



INTERNSHIP REPORT
On

Foreign Exchange Activities of Janata Bank Limited (JBL)

Submitted To

Rafiqul Islam
Professor

Department of Business Administration
Faculty of Business and Economics
Daffodil International University

Submitted By

Md. Mamunur Rashid
ID No: 171-14-2288
Batch: 46

MBA (Major in Finance)
Department: Master of Business Administration
Faculty of Business and Economics
Daffodil International University

Date of Submission: 12th April, 2018

Letter of Transmittal

12th s April 2018
Rafiqul Islam
Professor
Department of Business Administration
Faculty of Business and Economics
Daffodil International University

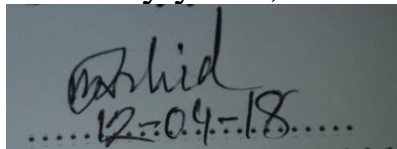
Subject: Submission of Internship report.

Dear Sir,

I am **Mamunur Rashid** a student of Master of Business Administration (MBA) program at your university am going to complete my post-graduation. I am doing my Internship under your supervision. I am presenting to you my assigned report on “**Foreign exchange activities of Janata Bank Limited**” Kawran bazar corporate branch.

I have managed all relevant documents and go through the entire document, collect favorable information analyzed and interpret the information with sincerity to make the report a worthy one. Hope that you would be very delighted to accept my report.

Sincerely yours,



.....

Md. Mamunur Rashid
ID No: 171-14-2288
Batch: 46
MBA (Major in finance)
Daffodil International University

Acknowledgement

I am very much thankful to Allah for giving me the opportunities to complete the project within the timeline. I would like to express my special appreciation and thanks to my advisor **Rafiqul Islam**, a tremendous mentor for me.

I wish to express my indebted gratitude and special thanks to **Md. Aliul Karim, Principal Officer Janata Bank Limited Kawran bazar corporate branch**, who in spite of being extraordinarily busy with his duties, took time out to hear, guide and keep me on the correct path and allowing me to carry out my industrial project work at their esteemed organization and extending during the training. I do not know where I would have been without him.

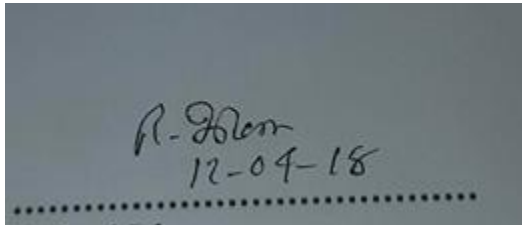
I would like to express my gratitude and thank toward Allah and my all member who encourage and help to complete the report.

I am also thankful to all the personnel who really help me to complete the project. Because I know it was quit impossible to complete the project without all of you.

Letter of Acceptance

This is to certify that **Mamunur Rashid, ID No # 171-14-2288**, a student of Master of Business Administration, Daffodil International University worked under my supervision. His Internship placement is at JBL, Kawran Bazar Corporate Branch. I am pleased to state that he worked hard in preparing this report and he has been able to present a good picture of the concerned organization. The data and findings presented in the report seem to be authentic.

So far I know **Mamunur Rashid** possesses a good moral character and pleasing personality. I wish him all success.

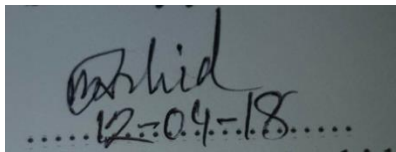
A rectangular box containing a handwritten signature "R. Islam" and the date "12-04-18" in black ink. Below the signature and date is a horizontal dotted line.

.....
Rafiqul Islam
Professor
Department of Business Administration
Faculty of Business and Economics
Daffodil International University

Declaration

I hereby declare that, the internship report on “**foreign exchange activities of Janata Bank Ltd**” includes my own works pursued under the supervision of Rafiqul Islam, Professor, Faculty of Business and Economics, Daffodil International University.

I further affirm that the report is original and no part of this report is taken from other report or book. This report is only for academic purpose.



.....
Md. Mamunur Rashid
ID No: 171-14-2288
Batch: 46
MBA (Major in Finance)
Daffodil International University

Executive Summary

Doing Internship in financial institutions always gives best chance to finance students to apply their knowledge on practical field. Financial institutions have very wide range of activities in the economy of a country. Banks are the most important one in the financial sector as they play a very crucial role for the economy. Banking business mainly maintains flow of funds from depositors to investors. In doing so, banks need to collect deposit from the depositors and then distribute those as loan to the investors. Besides, banks provide assistance in international trade, money transfer, collection and payment of utility and other bills, etc. all of which are fully customer oriented. Therefore, commercial banks are treated as service organizations and their business is largely dependent on the quality of services they provide. Hence, the efficiency and success of commercial banks depend entirely upon the satisfaction of their clients. So the key factor of any commercial bank is the customer service provided by them. This report “General Banking Activities of Janata Bank Ltd” is the picture of quality services provided by one of the well-known state owned public commercial bank of Bangladesh „Janata Bank Limited“. The study covers the following sections:

- To analyze the foreign exchange activities of JBL.
- To identify the problems of JBL
- SWOT Analysis of JBL
- Findings & Recommendations.



TABLE OF CONTENTS

	Contents	Page Number
PREPATORY PART		
	Letter of Transmittal	i
	Acknowledgement	ii
	Letter of Acceptance	iii
	Declaration	iv
	Executive Summary	v

Chapter: One	Introduction	01-04
1.1	Overview of Banking	02
1.2	Nationalization of Banks in Bangladesh	02
1.3	Report Origin	03
1.4	Objective of the Report	03
1.5	Methodology of The Report	03
1.6	Scope of The Report	04
1.7	Limitation of the Report	04

Chapter: Two	Organizational overview	05-10
2.1	Background of The Organization	06
2.2	List of The Branches	06
2.3	Corporate Information	07
2.4	Board of Directors	07
2.5	Management	08
2.6	Function of Janata Bank Limited	09
2.7	Vision	10
2.8	Mission	10
2.9	Objective	10

Chapter: Three	Analysis Foreign Exchange Activities JBL	11-19
3.1	Foreign Exchange	12
3.2	Meaning of Foreign Exchange	12
3.3	Necessity of Foreign Exchange	12
3.4	Activities of Foreign Exchange Division	13
3.5	Regulation for Foreign Exchange	13
3.6	Why Foreign Exchange being controlled	14
3.7	Foreign Exchange Performance of JBL	15
3.8	Risk Management of Exchange Activities	16
3.9	Letter of Credit	16



Chapter: Four	Analysis Import, Export and Remittance Procedure of JBL	20-30
4.1	Meaning of Import	21
4.1.1	Import Policy	21
4.1.2	Import Department	21
4.1.3	Import Procedure	22
4.1.4	Goods are not Importable	22
4.1.5	Types of Import	22
4.1.6	Import Financing	23
4.1.7	Meaning of Export	24
4.2.1	Document used in Export	24
4.2.2	Substantive Documents	24
4.2.3	Auxiliary Documents	25
4.2.4	Registration for the Exporter	25
4.2.5	Formalities and Procedures of Export L/C	26
4.2.6	Meaning of Remittance	26
4.3.1	Remittance Service in JBL	26
4.3.2	Janata Bank LTD Deals	27
4.3.3	Types of Remittance	27
4.3.4	Inward Remittance	28
4.3.5	Outward Remittance	29
4.3.6	Remittance Market in BD	30

Chapter: Five	Import, Export and Remittance Performance of JBL from 2012-2016	31-32
5.1	Import Performance of JBL	32
5.2	Export Performance of JBL	33
5.3	Remittance Performance of JBL	34

Chapter: Six	Analysis, Findings, Recommendation and Conclusion	35-40
6.1	SWOT Analysis	36
6.2	Findings of JBL from my viewpoint	38
6.3	Recommendation	39
6.4	Conclusion	40
	Reference	41



Chapter: One

Introduction

1.1 Overview of Banking

In Bangladesh economy banking system plays a significant role. In recent time banking institutions are essential in modern society. The modern economic functions become meaningless and sluggish without banks. Moreover, for the development of a country financial institutions are highly required. For instants, generating employment, encouragement to the entrepreneurs, promotion of capital and many more things are involvement of banks. In today's World Bank become so important that becomes leading financial intermediary. Banks act as a financial intermediary to mobilize fund from the surplus to deficit economic units. From the early nineties different initiatives have been taken to increase the competition and efficacy of money market, relaxation of unwanted rules and regulation, modification in terms of laws of loan so that the base of the banking system can be established in Bangladesh in such a way that might uphold the economic condition of the country. In recent times in the western countries we can see that the banking system has been undergoing for several factors like deregulation, technological innovation and globalization. Hence unfortunately Bangladesh is not progressing accordingly. After the emergence of Bangladesh, there seems a significant change in the drastic change in the field of banking progress in the age of globalization. Here the banking sector has expanded a lot of things in the last three decades. Though many private commercial banks have been established the major portion of banking business is covered by the four Nationalized Commercial Banks, such as Sonali, Rupali, Agrani and Janata Bank Limited. After the central bank of Bangladesh, Bangladesh Bank, Janata Bank in treated the most important government financial institution in terms of banking facilities. Among all the financial banks under government supervision Janata bank has the largest amount of branches all over Bangladesh. For that reason it is really very much convenient for its consumers to reach Janata bank and deal with their valuable financial activities with the institution. Overall we can say that Janata bank is playing a significant role to improve the socio- economic condition of Bangladesh.

1.2 Nationalization of Banks in Bangladesh

After the liberation war in 1971, Bangladesh government decided to unite the bank authority and accept the socialist pattern to fulfill society's goal. On 26 marches the following year Bangladesh government adopts to nationalize all the banks as an implementation stated earlier. In light of that, there are several bank merged into one which we know today. Some are just renamed like Eastern Banking Corporation and Eastern mercantile bank ltd are now Uttara bank and Pubali bank respectively.

1.3 Report Origin

This report has been ready because an internship reports which is a obligatory condition for winning conclusion of MBA program under Daffodil International University and which aim to return the skilled vision of actual earth working experience and background. This internship report is necessary to present following satisfying 3 months of operational knowledge in an organization as a trainee. This three months internship period has helped me to match my theoretical knowledge with practical understanding. My report is on the foreign exchange activities of Janata Bank Limited. Within this division I include try to see the things what are life form complete in this section of this branch. I had an chance to be familiar with the sensible banking current in Karwan Bazar Branch. The information which has been acquire in my internship period, I have tried my level best to show in this report.

1.4 Objectives of the Report

- To analyze the foreign exchange activities of JBL.
- To evaluate the foreign exchange performances of JBL from year 2012 to 2016.
- To analyze the export and import procedures maintained by JBL.
- To present the major findings.
- To provide some recommendations on the basis of findings.

1.5 Methodology of the Report

The methodology of the study has been planned in the following:

Primary data sources:

- I have discussed with officials about the foreign exchange activities of JBL.
- Unofficial discussion among the customers.
- Direct communication with the clients.

Secondary data sources:

- Annual reports of Janata Bank Limited.
- Web site of Janata Bank Limited.
- Different documents related to Bank
- Periodicals published by Bangladesh Bank

1.6 Scope of the report

Mainly the possibility of this information is confined the analysis the Foreign Exchange Activities of Janata Bank Ltd. Besides this the reports cover of environment, function of presentation on the bank. This report is fully based on the practical knowledge and experience by working and observing the activities done by the officials.

1.7 Limitation of the Report

This is clear that each lesson have a number of limits. This lessons I has complete on huge significance and require me massive work. While conducting I had to face a number of problems. Individuals restraining factor that disadvantaged of my soft works in bank and lastly in prepare this report are:

- This business maintain firm confidentially on their economic and other in sequence.
- It was extremely complex to accumulate in order to different persons of their job restriction.
- Lacking book, publication, details on information pointed of the possibility of a correct study
- As on the bank staff was especially busy, they cannot pay enough point in time.



Chapter: Two

Overview of Janata Bank

2.1 Background of the Organization

“A committed partner in progress” by this slogan Janata bank Ltd one of the states owned profitable bank in Bangladesh. By the end of 2016 the Bank held Deposit BDT 641,819.15 million, Advance BDT 403,037.71 million with Authorized capital BDT 30,000 million and Paid-up Capital BDT 19,140 million. By the Presidency Order of 1972, this bank was established under Bangladesh Bank and got nationalization. Merging United Bank Limited and Union Bank Limited is two private banks the stage group bank above on the country. On 16th December 1971, after the birth of Bangladesh, newly formed Janata Bank get particular services as of management for mass as nationalized commercial bank all over the country. By the raise on accountability and quality of show contained by few years, it becomes one of biggest profitable Bank of Bangladesh and the 912 branch in which 4 overseas branches are at UAE. This bank is connected with 12,939 foreign correspondents globally. Total employees of Janata Bank Limited are approximately sixtin thousands currently. Janata Bhaban, the head office is located at Motijheel commercial area in Dhaka city.

2.2 List of the Branches

Special Corporate -Branch	02
Corporate -1 Branch	28
Corporate-2 Branch	77
Overseas Branch	209
Grade (1) Branch	225
Grade (2) Branch	275
Grade (3)	92
Overseas	04
Total Branches:	912

Figure 1: JBL Branches

2.3 Corporate Information

Name of the company	Janata Bank Limited
CEO & managing Director	Md. Abdus Salam
Legal Status	Public Limited Company
Registered Office	110 Motijheel commercial area, Dhaka,-1000,Bangladesh
Deposit(31.12.2016)	Tk. 641,819.15 million
Authorized Capital(31.12.2016)	Tk. 30,000 Million
Paid up Capital(31.12.2016)	Tk. 19,140 million
Operating Profit(31.12.2016)	Tk. 10,383 million
Reserve	Tk. 32,092 million
Total Asset	Tk.7,78,609.00 million(as on 31th DEC 2009)
Number of Branches	912 Branch Including 4 overseas branches at U.A.E
Subsidiary Company	1. Janata capital & investment company Ltd. 2. Janata exchange company SRI, Italy.
Phone Number	9551337, 956384, 9567675, 9560000, 9560027
SWIFT	JANB BD DH
Website	www.jantabank-bd.com

2.4 Board of directors

Board of Directors, constitute by 10 (Ten) member, has ability to arrange, function and handle its dealings on profitable deliberation the Board strategy of administration. The Directors are representatives from both public and private sectors. Member of the Board together with M.D are management selected out of the least three have the knowledge in the field of Finance, Banking, skill, business, manufacturing and cultivation. The name and position of directors are as under.

Chairman of the board of directors

Luna Shamsuddoha

Members of the board of directors

Mr. Manik Chandra Dey

Khondker Sabera Islam

Mr. Md. Mofazzal Husain

Mr. Masih Malik Chowdhury, FCA, FCS

Mr. A.K. Fazlul Ahad

Mrs. Selina Ahmad

Mr. Mohammad Abul Kashem

Mr. Md. Abdus Salam, CEO & Managing Director

2.5 Management

Janata bank is the largest commercial; bank of the country. It has 912 branches throughout the country and abroad to serve the nation. There are 4 overseas branches at U.A.E. The Head office of the bank situated at Janata Bhaban 110, Motijheel C/A, Dhaka. It has 35GM, 153 DGM, 576 First AGM, 1125 SEO, 3085 EO and 406 AEO. Principal offices are headed by First AGM and each department is headed by AGM.



Figure2: Functional Hierarchies

2.6 Functions of Jananta Bank Limited

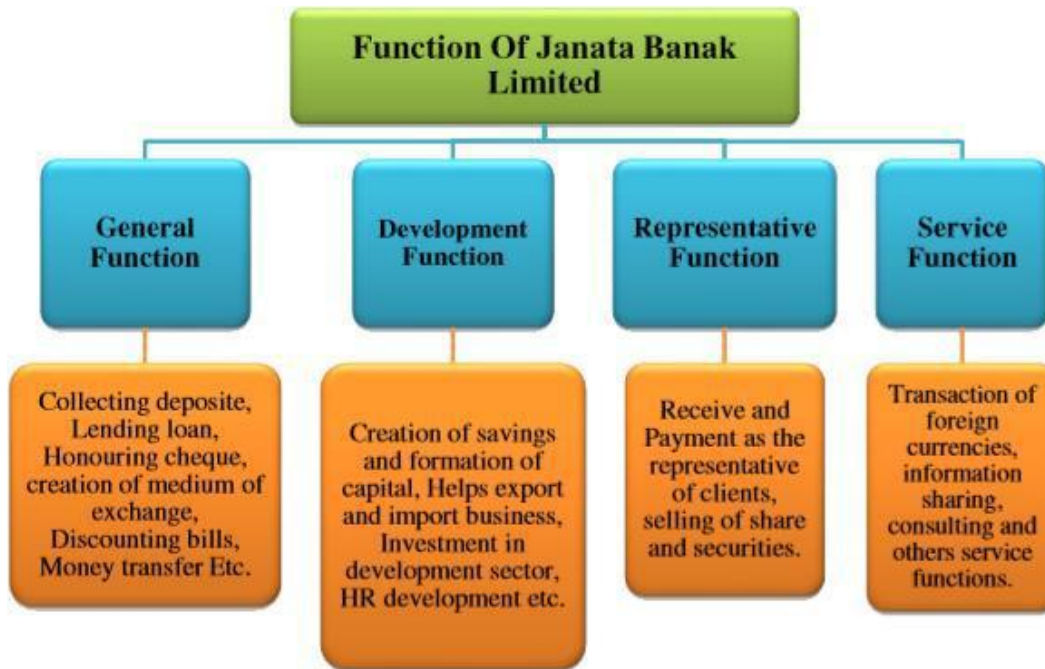


Figure3: Function of JBL

2.7 Vision

To become the effective largest commercial bank in Bangladesh to support socio- economic development of the country and to be leading bank in South Asia.

2.8 Mission

Janata Bank Limited will be an effective commercial bank by maintaining a stable growth strategy, delivering high quality financial products, providing excellent customer service through an experienced management team and ensuring good corporate, governance in every step of banking network.

2.9 Objective

The objective of Janata bank Limited as follows:

- To bear on, handle, take on and carry out of the business of bank all branch.
- Full accomplishment of operation of the Bank's excellence program which aims to provide service to customers.
- To achieve positive Economic Value Added (EVA) each year.
- To be one of the top three Financial Institutions in Bangladesh in terms of cost efficiency.



Chapter: Three

Analysis Foreign Exchange

Activities JBL

3.1 Foreign Exchange

Foreign exchange is an important and integral part of commercial banking. It is very much lucrative and remunerative operation for the bank, if it is conducted systematically and methodically the Foreign Exchange Regulation (FER) Act, 1974 enacted on the 11 March 1947 in the British- India provides the legal basis for regulating receipts and payments and dealing in the foreign exchange and securities. Basic regulations for conducting Foreign Exchange Operation are issued by the Government as well as by the Bangladesh Bank in the form of public notice, circulars etc. From time to time Authorized Dealers in Foreign Exchange should meticulously follow the said circulars and guidelines of Bangladesh Bank.

3.2 Meaning of Foreign Exchange

Foreign Exchange means the exchange of currency in terms of goods includes all deposits, credits, balance payable, drafts, T.Cs, bill of exchange, L/C etc. from one country to another. All foreign exchange transaction in Bangladesh are subject to exchange control regulation of Bangladesh Bank. Among all departments Foreign Exchange department of Janata Bank Ltd is one of the most important.

3.3 Necessity of Foreign Exchange

No country self- sufficient in this world. Everyone is, more or less dependent on other, for goods or services. Say, Bangladesh has cheap manpower whereas Saudi Arabia has cheap petroleum. So, Bangladesh is dependent on Saudi Arabia for petroleum and Saudi Arabia is dependent on Bangladesh for cheap manpower. People of one country are going to abroad for medical service, education etc. thus there is an exchange of foreign currency.

3.4 activities of Foreign Exchange Division

Activities of Foreign Exchange Division can be broadly divided into three parts:

1. Export
2. Import
3. Remittance

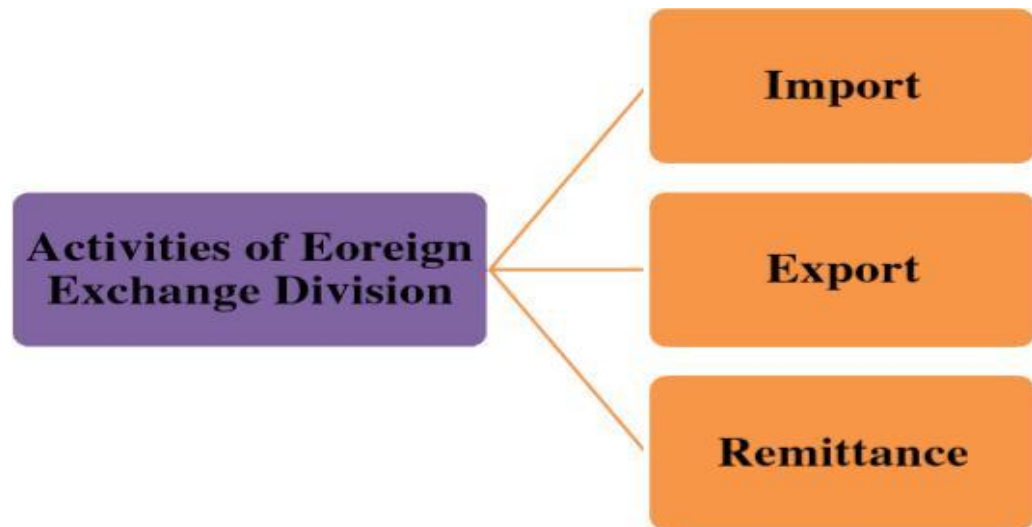


Figure 4: Foreign exchange Activities

3.5 Regulation for Foreign Exchange Division

Foreign Exchange transactions are being controlled by the following rules and regulations:

3.5.1 Local Regulation

- Foreign Exchange act 1047.
- Bangladesh Bank issues Foreign Exchange Circular from time to time to control the export, import and remittance operation.
- Ministry of commerce issue export and import policies giving basic formalities for import and export.
- Sometimes CCI issues public notices for any kind of change in Foreign Exchange transaction.

- Bangladesh Bank publishes two volumes in 1996. These comprise the complete instruction to be followed by the authorized dealers in transactions related to Foreign Exchange

3.5.2 International Regulation

There are some international organizations influencing our Foreign Exchange transactions.

These are:

- World Trade Organization (WTO) is another international trade organization established in 1995. General Agreement on Tariff and Trade (GATT) was established in 1948, after completion 8th round the organization has been abolished and replaced by WTO. This organization has role in international trade, through its 124 member countries.

3.6 Why Foreign Exchange is being controlled

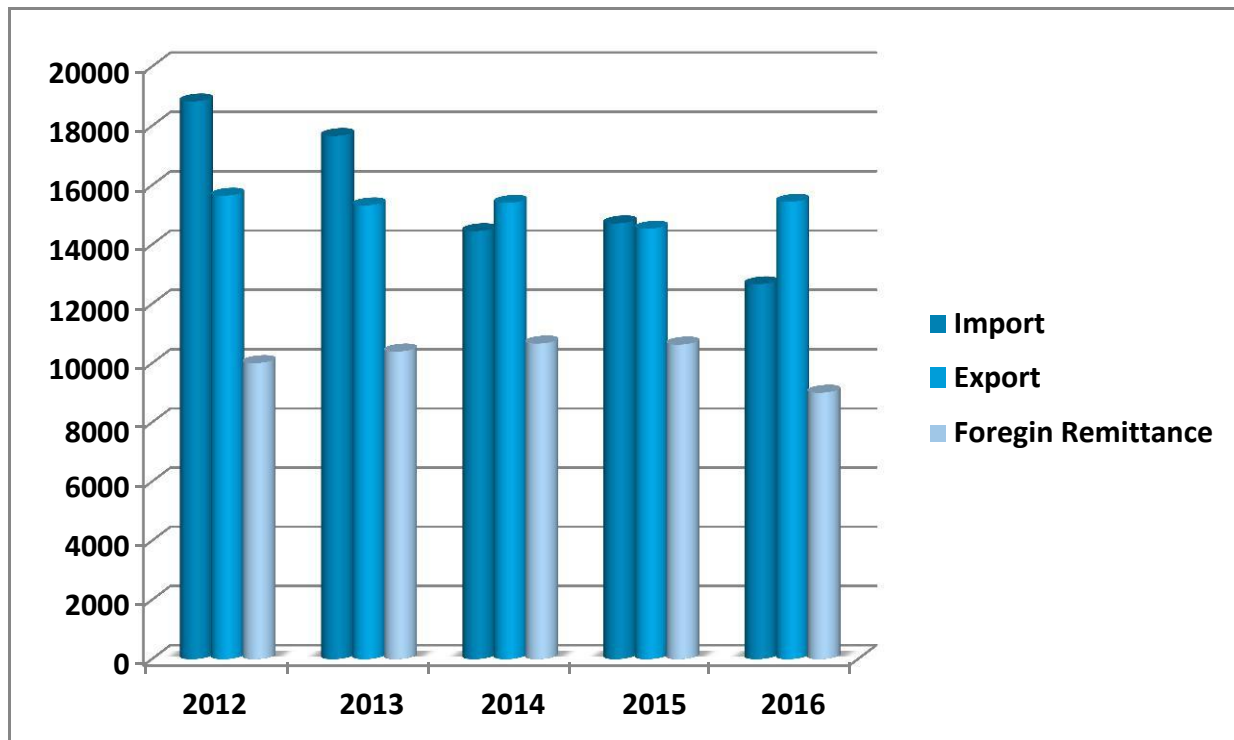
Foreign exchange is being controlled:

- To stabilize the rate of exchange
- To check over invoicing & under invoicing
- To protect domestic industries
- To check the Blank marketing and smuggling
- For protect domestic industries
- To increase the bargaining strength
- For regulation the international movements of goods

3.7 Foreign Exchange performance of JBL

(BD in Corer)

Particular	Year				
	2012	2013	2014	2015	2016
Import	18828	17664	14456	14718	12665
Export	15652	15325	15408	14537	15445
Foreign Remittance	10009	10398	10668	10633	9008



Graph-1: Foreign Exchange performance of JBL

3.8 Risk Management of Foreign Exchange Activities

Foreign exchange risk is risk that a bank may suffer losses as a result of adverse movement in either spot or forward rate or combination of the two, in individual foreign currency. This risk is associated with the transaction involved in import, export, remittance and foreign currency in hand and bank.

TO mitigate the risk involved in foreign exchange business, the foreign exchange dealing operation in Janata Bank Limited is performed through dealing (Front Office), Mid Office and Back Office. The dealers manage market risk, avoid adverse exchange fluctuation, look for better investment of funds, maintain sound liquidity and protect the Bank from any unforeseen loss in the situation of any market volatility.

3.9 Letter on Credit L/C

Letter of credit (L/C) is definite as a “Credit Contract” where by the buyer’s bank is committed (on behalf of the buyer) to place an agreed conditions. L/C is called documentary letter of Credit because the undertaking of the issuing bank is subject to presentation of some specified documents. The Uniform Customs & Practice for Documentary Credit (UCPDC) published by International Chamber of Commerce (1993) Revision Publication No. 500 defines Documentary Credit:

Any arrangement however named or described whereby banks (the issuing Bank) acting at the request and on the instructions of a customer (the Applicant) or on its own behalf:

1. Is to make a payment or to the order of a third party (the beneficiary) or is to accept and pay bills of exchange (Drafts) drawn by the beneficiary, or
2. Authorizes another bank to negotiate against stipulated documents provide that terms and conditions are complied with.
3. Authorizes another bank to effect such payment or to accept and pay such bills of exchange (Drafts)

3.9.1 Types of L/C

Letter of Credit basically divided into two types:

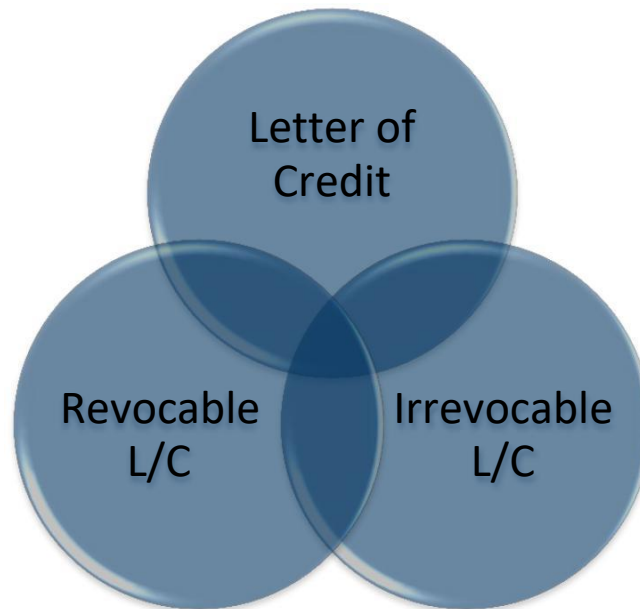


Figure 5: Types of L/C

1. Revocable L/C

Revocable L/C is a credit which can be amended/ cancelled by issuing bank, without prior notice to the seller

2. Irrevocable L/C

Irrevocable L/C is a credit, which cannot be amended or cancelled without the agreement of all parties.

Some Other types of L/C s are:

- Transferable L/C.
- Revolving L/C.
- Restricted L/C.
- Green Clause L/C.
- Back-to-Back L/C
- Confirmed L/C.

3.9.2 Parties involved in the L/C

Exporter (Beneficiary)

Beneficiary of the L/C is the party in whose favor the letter of credit is issued. Usually they are the seller or exporter.

Issuing Bank

It is the bank which opens/issue a L/C on behalf of the Importer.

Advising/ Notifying Bank

It is the bank through which the L/C is advised to the exporters. This bank is actually situated in exporter's country.

Importer / Applicant

Candidate who is referred to as description get-together is usually a purchaser or customer of the goods, who make payment to recipient. Simply the person applies for L/C is called importer..

ReimbursingBank

It is the bank of which the check will be draw. Regularly is the issue bank.

Confirming Bank

It is the bank, which add it is confirmed to the credit and it is complete of the apply for of issue bank. Confirm bank may be advice bank.

3.9.3 Basic procedures for opening Letter of Credit L/C

Within global business location buyer and seller are often unfamiliar to each other. So supplier generally demands agreement of payment of exported commodities. In this situation bank has an important role. Bank give sell abroad promise that will pay for the goods on behalf of the buyer. It agreement is call “Letter of Credit” or L/C. So by letter of credit the agreement among importer and exporter find of official sphere.

The next is the fundamental locate of ladder used in L/C transaction. Specific L/C transaction follows somewhat different procedures.

1. The purchaser issue bank prepares the L/C, counting all of buyer’s instructions to the seller concerning shipment and required documentation.
2. After the buyer and seller agree on the terms of sale, the buyer’s arrange of his bank to open a L/C in good turn of the seller.
3. The purchaser’s bank sends the L/C to seller’s advice bank.
4. The seller’s advising bank forwards the L/C to the seller.
5. The seller’s advice bank review of the papers. If they are in organize, it will forward them to buyer’s issuing bank. If a confirmed L/C, the advising bank will pay the seller.
6. After final terms are agreed upon, the seller ships the goods to the appropriate port or location.
7. After shipping the goods seller obtain the required documents.
8. The seller presents documents to its advising bank along with a draft for payment.



Chapter: Four

Analysis Import, Export and Remittance Procedure of JBL

4.1 Meaning of Import

Simply trade in income buy of goods or services from overseas. Again an trade in is any goods or services bring in to a nation from another nation is a fair and suitable manner, normally for use in trade. Normally clients, firms of management organization import far-off goods or services to gather their different necessities. Main import items are food item, edible oil, fertilizer, petroleum, machineries, chemicals, raw materials of industry, cement clinkers etc. Therefore, in short, we can say that import is current of goods and services purchase by local manager stay in the country from foreign manager stay overseas.

4.1.1 Import Policy

Different import policy:

- Import facility up to \$2000 for actual user (for self-consumption not for sale) without permission.
- Import under L\C, L\C must be irrevocable. Import above \$5000-L\C is required but In the case of perishable items like food upto \$7500 transported by road L\C is not required.
- Some other cases in which do not require L\C, are:
 - Books, Magazines, Publications.
 - Import up to \$5000 in case of payment from Bangladesh. .
 - Import of "International Chemical Conference" by the Pharmaceutical Companies with prior approval Drug Administration.
 - Government sector bodies can import without any license, permit & IRC (Import Registration Certificate)

4.1.2 Import Department

Bangladesh is one of the rising countries in the world. So, like other developing countries Bangladesh Imports largely than it Exports. Imports of goods interested in the Bangladesh are in time by Ministry of trade in the conditions of the trade in- sell abroad Act, 1950, various Import policy orders and also public notice issue from time to time of the Chief Controller of Import and Export (CCI&E).

JBL's foreign exchange business relating to import was Tk. 106330 million at the ends of December 2016.

4.1.3 Import Procedures

Authorized Dealer, banks are all the time dedicated to help trade in of unusual goods keen on Bangladesh from overseas country. Import division, which is below overseas trade division of a bank, is assign to perform this job. And to hand out party order to import goods, it always maintains necessary rules and regulations that together term as “Import process”.

1. On opening, the importer must get Import register Certificate (IRC) from the CCI&E submit the following documents:
 - Positive to date Trade certificate.
 - National and advantage official document.
 - Income tax Identification Number (TIN).
 - Bank of Solvency documentation etc.
2. When of the importer accept in the statement, he/she makes a buy bond with the exporter detail the terms and situation of the trade in.

4.1.4 Goods are not importable

The following types of goods are not importable:

- Maps, chart and environmental globes which point to the region of Bangladesh but do not so in agreement by map available by the section of study,
- Reconditioned office equipment, photocopier, type-writer machine, telex, phone, computer and fax.
- Goods bearing any obscene picture, writing inscription or visible representation.

4.1.5 Types of Import

Mainly there are two types of import:

1. Commercial Import
2. Industrial import

1. Commercial Import:

Importer does commercial import only for trading purpose. These products are finished goods. Such as rice, wheat, soybean oil etc.

2. Industrial import:

Importer does industrial import for industrial use only. These products are raw materials and capital machinery. Such as; raw cotton, Crude oil etc.

4.1.6 Import Financing

There is various method of Import Financing, which is regulated by legal frame work and import policy. These are:

1. Non-Funded Financing
2. Post import (funded) Financing

1. Non- Funded Financing

Letter of Credit constitutes the most important Non-Funded Financing in import trade. There is a very common form of import financing because they provide a high degree of protection for both buyer and seller.

2. Post import (funded) Financing

There are major three forms of funded post import financing offered by the banks.

These are given below-

- a. Payment against Documents (PAD)
- b. Loan against Imported Merchandise (LIM)
- c. Loan against Trust Receipt (LTR)

a. Payment against Documents (PAD)

Payment made by the bank against lodgment of shipping documents of goods imported through letter of credit falls under this types. When importer bank finds documents in order and if there is any discrepancies have which is acceptable by the importer, import bill have to give to foreign bank or exporter bank

b. Loan against Imported Merchandise (LIM)

This is funded credit facility allowed for retirement of shipping documents and release of goods imported through L/C taking effect control over the goods by pledge in god owns under bank's lock and key.

c. Loan of against Trust of Receipt (LTR)

JBL keeps security (such as-land, Building etc) against LTR. Party can replay LTR amount partial. JBL maintains a different ledger account for LTR in which several information have such as date, particular, debit and credit amount, initial, product name, interest amount, loan A/C no, interest rate, mode of payment, expiry date and margin etc. LTR interest rate varies party to party. LTR validity date may be 30 days/ 60days/ 120days.

4.1.7 Meaning of Export

The goods and services sell by Bangladesh to foreign household, businessmen and the administration are call sell abroad. Main export items are readymade garments, frozen fish, vegetables, tea, coffee, spices etc.

4.2.1 Documents used in Export

While a solid sell its goods overseas, it have to organize for every sell abroad delivery be accompany by a variety of papers. Depending of the state to which the goods are being sent, these papers will disagree. But for export we can separate those papers in two types-

4.2.2 Substantive Document

Substantive Documents are given below:

Draft or bill of exchange

Check of Exchange is an implement in symbols contain an absolute order or a permanent determinable prospect time a positive sum of cash only to, or to the order of a firm person or to the carrier of the gadget.

Commercial Invoice

Commercial Invoice is the export firm's invoice, address to the overseas importer telling the goods ship and the total price that it must pay. Though, a number of country need of the commercial invoice to be ready on their possess form. Such forms are called civilization invoices.

4.2.3 Auxiliary Documents

Auxiliary Documents are given below:

Cargo manifest or packing list

While quantity weights or inside of the diversity of the filler bags in an export delivery differ, it is common to organize a divide list for each case representing its contents, weight and capacity.

Consular Invoice

A number of country necessary consular statements. Countries that need a consular statement also need a profitable statement as extra evidence of the particulars of the export consignment.

Certificate of free sale

This record required for pharmaceuticals and certain chemical incoming a figure of countries.

4.2.4 Registration for the Exporter

Into the export policy of Bangladesh any one cannot export goods in overseas. To export goods an exporter needs a suitable Export Registration Certificate from the Chief Controller of Import and Export (CCI&E). Exporters discover an Export Registration Certificate (ERC) number which is slot in on Export form and documents associated for obtain Export Registration Certificate-

- National ID card
- Trade license
- Bank Certificate
- Assets certificate

4.2.5 Formalities and procedures of export L/C

The formalities and procedure of export L/C's are:

Obtaining exports LC:

To get export LC form exporter issued by the importer.

Submission of export papers:

Exporter has to be submitting all essential papers to collect bank once delivery.

Checking of export papers:

Once receiving of the papers banker used to test the papers as per LC terms

Recognition of profits:

This is the time when the issue bank has realize the expense

Reporting to the Bangladesh bank:

As for every instruction by Bangladesh Bank the bank has to report to own section of Bangladesh bank by mention latest imbursement.

4.2.6 Meaning of Remittance

The statement "allowance" originates as of the statement "send" which income to broadcast currency. Within banking terms the word "payment means move of fund one position to a different. What time currency transfer from one state to one more is called "Foreign Remittance?"

4.3.1 Remittance Services in Janata Bank limited

As Janata Bank limited have a wide network operates 872 branches in national and international territory. Recently Janata Bank Ltd. has launched its Speedy Foreign Remittance Payment System which enables beneficiaries to receive their money within shortest possible time. The beneficiary also gets information of remittance through automated SMS. It's a secured, easy, cost effective and speedy way of remittance for the remitter. Janata bank Ltd. has signed an agreement with Western Union Network to facilitate wide range of remittance of the globe. Both the organizations make it possible to receive the money from about 300,000 locations of 200 countries instantly with prevailing mutual mechanism and workforce.

4.3.2 Janata Bank Ltd deals with foreign remittance activities on behalf other money transfer company

Janata bank Ltd. has signed an agreement with:

- i. Western Union Network
- ii. IME Spot Cash
- iii. Placid Express Spot Cash
- iv. Xpress money etc.

4.3.3 Types of Remittance

Followings are the types of remittance:

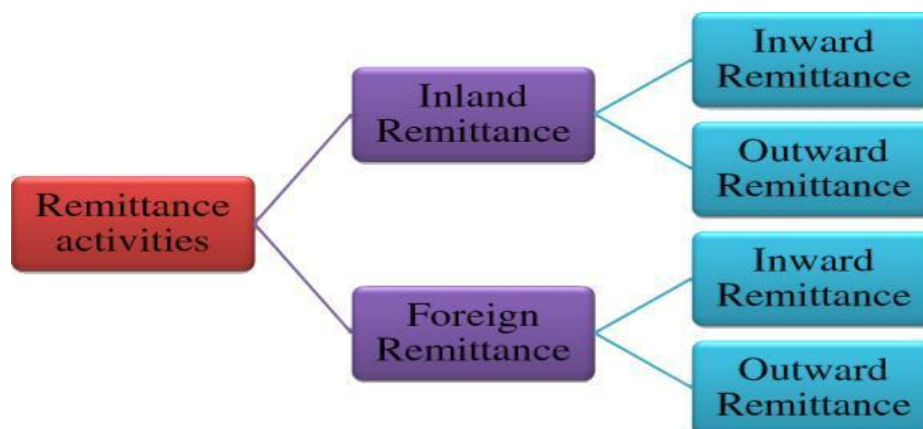
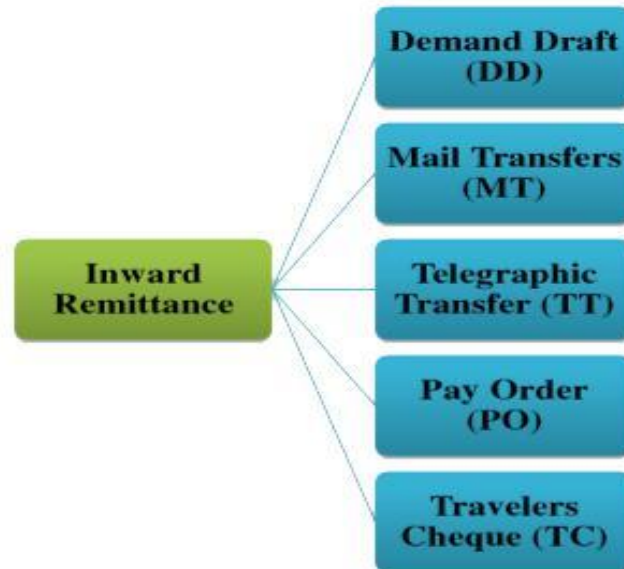


Figure 7: Types of Remittance

4.3.4 Inward Remittances

The term inward remittances includes not only remittances by TT., MT., Drafts etc. but also purchases of bills, purchases of drafts under travelers letter of credit and purchases of travelers cheques. Foreign currency notes against which payment is made to the beneficiary also a part of inward remittances. Thus the following are the Modes of inward remittances:



Demand Draft (DD)

This is an instrument through which customers money is remitted to another person/Firm/organization in outstation (outside the clearing house area) form a branch of one Bank to an outstation branch of the same Bank or to a branch of another Bank (with prior arrangement between that Banks with the issuing branch).

Pay Order (PO)

A pay order is a written under, issued by a branch of the Bank, to pay a certain sum of money to a specific person or a bank. It may be said as to be a banker's cheque as it is issued by a bank and payable by itself.

Mail Transfers (MT)

Mail Transfer is an instrument issued by a remitting bank to the paying bank advising in writing to make payment of certain amount to specific beneficiary.

Telegraphic Transfer (TT)

A Telegraphic Transfer is a method of remittance, which is effected by the banker through a coded telegram attested by secret check signal, on receipt of which, the paying office pay the amount to the payee by crediting his account.

Travelers Cheque (TC)

It is an instrument issued by the Banks/Company.

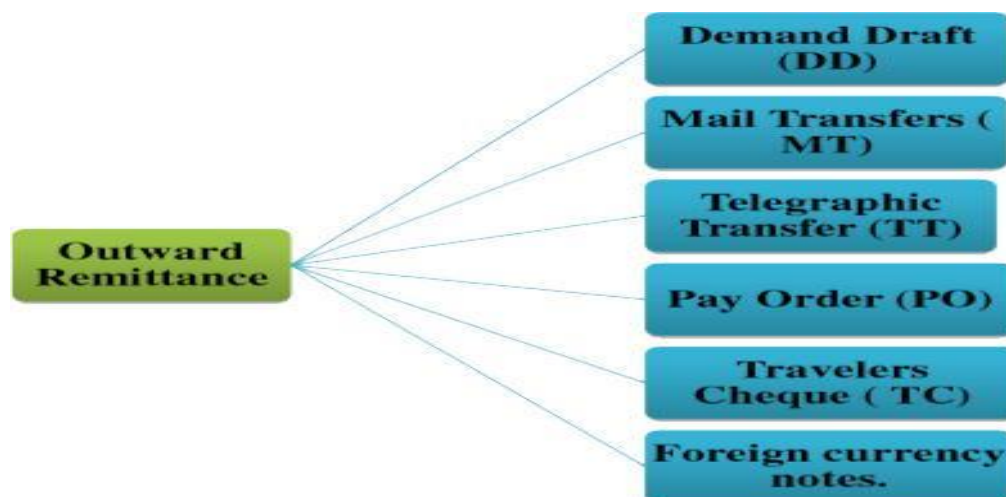
4.3.5 Outward Remittance

Payment as of our country to overseas countries is called outward foreign remittance. But Outward Foreign Remittance is highly restricted by the Bangladesh Government. Only some especial branches can send money from Bangladesh to abroad under Bangladesh Bank's rolls & regulation. In Janata Bank Ltd. following branches are only responsible and involve with outward foreign remittance activities:

- Local Office Dhaka.
- Foreign Exchange Branch,
- Bitul-Mukaram Dhaka.
- Janata Bovon Corporate Dhaka

Mode of outward remittance

Thus the following are the Modes of outward remittances:



4.3.6 Remittance market in Bangladesh

The remittance market of Bangladesh has been showing a steady growth in terms of incoming remittance volume. Considering the current macro-economic indicators it seems that this growth run will continue in the coming years. Central Bank predicts that our annual incoming foreign remittance will touch \$10 billion in the next 3 years. The reasons for such robust growth can be summarized as:

- Stable macro-economic indicators including GDP growth,
 - Steady growth in manpower export specially in the middle east
 - Substantial devaluation of the local currency
 - Rapid urbanization
 - Development of new remittance corridors in Australia and part of Europe and Africa
 - Increased focus of Central Bank and the Government to channel funds through normal channels
 - Increased competition among financial institution to grab market share
 - Aggressive marketing policy adopted by Banks to increase their share of wallet
 - Expansion of branch network of various commercial banks
 - MFIs involvement in channeling remittance funds in remote areas
 - Participation in the UN peace keeping missions
 - Anti-Money Laundering rules and regulations came in force
-

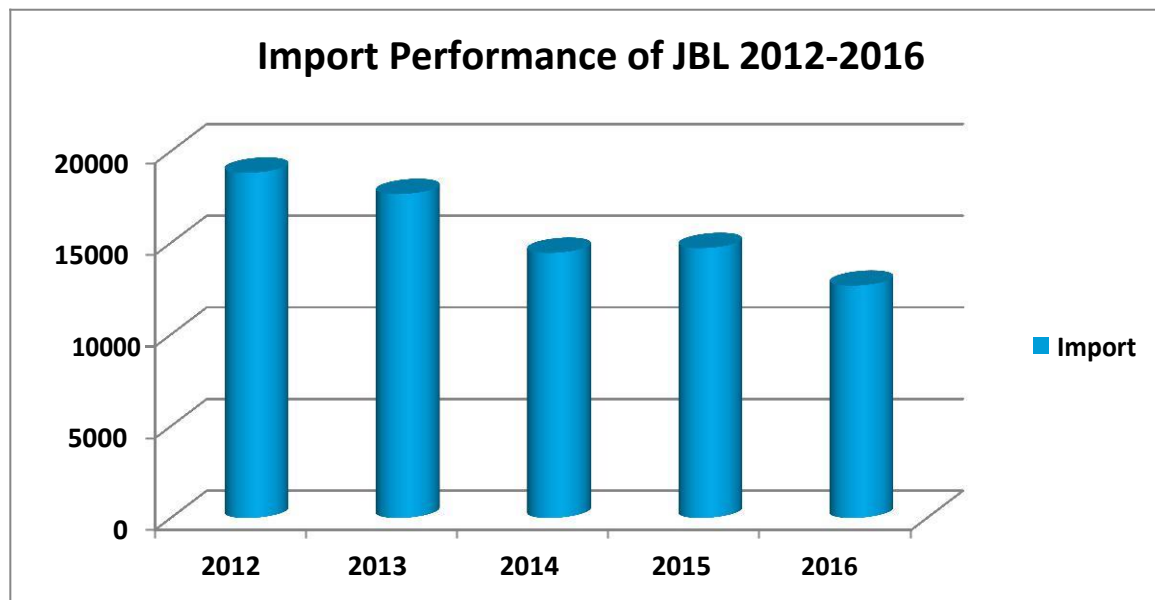


Chapter: Five
Import, Export and Remittance
Performance of JBL
from 2012-2016

5.1 Import Performance of JBL

(BD in Corer)

Achievement from import					
Year	2012	2013	2014	2015	2016
Import	18828	17667	14456	14718	12665



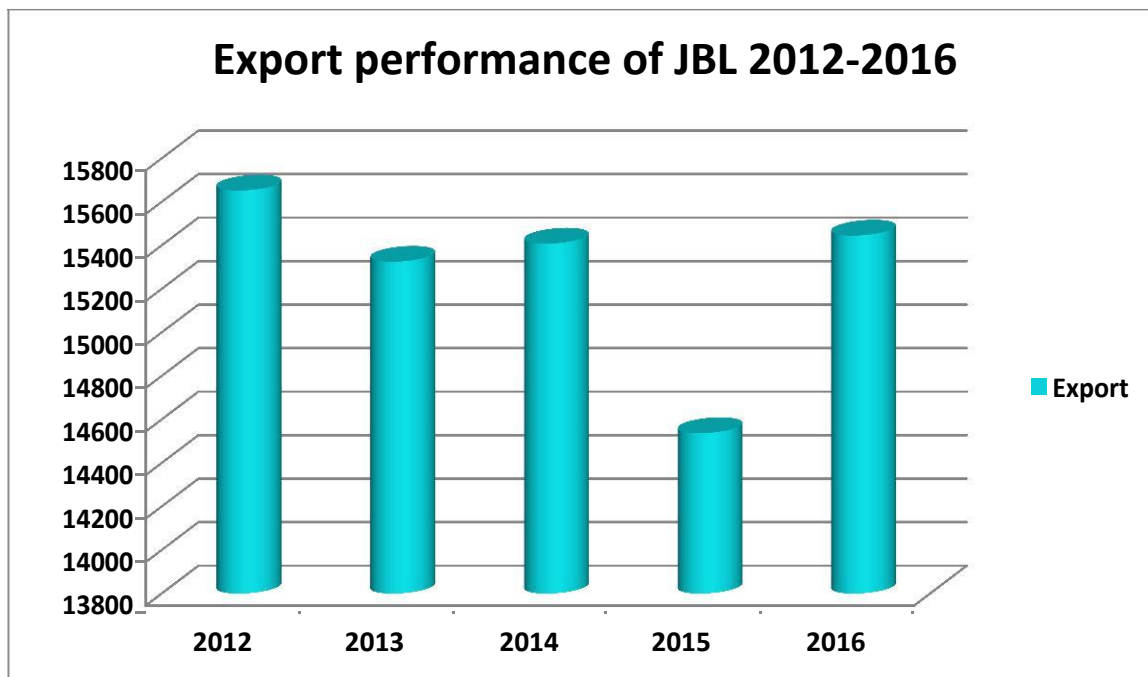
Graph-2: Import Performance of JBL

The graph shows that the import performance of JBL from 2012-2016. In this section TK 1161 corer decreased from 2012-2013 with a negative growth rate of -6.16%. In year 2013-2014 TK 3211 corer decreased with negative growth rate of -18%. In 2015 TK 262 corer increased with positive growth rate of 1.8%. And 2015-2016 TK 2,053 corer decreased with negative growth rate of -13.95%.

5.2 Export performance of JBL

(BD in Corer)

Achievement from export					
Year	2012	2013	2014	2015	2016
Import	15652	15325	15408	14537	15445



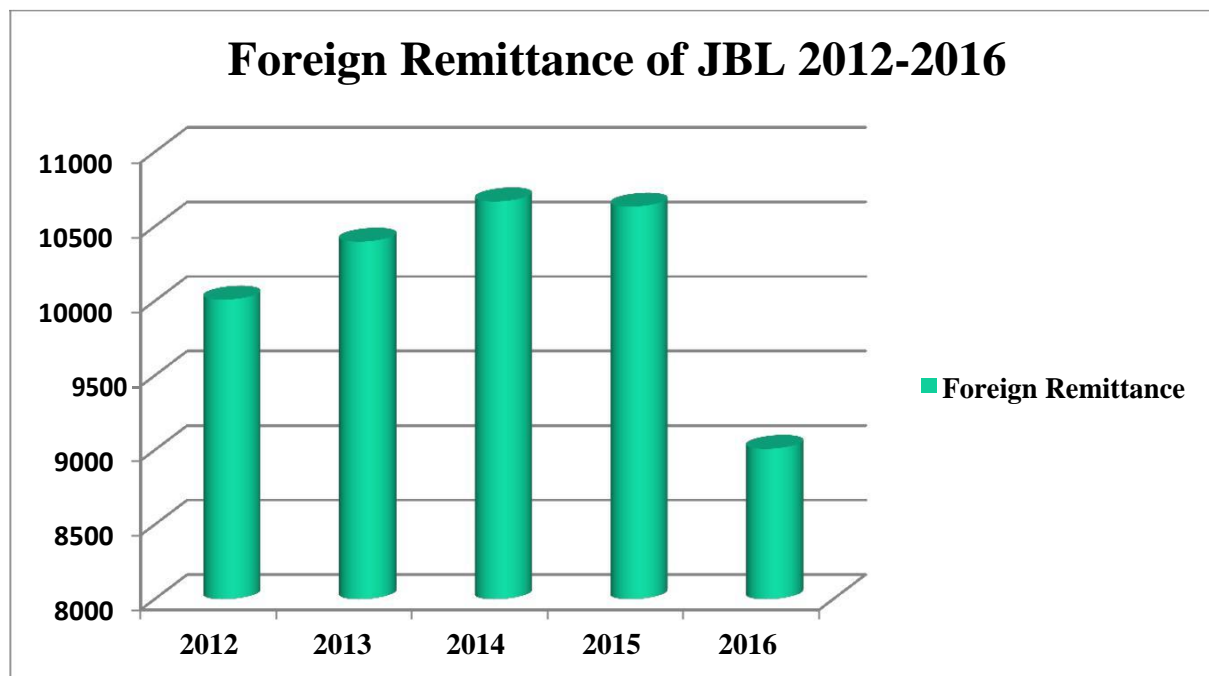
Graph-3: Export Performance JBL

The graph shows that the Export performance of JBL from 2012-2016. In this section TK 327 corer decreased from 2012- 2013 with a negative growth rate of -2.09%. In year 2013-2014 TK 83 corers increased with positive growth rate of 0.54%. In 2015 TK 871 corer decreased with positive growth rate of -5.65%. And 2015-2016 TK 908 corer increase with positive growth rate of 6.25%.

5.3 Foreign Remittance performance of JBL

(BD in Corer)

Achievement from export					
Year	2012	2013	2014	2015	2016
Import	10009	10398	10668	10633	9008



Graph-4: Foreign Remittance of JBL

The graph shows that the remittance performance of JBL from 2012-2015. In this section TK 389 corer increased from 2012- 2013 with a positive growth rate of 3.88%. In year 2013-2014 TK 270core increased with positive growth rate of 2.60%. In 2015 TK 35 corer increased with positive growth rate of 2.59%. And 2015-2016 TK 1625 corer decrease with negative growth rate of -15.28%.

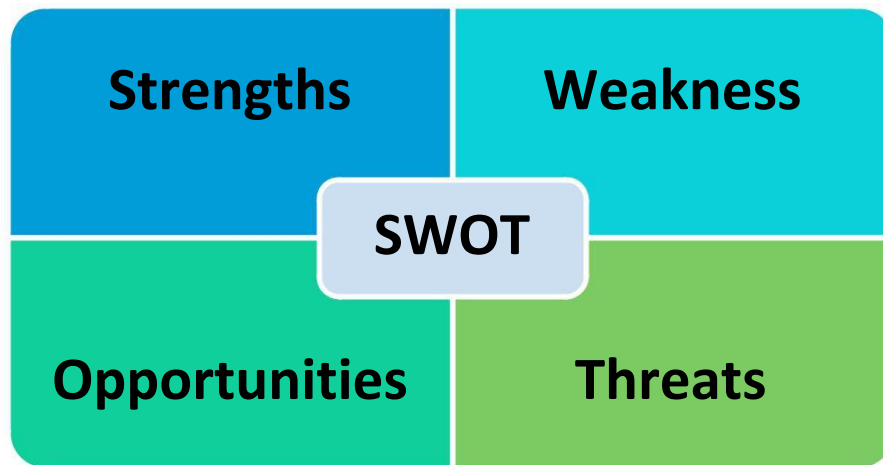


Chapter: 6

Analysis, Findings, Recommendation and Conclusion

6.1 SWOT Analysis

The SWOT analysis comprises of the organization's inside strength and weaknesses and outside opportunity and pressure. SWOT investigation give an business an on the way of what they can do in prospect and how they can struggle by their obtainable competitor live in the same ground and also use in the tactical analysis of the organization.



Strengths:

- Second largest bank of the country.
- Strong financial position and sustainable growth.
- Largest portfolio among public banks.
- Wide network of 912 branches including four overseas branches.
- Well correspondent relations by overseas banks.
- Hold a sound reputation in the banking industries.
- Bank has requisite wealth to sustain in the various challenges of market economy
- Energetic as well as smart team work.
- Speedy Foreign Remittance Payment System.
- Recently Janata Bank Ltd. has gone through an agreement with Western Union

Weaknesses:

- During Foreign Exchange distribution the bank silent use a lot of list for maintain its foreign exchange communication. It is occasion overwhelming and present are plenty of odds used for assembly mistake.
- Lack of formal promotional activity in this sector.
- Lack of motivation for the workers.
- Shortage of trained manpower and logistic support.
- Within a number of gear management-employee family member is not good.

Opportunities:

- The bank will come under complete computerization very soon.
- The bank is going to launch new software to run banking transactions faster and smooth.
- The bank tries to cope with the newer trends of foreign exchange as soon as possible.
- JBL should approach more attractive facilities with clear go ahead.
- Expanding the areas of loan disbursement.
- Within arrange to decrease the business risk; JBL has to get bigger their industry portfolio.
- Business expansions in the capital market.

Threats:

- Upcoming banks.
 - Overall liquidity crisis in money market.
 - Everyday variation of the home money value next to US Dollar.
 - The laws and customs related to the foreign exchange are changing very rapidly..
 - Following calamity and rotting nation picture as exporter.
-

6.2 Findings of JBL from my viewpoint

The bank has more positive sides. But there are also some shortcomings. _____

- Janata Bank Ltd has previously traditional a positive standing on the banking industry in the country.
- The majority of the customers in Janata Bank Ltd are pleased with Foreign exchange service of the bank.
- The bank has wide network of 912 branches including four overseas branches.
- According to the CAMELS rating Janata Bank Ltd is one of the top public banks of Bangladesh.
- The bank does not have sufficient ATM Booth.
- There is a shortage of efficient manpower.
- The bank does not have sufficient training Program.
- The bank has absence of innovative banking products.
- There is a absence of advanced MIS.

6.3 Recommendation

➤ **Apply Modern Banking System**

Computerized banking system and latest communication device are the most important elements for banking sector. So, for the sound and stable banking operation especially foreign exchange operations, JBL has no alternatives but the modernization.

➤ **Set up Information Booth**

The bank should set up query desk/information booth for better customer services.

➤ **Launching ATM Booth**

To survive in the cut throat competition, JBL must step into launching more ATM booth.

It is noted that “delay in service” is one of the problems faced by the clients. Attempts should be made to straighten the banking procedure.

➤ **Develop Web site of the Bank**

The web-site of JBL is not updated. Only a few number of information are given in the site but some necessary information should be given their such as, how to open an account, what are the interest rates of different accounts, information about different products and services.

➤ **Recruitment of Efficient Manpower**

Efficient manpower should be recruited with having strong academic background of the related subjects.

➤ **Clear Mission and Vision**

Employees should properly learn about the mission and vision of JBL, thus will implement their job in that way.

➤ **Enhance the Network of Personal Banking**

JBL should explore the possibility of widening its personal banking network in other countries to tap the inward remittance coming from those countries especially in Middle East countries where from inward remittances come to Bangladesh in plenty.

➤ **Enhance Liquidity**

For security of loan and advances JBL should priority for movable and liquid assets.

6.4 Conclusion

In our country, banks have a leading power to its financial system. Banking sector of Bangladesh consists of several nationalized and private banks. They are doing their activities and highly contribute to the national economy. Among them Janata Bank Limited also makes significant contribution to the economy. With a bulk of qualified and experienced human resource, Janata Bank Ltd can exploit any opportunity in banking sector. It is pioneer in introducing many new products and services in the banking sector of the country. Moreover, in the overall-banking sector, it is unmatched with any other banks because of its wide spread branch networking throughout the country. The bank is performing general banking, Loan-advance, foreign exchange activities etc, as a result they are mobilizing the money and do well for the economy. Foreign Exchange Division is crucial for any bank. A bank's performance largely depends on this division. Foreign Exchange activities have an equal significance to economic growth and development of the country. During my internship in this branch I have found its Foreign Exchange department to be very efficient; therefore this department plays a major role in the overall efficiency & reputation of the Bank as a whole. As being the top class bank of Bangladesh (according to the CAMELS rating), it has a good reputation and faith to exporters, importers of Bangladesh. So through this division the banks are contributing to the interest of the country.

Reference:

- Janata Bank Ltd, Annual Report-2012-2016
- Janata Bank Ltd, website: www.janatabank-bd.com
- Bangladesh Bank Guideline for General Banking
- Different ledger books of the branch.
- Bank Management and Financial Services By Peter S. Rose, eighth Edition
- Financial Markets and Institutions, Jeff Madura.
- WWW. Google.com