



**An Internship Report
ON
Foreign Exchange Performance of Southeast Bank
Limited**



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LETTER OF TRANSMITTAL

February 10, 2019

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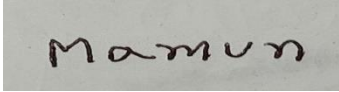
Subject: Submission of Internship Report on “Foreign Exchange Performance of Southeast Bank Limited”

Dear Madam,

With due respect, I would like to inform you that I have just finished my internship program at Southeast Bank Limited (SEBL), Dhanmondi Branch Dhaka-1207. I reported my internship on "Foreign Exchange Performance in the Southeast Bank". Worked in the bank has always been a great experience for me. I have gathered a lot of knowledge about banking sectors. I believe this will help me to build up my career in the banking sector.

I appreciate this opportunity to express my deep gratitude to you for your valuable time, guidance.

Sincerely Yours



Mamun

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CERTIFICATE OF APPROVAL

This is to certify that **Abdullah Al Mamun bearing ID 161-11-5021** is a regular student of Daffodil International University has successfully completed his 'Internship Program' and prepared a report titled "**Foreign Exchange Performance of Southeast Bank Limited**" under my supervision for partial requirement to complete BBA program.

He has completed his internship under my supervision and guidance. He has tried his level best to complete his assigned work successfully.



Rozina Akter
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Acknowledgement

I am very pleased to have the opportunity to submit my internship report. I would like to thank your support, cordial cooperation, objective direction and boundless encouragement of several individuals who have made significant contributions to my practical direction with the bank and are learning about different banking practices and then making reports.

First and foremost, I want to thank the Almighty, who has given me the rich credit of my internship report.

I was grateful and thankful to my Internship Supervisor Rozina Akter for his educational advice, guidance and advice that helped me a lot in completing the report in the proper manner.

I am also pleased to inform the manager of South East Bank Limited for giving me practical guidance in the bank to understand the daily banking activities at Dhanmondi Branch.

And last but not least; I would like to thank all the employees at Southeast Bank Limited Dhanmondi branch who have made this environment conducive and help to understand the proper task.



Executive Summary

Due to the globalization and control of technological innovation and control, the level of banking is changing rapidly throughout the world. Nowadays the banking business is facing more competition globally as well as locally. In order to survive in this competitive banking world banks need to develop appropriate financial structures, develop professionalism in the sense of developing appropriate human resources. As a second generation commercial bank, Southeast Bank Limited has established a breakthrough in the banking community in Bangladesh. The bank extends its activities by offering various quality products and services to its customers.

I did an internship at Southeast Bank Limited in the Dhanmondi branch of the intern. My internship report is based on foreign exchange operations in the Southeast Bank. That's why I worked in several departments in that branch. I divided the whole report into four main sections, which are full of information.

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Chapter One

Introduction

1.1 Origin of the Report:

Any information is completely exhausted if it is fully maintained on the ground floor. Whatever the nature of assumptive learning, it does not end without reasonable action on the ground. This recognition is increasingly being described in business administration investigations where face-to-face encounters have been identified as a major task.

The Single People in Business Administration (BBA) is useful and structured in a great combination of assumptions perspectives. After completing a BBA to fulfill the prerequisite of this degree, I was trying to get an internship at Southeast Bank Limited, Dhanmondi Branch, Dhaka-1207.

I have tried my best to exploit this opportunity to improve my insight into managing account structure. In terms of viewing as a whole, I have provided details regarding my discovery and realization of this topic.

1.2 Objectives of the Study:

- To identify the forex activities of the SEBL and their administration.
- To know the performance of the bank's foreign exchange business.
- Recommending some solutions to address the problems encountered by the SEBL in foreign exchange operations.

1.3 Methodology:

I also collected statistics from various divisions and branches of the bank. To give numerical statistics, I used the annual file of the South East Bank Limited 2014/2015/2016/2018.

The data sources can be divided into two parts, as shown below.

Primary Sources: The primary sources of information are the information we obtain from practical conflicts.

- Working in various departments under general banking.
- Face to face conversation.
- Direct Observation.

Secondary Sources: The sources of data in the medium of data are the data that we find easily accessible. As given below:

- Annual report of southeast bank.
- Monthly Reports.
- Published Documents.
- Relevant books, journals related with general banking.



1.4 Liitation Of Study:

Although I have tried my best to provide all the information I need about South East Bank Limited, provided by the best ability of the manager and employee, most of the mystery and tactical ethics were not bought into this report due to the intense thought of this test. This report is subject to the following limitations: Since the Bank personnel are very busy with their activities, so they cannot fully assist me to complete this report.

- We are not allowed to enter the research field due to our privacy.
- Working with another bank, the report could be further enriched with adequate articles, references and comparative studies. However, that practice is not within the scope of this internship study.
- Confidential data are not accessible for every time.

CHAPTER TWO

Organizational Part



2.1 Bank Profile:

Southeast Bank Limited joined the Private Company under the Bank Companies Act, 1 as a planned business bank and as a public limited company under the Companies Act, 1 on March 12. The bank started raising money in May. 2019. Within this limited capacity of time, the bank is well-positioned to establish itself as a dynamic and dynamic finance company in the country. The bank was generally acclaimed by the business network, from a small business man to a wide range of business and mechanical combinations, to the top of the line corporate or lender - looking forward to the business outlook and the imaginative budget system. So within this short timeframe, it has gained the notorious reputation of making a picture and keeping the country's financial sector as a bank with a vision.

Southeast Bank Limited has been approved by the Government of Bangladesh as a Scheduled Business Bank in the private sector, in line with the progress of finance and affordable budget administration and offices. In view of the above, the bank has made a wonderful progress during the 5 years of operation and has integrated with the capital adequacy requirements of Bangladesh Bank. It is rapidly evolving as one of the pioneers of the new era in the private sector in terms of business and productivity as it is clear from the previous 14 year budget briefs.

2.2 Vision of SEBL:

The straightforward idea has been adopted by the lively bosses and administrators of any organization with the true purpose of agreeing with the war in the war, which has been achieved over time. A strong point of view is evaluated as the reason for increasing the total mission. So clarity of vision is fundamental. It is used to achieve their long-term objectives. Their thinking is to be a pioneer with cash affiliates and contribute to the national spending plan.

2.3 Mission of SEBL:

The SEBL is particularly concerned about their work as various assessments among the chiefs must be made in addition to making decisions through the expansion of the work.

2.4 Services of Foreign Exchange Business:

- *Letter of credit
- *Parties to Letter of Credit
- *Operations of Documentary Letters of Credit
- *L/C Application
- *Scrutiny of Documents
- *Scrutiny of L/C Application

Investment Services:

- Investment Scheme for Doctors
- Small Business Investment Scheme
- Housing Investment Scheme
- Small Transport Scheme
- Car Loan Scheme
- Transport Investment scheme
- Agriculture Implements Investment Scheme
- Rural Development Scheme

General Banking Services:

- Accounts Opening
- Account maintaining
- Account closing
- Issuing Pay order
- Bank draft.
- Demand draft
- Opening of Fixed Deposit
- Clearing of Bank cheques.

2.5 Management of SEBL:

Some features of management practice of SEBL are given below:

- **Planning**
- **Organizing**
- **Directing**
- **Staffing**
- **Controlling**

SEBL does not rely on old-fashioned banking. It seeks to elevate and retain its market share over the two types of control mechanisms in the secluded banking sector:

- Feed Forward Control
- Feed Back Control



2.6 Operation Strategy:

Currently, the bank uses Ultimo Bank. C Corporation-run branch preparation uses a medium in Security Dialog in Windows Stage Programming. Assisted programming accounting, programmed conspiracy estimates, postings and reviews of each exchange, monthly salary and usage status, parity of backups, automatic development and automated recharging of FDRs, including automatic expansion of client record location.

Along with other eight-part banks, it has shared ATM network Bangladesh with ETN. Dhaka, Sylhet and Chittagong have these offices right now.

2.7 Top-Down Management Strategy:

The aspect of the association structure of Southeast Bank is centralization. In this measure, the Primary Leadership Association exists at the highest point of the burn. Miscellaneous work is being done under strict control and low levels of representatives are being checked.

Deputy Managing Director
Senior Executive Vice President
Executive Vice President
Senior Vice President
Vice President
Frist Vice President
Senior Asst. Vice President
Asst. Vice President
Senior Principal Officer
Principal Officer
Executive Officer
Senior Officer
Officer
Junior Officer
Trainee Junior Officer

2.8 Human Resource Department of the Bank:

The Southeast Bank's Human Asset Branch gains a wide range of work and accountability. They assume full responsibility for business use, preparation and advancement, humanitarian activities such as advance, labor administration, representative and network bonds, faculty accounts, remunerated staff, etc. The HR officers of this bank are particularly skilled and primarily for formulating and suppressing the structure of HRM structures, processes and practices. They give workers enough time to ensure perfection. They take shots as a result of innovative approaches to ensure a positive and emerging workplace.

2.9 Enrolment Policy:

The purpose of a well-defined enrollment program is to ensure that there are several intellectually qualified candidates when an inauguration takes place in the affiliation. As Southeast Bank is worry to realize their long haul targets with the goal that they accomplish the selecting procedure carefully. The work of Management Trainee and Provision Officer is:

- Circular / Advertisements placed in notice boards of different educational institutions and news dailies
- Written test
- Checking the test scripts.
- Call for interview
- On the job training
- Outside training (e.g., foundation training at BIBM)
- Confirmation

The whole process takes one to two months to be exceptional. Tenants who have experience and data in the applicable fields are considered.

2.10 Training:

South East bank is particularly cognizant about the preparation of their workers to make them master in information, aptitude and activities in their everyday doings. For the most part, the Bank United collects preparing for junior dimension officers at BIMB, Mirpur, Dhaka to enhance their expertise and proficiency. Official officers are likewise compulsory for preparing going to classes in abroad to develop their administrative and functional capability.

2.11 Job Evaluation:

Career assessment is important for determining the value of an organization's internal employment. The SEBL follows an executive evaluation approach to look at their employees so that they are increasingly obligated and productive in their responsibilities.

Branch heads watch their staff at the head office to criticize the gallows. They complete the "Execution Evaluation Form" to rate their representatives. And by and large, it goes towards the end of every year. The SEBL makes dynamic delegation imaginative and profitable by making progress or rewarding offers.

2.12 Rating is for the most part done on following components:

Proficient learning: Knowledge of apportioned, current patterns and developments in useful zone.

Arranging: Capability to design exercises ahead of time to achieve by setting needs.

Investigative competence: competence to dissect, accommodate present actualities obviously and quickly.

Judgment: Ability to take judgments and the estimation of the choices taken.

Demeanor: How can he/she view his/her activity and his/her associates?

Development: Extent of creative energy and the suitability of the thoughts as significant to the activity.

Authority: competence to urge subordinates and to advance them.

- House building
- 14 days of sick leave
- Marriage leave
- Maternity leave
- Festival bonus
- 10 days as core leave
- 24 days as privileged leave
- Special ratified leave-without-pay.

2.13 Special Features of the Bank:

- It has been doing business regularly and is looking to showcase the potential of Islamic banking.
- It is the leader in presenting and running the standalone client cordial store to tap the reserve funds of the general public to implement the equivalent of beneficial parts of the economy.
- To inspire people to earn a limited payroll lifestyle, the bank has introduced a customer credit scheme, which provides empowerment feedback, by providing advance assistance to a customer to get a family unit sustainable.
- To keep pace with current account management, the bank is focusing on constant innovation.
- The bank's tasks are fully automated to prompt clients to speed up, clear up and administer.
- The Bank has introduced the Camera Screen Framework (CCTV) to strengthen security facilities within the Bank Square.

2.14 SEBL sees social duties from the points of:

Rights of Shareholders: The bank received an overall benefit before the Tk 1,000 assessment. 402.23 million in 2001 and offered a profit of 30%.

Responsibilities to the Employees: Continuing efforts to guarantee the execution of his duties to his representatives regarding installments of aggressive wages, best working conditions, legal arrangements for progress, recognition, appreciation, and support for unique support, etc.

Burden to the Customers: The bank strives to guarantee the ultimate satisfaction of its customers.

Burden to the Community: SEBL eliminates its obligation to network by promoting exceptional plans, for example, education credit plans, marriage credit schemes and nearby industries.

CHAPTER 03

Learning Part

3.1 Foreign Exchange Operation of Southeast Bank Ltd:

The adjustment was made in Bangladesh under the Foreign Trade Regulation Act-1. Remote cash is meant by the Exchange which includes all stores, credits and payable portions of remittance equipment, for example, drafts, and traveler's checks, bills of passage and promise notes in any remote country. Anything that happens in favor of other nations' wealth is "foreign exchange."

As Dr. Paul Ainzig's expression, foreign trade as a framework or mechanism for converting one nation's cash into another and exchanging liabilities from one nation to the next.

3.1.1 Fundamentals of Foreign Exchange:

There are three basic aspects of the general system of foreign exchange.

- Each country has its own unique unit of currency-legal tender / account.
- The conversion of one currency from one currency to another by banks is influenced by the passage of accounting by banks.
- These exchanges are affected by mail transfer, telegraphic transfer and the methods of crediting.

3.1.2 Authorized Dealers:

Bangladesh Bank does not deal directly with the public, the exchanges are terminated by authorized dealers in accordance with the rules given by Bangladesh Bank. According to the Foreign Exchange Regulation Act, 1, those authorized for foreign exchange transactions of Bangladesh Bank are known as "authorized dealers".

3.1.3 Functions of Foreign Exchange:

Foreign Exchange department performs the Functions under three sections:

- Export
- Import
- Foreign Remittance

3.1.4 Legal Requirements:

- The intended unbelieve shall have the correct Export Registration Certificate.
- Export Merchandise Trade Form should be paid for Bangladesh although the branch should be available in free convertible foreign currency or money from a bank branch or nonresident account of a correspondent abroad.
- Commission business and other Exchange Energies only allow the past% past charge allowed in the limit of 5% of the Merchandise Estimation, before the Bangladesh Bank can confirm.
- The branch will need to see that the game plan for recognizing the rent continues within the proposed period of 4 (four) months.
- Arrangements have been made to obtain stock titles such as refilling the bill.
- The exterior is identified by the exporter or the lawyer holds the legal intensity from an exporter, and the lawyer can be considered as reliable together and continues to accept the rent together.
- Bonfires of the buyers/ consignees abroad and their credentials.

3.2 Scrutinization, Negotiation & Collection of Export Bill:

Upon receipt of the document, the branch will examine the paper with L / CC. If the files do not conform to the terms of their letter and say credit, the beneficiary may be considered to correct any differences in the conditions, if possible. If the inequalities cannot be corrected the following ways are open to transfer.

- The best way is to pass the matter to the bank, issuing the matter by telex, detailing the discriminations for acceptance. The message of acceptance can be discussed with the document about the test.
- The branch may negotiate unreasonable documents under reserve or against the exporter's compensation deposit.
- The branch may send the document on collection basis with permission.

3.3 Methods of export Financing:

Prey shipment Credit

Pre Shipment credit is issued by a money related establishment when the merchant needs the installment of the products previously shipment. The principle goals behind pre-shipment credit or pre trade back are to empower exporter to: Procure crude materials. Do fabricating process. Such advances are given for acquisition and handling a crude material, bundling and Transporting products, installment of protection premium, motivation expenses, cargo charges and so on. Similarly, as with different advances and advances, appraisal of the real need of the borrowers, dispensing and recuperation of the advances are of fundamental significance for allow of pre-shipment credit. By and large bank gifts pre-shipment credit against unalterable affirmed unhindered letter of credit gotten by an exporter from abroad buyers.

Post Shipment Credit

Post shipment credit implies any advance or advance conceded or some other credit given by a bank to an exporter of merchandise or (and) administrations from India from the date of broadening credit after shipment of products or (and) rendering of administrations to the date of acknowledgment of fare continues according to the time of acknowledgment endorsed by FED, and incorporates any advance or advance allowed to an exporter, in light of, or on the security of any obligation downside permitted by the Government every now and then. Banks presents with low loan cost to exporters under post shipment credit dependent on the rules of Central Bank.

Purchasing foreign (Export) bills:

Bank of finance to Exporters, It posts shipment in stage by buying trade bills. These credits are authorized on accurate inspection of the bill documents, the credit worthiness and business and business honesty of both vender and purchaser. At the season of Bill buying banks pay

20% of the total bill value to the exporters as an Over Draft rest of money i.e. discounting export bill bank will have to examine all the export documents attentively. The above advanced amount is being adjusted after realization of export bills.

3.4 Operational structure and related Activities of export section:

- When a new exporter approaches is for steering his business through the counter of the bank, officers of the export Department Visit Exporters production line for examination as the initial step.
- The appraisal report is put for choices of the in-charge of international division in head office.
- If found practical at that point credit line Security viewpoint are arranged and introduced the approval of the manager.
- Approval is issued to client for benefiting offices either on cast to case premise or a yearly premise.
- Next step is to finished documentation conventions and gets guarantee as money related commitment like EDR or home loan of property. Only send out L/C lien for documentation.
- Then the exporter can begin working together in accordance with the head office endorse as an initial step they present the fare L/C acquired from the purchaser abroad or through its specialist in Bangladesh.
- The official concerned inspects statement in the fare L/C and present the L/C to the responsible for fare for further analysis.

If the export L/C found in all together and applicable, the exporter is told to submit back to back application.

Next process is to opening a back to back L/C:

- An L/C number is given
- Beginning charges / Commission reclaimed
- Charges and risk receipt are passed
- Preparing and checking of L/C body as per the performance receipt (PI).
- The two are signing L / C by the surety officer and make for equal transmission.

3.5 Reporting of Overdue Exporter Bill:

- The branch will submit the monthly statement of the head office so that the total export bills, including unpaid arrears of the party at the end of each month, will be able to be credited to Bangladesh Bank by the 15th of the following month, as it relates.
- The branch shall submit to the quarterly statement of the Head Office the details of the export bills fixed beyond 4 months from the end of each quarter so as to be able to submit within 15 days from the relevant date of the concerned office.

3.6 Issuance of Export proceeds realization Certification:

Sometimes exporters have to submit evidence of various government agents for export earnings. In this case, the Realization Certificate (PRC) can be issued through a branch designated by Bangladesh Bank. The branch will not provide multiple copies for the exporter's cash assistance application. The branch may issue multiple copies of the PRC, specifying the names of government entities.

3.6.1 Advising Export L/C:

The goods are transferred internationally from Bangladesh through L / C media issued by a foreign bank at the request of the importer on behalf of the Bangladeshi exporter. This type of export is listed through the banks linked to L / CS East. SEBL foreign correspondents can provide L / C advice in the following manner

- By short telex followed by Airmail or
- By full text telex or
- By Airmail

Before preparing any L/C the following must be assured:

- Examining the L / C Terms to see if any of the terms have violated the Bangladesh Exchange Act
- To see whether L/C include any clauses which are very challenging.
- That all L/Cs are liable to “Uniform Customer & Practice for documentary Credit ICC publication No – 500”

3.6.2 Transfer of L/C:

The branch compliant with the first recipient may, in turn, effect the L / C exchange to the recipient. To do so, the first recipient must keep a bookkeeping association with the branch to check its mark on the letter of inquiry.

A transferable credit can be exchanged at once, for example a second recipient cannot exchange to a third recipient. However, a credit card can be exchanged with the recipient for more than a moment, and when moving to a limited extent, it should be checked that the first L / C standard allows invoicing and the first of these national exchanges must not exceed the first L / C honor.

3.6.2 Authorized Signature:

The branch will verify the signature of the transfer and will verify the transfer under the seal and the signature of the authorization of any authorization will clearly stand there that the branch is not liable with any liability on the part. The branch will check the L / C apartment authority with the L / C consulting bank and L / C transfer register if necessary. The branch will hold the original L / C in their custody. Each transfer must be enclosed on the shore of this original L / C to avoid transferring money beyond the credit quality.

Transfer Charges The transferor bank unit paid by the first beneficiary may refuse to transfer the unit as such charge is paid.

3.7 Legal Requirement:

The import of Southeast Bank Limited in Bangladesh is related to the Import Policy Order (IPO) announced by the Ministry of Commerce and the Ministry of Commerce and the public notice issued by Bangladesh Bank.

The legal and economic structure of the country should be considered before entering into an import transaction.

- Restrictive government policies
- Exchange regulation
- Tariffs and transaction
- Reporting to the controlling authorities

3.8 Strategies of Import Financing:

Import bonds are one of the most essential strategies for financing imports. International trade takes place between dealers and buyers located in different countries. The parties to the trade transaction are not always known to each other. The seller cannot have full confidence in the buyer's credit worthiness, regardless of whether they are familiar with each other. In the case of Letter Securities, the investor's credit value is replaced by the importer's credit value.

Under a banker's credit card, the issuing bank gives a written note on behalf of the buyer that the bank will honor such promise in the event of the introduction of the prescribed record, payment or acceptance. Margins vary from product to product.

3.9 Narrative Requirements for Opening L/C:

- Valid Import Registration Certification (Commercial/Industrial)
- Tax Identification Number Certificate
- Vat enlistment Certificate
- Membership Certificate of a perceived Trade Association according to IPO
- A deceleration in triplicate, that the shipper has settled pay government obligation.
- Performa receipt acknowledged by the shipper
- Issuance cover note with cash paid receipt covering the esteem merchandise to the shipper
- L/C application frame appropriately marked by the shipper
- L/C approval frame (LCAF) business or modern as the case might be properly marked by the shipper.

3.10 How does bank open the L/C?

The bank finances the importer in the opening of L / C. The amount of margin deposited by the importer is determined on the basis of its financial position, its past performance and government Instruction. After the preliminaries are over, the bank will open L / C for the supplier through its correspondent bank, which is ill for the supplying country.

3.11 While opening L/C SEBL follows the following procedures:

- LCA from accurately filled in and signed by importer
- L/C application correctly filled in signed by the importer
- Purchase contract in the shape of a performance invoice duly signed by the buyer and supplier.
- Insurance Cover Note
- Membership Certificate of the importer from a Chamber of Commerce
- Evidence of restoration of import registration Certificate (IRC) for the current year.

3.12 Terms of L/Cs:

To include L / C, limit and unit expenditure as well as full details of the product and possible risk of quoting the correct IIS code of the product will be avoided. The price of the product should be quoted at CFR or CPT Prime without the approval of the Commerce Ministry.

3.13 Shipment validity & Expiry:

All L / C PIs or L / C must indicate the validity of the shipment in accordance with the terms of application. However, the validity under no conditions shall not exceed nine months from the date of issue of LACF to Bangladesh Bank. However invoices for capital hardware and spare parts will be made within 17 months. All L / C must set a closing date and place for launching the report for the installment.

3.14 Revision:

The branch may only allow modification of L / CS on the basis of a request from the client before the change of L / CS alike by controlling foreign exchange and import controls, basic charges and marginal revisions.

3.15 Wiping out of L/C:

An inevitable L / C cannot be thrown away without the burden of the recipient and the confirmation bank. Due to the expiration of the order, the branch can approach the L / C guidance bank at the request of the importer and due to completion the L / C document may be closer. At the time of opening the L / C, the bank will approve the loan repayment clearance which will open the branch L / C, deny the risk of L / C contraction and recover the charge from the L / C application as per the schedule of charges.

3.16 Name of the Importer:

- Ziska Pharmaceuticals Ltd
- Jaba Textile Ltd
- Supreme Accessories
- M.S Trading
- Best Electronics
- An Noor Enterprise

3.17 Foreign Exchange Business of SEBL

Import Business Analysis:

Year	2018	2017	2016	2015	Total
Import	215,379.77	171,531.73	151,812.58	155,691.00	826059.91
Business Growth Rate	26.07 %	20.76 %	18.37%	18.84 %	

Export Business Analysis:

Year	2018	2017	2016	2015	Total
Export	167,562.98	146,606.09	126,423.89	112,137.60	647950.96
Business Growth Rate	25.86 %	22.62 %	19.51 %	17.30 %	

3.18 Comparison of Import and Export:

It has been found that SEBL's scatter advancement is more prominent than the advance level of SEBL's import business rather than mapping. So we can easily comment that the spread of SEBL space is more beneficial than the number of buyers and dynamic growth of the SEBL.

3.19 Acceptance of Letter of Credit:

Acceptances and endorsements	2018 (taka)	2017 (taka)
Acceptance under Letters of Credit (LC) - other than back to back	39,997,385,993	28,774,137,644
Acceptance under Letters of Credit -back to back	17,141,146,992	15,039,415,997

Recent Foreign Exchange records of Southeast Bank Ltd:

Particular	2018 (Taka)	2017 (Taka)
Cash In Hand (Foreign Currencies)	3010982975	2432620307
Bills for collection (Foreign)	10899018477	9204033000
Letters of guarantee (Foreign)	995971664	3003598053
<u>Irrevocable Letter of Credit</u>		
Back to back L/C	16719794155	13920027996
Others	27475343281	18961275681
Interest on foreign currency balances	57142303	41032156
Exchange gain from trade of foreign currency	1294364761	1084482265

3.20 FOREIGN REMITTANCE:

SEBL, Motijheel (Islamic Banking) Branch, authorized dealer for foreign exchange business. As an authorized merchant, a bank must provide some administrative measures to its customers towards foreign exchange, and this department gives these administrations.

The basic capability of this division is that external and internal foreign currency remittances start with one nation and spend time to facilitate this settlement on the next nation, transfer it and purchase distant cash. Conversion of cash from one cash to another occurs at a compounded rate of business, which the banker quotes, one for purchase and the other for sale. These national exchanges deal with certain items that deal with external financial values and are suggested to buy something, the customer's expenditure on cash received in a valid foreign currency remittance system (traditionally respected).

There are two types of remittance:

- Inward remittance
- Outward remittance.

- **Inward Foreign Remittance:**

Internal Settlements include TT, DD and Bill, T.C. Apart from this, there is a cover for buying cash remotely, etc. It was sent to another nation in support of any beneficiary of Bangladesh. Purchase of foreign trade must be submitted to the Exchange Control Department of Bangladesh Bank in Form-C.

- **Outward Foreign Remittance:**

Remote T.T. Includes external cash offer through draft issuance. Voyagers check and move foreign trade, just as under L / C and surrender against import bills.

3.21 FOREIGN REMITTANCE ANALYSIS:

Year	2018	2017	2016	2015	Total
Foreign Remittance	95,405.40	64,665.84	60,708.50	48,740.50	308819.34
Growth Rate	30.89 %	20.93 %	19.65%	15.78 %	

Interpretation:

In this pie chart we can see that SEBL foreign remittances are increasing day by day. It shows that the growth rate of SEBL in 20. On the other hand, the growth rate of SEBL in 5.2% is 0.5%. So it shows that SEBL foreign remittances are improving smoothly and the growth rate of this bank is also satisfactory.

CHAPTER 4

SWOT & RATIO ANALYSIS OF SEBL

The following table can be used to see the above mentioned factors at a glance.

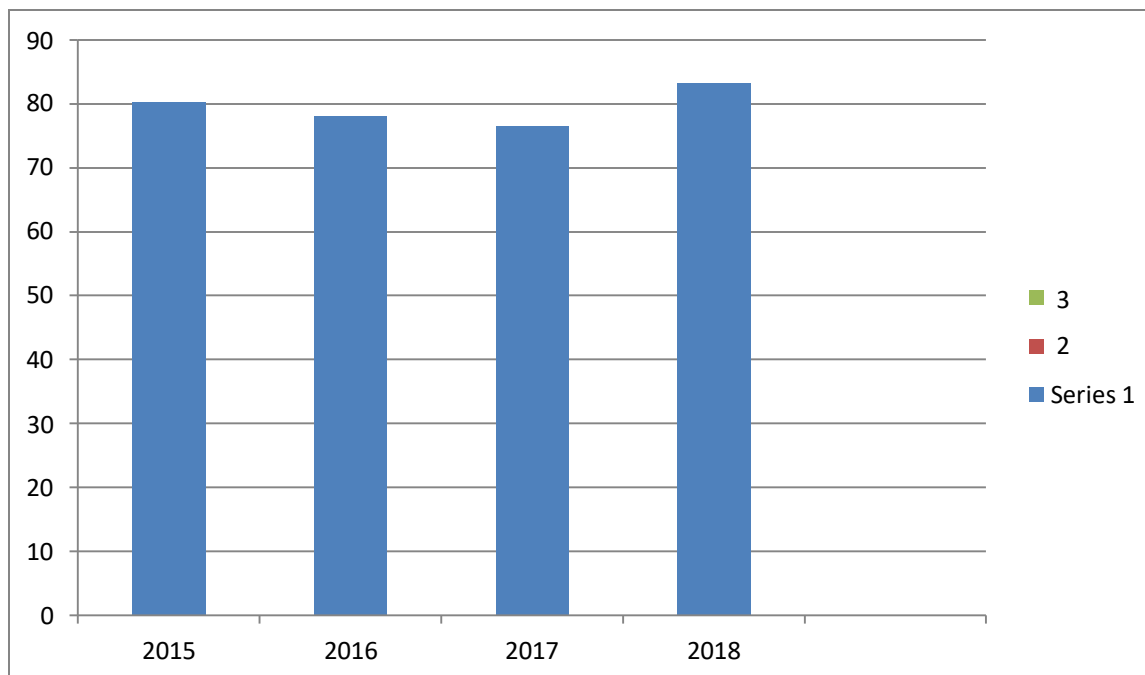
S	<ul style="list-style-type: none"> • Sound profitability and growth with good internal capital generation • Larger corporate client base • Experienced and efficient management team and human resource • Recruitment of brilliant MBAs & BBAS • Quality products and services • Better infrastructural facilities and friendly corporate culture
W	<ul style="list-style-type: none"> • Small market share • Limited branch network

	<ul style="list-style-type: none"> • High concentration on fixed deposits and large-scale loans • Marginal capital adequacy • Lack of adequate marketing (advertising and promotion) effort • Lack of full scale automation
O	<ul style="list-style-type: none"> • Scope of market penetration through diversified products • Automation of transaction processes and online branch banking • Government's policy of encouraging heavy inflow of foreign investment • Regulatory environment favoring private sector development • Value addition in products and services • Increasing purchasing power of people • Increasing trend in international business
T	<ul style="list-style-type: none"> • Increased competition for market share in the industry • Frequent changes of banking rules by the Central Bank • Market pressure for lowering of lending rate • National and global political unrest • Default culture of credit

2.16 Financial Performance Analysis:

Loan to Deposit Ratio:

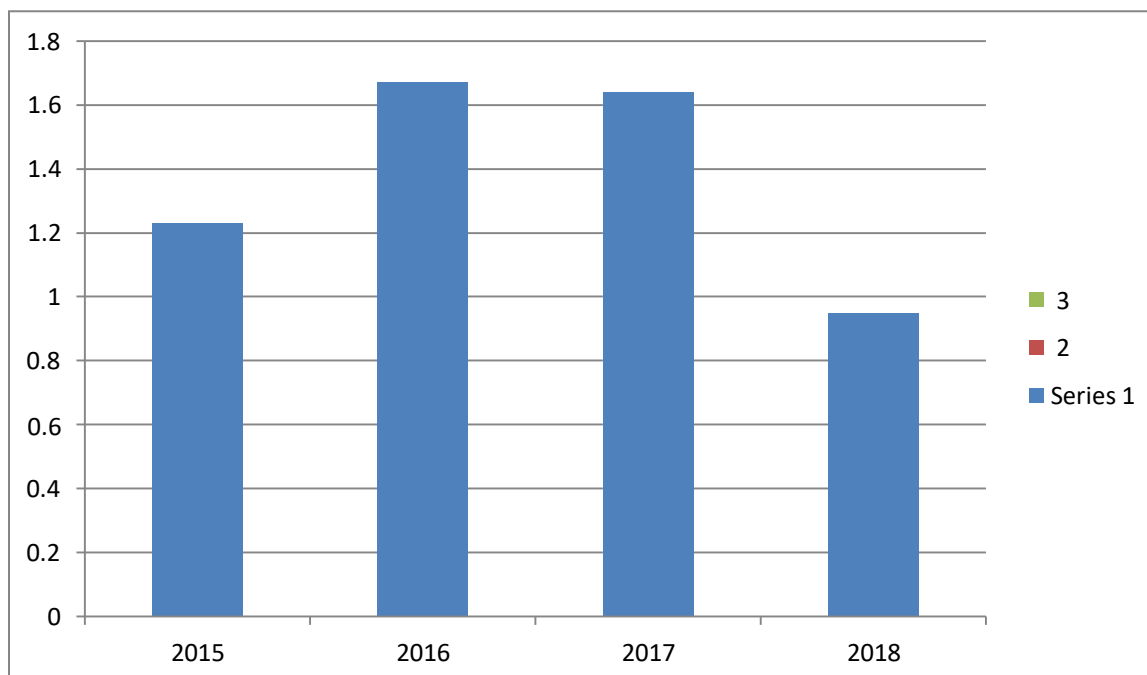
Particular	2015	2016	2017	2018
Loan to Deposit Ratio	80.25%	78.09%	76.44%	83.21%



Interpretation: This ratio shows us about the amount of present loan and present deposit position of the bank. It shows that in 2018 the growth rate of SEBL is 83.21%, but in 2015 the growth rate of SEBL is 80.25%. So it shows that the loan to deposit ratio of SEBL is smoothly improving and the growth rate of this bank is also satisfying.

Return on Asset:

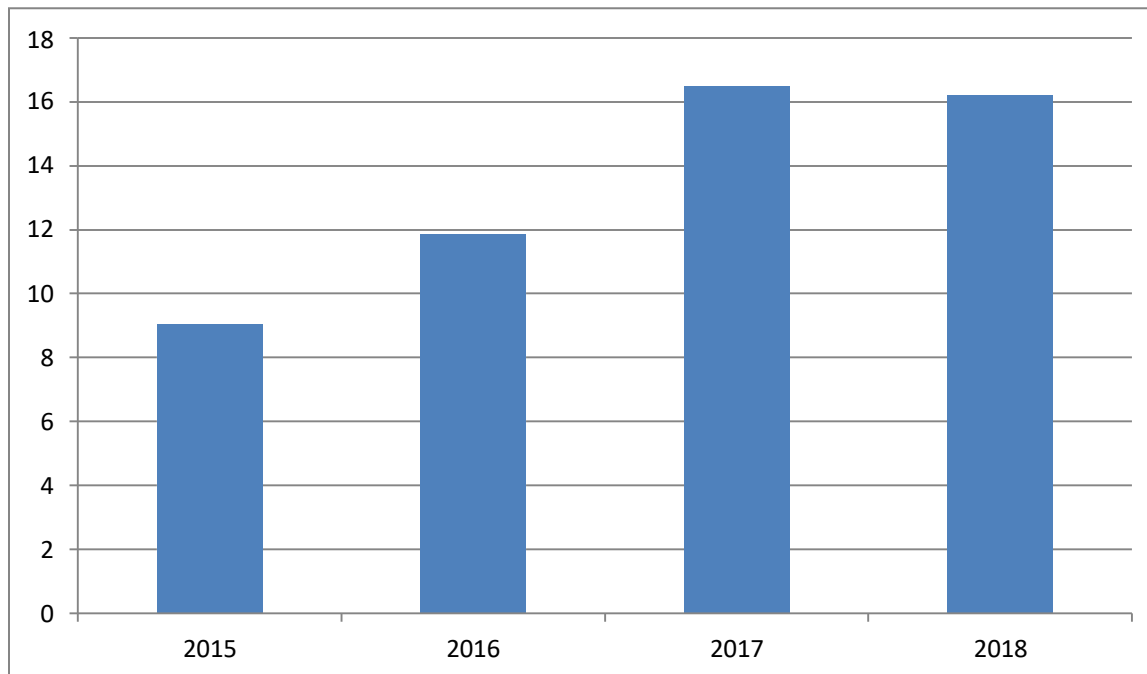
Particular	2015	2016	2017	2018
ROA	1.23%	1.67%	1.64%	0.95%



Interpretation: Return on asset Means Company properly utilizes their asset to gain profit at a higher rank. Here 2016 return on asset is better than other years that's mean present return on asset is not good. Company unable to properly utilize their asset.

Return on Equity:

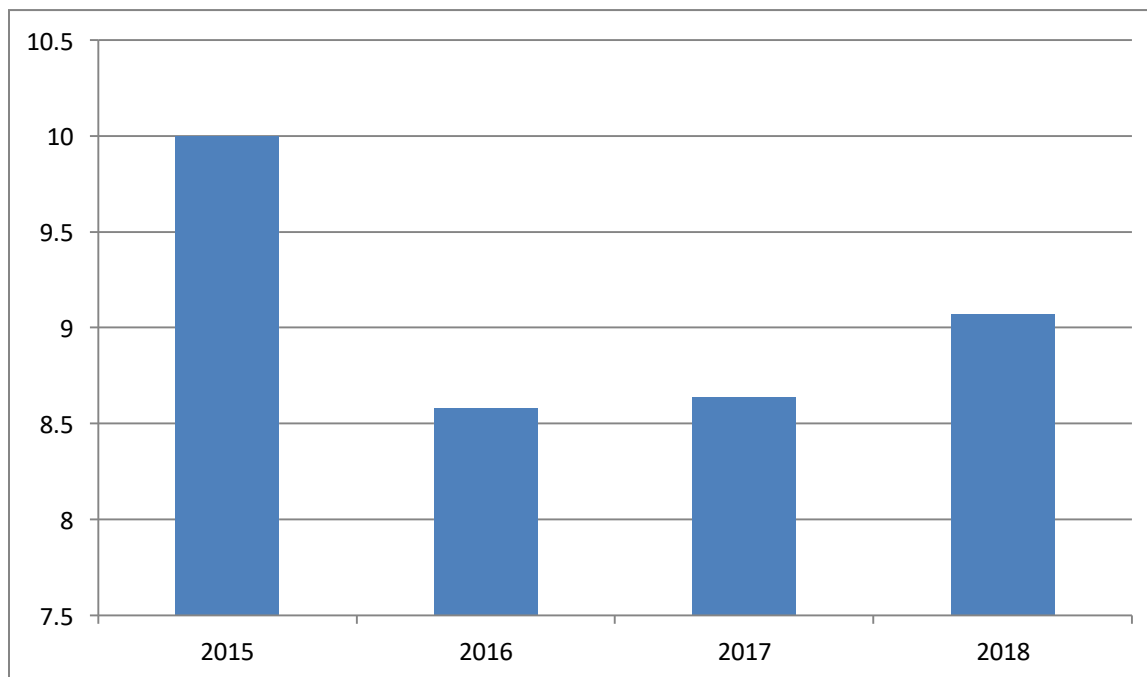
Particular	2015	2016	2017	2018
ROE	9.06%	11.86%	16.51%	16.20%



Interpretation: Here 2017 return on equity is better than others years. In 2018, return on equity is 16.20% that were 16.51% in 2017. That means company can't gain capital by using their shareholders in recent period.

Debt to Equity Ratio:

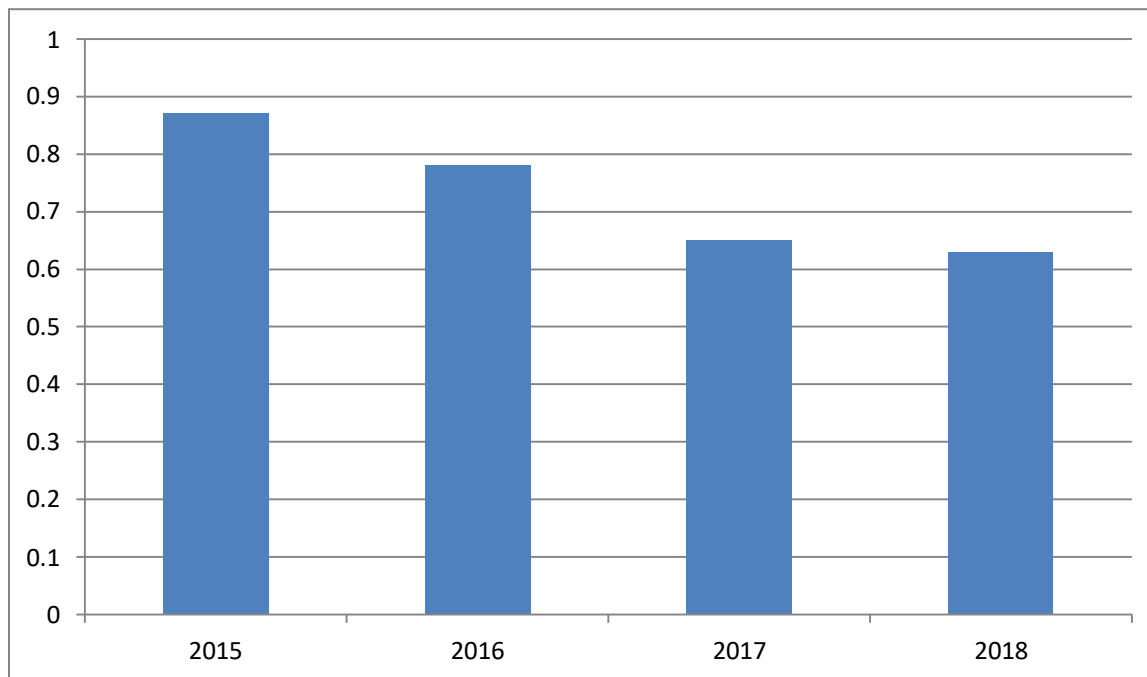
Particular	2013	2014	2015	2016	2017
Debt to Equity Ratio	10.00	8.58	8.64	9.07	8.6



Interpretation: sometimes high debt/equity ratio has created high risk . Southeast took higher risk in 2015 than other year.

Equity Turnover:

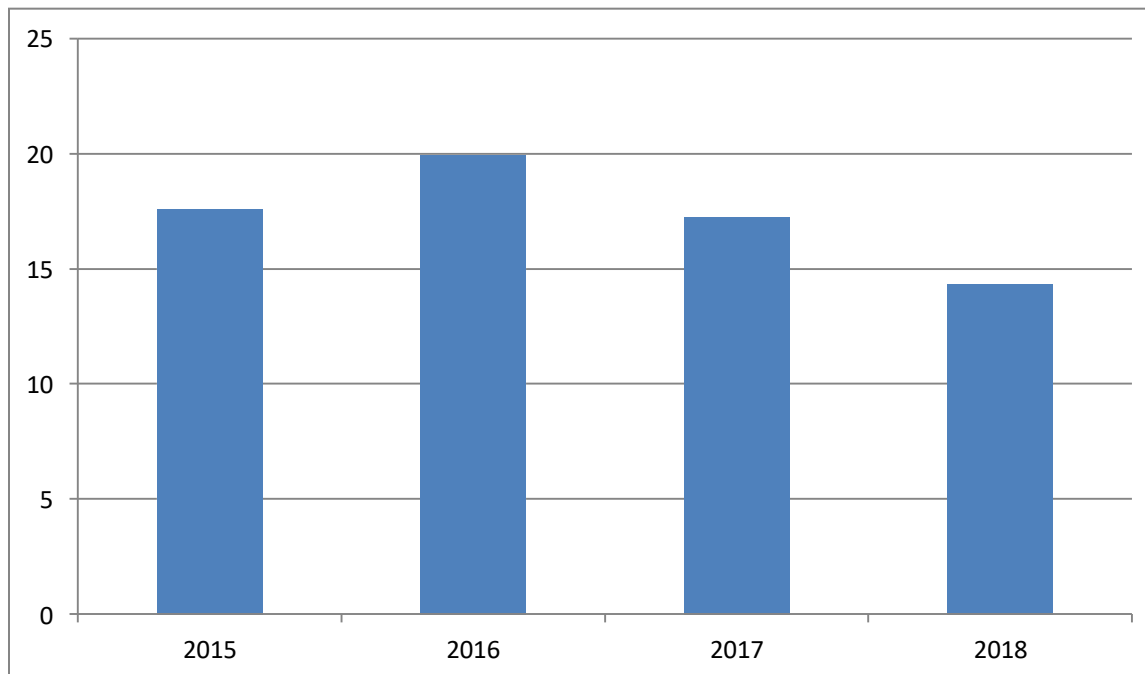
Particular	2015	2016	2017	2018
Equity Turnover	0.87	0.78	0.65	0.63



Interpretation: It shows that in which ways a company can use its shareholder's asset to create total equity. If equity turnover increase company performance is good. So here 2015 year's performance is better than other years.

Net Profit Margin:

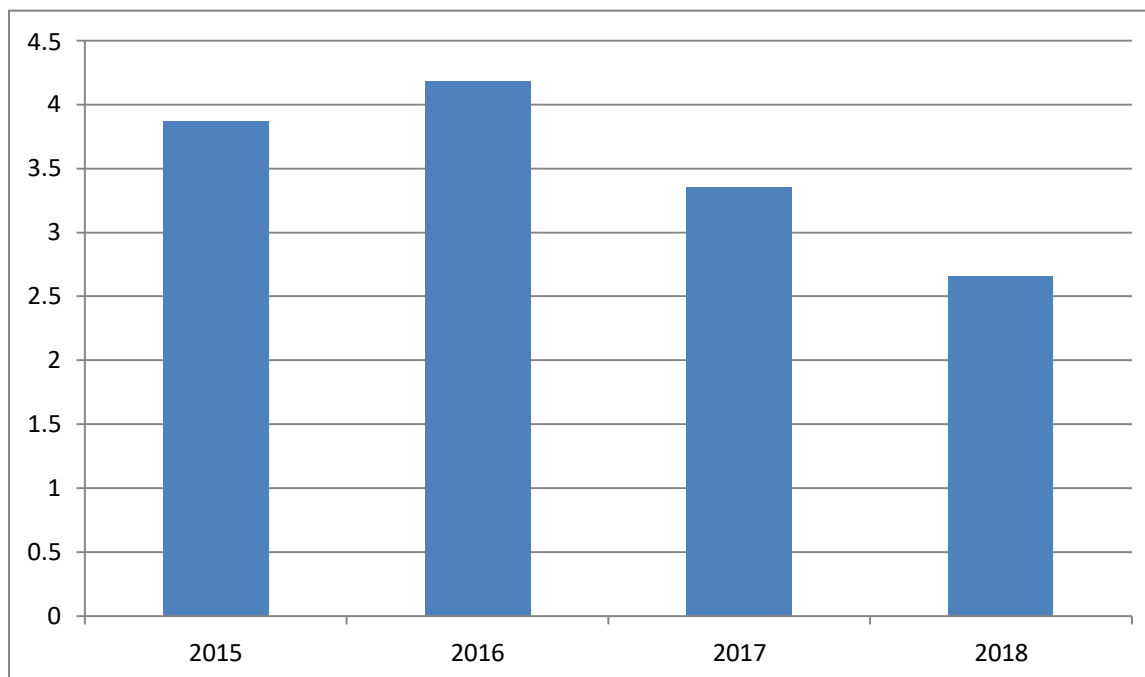
Particular	2015	2016	2017	2018
Net Profit Margin	17.59%	19.94%	17.24%	14.34%



Interpretation: It shows that in 2015 the net profit margin rate of SEBL is 17.59%, on the other hand in 2018 the rate was 14.34%. So it shows that the foreign remittance of SEBL is smoothly improving and the growth rate of this bank is also satisfying. 2016 year was very good. But the company's recent time is going with a bad condition

Earnings per Share:

Particular	2015	2016	2017	2018
EPS	3.87	4.18	3.35	2.66



Interpretation: Earnings per share Means Company's total earning against per share. From 2015- 2018 the EPS of SEBL were down. In 2016, the EPS was better, but 2018 fall down. Whichmean the company is not performing well.

CHAPTER 5

Findings, Recommendations and Conclusions

5.1 Several Findings of Southeast Bank Limited:

SEBL is one of the most established banks in Bangladesh. The SEBL suffers from a few problems. The results of the study are given below based on the purpose and discussion of the study:

- Online banking does not appear in all branches.
- Sometimes clients are discouraged by the bank to open a new L / C due to lack of
- Necessary paperwork.
- It takes a long time to giving the customer's remittance.
- Job training is not enough for foreign currency staff.

- loan to deposit ratio of SEBL is increasing day by day.
- Return on asset(ROA) of SEBL is decreasing by last few years.

- Return on Equity(ROE) of SBEL is good enough in last two years. As we know ROE of 15-20% are generally considered good.

- Debt to Equity ratio of SEBL was 8.65% in 2015 which took higher risk in 2015 than other year.

- Equity Turnover of SEBL was 0.87 in 2015 which performance is better than other years.

- Net Profit Margin of SEBL is increasing so that the foreign remittance of SEBL is smoothly improving and the growth rate of this bank is also satisfying.

- Earnings per share of SEBL is falling down in last few years. the company is not performing well in this sector.

5.2 RECOMMENDATION:

- Technical involvement in foreign exchange division should be fast with technology.
- Online banking should be easy & friendly.
- Clients are encouraged by the bank to open a new L / C.
- Take short time to give remittance.
- Training should be mandatory for all.
- Southeast Bank Limited should control the loan to deposit ratio.
- Southeast Bank Limited must increase Return on asset.
- Southeast Bank Limited should increase return on equity.
- Southeast Bank Limited should increase debt to equity ratio.
- Southeast Bank Limited should increase Equity turnover ratio.
- Southeast Bank Limited should increase Net profit Margin ratio.
- Southeast Bank Limited must increase Earnings per share.

5.3 CONCLUSION:

Southeast Bank Limited has become a more successful second-generation bank. The bank has followed a somewhat conservative and balanced banking that has enabled it to achieve a steady growth in profits and wealth together. Apart from these, the recruitment of new and experienced bankers at all levels of management has been very rewarding. Employers have taken their social connections forward and ultimately contributed to strengthening the bank's assets and liabilities. However, Southeast Bank Limited is good at managing export trade and financing.

The bank's vision was always to give customer service a step ahead of its competitors and ultimately to contribute to the national economy. The fact of being successful in a long, long 14-year journey speaks for itself and hopes that the bank will continue its competitive edge in the coming years.

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