

Internship Report
on
General Banking System of Al-Arafah Islami Bank Limited
-A Study on Dakshinkhan Branch

Supervised by:

Prof. Dr. Ahmed Fakhrul Alam
Department of Business Administration
Faculty of Business and Entrepreneurship
Daffodil International University

Prepared by:

Md Mujahid
ID: 161-11-990
Program: BBA

Major in Marketing
Department of Business Administration
Faculty of Business and Entrepreneurship
Daffodil International University



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Letter of Transmittal

25th November, 2019

Professor Dr. Ahmed Fakhru Alam
Department of Business Administration
Faculty of Business & Entrepreneurship
Daffodil International University

Subject: Submission of Internship Report on “General Banking System of Al-Arafah Islami Bank Limited-A Study on Dakshinkhan Branch”

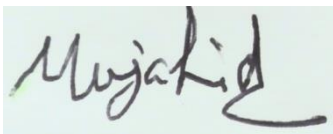
Dear Sir,

I have prepared my internship report on the topic “General Banking System of Al-Arafah Islami Bank Limited-A Study on Dakshinkhan Branch” under your kind supervision as a requirement of completing the degree of BBA program. I have tried my best to prepare the report in consistence with the optimal standard under your valuable direction.

I made every effort to reveal greater insight in this report. I hope that this will meet the standard of your judgment.

Thanking you for your kind supervision.

Sincerely yours



.....
Md Mujahid

ID: 161-11-990

Program: BBA

Major in Marketing

Department of Business Administration

Faculty of Business and Entrepreneurship

Daffodil International University

Certificate of Supervisor

I hereby certify that Md Mujahid, ID No.161-11-990, a student of BBA Program, Department of Business Administration, Faculty of Business & Entrepreneurship, Daffodil International University, has prepared the Internship Report titled “General Banking System of Al-Arafah Islami Bank Limited-A Study on Dakshinkhan Branch” as a requirement for fulfillment of the degree of Bachelor of Business Administration. The report is recommended for submission.

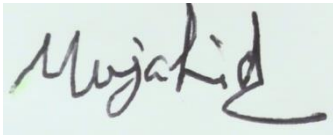
I wish him every success in life.



.....
(Professor Dr. Ahmed Fakhru Alam)
Department of Business Administration
Faculty of Business & Entrepreneurship
Daffodil International University

Student's Declaration

I, the undersigned, hereby declare that the Internship Report “General Banking System of Al-Arafah Islami Bank Limited-A Study on Dakshinkhan Branch” has been prepared by me as a requirement for the accomplishment of BBA degree from the Head of Department of Business Administration, Faculty of Business & Entrepreneurship, Daffodil International University. It is also declared that, this report has been prepared for academic purpose only and has not been/will not be submitted elsewhere for any other purpose.



.....
Md Mujahid

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Acknowledgement

In the context of rapidly changing global scenario the importance of practical knowledge can no longer be ignored. In this view Department of Business Administration, Daffodil International University always encourages the students for improving their skills and efficiency.

I am in a learning process. Hence, whatever is the yield, this internship report undoubtedly enriched my learning with a lot of potential knowledge not available in the traditional education system. Thus, I express my humble gratitude and thanks to my honorable Supervisor **Professor Dr. Ahmed Fakhru Alam** for his sincere co-operation and help that enabled me to taste such an outstanding experience.

I express my sincere gratitude to the persons I met who helped me a lot by providing valuable information along with enough articles and theory while preparing this internship report. I believe that this report will be helpful for the next students who are going to prosecute further research in this important field.

Last of all I express my gratefulness to Almighty Allah, without whose will and help nothing would be possible in this world.

Executive Summary

This report is prepared as part of practical orientation of B.B.A program where a description of general banking activities done by Al-Arafah Islami Bank Limited, Dakshinkhan Branch, Dhaka are covered. As like other banks, it has also a general banking section where the major tasks are like deposit collection, maintenance of accounts, honoring cheques, cash and all local services are done. It performs the job of fund running on behalf of the whole bank. Other main duty of the department is maintenance of the accounts and dealing with the clearinghouse. AIBL is occupied with general banking activities with a vision to spread out banking services to the customers. This corporate branch helps the Head Office to run the overall banking activities smoothly. To sum up, all the personnel are dedicated to their responsibilities to serve best service to the clients. As a result this bank has gained goodwill within a short time. Undeniably this bank play vital role in the fiscal expansion of our country. In addition, the popularity of this bank is rising day by day which leads to boost competition as well. In this report it has been tried to cover overview of AIBL's objectives, functions, management, business policy and other associated things related with the general banking activity. Lastly, some probable recommendations have been given to enlarge the performance of AIBL.

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Chapter One:

Introduction

1.1 Introduction

Bank plays a crucial role in the development process of a country as it helps to accelerate the pace of development by securing continuous supply of financial resources to people engaged in numerous economic activities. The tremendous growth that the world economy has experienced is contributed by these financial institutions. The role of banking is comparable to what an artery system does in the human body. Now-a day's banking sector is modernizing and expanding its hand in different financial events every day. At the same time the banking process is becoming faster, easier and is becoming wider. In order to survive in the competitive field of the banking sector all organizations are looking for better service opportunities to provide their fellow clients. So it has become essential for every person to have some idea on the bank and banking procedure. Internship program which can also be called work attachment program is essential for completing BBA program because it helps one student to acquaint with the real life situation. As bank is one of the most important financial intermediaries; so I have selected Al-Arafah Islami Bank Limited, Dakshinkhan Branch" which is one of the most newly created leading banks in the banking area of Bangladesh.

1.2 Origin of the Study

Subsequent to finishing the Degree at Daffodil International University, under the Bachelor of Business Administration educational program, Md Mujahid, the creator of this report was set by the Carrier Services at Al-Arafah Islami Bank Limited as a major aspect of the internship. The report entitled "General Banking System of Al-Arafah Islami Bank Limited" has been set up as an incomplete satisfaction of BBA program approved by Dr. Ahmed Fakhru Alam, Professor, Department of Business Administration, Daffodil International University.

1.3 Purpose of the Study

The student of BBA program of Daffodil International University is required to undergo an internship, at the end of final semester. As a part of the program, I was been placed in Al-Arafah Islami Bank Ltd. for a period of three months. From this perspective, on completion of three months internship, I have prepared this report. I truly appreciate this assignment and do hope that it will be a great importance in building my future career.

1.4 Objectives of the Study

The fundamental goal of the examination was to accumulate down to earth information with respect to banking framework and activity. This reasonable direction allows us to facilitate out hypothetical information with the down to earth understanding.

❖ **Main Objective:** The main objective of this study was to examine the nature and kinds of activities performed at Dakshinkhan Branch of Al-Arafah Islami Bank Limited.

❖ **Specific Objectives:**

- To present an overview of Al-Arafah Islami Bank Limited.
- To know the different types of products of general banking of Al-Arafah Islami Bank Limited.
- To identify the problems regarding general banking activities of Al-Arafah Islami Bank Limited at Dakshinkhan branch.
- To provide some recommendations to improve service quality of the Al-Arafah Islami Bank Limited at Dakshinkhan branch.

1.5 Scope of the Study

As I was working in the Al-Arafah Islami Bank Limited, Dakshinkhan Branch, I got the chance to learn distinctive piece of banking framework. My administrator isolated the entire banking in three sections with the goal that I can get the chance to work in both the divisions, General Banking division, Investment division and Foreign Exchange division to examination the entire money related exercises.

1.6 Methodology of the Study

While decides the wellsprings of data that would be required for the investigation, I utilized both essential and optional information to lead my overview. What's more, I have incorporated my own perception as an important and direct source while depicting the exhibition and the assessment of the bank.

(a) Primary data:

I have gathered essential information by talking workers and customers of Al-Arafah Islami Bank Ltd. Information were gathered through dialogs with the workers and customers of the association. To set up this report I was additionally relied upon auxiliary information,

explanation of issues from various concerned authorities of Al-Arafah Islami Bank Limited I have gathered essential information in the accompanying manners:

- Face to face interview with both employees and clients
- By telephoning clients.
- Through structured questionnaire.

(b) Secondary Data:

I utilized basically auxiliary information for setting up this temporary job report. Information is gathered from the Annual reports of the organization for the years under our audit. I likewise gathered information from some official plans, pamphlet, site paper that helped me parcel to show this report. Subsequent to guaranteeing the precision of the information I used this information in my report.

I have utilized various sorts of optional information in my examination. Wellsprings of optional information are as per the following:

Internal Sources:

- * Bank's Annual Report.
- * Information regarding Al-Arafah Islami Bank Ltd. Dakshinkhan branch,

External Sources:

- * Brochures of Al-Arafah Islami Bank Ltd. and other banks.
- * Economic Trend: Bangladesh Bank.
- * Rules Book.
- * Website of Al-Arafah Islami Bank Ltd.

1.7 Time schedule of the Study

S/L.No.	Particular	Duration
01	Data collection, analyzing and consolation with the supervisor	45 days
02	Data observation and separation	15 days
03	Data input to computer, processing and preparing the report	15 days
04	Make an output as book and shown the supervisor for correction then submitted to him finally.	15 days
	Total	03 months

1.8 Limitations of the Study

The work is for the most part dependent on deciphering essential information. There is inadequacy of Secondary information however with the end goal of the improvement of the present situation of the bank's bookkeeping strategy; gathering, translating and coordinating essential information has been used.

Despite the fact that an extremely far reaching and an efficient report has been attempted to be created however there are still a few restrictions present here.

- i. Although temporary position program has been made for 3 months, there is a limited ability to focus time to get inside and out information about a huge association like AIBL.
- ii. Officials of AIBL keep up a bustling timetable. So they are not constantly ready to give sufficient opportunity to illuminate the interneer understudies without fail, regardless of whether they had the aim to do as such.
- iii. The region secured by the report "General Banking" of AIBL concerns a colossal number of exercises and it is extremely hard to draw an all out image of the financial exercises in a report of this scale.
- iv. It is unimaginable to expect to get a wide range of data because of legitimate secrecy. Anyway I have attempted my best to make the report generally agent.
- v. Last yet not least; the report would have all the more better and useful, as I also have inadequacy with time, information and ability.

Chapter Two:

Profile of the Organization

2.1 Historical Background of Al-Arafah Islami Bank Limited (AIBL)

Islamic philosophy urges us to prevail in life here and from this point forward. To make this progress we should pursue the route managed by the Holy Quran and the way appeared by Rasul (SM). With this objective in see Al-Arafah Islami Bank Ltd was set up (enlisted) as an open restricted organization on 18 June, 1995. The debut service occurred on 27 September 1995. The approved capital of the bank is Tk.2500.00 million and the paid up capital Tk.1500 million. Some exceptionally prestigious Islamic characters and devout businesspeople of the nation are the supporters of the bank. The all out paid up capital was contributed region.

The bank is resolved to contribute fundamentally in the national economy. It has made a positive commitment towards the financial advancement of the nation by opening 94 branches on which 31 approved seller (AD) all through the nation.

The value of the bank remained at Tk.3415 million as 31 December 2011, the labor are 1805 and number of investors are 12561.

The bank leads its business on the standards of Mudaraba, Bai-muazzal, and contract buy exchanges affirmed by Bangladesh Bank. Normally, its modes and activities are considerably not the same as those of other traditional business bank. There is a Shariah chamber in the banks who keeps up steady cautiousness to guarantee that the exercises of the bank are being led on the statutes of Islam. The Shariah gathering comprises of noticeable Ulema, presumed brokers, famous attorneys and prominent financial specialist.

2.2 Islamic Banking Movement in Bangladesh

In August 1974, Bangladesh marked the Charter of Islamic Development Bank and conceded to redesign its monetary and money related framework according to Islamic Shariah.

In January 1981, the then President of People's Republic of Bangladesh while tending to the third Islamic summit meeting held at Makka and Taif proposed, "the Islamic nations ought to build up a different financial arrangement of their own so as to encourage their exchange and business"

This announcement of the president showed good mentality of the Government of the Peoples Republic of Bangladesh towards building up Islamic banks and monetary organizations in the nation.

Prior in November 1980, Bangladesh Bank, the nation's Central Bank, sent a delegate to contemplate the working of a few Islamic banks in abroad.

In November 1982, an assignment of IDB visited Bangladesh and demonstrated unmistakable fascination to take an interest to setting up a joint endeavor Islamic bank in the private part. They found a great deal of work had just been and Islamic bank was in as of now structure for prompt presentation. Two proficient bodies-Islamic Economics Research Bureau (IERB) and Bangladesh Islamic Bankers Association (BIBA) made noteworthy commitment towards presentation of Islamic banking in the nation.

They approached to give preparing on Islamic banking to top investors and financial specialist to top off the vacuum of administration for the future Islamic banks in Bangladesh. They likewise held courses, symposia and workshops on Islamic financial matters and banking all through the nation to activate popular supposition for Islamic banking.

Their expert exercises were strengthened by various Muslim business visionaries working under the aegis of the then Muslim Business Society (presently revamped as Industrialist and Businessmen Association). The body packed predominantly in activating value capital for the developing Islamic bank.

Finally, the since quite a while ago attracted battle to build up an Islamic bank Bangladesh turned into a reality and Islami Bank Bangladesh Limited was built up in March 1983 in which 19 Bangladeshi national, 4 Bangladeshi foundations and 11 banks, monetary establishments and government groups of the Middle East and Europe including IDB and two prominent characters of the Kingdom of Saudi Arabia held hands to make the fantasy a reality.

Afterward, other five Islamic banks, Islamic Insurance organizations and money related foundations were set up in the nation. Some customary banks opened Islamic Banking branches in some significant urban areas.

2.3 Mission of the Bank

- ❖ Achieving the satisfaction of Almighty Allah both here & hereafter.
- ❖ Proliferation of Shariah Based Banking Practices
- ❖ Quality financial services adopting the latest technology.
- ❖ Fast and efficient customer service
- ❖ Maintaining high standard of business ethics.
- ❖ Balanced growth.
- ❖ Steady & competitive return on shareholders' equity.
- ❖ Innovative banking at a competitive price.
- ❖ Attract and retain quality human resources.

2.4 Vision of the Bank

To be a pioneer in Islamic Banking in Bangladesh and contribute fundamentally to the development of the national economy

2.5 Commitments

- ❖ Ours is a client centered current Islamic Banking making sound and unfaltering development in both preparing store and making quality Investment to keep our situation as a main Islami Bank in Bangladesh.
- ❖ To convey money related administrations with the dash of our heart to retail, little and medium scale undertakings, just as corporate customers through our branches the nation over.
- ❖ Our business activities are intended to coordinate the changing exchange and modern needs of the customers.

2.6 Schemes of AIBL

- Current Account
- Mudaraba Saving Account

- Mudaraba Term Deposit Receipt Account.
- Short Term Deposit
- Installment Term Deposit.
- Mudaraba Kotipoti Scheme
- Mudaraba Millionaire Scheme
- Mudaraba Lckhpoti Scheme
- Double Deposit Scheme.
- Hajj Deposit Scheme
- Small Investment Scheme.

"Allah has allowed exchange and illegal premium" (section 275 of sura Al-baraka) and all things considered Al-Arafah Islami Bank Limited works with the goals and duty to actualize the monetary and money related standards of Islam in banking field mixing Islamic qualities and current advancements so as to make total progress in this world and from this point forward.

- To give quality support of our clients.
- To set elevated requirement of Integrity.
- To broaden our clients development administrations securing best in class innovation mixed with Islamic standards, and carry complete fulfillment to our customers and workers.
- To extend Islamic banking through welfare situated financial framework.
- Ensure value and equity in monetary exercises.
- Extend budgetary help to more unfortunate area of the individuals, and
- Achieve adjusted development and evenhanded advancement.

The essential target of Al-Arafah Islami Bank Ltd is to advance, encourage and build up the utilization of Islamic standards, law and convention to the exchange of budgetary, banking and related business undertakings and to advance speculation organizations, venture and concerns which will themselves be occupied with business as are worthy and reliable with Islamic Principles, law and custom. In any case, the targets of Al-Arafah Islami Bank Limited with regards to its job in the economy are as per the following:

- To offer contemporary budgetary benefits in congruity with Islamic Shariah.
- To contribute towards monetary advancement and thriving inside the standards of Islamic equity.
- To encourage proficient allotment of assets.
- To help accomplishing strength in the economy.

2.7 Management

The organization is overseen by its Board of Directors comprising of 15 individuals. The Board names an official panel comprising of Sponsor Director (Chairman, Vice Chairman), its part, Shareholder Director, Ex official Director, Company Sectary. The council is approved to watch and audit significant everyday operational capacities including venture plans, spending plans and other speculation exercises. The Board is likewise liable for building up the organization's approaches and investigating the operational presentation of the organization including endorsement of huge venture exchanges and significant store obtainment. The Board chooses, the Managing Director answerable for dealing with the organization's general activities inside the structure of arrangements of the organization. The Board likewise names the Policy Committee of eight executives who figure the work force approach.

2.8 SWOT Analysis of Al-Arafah Islami Bank Limited

A SWOT investigation is "a system for coordinating hierarchical qualities and shortcomings with natural openings and dangers to decide the association's correct specialty". SWOT examination is a significant instrument for assessing the organization's Strengths, Weaknesses, Opportunities and Threats. It encourages the association to distinguish how to assess its presentation and sweep the large scale condition, which thusly would assist association with navigating in the fierce sea of rivalry. With this apparatus, we will have the option to decide, however not superbly, since we are not inner individuals from this association, the inside qualities and shortcomings of Al-Arafah Islami Bank Limited just as the chances and difficulties that the changing outer condition.

Strengths:

- All exercises of the bank are directed by Islamic shariah where benefit is the lawful choice to premium.
- The bank has earned clients reliability as authoritative devotion.
- AIBL keep up comparing association with numerous remote banks so it is a viable measure for the smooth business.
- Skilled labor and proficient workers are being included to meet the customers' fulfillment.
- The measure of stores is perhaps the greatest quality of AIBL.
- AIBL is continually attempting to include new and current gear.

Weaknesses:

- In expansion to that countless money related foundation working other than business Banks of our nation. Accordingly their business is turning out to be increasingly more imperative shortcoming of AIBL on the grounds that our money related market isn't growing in examination with the foundation of new banks.
- The publicizing and special exercises of this bank are up the imprint.
- There some official who try sincerely however are not increased in value by the power.
- AIBL has not set up appropriate system framework among branches.
- The bank doesn't have any innovative work division.
- Risk Management framework isn't solid. The bank has just presented to an assortment of dangers the most significant of which are credit hazard, advertise hazard and liquidity chance.

Opportunities:

- Favorable business atmosphere for business banks in the nation in correlation with different business.
- The bank can present increasingly inventive current client assistance to all the more likely make due in the challenge.

- They can likewise offer the smaller scale credit business for individual and private venture.
- Expanding the money related approach with credit office client is secure in business condition.

Threats:

The world is progressing towards innovation extremely quick. In spite of the fact that AIBL require exertion to join the stream, it is absurd to expect to finish the mission because of the poor mechanical framework of our nation.

- Local contenders can likewise catch as colossal piece of the overall industry by offering comparative items and administrations gave by the bank.
- Though the inventive working is in petulant process yet the other adversary banks are replicating it inside the brief timeframe.
- They are doing forceful crusade to pull in rewarding corporate customer just as big-time contributor.
- Bangladesh Bank is continually regulating the neighborhood and outside banks in Bangladesh and now and then it is hampering the ordinary activity of private bank.

Chapter Three:

Analysis of General Banking System of AIBL

3.1 Function of General Banking of AIBL

The particular elements of general banking are as per the following:

- Establishing of financier client relationship through record opening
- Dispatching client's cash starting with one spot then onto the next.
- Taking stores
- Honoring checks.
- Clearing checks.

3.2 Different Parts of General Banking of AIBL

General Banking Department constitutes of the following sections:

Account Opening Section

Banking business is particularly corresponded with investor client relationship. To be a client one individual must have a type of banking association with the bank. Record opening area sets up that relationship by opening another record for the client.

Job Descriptions:

1. Opening various kinds of record.
2. Handling activity of various kinds of records.
3. Responsible for giving if check books.
4. Transferring & closing various sorts of records.
5. Giving account articulations to the customers.
6. Making various vouchers with respect to above exchanges.
7. Giving backing to the esteemed customers of the Bank, etc.

Types of Accounts:

1. Current Account
2. Savings Account
3. Fixed Deposit(FD)
4. Short Term Deposit(STD)
5. Foreign Currency (FC)

Cheque:

It is a composed, dated and marked instrument that contains an unlimited request from the cabinet that guides a bank to pay a distinct entirety of cash to a payee. In lawful terms, a check is a bill of trade where the drawee is a bank. This is marked by the record holder guiding someone in particular to pay certain measure of cash just to or to the request for someone in particular or to by barer of the instrument, a check is constantly expected to be drawn against the assets in the individual's record in the bank.

Issue of a Cheque Book

At the hour of opening a record, an individual is required to sign a "Check Book Requisition Slip". If the record opening structure is found completed in all respects, a check book is given to client; the record number is written in genuine cash leaf of the check book and in it requests slip. The name and record number of the client is in like manner entered in the Departmental check books gave register against the particular check book course of action and it is furthermore recorded in the PC. At last the request slip is spared as voucher.

Clearing Section:

Clearing a check implies handling it with the goal that assets are deducted from the payer's record and put into the payee's record. AIBL experience the way toward settling exchanges between banks. Since such a significant number of exchanges occur between banks on a given day, bank clearing exists to process what each gathering owes or is owed in a focal area so minimal measure of cash really changes hands.

Job Descriptions:

- Issuing checks
- Giving 3 leeway seals on checks (1 intersection seal and 2 underwriting seals).
- Categorizing checks as indicated by high worth (500000tk. - above 500000tk.) and customary worth (beneath 500000tk.) allotment.
- Giving posting in the framework programming
- Dishonoring checks if a particular explanation goes over.
- Passing checks after announcement of Bangladesh Bank(Central bank of Bangladesh)
- Giving account articulation to the customers in the event that the person needs to know.

Inward Cheques:

It implies what are sent to the outside. Outward clearing checks are possess bank's checks which are exhibited on the other concerned banks for assortment through clearing place of Bangladesh Bank.

Outward Cheques:

It implies what are gets all things considered. Outward clearing checks are those ones which have drawn from different banks which will be cleared/respected through the inside clearing arrangement of AIBL.

Clearing Seal:

There are three essential seals without which check can't be either acknowledged or passed. They are - one intersection seal and two support seal. In intersection seal the name of AIBL is composed. Then again, one underwriting seal is known as clearing seal where date and clearing must be given. In another seal payee's A/C credited for AIBL is composed. The authorizer put their mark on it for approval and issuance of the check.

Software:

AIBL use "Temenos T24" programming for clearing checks. It is principally such sort of programming making organizations which just make different tweaked programming for banking exercises of banks.

Cash section:

Money is one of the most significant segments of general financial office since it bargains money. This office is essentially drawn in with money receipt and money installment.

Job Descriptions:

- Receiving money
- Paying Cash
- Issuing Vouchers
- Keeping record of receipts

Receiving of cash:

Receipt of money is the wellspring of money at branch. It might be from client, from national bank, from some other bank or some other part of a similar bank.

Receiving Process:-

Checking of deposit vouchers account amount word and figures.

- Count the money if conceivable physically or by the tallying machine.
- Check the Notes-Mutilated, Mismatched or fashioned.
- Put signature in the store voucher including counter foil.
- Pass on the acknowledge voucher for counter foil to the accepting clerk.
- At the end of business hour summarize the enlist and count it with the Receiving registers.
- Totaled the sections and match it with the accepting aggregate.
- Count the no. of vouchers
- Checked by official and countersigned.

Cash is used by a bank for the payment to its customer and the surplus cash is remitted to cash feeding branch.

Payment of cash Process:-

- Every installment must be paid at the appropriate time.
- Analysis of the instrument before installment.
- Passed for installment by dropping official.
- Amount, date, underwriting/request/conveyor.
- Obtain conveyor signature on the posterior of the instrument.
- Verify signature with the equivalent got at the opportunity to token.
- Write esteem on posterior of the instrument.
- Affix money paid stamp no. 26 despite the instrument.
- Entry the figure of the instrument in paying clerk book no.
- Return the un-paid instruments.
- Total the sections and offset it with the token and count all out.

- Write in word the aggregate sum and put signature.
- Release of paid instrument from the paying clerk book.
- Send the vouchers to the particular office.

Cash balancing:

All representative identified with money must guarantee the adjusting of money has done accurately on regular routine. For adjusting of money following works need to perform:-

- All sales register must be totaled and properly written in words and marked
- Balancing them with one another
- All register must be properly counter marked by checking official.
- Balancing the register with the physical money
- Pass voucher if any surplus or short money
- Prepare money position update
- Write money adjusting book
- Ensure bookkeeping of equalization is right
- Prepare money cum Day Book

In the computerized branch hard copy “Day End” position is to be signed by cash in charges and cash officer.

3.3 Process of Opening of Current & Savings A/C

While opening new records a deliberate procedure must be led so as to find out the ID of the record holder and the recipients/chosen people. Passport size photos of the record holder and Nominee alongside Transaction Profile and Known Your Customer Form (KYC) to be gotten in this procedure. At that point Thanks letter to be sent to the client to his/her present location to check account holder's location.

Know your Customer (KYC) Concept:

The official identified with account opening conventions must know subtleties of their clients (contributors and borrowers) due to the rules gave by the Central Bank to recognize the source(s) of cash and utilization of credit.

It is said in the perspective on bank that, the broker client relationship is initiated through opening CD/STD/SB account. During the time of record opening, the clients must finish the KYC Profile which incorporates home location, work locale photos, signatories, photocopy of legitimate identification, exchange permit, wellspring of cash, TI Number, photocopy of VAT Certificate, in the event of organization: photocopy of Memorandum of Association, authentication of fuse, declaration of Board of Investment, rundown of executives, and so forth according to prerequisite of the bank. Data with respect to business design, nature of business, and volume of business and so forth can likewise be found. Any dubious exchange must be tended to and discover to take restorative measures according to guideline of the Central Bank.

Following archives are required to be finished before a present or an investment account is opened in a bank.

Required Documents for Personal Account:

- Two duplicates of identification size photo of the record holder(s)/person(s) who will work the A/C appropriately bore witness to by the introducer
- A/C to be presented by current/bank account holder
- Photocopy of legitimate visa (1 to 7 pages)/driving permit/national ID card/manager's declaration/national endorsement gave by the Ward Commissioner or Chairman and so on
- Paper identified with wellsprings of pay
- One duplicate identification size photo of chosen one (Attested by Account Holder)
- TIN Certificate (if relevant)

Required Documents for Non-Personal (Corporate) Account:

❖ Proprietorship Firm-

1. Request Letter/Application in Firm's Letter-Head Pad for Account Opening Purpose.
2. Up-To-Date Trade License, TIN,VAT Copies Of The Firm
3. Seal Of The Firm and Visiting Card Of The Signatory/Ies (If Applicable)
4. 2 Copies Of Photographs Of Each Signatory (Attested By Introducer)
5. Photocopy Of National ID Card/Passport/Citizenship Certificate With The Original Copy For Verification Purpose
6. Signature And 1 Copy Of Photograph Of Each Nominee (Attested By The Account Holder)
7. Tenancy Agreement Copy (If Applicable)

❖ Partnership firm

1. Request Letter/Application in Firm's Letter-Head Pad for Account Opening Purpose.
2. Registered Partnership Deed On Non-Judicial Stamp Of Tk.300 and List Of The Partners With Portfolio
3. Up-To-Date Trade License, TIN,VAT Copies Of The Firm
4. Resolution Regarding Operation of Bank Account And Signing Of Bank's Charge Documents With Execution Of Mortgage Deeds And Other Bank's Papers and Documents Etc. As Per Partnership Deed
5. Seal As Per Resolution and Visiting Card Of The Signatory(S)
6. 2 Copies Of Photographs Of Each Signatory (Attested By Introducer)
7. Photocopy Of National ID Card/Passport/Citizenship Certificate With The Original Copy For Verification Purpose
8. Signature And 1 Copy Of Photograph Of Each Nominee (Attested By The Account Holder)
9. Membership Certificate Of TRADE ASSOCIATION ,Chamber Of Commerce And Industry (If Applicable)
10. Tenancy Agreement Copy In Between The Firm And The Landlord (If Applicable)

❖ **Limited company**

1. Request Letter/Application in Company's Letter-Head Pad for Account Opening Purpose
2. Up-To-Date Trade License, Tin, Vat Copies of the Firm
3. The Certificate Copy of Memorandum and Articles of Association by Register Of Joint Stock Companies and Firms
4. Up-To-Date Trade License, Tin, Vat Copies of the Firm (If Applicable)
5. Resolution Regarding Operation of Bank Account and Signing Of Bank's Charge Documents with Execution Of Mortgage Deeds And Other Bank's Papers and Documents Etc. According to Memorandum and Articles of Association
6. Seal as Per Resolution
7. 2 Copies of Photographs of Each Signatory (Attested By Introducer/Chairman of the Company and Visiting Card of the Signatories)
8. Photocopy of National ID Card/Passport/Citizenship Certificate with the Original Copy for Verification Purpose
9. Complete Bio-Data With Passport Size Photographs Of All The Directors Of The Company Duly Singed By Them.
10. Certified Copy Of Form No XII and XX Duly Issued By The Register Of Joint Stock Companies and Firms For Bank's Records
11. Membership Certificate of Chamber Of Commerce and Industry, Trade Association, Stock Exchange (If Applicable)
12. Tenancy Agreement Copy In Between the Firm and the Landlord (If Applicable)
13. List Of Directors With Complete Present And Permanent Address With Signature and Telephone Nos. On Letter-Head Pad of the Company

❖ **School/college/educational institution**

1. Request Letter/Application in Institution's Letter-Head Pad for Account Opening Purpose
2. 2 Copies of Photographs of Each Signatory (Attested By Introducer)
3. List of Members of the Managing Committee
4. Resolution of the Managing Committee Regarding Opening and Operation of Bank Account

❖ **Club/association/society/religious institution**

1. Request Letter/Application in Institution's Letter-Head Pad for Account Opening Purpose
2. 2 Copies of Photographs of Each Signatory (Attested By Introducer)
3. List of Members of the Executive/Managing Committee
4. Resolution of the Executive/Managing Committee Regarding Opening and Operation of Bank Account
5. Certified Copy of Bye-Laws/Rules and Regulations/Constitutions

❖ **Trust**

1. Request Letter/Application in Institution's Letter-Head Pad for Account Opening Purpos
2. 2 Copies of Photographs of Each Signatory (Attested By Introducer)
3. Attested Copy of Trust Deed
4. Resolution of the Committee Regarding Opening and Operation of Bank Account
5. Head Office Approval for Opening Trust Account

After the above conventions are finished, the financier opens a record for the sake of the candidate. It is basic that the candidate store some sum at the hour of opening the record. General the base adds up to be saved at first is TK.500/ - if there should be an occurrence of investment funds ledger and TK.1000/ - in the event of a present account. It might fluctuate from bank to bank.

The bank at that point gives the client

- a) A pay-in-slip
- b) A cheque book
- c) Statement of account

3.4 Types of Account

Current Account

Current account is absolutely request store account in light of the fact that the bank will undoubtedly pay the sum to the record holder on request whenever. It is running and dynamic record, which might be worked upon any number of times during a working day. There is no confinement on the number and the measure of withdrawals from a present record.

On the off chance that the measure of store is underneath taka 1,000 on a normal the bank has power to cut taka 50 from each record as backup charge after at regular intervals. Against this record advance office can be guaranteed. Typically one can open this record with taka 500. One can open this kind of record through money or check/bill. Every one of the banks keep nearly similar guidelines for opening current account.

Savings account:

Typically clients open this kind of record at a low enthusiasm for just security. This is likewise an activity to make individuals' investment funds propensity. By and large, this record is to be opened at taka 1000. Intrigue is to be paid in June and December after like clockwork. On the off chance that cash is pulled back two times per week or more than taka 10,000 is pulled back (on the off chance that 25% more contrasted with all out store) at that point premium isn't paid.

This record ensures advance. Practically every one of the banks observes similar guidelines in the field of investment account, with the exception of remote banks for fluctuating store. On a normal, every one of the banks gives around six percent premium.

Short Term Deposit Account (STD):

Clients store cash for a shorter timeframe. Sexually transmitted disease record can be treated as semi-term store STD ought to be kept for in any event thirty days to get intrigue. The intrigue offered for STD is not as much as that of reserve funds store. Practically speaking, AIBL offers 5.00% pace of intrigue (half yearly aggravating) for STD account. It might increment contingent upon the store. Volume of STD A/C is commonly high.

In AIBL, different huge organizations, associations, Government Departments keep cash in STD accounts. Visit withdrawal is debilitated and requires earlier notice.

Term deposits:

The fixed store account is repayable after the expiry of a foreordained period fixed by the client himself. The period changes from a quarter of a year to three years. The client may open his/her record for various time spans, which might be for a quarter of a year, a half year, one year, two years and three years. General Characteristics are:

- Popularly, it is known as Fixed Deposit Receipt (FDR). Term stores are made with the bank for a fixed timeframe.
- The bank needs not to keep up money holds against these stores and thusly, the bank offers high pace of enthusiasm on such stores.
- In AIBL, fixed store account is opened in client decision time.

Fixed deposit:

Fixed store is one, which is repayable after the expiry of a foreordained period fixed by him. The period fluctuates from multi month to 1 year. These stores are not repayable on request but rather they are withdrawal dependent upon a time of notice. Thus, it is a famously known as „Time Deposit“ or "Time Liabilities". Typically the cash on a fixed store isn't repayable before the expiry of a fixed period. The contributor needs to fill an application structure. Before opening a Fixed Deposit Account a client needs to top off an application structure which contains Amount in figures, Beneficiary's name and address, Period, Rate of intrigue, Date of issue, Date of development, How the record will be worked (separately or mutually), Signature(s),F.D.R. No., Special guidelines (if any).After satisfying the above data and saving the sum, FDR account is opened and a FDR receipt is given and it is recorded in the FDR Register which contains FDR account no, FDR (Fixed Deposit Receipt) no, Name of the FDR holder with address, Maturity period, Maturity date, and Interest rate. If there should arise an occurrence of Fixed Deposit Account the bank doesn't need to keep up a money hold. So AIBL offers 7% financing cost in Fixed Deposit accounts.

Loss of F.D.R.:

If there should arise an occurrence of a lost FDR, the client is approached to record a GD (General Diary) in the closest Police Station. From that point forward, the client needs to outfit an Indemnity Bond to AIBL a copy FDR is then given to the client by the bank.

Renewal of FDR:

The FDR turns out to be naturally restored for like periods and sums, except if this are pulled back by the contributor or, the bank advises the investor recorded as a hard copy in any event 15 days ahead of time of the first Or, any recharged development date (s) of its craving to end the record or change any term and state of the record.

If there should be an occurrence of a store in joint name; AIBL additionally takes the guidelines with respect to installment of cash on development of the store. The financier additionally takes the example marks of the depositor(s). Necessary sections are given on the FDR enlisted on line. A FDR is then given to the contributor recognizing receipt of the aggregate of cash referenced in that. It likewise contains the pace of intrigue and the date on which the store will develop.

Maturity time	Existing Interest rate	Revised Interest rate
1 month	7.00%	7.00%
3 month	10.50%	10.25%
6 month	9.50%	9.75%
12 month	9.50%	10.00%

3.5 Procedure of Opening an Account

The procedure of opening an account is similar for almost all the types of account. The procedure I follow is given below:

Step 1	Receiving filled up application and signed by account holder in bank's prescribed form mentioning what type of account is desired to be opened
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Step 2	<ul style="list-style-type: none"> # The form is filled up by the applicant himself / herself. # Two copies of passport size photographs from individual are taken, in case of firms photographs of all partners are taken #Applicants must submit citizenship certificates: Photocopy of valid passport or ward commissioner certificate # Application must sign in A/c opening form and KYC (Know Your Customer) form #Transaction profile (TP) filled up by the applicant. # Introducer’s signature and accounts number – verified by legal officer. # Nominee name, signature and photograph one copy.
Step 3	Authorized Officer accepts the application
Step 4	Minimum balance is deposited – only cash is accepted

3.6 Procedure of Closing an Account

To close a record, one might be mentioned to send an application alongside the unused pages of the check book that is given to the individual. In the wake of getting the application, the mark of the record holder ought to be confirmed and the quantity of unused pages of the check book ought to be noted. Before the record is shut the director will favor the application. Finally shutting charge ought to be charged to the record.

Processing the pay order:

A broker's Pay Order is another installment instrument which is utilized by the banks to settle installment commitments in the interest of their clients. This instrument is ensured by the bank for its full worth and is like an interest draft. First I request that customer choose where to get his compensation request. Your bank or credit association is a decent spot to begin. Inquire as to whether they offer cash orders and what the expenses are. By and by, these instruments are payable at the part of issue and are utilized for installment inside the neighborhood clearing purview. However, in the nearby financial field Al-Arafah Islami Bank Limited offers 57.50 tk. for giving of Payment Order for everyone.

Types of PO:

- **Account payee only:** only can en-cash it by depositing it in his account.
- **Blank Crossed:** Any one can en-cash it by depositing in their account.
- **Cash payment:** P.O. can be paid in cash if buyer gives a letter of identification regarding payee.

Settlement of a PO:

When P.O. presented by gathering bank through clearinghouse, the giving bank gives installment. Consequently bank's obligation is settled by charging charges payable. In any case, before giving installment it ought to be analyzed whether support was given by the gathering bank or not. In the event that not, at that point the instrument is disrespected stamping "Underwriting required".

Cancellation of a PO:

On the off chance that purchaser needs to drop the P.O. he needs to give a letter of guidance in such manner. He will likewise need to restore the instrument.

Collection of PO:

A client of AIBL who is the payee of a P.O. will store it for assortment. The instrument is given to the clearing that will put it to the giving bank in the clearing house. Prior to position, AIBL as a gathering bank gives fundamental underwriting.

3.7 Issuing Cheque Book

There are two diverse strategy of giving check book for bank account holders and current record holders. For bank account holders official need to send demand online for check book. It takes four working days to set up their check books. Following four working days the customers need to gather their check book from front work area.

Issue of duplicate cheque book

Copy checkbook rather than lost one ought to be given just when an A/C holder by and by approaches the Bank with an application Letter of Indemnity in the recommended Performa consenting to reimburse the Bank for the lost check book. Crisp check Book in lieu of lost one ought to be given after confirmation of the mark of the Account holder from the Specimen

signature card and on acknowledgment of required Excise obligation just with earlier endorsement of director of the branch. Check arrangement number of the new checkbook ought to be recorded in record card and mark card obviously. Arrangement number of lost checkbook ought to be recorded in the stop installment enlist and alert ought to be practiced to prepare for fake installment.

Stop payment of cheque:

A financier can stop installment of check of his client under after impressive conditions

Firstly the record holder will apply to stop the installment of his check

There is a register for this reason. It is kept by the approved official.

The official will see the state of record and check everything.

#In the record book, the official will stamp with red ink and the check won't be paid.

3.8 Others Services provided by General Banking Division

Account Balance inquiry:

Clients can request about their record balance or any exchange inside the financial hour. They can ask the regarded went to official to think about present equalization of record and if wish they can request printed duplicate. Anyway charge is cut from the record for this procedure.

Transfer of an account:

- The client presents an application referencing the name of the branch to which he needs the record to be moved.
- His signature cards, exhortation of new record and every single pertinent archive are sent to that branch through enrolled post.
- The balance remaining at credit in client's record is sent to the next branch through Inter Branch Credit Advice (IBCA).
- No trade ought to be charged on such move.
- Attention is additionally given in this association.

Clearing Cheque Process:

AIBL works with two sorts of checks which are internal check and outward check. Internal checks are possessing bank (AIBL) check. Then again outward checks are different bank's check. Also there is another classification of check which is high worth and normal worth. Sum having 5, 00,000 tk. to over 5, 00,000 tk. is known as high worth check. Then again, sum having 1 tk. to 4, 99,000tk is known as customary worth check.

At the point when checks are happened by AIBL, the checks are looking at by the scanner machine whether it is old or not. At that point 3 significant seals are given (one intersection seal, 2 support seal).After that registers are posted with framework for further approval. AIBL cut charges for clearing. For instance, it cuts 60 tk. for high worth check and 10 tk. for customary worth check. Some check holder organization can recommend the bank to pass it in high esteem despite the fact that they have ordinary esteem check. Consequently, they need to pay 60 tk. if there should arise an occurrence of 10 tk.

After approval and giving checks, all the outward checks are physically enrolled in "Outward register" for recording reason. In spite of the fact that they are in arrangement of AIBL, that record discovers outward checks at whatever point anybody needs to check. What's more, when the internal checks comes, every single detail like mark, crossing seal, support seal, sum in both taka and word are confirmed with the goal that they may not return. Also there is something else that GB works with and that is EFT or Electric Fund Transfer. It is a moving procedure where charge isn't cut.

Positive Advice:

AIBL make a strategy of confirmation of checks by advising that check holder whether it needs to pass the check or not. This procedure is known as "Positive Advice". This is only for confirmation of check to go in the clearing house. The authorizer reaches individual. On the off chance that the sum is gigantic, there might be opportunity to gather it by misrepresentation individuals. So this procedure averts this kind of circumstance.

3.9 Reason for the Return Cheques

Typically checks are given by the bank however there are a few purposes behind which they can't be passed. In AIBL there are 29 foundations for which checks can be come back from the Bangladesh Bank and they are sorted as "Return Reason". In the wake of restoring those default checks, they are enlisted in the „Return Check Register Book“ with explicit reasons. Moreover that arrival check Holder Company has being told by the clearing check official and solicitation to gather that when they can. At that point in the wake of getting that they additionally legitimize the explanation and giving back by revising it so it can go again through the procedure. The arrival reasons are given underneath:

1. Inadequate support
2. Amount in figure and word varies
3. Stale check
4. Post dated/undated check information
5. Drawers signature varies/missing
6. Payment halted by cabinet
7. Item spoke to again and again/multiple times
8. Incomplete or missing underwriting
9. Forged underwriting
10. Material adjustment payee name/sum/date/account no
11. Forged or unapproved signature
12. Missing corporate stamp
13. Incorrect sum, checks information number, account number
14. Item sent to an inappropriate bank/office
15. Account shut/torpid/blocked
16. Advice not got
17. Duplicate thing recently paid
18. Incorrect payee (befuddle with counsel)
19. High esteem thing exhibited to an ineligible branch
20. Cheque not initiated/implication not got
21. Cheque and counsel information befuddle
22. 7(seven) days see required

23. Test key required/varies
24. Not orchestrated/credit limit surpassed
25. Revenue stamp required/not adequate
26. Signature and seal required on the stamp
27. Budget required/allude to the backer
28. Item required revalidation
29. MICR information and picture confounded

Chapter Four:

Findings, Recommendations and Conclusion

4.1 Findings

- 1) As Al-Arafah Islami Bank Limited has no branches in many districts in the country, they cannot have overall operations in the economy of the country.
- 2) Less of the efficiency of marketing sector of AIBL, the bank can hold the position that they can achieve. The people should be aware about the activities of AIBL.
- 3) Lack of sufficient employees keeps pressure on the existing employee on their works. That's why something's the employee makes mistake and get frustrated.
- 4) Under the arrangement of cash credit service the borrower can borrow any time with the agreed limit and can deposit money to; adjust whenever he does have surplus cash in hand. All the nationalized banks cash credit facilities .AIBL does not practice the cash credit facility.
- 5) Al-Arafah Islami Bank Limited is not investing as much in big industrial sector as investing more in medium size business.
- 6) The marketing department of AIBL is not accelerating their promotion activities by sponsoring games, education, and other social activities.
- 7) AIBL is providing ATM card service but their service is limited by very few ATM booths.
- 8) The operational charges of AIBL are high compared to others banks, which causes discouragement of the people to work with it.

4.2 Recommendations

By solving some issues the bank increase its efficiency and qualities of work. Though bank performing better but some should takes under consideration. These are follows:

1. Al-Arafah Islami Bank Limited should open more branches to provide their banking services all over the country. If they can open more branches they can contribute all economic sectors in our country.
2. Marketing sector should be improved and effective through people can know more about Al-Arafah Islami Bank Limited products and services.
3. Al-Arafah Islami Bank Limited should increase their manpower to complete their task effectively and efficiently.

4. AIBL does not practice the cash credit facility. The bank will obtain of customer if it introduces the cash credit service.
5. Al-Arafah Islami Bank Limited should increase investment in big industrial sector to create new business and create new employment for our country.
6. By contributing in corporate social responsibility AIBL can make its place in the heart of Bangladesh people. They should sponsor in games, education, and other social activities.
7. By more market research AIBL have to establish more ATM booth in important location, to make their service available to the customer.
8. The operational charges should be reducing so that people inspire to work with it.

4.3 Conclusion

Without a doubt banks assume significant job in the financial improvement of a nation. Also, the fame of banks is expanding step by step which prompts increment rivalry too. The working experience is very energizing at Al-Arafah Islami Bank Limited, Dakshinkhan branch. I assembled the experience of genuine expert condition. Retail banking, speculation and furthermore the remote trade tasks is helpful financial device for the business world as the estimation of these administration is huge. Every one of these administrations have accumulated such a situation in the financial area that individuals in created and furthermore creating regions are particularly reliant on banking administration. In Bangladesh credit offices or advances began to turn out to be appealing in ongoing periods. Yet at the same time parcel of enhancements in administrations and offices must be made in this division. AIBL is locked in with general financial exercises so as to grow banking administrations to the customers. Every one of the representatives of this bank are extremely qualified and committed, who are continually attempting to give the best support of the clients. In this bank the representatives are profoundly energetic because of their compensations and different advantages. Here, every one of the workers is particularly helpful with their clients, associates and guests. To summarize, I need to state that I am extremely fortunate to join here as an internee since I generally get backing and inspiration to gather information from Al-Arafah Islami Bank Limited.

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The end