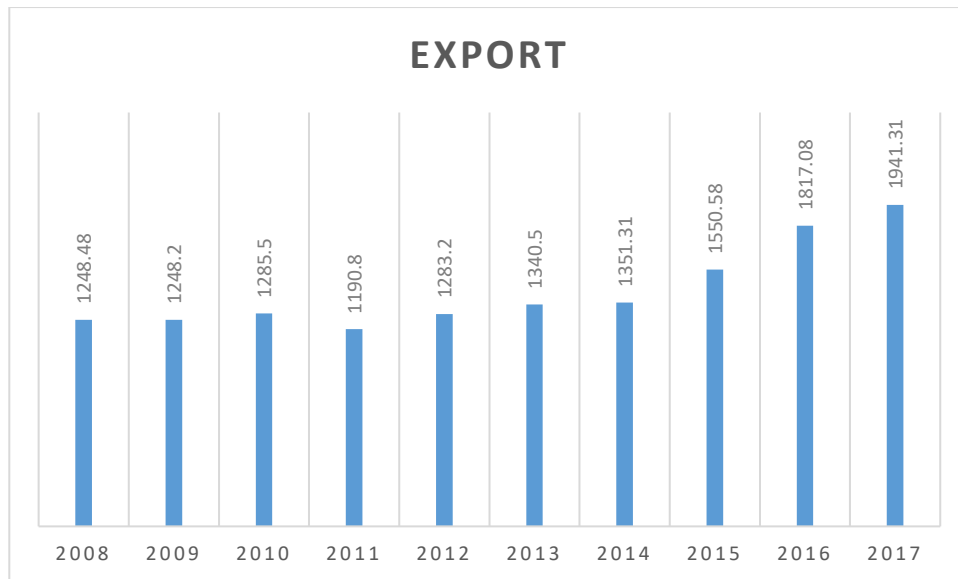


Figure 6: Export performance

Analysis

From figure 6 we see that Export L/C are expanding gradually and relentlessly yet waiting behind than import. The toll L/C expanded by 6.83% from 2016 to 2017. This is on the grounds that we don't have the benefit of different toll items to convey in another country. Our charge items and exporters are limited by asset limitations.

Foreign Remittance Performance

Foreign Remittance Performance of last five years for RBL indicates that,

(In millions)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Remittance	558.38	540.40	568.60	566.45	625.19	670.20	672.19	958.64	1087.51	1453.43

Table 7: Remittance performance

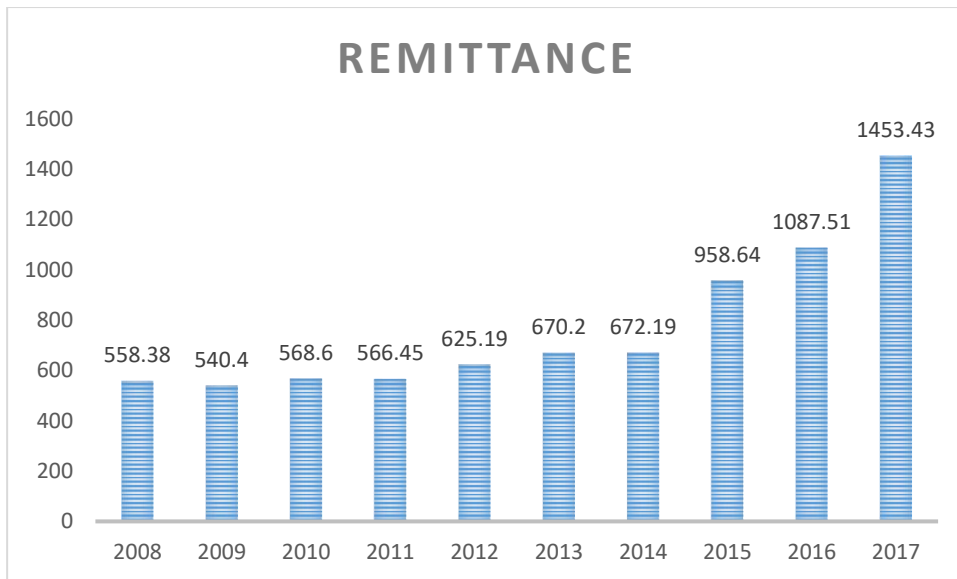


Figure 7: Remittance Performance

Analysis

From figure 7 we see that, Rupali Bank Ltd. remittance is expanding at an expanding rate and with genuine measure, the rate can be expanded significantly more. The foreign remittance sum expanded pointedly 1453.43 from 2016 to 2017. Remittance is expanding every year in light of the cash sent by the ostracizes living abroad.

Overall FE performance of 2017

The overall foreign exchange scenario of Rupali Bank Ltd. in 2017 is shown below –

(In millions)		
Import – 7798.49	Export – 1941.31	Remittance – 1453.43

Table 8: Overall performance 2017

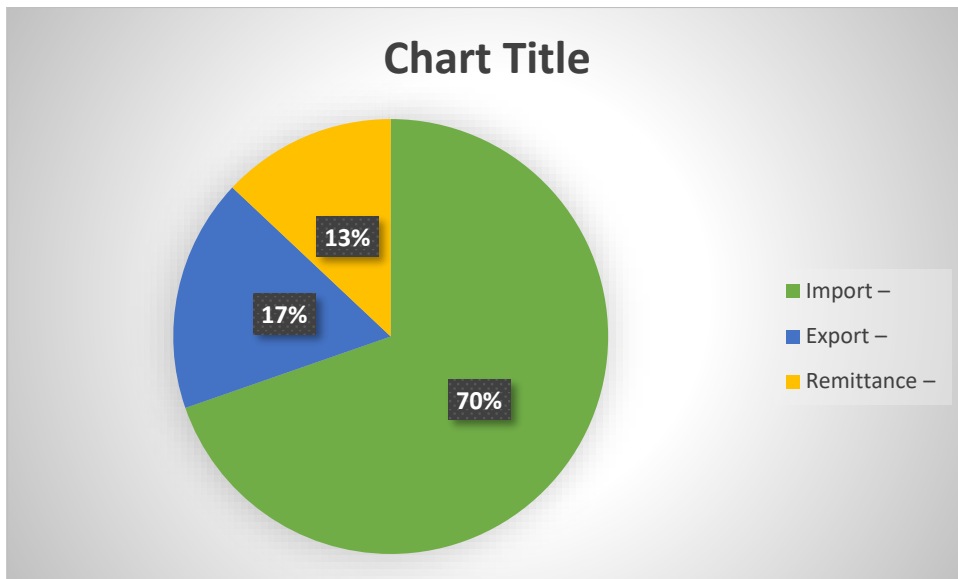


Figure 8: Overall performance of 2017

Analysis

Figure 8 demonstrates that the general foreign exchange situation of RBL for the year 2017, it is doing real business with Import L/C. RBL has a bigger number of shippers than exporters. Charge L/C imagining that it is difficult to expand due to the nonappearance of toll items and exporters. This is the principle explanation behind the charge's waiting behind than import. Foreign remittance is coming in colossal numbers from abroad reliably anyway needs to improve the current circumstance. With all the more front line advancement and administration, Rupali Bank may improve its remittance execution.

Chapter 5

Findings and Recommendations

5.1 Findings of The Study

The example of foreign remittance over the period from 2008 to 2017 is in expanding design. Though import and admission, the business has a dropping example in certain years. The unfaltering increment of the total entirety of foreign remittance during the most recent nine years demonstrates that the foreign remittance business of Rupali Bank constrained is more grounded contrasted and the import and admission business. Coming up next are the real discoveries of the examination

- Import earnings are pleasing levels of this bank the earning from remittance is not satisfactory.
- In the case of LC opening, Bank provides NIL margin facility to only some big client, but they can also offer this capability to some small but efficient client.
- In opening LC, this bank sometimes rejects the small business enterprise, that's decreases profit and hamper wellbeing economy of our country
- Profit rate on foreign currency account is inferior to another commercial bank for that reason bank can't fascinate more NRB clients.
- Changes such as SWIFT changes (change for sending the LC electronically), Document Handling charges and stamps charges are high in RBL which distresses to collect more clients.

5.2 Recommendations

In the cutting edge world, we think about time as cash. The right choice at the right time will bring foreseen result for the bank. Thusly, the going with steps ought to be taken for the defeating existing constraints of bank and by and large advancement of the foreign exchange business of Rupali Bank Limited.

1. Invite for increasing remittance income

More often than not the bank endeavors to give quality support of their known customers, it might lose the general obscure potential great client and which at last abatement the bank's settlement salary. Bank can give brilliance administration to their obscure yet proficient customer. To expand the settlement, pay, it can serve settlement benefit snappier than other bank and they can diminish their bonus charge which will at long last increment the settlement salary.

2. LC margin

A customer is asked to pay the bank security dimension of the total LC regard early ahead of time opening LC, which is named LC edge. If RBL decreases the rate of edge, perhaps they can draw in more customers.

3. Profit on FC account can be an increase

Benefit rate on FC record can be rise; in the event that it expands the benefit rate, the bank can draw in Non-Residence of Bangladesh customers.

5. Encourage to open smaller LC value

Being an all-around presumed bank, RBL never again needs to mien littler LC ask for begetting from SME's subsequently, they are ignoring an enormous number of potential clients. The bank presently gives careful consideration to enormous clients and if their demeanor towards littler business does not change soon, they may fall a long way behind its rivals.

6. Reduce charges

So as to do any sorts of remote exchange whether it to be settlement trade or even import charges are legitimate all over the place. Charges incorporate SWIFT charges; Document taking care of charges, stamps charges. RBL will have the capacity to interest more clients if the bank decreases these charges.

Conclusion

Foreign exchange business greatly affects banks generally business advancement. To achieve a foreign exchange business, it needs foreign money. Foreign remittance sends by ostracizes is one of the wellsprings of foreign cash. Banks need a gigantic measure of foreign cash to make significant installments. Banks can purchase foreign money from the between bank advertise that will diminish the profit. Fare business is another wellspring of foreign remittance. In this way, plainly import, send out and foreign remittance are interrelated among one another. Our administration gives more underscore in gathering foreign remittance from abroad as it expands our foreign money save. To thrive the foreign exchange business each of the three sorts of business must be expanded. Most extreme customers of RBL are doing one kind of business import or fare. The greater part of the customers is an importer. Scarcely any customers are doing send out business. RBL need to urge all customers to do a wide range of business. The bank ought to give exceptional kinds of administration to the customers and give data for the imminent open door for the import or fare

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