

LOANS AND ADVANCES OF SONALI BANK LIMITED

A STUDY ON GREEN ROAD BRANCH, DHAKA

An Internship Report

On

An Analysis of Loans And Advances of Sonali Bank Limited.

Green Road Branch, Dhaka.

Submitted to:

Md. Abul Kalam
Dean
Faculty of Business
Sonargaon University (SU)

Submitted by:

Name: Md. Asif Al Nayeen
ID: EMBA 2102023032
Program: EMBA
Major: Finance

Submitted for the partial fulfillment of the degree of

Executive Masters of Business Administration

Sonargaon University (SU)

Date of Submission: 05th September, 2022

LETTER OF TRANSMITTAL

Date: 05th September, 2022

To

Md. Abul Kalam
Dean
Faculty of Business
Sonargaon University (SU)

Subject: Submission of Internship Report on "An Analysis of Loans And Advances of Sonali Bank Limited: Green Road Branch, Dhaka."

Dear Madam,

I am glad to submit my Internship Report on "An Analysis of Loans And Advances of Sonali Bank Limited: Green Road Branch, Dhaka." for the partial fulfillment of the degree of EMBA Sonargaon University (SU). This report is a result of my practical work that I have conducted during specified time of my internship program. All the works presented here is done with utmost sincerely and honesty.

The entire report is based on my practical experience in the Sonali Bank. I have tried my level best to provide what I have learned during the internship program at Sonali Bank. I would like to thank you and the University for giving me the opportunity to do project and for helping me to prepare the report

Thank you

Sincerely yours,

Name: Md. Asif Al Nayeen
ID: EMBA 2102023032
Program: EMBA
Major: Finance

ORGANIZATIONAL APPROVAL LETTER

The internship report entitled **"Loans and advances of Sonali Bank Limited" (Green road branch)** has been submitted in partial fulfillment of the requirement for degree of EMBA, major of Finance and department of business administration by Md. Asif Al Nayeen, ID: EMBA 2102023032. The data and findings presented in the report seem to be authentic. Now, it has been approved for presentation in the internship defense.

I wish him every success in life.

Md. Abul Kalam
Dean
Faculty of Business
Sonargaon University (SU)

SUPERVISOR'S APPROVAL LETTER

This is to certify that the internship report on **"Loans and advances of Sonali Bank Limited" (Green road branch)** is prepared by Md. Asif Al Nayeen, ID: EMBA 2102023032, Program: EMBA, major finance under my supervision. The data and findings presented in the report seem to be authentic. Now, it has been approved for presentation in the internship defense.

I wish him every success in life.

Md. Abul Kalam
Dean
Faculty of Business
Sonargaon University (SU)

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Praise is to almighty Allah who has given me the strength and opportunity to complete this report. This report is the outcome of the contributions and sincere cooperation of different persons. For the fear of sounding like vote of thanks speech, I could not possibly thank all of those marvelous people who have contributed something of them directly or indirectly in preparing this report successfully. First of all, I would like to thanks Almighty Allah and I express heartfelt gratitude to my honorable supervisor **Md. Abul Kalam, Dean, Faculty of Business, Sonargaon University (SU)** for her valuable supports & guidelines for preparing this report. Without her inspiration and advice it could be very difficult to prepare this report. I would like to thanks to **Shawly Nazneen (Senior Principal Officer) Sonali bank limited, green road branch** for providing me guideline from her valuable time, who is the model of generosity and never minds to provide answer of any questions of our own areas of job responsibility. In spite of sincere and denoted efforts, there might be some mistakes in the report. I take the entire responsibility for such unintended errors and omissions.

EXECUTIVE SUMMARY

Doing internship in financial institution always gives best chances to the students of business faculty 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 the 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 organization and their business is largely dependent on the quality of services they provide. Hence, the efficiency and success of commercial banks depend entirely open the satisfaction of their clients. So, the key factor of many commercial banks is the customer service provided by them. This report "**Loans and advances of Sonali Bank Limited"** is the picture of quality services provided by one of the well-known Public bank limited in Bangladesh.

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Chapter 01

INTRODUCTION



1.1 Introduction

SONALI Bank Limited is always ready to maintain the highest quality services by upgrading banking technology prudence in manage and applying high standard business ethics through its established commitment and heritage. Objectives of a Government financial institution like SBL are to maximize profit through optimum utilization of resources by providing best customer's service. Bank provides various sorts of facilities to its customer. A credit facility is one of them.SBL mainly grants credit to the following heads. a)General advance:- General loan, Staff car loan, house building loan (Residential) Festival loan, Small business scheme, House Repairing and renovation, SOD General, Cash Credit (Pledge),Cash Credit (HYPO) b) Foreign advance: packing credit, Security over Draft (SOD), Loan against FDR, Loan against Trust Receipt (L.T.R), Foreign Dollar bill purchase (FDBP), Payment against Document (PAD), FDBP(clean). Through such kind of credit facility, customer of the bank fulfils their needs. These loans product has been generating huge profit for the Bank. But the recovery rate is not up to the mark as SBL try to recover. If the management of this bank becomes successful increase the recovery rate of this scheme, it can be the highest profitable sector for it. This research reveals SBL can decrease the defaulting rate. Foreign remittance is an important influential economic factor of Bangladeshi economy. It has a great impact in our national economy more specifically in our GDP (Gross domestic production). The Bangladeshi workers and migrants in different parts of the world are source of a substantial inflow of foreign currencies (Known as remittance) in Bangladesh. This inflow helps Bangladesh to face the recent economic crisis worldwide. Different studies showed that when developed nation's economy was falling down from Mid of 2008 and stock markets crashed worldwide, but Bangladesh is still continuing its stable GDP growth and the economy is in a good situation. It becomes possible because of huge remittance inflow in Bangladesh. SONALI Bank Limited turned into one of the largest and key players of Bangladesh into remittance sector. In present, SBL is dealing with more than 15 foreign banks and exchanges (Known as Money Transfer Organizations) by which a remitter can send money in possible fastest time.

1.2 OBJECTIVES OF THE STUDY

- Give an overview of SONALI bank ltd.
- To explore general banking activities of SONALI bank ltd.
- To be accustomed with the management policy or process of SONALI bank ltd.
- To observe the working environment in SONALI bank ltd.
- TO analyze different of loans offer by SONALI bank ltd.
- Evaluation the lending performance of the bank (year 2014-2018).
- To identify problem of the bank regarding lending activities.

1.3 Scope of the study

I have been assigned in the Green Road Branch of SONALI Bank Limited and thus covered me the way to get myself familiarized with the banking environment for the first time. Indeed, I have an opportunity to gather experience by working in the different departments of the Branch. I have highlighted the Loans and Advances. I have also discussed about classification of loans and advances and who to diversify them and who to manage the recovery system, risk management system, general banking all are focus in my report. Most of all special focus on loans and advances information from the bank.

1.4 LIMITATIONS OF THE STUDY

- For the whole internship I had only 90 days, which were not sufficient. So I faced time shortage extremely.
- Another limitation of this report is bank's policy is not disclosing some data and information for obvious reason, which could be very much useful.
- The bank authority was very busy, so they could not give me enough time for discussion about various problems.
- In case of performance analysis secondary data are used.
- These studies completely depend on official record and annual reports.

CHAPTER 02

REVIEW OF THE LITERATURES

2.1 REVIEW OF THE LITERATURES

- **Choi, Eluasiani and Kopecky** (1992) stated that effects of exchange rate depend on the net position of the bank in foreign currencies, when the banks had positive net position, depreciation of foreign currencies negatively affected the stock process of banks before year 1979 and after 1979 banks stock returns responded positively with the depreciation of foreign currencies as banks had changed from positive to negative net open positions.
- **Chowdhury and islam** (2007) stated that depoisits and loan advances of nationalize commercial bank (NFCs) are less sensitive to interest changes than those of specialized banks (SBs). So SBs should not make abrupt change in lending or deposit rates by following the NCBs. If NCBs change their lending or deposit rates, their deposits or loans and advances will be affected less than those of SBs. Moreover deposits of SONALI bank have higher volume and higher volatility than those of SBs.
- **According to al- shamrnari and salirnt** (1998) profitability ratio especially return on equity signals the earning capability of the organization. They also suggest that higher return on equity ratio is appreciable as it is the primary indicator of bank's profitability and functional efficiency.
- **Nill kokemuller** stated that loans and advances are general descriptions of debt obligations companies owe and must show on balance sheet as part of total liabilities formal contracted loans are typically designated as notes payable on a balance sheet, whereas advances or purchases on credit are recorded as accounts payable.
- **Shirley and Mallick** (2006) in their study found that IT usage can lower cost, increase profitability and also can have a positive impact over market share.
- **Morgan** (2002) found that bond analysis disagree more over the bonds issued by banks than by non-financial firms.
- **Huda, Momen and ahmed** (2004) commented that the banking sector in Bangladesh is clearly recognizing the importance of information technology to their continued success.
- **Berger**(2003) states that banks are extensive users of both IT and financial technologies and have a wealth of data available that may be helpful of general understanding of the effects of technological change.
- **Amin and Rahman**(2010) focused on performance, problems and prospects of E-banking in Bangladesh as online information availability is a necessity of E-banking,

CHAPTER 03

METHODOLOGY OF THE STUDY

3.0 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 May educational knowledge in practical field. I have collected data from primary and secondary sources:

3.1 SOURCES OF THE DATA/INFORMATION

The **"Primary Sources"** of data are as follows: Face to face conversation with the bank officers & staffs. Informal conversation with the clients. Practical work exposures from the different desks of the departments of the Branch covered.

The **"Secondary Sources"** of data and information are: Annual report of SONALI Bank Ltd, Monthly reports. Prospectus of SONALI Bank Ltd. Bangladesh bank publication Different textbooks. Different papers of SONALI Bank Ltd. Through internet.

3.2 STUDY AREA (branch details)

This branch which I have completed my internship is situated in Green Road. It's a general branch. It has near about 14 (fourteen) employees. It is one of the oldest branches of SONALI Bank Limited. It serves almost 150 clients every single day. It is also responsible for providing pension, gratuity, senior citizen allowance and stipend.

CHAPTER 04
ORGANIZATIONAL OVERVIEW OF SONALI BANK LIMITED

4.1 ESTABLISHMENT

SONALI Bank, the largest commercial bank in the country, was established under Bangladesh Bank (Nationalization) Order 1972 (presidency Order No.26 of 1972). By taking over branches of former **National Bank of Pakistan, Bank of Bahawalpur limited and Premier Bank Ltd**. Were two private banks performing class banking over the century in that period and National bank of Pakistan was government supported bank which was established to finance the jute sector in East Pakistan in the early period of Pakistan. After the birth of Bangladesh on 16th December 1971, newly formed SONALI Bank for mass banking got special facilities from the government to work on behalf of Bangladesh Bank in those areas where Bangladesh Bank is not available. With the increase of commercial and by virtue of performance within a few years, it becomes the largest commercial bank of the country with 1204 branches and about 21,839 up to now. Soon after independence of the country SONALI Bank Limited emerged as the largest and leading Nationalized Commercial Bank by proclamation of the Banks' Nationalization Order 1972 (Presidential Order-26) liquidating the then National Bank of Pakistan, Premier Bank and Bank of Bahawalpur. As a fully state owned institution, the bank had been discharging its nation-building responsibilities by undertaking government entrusted different socio-economic schemes as well as money market activities of its own volition, covering all spheres of the economy. The bank has been converted to a Public Limited Company with 100% ownership of the government and started functioning as SONALI Bank Limited from November 15, 2007 taking over all assets, liabilities and business of SONALI Bank. After corporatization, the management of the Bank has been given required autonomy to make the bank competitive and to run its business effectively. SONALI Bank Limited is governed by a Board of Directors consisting of 11(Eleven) members. The Bank is headed by the Chief Executive Officer & Managing Director, who is a well-known Banker and a reputed professional. The corporate head quarter of the bank is located at Motijheel, Dhaka, Bangladesh, the main commercial center of the capital.

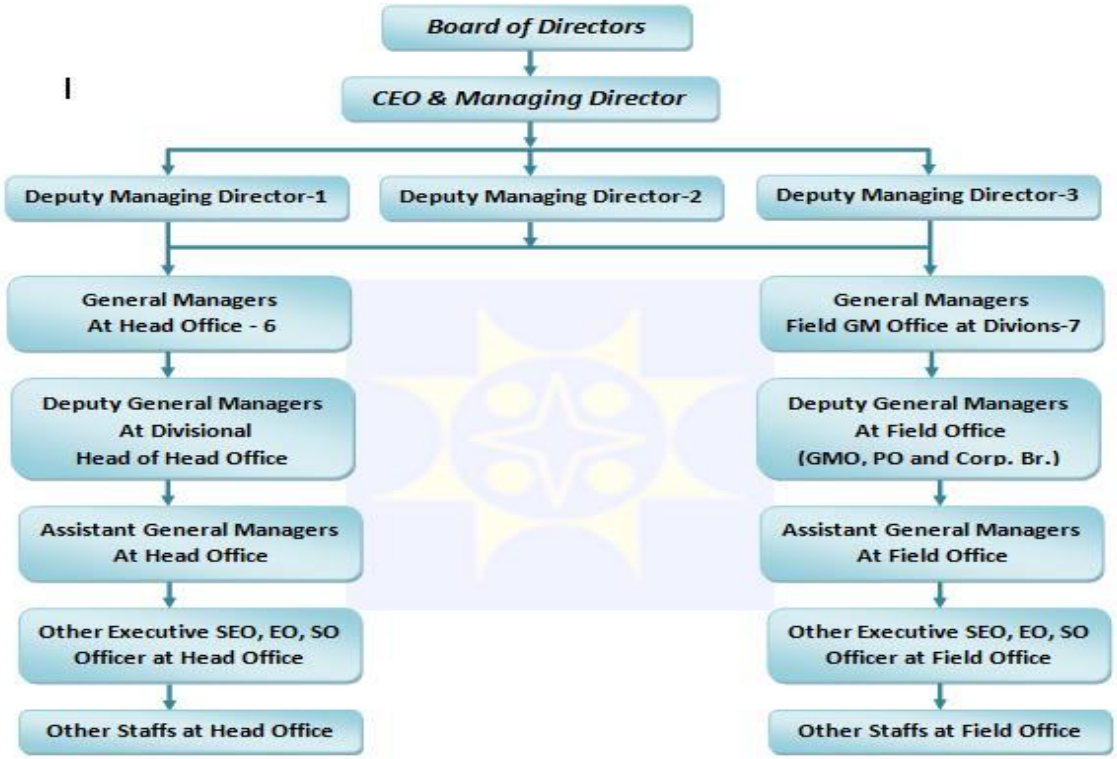
4.2 CORPORATE INFORMATION

Name of the company	SONALI bank limited
Chairman	MR. ZIAUL HASAN SIDDIQUI
CEO and managing director	MR. MD. ATAUR RAHMAN PRODHAN
Company secretary	Mr. MD. HASANUL BANNA
Legal status	Public limited company
Genesis	Emerged as nationalized commercial bank in 1972, following the Bangladesh bank(nationalization) order no. 1972(po no. 26 0f 1972)

Date of incorporation	03 june,2007
Date of vendor's Agreement	15 November, 2007
Registered office	35-42, 44 MOTIJHEEL commercial area, Dhaka Bangladesh.
Authorized capital taka	Taka6000.00 core
Paid up capital taka	Taka4530.00 core
Number of employee	17,965
Number of branches	1218
Website address	www.sonalibank.com.bd
E- mail Swift	info@sonalibank.com.bd BSONBDDH

4.3 MANAGEMENT

The management of the bank is vested on a board of directors, subject to overall supervision and directions on policy matters by the board which is constituted in terms of Bangladesh bank (Nationalization) Order 1972. Board of directors, constituted by seven members has authority to organize, operate and manage its affairs on commercial consideration within the board policy of government. There are directors appointed by the government. Other members of the board including MD are also government appointed out of that at least three have the experience in the field of Finance, Banking, Trade, Commerce, Industry and Agriculture. The managing director is the Chief Executive of bank. He executes all the activities under the direction of board. All line and staff personnel of bank's are own recruitment except member of board of Direction.



4.4 ORGANIZATION

SONALI Bank is the largest Nationalized Commercial Bank of the country. It has extended 1216 branches throughout the country and abroad (2 in INDIA to serve the nation). There are two SONALI Exchange Company Incorporated (SECI) in USA and three are in planning stage. Any person should issue their money from USA to BANGLADESH through SECI within twenty-four hours. The Head office of the Bank is located MOTIJHEEL Commercial Area, Dhaka which is the controlling Headquarter. It has seven GM offices in six Divisional Headquarters and 46 principal offices and 16 Regional offices. Principal office is headed by D.G.M and Regional office is headed by AGM

The Organizational chart shows the organizational structure and the line and staff management of the Bank There is 41 Divisions and 59 Departments in the head office. Each Division is headed by D.G.M and each Department is headed by AGM. The branches are headed by different grade officers depending on the size and nature of the branch.

The Principal office headquarters has the jurisdiction over the entire area of the district i.e. the Principal office is the local point of the Bank's administrative zone of the district. The Regional offices is situated at the Upazilla level within the District, is under the control and supervision of the Principal office of that District The Regional office is responsible for their activities to the head of the Principal office.

The Regional Heads exercise control and supervision over all the branches within their jurisdictions and keep the head of the Principal office informed of the development of their respective areas from time to time.

4.5 NUMBER of BRANCHES

Total number of branches	1218
No. of foreign branches	02
No. of local branches	1216
No. of rural branches	749
No. of urban branches	467
No. of regional off.	16
No. of principal offices	46
No. of G.M. offices	11
Subsidiaries	1.SONALI bank (UK) limited having 2 branches in UK
	2. SONALI exchange company incorporated (SECI) having 10 branches in USA.

	3.SONALI investment limited (Merchant banking) having 4 branches at MOTIJHEEL, PALTAN, UTTARA, MIRPUR in Dhaka, Bangladesh.
Representative office	3 and one in JEDDAH, KSA, one in RIYADH, KSA and last one in KUYAT.
Correspondent	639

4.6 FUNCTION OF SONALI BANK

Main functions of Sonali Bank are:-

i. Receiving of money on deposits
ii. Conducting cash transaction of customers who have current accounts
iii. Attending bills of exchange and drafts of customers.
iv. Sanction of loan
v. Providing other services to the customers
Transfer of money
vi. Transfer of money and Collection of receipts
vii. Collecting interest, dividends, rents, pensions, etc. ix. Act as an advisor

4.7 VISION STATEMENT OF SBL

Socially committed leading banking institution with global presence. In our journey towards continuous excellence we are striving to become county's leading commercial bank offering one-step service of a wide range of value added products and services meeting the need of our customer; conducting our business ethically in accordance with the laws of banking while optimizing the best utilization of the most modern state-of-the-art technological solution through creation of a proactive organizational culture based on sound team sprite, fairness, mutual understanding and pragmatic leadership always remaining open to new ideas and adaptable to the best practice in the market insuring recognition and quality banking experience to our customers and deliver best value to all or stake holders as well.

4.8 MISSION STATEMENT OF SBL

Dedicated to extend a whole range of quality products that support divergent needs of people aiming at enriching their lives, creating value for the stakeholders and contributing towards socio-economic development of the country.

4.9 SLOGAN

Your trusted partner in innovating banking.

4.10 PRODUCT/ SERVICE SCHEMES

Sonali Bank offers various services which are as follows-

- Land development tax.
- Source tax and VAT.
- Corporate Banking.
- Project Finance.
- SME Finance.
- Money Market Operation.
- Capital Market Operation.
- NGO-Linkage Loan.
- Investment.
- Government Treasury Function.
- Remittance.
- Loan Syndication.

GENERAL BANKING ACTIVITIES OF SBL AT GREEN ROAD BRANCH

4.11 ACTIVITIES OF ACCOUNT OPENING SECTION

Account opening is the gateway for client to enter into transaction with the bank. It is the foundation of banker-customer relationship. A customer can open different type of account through the department. The following types of account are opened here:

- Current Account.
- Savings Account .
- Short Term Deposit Account(STD).
- Fixed Deposit Receipt(FDR).
- Special Deposit Pension Scheme(SDPS).
- Sonali Deposit Scheme(SDS).
- Education Deposit Scheme(EDS).
- Medical Deposit Scheme(MDS).
- Double Deposit Scheme(DBS).

Requirements for opening current Account: Firstly fill up current account form. For private limited company, Update trade license is a must. In case of joint holders certificate from joint

stock company. For Public Limited Company Certificate from joint stock company is a must and other necessary papers.The client will be provided a cheque book of 25 upto 50 pages. Bank charge is Tk.500 half yearly.

4.12 ACTIVITIES OF CASH SECTION

It is an important part of General Banking Department. Here cash of Current and Savings accounts receives and also payments are made either in Cash or transfer to respective Account but Govt. Challan only receive or transfer to Govt. account. No commission is given to the bank in case of Govt. Challan as per Govt. rules but in case of Electricity and Wasa bills, Cash is received and paid to respective accounts such as DESCO account for Electricity bills and 2% commissions are deducted. Govt. prize bonds are also purchased and sold. In all types of vouchers, signature of a cashier and an officer is required.

4.13 ACTIVITIES OF CLEARING SECTION

Clearing section is complex section of bank. Cheque of other banks or same bank is received and payments are deposited to Sonali Bank's Customer accounts. When cheques are deposited at clearing section and a slip of account details of the account holder is attached with the cheque, then that cheques are sent to Clearing House in Bangladesh bank for clearance where all banks' delegators present there and cheque of other banks are presented to respective delegators. If the cheques are in favor of Sonali Bank's other branches, then the cheques are given to other branch's delegator. The delegators scan the cheque (MICR Cheque) through computerized scanning system to further verify at their own branches for settlement.

4.14 ACTIVITIES OF PAY ORDER SECTION

In any type of pay order, At first vouchers are filled up and amount is deposited in cash section, then pay order is written in the Section to respective branch account of Sonali Bank of respective person .The person who sent Pay Order must sign the back part of the Pay Order Paper. The payment is instantly made to drawer's account.

4.15 ACTIVITIES OF DEPOSIT SECTION

Deposit is considered as lifeblood of a bank. No bank can run without deposit. A bank has to collect deposits from various sources in order to operate its activities successfully as well as to satisfy the national objectives. As a nationalized commercial bank, Sonali Bank tries to satisfy the above mentioned objectives. The Bank has deposits of the following types:

i. Fixed Deposits.
ii. Short Term Deposits (STD).
iii. Deposit Pension Scheme (DPS).
iv. Sonali Bank Special Deposits & Pension Scheme(SDPS).
v. Saving Deposits.
vi. Currents Deposits.
vii. Call Deposits.
viii. Sundry Deposits.

4.16 ACTIVITIES OF REMITTANCE SECTION

In this section bank transmits money from one account to another within in the country or outside the country. It is also one f the crucial area since the bank officers have to deal with a lot of money. During my internship period I have experienced how they work in the remittance section. In this section the officers receive the money from foreign branch and transfer the money to the proffered branch. If the amount exceeds $ 2000 then the officers have to fill a 'C' form. There are two types of Remittance, which are: Local Remittance and Foreign Remittance.
1. Local Remittance: Local remittance deals with Pay-Order, Demand –Draft, Telegraphic-Transfer and Mail-Transfer.

- Pay-Order: Pay-order is used to remit the money within local area. Usually people use this pay-order when they want to transfer money to a close distance.
- Demand-Draft: It is used when a person wants to pay a certain amount to another person. It is used within the country.
- Telegraphic-Transfer: In case of urgency of transferring the money people use telegraphic-transfer. In this way they can remit money immediately.
- Mail-Transfer: Mail-Transfer is used to remit money outside the country. In this method bank communicates with other branches. And the holder cannot have the authority other than the bank officer.

2. Foreign Remittance: In this remittance system people transfer money outside the country. The sender gets the receipt and the bank officer will send a confirmation mail to the receiving branch. For each 1000 TK the commission is 10 TK and for each 10000 TK the commission is 100TK. The postal charge is 10TK. And the issuing branch would send a message with date and amount

for verification. After that they will receive some codes. If everything seen alright then they will make the payment.

SWOT ANALYSIS OF SBL

4.17 Strengths

It analyzes the inherent of the company, resilience, and brand loyalty, endowment etc.

1. More funds for Investment: For adequate financial ability they can provide loan to the more investment clients.
2. Honest and Reliable Employees: All of the employees of SBL are honest and reliable. They are always devoted themselves to the works for better customer service.
3. It has vast years of experience since its establishment.
4. At SBL, the top management is the driving force and the think tank of the organization where policies are crafted and often cascaded down.
5. SBL provides its customer excellent and consistent quality in every service.
6. SBL is a financially sound company.
7. SBL utilizes state-of-the art technology to ensure consistent quality and operation.
8. SBL provides its works force an excellent place to work.
9. SBL has already achieved a good will among the clients.
10. SBL has a research division.

4.18 Weaknesses

1. SBL lacks well-trained human resource in some area.
2. SBL lacks aggressive advertising.
3. The procedure of credit facility is to long compare to other banks.
4. Employees are not motivated in some areas.
5. Absence of structured marketing and credit policy
6. Lack of coordination among the branches and Head Office.

4.19 Opportunities

- Emergence of E-banking will open more scope for SBL.
- SBL can introduce more innovative and modern customer service.
- Many branches can be open in remote location.
- SBL can recruit experienced, efficient and knowledgeable work force as it offers good working environment.

- The successful launching and needs to a Commercial Money Market in the country.

4.20 THREAT

It analyzes the threats, which the company may face such as legal barriers, withdrawals of tax, exemption and international law; withdraw of most favorable nation (MFN) and GSP facilities etc.

- The worldwide trend of mergers and acquisition in financial institutions is causing problem.
- Frequent taka devaluation and foreign exchange rate fluctuation is causing problem.
- Lots of new banks are coming in the scenario with new service.
- Local competitors can capture huge market share by offering similar products.
- Lack of skill personnel because of poor salary structure rather than other private banks.

CHAPTER 05

CLASSIFICATION AND DISTURBANCE OF LOANS AND ADVANCES

5.0 CLASSIFICATION AND DISTURBANCE OF LOANS AND ADVANCES

This is the survival unit of the bank because until and unless the success of this section the survival is a question to every bank. This is important because this is the earning unit of the bank. Bank credit is an important catalyst for bringing about economic development in a country. If this section is not properly works the bank may become bankrupt. No growth of maintenance of a stable economy is possible without adequate financial supporting banks are accepting deposits from the depositors in condition of providing interest to them as well as safe keeping their interest. Now the question may gradually arise how the bank will provide interest to the clients and the simple answer is advance. Why the bank does provides advances to the borrowers.

1. To earn interest from the borrowers and give the deposits interest back.

2. To accelerate economic development by providing different industrial as well as agricultural advances.

3. To create employment by providing industrial loans.

4. To pay the employees as well as meeting the interest groups.

Credit is continuous process. Recovery of one credit gives rise to another credit. In this process of revolving of funds, bank earns income in the form of interest. A bank can invest its funds in many ways. Bank makes loans and advances to traders, businessmen, and industrialists. Moreover nature of credit may differ in terms of security requirement, disbursement provision, terms and conditions etc.

5.1 loan classification

Monitoring can be done through loan classification. Loan is mainly classified to understand that which loan account are performing well (regularly interest payment, timely repayment, and timely renewal etc.) and which are not. In classifying the loan and advance there are four classes in the loan review practiced in SBL. They are as follows as the table.

Unclassified

The loan account is performing satisfactory in the terms if its installment and no overdue is occurred.

Classified:

The loan account is not performing satisfactory in the terms of installments and overdue is occurred. These types of loan need close monitoring to stop the deteriorating position.

A) Substandard:

The main criteria for a substandard advance are that despite these technicalities or irregularities no loss is expected to be arise for the bank. These accounts will require close

supervision by management to ensure that he situation does not deteriorate further.

B) **Doubtful**:

This classification contains where doubt exists on the fully recovery of the loan and advance along with along is anticipated but cannot quantifiable at this stage.

C) Bad & Loss

A particular loan and advance fall in this class when it seems that this loan advance is not collectable or worthless even after all security has been exhausted.

In the following table the criteria to be fall in classified category are summarized:

Substandard	Doubtful	Bad and loss
3 months and above but less than 6 month	6 month and above but less than 12 month.	Not recover within more than 12 months.

5.2 CLASSIFICATIONS OF LOANS AND ADVANCES

Sonali bank offers following types of loans and advances;

a. Secured Overdraft (SOD)

b. Cash – Credit (CC)

c. Mid- term loan

d. Demand loan

e. Small loan

f. Personal loan

g. Industrial loan

h. Bills purchased & discounted

i. Staff loan.

j. House building loan

k. Transport loan

5.3 SECURED OVERDRAFT

Secured overdraft is a continuous advanced facility. Under this facility, customers are allowed to overdraw from his current account up to his credit limits sanctioned by the bank. The interest is charged on the amount withdrawn from the account only, not on the sanctioned amount. Sonali bank sanctioned SOD against different security. Based on different types of security, we can divide SOD in the following categories;

SOD (General): This type of over draft is allowed to the individuals against. Financial obligations i.e. lien of FDR or defense savings certificate, ICB unit certificate etc.

SOD (Others): This type of over drafts is allowed against assignment of advance is generally allowed for a specific purpose. It is not a continuous loan.

SOD (Export): This type of over draft is allowed to purchasing foreign currency to make payment against L/Cs where the exporter cannot materialize before the date of import payment.

Procedure of Sanctioning SOD:

1.The party should have a fixed deposit account with the branch.

2. The party will submit application to the concerned officer in the prescribed form with account Statement.

3. The borrower will get 80% loan against his deposit.

4. The expiry limit of the loan is one year.

5. The interest rate will be 3% more than the interest of their deposit a/c.

5.4 Cash Credit (CC):

Cash Credit (CC) is an arrangement by which a banker allows his customer to borrow money up to a certain limit for meeting the working capital requirements of existing industries. It is operated like overdraft account. The borrower withdraws cash from his/her CC account and depositing money, he can adjust his loan account Sonali Bank charges interest on the daily balance basis in the account. Depending on charging security there are two forms of cash credit;

Cash credit (Hypothecation): Hypothecation is a legal transaction whereby goods are made available to the lending banker as security for a debt without transferring possession of goods. Since the goods always remain in the physical possession of the borrower, there is much risk to the bank. So, in sanctioning CC, additional security (Collateral) is obtained.

Cash Credit (pledge): Pledge is the bailment of goods as security for payment of a debt or performance of a promise. In a contract of pledge, the borrower (pledge) must deliver the goods pledged to the pledge (Pawnee) either actually or constructively

We can show the processes of opening CC A/c: After sanctioning cash credit, the customer is to prepared documents required charge documents. Thereafter, the banker issues a cheque-book for withdrawing cash from the account. The customer can withdraw cash from the account the sanctioned amount.

Step-One

Any interest party/Customers apply for CC Pledge or Hypothecation agreement.

Step-Two

The respective officer fills up the “Credit Application Form”

Step-Three

All relevant information with papers detailing “Credit Line Proposal” by the respective officer.

Step-Four
Sends the CLP to the head office, general advances Division for necessary action.

Step-Five
Head office general Advances division examines the proposal and if finds it viable then sanctions it and sends it to the branch.

Step-Six
The branch issues two copies of "Sanction Advice" one for its own record and the other for the party to keep.

After sanctioning cash credit, the customer is to prepared documents required charge documents. Thereafter, the banker issues a cheque-book for withdrawing cash from the account. The customer can withdraw cash from the account the sanctioned amount.

The charge documents required for opening a CC account are as follows-

- Demand promissory Note (DP note).
- DP note delivery letter.
- Revival Letter.
- Original deed of the property.
- Duplicate carbon recite and mutation.
- Clearance of land tax.
- Mortgage deed◁ Power of attorney.
- Balance confirmation.
- Agreement of cash credit hypothecation of goods.

5.5 Mid-term loan: Sonali Bank Considering the capital structure, constitution and liquidity requirement, sonali bank allows short-term loans:

- Sanctioned the Mid- Term loans provide by sonali bank for the period more then 1 year◁ and up to 5 years.
- Sometimes agricultural sector loans sanctioned 6 to 12 months for secondly activities.

5.6 Demand loan:

- This is the fixed type of lending in its original form. The entire amount is paid to the◁ debtor at one time, either in cash or by transfer to his saving account.
- On subsequent debit is ordinarily allowed except by way of interest, incidental charges,◁ insurance premium, expense incurred for the protection of security etc.
- A separate ledger id used for the maintenance of this account and as no subsequent◁ withdrawal is allowed, no cheque is issued into this account.

5.7 Small loans: Sonali Bank referred small loans allowed to small traders; cottage industries, small- scale industries and self employed persons.

- The maximum ceiling for this loan is at present is tk.5000.00 for small traders and self◁ employed persons, tk.2, 00,000.00 for cottage industries and small-scale industries.

5.8 Staff Loan:

- Staffs of sonali Bank are provided with „Staff Loans" for buying motorcycles and computer.
- Bank provides this advance facility under installment system.
- The amount of loan is recovered from their monthly salary.

5.9 Staff House building loans:

- Staffs of sonali Bank are provided with „Staff Loans" for buying land and flats.
- Bank provides this advance facility under installment system.
- The amount of loan is recovered from their monthly salary.

5.10 House building loans(General):

Sonali bank provides long term advances for building residential house. Advances for construction of residential houses against real estate‟s as primary securities as allowed by banks.:

- The rate of interest for "house Building Loans‟ is 13% per annum and maximum repayment period is 12 years.
- In such cases, parties have to pay total amount by monthly installment within 15 years.

Purchase & discount of bills:

- Sonali bank normally purchase demand bills of exchange that are called "Drafts" accompanied by documents of title to goods such as Bill of Lading, Railway or Truck receipt.
- It is a special kind of advance. Sonali bank purchases "Bills of Exchange" that would be matured after a certain period and not payable on demand or sight.
- This is termed as discounting a bill and the charge recovered by Bank for this is called "Discount".

- **5.11 Personal loans:**
- The main purpose of the scheme is to improve life standard of the consumers by providing them loans for purchasing house hold items, for example, computer, television, freeze, motor car & cycle, air- condition & cooler, furniture etc.
- Various commercial banks offering various types of loans to the consumer so that they can enjoy these innovations and fixed a very easy installment process to repay that money.

Sonali Bank is offering loan calling Consumer Credit scheme in various types of goods.

Lending of Principles: Liquidity, profitability and security is relative to each other in sonali bank. So follows the following principles of sound lending:

Liquidity:

Liquidity is the power of any bank to overcome insolvencies, so liquidity is ability to security, those can makeup easily covered cash and liquidity. When an organization choose sonali bank for huge amount so this particular branches need to insure this needed, that is liquidity power of this bank, if they fall in case the collect the cash from other bank which is called liquidity.

Diversity:

Sonali bank not only investment in country outside the country different type of investment for different security, so I said that sonali bank make content "Don‟t put all the eggs in a basket."

Yield:

Sonali Bank many time survive and developing own systematic. Each year sonali bank making profit or loss. In banking word sonali bank some considering sufficient yield or return while financing a project. People think that loan and advances are alternatives each other. But credit department not only advances system they provide and management the loan. Some time advanced not recover the need then loan amount recovered position. Sonali Bank strictly follows some thing:

- Types of advances provide by the branch.
- Types of security charged and their valuation.
- Procedures of loan appraisal◁ Documentation.
- Classification of loan.
- Analysis of secondary data.
- Follow up and reporting.

  Safety:

  Which person take loan ,those loan must be paid full this kind of surety by the guarantors, if fail any barrower not fill the payment then what about this mortgage and who to recovery them all are trams and condition are present here. Sonali Bank have some rules for that:

- ❖ The security offered by the borrower;
- ❖ The repaying capacity and willingness of the debtor to repay the loan◁ with interest.

5.12 Bank Guarantee:

If any customer failed to meet their agreement,when this person or organization payment against this, that payment is the called Bank Guarantee. In banking word, the person who gives the guarantee is called the „surety". The person in respect of whose default the guarantee is

given is called „the principal debtor" and the person to whomthe guarantee is given is called the „creditor". In case of bank guarantee, the bank is „surety" andcustomer is „principal debtor". There are many kinds of liability for the certain event such as:

- Bid bond Guarantee.
- Earnest money Guarantee.
- Advanced payment money Guarantee.
- Counter Guarantee Security Guarantee.

Bid bond Guarantee:
A bid bond guarantee is a guaranty from third party such as any bank, insurance and financial institution submitted to principal by a contractor with a bid.
Earnest money Bid bond Guarantee:
If the bidder fails to perform the contractual job, In case of a performance guarantee the banker commits that it will pay a certain sum of money.
APG (Advanced payment guarantee):
This system called work order, when a person or organization take advanced before. Example: Bangladesh Government take loan from world bank for making jomuna bridge, and payment system was monthly a percent amount submitted when work finished, and Bank payment must be depend on working process, that time only Bangladesh Government insure the loan amount that is called by APG.
Counter Guarantee:
This one kind of importance guarantee is issued another Bank"s guarantee.
Security guarantee:
This system is implied for when security is needed.

Formal procedure of guarantee:

Sonali Bank guarantee is a contractual relationship between the account (Client) and the beneficiary. For issuing bank Guarantee, a customer has to apply to Sonali Bank in his or her own pad. Normally the bank prepares the format of the guarantee. A guarantee issue Register is maintained to record following information about Guarantee:

- Name of the customer.
- Account no.
- Guarantee no.
- Issuing date.
- Date of approval.
- Beneficiary of the guarantee.
- Amount of guarantee.
- Margin (percent and amount). Commission.

5.13 Loan issue

Required document:

1) Current issue trade license.
2) Tax receipt copy.
3) Property tax receipt copy.
4) Tax broad application for proper paid tax.
5) One Sonali Bank account.
6) Three copy photo.
7) Two guarantors.
8) Fixed property or business document (Original copy will be submitted in to the bank)

5.14 Loan issue process:

1) Loan holder application.
2) Bank application.
3) Loan proposal prepared by the bank (For Respective customer)/ loan holder.
4) Stock valuation of the business product or the property (prepared by bank or the loan holder).
5) Enterprise valuation up 1 to 6 month.
6) Loan holder detail information.
7) Bank will be verifying the information.
8) Property verification.
9) Application sends to the head office.
10) Head office send to the Bangladesh bank for inquiry of the loan holder.
11) Bangladesh bank sends to the loan holder.
12) Head office sends the list of the document which is required.
13) The bank collects the entire document to the loan holder and sends to the head office.
14) Insurance of the loan and its copy.

5.15 Loan renewal:

The Sonali Bank ltd offered by the customer to the consumer credit loan which is the maturity date in the one year so loan holder renewal their loan the renewal of the loan takes some steps this are a follows:

1) Application of the loan holder.
2) Inquiry of the Bangladesh Bank, credit information bureau (CIB).
3) Inquiry of the loan issue bank.
4) Current trade license.
5) New valuation copy of business product.
6) Bank Application.
7) New insurance copy.
8) Document sanction for the head office which is send for new loan issue time.
9) Bank authority letter.
10) Valuation of the property which is doing by the bank and loan proposal from.

5.16 rates of interest:

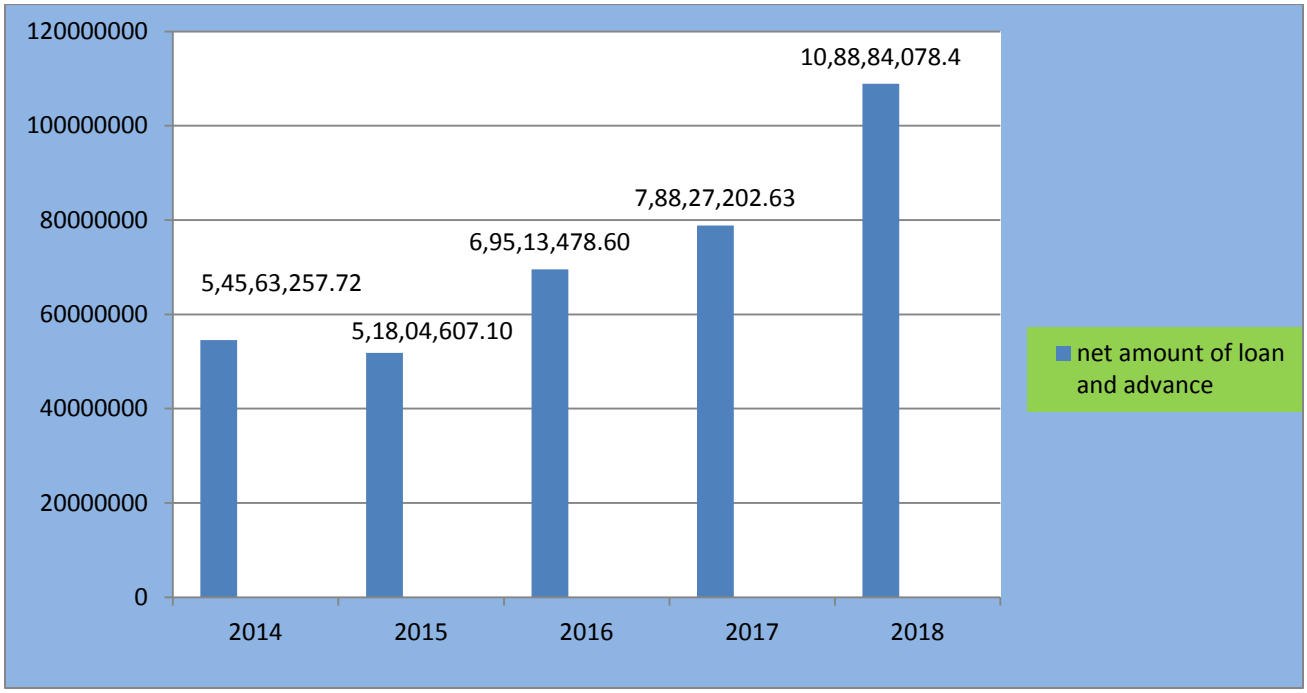
Deposit	Interest rate
Current deposit	0.00%
Saving deposit Urban area(city corporation, sador municipality) Rural area Deposit by foreign remittance	 5% 6% 6.50%
Short term deposit	4%
Fixed deposit(FDR) 3month or above but less than 6 month 6 month or above but less than 1 year 1 year or above but less than 2 year	 6% 6% 6%
Sonali deposit scheme(year)	8%
Education deposit scheme(10 years)	9%
Medical deposit scheme(10 years)	9%
Monthly earning scheme(3 years)	9%
Monthly earning scheme(5 years)	10%
Rural deposit scheme(7 years)	9%
Monthly saving scheme(10years)	8.50%
Loans and advance general loan	11%to14%
Agriculture loan and rural loan	2%to10%
Micro credit	12%
Agro based industry loan	10%to12%
Industrial project loan	12%to13%

5.17To analyze loans and advances system of sonali bank limited on green road branch Dhaka:

TABLE: total loan and advances of sonali bank limited green road branch, Dhaka (AMOUNT IN TAKA)

PARTICULAR	2014	2015	2016	2017	2018
TOTAL Net amount of loan and advances	Tk. 5,45,63,257.72	Tk. 5,18,04,607.10	Tk. 6,95,13,478.60	Tk. 7,88,27,202.63	Tk. 10,88,84,078.39

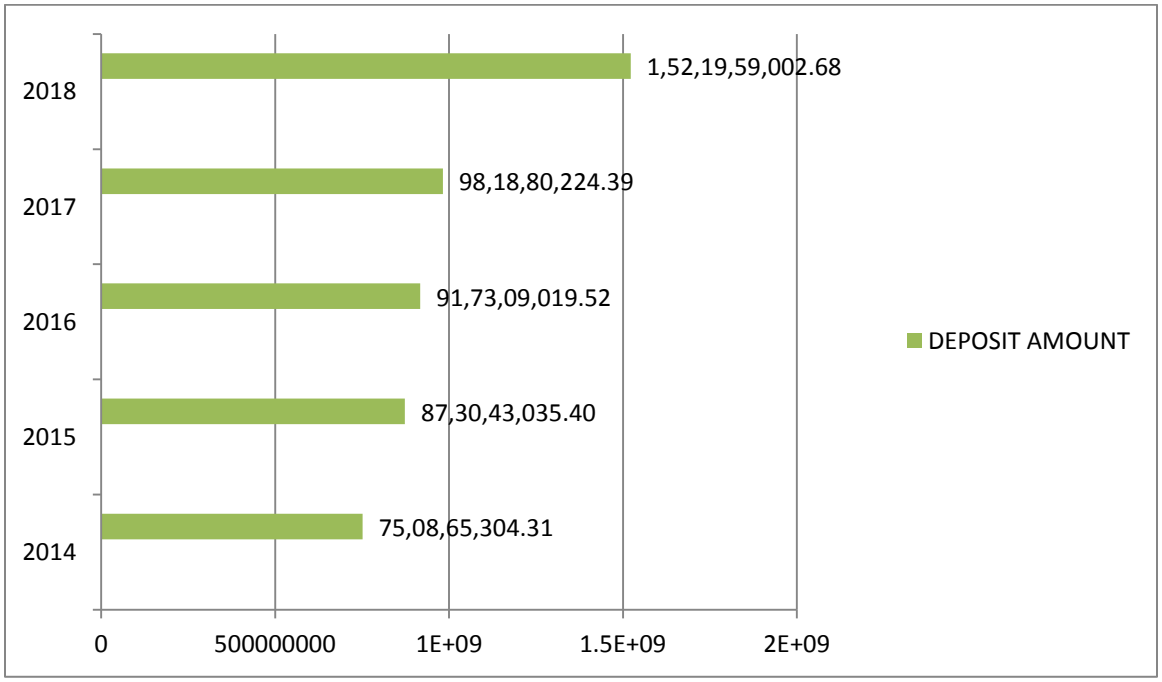
Graphical Presentation of TOTAL Net amount of loan and advances (AMOUNT IN TAKA)



5.18 TABLE: Deposit of Sonali Bnak Limited (AMOUNT IN TAKA)

Deposit	2014	2015	2016	2017	2018
Amount	Tk. 75,08,65,304.31	Tk. 87,30,43,035.40	Tk. 91,73,09,019.52	Tk. 98,18,80,224.39	Tk. 1,52,19,59,002.68

Graphical Presentation of deposit of sonali bank limited (amount in taka)



5.19 **Growth Rate of Loan and advance :**

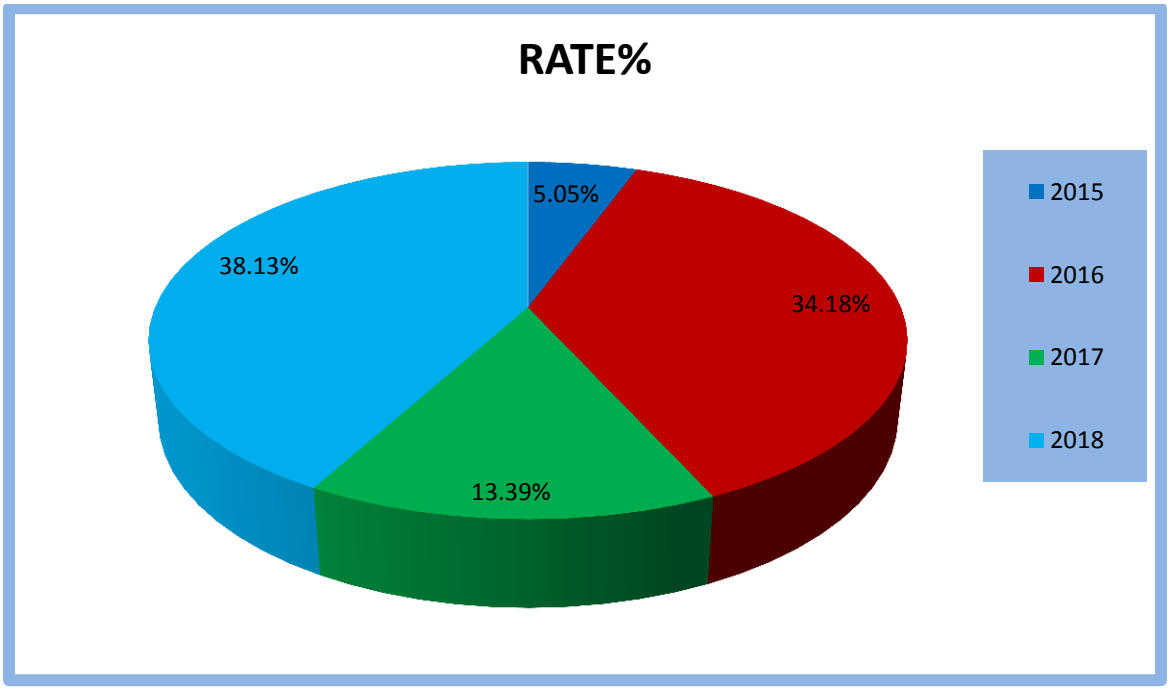
Growth rate is the financial rate at which the amount of loan and advance increase or decrease. Specially growth rate ordinarily refer to the change in loan and advance a unit time period, often expressed as percentage of the amount of loan and advance at the beginning of that period. This can be written as the formula:

$$= \frac{(\text{loan at the end of the period} - \text{loan at the begining of the period})}{\text{loan at the begining of the period}} \times 100$$

Table: Growth Rate of Loan and advance in Sonali Bank Limited

Loan year	2015	2016	2017	2018
Rate	5.05%	34.18%	13.39%	38.13%

Graphical Presentation Rate of Loan and advance:



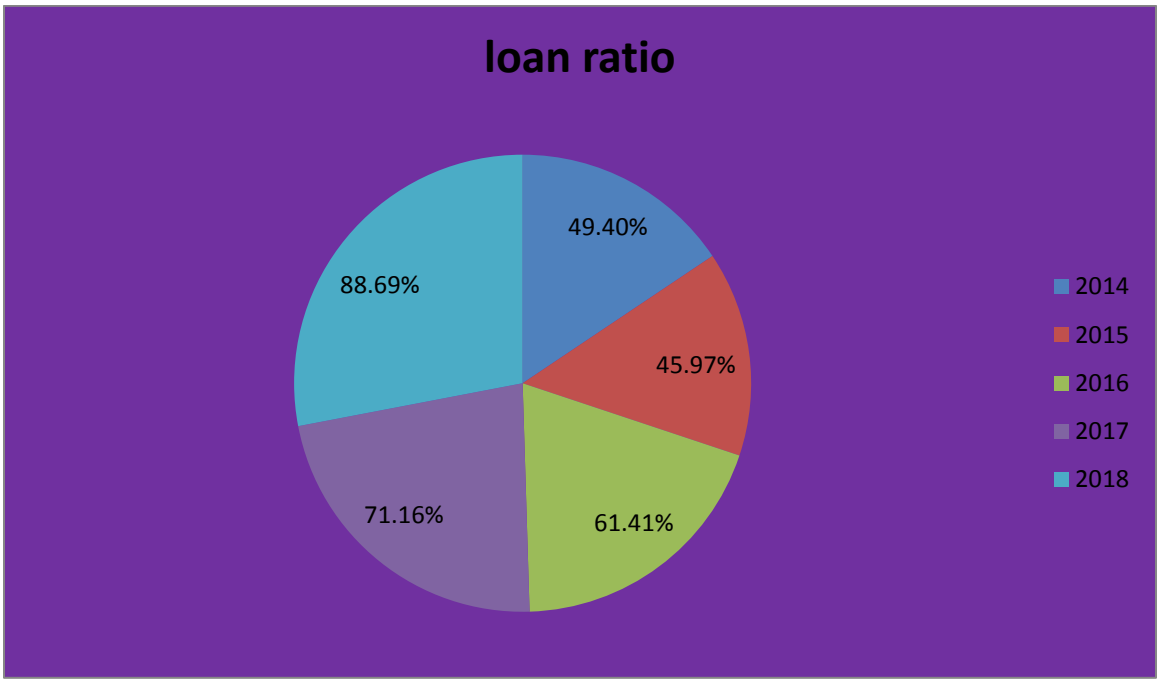
From the figure it is seen that in 2018 the growth rate was higher than 2015. In 2016 the growth increased in a higher rate. But after that the growth rate of loan suddenly fall down from 34.18% to 13.39%. Really that was a shocking matter for the SBL green road branch. But after that SONALI bank handle the growth rate and it is showing and increasing trend which is a good sign.

5.20Loan ratio:

The loan ratio indicates the extent to which assets are devoted to loans as opposed to other assets such as cash, securities, and plant and equipment. It measures what is the percentage of loan and advance portion out of the total asset of the bank. Although loan and advance usually is the digest part of the assets of the balance sheet of any commercial banks. But if the loan and advance is large then the credit risk is also high because chances of not getting the money bank are higher in investment then the investment in securities. Because securities , plant, equipment is very high. So a bank which has high amount of provision for loan losses, should not expand its loan portfolio without consideration of all the factor of loan sanctioning.

$$loan\ ratio = \frac{\text{net loans and advance}}{\text{total assets}} \times 100$$

Graphical presentation of loan ration:



From the above graph table it can be observed that the percentage of total loan of the total assets of sonali bank limited is growth day by day from the FY 2014 to 2018. We can see that in FY 2015 the loan ratio is downward from the FY 2014. But in FY 2016, 2017, 2018 is generated more loan asset as per 61.41%, 71.16%, 88.69% of total asset.

5.21 Securities against loan:

Project loan:

Land and building are taken as security in the form of mortgage and plant and machinery are taken in the form of hypothecation.

Working capital and trading loan:

Goods are taken as security in the form of pledge and also goods are taken as security in the form of hypothecation along with land and building as mortgage in the form of collateral security.

House building loan:

Land and building are taken as security in the form of mortgage.

Overdraft:

FDRs are taken in pledge. The balance in DPS/JBSPS/SDPD A/C"s is taken "lien"

Public sector Loan:

In most cases Govt. Guarantee is taken and no security is taken for government loan and Groups loans in agriculture sector.

5.22 Head wise loans: cash credit, overdraft loan, personal loan, small business loan:

Head wise loans	2014	2015	2016	2017	2018
Cash credit: general-Hypothecation	Tk. 38,36,278.00	Tk. 44,52,894.00	Tk. 43,84,362.00	Tk. 13,09,800.00	Tk. 10,03,817.00
overdraft	Tk. 70,54,126.00	Tk. 58,32,214.00	Tk. 25,98,613.00	Tk. 18,13,620.00	Tk. 65,03,644.00
House building loan (general)	Tk. 35,68,406.00	Tk. 30,60,406.00	Tk. 33,32,059.00	Tk. 31,02,209.00	Tk. 1,69,60,841.00
House building loan(staff)	Tk. 3,40,27,408.88	Tk. 3,45,31,957.00	Tk. 4,67,60,692.00	Tk. 5,58,65,939.00	Tk. 6,58,39,631.00
Other loans	Tk. 30,97,149.00	Tk. 19,65,233.00	Tk. 42,56,108.00	Tk. 40,05,631.00	Tk. 36,24,803.00

Personal loans	Tk. 29,79,899.00	Tk. 19,61,903.00	Tk. 79,93,209.00	Tk. 85,42,102.00	Tk. 98,84,314.00
Small business loan			Tk. 3,02,121.00	Tk. 16,80,961.00	Tk. 19,18,110.00
SME financing				Tk. 25,06,940.00	Tk. 31,48,940.00

5.23 Process of Loan Recovery in short:

Recovery plan is one of the components of performance plan. It is a future intended action in respect of recovery. In other words, it is a conscious and deliberate effort to recover all current dues and overdue loans.

Days past Due	Collection Action
1-14	Soft call requesting payment.
15-29	1st reminder letter
30-44	2nd reminder letter+ single visit
45-59	✓ 3rd reminder letter. ✓ Group visit by team member. ✓ Follow up over phone. ✓ Letters to guarantor, employer, and reference all above effect follows. ✓ Warning on legal action by next 15 days.
60-89	✓ Call up loan. ✓ Final reminder and serve legal notice. ✓ Legal proceedings begin. ✓ Repossession starts.
90 and above	✓ Telephone calls/ legal proceedings continue. ✓ Collection effort continues by officers and agent. ✓ Letter to different banks/ association.

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5.24 Problems of loan disbursement:

The following problems are mentioned by bank officials related this area:

1. Lack of proper security.
2. Lack of proper supervision of disbursed loan.
3. Illegal activities of CBA to sanction a loan.
4. Influence of political leader to sanction a loan.

5.25 Problems of deposit collection:

1. **Lack of production originated business:** A very few numbers of industrial units is located . Most of the businessman deals with the trading. So, this branch can not collect the deposits of industrial collection.

2. **Target setting policy:** There is no special target setting policy of any branch. Resulting reluctant mentality of the employee for deposit collection.

3. **Fixed rate of interest:** Bangladesh Bank determines a range of interest rate, which is paid on deposit and the head office of Sonali Bank follows top down allocation policy in setting of target, which is unrealistic. For example adding 20% more with the current years deposit, the expected deposit of following years is determined. If the branch enjoys the autonomy of determining the rate of interest, it is possible for the branch to attract the special depositor giving higher rate of interest.

4. **Absence of Islamic banking:** Most of the people of Bangladesh are Muslim. So, most of the people of our country bear ethics of Islam in mind. Interest is prohibited in Islam. Consequently many of us put money in Islamic Bank.

5. **Provide mass banking:** Most of the branch dose not functions of mass banking. As a result it is to be involved in various non-remunerative activities (like payments of teachers salary)

6.Provision for the govt. institution: There is a provision for the govt. institution to put 80% of its deposits in NCBs. But this rule is not followed strictly. In this respects govt. has not taken any step yet consequently, those institutions go to Private Banks in search of better benefit.

7. **Illegal expenses:** Private Banks is habituated with illiegal expenses. Sometimes, they send precious presentation (VIZ, TV, Freeze etc.) to high-level govt. of official and businessman, which is unthinkable for NCBs.

8. **Special benefit:** Private Banks can provide special benefit to attract the depositors

9. **Rules and regulation:** Since it is a branch of state owned commercial bank it follows rigid rules and regulations. On the other hand the flexible rules and regulation maintain Private Banks.

CHAPTER 06

RECOMMENDATION AND CONCLUSION

6.1 RECOMMENDATION

Sonali Bank is a largest Bank in the Bangladesh; they have needed to improved every section with Digitalized. Huge of clients are attending in the Bank so that employee make a proper perform all respective activities. So I think that they have to ensure much respectability some discuses below here: (1) Loyal to the Client, (2) Proper Division of Labor and man power, (3) Ensure Proper compilations &Maintenance of Files, (4) Ensure availability of Machineries, (5) Ensure employee satisfaction and promotional activities, (6) Ensure proper rules and regulation of Islamic banking, (7) Ensure effective computer literacy and Should use fastest software, (8) Ensure Internship Desk and specific Task,

(1)Loyal to the client: Sonali Bank ensure the many respective activates for the customer and help them ensure as well as loyal customers forever.
(2) Proper Division of labor and man power: Human resources department of the Sonali Bank ensure that every employee under the rules with specific desk related activities. Every employee are need to play role properly. Make a personal relationship development with customer. Most important ensure a Front "Help Desk", and clearing section need relies faster because of huge number of customer are gathering here.
(3)Ensure proper compilations and Maintenance of files: Proper customer service ensures the success of banking business. A customer makes a positive or negatives thinking in the first day about banker or banking activities. Every client's all paper are scanning softcopy preserves in Sonali Bank Software and hard copy also individually keeping in the file. This duty is more important for every person of employee, specific officers and also Manager.
(4) Ensure availability of Machineries: Every department should ensure the availability and proper maintenance of necessary machines like photocopy and printing machines.
(5) Ensure employee satisfaction and Promotional activities: Daily work is very borrowing for every person, so need to change working position and every employee need a motivational activates with special person. They have ensure monthly payment timely not to any lame excuse, they need increasing percent of Bonus. Promotional activates are need to free fare, if not many unethical person enter into higher position then company faces many hampering activates.
(6)Ensure proper rules and regulation of Islamic banking:
Sonali Bank started its operation with the slogan "Udvaboni Banking a Apner Bisoshtho Songi". From the very inception of the Bank it showed its difference in its different activities. Opening of Islamic Banking Branch is one of its achievements within the frame work of conventional banking. Sonali Bank Ltd. started its Islamic Banking operation by opening its first Islamic Banking Branch at 19, Dilkusha C/A, Dhaka on 18.12.1995. Bank opened its 2nd Islamic Banking Branch at Amberkhana, Sylhet on 17.12.1997. The salient features of Islamic Banking are as under:

1.To conduct all its activities as per Islamic Shariah.2.To conduct its monetary matters free of interest.3.To establish banker-customer relationship on the basis of partnership.4.To follow

Islamic principle in all its investment port-folio.5.To develop living standard of the poor incoming group. 6.To render excellent services to the clients cordially.7.To conduct welfare related activities to the people.

(7)Ensure effective computer literacy and use faster software: Employee needs proper training with computer, basic knowledge of ICT. Who to use mail, online activities and some essential software installing and harmful software uninstalling activities. Sonali Bnak only uses the SBL and RMS software those are very slow for working need to developing new software and faster. Ensure to discovery new ICT devotion which SWOT out the recent using software problem and recover them and also making new technological faster software.

(8)Ensure Internship Desk with Specific Task: Sonali Bank have no Internship Desk for learning banking activities, they have no proper training who to use a new internship. Internship person give provide better knowledge which they can use future banking job other any job sector.

6.2 Conclusion

As an organization the Sonali Bank has earned the reputation of top banks operating in Bangladesh. The organization is much more structured and it is relentless in pursuit of business innovation and improvement. It has a reputation as a leader in financing manufacturing sector.

Credit Department unit of Sonali Bank has the major contribution to the overall revenue of the bank. This core unit of corporate banking group is with the basic job of attracting and persuading new customers as well as providing superior service value to the existing customers.

Every Department such as Customer Relation Department improves their relation with new and existing client. Open account officer should use welcome and thank you massage for the customer. Deposit collection department need use computer and doing first every procedures so that client no to stay more moment in to the bank. Most of the Branches are lack of huge employee, government need to proper recruitment for fill up the gap.

Credit management officer are more carefully when they provide loans, they have must recovery system for this loans, so mortgage and other essential papers are collect in this file. Without any illegal activity sanctioned the loans so that bank doesn't default. Higher authorities take a imitative monthly visiting every branch with Divisional officer.

Sonali Bank all time follows the mother bank of the Bangladesh Bank. Sonali bank has huge contribution for improving GDP and liquidity solvency of economic sector.

Finally I earn new experience from my branch which is very helpful my careers.

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Advices & Suggestions are given by the following persons:

- Mr. Faroque Ahmed, Deputy General Manager, Dhaka stadium corporate Branch, Dhaka.
- Mr. Waidul Islam, Assistant General Manager, Dhaka stadium corporate Branch, Dhaka.
- Mr. Md.Hanif Ali, Principle Officer, Dhaka stadium corporate Branch, Dhaka.
- Mr.Mukul Sarker, senior officer, Dhaka stadium corporate Branch, Dhaka.
- Mrs. Jesmin sultana, senior officer, Dhaka stadium corporate Branch, Dhaka.
- Mrs. Rumana Hoque, junior officer, Dhaka stadium corporate Branch, Dhaka.

APPENDIX

Journal-1

Week-1 In the first week of my internship program I have been given some tasks like filing, separating vouchers. I also wrote some accounts number. First of all I could experience the real life work environment and along with that I could learn how to do filing, write accounts number. Though it was my first at the branch but I have observed that most of the work is done manually.

Week-2 In the second week I had to give input for the debit card numbers in a file. That was the very first experience that I could actually view how they input the card numbers and other information.

Week-3 In the third week I sorted out some checks. I also typed some transfer and sectioned letters. The officer in charge helped me with the typing. As my first experience I enjoyed typing the letters. And from that I experience I could learn a new thing.

Week-4 In the fourth week I was assigned to write down vouchers. Eventually it was a great experience because I could learn completely different activity.

Week- 5 In the fifth week I prepared an excel sheet based on the vouchers. During my BBA program I learnt to prepare excel sheet. And during my internship period I actually prepared an excel sheet. It was a great learning time for me and it will be beneficial in the coming time.

Week- 6 In the sixth week the officer whose name is Salma helped me preparing monthly ledger. She also helped me sorting pension scheme paper. The officers at the branch were so helpful and because of them I could learn a lot of things.

Week- 7 In the seventh week I was with the officer who in charge of chalan section. He showed me how to send mail and record information related to chalan.

Week- 8 In the eight week I was given some task which was sort out the old age allowance papers, providing some information to the clients. Overall it was a great experience and I could learn about some baning activities. The real life working experience will help me in the long run.

Week- 9 in the ninth week I was with the cash management section officer. From him I had learned cash management system and process.

Week- 10 the employee in the clearing section Afroza madame gave me some vouchers and I had to separate according to category of expense. Since it was my first experience I enjoyed a lot. And the employees at the branch were so much supportive and friendly.

Week- 11 in that week I was worked with the loan and advance section officer. From this officer I learned loans and advances given system to the customer. Also I was read many kinds of loans and advance related records which was really helped me to did my project part.

Week- 12 I was with the officer who in charge of remittance section. She showed me how to send mail and record information related to remittance. It was totally a great learning experience since remittance section is one of the crucial sections of bank.