



**An Internship Report on  
General Banking Activities of National Credit and  
Commerce (NCC) Bank Limited - Bangshal Branch**

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**Daffodil International University**

**“GENERAL BANKING ACTIVITIES  
OF NATIONAL CREDIT AND  
COMMERCE (NCC) BANK  
LIMITED-  
BANGSHAL BRANCH”**

# Letter of Transmittal

June 12<sup>th</sup>, 2014

Mr. Sayed Farrukh Ahmed

Assistant Professor

Faculty of Business & Economics

Daffodil International University

**Subject: Submission of Internship Report.**

Dear Sir,

With immense pleasure, I am submitting my internship report of “**General Banking Activities of National Credit & Commerce (NCC) Bank Ltd. - A Study on Bangshal Branch**” which was assigned me as a part of my BBA Program. I have tried my level best to complete this report with the necessary information and suggested proposal that you were provide me as your best as well.

I hope that the report will be completed as your expectations.

Thank you

Sincerely,

.....

Md. Rezaur Rahman

ID No: 103-11-1720

BBA Program, Batch- 27th

Daffodil International University (DIU)

# Declaration

I do hereby solemnly declare that the work presented in this internship report named “**General Banking Activities of National Credit & Commerce (NCC) Bank Limited – Bangshal Branch**” has been carried out by me and has not been previously submitted to any university/ college/ organization for an academic qualification/certificate/ degree.

The work I have presented does not breach any existing copyright and no portion of this report is copied from any work done earlier for a degree or otherwise.

I further undertake to indemnify the development against any loss or damage arising from breach of the foregoing obligations.

**Md. Rezaur Rahman**

**ID. 103-11-1720**

**BBA 27<sup>th</sup> Batch**

**Daffodil International University**

# Certificate of Approval



I am pleased to certify that the Internship Report on “**The General Banking Activities of National Credit & Commerce Bank Limited (NCCBL) - Bangshal Branch** prepared by **Md. Rezaur Rahman** bearing **ID NO: 103-11-1720** of the **Department of Business Administration (Major in Finance)** is approved for Presentation and Defense. Md. Rezaur Rahman worked with “National Credit & Commerce Bank Limited (NCCBL)” as an intern under my supervision. She completed the work during the spring -2014 semesters. I am also pleased to certify that the data and the findings presented in the report seen to be authentic.

**Md. Rezaur Rahman** bears a good moral character and a very pleasing personality. It has indeed been a great pleasure working with her. I wish her all success in life.

**Supervisor,**

.....

**Sayed Farrukh Ahmed**  
**Assistant Professor**  
**Faculty of Business & Economics**  
**Daffodil International University**

# ACKNOWLEDGEMENT

First and foremost, all credit goes to my Almighty. Then I would like to express my gratitude to all the people those were involved both directly and indirectly in the preparation of this report. I apologize to the people whose names that I have not mentioned, and their contribution is highly appreciated by me. At first, I would like to thank and convey my gratitude to honorable Supervisor, **Sayed Farrukh Ahmed, Assistant Professor**, Department of Business Administration, and DIU for guiding me and for giving me the opportunity to initiate this report. More specifically, I would like to thank him for imparting his time and wisdom.

I want to thank all the officials of **National Credit and Commerce (NCC) Bank Limited** that were involved. I would especially like to thank Md. Abdullah Al Kafi Mazumder (Vice President), Md. Matiar Rahman (Deputy Manager), Bishwjet chowdhury ( Principle Officer), Mahmudul Hassan (seconr officer) of Bangshal branch for giving an opportunity of 3 month internship program and when any problem rose, they solved that and all time guided and supervised me friendly. I would like to thank them for giving me the required information to commence this report.

# EXECUTIVE SUMMARY

The internship is designed to bridge the gulf between the theoretical knowledge and real life experience. It is designed to have a practical experience while passing through the theoretical understanding. The report is the result of 3 month internship program in National Credit & Commerce Bank Ltd – Bangshal Branch. Today, necessity of a bank as a financial institution is undeniable. These institutions play a vital role in the field of financial stability of a country. Banking sector is one of the most stable financial institutions of any economy.

In the 1st chapter I have discussed the Introduction.

In Chapter 2 I have discussed about the Profile of National Credit & Commerce (NCC) Bank Ltd. overview by which we will know history, important vision and mission and objective of NCC Bank Limited & also objective of my report. On the next Chapter, I have discussed General Banking Activities. Basically I have discussed my work related activities in NCC Bank Limited – Bangshal Branch. On next, I mentioned SOWT analysis associated with the organization and this report. I have also discussed about what I have learnt during the internship at Bangshal Branch.

Lastly in Chapter 6, I have given Findings, Recommendations and Conclusion, Suggestions for improvement and References.

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# Chapter 1



## INTRODUCTION

## 1.0 Introduction

Banking sector is expanding its hand in different financial events every day. At the same time the banking process is becoming faster, easier and the banking arena is becoming wider. As the demand for better service increases day by day, they are coming with different innovative ideas & products. In order to survive in the competitive field of the banking sector, all banking organizations are looking for better service opportunities to provide their fellow clients. As a result, it has become essential for every person to have some idea on the bank and banking procedure.

Private sector banks started functioning during the year 1983-84 with the objective of government policy to make sure effective and meaningful participation of the private sector in the overall national economy.

The perception of banking has been bloomed from the inspiration of building up a society on justice in accordance with basic socio-economic principles of bank. The difference between bank and conventional bank is on principles. The functions of this type of bank are completely different.

National Credit & Commerce (NCC) Bank Limited is a financial institution whose status, rules and procedures expressly state its commitment to the principle of banking system. Consequently the bank operates on principles of profit and loss sharing, which is the root of all exploitation and is responsible for large-scale inflation and unemployment

## 1.1 Rationale of the Study

Due to the increased competition of the increased number of commercial banks and the growing economy, the expectations of the customers have also increased than ever before. Realizing the Present condition, banks, especially the commercial banks are trying to attract more and more people to use bank as their trusted saving way. So banks are coming more reachable to their Customers. Presently the most serious difficulty facing the financial sector is the low level of interest rate and high level of inflation rate, due to political anarchy and syndicating of products. So it is the duty of the top management of the commercial banks to deal with the situation.

## 1.2 Origin of the Report:

The internship program is a mandatory requirement for the students who wish to be a B.B.A graduate. In the internship program, I was attached to host organization name National Credit and Commerce (NCC) Bank Ltd. This report prepared on my practical experience on the day to day banking activities ,theoretical experience and under close supervision of my internal support as well as my official supervisor.

## 1.3 Objectives of the Report:

The main objective of the report will be to provide an overview of the “General banking activities of National Credit and Commerce (NCC) Bank Limited - Bangshal Branch with fulfilling the requirement of BBA program. However, the objective behind this study is something broader. Objectives of the report are summarized in the following manner-

- v To present an overview of NCC Bank Limited.
- v To identify the general banking activities of NCC Bank Limited.
- v To analyze general banking activities of NCC Bank Ltd.
- v To identify major strengths, weaknesses, opportunities and threats of NCC Bank Limited in banking activities.
- v To recommend for the successful operations of the services offered by NCC Bank Limited.

## 1.4 Methodology of the Report:

From my educational background I have learned different methodology in research process. So in this study I had the opportunity to implicate my educational knowledge in practical field. I have collected data from many sources:

### Primary Sources:

- Personal interview- face to face conversation and in depth interview with the respective officers of the branch.
- Personal observation- observing the procedures of banking activities followed by each department.
- Practical work exposure on different areas of the branch.
- Informal conversation with the client or customers.
- Relevant documents related to the study as provided by the officers.

### **Secondary sources:**

- Annual report of NCC Bank Limited.
- Periodical published by Bangladesh bank.
- Internet is also used as theoretical sources of information.
- Website and news letters are also used as major sources.

## **1.5 Scope of the Report:**

The study gives a lot of knowledge about general banking activities of NCC Bank Limited. This report gives a broad overview of department of Bangshal branch, Dhaka of NCC Bank Limited. It consists of my observation and on the job experience during the internship period. This report incorporates the different aspects of general banking tools and techniques and its effects on the performance of the bank.

## **1.6 Benefits:**

- It gives us knowledge banking system.
- It helps to know about overall general banking activities of NCC Bank Limited.
- It provides knowledge about deposit product and services.

## **1.7 Limitations of the Report:**

To prepare a report on the achieved practical experience in a short duration (only three months) is not an easy task. In preparing this report some problems and limitations have encountered which are as follows:

- The main constraint of the study are insufficiently of current information, relevant to the study
- All required information are not available in any specific branch of the bank and there are also limited opportunity to visit more than one branch
- Due to time limitations many of the aspects could not be discussed in the present report
- This suffers from a narrow data range for analysis.
- Lack of experience in intemship report writing.

## Chapter 2



# OVERVIEW OF THE NATIONAL CREDIT AND COMMERCE (NCC) BANK LIMITED

## 2.0 Background of NCC Bank Ltd.

NCC Bank Limited is a new generation bank. It is a scheduled bank under private sector established under ambit of Bank Company Act, 1991 and incorporated as Public Limited company act, 1994 on 17<sup>th</sup> May 1993. Prior to conversion into a scheduled commercial bank; National Credit Limited (NCL) was incorporated as public limited investment company in Bangladesh on 18<sup>th</sup> November 1985. It made its journey with a modest beginning on 25<sup>th</sup> November 1985 at its registered office and first branch at 7-8 Motijheel Commercial Area, Dhaka-1000. The initial Authorized Capital of the company was 30 (Thirty) crore consisting of 30 (Thirty) lac. Ordinary share of Tk. 100/- each. A new opportunity in this field of financial activities was opened for the business. NCL made a careful journey and maintained its successive growth for few years with its qualified professional management under most unpredictable, unregulated, uncertainties and limitations.

The emergence of NCC Bank Limited at the Juncture of liberalization of global economic activities, after the URUGUAY round has been an important event in the financial sector of Bangladesh. The experience of the prosperous force and the strategic operational policy option of the bank. The company philosophy, “A Bank with vision” has been precisely the essence of the legend of Bank’s success.

NCC Bank attaches importance to human resources development. As such the employees are trained discreetly, in this regard on which the conventional Bank does not give much importance.

## 2.1 Company Profile

<b>Name of the Company:</b>	<b>National Credit and Commerce (NCC) Bank Limited.</b>
<b>Legal Identity:</b>	<b>A public limited company registered in Bangladesh on 18<sup>th</sup> November 1985, under the companies Act 1994 and enlisted in Dhaka Stock Exchange Ltd. &amp; Chittagong Stock Exchange Ltd</b>
<b>Nature of Business:</b>	<b>Commercial Banking based on banking system.</b>
<b>Registered Office:</b>	<b>Head Office 7-8, Motijheel Commercial Area, Dhaka-1000, Bangladesh.</b>
<b>SWIFT Code:</b>	
<b>E-Mail:</b>	<b><u><a href="mailto:nccbl@bdmail.net">nccbl@bdmail.net</a></u></b>
<b>Webpage:</b>	<b><u><a href="http://www.nccbank.com">www.nccbank.com</a></u></b>

## 2.2 Mission & Vision

### Mission

- Ø Achieving the satisfaction of Almighty Allah both here & here after.
- Ø Quality financial services adopting the latest technology.
- Ø Fast and efficient customer service.
- Ø Maintaining high standard of business ethics.
- Ø Steady & competitive return on shareholders' equity.
- Ø Innovative banking at a competitive price.
- Ø Attract and retain quality human resources.
- Ø Extending competitive compensation packages to the employees.
- Ø Firm commitment to the growth of national economy.

### Vision

- Ø To be a pioneer in Banking in Bangladesh and contribute significantly to the growth of the national economy.
- Ø “To make our customers prosper, our staff excel and to create value for our stakeholders.”

## 2.3 Value & Commitments

### Value:

NCCBL values are based upon the fundamental principles that define our culture and are brought life in our attitude and behavior. It is their values that make us unique and seem from five basic principles:

- **Excellence:** The market in which NCC Bank Limited operate is becoming increasingly competitive and their customers now have abundance of choice.
- **Integrity:** NCC Bank Limited success depends upon trust. Their customers are society in general expect us to process and steadfastly to high moral principle and profession standard.



- **Customer focus:** NCC Bank Limited needs to understand fully the needs of their customers and to adapt our product and service to meet these.
- **Meritocracy:** NCC Bank Limited believes in giving opportunities and advantage to its employee son the basic of their ability.
- **Progressiveness:** NCC Bank Limited believes in the achievement of society through the adoption of enlightened working practice innovative new product and process a sprite of enterprise.

### **Commitments:**

NCC Bank Limited is a customer focused modern Bank making sound and steady growth in both mobilizing deposit and making quality Investment to keep our position as a leading Bank.

In Bangladesh, to deliver financial services with the touch of our heart to retail, small and medium scale enterprises, as well as corporate clients through our branches across the country. Our business initiatives are designed to match the changing trade & industrial needs of the clients.

## **2.4 Objective of NCC Bank Ltd.**

Main objective of the report is to analyze the general banking system of the National Credit and Commerce Bank Ltd (NCCBL). Moreover, the study also embodied the following specific objectives:

- 1) To study the existing operations/activities of General Banking Section
- 2) To study the existing operations/activities of foreign exchange section.
- 3) To study the existing operations/activities of loans and advance section.
- 4) To study existing banker-customer relationship.

## **2.5 Special Characteristics**

- Ø All activities are conducted on system according to Principles.
- Ø Investment is made through different modes as per modern banking system.
- Ø Investment Income of the Bank is shared with the depositor according to an agreed upon ratio ensuring a reasonably fair rate of return on their deposits
- Ø Extend socio-economic and financial services to individuals of all economic backgrounds with strong commitment in rural uplift.
- Ø Plays a vital role in human resources development and employment-generation particularly among the unemployed youths.

Portfolio of investment and investment policy have been specially tailored to achieve balanced growth and equitable development through diversified investment operation particularly in the priority sectors and in the less developed areas of the national economy.

## 2.6 Branch Location All Over Bangladesh

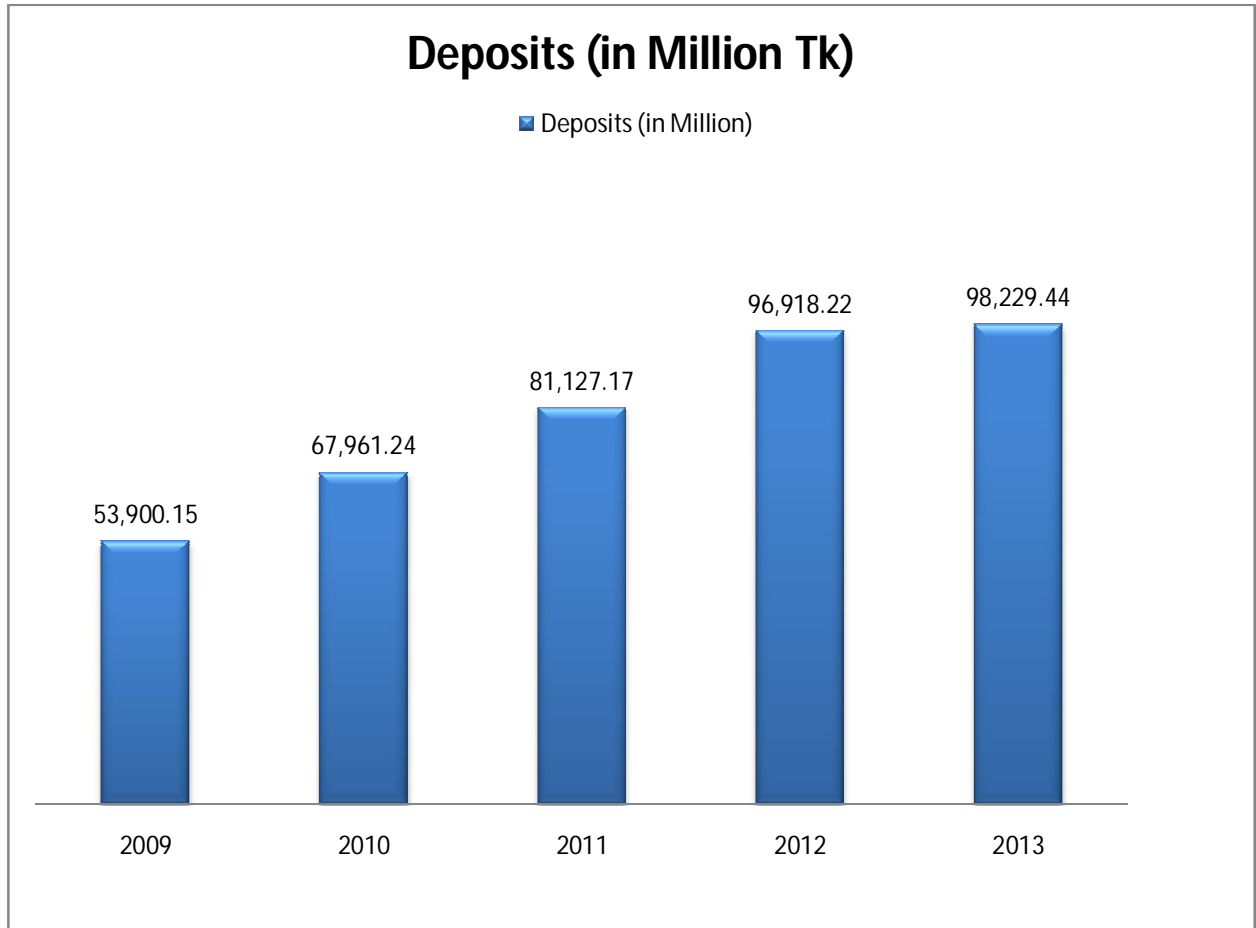
Division Name	Dhaka	Chittagong	Barisal	Sylhet	Khulna	Rajshahi	Rangpur
No. of Branch	52	22	4	7	7	5	4

## 2.7 Board of Directors

<b>Alhaj Md. Nurun Newaz</b>	<b>Chairman</b>
<b>Mr. Khairul Alam Chaklader</b>	<b>Vice Chairman</b>
<b>Mr. A.S.M Main Uddin Monem</b>	<b>Director</b>
<b>Mr. Md. Abdul Awal</b>	<b>Director</b>
<b>Mr. Amjadul Ferdous Chowdhury</b>	<b>Director</b>
<b>Mr. S.M Abu Mohsin</b>	<b>Director</b>
<b>Mr. Abdus Salam</b>	<b>Director</b>
<b>Mrs. Sohela Hossain</b>	<b>Director</b>
<b>Mr. Yakub Ali</b>	<b>Director</b>
<b>Mr. Md. Abul Basher</b>	<b>Director</b>
<b>Mr. Md. Harunur Rashid</b>	<b>Director</b>
<b>Mr. Md. Moinuddin</b>	<b>Director</b>
<b>Professor Shahid Uddin Ahmed Ph.D</b>	<b>Independent Director</b>
<b>Mr. Mohammed Nurul Amin</b>	<b>Managing Director &amp; CEO</b>

## 2.8 Financial Highlights

### Deposit:

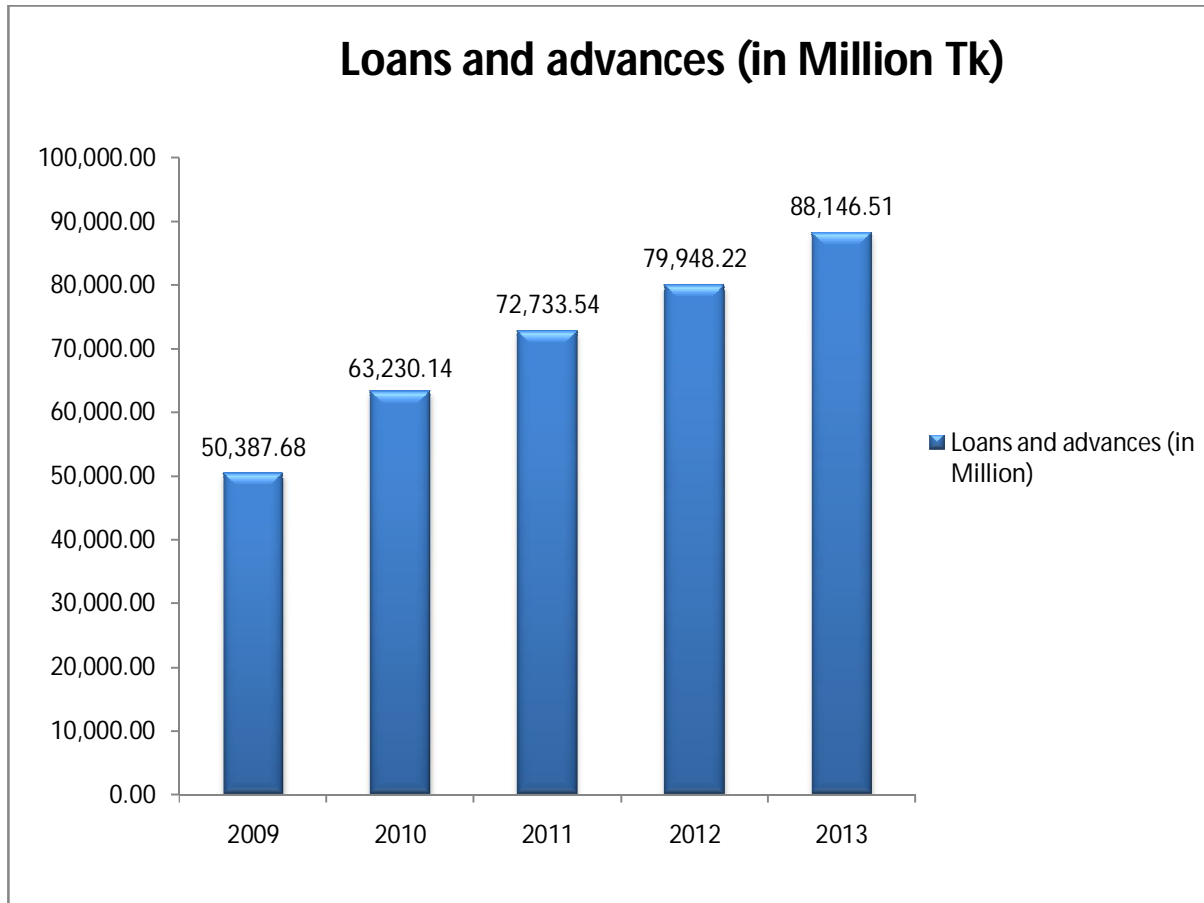


**Graph 6.1: Deposits in (2009-2013)**

### Analysis:

Though there was a liquidity crisis in the banking sector the Bank has mobilized a deposit of Tk. 53900.15 million in 2009 and tk.67916.24 million in 2010. On 31st December 2012 the deposit of the bank was Tk. 96918.22 million. The present strategy is to increase the deposit base through maintaining competitive profit rates and having low cost of funds to ensure a better spread with an average return on investment.

## Loans and Advances:

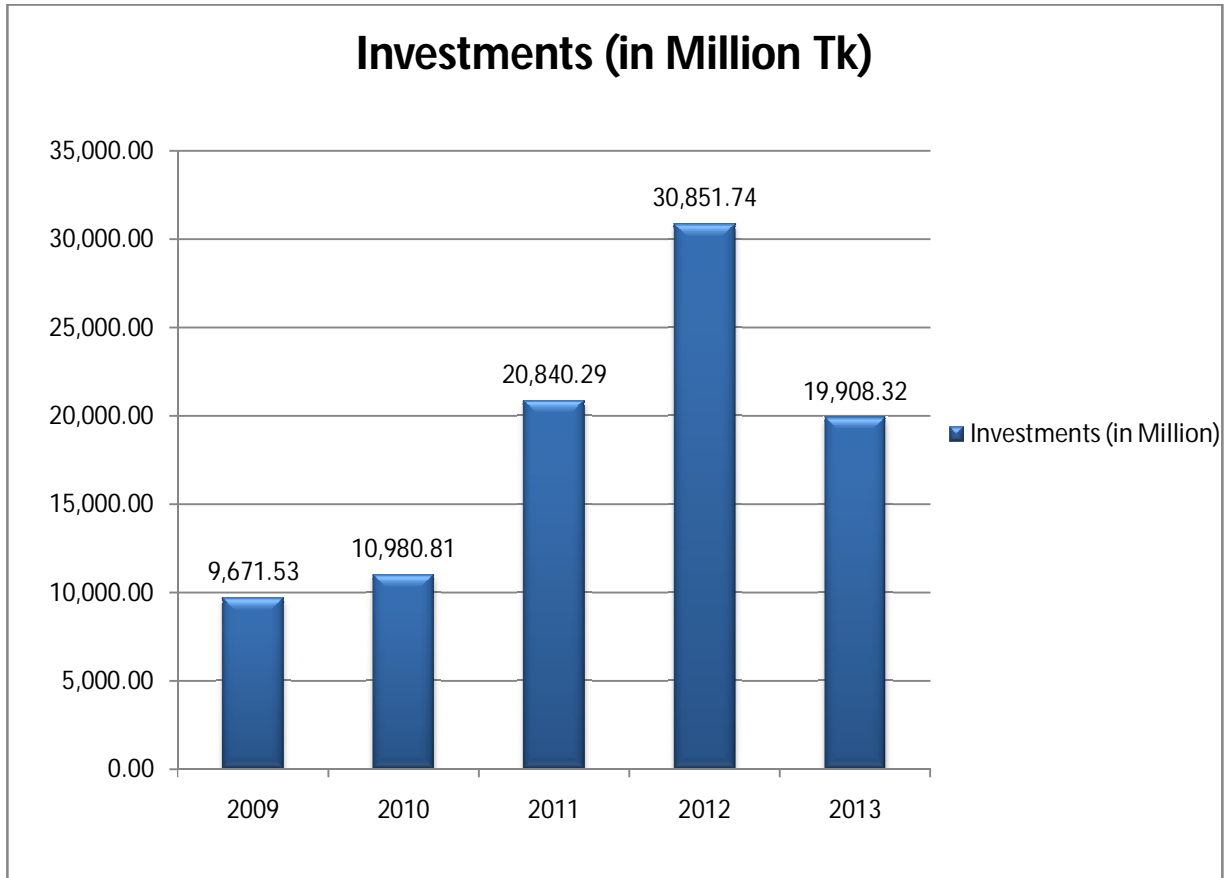


**Graph 6.2: Loans and Advances in (2009-2013)**

### **Analysis:**

In 2009 the loan and advances was 50,387.68. In 2010 it increased and the amount was 63,230.14. In 2011 it was 72,733.54. In 2012 it was 79,948.22 and the last year (2013) the loan and advances increased and the amount was 88,146.51

## Investment:

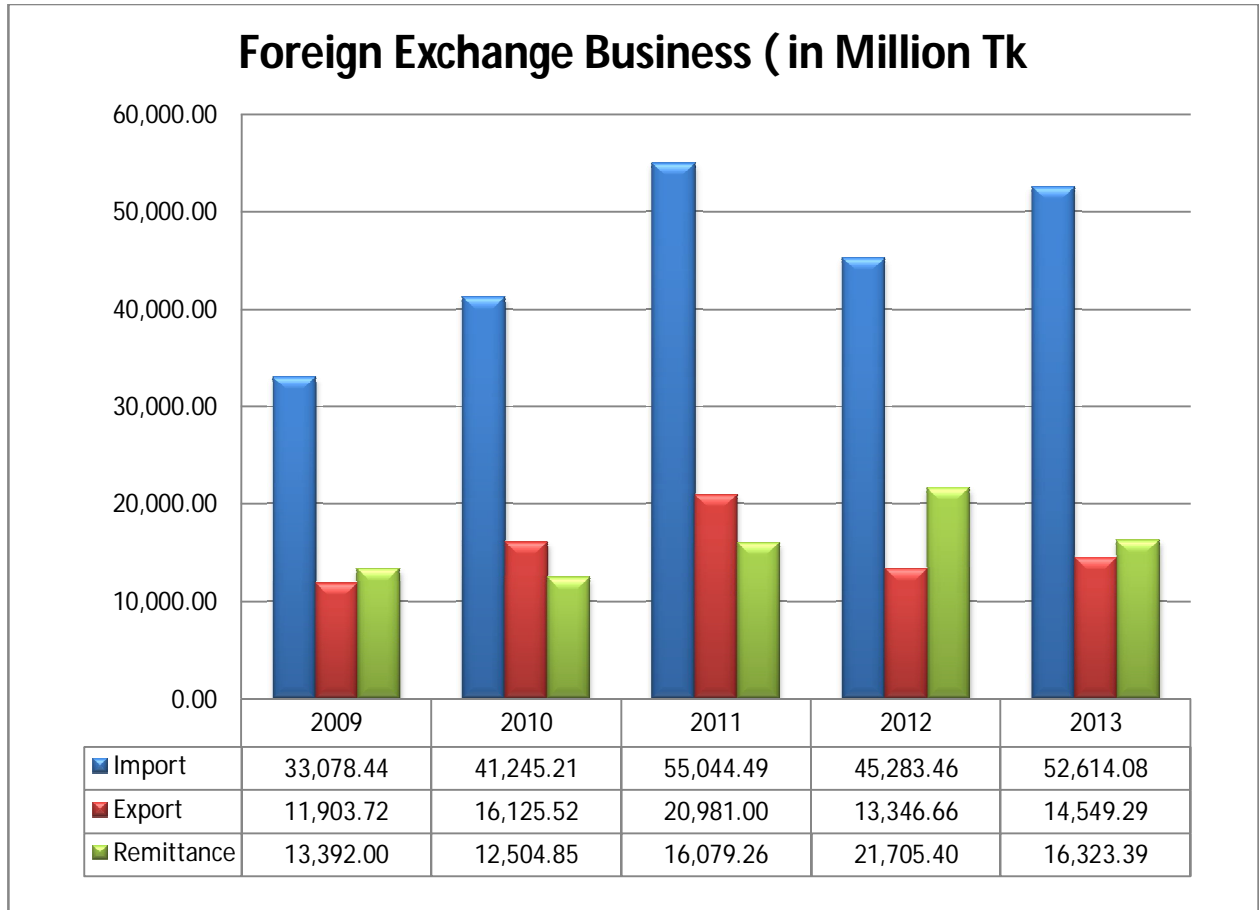


**Figure 6.3: Investments in (2009-2013)**

## Analysis:

The investment portfolio of the bank is well diversified and covers a broad spectrum of businesses and industries including readymade garments, textile, edible oil, ship scraping, steel & engineering, chemicals, pharmaceuticals, cement, telecommunication, construction, health care, real estate, education, transport and investment under consumer schemes. In 2009 the investment was 9671. In 2010 it increased and the amount was 10980.81, 2011 it was 20840.29, 2012 it was 30581.74 and the last year (2013) the investment decreased and the amount was 19908.32. The bank gives top-most priority to the creation of quality assets and does appropriate risk grading while approving commercial, trade and project investment to different clients.

## Foreign Exchange Business



**Figure 6.4: Foreign Exchange Business in (2009-2013)**

### Analysis:

#### Import

In 2009 the Foreign Exchange Business division import was 33,078.44. In 2010 it increased and the amount was 41,245.21. In 2011 it was 55,044.49. In 2012 the import decreased the amount was 45,283.46 and the last year (2013) the import increased and the amount was 52,614.08.

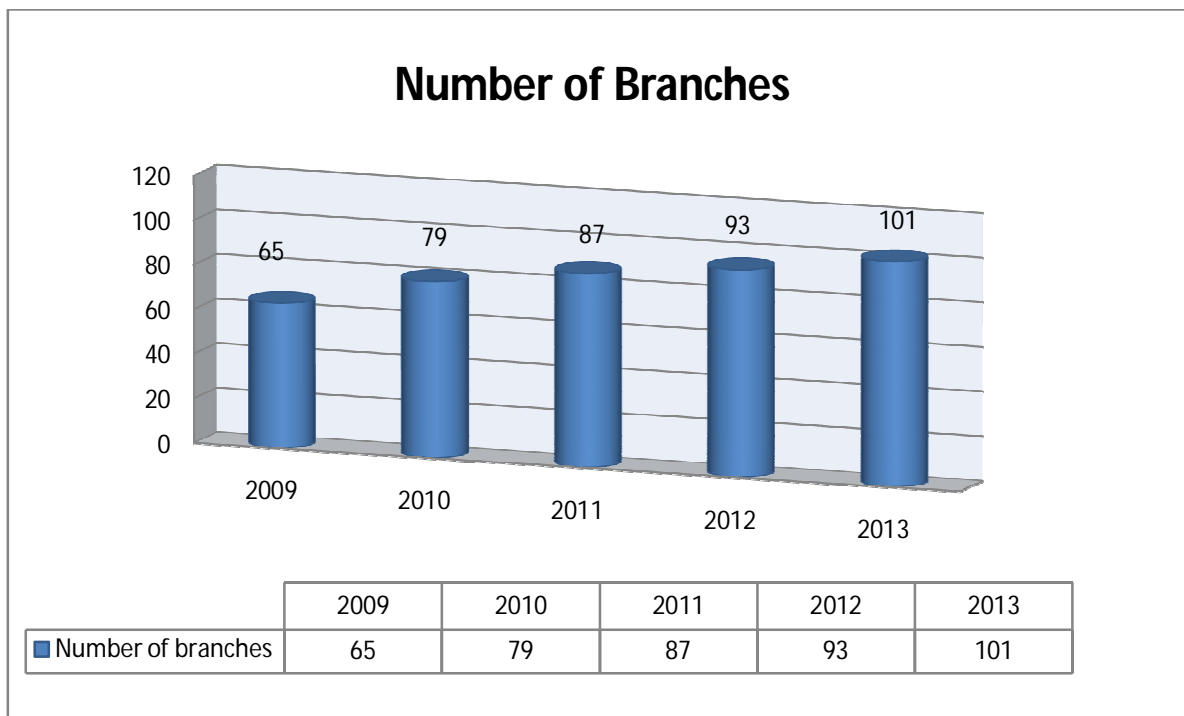
## Export

In 2009 the Foreign Exchange Business division Export was 11,903.72. In 2010 it increased and the amount was 16,125.52. In 2011 it was 20,981.00. In 2012 the import decreased the amount was 13,346.66 and the last year (2013) the Export increased and the amount was 14,549.29.

## Remittance:

In 2009 the Foreign Exchange Business division Remittance was 33,078.44. In 2010 it decreased and the amount was 12,504.85. In 2011 it increased was 16,079.40. In 2012 the Remittance increased the amount was 21,705.40 and the last year (2013) the Remittance increased and the amount was 16,323.39.

## Number of Branches

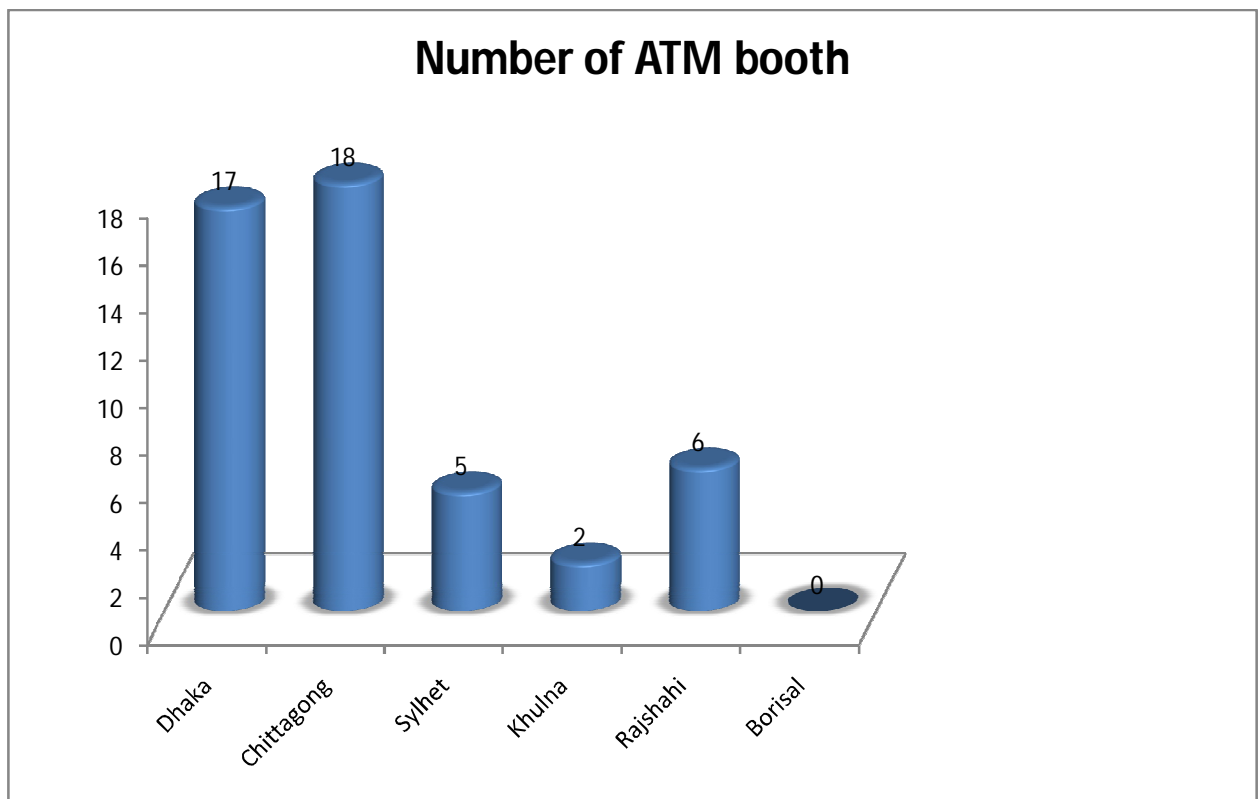


**Figure 6.5: Number of Branches in (2009-2013)**

## Analysis:

In 2009 the number of Branches was 65. In 2010 it increased and the Branches were 79. In 2011 it was 87. In 2012 it was 93 and the last year (2013) increased the number of Branches was 101.

### Number of ATM Booth



**Figure 6.6: Number of ATM booth (District Wise)**

## Analysis:

From the above graph we see that, in Dhaka ATM booth is 17. In Chittagong ATM booth 18. In Sylhet the number of ATM booth is 5. In Khulna the number of ATM booth is 2 and In Rajshahi the number of ATM booth is 6 and the last Borishal the number of ATM booth Zero.



## 2.9 Economic Value Edition by Bank:

Economic Value Added (EVA) indicates the true economic profit of the company. EVA is an estimate of the amount by which earnings exceed or fall short of the required minimum return for shareholders at comparable risk. EVA of the Bank stood at BDT 1,544.58 million as on 31 December 2012 as against that of BDT 1,341.30 million in 2011.

## 2.10: 5 Year Financial Performance of the Bank (2008- 2012):

<i>Particulars</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>
<b>Authorized Capital</b>	<b>2500.00</b>	<b>5000.00</b>	<b>10000.00</b>	<b>10000.00</b>	<b>10000.00</b>
<b>Paid up Capital</b>	<b>7157.62</b>	2284.90	4501.25	<b>5941.65</b>	<b>6951.74</b>
<b>Reserve Fund</b>	<b>2863.63</b>	<b>4371.62</b>	4771.09	<b>7165.83</b>	<b>7766.13</b>
<b>Share holders Equity</b>	4055.30	6034.44	9357.10	<b>11330.95</b>	<b>12135.82</b>
<b>Deposits</b>	46904.66	53900.15	67961.24	<b>81127.17</b>	<b>96918.22</b>
<b>Investment</b>	6526.82	9671.53	10980.81	<b>20840.29</b>	<b>30851.74</b>
<b>Import</b>	38796.88	33078.44	41245.21	<b>55044.49</b>	<b>45283.46</b>
<b>Export</b>	12522.04	11903.72	16125.52	<b>20981.00</b>	<b>13346.66</b>
<b>Total Income</b>	4393.12	5305.64	7522.25	<b>8645.76</b>	<b>9245.55</b>
<b>Total Expenditure</b>	2865.05	3575.81	4462.30	<b>4967.92</b>	<b>6180.04</b>
<b>Profit before Tax &amp; Provision</b>	2695.64	3653.48	4124.78	<b>5278.19</b>	<b>4051.74</b>
<b>Profit after Tax and Provision</b>	1788.96	2686.49	3248.23	<b>3630.15</b>	<b>2742.75</b>
<b>Tax</b>	590.66	768.35	873.01	<b>920.78</b>	<b>992.09</b>
<b>Total Assets</b>	68306.45	77130.29	101046.73	<b>124278.93</b>	<b>149973.98</b>
<b>Fixed Assets</b>	775.31	849.10	1191.49	<b>1506.77</b>	<b>1743.59</b>
<b>Earnings per Share (EPS)</b>	5.02	7.53	5.33	<b>3.28</b>	<b>2.06</b>
<b>Dividend</b>	<b>30.00%</b>	<b>47.00%</b>	<b>32.00%</b>	<b>17.00%</b>	<b>10.00%</b>

Source: Annual Report, 2008 to 2012

## Chapter 3



# GENERAL BANKING ACTIVITIES OF NCC BANK LIMITED

### 3.0 General Banking (Work Related Activities)

The division of general banking plays the most significant role in all commercial banks. It is mainly a liability side. General Banking division of NCC Bank Limited can be functioned in the following way:

Since bank is confined to provide the services every day, general banking is also known as 'retail banking'. In NCC Bank Limited Principal Branch, the following departments are under general banking section:

- A) Account opening section
- B) Local Remittance section
- C) Clearing Section
- D) Account Section

### 3.1 ACCOUNT OPENING SECTION

Account opening is the gateway for clients to enter into business with bank. It is the foundation of banker customer relationship. This is one of the most important sections of a branch, because by opening accounts bank mobilizes funds for investment. Various rules and regulations are maintained and various documents are taken while opening an account. A customer can open different types of accounts through this department. Such as:

1. Current Deposit.
2. Savings account.
3. Short Notice Deposit (SND)

► Types of Accounts with Terms and Conditions

#### Ø Current Deposit

Current account is purely a demand deposit account. There is no restriction on withdrawing money from the account. It is basically justified when funds are to be collected and money is to be paid at frequent interval. Some important points have been discussed in the project part.

## Ø Savings Account

This deposit is primarily for small-scale savers. Hence, there is a restriction on withdrawals in a month. Heavy withdrawals are permitted only against prior notice. Some Important Points have been discussed in project part.

## Ø Short Notice Deposit (SND)

Normally various big companies, organizations, Government Departments keep money in STD account. Frequent withdrawal is discouraged and requires prior notice. The deposit should be kept for at least seven days to get interest. The interest offered for STD is less than that of savings deposit. Interest is calculated based on daily minimum product and paid two times in a year. Interest rate is 6.00%.

## Ø Account Opening procedure

Step 1	The account should be properly introduced by Any one of the following: § An existing Current Account holder of the Bank. § Officials of the Bank not below the rank of an Assistant officer. § A respectable person of the locality well known to the Manager/Sub-Manager of the Branch concerned.
Step 2	Receiving filled up application in bank's prescribed form mentioning what type of account is desired to be opened
Step 3	§ 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 required documents § Application must sign specimen signature sheet and give mandate § Introducer's signature and accounts number – verified by legal officer
Step 4	Authorized Officer accepts the application
Step 5	Minimum balance is deposited – only cash is accepted
Step 6	Account is opened and a Cheques book and pay-in-slip book is given

## **Documents required for opening account\_**

### **v Individual / Joint Account**

- Ø Introduction of the account.
- Ø Two photographs of the signatories duly attested by the introducer.
- Ø Identity (copy of passport).
- Ø Joint Declaration Form (For joint a/c only).
- Ø Employee's Certificate (in case of service holder).

### **v Partnership account**

- Ø Introduction of the account.
- Ø Two photographs of the signatories duly attested by the introducer.
- Ø Partnership letter duly signed by all partners (Sign should be similar as stated in Partnership Deed).
- Ø Partnership Deed duly certified by Notary public.
- Ø Updated Trade license.

### **v Proprietorship account**

- Ø Introduction of the account.
- Ø Two photographs of the signatories duly attested by the introducer.
- Ø Valid copy of Trade License.
- Ø Rubber stamp.
- Ø TIN number certificate.
- Ø Identity (Copy of passport).
- Ø Permission letter from DC/ Magistrate (in case of newspaper)

### **v Limited company**

- Ø Introduction of the account.
- Ø Two photographs of the signatories duly attested by the Introducer.
- Ø Valid copy of Trade License.

- Ø Certified (joint stock) true copy of the Memorandum and Article of Association of the Company duly attested by Chairman or Managing Director.
- Ø Rubber Stamp (Seal with designation of each person)
- Ø Certificate of registration (In case of Insurance Company – Obtained from department of Insurance from the Peoples Republic of BD)

v **Club / societies account**

- Ø Introduction of the account.
- Ø Two photographs of the Signatories duly attested by the introducer.
- Ø List of Existing Managing Committee.
- Ø Registration (if any).
- Ø Rubber Stamp.
- Ø Permission letter from Bureau of N.G.O.(In case of N.G.O. A/C).

v **Closing of an account**

The closing of an account may happen:

- Ø If the customer is desirous to close the account,
- Ø If the NCC BANK finds that the account is inoperative for a long duration.
- Ø If the court of NCC BANK issues garnishee order.

A customer may close his/her account any time by submitting an application to the branch. The customer should be asked to draw the final check for the amount standing to the credit of his/her account less the amount of closing another incidental charge and surrender the unused check leaves and the authorized officer of the bank should destroy unused check. In case of joint account the application for closing the account should be signed by the joint account holder. The fee for closing of an account is Tk.50.

## **3.2 LOCAL REMITTANCE SECTION**

Carrying cash money is troublesome and risky. That's why money can be transferred from one place to another through banking channel. This is called remittance. Remittances of funds are one of the most important aspects of the Commercial Banks in rendering services to its customers.

The main instruments used by the NCC BANK of remittance of funds are

- Ø Payment order (PO)
- Ø Demand Draft (DD)
- Ø Telegraphic transfer

So the basic three types of local remittances are discussed below:

Points	Pay Order	Demand Draft	TT
Explanation	Pay Order gives the payee the right to claim payment from the issuing bank	Demand Draft is an order of issuing bank on another branch of the same bank to pay specified sum of money to payee on demand.	Issuing branch requests another branch to pay specified money to the specific payee on demand by Telegraph /Telephone
Payment from	Payment from issuing branch only	Payment from ordered branch	Payment from ordered branch
Generally used to Remit fund	Within the clearinghouse area of issuing branch.	Outside the clearinghouse area of issuing branch. Payee can also be the purchaser.	Anywhere in the country
Payment Process of the paying bank	Payment is made through clearing	1. Confirm that the DD is not forged one. 2. Confirm with sent advice 3. Check the 'Test Code' 4. Make payment	1. Confirm issuing branch 2. Confirm Payee A/C 3. Confirm amount 4. Make payment 5. Receive advice
Charge	Only commission	Commission + telex charge	Commission + Telephone

### 3.3 CLEARING SECTION

The amount of Cheques, Pay Order (P.O), and Demand Draft (D.D) Collection from other banks on behalf of its customer is a basic function of a Clearing Department.

- Ø Clearing: Clearing is a system by which a bank can collect customers fund from one bank to another through clearing house.
- Ø Clearing House: Clearing House is a place where the representatives of different banks get together to receive and deliver Cheques with another banks.
- Ø Normally, Bangladesh Bank performs the Clearing House in Dhaka, Chittagong, Rajshahi, Khulna & Bogura. Where there is no branch of Bangladesh Bank, Sonali bank arranges this function .
- Ø Member of Clearing House: NCC BANK limited is a scheduled Bank. According to the Article 37(2) of Bangladesh Bank Order, 1972, the banks which are the member of the clearinghouse are called as Scheduled Banks. The scheduled banks clear the cheque drawn upon one another through the clearinghouse.

#### Types of Clearing

- I. **Outward Clearing:** When the Branches of a Bank receive cheques from its customers drawn on the other Banks within the local clearing zone for collection through Clearing House, it is Outward Clearing.
- II. **Inward Clearing:** When the Banks receive cheque drawn on them from other Banks in the Clearing House, it is Inward Clearing.
  - Who will deposit cheque for Clearing: Only the regular customers i.e. who have Savings, Current, STD & Loan Account in the bank can deposit cheque for collection of fund through clearing house.
  - Responsibility of the concerned officer for the Clearing Cheque and being work with department, following are the issues
    - Ø Crossing of the cheque.
    - Ø (Computer) posting of the cheque.
    - Ø Clearing seal & proper endorsement of the cheque.



- Ø Separation of cheque from deposit slip.
- Ø Sorting of cheque 1st bank wise and then on branch wise.
- Ø Computer print 1<sup>st</sup> branch wise & then bank wise.
- Ø Preparation of 1<sup>st</sup> Clearing House computer validation sheet.
- Ø Examine computer validation sheet with the deposit slip to justify the computer posting
- Ø Copy of computer posting in the floppy disk.

**Bills Collection:** In modern banking the mechanism has become complex as far as smooth transaction and safety is concerned. Customer does pay and receive bill from their counterpart as a result of transaction. Commercial bank's duty is to collect bills on behalf of their customer.

### Types of Bills for Collection

- i. Outward Bills for Collection (OBC).
- ii. Inward Bills for Collection (IBC).

### Outward Bills for Collection (OBC)

OBC means Outward Bills for Collection .OBC exists with different branches of different banks outside the local clearinghouse. Normally two types of OBC:

- Ø OBC with different branches of other banks
- Ø OBC with different branches of the same bank

### Procedure of OBC:

- Ø Entry in the OBC register.
- Ø Put OBC number in the cheque.
- Ø "Crossing seal" on the left corner of the cheque & "payees account" will be credited on realization "seal" on the back of the cheque with signature of the concerned officer.
- Ø Dispatch the OBC cheque with forwarding.
- Ø Reserve the photocopy of the cheque, carbon copy of the forwarding and deposit slip of the cheque in the OBC file.

### **Inward bills for collection (IBC)**

When the banks collect bills as an agent of the collecting branch, the system is known as IBC. In this case the bank will work as an agent of the collection bank. The branch receives a forwarding letter and the bill.

#### **Procedure of IBC:**

- Ø IBC against OBC: To receive the OBC cheque first we have to give entry in the IBC Register .The IBC number should put on the forwarding of the OBC with date.
- Ø If the OBC cheque is dishonored, the concerned branch is informed about it.
- Ø Again place in the clearing house or send the OBC cheque with Return Memo to the issuing branch according to their information.

## **3.4 ACCOUNTS SECTION**

Accounts Department is called as the nerve Centre of the bank. In banking business, transactions are done every day and these transactions are to be recorded properly and systematically as the banks deal with the depositors' money. . Improper recording of transactions will lead to the mismatch in the debit side and in the credit side. To avoid these mishaps, the bank provides a separate department; whose function is to check the mistakes in passing vouchers or wrong entries or fraud or forgery. This department is called as Accounts Department. If any discrepancy arises regarding any transaction this department report to the concerned department.

Besides these, the branch has to prepare some internal statements as well as some statutory statements, which are to be submitted to the Central Bank and the Head Office. This department prepares all these statements.

**Workings of this department:**

- Packing of the correct vouchers according to the debit voucher and the credit voucher
- Recording the transactions in the cashbook.
- Preparing the monthly salary statements for the employees
- Preparing the weekly position for the branch which is sent to the Head Office to maintain Cash Reserve Requirement (C.R.R)
- Checking of Transaction List
- Recording of the vouchers in the Voucher Register

### 3.5 Cash Section

Cash section is an important part of any branch. Most of the activities are relate to cash section. The functions of cash section are receipt & payment of cash.

### 3.6 Other Relevant Activities

I have done others Bank related activities of document typing, electric bill entry, mail, and call to customers for different reasons. I visited clients' residence with my supervising officer.

# Chapter 4



## LEARNING PART

## **4.0 Learnings**

Staying the internship period of 3 months in National Credit & Commerce (NCC) Bank Ltd. – Bangshal Branch as an Internee was extensively experiencing. I have gone through a lot of new situations, experienced a very new environment and learned about professional life.

### **4.1 Learnings from Organization**

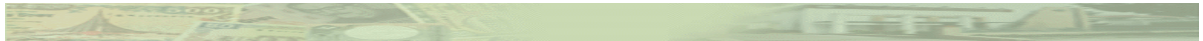
In the processing of collecting, gathering, synchronizing several information and preparing this report; I have learned many banking procedures, facts such as Account opening, closing, clearing of cheque, different deposit schemes, L/C opening also dealing with different types of customers & situations.

### **4.2 Learnings from Internship Program**

The learning's for Internship program was a new experience since such event is very new in a student's life. I have learned to study a bank's documents and prepare an affiliation report.

Within the period, I had to deal with different designated employees & staffs of the branch and several types of clients. I faced several types of situation, some made me happy, some sad, some anger etc. Through these ups and downs, I have come to know what the environment of an office is and how to deal with it. This experience surely made me prepared for my next corporate life.

# Chapter 5



## SWOT ANALYSIS

## 5.1 SWOT Analysis

SWOT analysis provides an opinion and adjustment whether organizations currently position is satisfactory or not.

SWOT analysis means –

- Ø S-----Strengths
- Ø W-----Weakness
- Ø O-----Opportunity
- Ø T -----Threats

### STRENGTHS

- Ø NCCBL is financially sound company.
- Ø Countrywide Branch net work.
- Ø Higher credit recovery rate.
- Ø The bank has reputation and tradition of good banking for a long time.
- Ø Efficiency and effectiveness of the employee.
- Ø SWIFT arrangement.
- Ø Motivated and honest human resources..
- Ø NCCBL has research and training division.
- Ø NCCBL already achieved goodwill among the client.

### WEAKNESSES

- Ø NCCBL lacks aggressive advertising.
- Ø Inefficient presence of up to date software.
- Ø Inadequate promotional activities.
- Ø NCCBL lacks well trained human resource in some area.
- Ø The procedure of credit facility is to long compare to other banks.
- Ø Lack of proper automation.
- Ø Insufficient logistic support.

## OPPORTUNITY

- Ø NCCBL can introduce more innovative and modern customer service.
- Ø Many branches can be opened in local remote area as its high demand.
- Ø NCCBL can recruit experienced, efficient and knowledgeable officers and staffs as it offers good working environment.
- Ø It can launch up-to-date training program makes the employee more effective.
- Ø As it has on-line banking service it is capable of serving quicker.
- Ø Focus more on corporate social responsibility to earn long term goodwill.
- Ø Spread their service to the rural area of Bangladesh by establishing new branches.

## THREATS

- Ø Increasing number of banks as well as conventional banks.
- Ø Liquidity crisis due to investment in stock market.
- Ø Deposit crisis in recent period.
- Ø Frequency taka devaluation and foreign exchange rate fluctuation is causing problem.
- Ø Loan default culture
- Ø Low level of earnings



# Chapter 6



## **FINDINGS, RECOMENDATIONS & CONCLUSION**

## 6.1 Overall Findings

- Ø In NCC Bank, they have not sufficient efficient employees to operate different department in the bank. So they should increase efficient employees in different department.
- Ø Staff meetings and departmental meetings at the branch level do not held on regular basis which is very essential to develop service quality as well as problem solving is very few. So it may create major problem in future.
- Ø They never keep anything pending.
- Ø ATM booth service is an online popular service. The bank's online service is very poor. So if they want to survive in competition, they should introduce online service as early as possible.
- Ø The National Credit & Commerce (NCC) Bank is too much centralized. For each and every work branch office has to get permission from the head office. The head office tightly controls each and every branch office. This dependency on head office causes slow down their activities.
- Ø Advertising and promotion are the weak points of National Credit & Commerce (NCC) Bank Limited. NCCBL does not have any effective marketing activities. Other banks have better marketing strategy.

## 6.2 Recommendations for NCC Bank Ltd.

NCCBL need to consider these things for their General Banking to overcome the problems –

- They need to upgrade their existing marketing strategy to come to more close the people.
- They need to provide market transparency, which is lacking so much in National Credit & Commerce (NCC) Bank.
- They have to spread ATM card system very soon to compete with top ranking banks.
- NCCBL has not sufficient number of branches. They should immediately provide branches in urban area where other banks are enjoying their business lonely.
- They have no marketing department at all, which create problems in advertising.
- Their Online banking needs to be enforced to attract upper class people.
- Staff meetings and departmental meetings at the branch level must be increased to develop service quality as well as problem solving
- The bank should give an aggressive advertisement campaign to build up a strong image and reputation the potential customer.
- NCCBL should pursue advertising campaign in order to build a strong image among the people. They should carry out aggressive marketing campaign to attract clients.
- The management should take immediate decision to take the current opportunities
- NCCBL should give equal priorities to the female candidates in terms of recruitment.

If National Credit & Commerce (NCC) Bank Ltd, wants to do business in this modern banking field they have to overcome those problems.

## Conclusion

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

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

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

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

## References

### Report, Journal

- Annual Report of NCCBL – 2008, 2009, 2010, 2011, 2012 published by NCCBL.

### Publications

- Several Booklets from NCCBL
- Several News letters from NCCBL

### Website

- <http://www.nccbank.com>

## Appendix: List of Abbreviation

Particulars	Abbreviation
NCCBL	National Credit & Commerce Bank Limited
SWIFT	Society for Worldwide Inter Bank Financial Telecommunication.
AVP	Assistant Vice President
PO	Payment Order
LC	Letter of Credit
TIN	Tax Identification Number
IDB	Islamic Development Bank
HRM	Human Resource Management
CSR	Corporate Social Responsibility