



## INTERNSHIP REPORT ON

**GENERAL BANKING ACTIVITIES OF PUBALI BANK LIMITED:**

**A STUDY ON SADARGHAT BRANCH, DHAKA**

Prepared for

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Date of Submission: 7 December 2014

## LETTER OF TRANSMITTAL

7 December 2014  
Mr. Sheikh Md. Abdur Rahim  
Assistant Professor and Head  
Department of Real Estate and Department of Commerce  
Faculty of Business and Economics  
Daffodil International University

**Subject: Submission of the internship report.**

Dear Sir,

It is my great pleasure to submit the Internship report entitled “General Banking Activities of Pubali Bank Limited: A Study on Sadarghat Branch, Dhaka”. As per requirement of BBA, I have completed the Internship in Pubali Bank Limited. I have tried to exert all the knowledge that I gathered through my working with this branch of PBL.

Working for three months (6<sup>th</sup> August to 6<sup>th</sup> November) in the Pubali Bank Limited, Sadarghat Branch helped me to fulfill the requirements of obtaining practical learning and subsequently prepare of this report. My internship in Pubali Bank Limited was a worthwhile experience and the exposure of such an organization would be valuable for me. Before facing the real business world, I have gathered prior knowledge about the organization culture.

I believe that this internship program has enriched both my knowledge and experience.

Yours sincerely,

.....

Rajib Dutta  
ID No.: 102-11-1571  
Program: BBA(HRM)  
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## LETTER OF ACCEPTANCE

I hereby declare that Rajib Dutta, ID: 102-11-1571 is a student of Daffodil International University. He completed his internship program at Pubali Bank Limited, Dhaka. I am pleased to confirm that he has been able to submit a good report on his study “General Banking Activities Of Pubali Bank Limited: A Study On Sadarghat Branch,Dhaka”. I appreciate his diligence and devotion completion of partial requirement for the BBA program of Daffodil International University. This is an original report prepared by Rajib Dutta under my supervision and guidance. To the best of my knowledge this report is an authentic work of Rajib Dutta. This report is now approved for presentation.

I wish him every success in life.

-----  
Mr.Sheikh Md. Abdur Rahim  
Assistant Professor and Head  
Department of Real Estate and Department of Commerce  
Faculty of Business and Economics  
Daffodil International University

## ACKNOWLEDGEMENT

At first I would like to express my gratitude to almighty god who has given me opportunity to go through the total process of internship and to write a report in this regard.

I would like to take the opportunity to express my gratitude to my Internship Advisor, Mr. Sheikh Md. Abdur Rahim, Assistant Professor & Head of Real Estate, Daffodil International University whose direction, guidance and support helped me a lot in writing this report.

It was a great pleasure for me to work in Pubali Bank Limited, Sadarghat Branch as an intern. I thank all the employees for being friendly and cooperative. I was taught lots of important things through-out my internship career because of their proper attention and co-operation.

My deepest appreciation and special thanks to Pobitra kumar howlader and S.M Alam ,officer of Pubali Bank, Sadarghat Branch who helped me a lot during my Internship days with valuable advices, guidance and necessary information.

At last I must mention the wonderful working environment and group commitment of this bank that has enabled me a lot deal to do and observe the banking activities during my internship period of three months. Finally I convey my sincere thanks to my friends who inspire in different ways to complete the report and the course as well.

## EXECUTIVE SUMMARY

In the last term of final year of Bachelor of Business Administration (BBA) course, I was sent to Pubali Bank Ltd (PBL) to have a practical exposure on banking activities under the program “General banking Activities of Pubali Bank Ltd: A Study on Sadarghat Branch”. Pubali Bank Limited is a reputed private commercial bank established on May 20,1984. With the starting the operation of PBL, the main branch continue its operation .Through its three core departments, namely General Banking, Advance and Foreign Exchange, its provides all kinds of banking service to its customers. Throughout my overall study I have mainly tried to critically review the General Banking Activities of Pubali Bank Ltd. Sadarghat Branch. General banking comprises of account opening, bills, remittance, clearing cash and computer sections. Through these sections it establishes Banker customer relationship, collects bills for customers, remit funds of customers from one place to another, honoree cheques drawn on this branch. General Banking department provides these services in a faster and better manner.

The report focus on background of the study, origin of the study, rational, Scope, objective of the study, limitation of the study, Methodology of the study etc. Secondly the report focused on overview of PBL contains history, vision, mission, objective, product and services of PBL and so on. The third section focused the project part which called General Banking Activities of Pubali Bank Ltd. Last but not the least Section focused my 3 months internship experience which I learned from PBL Sadarghat Branch as well as the some sort of problem which I have found from my observation. In this part I also try to recommend some solution to solve these problem and conclusion based on my study.. Through the report I mainly try to critically review the General Banking Activities Sadarghat Branch of Pubali Bank Ltd.

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পূবালী ব্যাংক লিমিটেড  
PUBALI BANK LIMITED



## CHAPTER - ONE

## INTRODUCTION





## 1.1 Introduction

Banking has a long and rich history. It started as a result of people's need. And with ages it has been playing an important role in fulfilling the dire needs of businessmen and others. As the size and complexities of business is increasing day by day banking sector is also providing various innovative services with basic functions to increase size but to reduce the complexities.

Modern banking is a result of evolution driven by changing economic activities and life styles. Entering in to a new millennium, banking needs have become more diverse and exotic than ever before. It is known now that commercial bank is a profit maximizing institution. Hence it should provide loans to those sectors in which its return is higher. But the nationalized commercial banks are conducting banking business with different purposes. The main purpose is not just to make profit but also to maximize the social benefit. The main functions of commercial banks are as follows:

A commercial bank collects and manages deposits. It provides cheque facilities and interests for its customer deposits which may be either demand or time deposits of different maturity.

A commercial bank extends credit to a great variety of borrowers through loans as well as by purchasing securities that are either fully or partly financed by commercial banks.

Commercial banks provide a variety of other services to their customers as for example remittance facilities, credit information about customers, financial advice, collection of debts and dues etc.

Banks also provide a number of trust services to their customers. These services may either corporate trust services, which arise in connection with the issue of bonds; personal trust services under which they manage property on behave of their



clients or corporate pension funds that provide retirement benefit for their employees.

## 1.2 Origin of the Study

This report has been prepared as a part of the internship program, which is an integral part of the BBA Program Under this program a student has to take a total of 128 credits. A student has to take a 3-month internship program to an organization. This will give a practical orientation of his/ her theoretical study. After completion of the program she/ he has to submit an internship report to the department and defense the report. So this report is originated as part of the course requirement of the BBA program.

This report on “General Banking Activities of Pubali Bank Limited” was assigned by academic supervisor SHEIKH ABDUR RAHIM, Assistant Professor, Daffodil International University, Dhaka.

## 1.3 Statement of the Problem

Pubali Bank Ltd. is one of the largest commercial bank, which plays a vital role in the economic development of the nation through saving and credit. It diverts and allocates the funds in all over the country, which are aimed to develop country's economy and add national wealth.



## 1.4 Objectives of the Study

The objectives of the study are as follows:

1. To investigate the general banking activities of Pubali Bank Limited, Sadarghat Branch, Dhaka
2. To find out the problems (if any) relating to the general banking activities of Pubali Bank Limited, Sadarghat Branch, Dhaka
3. To recommend some suggestions based on findings

## 1.5 Methodology of the Study

The methodology of the study has been designed in the following ways:

### 1. Data Sources

- (a) Primary Sources
- (b) Secondary Sources

### 2. Data Collection Methods

The primary data has been collected in the following ways:

- ❖ Direct communication with clients
- ❖ Sharing the experience and knowledge of my colleagues.

The secondary data has been collected in the following ways:

- ❖ Annual report of Pubali Bank Ltd.
- ❖ Web site of Pubali Bank Ltd.

### 3. Data Analysis Technique

After collecting the data, it was analyzed by Microsoft word. Then the findings were made. Based on the findings, the present situation was explained and recommendation was made.



## 1.6 Limitations of the Study

The present study was not out of limitations. But as an internee it was a great opportunity for me to know the banking activities in Bangladesh - especially of Pubali Bank. Some constraints are appended bellow :

- ❑ **Lack of Information or Data:** Adequate and in-depth well-organized information is not available for access. Though the officials tried to assist, sometimes their working pressure couldn't give me proper assistance what I needed. There is some information which need special permission from top level is not always achievable.
- ❑ **Time Constraint:** It is something like impossible to cover the entire Overall Banking Performance and performance phenomena exploiting a three month time period while an employee or an officer is awarded with one or two year probationary period to do his or her particular job.
- ❑ **Secrecy of Information:** Some of the information needed to explore the current marker scenario of the company was not disclosed.
- ❑ **Comparison Status:** I have had no opportunity to compare the foreign exchange banking system of the Pubali Bank with that of other contemporary and common size banks. I had compared the banks that information is available. It was mainly because of the shortage of time and internship nature.
- ❑ **Lack of Experience:** Though I have prepared many reports before, I had no experience of internship. So inexperience is one of the main constraints of the study.



## CHAPTER - TWO

### COMPANY PROFILE



## 2.1 Background

The Bank was initially emerged in the Banking scenario of the then East Pakistan as Eastern Mercantile Bank Limited at the initiative of some Bangle entrepreneurs in the year 1959 under Bank Companies Act 1913 for providing credit to the Bangle entrepreneurs who had limited access to the credit in those days from other financial institutions. After independence of Bangladesh in 1972 this Bank was nationalized as per policy of the Government and renamed as Pubali Bank. Subsequently due to changed circumstances this Bank was denationalized in the year 1983 as a private bank and renamed as Pubali Bank Limited. Since inception this Bank has been playing a vital role in socio-economic, industrial and agricultural development as well as in the overall economic development of the country through savings mobilization and investment of funds. At Present, Pubali Bank is the largest private commercial bank having 410 branches and it has the largest real time centralized online banking network.

It provides mass banking services to the customers through its branch network all over the country. During the last 5 years the growth rate of bank's earnings is more than 25% on average.

## 2.2 Corporate Information

Name of the Company	: Pubali Bank Limited
CEO & Managing Director	: Mr. Helal Ahmed Chowdhury
Legal Status	: Private Limited Company
Registered Office	: PUBALI BANK LIMITED Head Office, 26 , Dilkusha Commercial Area, Dhaka - 1000, Bangladesh. G . P . O. Box. Number : 853.
Authorized Capital	: Tk. 20,000.00 million
Paid up Capital	: 8,384.51 million
Reserve	: 11,920.99 million
Number of Branch	: 410 branches
Website	: <a href="http://www.pubalibangla.com">www.pubalibangla.com</a>



## 2.3 Awards

### Bangladesh Business Award 2009

Pubali Bank Limited achieved the award “Bangladesh Business Award 2009” as the best Financial Institution in Bangladesh, given by the DHL, a reputed International Courier Service Provider and the Daily Star, a National Daily News Paper of Bangladesh. Mr. Helal Ahmed Chowdhury, Managing Director of Pubali Bank Limited received the award from Dr. Atiur Rahman, Governor of Bangladesh Bank in a colorful function arranged for this purpose in Hotel Sonargaon of Dhaka City.

### Pubali Bank Limited has been honored by BOA

Pubali Bank Limited has been honored by BOA for patronization and support in game in Bangladesh. The honorary Crest was received by Mr. Helal Ahmed Chowdhury, Managing Director on behalf of Pubali Bank Limited from General Moin U Ahmed, the Army Chief and Chairman of BOA. The General Secretary of BOA, Egr. Qutub Uddin Ahmed is seen in the picture.

### Best Rated Bank - 2010

The Industry, a financial weekly, has given the medal of “Best Rated Bank – 2010” to Pubali Bank Limited for its strong standing towards Capital Adequacy, Income, Loan Recovery and Corporate Social Services. Mr. Mohammad Farashuddin, the former Governor of Bangladesh Bank and Chief Guest of the function, handed over the reward to Mr. Helal Ahmed Chowdhry, Managing Director of Pubali Bank Limited. In the award giving ceremony, arranged at the National Press Club, Mr. A. Q. Siddiquei, Chairman of Bangladesh Commerce Bank, Mr. Md. Shahjahan Khan, former Senior Vice President of Dhaka Chamber of Commerce & Industry were present in the function as Special Guests. Mr. Enayet Karim, Editor of The Industry presided over the ceremony.

### Best Banker 2011

Mr. Helal Ahmed Chowdhury, Managing Director of Pubali Bank Limited, has been honored as the “Best Banker 2011” by the top financial weekly, the Artha Kantha. The honorable Commerce Minister of the Peoples Republic of Bangladesh, L. Col.(Retd.) Mr. Faruque Khan, handed over this medal, being Chief Guest of the function arranged in Westin Hotel of Dhaka City. Mr. A. K. Azad, President of FBCCI, was present as Special Guest.



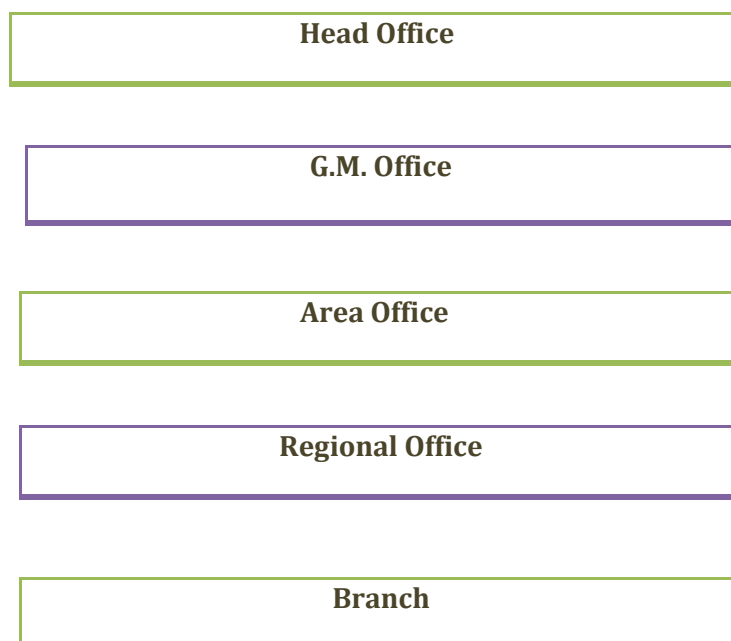
## 2.4 Management

The management of the bank is vested on a Board of Directors, subject to overall supervision and directions on policy matters by the board that is constituted in terms of Bangladesh Bank (Nationalization) Order 1972. Board of Directors, constituted by 13 (Thirteen) members, has authority to organize, operate and manage its affairs on commercial consideration within the Board Policy of government. There are directors appointed by the government. Other members of the Board including M.D are also government appointed out of that at least three have the experience in the field of Finance, Banking, Trade, Commerce, Industry and Agriculture. The managing director is the chief Executive of Bank.

## 2.5 Organization

Pubali bank limited is a leading private commercial Bank. Which started Pubali bank limited is a reputed private commercial bank established on May 20,1984. Open the branch at 26 dilkusha commercial area (local office) p.s motijheel district dhaka. within very short period of time it has been able to createan image for itself and has earned significant reputation in the country's banking sector as a bank of vision. presently it has 406 branches, comprehensive and competitive banking service to its clients.

Figure: 2.1 Functional Hierarchie







## 2.6 Vision

Providing customer centric life long banking service.

## 2.7 Mission

1. High quality financial services with the help of the latest technology.
2. Fast and accurate customer service.
3. Balanced growth strategy.
4. High standard business ethics.
5. Steady return on shareholders' equity.
6. Innovative banking at a competitive price.
7. Attract and retain quality human resource.
8. Firm commitment to the society and the growth of national economy.

## 2.8 New Services Scheme

- ⇒ [Financing IT Sector](#)
- ⇒ [Financing of Industries](#)
- ⇒ [Ready Cash](#)
- ⇒ [Windows for SMEs](#)
- ⇒ [Loan to Travel Agencies](#)
- ⇒ [Loan to Diagnostic Centers](#)
- ⇒ [Escrow Account](#)
- ⇒ [Gift Cheque](#)
- ⇒ Medical Equipment Loan

## 2.9 Interest Rate:



Pubali Bank diversified its rate of interest on loan and advances in compliance with the interest rate policy declared by the government in 2005. To encourage the agricultural sector the rate of interest fixed to 2.0-16.0 percent and to increase the rate of industrial production and services industry, the rate of interest rate is fixed to 9.0-11.0 percent and 13.0 percent. Rate of interest of Pubali Bank is given below:

Table: 2.1 Interest rate of Pubali Bank

Year	Deposit				Loan and Advance		
	Savings Account	Short term deposit account	Fixed deposit account	Current account	Agricultural sector	Industrial sector	Consumer loan
2010	5.00 %	3.50 %	7.00-8.00 %	00	2-8%	12.0-14.00%	14.00%

## 2.10 SWOT Analysis of Pubali Bank

Each and every organization should be aware of their strengths, weaknesses, opportunities and threats. This analysis is known as SWOT analysis. The central purpose of SWOT analysis is to identify strategies that fit or match a company's resources and capabilities according to the demand of environment in which company operates. So the strategic alternatives generated by a SWOT analysis should be built on company's strengths in order to exploit opportunities and counter threats and to correct weaknesses.

SWOT analysis explains environment of an organization in two broad ways. They are:

- a) Internal Environment Analysis: It includes strengths and weaknesses.
- b) External Environment Analysis: It includes opportunities and threats.

### SWOT analysis – Pubali Bank

During my internship period in Pubali Bank I have found some aspects relating to the Bank's strengths, opportunities, weaknesses and threats, which I think, affect the bank's performance. These are given below :



### Strengths

- As a large bank, it has qualified and experienced manpower.
- Branch location is suitable for business.
- Bank's assets position is quite satisfactory and now there is no fund crisis.
- Bank has requisite wealth to sustain in the various challenges of market economy
- Being a nationalized banking organization, it always gets government support in all of its operations.

### Weakness

- As many employees retired from the bank, there is a crisis for manpower in the bank.
- Bureaucrat official process hampered the daily internal workflow.
- Lack of motivation for the workers.
- Low salary structure for the employees.
- In some cases management-employee relation is not good.

### Opportunities

- Expansion of new investment areas.
- Scope for automation will open a big door of opportunity.
- In case of fund crisis Pubali Bank gets government support.
- The bank undertakes need-based training program.

### Threats

- Newly developed privatized and foreign banks.
- Facing a great competition with other commercial banks and financial institutions.
- Loan recovery systems are very weak.
- Policies are not practiced properly.



## 2.11 Computer Service

To ensure qualified customer service Pubali Bank has started computerization corporate client service and one stop service. **406** branches have already been computerized and a massive computerization program is going on. Pubali Bank Limited, first among the Nationalized Banks in Bangladesh, has introduced **One Stop Service**. To facilitate the foreign exchange service, Pubali Bank has launched Pubali bank first among the nationalized commercial bank, has introduce ATM service system in its 12 branches. The bank launched Website, Reuter Service, Internet Service and Ready Cash Service. The bank has taken a plan to launch shared ATM system in various important places.

## 2.12 Computerizatio

Pubali Bank starts its computerization process at December, 1989. After that it expands its computerization process by establishing RISE system (RS 16000) OS/2, LAN etc. Up to this month 406 branches are computerized system. Besides this, 'One Stop' is being given in its 30 branches. Moreover, Pubali Bank is serving to the customers in the following ways:

- Foreign exchange business and standard of customer services are being increased and speed up of information flow by using the computerization system LAN (Local Area Network) and WAN (Wide Area Network).
- It has established Pubali Exchange Company Srl. 100% owned subsidiary company of Pubali Bank Limited established in 1984. Sends money from Rome through Electronic Fund Transfer ( EFT ) system by which Beneficiaries at Dhaka city get remittances on the next working day of remittances from Rome & Milan. Beneficiaries at other 63 District towns & other locations where courier services are available get remittances on the 2nd working days of remittances from Rome & Milan. The beneficiaries, who are maintaining accounts with other Pubali Bank Limited branches in Bangladesh, will be able to withdraw money within 1 to 3 days of sending remittances.
- Pubali Bank Wage Earners Branch established electronic link with its branch in Middle East through which remittance is sent. Besides this, five electronic links are in implementation process in Oman, Qatar and Bahrain.



- IFRMS (Instant Financial Reconciliation and Massaging System) has enabled the bank to remit fund by DD, TT and Inter Branch Debit/Credit advice. This has been started as an experimental but this system will be started among 300 branches soon.

## 2.13 Government Intervention

Financial services have traditionally been the subject of close government scrutiny and it is expected that exchange rates, interest rates and terms of credit should be monitored in the public interest. In recent years governments have tried to use interest rates, credit regulations and informal controls on banks as a means of managing the supply of money in the economy in an effort to increase or reduce consumer spending and to hold or promote investment in business. From 1976 to now, these policies have added a new dimension of risk and uncertainty to financial markets, which have already fluctuated for various reasons such as inflation, exchange rate, oil crisis etc.

Sometimes government is a big problem for the nationalized bank in Bangladesh. Government forced to the nationalized bank to lend to government's priority sector, state-owned sectors, state-owned enterprises, sick industries, borrowers with political influence as well as provide exemption schemes to fulfill its pre-election commitment. The loan exemption program of 1986-87 and 1991-92 are 11.37% and 25.56% respectively of total bank loan outstanding. As a result nationalized commercial banks are burdened with very large classified loans (32% of total loans) against which very large provisions are made which affect profit position very adversely. Classified loan in the country's banking sectors on June 30, 1996 was 33.0% of total loans. It was 34.9% on December 31, 1993. Net income of local bank is reduced drastically for maintaining very large provisions for bad debts and interest suspense accounts.





## CHAPTER - THREE

### ANALYSIS

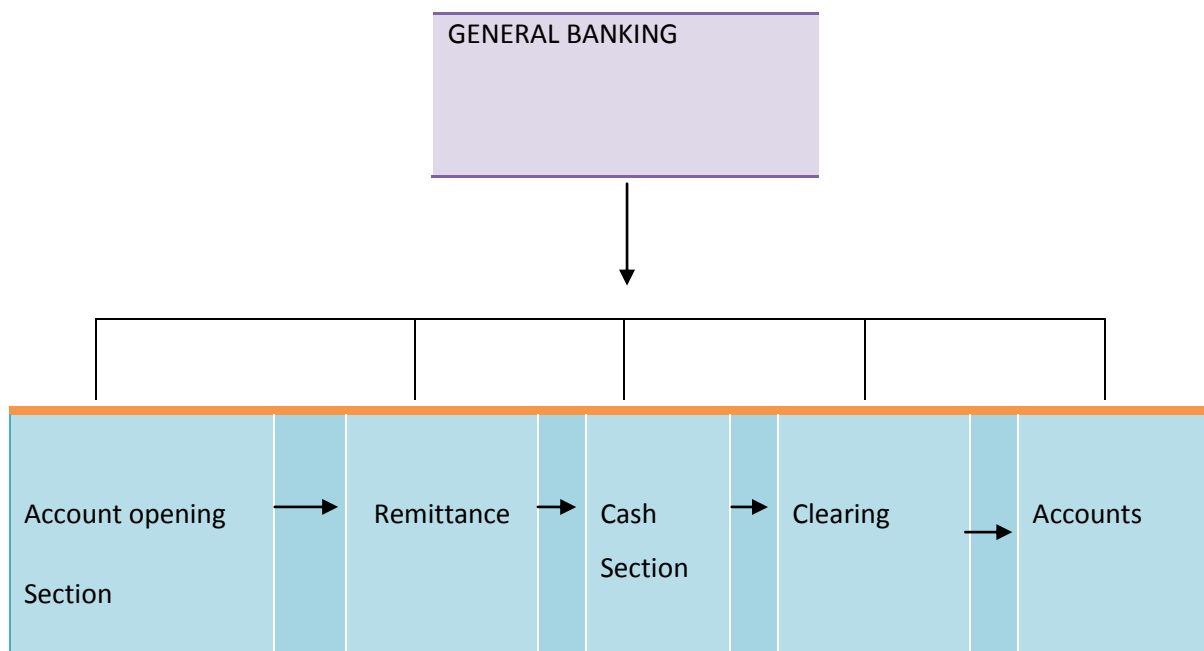


### 3. Introduction

General banking provides the foundation of banker customer relationship through opening account. This is the most busy department and the daily transaction of concerned to the customers for drawing or depository money, Selling of instruments, collection of their instruments providing other additional services to them and keep customer section busy. Officers of this dept should possess the required behaviors for optimum satisfaction of the customers. The Bank provides different type of accounts and special type of savings scheme under general Banking. For proper functioning and excellent customer service this department is divided into various section namely as follows

#### 3.1 Definition of General Banking

General banking department performs the core functions of bank, operates day-to-day transactions of banking operation. Every day it receives deposits from customers and meets their demand for cash. It opens new accounts, remits customer's money from one place to another through issuing bank draft, pay order, telegraphic transfer, collects all bill like Local cheque collection, Inward bill collection and outward bill collection for customers. Since bank is bound to provide these services every day, general banking is also known as retail banking.







## 3.2 General Banking Activities of Pubali Bank Limited, Sadarghat Branch, Dhaka:

As far as Pubali Bank Ltd is concerned, it is one of the top in all-domestic commercial banks in Bangladesh. Pubali Bank Ltd. extends all the Banking facilities and services to customer. The Bank has a very wide network of activities and services both in urban and rural areas through its 410 branches all over the country.

However, Pubali Bank Ltd- Sadarghat branch works with mostly all banking operations, which are normally performed by every commercial bank. It has basically following departments under which it operates all functions of bank diligently. These are mainly :

- Account opening department
- Remittances department
- Clearing department
- Accounts department
- Cash department
- Credit department

### 3.2.1 Deposit Collection :

In the prevailing situation, a mobilization of deposit has become very competitive and as a result the average cost of fund for the banks in the private sector has increased compared to the previous year.

Types of deposit :

- Current deposits
- Savings bank deposits
- Fixed deposits
- Special Notice Time deposit(SND)

## 3.3 Account Opening Department :

This department is responsible for the opening and closing of accounts. In consideration of Pubali Bank Ltd Sadarghat Br. opening and continuing to maintain any account, the Account Holder/Depositor or Investor would be bound by the terms and conditions written on the account opening form.



The first part establishes the preference regarding the type of account to be maintained. The various choices offered in this regard are :

- Current Account
- Saving Account
- Non Resident foreign currency deposit
- Fixed deposit Account
- Short Term deposit
- Private Foreign Currency A/C

### 3.3.1 Current Account:

The current account is the most common account and the most preferred amongst business concerns. There is no restriction on the amount of with drawal. Current account enables the client to do cash transactions in a more efficient manner.

#### Features:-

Current Accounts can be opened in the PBL Sadarghat Br. with the sum not less than Tk 1000/-

- ✓ No Profit
- ✓ Account close charges Tk150
- ✓ Service charges for maintaining minimum balance Tk100
- ✓ Online Charges Tk100

### 3.3.2 Saving Account:

In saving account Interest bearing and checkable with some restriction

#### Features:-

- ✓ The minimum balance requirement for opening the account is Tk500/-.
- ✓ There can be profit or loss on the investment of the Customer's funds deposited with the bank and this amount shall be acceptable to the Customer. The profit is paid half yearly.
- ✓ With holding tax on profit @ 10%
- ✓ No Service Charges to close the account
- ✓ Service Charges for maintaining minimum Balance Tk50



### 3.3.3 Non Resident foreign currency deposit:

All non residents of Bangladesh can open this interest bearing account in the form of term deposit with a minimum amount of \$1000 or equivalent.

### 3.3.4 Short Term Deposit Account (STD):

A term deposit is a deposit that is made of a certain period of time. At the end of specific period the customer is allowed to with draw the principal amount.

#### Features:-

- ✓ Fixed Profit
- ✓ The longer the period for which the amount is kept higher is rate of interest.
- ✓ Term Deposit usually for the period of three months, six months, One year.

### 3.3.5 Fixed deposit Account:

Interest bearing and get mature in definite period of time like one year or six month.

#### Features:-

- ✓ This deposit is fixed
- ✓ Long term basis
- ✓ Below 10 lac this branch offer interest rate is 11% and 10 lac or above but below 50 lac interest rate is 11.50%

### 3.3.6 Private Foreign Currency A/C:

Bangladeshi National residing abroad or foreign nationals may open this a/c with deposit mode.

#### Features:-

- ✓ The account holder can freely transfer entire amount in foreign currency anywhere he choose or convert BD taka currency.
- ✓ The account holder may nominate his nominee to operate the account.
- ✓ No initial deposit is required.
- ✓ Any person/firm/org. who earns foreign currency can open foreign currency account PBL.



### 3.4 Procedure of opening an account

#### The Account Opening Form :

When a client comes to the Sadarghat Br., and makes a request for opening of an A/C. The officer says that first fill up a prescribed application form.

#### Completion of the Form :

The name, occupation, and complete address of the person opening the account are written in the columns that are provided in the form. Signatures are obtained from the customer where it is required. These signatures should be usual signatures and he would operate the account with them.

#### Introduction :

The introduction of a current account holder is accepted for the opening of either a current account or a saving account. The introducer should be Account Holder. The signature of the account-holder introducing the account is obtained at the place provided for in the account opening form.

Specimen Signature Card, Cheques Book Requisition, and Online Form:-

The signatures of the client are obtained on a specimen Signature card Cheque book requisition and online form. These specimen signature cards are obtained in duplicate with two signatures on each card from the customer. Every time a Cheque is received for a payment from the client, the signature on the Cheque are verified by comparing them with the Specimen Signature Card.

#### Signature Difference Form :

The signatures of the client are obtained on a signature difference form if his / her signatures differ from the computerized National Identity Card.

#### Vernacular Form :

The signature of the customer is also obtained on the vernacular form if he / she signs in a language other than English.



### Account Number :

When all the formalities are completed then the final approval of account has to be taken from the Branch Manager. After obtaining approval of the branch manager an account number is allotted to the customer all the information is entered into the computer. Then that account number is written on the Cheque Book, Specimen Signature cards and account opening form.

### Send the form to Head Office :

After fulfill all the requirement and verify the form from operation manager the account opening form send to Head Office and make request to issue the printed cheque book.

### Issuance of A Cheque book :

After opening an A/C with the bank, the A/C holder receive a letter of thanks from Head Office then after receiving this letter client come to bank and makes a request in the name of bank for the issuance of a Cheque book. The A/C holder mentions title of A/C, A/C number, signs it properly.

### Entry of A Cheque book :

Before issuance of a Cheque book, Sadarghat br. the employee performs certain functions. They include:

- Stamping requisition slip that is in Cheque book.
- Enters it in the Cheque book issue register.
- Check whether or not a senior officer has verified the signatures, if not then first gets them verified.

After entry in the manual register, the employee issues the Cheque book to the A/C holder with his/her signature on the register.

### To close an account:

- Account holder requires applying in a specific form with full signature.
- He/she/they must surrender the unused leaves/cheque book provided by the bank.
- Verification of signature and approval by operation head.
- Close the account.



On closure of the account, the bank will pay the credit balance (if any) of the account and any profit due to the customer. The customer shall surrender the unused cheque books/leaves along with the requisition slip and other materials (if any) supplied by the bank for operation of the account.

### 3.5 TYPES OF ACCOUNT:

#### 1 Accounts Of General Customers

- ✚ Minor Account
- ✚ Joint Account

#### 2. Accounts of Special Customers

- ✚ Individual Account
- ✚ Proprietorship Account
- ✚ Partnership Account

#### 3.5.1 Minor Account :

##### Opening Procedure:-

The natural guardian who signs both Account Opening Form and Specimen Signature Card can open account in the name of minor.

##### Title of Account:-

The title of account should clearly indicate both the names of minor as well as guardian in the following manner:-

e.g. Imran Rafique ( minor) Muhammad Rafique (Guardian)

##### Special Instructions:-

The guardian will continue to operate the account even if minor attains the age of majority.



### Documents:-

- ▲ Computerized National Identity Card of Guardian and 2 copies passport size photographs
- ▲ Form “B” of minor and 2 copies passport size photographs attested by Guardian
- ▲ In case guardian is appointed by the court of law then attested copy of guardianship certificate is obtained and placed on record.

### 3.5.2 Joint Account:

These are the account of two or more persons who are neither partners nor trustees.

### Account Opening Procedure:-

#### Title of Account:

Title of account holder should mention the names of all the joint account holder

#### Special Instruction:

At the time of opening the account clear and specific instructions should be obtained regarding operation of the account and payment of the balance at the death of one or more joint account holders in the following manner:-

- ❖ The account shall be operated by any joint account holders singly.
- ❖ By either or survivor singly.
- ❖ By any two or more joint account holders or by any two or more survivors jointly.
- ❖ By all the joint account holders jointly.
- ❖ By all the survivors jointly.

These instructions as far as possible should be obtained in handwriting of the parties concerned, under the signature of all the joint account holder.

### Documents:

- Computerized national Identity Card of all the joint account holder.



### Mode of Signature:-

- All joint account holders are required to sign as applicant and in the column of special instructions.
- Specimen Signature of only those joint account holders are required who are authorized to operate the account.

## **3.6. Accounts of Special Customers**

### **3.6.1 Individual Account**

When a single man or woman opens an account in his or her own name and has the right to operate, it is called individual A/C.

#### **Account Opening Procedure:**

##### Title of Account:

Title of Account should mention the name of the person who operates the account.

##### Special Instructions:

At the time of opening the account clear and specific instructions should be obtained regarding the nominee of the account holder means after the death of the account holder who will operate the account.

#### **Documents:**

- Computerized national Identity Card.
- Proof of Income if he / she is a salaried person then the pay slip or salary certificate of that person.

### **3.6.2 Partnership Account:**

“Partnership” is a relationship between persons who have agreed to share profits of a business carried on by all or any of them acting for all.

#### **Account Opening Procedure:**

##### Title of Account:





Title of account must be in the name of the firm as declared by the partner Tk

#### Operational Instructions:

- ❑ Operations on the account must be allowed strictly in accordance with the instructions given in partnership mandate and Declaration in terms of section 25 of Partnership Act 1932.
- ❑ According to Partnership deed, if given.

#### **Documents:**

- ❖ Copy of Computerized National Identity Card of all the partner Tk
- ❖ Copy of registration Certificate (if a registered firm)
- ❖ Letter of request to open the account on the letterhead of partnership.
- ❖ Partnership Stamp
- ❖ Partnership Deed
- ❖ Third Party Mandate, if third party is authorized to operate the account.

### **3.6.3 Proprietorship Account**

When the owner of the firm operating singly, open an account in his firm name.

#### **Account Opening Procedure:**







##### Title of Account:

Title of account must be in the name of the proprietorship concern.

##### Special Instructions:

In case of proprietorship concern, the special instruction should cover the style of the account and the name of the person who will operate the account as sole proprietor. For example, if the account to open is in the name of “Rahim Cloth Store”, the person who is the sole proprietor should declare as such.

#### **Documents:-**

-  Computerized National Identity Card (CNIC) of proprietor.
-  Declaration for proprietorship concern.
-  Proprietorship Stamp.
-  Letter of request to open the account on the letterhead of proprietorship.
-  Third party Mandate, in case any other person has been authorized by the proprietor to operate the account.
-  Tax Identification Number (TIN) .



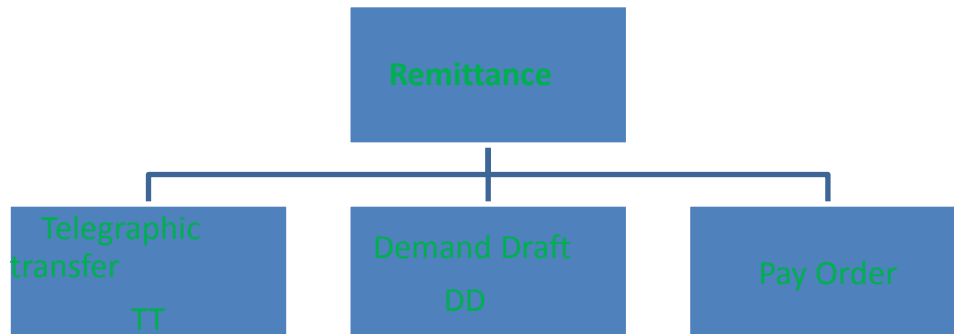
Made of Signature:-

All the trustee are required to sign the account opening form, Specimen Signature Card, and Cheque book requisition slip in their official capacity.

### 3.7 Remittance Department

Remittance is used to transfer of funds denominated in Bangladeshi Taka between banks within the country. It is an order from the Issuing branch to the Drawee Bank/Branch responsible for payment of a certain sum of money to the beneficiary. The payment instruction is sent by Telex / Telegram and funds are paid to the beneficiary through his account maintained with the Drawee branch or through a pay order if no a/c is maintained with the drawee branch.

The cash department does remittance of cash. Instruments of local remittances at PBL branches are follows:



#### 3.7.1 Telegraphic Transfer (TT):

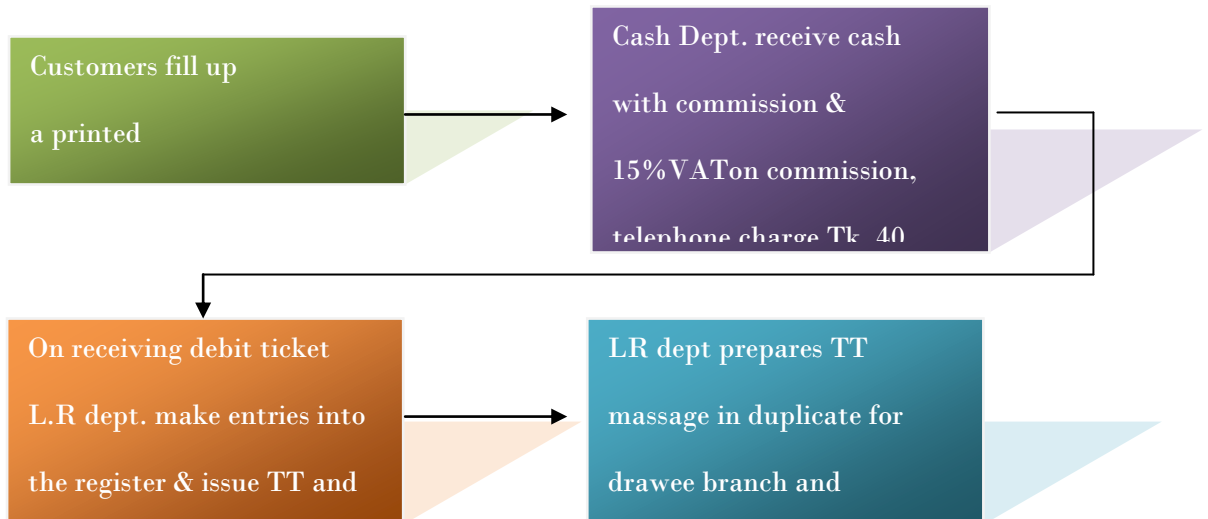
Telegraphic Transfer is the most rapid and convenient but expensive method. There are different modes of telegraphic transfer such as Fax, Mobile, Telephone Telex, and Telegram. If an applicant wants to transfer money quickly to the pay in another city or district he /she may request the banker to send it by TT.

1. On receipt of T.T payment instructions the following entries are passed by the Drawee branch if the T.T is found to be correct on verification of Test Number.



- i) Dr. PBL General A/C Cr Remittance Awaiting Disposal- T.T Payable A/C
- ii) Dr Remittance Awaiting Disposal-T.T Payable A/C Cr Client's Account A/C.

**Procedure of Issuing TT:**



**3.7.2 Demand Draft (DD) :**

DD is a one kind of bill of exchange. DD is the most frequently used mode of inland remittance. DD is an unconditional order of the bank from one branch to another branch to pay certain amount of money to a certain person on demand. It is applicable outside the Dhaka City. The DD generally issued for party's safety. If there is a huge amount to bear one place to another, then customer can do the DD and bear it to his destination instead of cash.

**Precautions for Demand Draft :**

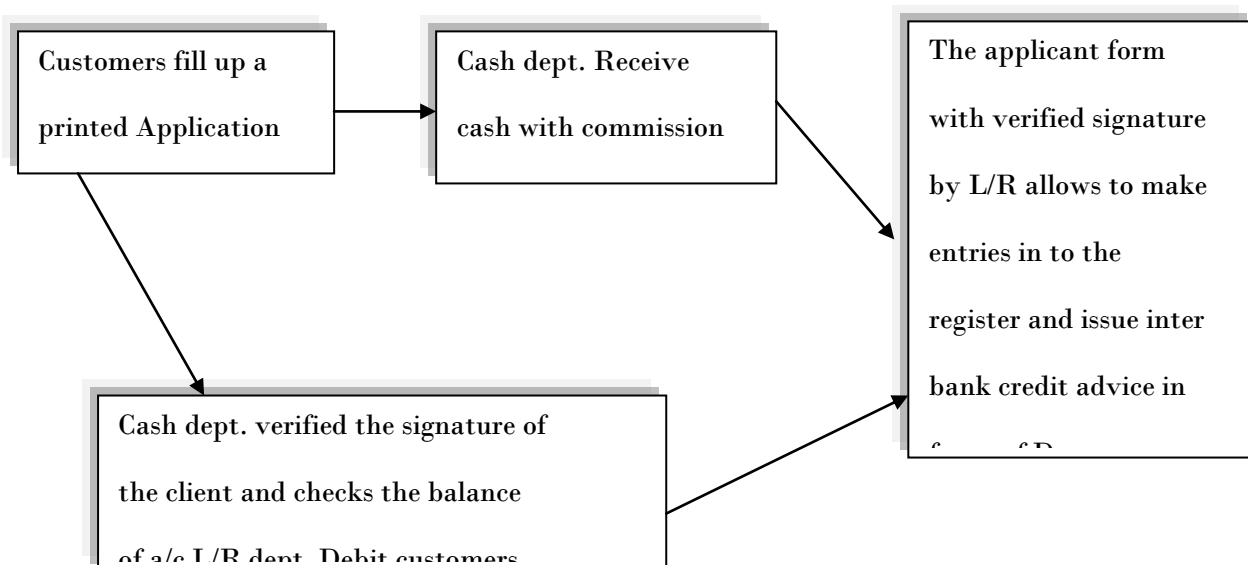
- 1. Get the application form properly filled up and signed by the applicant
- 2. Complete the lower portion of the Application form meant for Bank's Use.



3. Calculate the total amount payable including Bank's commission/charges etc.
4. If a cheque is presented for the payment of the DD officer should get the cheque duly passed for payment by the competent authority and record the particulars of DD on the back of the cheque.
5. If the purchaser desires his account with the branch to be debited for the amount of DD the officer should get the A/c holder's signature verified properly, from signature card on record of the branch and debit client's a/c for the total amount including commission charges etc.
6. If cash deposit is desired, request the purchaser to deposit the money at the Teller's counter.
7. The teller, after processing the application form, cash or cheque, will validate the Application form.
8. The first copy of the Application form is treated as debit Ticket while the second copy is treated as Credit Ticket and sent to Remittance Department for further processing. The third copy is handed over to the Applicant as customer's copy.

Each branch maintains a running control serial number of their own for issuance of DD to each Drawee Branch. This control serial number should be introduced at the beginning of each year which will continue till the end of the year.

#### Procedure of issuing D.D :





### 3.7.3 Pay Order:

Pay order is a negotiable instrument made by the bank, on account of a customer, to pay on order the specified amount to the directed person (payee).

#### Use of Pay Order:-

Pay orders are used to make payment or to transfer money, with in the same city. Pay order is always drawn on the bank that has issued it. The main advantage of pay order is that it cannot be dishonored by the bank. Pay order can be endorsed if it is not crossed. The payee may present pay Order for payment either over the counter for cash payment or the payee may transfer credit to his account.

The current rate schedule of Pay Order is as follows:

Issuance of Pay Order Tk 50/- for a/c holder

Tk 500/- for non-a/c holder'

### 3.8 Clearing Department

- **Clearing:** Clearing is a system by which a bank can collect customers fund from one bank to another through clearing house.
- **Clearing House:** Clearing House is a place where the representatives of different banks get together to receive and deliver cheque with another banks.
- **Member of Clearing House: Pubali Bank Ltd.** is a scheduled Bank. According to the Article 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.

### 3.9 Types of clearing:

There are two types of clearing:-

1. Inward Clearing
2. Outward Clearing



## Outward Clearing

When the financial instruments like P.O., D.D., and Checks collected by specific branch within the Dhaka city and not of their own branch then the Outward clearing will be functioned. The procedures of Outward Clearing are followed :

- The instruments with schedules to the branch of Pubali Bank Ltd- Sadarghat Branch. With issuing an Inter Branch Debit Advice (IBDA).
- Clearing stamps are affixed on the instruments.
- Checked for any apparent discrepancy.
- The authorized signature endorses instruments.
- Particulars of the instruments and vouchers are recorded in the 'Outward Clearing' register
- The clients receive the duly signed instruments and also branch code number affixed on the instruments.

## Inward Clearing

When the checks of its customer are received for collection from other banks, the following should be checked very carefully-

- The check must be crossed.
- The check should not carry a date older than the receiving date for more than 6 months.
- The collecting bank must check whether endorsement is done properly or not.
- The amount both in words and figures in deposit slip should be same and also it should be in conformity with the amount mentioned in words and figures in the checks.



### 3.10 Clearing process

- i. Stamps Put On the Cheques
- ii. Crossing the cheques
- iii. Clearing Stamp
- iv. Endorsement Stamp
- v. National Institutional Facilitation Authority
- VI. Send Report to the Bank
- vii. Delivered Cheques to Respective Banks
- viii. Credit the Customer Account

### 3.11 Accounts Section Pubali Bank Ltd Sadarghat Branch:

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 the Head Office. This department prepares all these statements.

#### 3.11.1 Workings of this department:

- Recording the transactions in the cashbook.
- Recording the transactions in general and subsidiary ledger.
- Preparing the daily position of the branch comprising of deposit and cash.
- Preparing the daily Statement of Affairs showing all the assets and liability of the branch as per General Ledger and Subsidiary Ledger separately.



- Making payment of all the expenses of the branch.
- Recordings inter branch fund transfer and providing accounting treatment in this regard.
- 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)
- Preparing the monthly position for the branch, which is sent to the Head Office to maintain Statutory Liquidity Requirement (S.L.R)?
- Preparing the budget for the branch by fixing the target regarding profit and deposit so as to take necessary steps to generate and mobilize deposit.
- Checking of Transaction List
- Recording of the vouchers in the Voucher Register.
- Packing of the correct vouchers according to the debit voucher and the credit vouchers





## CHAPTER - FOUR

# FINDINGS, RECOMMENDATIONS AND CONCLUSIONS



## 4.1 Findings of the study

During internship period in Pubali Bank Limited at Sadarghat Branch, following problems are identified:

- Account opening form is very much informative. It takes about half an hour to properly fill in the form. When four or five people come at the same time for account opening purpose, it is very difficult for the relevant officer to provide satisfied service to the client.
- According to some clients, introducer is one of the problems to open an account. If a person who is new in the Dhaka city wants to open account, it is a problem for him/her to arrange an introducer of SB or CD account holder.
- Lengthy process of issuing cheque book, Pay order, Bank draft. Job responsibilities are not specified to each and every employee of this division.
- ATM booth service is an online popular service. The bank's online service is very poor.
- Technology that PBL is using for their banking system is not up to date. There are some international and local banks in Bangladesh; they are very fast and very much updated. PBL is losing their clients because of lack of technology.
- Advertising and promotion are the weak points of Pubali Bank Limited. PBL does not have any effective marketing activities.



## 4.2 Recommendations

In view of the facts, the following recommendations are made to the respective concerned for their consideration and implementation:

- ✚ The authority of the bank should introduce job training for the employees to make the human resource efficient.
- ✚ The authority of the bank should upgrade the existing marketing strategy to come to more close to the people.
- ✚ The authority of the bank should introduce different credit cards. Also, they have to concentrate to establish more ATM booths for their customers.
- ✚ They have no marketing department at all, which create problems in advertising. So the authority of the bank should establish a standard marketing department in the bank.
- ✚ Proper Banking software should be used to get best benefit from this department.
- ✚ Staff meetings and departmental meetings at the branch level must be increased to develop service quality.
- ✚ The bank should take an aggressive advertisement campaign to develop a strong image and reputation in the minds of the potential customers.
- ✚ The management should take immediate decision to bring latest technology in the bank for providing quick service to the clients.



### 4.3 Conclusions

As the largest nationalized commercial bank Pubali Bank Ltd is operating every corner of the country providing the banking services to different classes of customers. Modern competitive banking sector, there one can find a branch of Pubali Bank.

Banks play an active role for the development of the country. Pubali Bank Ltd has made commendable improvement over the past years. I am proud to get an opportunity to continue my internee and my career in my organization. I tried to gather experience in General Banking and summarize all the information within the report. It will also be helpful for the bank management if they carefully analyze the problem and consider recommendation in this paper and take necessary actions for corrective measures.

General Banking is one of the main departments of any bank. To take any banking services, one has to fulfill all the requirements of this department first. The nature of the relationship between a banker and a customer depends upon the service rendered by the personnel of general banking department. General Banking department usually give optimum services to their customers though they have some limitations. If the management of the bank can turn these limitations positively then they can attain the ultimate goal. I am certain that the experience that I get through my internship in Pubali Bank will help me a lot in my future banking profession.



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