

Internship Report
on
General Banking Activities of Export Import Bank of Bangladesh Limited

A Study on Dhanmondi Mohila Branch

Prepared by: Ms. Mafruha Begum

Internship Report

on

General Banking Activities

of

Export Import Bank of Bangladesh Limited

A Study on Dhanmondi Mohila Branch

Supervised by:

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Letter of Transmittal

11 January, 2022

Md. Shahbub Alam
Lecturer
Department of Business Administration
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Sonargaon University (SU)

Subject: Submission of Internship Report on "General Banking Activities of EXIM Bank Limited-A Study on Dhanmondi Mohila Branch"

Dear Sir,

With immense pleasure, I am submitting my internship report of **"General Banking Activities of EXIM Bank Ltd. – A Study on Dhanmondi Mohila Branch"** which was assigned me as a part of my EMBA Program. I have tried my level best to complete this report with the necessary information and suggested proposal that you were provide me as your best as well.

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

Thank you,

Sincerely yours

……

Mafruha Begum

ID: EMBA1503006014

Program: EMBA

Executive Master of Business Administration

Department of Business Administration

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Certificate of Supervisor

I am pleased to certify that the Internship Report on "The General Banking Activities of EXIM Bank Limited – A Study on Dhanmondi Mohila Branch" prepared by Mafruha Begum bearing ID: EMBA1503006014 of the Department of Business Administration is approved for Presentation and Defense. Mafruha Begum worked with "EXIM Bank Limited" as an intern under my supervision. He completed the work during the Fall-2021 semester. I am also pleased to certify that the data and the findings presented in the report seen to be authentic.

Mafruha Begum bears a good moral character and a very pleasing personality.

I wish her all success in life.

……

(Md. Shahbub Alam)

Lecturer

Department of Business Administration

Faculty of Business

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Student's Declaration

I do hereby solemnly declare that the work presented in this internship report named **"General Banking Activities of EXIM Bank Limited – A Study on Dhanmondi Mohila Branch"** has been carried out by me and has not been previously submitted to any university/ college/ organization for an academic qualification/certificate/ degree.

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

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

……

Mafruha Begum

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Acknowledgement

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

I want to thank all the officials of EXIM Bank Limited that were involved. I would especially like to thank Manager and other officers of Dhanmondi Mohila Branch for giving an opportunity of 3 months internship program and when any problem arises, they solved that and all time guided and supervised me friendly. I would like to thank them for giving me the required information to commence this report.

Executive Summary

People and the government itself are very much dependent on the services provided by the various banks in the financial market. Export Import Bank Limited started its journey as a private commercial bank on August 3, 1999.

General banking is the preliminary fact of all the investment processes. It contains new accounts, concern funds, issue bank drafts and pay orders, etc. afford customer through rapid and genuine service. The bank gives the depositors the rate of profit they earn from their operation. This report includes the various kind investment categories under Islamic rules as well. Bank invests the deposit amount for the customer who provides active efforts, energy and time to acquire profit.

The report lists the highlights on the EXIM Bank Ltd. Dhanmondi Mohila Branch. After that, it comes up with the topic general banking operation also my duties and responsibilities with that. Different services offered by EXIM Bank are shown in brief. "EXIM Bank Limited, Dhanmondi Mohila Branch" is shown with SWOT analysis showing its strengths, weakness, opportunity & threats and to conclude recommendation also delivered from my view point.

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CHAPTER-1

INTRODUCTION

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Introduction

In general sense we mean "Bank" as a financial institution that deals with money. There are different types of banks like Central bank, Commercial bank, saving bank, Investment bank, Merchant bank, Cooperative bank etc. But when we use the term bank it generally means 'commercial bank' that collects the deposit from surplus unit of the society and then lends the deposits to the deficit units of the society.

The existence of banking sector is not a new matter, as its existence was long years ago. But the new thing is that how it operates and presenting its activities for the purpose of serving customer requirements to increase their well-being in the sense of wealth. Banks also provide many services for clients to make easy their life in a busy environment. In this competitive environment in today's world, the entire bank increases their facilities in favour of their customers to retain them and capture more share of the market to be leader. Interest is one of the main factors in attracting customers and also one of the significant factors in increasing extra income from providing loans besides other service income. So, it can be said that conventional banking systems are interest-based system.

Bangladesh is one of the largest Muslim countries of the world. The people of this country are deeply committed to Islamic way of Life as it is mentioned in the Quran and Sunnah. But it is not possible for the people to establish and design their economic lives in accordance with Shariah. The very objective of Shariah is to promote the welfare of the people that lies in safeguarding their faith, their life, their posterity and their wealth. In this regard to establish a banking world that run according to Shariah, the concept of Islamic Banking Arise. Its establishment in Bangladesh on 13th March 1983, named Islamic Bank Bangladesh Limited. IBBL was followed by several others including Export Import (EXIM) Bank of Bangladesh Ltd in 1999

Origin of the Study

The internship program is a mandatory requirement for the students who wish to be a EMBA graduate. In the internship program, I was attached to host organization name EXIM Bank Limited.

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This report prepared on my practical experience on the day-to-day banking activities, theoretical experience and under close supervision of my internal supporter as well as my official supervisor.

Rational 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

Objectives of the Study

The main objective of the report was to provide an overview of the "General Banking Activities of EXIM Bank Limited – at Dhanmondi Mohila Branch with fulfilling the requirement of EMBA program. However, the objective behind this study is something broader. Objectives of the report are summarized in the following manner- graduate

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

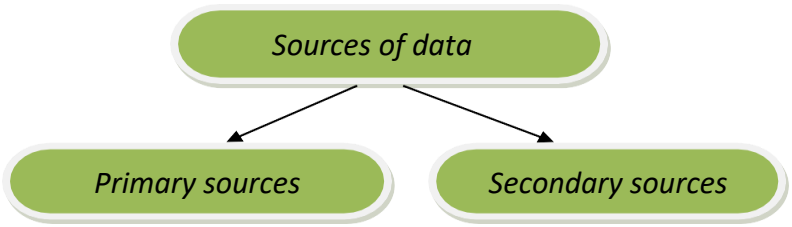
Scope of the Study

This report has been prepared through extensive discussion with bank employees and with the clients. Prospectus provided by the bank also helps to prepare the report. At the time of preparing the report, I had a great opportunity to have an in-depth knowledge of all the banking activities practiced by the EXIM Bank Limited.

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Methodology of the Study

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



Primary Sources:

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 area of the branch.
4. Informal conversation with the client or customers.

Secondary sources:

1. Annual report of EXIM Bank Ltd.
2. Periodical published by Bangladesh bank.
3. Internet is alsoused as the orifical sources of information.
4. Website and newsletters are also used as majorsources.
5. Relevant documents related to the study as provided by the officers of the branch.

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Limitations of the Study

The officers are very co-operative but they are too busy to give me time to get knowledge about practical activities. Moreover, they have to deal in a very competitive environment based on money related activities. I have to prepare this report alone. Every task has some limitations. I faced some usual constraints during the course of my internship. These are as follows:

Short of time:

I had to complete this report writing within a shorter period of time. So, the time constraint of the study hindering the course of vast area and time for preparing a report within the mentioned period is really difficult.

Busy working environment:

The officials had some times been unable to provide information because of their huge routine work.

Lack of sufficient well-informed officials:

Many officials of the branch are not well informed about different systems of EXIM bank. They know but less. I had to face much difficulty to collect this information.

Insufficient data:

Some desired information could not be collected due to confidentially of business.

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CHAPTER-02

COMPANY PROFILE

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Background of EXIM Bank

Export Import Bank of Bangladesh Limited was established in the year 1999 under the leadership of Late Mr. Shahjahan Kabir, Founder Chairman who had a long dream of floating a commercial bank which would contribute to the socio-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. Indeed, all of them proved themselves in their respective business as most successful star with their endeavor, intelligence, hardworking and talent entrepreneurship. Among them, Mr. Nazrul Islam Mazumder who is an illuminated business tycoon in the Garments business in Bangladesh became the Honorable Chairman after the demise of the honorable founder chairman. He is also the chairman of Bangladesh Association of Banks (BAB). Under his leadership, BAB has emerged as an effective forum for exchanging views on problems being faced by the banking sector of Bangladesh and for formulating common policy guidelines in addressing such problems.

The Bank starts functioning from 3rd August, 1999 with its name as Bengal Export Import Bank Limited. On 16th November 1999, it was renamed as Export Import Bank of Bangladesh Limited with Mr. Alamgir Kabir as the Founder Advisor and Mr. Mohammad Lakiotullah as the Founder Managing Director respectively. 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. Under the leadership of Mr. Lakiotullah, the Bank has migrated all of its conventional banking operation into Shariah Based Islami Banking in the year July2004.

In the year 2006, Mr. Kazi Masihur Rahman became the Managing Director of the bank when Mr. Lakiotullah left the bank after completion of his successful 7 years as MD. Mr. Kazi served in the bank for next five years. Under his leadership, the bank has been placed on a state-of-the-art centralized IT platform with two modern data centers where world renowned core banking software TEMENOS T24 is running along with some alternate delivery channels like ATMs and SMS-banking.
On 25th August, 2011, Mr. Md. Fariduddin Ahmed has joined in the bank as Managing Director. With his long banking experience, EXIM Bank become fully compliant Bank with adequate capital and good asset quality. After retirement from Managing Director, he has been continuing his service for EXIM Bank as Advisor since 27th July 2012.

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Dr. Mohammed Haider Ali Miah succeeded Mr. Fariduddin Ahmed on July 25, 2012 and has created a new dimension in EXIM history becoming the first ever in-house Managing director and CEO of the Bank. Under his far-sighted leadership, EXIM Bank has not only achieved uppermost level of performance in almost each arena of its activities but also gained confidence to place itself as one of the dynamic banks through delivering transparent and standard banking services to the customers in a compliant manner.

Mission & Vision of EXIM Bank

The gist of our vision is "Together Towards Tomorrow". Export Import Bank of Bangladesh Limited (Exim Bank) believes in togetherness with its customers, in its march on the road to growth and progress with service. To achieve the desired goal, there will be constant pursuit of excellence in compliance with the Islamic Shariah. We believe the advantages of Islamic economy can best be extended to the people with a technology-driven modern banking system that upholds the Islamic values, and Exim Bank envisages making itself a perfect instance of that kind. The Bank's strategic plans and networking will strengthen its competitive edge over others in rapidly changing competitive environment. Its personalized quality services to the customers with trend of constant improvement will be the cornerstone to achieve our operational success.

The Bank's mission comprises:

- Extracting the full benefit of Islamic banking system for its customers.
- Providing with quality financial services especially in Foreign Trade.
- Maintaining and upgrading a technology-based professional banking environment
- Maintenance of corporate and business ethics and transparency at all levels
- Sound capital Base
- Ensure sustainable growth for the honorable stakeholders
- Fulfillment of corporate social commitments, and
- above all, to add to the national economy

Corporate Culture

Organizational culture is considered as an essential component of business corporations as it has the ability to bind organizational members together. The culture and values of our bank have been proved as a source of competitive advantage for us and are acting as a key component to establish the relationship between the bank and our employees and, in turn, between our employees and our customers. Our culture and values also encourage customers and employees to join us and stay with

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us. EXIM Bank has also been able to improve organizational performance via improving the performance of individual contributors and also recognizes existing talents to fill up the higher vacancies within the organization or place them in the right position, wherein the best use of their abilities can be ensured. Our culture promotes sharing of common goal which ensures harmonious relationship in the working environment.

Eventually the bank also emphasis on

- Provide high quality financial services in export and import trade
- Providing efficient customer service
- Maintaining corporate and business ethics
- Being trusted repository of customers' money and their financial adviser.
- Making its products superior and rewarding to the customers
- Display team spirit and professionalism
- Sound Capital Base
- Enhancement of shareholders' wealth

SWOT Analysis of EXIM Bank

A SOWT analysis has been conducted for EXIM Bank Ltd. This investigation summarizes the keys issues from the business environment and the strategic capability of EXIM Bank Ltd that are most likely to impact on strategy development.

Strengths

- Earned good reputation among customers and regulators within a very short period
- Has grown quite rapidly in all spheres of banking services.
- Gives relatively higher return on deposits in saving schemes than other banks.
- Lending rate is relatively competitive.
- Makes it lending decision with utmost prudence and has a very low level of bad and doubtful loans.
- Service charges are comparatively reasonable.

Weaknesses

- Limited advertising and publicity of bank's products and activities.
- Does not provide proper customer care compared to competitor.
- Lacks experienced competent as well as proficient manpower in some departments.

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Opportunities

- Growth of global economy and Bangladesh's foreign trade in the coming years can provide huge growth opportunities.
- Small & Medium Enterprise (SME) and retail banking can provide good opportunity for growth.
- Online banking facilities can make the operation of the bank more efficient.
- Expansion of banking services into other different services.

Threats

- The macroeconomic situation of the country can deteriorate.
- Government has been controlling industrial credit.

Corporate Social Responsibility of EXIM bank

At least 2% of our annual profit of every year is put aside for the foundation to conduct Corporate Social Responsibilities (CSR) activities. The mainstream CSR activities that are carried out through this foundation are:

- Healthcare service.
- Scholarship program for brilliant poor student
- Education Promotion Scheme
- Helping people affected by natural calamities
- Helping people in slum areas
- Donation to educational institutions to setup computer lab
- Beautification of Dhaka City

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Prime operation area of Exim Bank

Export Import Bank of Bangladesh Limited is one of the full-fledged Shariah Based Modern Islami Banks offering Corporate and Large Investment, CMSME and Agricultural sectors with its 118 branches all over the country. Besides, in accordance with Bangladesh Bank instruction, we have a dedicated Woman Entrepreneurship Development Unit to work with the concept of Financial Inclusion- a vital step undertaken by the government of Bangladesh. In this context, we have a strong and competitive Sustainable Finance Committee as well as a Risk Management Committee of the Board in order to comply with the formalities of Bangladesh Bank. Meanwhile, the bank has already achieved tremendous result in CMSME and agricultural sectors. We also have a number of industrial investments to accelerate large projects and industrial developments. We have successfully invested a large amount of capital in the RMG sector, a very important sector of our economy. In these phenomena, we have taken vigorous steps to achieve a realistic and fruitful result as a whole.

Investment:

- Retail/Consumers investment.
- Micro enterprise investment.
- Small and Medium Enterprise investment.
- Large and Corporate investment.
- Syndicate investment.

Management Committee of Exim Bank

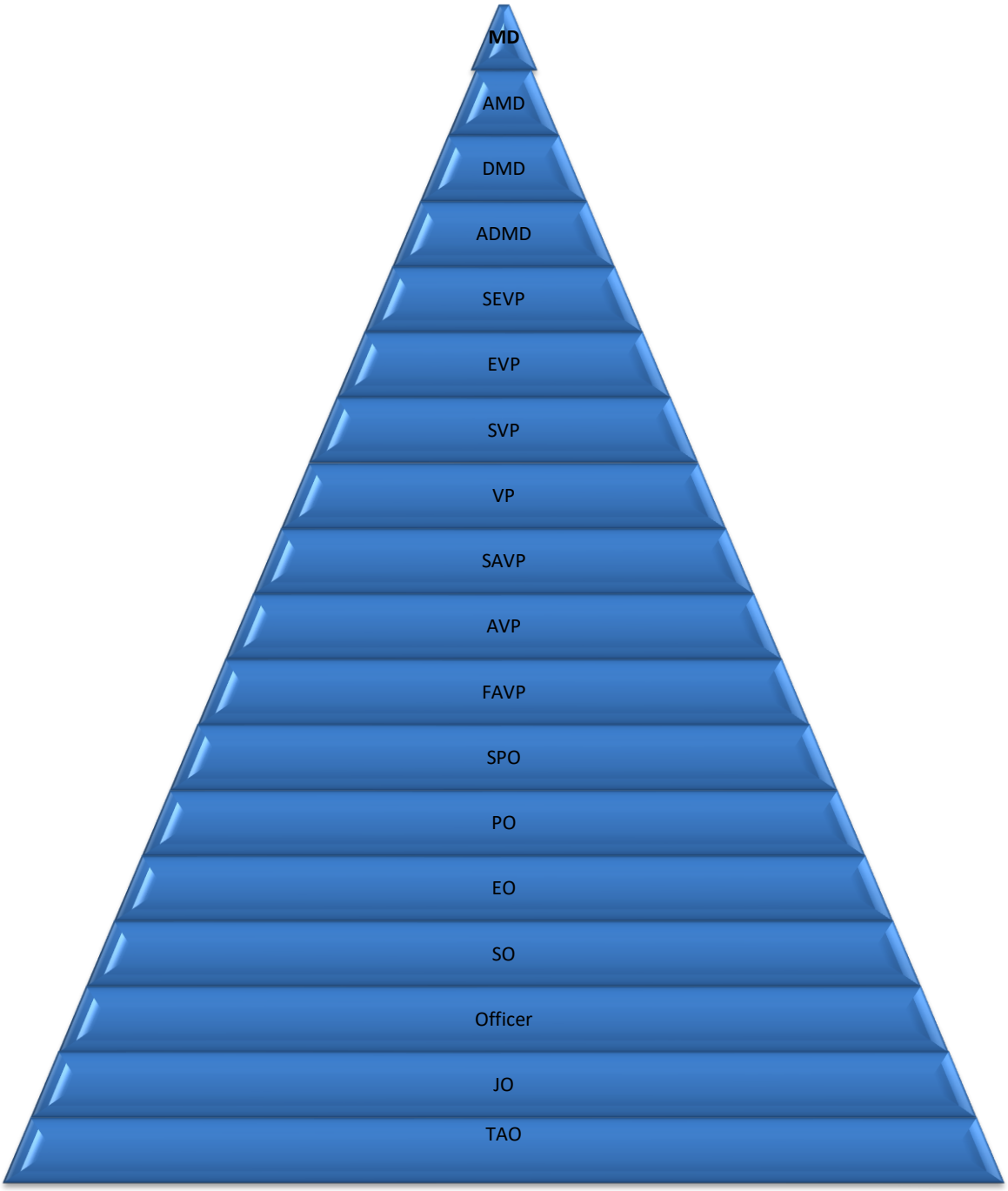
1. Dr. Mohammad Haider Ali Miah. (Managing Director)
2. Mr. Mohammad Firoz Hossain (AMD)
3. Mr. Md. Humayun Kabir (DMD)
4. Mr. Shah Md. Abdul Bari (DMD)
5. Mr. Shaikh Bashirul Islam (DMD)

Subsidiaries of Exim Bank:

- Exim Exchange co. (UK) Limited
- Exim Islami Investment Limited (Merchant bank)
- Exim Finance (Hong Kong) Limited

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Hierarchy Structure of EXIM Bank



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Financial Highlight of Exim Bank:

Sl.	Particulars	2016	2017	2018	2019	2020
1	Authorized Capital	2000.00	2000.00	2000.00	2000.00	2000.00
2	Paid-up Capital	1283.86	1412.25	1412.25	1412.25	1412.25
3	Statutory Reserve Fund	784.64	888.55	972.09	1070.60	1176.01
4	Deposits	24854.04	28402.61	30078.66	35581.65	39530.83
5	Investment (General)	22215.53	25380.34	30503.61	34328.74	39291.97
6	Investment (Shares & Securities Exclude. Subsidiaries)	1606.33	2112.42	2353.14	4208.96	3886.85
7	Foreign Exchange Business	**30546.57**	**33970.12**	**36653.34**	**37791.07**	**34442.90**
	a) Import Business	15393.05	17904.03	18953.04	20080.15	17782.52
	b) Export Business	14750.87	15558.22	17173.13	17065.26	16129.02
	c) Remittance	402.65	507.87	527.17	645.66	531.36
8	Operating Profit	590.33	585.65	686.39	691.99	631.36
9	Investment as % of total Deposit	89.38%	89.36%	* 93.78%	* 89.55%	* 91.14%
10	No. of Foreign Correspondent	390	393	394	396	386
11	Number of Employees	2743	2791	2964	2956	2910
12	Number of Branches	113	118	123	130	131
13	Return on Assets after tax	1.06%	1.02%	0.65%	0.61%	0.61%
14	Return on Equity (ROE)	11.32%	11.80%	8.22%	8.48%	9.33%

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CHAPTER-03

General Banking Activities of Exim Bank

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General Banking

Some common types of works every bank should do to operate the banking business. Although the mode of performing these works differs from bank to bank but all the banks have to do the task. In the banking perspective these types of works are known as general banking. General Banking is the heart of Banking. Here money collection procedure occurs. Other services, like FDR encashment, account transfer; account closing, bills and remittance are provided here. So general banking section is the life blood in banking service. The activities perform through some procedures such as -Dispatch (inward-outward), Deposit, A/C opening and closing, transfer, Cheque book issue, local remittance (payment order, DD, TT) collections- transfer delivery, IBC, OBC, Cash, Vault, packing and handling and evening Banking.

Various Types Deposit Account

EXIM Bank offers following types of deposit account:

Savings Account

- Mudaraba Saving Deposit

Current Deposits

- AL-Wadia Current Deposit

Short Notice Deposit Account

- Mudarba Short Notice Deposit Account

Term Deposits

- Mudaraba Term Deposits
- Mudaraba Education Deposit

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Deposits Schemes

- Mudaraba Monthly Savings Deposit Scheme
- Mudaraba Su-Grehini Monthly Savings Scheme
- Mudaraba Femina Monthly Savings Scheme
- Mudaraba Senior Monthly Savings Scheme
- Mudaraba Monthly Income Deposit Scheme
- Mudaraba Su-Grehini Monthly Benefit Scheme
- Mudaraba Femina Monthly Benefit Scheme
- Mudaraba Senior Monthly Benefit Scheme
- Mudaraba Multiplus Saving Scheme
- Mudaraba Super Saving Scheme
- Mudaraba Hajj Deposit Scheme
- MudarabaDenmohor / Marriage Deposit Scheme
- Mudaraba EXIM Student Saver
- Mudaraba Millionaire Deposit Scheme
- Mudaraba Kotipoti Saving Scheme

Mudaraba Savings Account

To encourage savings habit amongst the general public, bank allows depositors to open savings account. As the name indicates, these accounts are opened for the purpose of savings. There are two types of Saving Account. One is "Single Saving Account" and another is "Joint Saving Account". Minimum amount of Tk. 1000/= is required for opening this type of account and it's charges yearly is Tk.250/=. A depositor shall be allowed to withdraw per week up to 25% of the balance of his account. Weight age of this account is .75.

Distribution of profit to Mudaraba Deposit

The principles of calculation and distribution of profit to Mudaraba depositors are as under: Mudaraba depositors share income derived from investment of fund. Mudaraba depositors do not share any income derived from miscellaneous banking services where the use of fund is not involved, such as commission, service charges, exchange, and other fees realized by the bank. Mudaraba deposits get priority in the matters of investment over bank's equity and another cost-free fund. The gross income derived from investments during the accounting year is, at first, allocated to Mudaraba deposits and equity & cost-free fund according to their proportion in the

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total investment. The share of gross investment income of Mudaraba deposits as worked out in terms of principle shown against serial no 4 is distributed asunder:

- 20% is retained by the bank as management fee for managing the investment.
- 15% is transferred to a reserve fund for setting investment loss or with a view to maintaining a general level of return on Mudaraba deposits.
- The remaining 65% is distributed to Mudaraba depositors applying weightages. The growth rate of Mudaraba savings deposits is increasing day by day.

Al Wadia Current Account

Current account is an account where numerous transactions can be made by the account holder within the funds available in its credits. No profit is paid on those deposits and its yearly charges is Tk.1000/=. Current account is mainly suitable for businessman though nobody is debarred from opening such an account for any purpose. Requirements to open an account are almost same to that of savings account except the initial deposit and the introducer must be the saving or current accountholder.

Mudaraba Term Deposit Receipt

Any adult person (individually or jointly) having sound mind or any institution/organization can open MTDR account with any branch of the bank by depositing at least Tk10,000/- and above but multiple of Tk. 100/- (one hundred). One or more account can be opened in the same name at the same branch of the bank.

Normally, deposited amount of MTDR is not in-cashable before maturity. If any depositor intends to in-cash his/her MTDR Receipt before maturity due to certain unavoidable circumstances, the following terms & condition will come into force.

A. No of profit shall be allowed for premature encashment within 01moth.

B. If the account is in-cashable after completion of any tenure but before maturity, depositor will be entailed to receive full benefit for the immediate completed tenure at the

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provisional rate of profit prescribed there-against. For remaining period, depositor(s) will receive benefit at the provisional rate of profit prescribed for Mudaraba Savings Account.

C. The provisional rate of profit of Mudaraba Savings Account will treat the provisional rate of profit, which was prevailed at the time of opening the MTDR Account. In case of death of account holder(s), the nominee(s) may continue the account till maturity. Investment against lien of such receipt may be allowed up to 90% of amount subject to application of normal terms & conditions of investment of the bank.

Mudaraba Super Saving Schemes (MSSS)

Savings help to build up capital and capital is the principal source of business investment in a country. That is why savings is treated as the very foundation of development. To create more awareness and motivate people to save, EXIM Bank offers super savings scheme.

Terms and Conditions of the Scheme:

- Any individual, company, educational institution, government organization, NGO, trust, society etc. may invest their savings under this scheme.
- The deposit can be made in multiples of Tk. 5,000/-and its multiple amount
- Any customer can open more than one account in a branch in his/her name or in joint names. A Deposit Receipt will be issued at the time of opening the account.
- The Deposit will approximately be double in 6 (six)years

Highlights of the Scheme

Savings will be treated as projected and it will be adjusted after the declaration of profit at the end of the year. The weightage of deposit will be 1.17. Investment against lien of such receipt may be allowed up to 90% of amount subject to application of normal terms & conditions of investment of the bank.

Premature encashment of the scheme:

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- In case of premature encashment before 1 year no profit shall be paid.
- In case of premature encashment after 1 year but before 3 years profit shall be paid at Savings Rate plus0.75%.
- In case of premature encashment after 3 years but before maturity profit shall be paid at Savings Rate plus1.00%.

In case of any unexpected situation:

- In case of death of depositor before the term, the amount will be given to the nominee according to the rules of premature encashment.
- In the absence of nominee, the heirs/ successors will be paid as per succession certificate.
- In case of issuing duplicate receipt the rules of issuing a duplicate receipt of Term Deposit will be applicable. The nominee may, at his option continue the scheme for the full-term.

Quard facility under the scheme:

A depositor can avail quard up to 90% of the deposit under this scheme.

Additional terms and conditions:

Bank reserves the right to change the weight age of deposit & percentage of distribution of Investment Income. At the time of payment, Income Tax shall be deducted upon profit

Mudaraba Monthly Savings Schemes

Monthly savings schemes secure your future with ease. A small savings of today will provide you comfort tomorrow.

Savings Period and Monthly Installment Rate:

The savings period is for 5, 8, 10 or 12 years.

Monthly installment is Tk. 500/-, 1000/-, 2000/-, 5000/-, 10,000/-, 20,000/- 25,000/- or 50,000/-. Deposit will bear the following weightage:

Tenure/Period	Weightage
05 (Five) Years	1.16
08 (Eight) Years	1.17

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10 (Ten) Years	1.18
12 (Twelve)Years	1.19

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Monthly Installment Deposit

- The savings amount is to be deposited within the 10th of every month. In case of holidays the deposit amount is to be made on the following day.
- The deposits may also be made in advance.
- The depositor can have a separate account in the bank from which a standing instruction can be given to transfer the monthly deposit to the scheme account.
- If the depositor fails to make the monthly installment in time, then 5% on overdue installment amount will be charged. The charged amount to be added with the following month(s) installment and the lowest charge will be Tk. 10/- (Taka Ten).

Withdrawal

Generally, withdrawal is not advised before a 5 (five)-year term, but if it is withdrawn before the above term, profit will be paid at savings rate. However, no profit will be paid if the deposit is withdrawn within 1 (one) year of opening the account.

In case the depositor wishes to withdraw between the 5-, 8-, 10- or 12-years period then full profit will be paid for a completed term and savings rate will be applicable for the fractional period.

Quard Advantage

After 3 (three) years of savings in this scheme the depositor (if adult) is eligible for a quard up to 90% of his/her deposited amount. In that case, profit rates on the quard will be applicable as per prevailing rate at that time.

Reasons for disqualification from this scheme

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- If the depositor fails to pay 3 (three) installments in a row, then he/she will be disqualified from this scheme and profit will be applicable as mentioned in withdrawal clause.
- If a depositor fails to pay 5 (five) installments in a row after completion of any one of these terms, then the Bank reserves the right to close the account and profit will be paid as mentioned in withdrawal clause.
- In case of death of the depositor the scheme will cease to function. The amount will be handed over to the nominee of the deceased depositor. In case of absence of the nominee, the bank will hand over the accumulated amount to the successor of the deceased.

Rules

- A form has to be filled at the time of opening the account. Attested photographs are advised.
- The depositor can select any of the installment amounts which cannot be subsequently changed.
- In case of minors, the guardians may open and supervise the account in his favor
- A single person can open more than one account for saving under several installment amounts.
- The accumulated deposit with profit will be returned within one month of completion of a term.
- The depositor should notify the bank immediately on any change of address.
- The government tax will be deducted from the profit accumulated in this scheme.
- If necessary, at the request of the depositor, the scheme can be transferred to another branch.
- The Bank reserves the right to change the rules and regulations of the scheme as and when deemed necessary.
- Income Tax on profit paid shall be deducted at the time of payment.

Mudaraba Monthly Income Scheme (MIS)

- A monthly scheme that really makes good sense. A sure investment for a steady return. Actually, steady money makes your money work foryou
- Proper utilization of savings from stipend, wage earning, retirement benefit and soon
- Higher monthly income for higher deposit

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Formalities of opening an account:

- An account is to be opened by filling up a form.
- The Bank will provide the customer a deposit receipt after opening the account. This receipt is non-transferable.

Highlights of the scheme:

- Minimum deposit Tk. 50,000/- and its multiple amounts.
- The scheme is for a 3 (three)-year period.
- The income is estimated which may be more or less at the year end and accordingly the same shall be adjusted. The deposit will bear 1.15weightage.
- Not less than 65% of Investment Income shall be distributed among the Mudaraba Deposit holders as per weightage.
- Bank reserves the right to change the weightage of deposit & percentage of distribution of Investment Income.

Quard facility:

A depositor can enjoy investment facility (excluding Quard) up to 80% of the deposited amount under these schemes complying investment norms of the bank. In this case, profit, will be charged against the investment facility as per Bank's norms. During the tenure of the investment, the Monthly Income will be credited to the investment account until liquidation of the invested amount inclusive of profit.

Premature encashment of the account:

If the deposit is withdrawn before a 3 (three)-year term, then saving rate plus 0.75% of profit will be applicable and paid to the depositor. However, no profit will be paid if the deposit is withdrawn within 1 (one) year of opening the account and monthly income paid to the customer will be adjusted from the principal amount.

Additional terms and conditions:

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Applicant must open/have an Al-Wadia CD or Mudaraba SB A/C with the branch in which monthly income will be credited automatically.

Account Opening Procedure

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 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:

Individual Account

If individual wants to open an account than introduces must be needed to open current account and savings account, which has a current account or savings account in the bank. The introducer must be signed in the passport size photographs. Individual must be submitted his/her certificate of Word Commissioner or the photocopy of the Passport.

- Photograph of the nominee.
- Signature of the nominee.
- TIN Certificate (if cash transaction exceeds TK. 5.00 lakh only.)

Joint Account

This account can be opened by 2 persons or more than 2 persons and each person should fulfill the requirements of individual account. The holders should mention the mode of operation. Here the account holders must declare how they operate their account that means "how many signatures will be needed for a check clearing.

Sole Proprietorship Account

- Two copy of color photograph attested by the introducer. Photocopy of Word Commissioner Certificate or passport. Up to date trade license & Rubberstamp.
- The form of sole proprietorship declaration of EXIM Bank must be tilled up. Photograph of nominee.
- Signature of nominee in the nominee declaration form.
- TIN Certificate

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Partnership Account

Partnership account is as like as joint account it needs-

- Introducer
- Two copy of color photograph attested by the introducer. Must be submitted a copy of partnership deed.
- Photocopy of Word Commissioner Certificate or passport. Up to date trade license & Rubberstamp
- The partners also fill up the partnership letter of EXIM Bank with their name and signature.

Public or Private Limited Company

- Introducer
- Two copy of color photograph attested by the introducer Board of.
- Certificate of Incorporation.
- Certificate of Commencement (in case of public limited company).
- Certificate copy of memorandum of association & articles of association attested by the Chairman or Managing Director.
- Photocopy of Word Commissioner Certificate or passport. Up to date trade license & Rubberstamp.
- List of Directors with designation &signature.
- Certificate of registration (in case of insurance companies) obtained from Department of insurance republic of Bangladesh Government.
- TIN Certificate.

General Procedure of Opening Account

Step1: 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 along with two copies of photograph.

Step 4: The authorized officer scrutinizes the application form.

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

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Step 6: They issue deposit slip and deposit must be made for first time against the new account number.

Step 7: After deposition one check book is issue.

Step 8: Bank preserves the specimen signature card to verify the signature of the client. Step 9: Account is opened.

Clearing Section

As far safety is concerned customers get crossed Cheque for the transaction. As we know crossed Cheque cannot be encased from the counter rather it has though been collected through banking channel i.e., Clearing. A client of EXIM Bank received a Cheque of another bank, which is located within the clearing range deposit, the Cheque in account at EXIM Bank New EXIM Bank wills not the money until the Cheque is honored.

Transfer Delivery

Transfer delivery is a cheque collection procedure among internal branches within the Clearing House. When a cheque is of a Branch Office is deposited to another Branch Office, then collecting branch on that date sends that cheque to their Local Office, sends that cheque to that respective branch and takes necessary action for honoring cheque.

If the cheque is dishonored then authorized branch send the cheque to the local office and Local Office send that cheque to the collecting branch on the collecting date. Here Clearinghouse function is not required because transactions occur among the same branch of same Bank within the Clearing House.

Outward Bills for Collection (OBC)

Customers deposit Cheque draft etc. for collection attaching with their deposit sleep. Instrument within the range of clearing arc collected through local clearing house but the other which are outside the clearing range are collected through OBC mechanism. A customer of EXIM bank principal branch local office Dhaka is depositing a Cheque of Sonali bank Cox's-Bazar. Now as a collecting bank EXIM Bank principal branch will perform the following task.

1) Received seal on deposit slip.

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2) EXIM Bank local office principal branch crossing indicating them as collecting bank.
3) Endorsement give payees A/C will be credited on realization.
4) Entry on register from where a controlling number is given.

Collecting bank can collect it either by its branches of by the drawer's bank they will forward the bill then to that articulate branch. OBC number will be given on the forwarding letter.

Inward Bills for Collection

In this case bank will work as an agent of the collection bank branch receives a forwarding letter and the bill. Next steps are:

5) Entry in the IBC register, IBC number given.
6) Endorsement given- "our branch endorsement confirmed".
7) The instrument is sent to clearing for collection.
8) Miscellaneous creditor A/C.

Now following procedures will take place in case of the following two cases.

Debit Transaction

When some cheques or any sort of financial instrument of another branch are deposited in a branch and this branch pays those instruments on behalf of authorized branch, issues an IBDA to that branch and these transactions are recorded in the Debit side of IBG A/C.

Responding Branch**:** When a branch responds against an IBCA or an IBDA that branch is called Responding Branch.

Credit Transaction

Cheques are deposited for payment in a branch that branch sends those cheques or other financial instrument to Clearing House for clearing. After clearing those cheques or financial instruments collecting branch makes payment against those financial instruments, before paying this branch as Originating Branch sends an IBDA to the Authorized Branch/Responding Branch.

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If those financial instruments are dishonored then respective parties are not paid and authorized Branch/Responding Branch again sends an IBDA to the Originating Branch. These returned financial instruments advice are recorded in the Credit side of the IBG A/C.

Outward Clearing Procedure

1) Receipt of instrument with paying in slip
2) Checking of instrument & paying in slip.
3) Affixing of seal
4) Special Crossing seal.
5) Clearing Seal (Instrument & Paying in slip)
6) Endorsement Seal with signature.
7) Singing of counterfoil and returning it with seal to the depositor.
8) Separation of instrument from paying in slip.
9) Sorting of instrument bank wise and branch wise.
10) Preparation of schedule- branch wise.
11) Preparation Bank wise schedule.
12) Preparation of clearing House sheet.
13) Tallying of totals of paying in slips with the totals of Clearing House sheet.
14) Making of entries in Clearing Register (Outward)
15) Preparation of vouchers.
16) Sending of instruments to main branch with schedule.
17) Collection of credit advice from Main Branch.

Cheque

A cheque is a very important document. Cheque is an instrument in printed form containing an unconditional order, signed by the account holder directing a certain person to pay a certain some of money only to or to the order of a certain person or to the barer of the instrument. A cheque is always supposed to be drawn against the funds in the party's account in the bank. It may be crossed for safety.

Issue of a Cheque Book

The in charge of the departmental stocks of Cheque books will get to know and allow entering the DCBIR (Departmental Cheque Books Issued Register). Separate foils in the register are allotted

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for CD accounts Cheque Books of 25, 50 and 100 leaves and SB account Cheque Books of 10 leaves. At the time of opening of an account, the customer is required to sign a Cheque Book Requisition Slip (No. SF-73). If the account opening form is found complete in all respects, a Cheque Book is issued to the client.

The account number is written in each leaf of the Cheque Book and in its requisition slip. The name and account number of the customer is also entered in the DCBIR against the particular Cheque Book series and it is also recorded in the computer. The requisition slip should be preserved as Vouchers

Remittance:

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. EXIM Bank sells and purchases PO, DD and TT to its customers only. It does not offer remittance service frequently to those other than its customer.

Pay Order

This is an instrument issued by the branch of a bank for enabling the customer/ purchaser to pay certain amount of money to the order of a certain person/ firm/ organization/ department/office within the same clearinghouse area of the pay order-issuing branch. Pay order has different characteristics:

- The issuing branch and the paying branch are same.
- Application for payment within the clearing house area of the issuing branch. This may be open or can be crossed.
-

Demand Draft

Demand Draft is many popular instruments for remitting money from one corner of country another. The instrument is basically used for transfer and payment. Difference between pay order and demand draft is in terms of place only. PO is used for remittance money within the city

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whereas DD is used for within the country DD too, constitutes current liability on the part of a bank. At EXIM DD is not sold to people other than its customer.

It may be paid in cash to the payee on proper identification or the amount may be credited to his account. EXIM Bank charges commission for DD is 0.15% of the principal. The VAT is 15% of the total amount

Cash Section

Procedure of cash receipt

While receiving cash the receiving cashier should see that the paying in slip has properly filled in. The paying in slip does not bear the name of another branch or the customer has not mentioned the name of another branch. The title and number of accounts have been mentioned on the paying in slip and the counterfoil. The amount in words and figures are the same. The particulars and amount on the pay-in slip and the counterfoil are same. The Cashier should receive money, count it and mention the denomination of notes on the back of the paying in slip and see that the total tallies with the amount of the paying in slip. He should count the notes again and verify the amount from that mentioned on the paying in slip. He should enter the particulars as to the name of the party, account number and amount in the Receipt Register. He should sign on both the parts of the paying in slip i.e., Voucher and the counterfoil. He should then hand over the paying in slip and the Receipt Register to the authorized person, Officer in Charge/Head Cashier. Particulars of which are to be noted in the register, sign the vouchers and hand over the same to the authorized person for affixing the "CASH RECEIVED" stamp and obtain counter signature from the officer.

Procedure of cash handling

The Cashier should know to differentiate defective, Mutilated, Burnt, torn etc. notes from good notes. As a matter of rule such notes should not be accepted over the counter as deposits or in exchange of good notes. These notes, under special circumstances, may be accepted only on "collection basis". These notes should immediately be sent to Bangladesh Bank/ Sonali Bank for receiving payment of exchange value. Soiled notes should be sorted out and kept separate from those notes fit for reissue i.e. the cashier should separate 'no issuable notes' from 'issuable notes'. Soiled/non issuable notes should be deposited to Bangladesh Bank/ Sonali Bank and receive the Exchange value as per practice in vogue.

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Chapter-4

Finding, Recommendation & Conclusion

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Findings

During the internship at EXIM Bank Limited at Dhanmondi Mohila Branch, after collecting and analyzing data I have got the following findings and recommendations which are completely my personal point of view.

1. According to some clients' opinion introducer is one of the problems to open an account. If a person who is new as a client wants to open account, it is a problem for him/her to arrange an introducer for opening new account.
2. EXIM Bank Limited is committed to their prospective customer to honor its cheque within very short time after submission but most of the time they are unable.
3. The general banking performance of EXIM Bank Limited is not up to the mark due to its insufficient number of employees.
4. Necessary training is not provided for the employees of General Banking Division in EXIM Bank Limited regularly.
5. Modern technology is hardly used to maintain documentation. They are using register-based document.
6. They have not enough ATM booth facilities all over the country.
7. In a few cases it has been observed that the right person is not placed in the right position.

Recommendations

In this regard, following specific recommendations are forwarded for the development of product management of EXIM Bank Limited

1. As the clients are not in favor of introducer system, if it is possible, the rule for introducer to open an account should be changed.
2. EXIM Bank Limited has to be faster to honor its customers' cheque after submission.
3. They should hire sufficient employees for maintaining the activities of GB properly. It helps them to achieve the customer satisfactions.
4. They should provide effective training and development by experts as if employees can work more effectively and efficiently.

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5. EXIM Bank Limited should take necessary step to increase their network facilities. And they should use modern technology to improve their condition.
6. They should be concerned about 24 hour's service facilities. For this they have to ensure the of ATM booth all over the country.
7. They should recruit highly qualified person for the right place.

Conclusion

In review this internship was an excellent and rewarding experience. I was able to attend this program for a duration of three months and during this period I was able to meet new people and learn a lot about the banking system. This was the first time I was being exposed to a company of this standard and the company official were really kind enough to provide me with all sorts of explanation regarding the General banking activities of Exim bank. I was also able to understand about the whole banking process. They provide me with my own places and several accommodations such as computer table etc. The treatment by the bank was just equitable and professional. I am very grateful to my supervisor

Finally, I concluded that Exim bank is a good organization for a person for his long-term career working. This branch of Exim bank is relatively small and has climbed its way up very quickly and all that only because of the employee's effort and consideration for each other.

At last, I can say that very short time the satisfaction level of the customers is much higher than any other local commercial banks in Bangladesh.

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