



**An Intern ship Report**  
**On**  
**General Banking Activities of EXIM Bank Ltd.**  
**-a Study on Paltan Branch**

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**Daffodil International University**

**“General Banking Activities Of  
EXIM Bank Limited  
- A Study on Paltan Branch”**



## Letter of Transmittal

September 18, 2014

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

### **Sub: Submission of Internship Report**

Dear Sir,

With immense pleasure, I am submitting my internship report on “**General Banking activities of EXIM Bank Limited, -A Study on Paltan Branch**” which was assigned to me as a part of my BBA Program. I have tried my level best to complete this report with the necessary information and suggested proposals that you would provide me as your best as well.

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

Thank you

Sincerely,

.....  
Abul Kalam Azad  
ID No: 111-11-1770  
BBA Program, Batch- 28th  
Department of Business Administration  
Daffodil International University (DIU)



## **Declaration**

This is to certify that the internship report on “**General Banking activities of EXIM Bank Limited-A Study on Paltan Branch**” has been prepared by Abul Kalam Azad, ID No: 111-11-1770, Batch- 28th BBA Program, as a partial fulfillment of the requirement of BBA degree from the Department of Business Administration, Daffodil International University.

I also declare that this paper is my original worked and prepared for academic purpose which is a part of BBA and the paper may not be used in actual market scenario.

Abul Kalam Azad

ID No: 111-11-1770

**Business Administration**

Daffodil International University

## Certificate of Approval



I am pleased to certify that the Internship Report on “**General Banking Activities of EXIM Bank Limited-A Study On Paltan Branch** prepared by **Abul Kalam Azad** bearing **ID N O: 111-11-1 770** of the **Department of Business Administration (Major in Finance)** is approved for Presentation and Defense. **Abul Kalam Azad** worked with “EXIM Bank Limited” as an intern under my supervision. He completed the work during the spring - 2014 semester. I am also pleased to certify that the data and the findings presented in the report seen to be authentic.

**Abul Kalam Azad** bears a good moral character and a very pleasing personality. It has indeed been a great pleasure working with him. I wish h is all success in life.

**Supervisor,**

.....  
Sayed FarrukhAhmed  
Assistant professor  
Faculty o f Business& Economics  
Daffodil International University

## ACKNOWLEDGMENT

It is high time for me to express my deepest gratitude to the almighty God. Without the support of God I would not be able to complete a huge task of preparing this Internship Report within the scheduled time.

Internship report is an essential part of BBA program as one can gather practical knowledge within the period of three months by observing and doing the daily works of chosen organization. In this regard my internship has been arranged at **EXIM Bank Limited,-A Study On Paltan Branch” Dhaka.**

At first, I would like to give thanks to my supervising teacher Sayed Furrukh Ahmed, Assistant professor, Faculty of Business& Economics, Daffodil International University who instructed me in the right way and give me proper guidelines for preparing this Internship Report.

I acknowledge my indebtedness to Sara Tasnim and Md. Masum Iqbal and Md. Abdur Rahim (AGM) for their constant guidance and valuable suggestion from time to time and I am also grateful to Mohammad Kabirul Islam Senior vice President of EXIM Bank Limited.

I am also indebted to all of the officers and employees of the EXIM BANK Ltd who extended their wholehearted co-operation to me despite their huge workload during Practical Orientation.

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**

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 EXIM Bank Ltd - Paltan 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 overview and history, important vision and mission and objective of EXIM Bank Ltd & also objective of my report. On the next Chapter, I have discussed General Banking Activities. Basically I have discussed my work related activities in EXIM BankLtd. On next, I mentioned SWOT analysis and associated with the organization and this report. I have also discussed about what I have learnt during the internship at EXIM Bank Ltd-Paltan Branch Lastly in Chapter 6, I have given findings, Recommendations, Conclusion, and References.

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# **Chapter -1**

## **Introduction**

## 1.0 Introduction

The aim of commercial banking is to earn profit through exchange of money & credit instruments. It is a service oriented as well as profits oriented organization. The Bank divides its operation mainly three parts- General Banking, Foreign Exchange and Loan & Advances.

The banking sector of Bangladesh is passing through a tremendous reform under the economic deregulation and opening up the economy. Currently this sector is becoming extremely competitive with the arrival of multinational banks as well as emerging and technological infrastructure, effective credit management, higher performance level and utmost customer satisfaction.

The internship report has been prepared on “General Banking Activities of EXIM Bank Limited”. Bank has a significant role in the economic development of the country. In order to developing the national economy, banks keep in mind going for lending, maintaining safety, liquidity & profitability.

EXIM Bank Limited was introduced in Bangladesh as a banking company under the Company Act 1913 & commenced operation on 2<sup>nd</sup> June 1999. Numerically it is just another commercial Bank, one of now operating in Bangladesh, but the finders committed to make different & a little bit special qualitatively. This bank has new vision to fulfill & a new goal to achieve & try to reach new height for realizing its dream.

EXIM objective is to social commitment & for that it ensures cooperation to the people of all level, to the businessmen, industrialist-specialty who are engaged in large scale industry, agro based export oriented medium & small-scale industry by self inspiration.

I have done this report on the general banking activities. This department works about customer relationship desk. That means what types of product are they offer, which type of customer can open the A/C, How the cash section does work etc.

### 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 **EXIM Bank Limited** 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 objectives of the report will be to provide an overview of the “General Banking Activities of EXIM Bank Limited Ltd. -A Study On Palton 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-

- To identify of General Banking Activities of **EXIM Bank** Ltd.
- To Evaluate the performance of the bank.
- To analyze general banking activities of **EXIM Bank Limited**.

The main objective of the report will be to provide an overview of the “General Banking Activities of **EXIM Bank** Ltd-a Study on Palton 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-

- To present an overview of **EXIM Bank** Ltd.
- To identify the general banking activities of **EXIM Bank** Ltd.
- To analyze the general banking activities of **EXIM Bank** Ltd.
- To identify problems related to general banking activities of **EXIM Bank** Ltd.
- To make some recommendations to solve the problems of **EXIM Bank** Ltd.

## 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:

### Sources of data

Primary sources

Secondary sources

#### • **Primary Sources :**

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

#### • **Secondary sources:**

1. Annual report of EXIM BANK LTD.
2. Periodical published by Bangladesh bank .
3. Internet is also used as a theoretical sources of information.
4. 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 EXIM BANK LTD. This report gives a broad overview of GB department of Paltan branch, Dhaka of EXIM BANK LTD. 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 give us knowledge about Islamic shariah based Banking system.
- It helps to know about overall general banking activities of EXIM BANK LTD.
- It provides knowledge about deposit product and services.

## **1.7 Limitations of The Report:**

In preparing this report some problems and limitations have encountered which are as follows:

1. The main constraint of the study are insufficiently of current information, relevant to the study
2. All required information are not available in any specific branch of the bank and there are also limited opportunity to visit more then one branch
3. Due to time limitations many of the aspects could not be discussed in the present report
4. Lack of experience in internship report writing.



## **Chapter-2**

# **OVERVIEW OF THE EXIM BANK LTD.**





## 2.0 Background of EXIM Bank Ltd.

EXIM Bank Limited was established under the rules & regulations of Bangladesh bank & the Bank companies' Act 1991, on the 3<sup>rd</sup> August 1999 with the leadership of Late Mr. Shahjahan Kabir, founder chairman who had a long dream of floating a commercial bank which would contribute to the social-economic development of our country. He had a long experience as a good banker. A group of highly qualified and successful entrepreneurs joined their hands with the founder chairman to materialize his dream. In deed, all of them proved themselves in their respective business as most successful star with their endeavor, intelligence, hard working and talent entrepreneurship. Among them, Mr. Nazrul Islam Mazumder became the honorable chairman after the demise of the honorable founder chairman.

Of its very beginning, EXIM Bank Bangladesh limited was known as BEXIM Bank, which stands for Bangladesh Export Import Bank Limited. But for some legal constraints the bank renamed as EXIM Bank, which means Export Import Bank Of Bangladesh Limited.

The bank starts its functioning from 3rd August 1999 with Mr. Alamgir Kabir, FCA as the advisor and Mr. Mohammad Lakiotullah as the Managing Director. Both of them have long experience in the financial sector of our country. By their pragmatic decision and management directives in the operational activities, this bank has earned a secured and distinctive position in the banking industry in terms of performance, growth, and excellent management.

## 2.1 Company Profile

### **EXIM Bank at a Glance:**

Name: Export Import Bank of Bangladesh Limited

Essence: Local Bank Global Network

Nature of Business: Banking service and Profit oriented

**Registered office: "SYMPHONY"**

Plot No. SE (F): 9, Road No. 142

Gulshan Avenue, Dhaka-1212, Bangladesh

PABX: 880-2-988 933, Fax: 880-2-988 9358 Website: [www.eximbankbd.com](http://www.eximbankbd.com)



## **SWIFT: EXBKNDH**

<b>Date of Incorporate:</b>	<b>June 02, 1999</b>
Inauguration of first branch:	August 03, 1999.
<b>Chairman:</b>	<b>Mr. Md. Nazrul Islam Mazumder</b>
Secretary:	Mr. Md. GolamMahbub
Advisor:	AlamgirKabir, FCA
Managing Director:	Mr. Kazi MasihurRahman
Number of Branches:	55
Total Manpower:	1440
<b>Authorized Capital:</b>	<b>Taka 10,000 million (Up to June 2012)</b>
<b>Paid up Capital:</b>	<b>Taka 3373.96 million (Up to June 2012)</b>
Reserve Fund:	Taka 2092.97 million (Up to June 2012)

## **2.2 Mission & Vision**

### **¾ Mission**

- ¾ To provide high quality financial services in export and import trade.
- ¾ To provide excellent quality service.
- ¾ To maintain corporate and business ethics.
- ¾ To become a trusted repository of customers money and their financial advisor.
- ¾ To make our stock superior and rewarding to the shareholder.
- ¾ To display team sprit and professionalism.
- ¾ To have a sound capital base.
- ¾ Extending competitive compensation packages to the employees.
- ¾ Firm commitment to the growth of national economy.
- ¾ Involving more in Micro and SME financing.

### **¾ Vision**

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

## 2.3 Value & Commitments

### <sup>3/4</sup> Value

EXIM BANK LTD 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 EXIM BANK LTD operate is becoming increasingly competitive and their customers now have abundance of choice.
- **Integrity:** EXIM BANK LTD success depends upon trust. Their customers in general expect us to process and steadfastly to high moral principle and profession standard.
- **Customer focus:** EXIM BANK LTD need to understand fully the needs of their customers and to adapt our product and service to meet these.
- **Meritocracy:** EXIM BANK LTD believes in giving opportunities and advantage to its employees on the basis of their ability.
- **Progressiveness:** EXIM BANK LTD believes in the achievement of society through the adoption of enlightened working practices, innovative new products and processes and a spirit of enterprise.

### Commitments

EXIM BANK LTD is a customer focused modern Bank making sound and steady growth in both mobilizing deposits and making quality investments to keep our position as a leading Islamic 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 EXIM Bank Ltd.

- The objectives of banking are not only to earn profit, but to do good and welfare to the people. Islam upholds the concept that money, income and property belong to Allah and this wealth is to be used for the good of the society.
- Committed to do away with disparity and establish justice in the economy, trade, commerce and industry; build socio-economic infrastructure and create employment opportunities.

### **Launching of Islami Banking:**

- Considering the inherent desire of the religious Muslims, EXIM Bank has launched Islami Banking system and inaugurates two Islami Banking Branches in the year 2002. The Islami Banking branches perform their activities under the guidance and supervision of a body called “SHARIAH COUNCIL”.

## 2.5 Special Characteristics

- To manage and operate the Bank in the most efficient manner to enhance financial performance and to control cost of fund.
- To strive for customer satisfaction through quality control and delivery of timely services.
- To identify customers credit and other banking needs and monitor their perception towards our performance in meeting those requirement.
- To review and update policies, procedures and practices to enhance the ability to extend better services to customers.
- To train and develop all employees and provide adequate resources so that customer needs can be responsibly addressed.
- To promote organizational effectiveness by openly communicating company plans, policies, practices and procedures to all employees in a timely fashion.
- To cultivate a working environment that fosters positive motivation for improved performance
- To increase direct contract with customers in order to cultivate a closer relationship between the bank and its customers.

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

Branch Information (EXIM Bank has 55 Branches in Bangladesh)

- **List of branches in Dhaka division:**

Sl	Branch Name
01	Motijheel Branch
02	Panthapath Branch
03	GazipurChawrasta Branch
04	Imamgonj Branch
05	Gulshan Branch
06	Nawabpur Branch
07	Narayangonj Branch
08	Shimrail Branch
09	Rajuk Avenue Branch
10	New Eskaton Branch
11	Uttara Branch
12	Mirpur Branch
13	Elephant Road Branch
14	Mawna Branch
15	Malibagh Branch
16	Ashulia Branch
17	Ashugonj Branch
18	Sat Mosjid Road Branch
19	Bashundhara Road Branch
20	Savar Branch
21	Karwan Bazar Branch
22	<b>Head Office Corporate Branch</b>
23	<b>Naria Branch</b>
24	<b>Paltan branch</b>
25	<b>Board Bazar Branch</b>
26	<b>Faridpur Branch</b>
27	<b>Panchaboti Branch</b>

- **List of branches in Chittagong division:**

SL	Branch Name
01	AgrabadBranch
02	Khatungonj Branch
03	Jubleeroad Road

04	Sonaimuri Branch
05	Laksham Branch
06	CDA Avenue Branch
07	Chowmuhani Branch
08	Comilla Branch
9	<b>Modaffargonj Branch</b>
10	<b>Chhagalnaiya Branch</b>
11	<b>Pahartoli Branch</b>
12	<b>Bahaddarhat Branch</b>
13	<b>Shitakundo Branch</b>
14	<b>Feni Branch</b>

**List of branches in Sylhet division:**

SL	Branch Name
01	Sylhet Branch
02	Fenchugonj Branch
03	Moulvibazar Branch
04	<b>Gopalganj Branch</b>
05	<b>Beani Bazar Branch</b>
06	<b>Nobigonj Branch</b>

**List of branches in Khulna division:**

SL	Branch Name
01	Jessore Branch
02	Kushtia Branch
03	<b>Khulna Branch</b>

**List of branches in Rajshahi division:**

SL	Branch Name
01	Bogra Branch
02	Rangpur Branch
03	Rajshahi Branch
04	<b>Dinajpur Branch</b>

**List of branches in Barisal division:**

SL	Branch Name
01	Borisal Branch

## 2.7 Board of Directors

<b>Mr. Md. Nazrul Islam Mazumder</b>	<b>Chairman</b>
<b>Mr. Md. Abdul Mannan</b>	<b>Vice Chairman</b>
<b>Mr. Mohammad Abdullah</b>	<b>Director</b>
<b>Mr. Md. Nazrul Islam Swapan</b>	<b>Director</b>
<b>Mrs. Nasreen Islam</b>	<b>Director</b>
<b>Mr. Mohammed Shahidullah</b>	<b>Director</b>
<b>Al-haj Md. Nurul Amin</b>	<b>Director</b>
<b>Mr. Anjan Kumar Saha</b>	<b>Director</b>
<b>AlhajjAbdusSamad</b>	<b>Director</b>
<b>Major Khandaker NurulAfser (Retd.)</b>	<b>Director</b>
<b>AlhajjAbdus Salam</b>	<b>Director</b>
<b>AlhajjNiaz Ahmed</b>	<b>Director</b>
<b>Md. AshikHossain</b>	<b>Director</b>
<b>Engr. Kh. Mesbahuddin Ahmed</b>	<b>Director</b>
<b>Mohammed Emadur Rahman</b>	<b>Director</b>
<b>Md. Rafiqul Islam</b>	<b>Director</b>
<b>Anwar Hossain</b>	<b>Director</b>
<b>Dr. Momtaz Uddin Ahmed</b>	<b>Director</b>
<b>Brigadier General M A Malek (Retd)</b>	<b>Director</b>
<b>Ekramul Hoque</b>	<b>Managing Director</b>
<b>Md. Rafiqul Islam</b>	<b>Deputy Managing Director</b>
<b>Khondoker Nayeemul Kabir</b>	<b>Deputy Managing Director</b>
<b>MdMofazzel Hossain</b>	<b>Deputy Managing Director</b>
<b>KaziTowhidul Alam</b>	<b>Deputy Managing Director</b>
<b>Md. Golam Rabbani</b>	<b>Deputy Managing Director</b>

## 2.8 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.

Particulars	2013	2012
Shareholders Equity	14,050.69	11,989.11
Total Income	16,692.58	11,332.59
Total Expense	(11,937.04)	(7,005.81)
Corporate Tax	(1,998.69)	(1,747.87)
Capital Charges	(1,212.27)	(1,237.61)
<b>Economic Value Addition</b>	<b>1,544.58</b>	<b>1,341.30</b>



Source: Annual Report of EXIM BANK LTD For 2013

## 2.9: 5 Year Financial Performance Of The Bank (2008- 2012):

Particulars	2009	2010	2011	2012	2013	Growth (%)
Authorized Capital	2500.00	5000.00	5000.00	10000.00	10000.00	100.00
Paid up Capital	1383.81	1798.95	4677.28	5893.37	7130.98	21.00
Reserve Fund	905.33	1223.18	1779.08	2437.43	4079.63	67.37
Shareholder's Equity	2705.74	3564.73	9790.36	11989.11	14050.69	17.20
Deposits	29690.12	38355.50	53882.96	82186.98	118683.39	44.41
Investment	27742.57	36134.08	53582.96	77714.95	106650.42	37.23
Import	32,685.13	34,074.80	55,934.10	76,112.10	71,931.70	(5.49)
Export	20,176.64	23546.10	32,042.40	52,202.10	58,476.60	12.02
Total Income	2955.61	4387.26	5490.60	5123.00	6522.00	25.15
Total Expenditure	2199.43	2859.17	3928.27	1468.00	2119.00	37.39
Profit before Tax	1258.89	1589.24	2852.47	3946.62	3944.10	(0.06)
Profit after Tax	668.23	858.99	1959.04	2198.75	1945.40	11.52
Tax	235.53	590.66	660.57	1519.00	1726.00	11.84
Total Assets	37177.22	48515.79	74005.01	106768.18	149320.36	39.85
Fixed Assets	396.76	466.30	655.39	968.13	2394.62	147.34
Earnings per Share	3.72	2.00	4.14	2.49	2.69	(14.70)
Dividend Per Share (%)	30.00	31.00	25.00	21.00	18.00	(19.05)

Source: Annual Report on 2008, to 2013



## **Chapter-3**

# **General Banking Activities**

### 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 EXIM BANK LTD can be functioned in the following way:

One who want to open an account, he has to fill up an account opening form. This form is a legal contract between the bank and prospective customers. The rules and regulations for opening of an account vary from customer to customer, if he wants to open different types of accounts. First of all various types of customers such as individual, joint, proprietorship, partnership, private limited company, public limited company, associations, clubs, societies, trusts etc. can open their various types of accounts as their requirements which are mentioned below:

### 3.1 Various Types of Deposit Account

EXIM BANK offers following types of deposit account:

1. Al Wadiah Current Deposit (CD)	7. Mudaraba Lakhpoti Deposit Scheme (LDS)
2. Mudaraba Savings Deposit (MSD)	8. Mudaraba Millionaire Deposit Scheme (MDS)
3. Mudaraba Term Deposit (MTDR)	9. Mudaraba Kotipoti Deposit Scheme (MKDS)
4. Monthly Installment Based Term Deposit (ITD)	10. EXIM Monthly Hajj Deposit (MHD)
5. Mudaraba Short Notice Deposit (SND)	11. Pension Deposit Scheme (PDS)
6. Mudaraba Double Deposit (MDD)	12. Mudaraba Double Benefit Deposit Scheme (MDBDS)

And Continuing- EXIM Termed Hajj Deposit (THD), Monthly Installment Based Marriage Savings Investment Scheme (MIS), EXIM Savings Bond, Foreign Currency Deposit (FCD), Cash Waqf Deposit Scheme (CWD), Mudaraba (Special) Pension Deposit Scheme (MSPDS).

### **Al-Wadia Current Deposit**

No profit is payable in current accounts. Current account has advantages over savings account. Advantages are - no such withdrawal limit and overdraft facility. The minimum account opening balance is Tk.2000. The minimum balance must be maintained in the account. The account maintaining fee is Tk.250 and charged twice a year. If the balance falls below Tk.2000, bank will charge minimum balance charge Tk.250 half-yearly.

### **Mudaraba Saving Deposit (MSD)**

In savings deposit account, profit is payable to the customer. The profit for savings account is 4 percent. Profit is calculated on a monthly basis on the lowest balance in the account during the month. Customer can withdraw twice in a week and maximum limit per transaction is BDT.5 Lac and withdrawal beyond this limit requires 7(seven) days prior notice. If the total withdrawal without notice is allowed twice in a week up to 25% of the balance in the account subject to maximum limit of BDT.5,00,000 withdrawal beyond the maximum limit will require 7(seven) days prior notice, failing of which profit will not be allowed for the month in which the withdrawal occurs. Profit rate may be subject to change without notice to customer. Profit will be credited to customers account on half-yearly basis.

The minimum account opening balance is Tk.500. The minimum balance must be maintained in the account. The amount of minimum initial deposit is the minimum balance for maintenance. The account maintaining fee is Tk.500 and charged twice a year. If the balance falls below Tk.500, bank will charge minimum balance charge Tk.250 half-yearly. The bank reserves the right to realize an incidental charge and or/ to close the account without prior notice to the customer(s), if he/she/they fail to maintain the minimum balance.

### **Mudaraba Term Deposit Receipt (MTDR)**

It's a certain period deposited system, which is not repayable before the maturity date of a fixed period. EXIM Bank offers higher rates of profit on such deposits. Usually customers are allowed to open this account for a certain period and the rate of profit in accordance with the terms of the deposit. The features of MTDR as follows:

**Minimum balance: TK 10,000.00**

<b>Month</b>	<b>1</b>	<b>3</b>	<b>6</b>	<b>12</b>	<b>24</b>	<b>36</b>	<b>6Yrs</b>
<b>Profit</b>	<b>12.00</b>	<b>12.50</b>	<b>12.50</b>	<b>12.50</b>	<b>12.00</b>	<b>12.00</b>	<b>Double</b>

### **Installment Term Deposit (ITD)**

It's a sure investment for a steady return. It can be opened for 2, 3, 5, 8, 10, or 12 years for Tk.200 , TK.300, TK.500, Tk1000, Tk.1500 and Tk2000, Tk 3000, Tk.4000, TK.5000. The savings amount is to be deposited any day of the month. If the depositor has a separate account in the bank for which a standing instruction can be given to transfer the monthly deposit in the scheme's account. After 3 years of savings in this schemed the depositor is eligible for a loan up to 80% of his deposited amount.

### **Short Notice Deposit (SND):**

Short Notice Deposit has following attributes:

- 3.5% profit rate against SND.
- No restriction over withdrawal of money
- 5000/- is the minimum balance.

### **Mudaraba Double Deposit (MDD)**

Savings works as the very foundation of development. Savings is the prime source of business investment in a country. So it helps to build up capital. To create more awareness and motivate people to save, EXIM Bank offers Mudaraba Double Deposit. Here people put their money for double return after 6 years.

### **Mudaraba Lakhpoti/Millionaire/Kotipoti Schemes**

#### **Conditions of the Schemes:**

- 1) By filling up a form an account is opened.
- 2) A non-transferable deposit receipt will provide to the customer after opening the account.
- 3) If the deposit is withdrawn before a 5-year term, then saving interest rate will be applicable and paid to the depositor. However, no in profit paid if the deposit is withdrawn within 1 year of opening the account and Monthly Income paid to the customer will be adjusted from the principal amount.
- 4) This scheme will be credited to the loan account until liquidation of the loan amount inclusive of profit. A depositor can avail loan up to 80% of the deposit amount under this scheme.

#### **Mudaraba Lakhpoti Scheme**

For Mudaraba Lakhpoti Scheme 3,5,8,10,12 year's monthly installments are 2,440/- 1350/- 740/- 540/- 420/-/- respectively and will get 1lak.

#### **Mudaraba Millionaire Scheme**

For Mudaraba milliner Scheme 3,4,5,6,7,10,12,15,20 year's monthly installments are 23,200/- 16,400/- 12,700/- 10,020/- 7,820/- 4,500/- 3,330/- 2,120/- 1,175/- respectively and will get 10million.

### Mudaraba Kotipoti Scheme

One can open for 3,4,5,6,7,10,12,15,18,20 years and have to pay (Monthly installment) 2,44,000/- 1,75,300/- 1,35,000/- 108,000/- 88,000/- 54,000/- 41,000/- 28,600/- 20,700/- 16,900/- respectively and will get 1 crore.

### 3.2 Profit Rates Of EXIM BANK On Different Deposits:

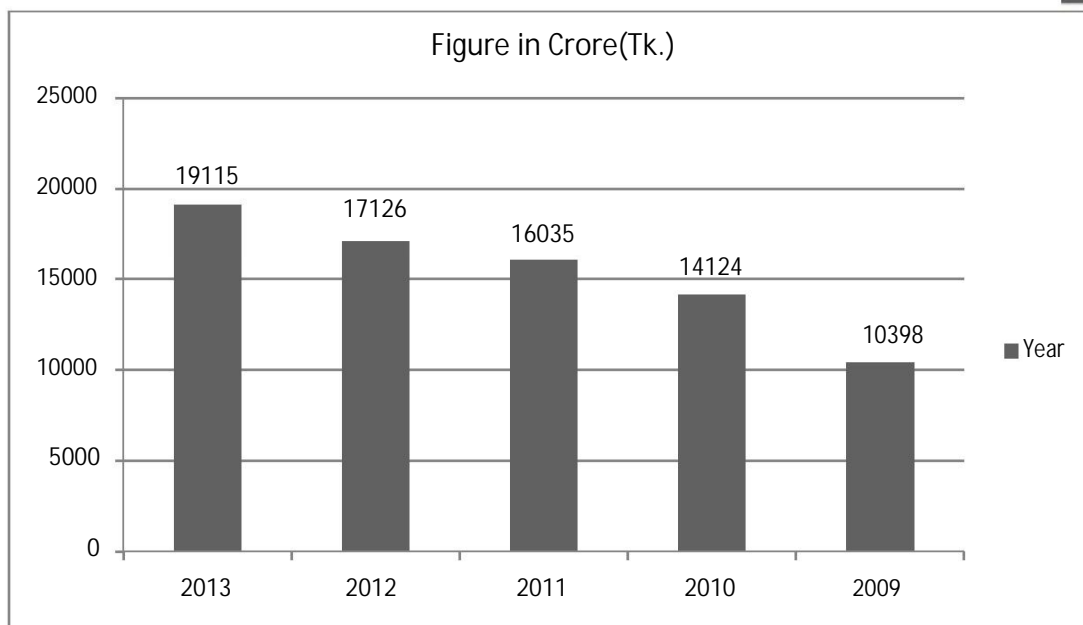
Sl. No.	Account Head/Deposit Scheme	Profit Rate in %
1	Al-Wadiah Current Deposit	Nil
2	Mudaraba Saving Deposit	5.00 %
3	Mudaraba Short Notice Deposit (SND)	4.00 %
4	Mudaraba Investment Term Deposit (ITD)	12 %
5	Mudaraba PTD	12 %
6	Monthly Hajj Deposit	12 %
7	MTDR 36 Months	12.50 %
8	MTDR 24 Months	13.00 %
9	MTDR 12 Months	13.00 %
10	MTDR 6 Months	12.50 %
11	MTDR 3 Months	12.00 %
12	MTDR 1 Month	12.00 %
13	Mudaraba Lakhpoti	12 %
14	Mudaraba Millionaire	12 %
15	Mudaraba Katipothi	12 %
16	Double Benefit Deposit Scheme	12.25 %
17	Special Savings (Pension) Scheme	10.25 %
18	Marriage Saving Investment Scheme (MSIS)	8.25 %

### 3.3 Annual Performance of Deposits

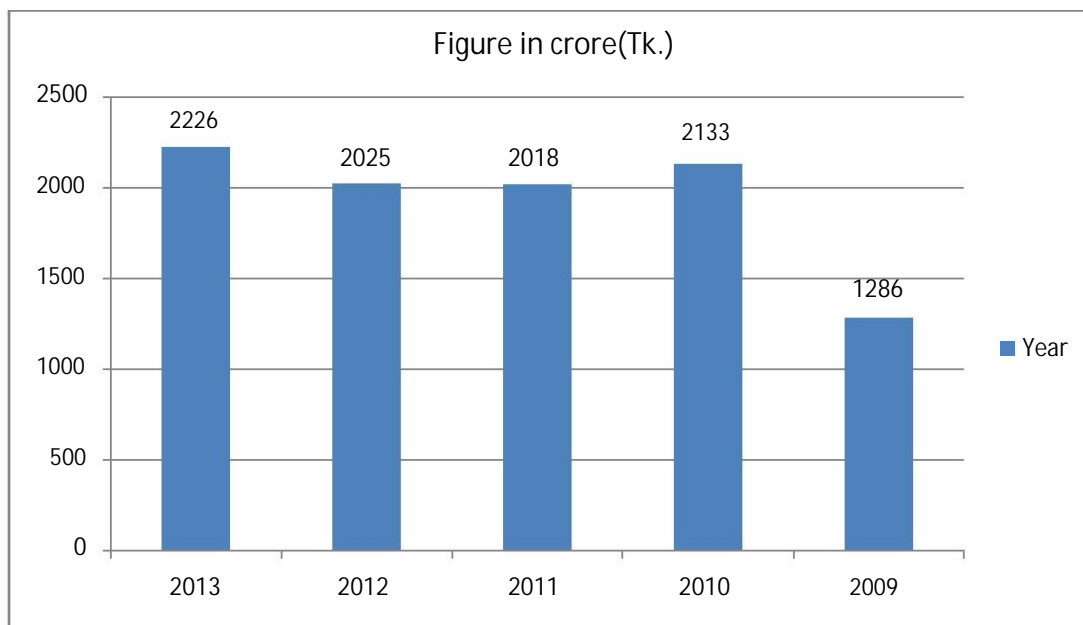
Deposit & Other Accounts	2013 (Tk.)	2012 (Tk.)	2011 (Tk.)	2010(Tk.)	2009 (Tk.)
<b>Al-Wadia Current Account &amp; Others</b>	19115368844	1712,58,72,571	16034778860	14123862646	10398061333
<b>Bills Payable</b>	2225679010	2025057936	2017615472	2133029898	1285541183
<b>Mudaraba Saving Deposits Fixed</b>	24921946124	22921243417	21930644902	19289901104	16509865813
<b>Deposits</b>	92814097206	76320321649	58519629848	43807659277	3160572406
<b>Mudaraba Term Deposits Total</b>	53222103744	37904753384	28972485661	23101555044	17023623597
<b>Deposit</b>	19229919492	156297248957	12747515474	10247183296	7683864098

Source: Annual Report ( 2013)

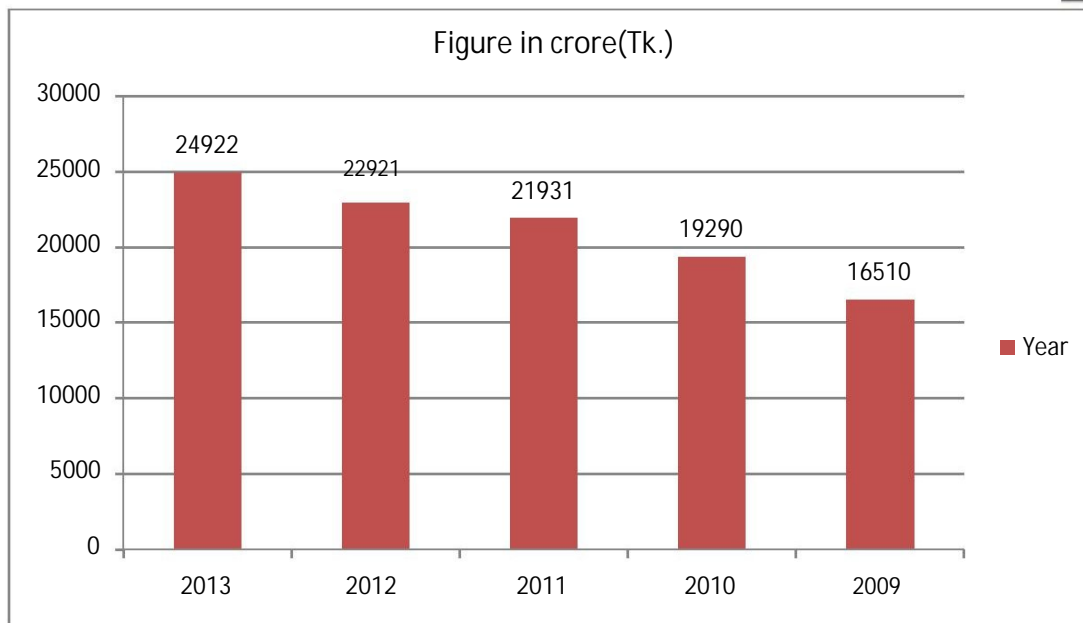




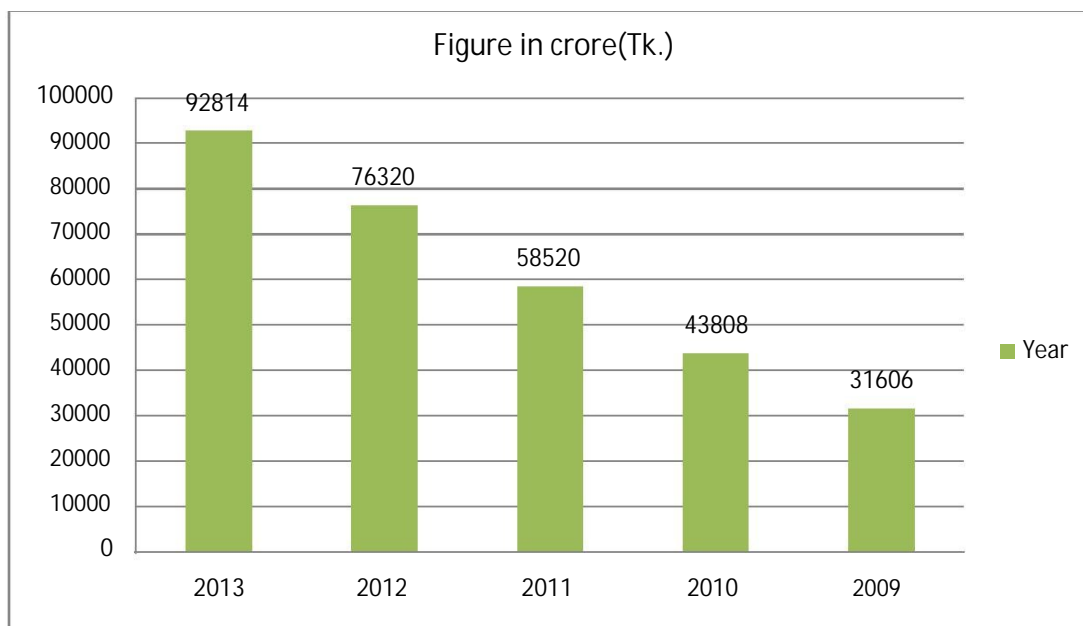
**Al-Wadia Current Account & Others**



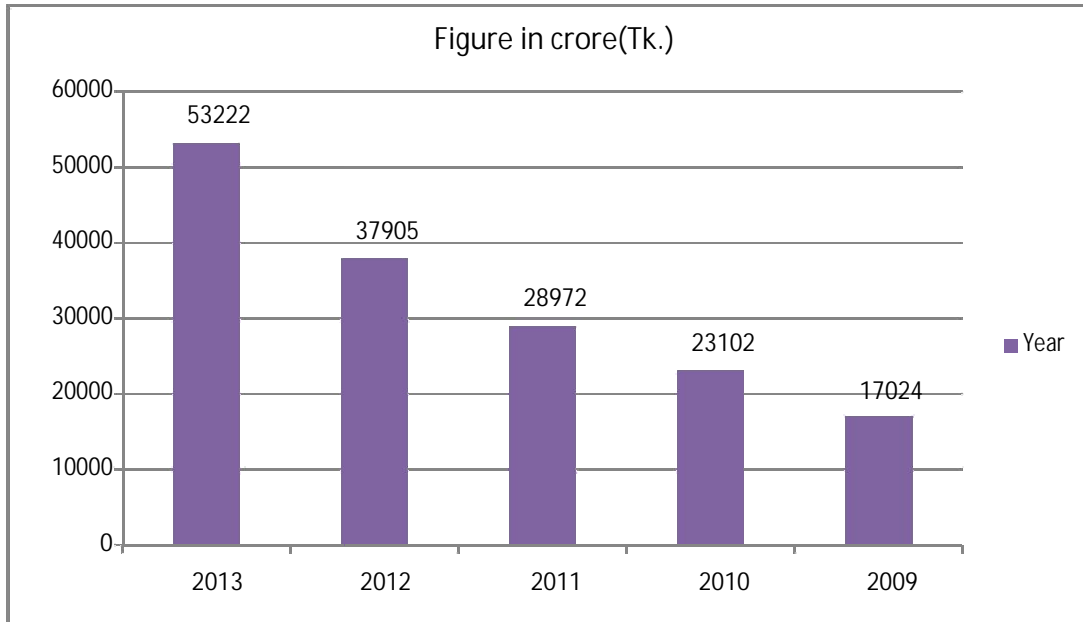
**Bills Payable 2009 to 2013**



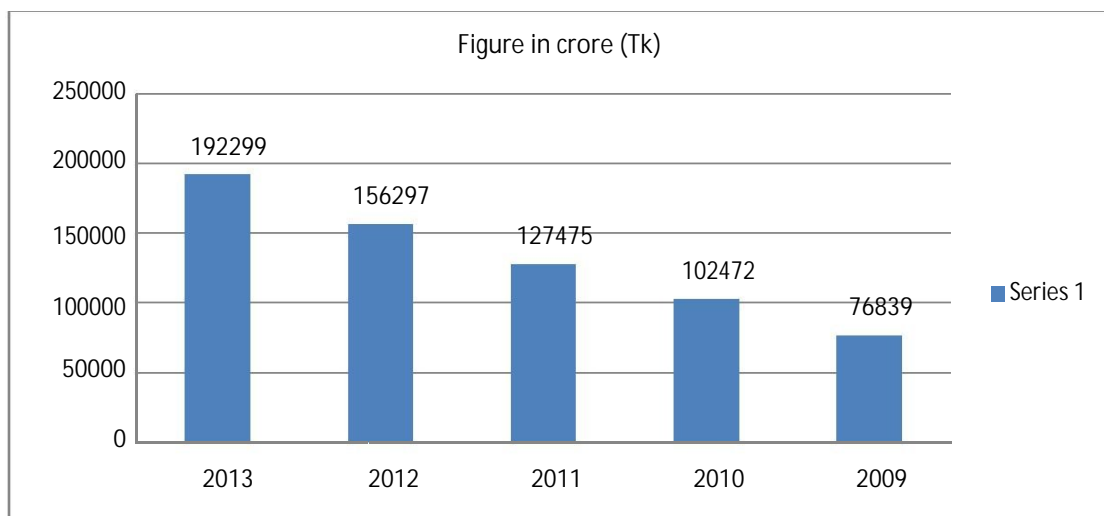
### Mudaraba Saving Deposits



### Fixed Deposits 2009 to 2013



### Mudaraba Term Deposits



Total Deposit figures in graph 2013 to 2009

### 3.4 General Procedure of Account Opening

**Step 1:** Bank provides account opening form to the prospective customer or applicant.

**Step 2:** Applicant fills up the form.

**Step 3:** Application submits the form dully signed by an introducer and along with 2pasport size photo signed by the introducer.

**Step 4:** The authorized officer scrutinizes the application form.

**Step 5:** If they are satisfied, they will open the account.

**Step 6:** They issue deposit slip and deposit must be made it.

**Step 7:** After deposition one checkbook is issued Signature card to verify the signature of the client.

**Step 8:** Bank preserves the specimen.

**Step 9:** Account is opened.

### 3.5 General Procedure of Account Closing

Account closing is also done by account opening section. The customer may close his/her/their account(s) at any time giving notice to the bank. Similarly, the bank on genuine ground may close customer(s) account giving reasonable notice for the action or without any notice if the conduct of the account is not satisfactory to the bank or any reason(s) whatsoever. In either case, bank will realize a closing charge from the customer's account. The usual closing charge is Tk. 300 + 15% VAT. But, the closing charge of account within three months of opening is Tk.500 + 15% VAT.

### **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(s). The customer(s) 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.

### **3.6 Clearing Section**

The main function of clearing section is to operate with safety and security of financial transaction of financial instrument like DD, PO, check etc. on behalf of the customers through Bangladesh Bank Clearing House, Outside Bank Clearing (OBC), Inter Branch Clearing (IBC). This section examines in the following way:

- Whether the paying bank within the Dhaka city.
- Whether the paying bank outside the Dhaka city. Then these checks can be cleared by OBC, OBC stands for Outward bill for collection.
- Whether the paying is their own branch. These checks can be cleared by IBC, IBC stands for Inter Branch Bill for Collection.

### **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 main branch of EXIM Bank Ltd. With issuing an Inter Branch Debit Advice EXIM Bank Ltd.

- 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.

### **Essential elements for Clearing**

There are three essential elements are required for clearing the Instruments:

1. Clearing Seal,
2. Crossing Seal.
3. Endorsement Seal.

### **3.7 Banker's Cheque (BC)**

BC is used only to make the payment of different kinds of bills like utilities bill of the bank.

Some special features of BC are as follows:

- It should be Crossed Cheque and Account Payee Only.
- There is no commission for issuing a pay slip.
- Bank is the maker of the pay slip.
- A revenue stamp is required in case of payment.
- It has two parts; one part belongs to account payee and the other to the bank.

### **3.8 -A Inter Branch Credit Advice (IBCA)**

It is an advice written by originating branch to the responding branch to credit the general account of responding branch for the transaction mentioned on it. IBCA is issued to responding branch to pay. The responding branch makes payment.

### **3.8 -B Inter Branch Debit Advice (IBDA)**

It is an advice written by origination branch to the responding branch to debit the general account of responding branch for the transaction mentioned on it. IBDA issued to collect money from other branch. The originating branch collects money.

### **3.9 Remittance Section**

The word 'Remittance' means sending of money from one place to another place through post and telegraph. Commercial banks expose this facility to its customers by means of receiving money from one branch of the bank and making an easier arrangement for payment to another branch within the country.

### 3.10 Payment Order (P.O.)

Payment Order is a process of money transfer from payer to payee within a certain clearing area through banking channel. It's an order of local payment on behalf of the bank or its constitution. A customer can purchase different modes of payment Order such as pay order by cash and pay order by check.

EXIM Bank Ltd bank charges different amount of commission on the basis of payment order amount:

Total Amount of PO	Commission (Tk.)	VAT (Tk.)
1-1,00,000	20	3
1,00,000-5,00,000	30	5
5,00,000-10,00,000	50	8
Above10,00,000	100	15

### 3.11 Demand Draft (D.D.) & Telegraphic Transfer (T.T.)

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.

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.

### 3.12 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.



### 3.13 Investment (Organization Wide Activities)

EXIM Bank is a new generation bank. It is committed to provide high quality financial services/products to contribute to the growth of G. D. P of the country through stimulating trade & commerce, accelerating the pace of industrialization. In investment operation of the bank is of paramount importance as the greatest share of total revenue of the bank is generated from it, maximum risk is centered in it and even the very existence of bank depends on prudent management of its investment portfolio. The failure of a commercial bank is usually associated with the problem in investment portfolio and is less often the result of reduction in the value of other assets. In view of the above this investment policy and control guidelines of the bank has been prepared which is subject to amendment, revision, readjustment and refinement from time to time as may be warranted by the change of circumstances due to passage of time to suite the requirement of the bank.

Allah has permitted Bai (Buying and selling i.e. trading) & prohibited Riba. Islamic Banks in all its transactions follow the verdict of Al-Qur'an and Sunnah and prohibit Riba in all its operations. The Banks conduct investment portfolio under three mechanism i.e. (1) Bai Mechanism; (2) Share Mechanism (3) Ijara.

## **Chapter-4**

# **Learning's, SWOT Analysis And Findings**

## **4.0 Learning's**

Staying the internship period of 3 months in EXIM Bank Palton 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 Learning's 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, Profit taking, transferring also dealing with different types of customers & situations.

### **4.2 Learning's 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 & stuffs 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.

### **4.3 SWOT Analysis**

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



### **Strengths Of EXIM Bank Limited**

- All activities of the bank are conducted according to Islamic shariah where profit is the legal alternative to interest.
- The bank has earned customer loyalty as organizational loyalty.
- EXIM Bank Ltd. maintains corresponding relationship with many foreign banks so that it is an effective measure for the smooth business.
- Skilled manpower and efficient employees are being involved to meet the clients' satisfaction.
- The amount of deposits is one of the biggest strengths of EXIM Bank Ltd.
- EXIM Bank is always trying to add new and modern equipment.

### **Weaknesses Of EXIM Bank Limited**

- In addition to that a huge number of financial institution working besides commercial Banks of our country. As such their business is becoming more and more vital weakness of EXIM Bank because our financial market is not expanding in comparison with the establishment of new banks.
- The advertising and promotional activities of this bank are up the mark.
- There some officer who work hard but are not appreciated by the authority.
- EXIM Bank has not set up proper network system among branches.
- The bank does not have any research and development division
- Risk Management system is not strong. The bank has already exposed to a variety of risks the most important of which are credit risk, market risk and liquidity risk.
- IT Division is not strong because bank put due importance to utilization of technology-based service to the customers.
- The bank has very few ATM services that need to be increased to attract more clients.

### **Opportunity Of EXIM Bank Limited**

- Favorable business climate for commercial banks in the country in comparison with other business.
- The bank can introduce more innovative modern customer service to better survive in the competition.
- It is high time that they should move towards the online banking system, because some bank already introduces the online banking operations.
- They can also offer the micro credit business for individual and small business.
- Expanding the financial policy with credit facility customer is very secure in business environment.

### **Threats Of EXIM Bank Limited**

- The world is advancing towards technology very fast. Though EXIM Bank Ltd. taken effort to join the stream, it is not possible to complete the mission due to the poor technological infrastructure of our country.
- Local competitors can also capture as huge market share by offering similar products and services provided by the bank.
- Though the innovative working is in contentious process but the other rival banks are coping it within the short time.
- They are carrying out aggressive campaign to attract lucrative corporate client as well as big-time depositor.
- Bangladesh Bank is always supervising the local and foreign banks in Bangladesh and sometimes it is hampering the normal operation of private bank.

#### **4.4 Overall Findings**

- They have not sufficient efficient employees to operate different department in the bank. So they should increase efficient employees in different department.



- Staff meetings and departmental meetings at the branch level does not held or very few which is very essential to develop service quality as well as problem solving. But this practice is very few. So it may create major problem in future.
- The software used by EXIM Bank does not provide adequate support on banking services. It is not user friendly and management should consider replacing it by a more comprehensive banking software.
- They never keep anything pending.
- 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.
- Technology that EXIM BANK LTD is using for their banking system is not up to date. There are some international banks in Bangladesh, they are very fast and very up dated. EXIM BANK LTD is losing their clients because of lack of technology.
- There is a gap between the customers and bankers. Customers are unaware about the moral of Islamic Banking System. Sometimes they are not familiar with the rules of Islamic Banking.
- The EXIM 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.
- Advertising and promotion are the weak points of EXIM Bank Limited. EXIM BANK LTD does not have any effective marketing activities. Other banks have better marketing strategy.
- Some international and local savings bonds give high rate of returns. EXIM BANK LTD does not buy these because it is against the rules of Islamic Banking System.

## **CHAPTER -5**

# **Recommendations And Conclusion**



## 5.1 Recommendations for EXIM Bank Limited

EXIM BANK LTD. needs to consider the following 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 have to spread ATM card system very soon to compete with top ranking banks.
- EXIM Bank Limited has not sufficient number of branches. They should immediately establish more branches in urban areas and rural areas where other banks are enjoying their business.
- Their Online banking needs to be enforced to attract different classes of people.
- Proper Banking software should be used to get best benefit from this department. EXIM BANK LTD should use the latest banking technology to provide better services to the customers.
- Staff meetings and departmental meetings at the branch level must be increased to develop service quality as well as problem solving
- The bank should use effective advertisement campaign to build up a strong image and reputation to the potential customer.
- EXIM BANK LTD should give equal priorities to the female candidates in terms of recruitment.
- EXIM BANK LTD should play a big role in social responsibility. However, they have a library and an English medium school, but which is not sufficient.

If EXIM Bank Ltd, wants to do business in this modern banking field they have to overcome those problems.



## 5.2 Conclusion

Banks have their own unique strategy, which leads to their objectives. Some wishes to grow faster and achieve some long range growth. On the other hand some banks want to lead a quite life minimizing risk and convey an image of a sound bank. EXIM BANK LTD 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.

EXIM BANK LTD 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 EXIM BANK LTD still modern banking technology and employee and employer sincerity may lead to increased profit. The progress of EXIM BANK LTD 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 or 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 EXIM BANK LTD for its future planning and its successful operation to achieve its goal in the competitive environment.

## Appendix: List of Abbreviation

<b>Particulars</b>	<b>Abbreviation</b>
EXIM BANK LTD	EXIM Bank Limited
DD	Demand Draft
PO	Payment Order
TT	Telegraphic Transfer
IBC	Inter Branch Clearing
OBC	Outside Bank Clearing
IBDA	Inter Branch Debit Advice
IBCA	Inter Branch Credit Advice
BC	Bankers' Cheque



## References

### Report, Journal

- Annual Report of EXIM BANK LTD –2008 , 2009, 2010, 2011, 2012,13 published by EXIM BANK LTD.
- “A Journal of Islamic Banking” published by EXIM BANK LTD.

### Publications

- ‘SHARIAH MANUEL’ published by EXIM BANK LTD
- Several Booklets from EXIM BANK LTD
- Several News letters from EXIM BANK LTD

### Website

- [http://www. EXIMbank.com](http://www.EXIMbank.com)