Sonargaon University (SU)
147/I, Green Road, Tejgaon, Dhaka-1215, Bangladesh.

Internship Report

on

General Banking Activities of Al-Arafah Islami Bank Limited.

Submitted by
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Program: Bachelor of Business Administration (BBA)
Major: Human Resource Management
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Submitted to
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Date of Submission: January 07, 2025

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Program: BBA (Major: Human Resource Management)
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Submitted to
Shakila Yesmin
Lecturer
Department of Business Administration
Sonargaon University (SU)

Date of Submission: January 07, 2025

Letter of Transmittal

January 07, 2025

Shakila Yesmin
Lecturer
Department of Business Administration
Sonargaon University (SU)

Subject: Submission of Internship Report on "General Banking Activities of Al-Arafah Islami Bank Limited".

Dear Madam,

I am honored to submit the report titled **"**General Banking Activities of Al-Arafah Islami Bank Limited" as a comprehensive exploration of my internship experience at your esteemed organization. This report is a culmination of my efforts to understand and document the intricate audit and assurance processes in place at Al-Arafah Islami Bank Limited.

Throughout my internship, I had the privilege of working alongside dedicated professionals who graciously shared their expertise and insights. The report covers various facets of the general banking activities. The report deals with the whole activities of General Banking in this Bank. I tried my level best to make the report meaningful and informative.

I am sincerely grateful for the guidance and support extended to me during my internship at Al-Arafah Islami Bank Limited., and I trust that this report accurately reflects the commitment to excellence that characterizes your firm.

I hope you find the report insightful and reflective of the high standards maintained by Al-Arafah Islami Bank Limited. I am open to any discussions or clarifications that may arise from the contents of this report.

Yours Sincerely

_____

Arrafi Hossain Khan
ID: BBA2003021023
Program: BBA (Major:HRM)
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Declaration of Student

I, Arrafi Hossain Khan, a student enrolled in the Bachelor of Business Administration program under ID BBA2003021023 at Sonargaon University, affirm the authentic creation of the report titled **"**General Banking Activities of Al-Arafah Islami Bank Limited**."** Throughout the report's preparation, I rigorously adhered to international copyright regulations. It is important to clarify that this report has not been previously submitted for degree purposes elsewhere.

Yours Sincerely

Arrafi Hossain Khan
ID:BBA2003021023
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Letter of Authorization

I hereby verify that the project report on "General Banking Activities of Al-Arafah Islami Bank Limited" represents the authentic work of Arrafi Hossain Khan. He exhibited outstanding commitment, professionalism, and a profound comprehension of general banking. Their contributions proved invaluable to our team, showcasing a dedication to maintaining elevated standards in auditing. I take pleasure in recognizing AR-Rafi Hossain Khan's triumphant completion of the internship and extend my best wishes for their ongoing achievements in academic and professional endeavors. I provided guidance during the research process. To the best of my knowledge, I affirm that the content presented in this report has not been incorporated into any other project report or dissertation, whether in a similar or different context, resulting in the award of a degree to any candidate prior to this submission.

Shakila Yesmin
Lecturer
Department of Business Administration
Sonargaon University (SU).

Acknowledgment

I begin by expressing my heartfelt gratitude to the Almighty for providing me with the strength, courage, and capability to successfully complete my internship program and compile this internship report within the designated time frame, despite facing various challenges.

I would like to extend my sincere thanks to numerous individuals whose unwavering support and encouragement, whether direct or indirect, significantly contributed to the creation of this report during my internship journey.

First and foremost, I am deeply appreciative of my academic supervisor Shakila Yesmin**,** Lecturer, Department of Business Administration, Sonargaon University (SU). Her continuous support, invaluable guidance, constructive supervision, instructions, and advice played a pivotal role in shaping this report. Her encouragement served as a constant source of motivation throughout this endeavor.

I also extend my heartfelt appreciation to all the dedicated employees of AL ARAFAH ISLAMI BANK LIMITED. who generously assisted me during my tenure with the organization. Their collaboration and guidance greatly enhanced my internship experience, making it truly memorable and enriching.

Lastly, it is crucial to acknowledge that this report is the result of extensive dedication and hard work. I extend my sincere gratitude to all those individuals who made significant contributions to the successful and timely completion of this report. Without their support, this report might not have been possible.

Once again, I am genuinely thankful for the opportunities, guidance, and support I received throughout this internship, which played an integral role in my personal and professional growth.

Executive Summary

Banks provide means and mechanisms of transferring command over resources from those who have an excess of income over expenditure to those who can make use of the same for adding to the volume of productive capital. The bank provides them with the safety, liquidity and profitability of savings.

Al-Arafah Islami Bank Limited is a commercial bank registered by the Bangladesh Bank. The functions of the bank cover a wide range of banking and functional activities to individuals, firms, corporate bodies and other multinational agencies.

The main objective of the study is to give an overview of AIBL and identify the strength, weakness and critical risk factor of this bank.

Data collected for the study in two different modes namely primary and secondary. Face to face conversation with the respective officer of the branch was the main mode to collect primary data and for secondary data various publications and related bodies are observed.

The main limitation of the study was short time limit and authenticated data insufficiency.

Officers of the bank are capable. Even though many of them simply know the working procedure of what they are doing but don't know the philosophy behind doing those.

The synergy of dedicated manpower, technology, and market opportunity can lead the organization to achieve the goal; a bank must establish and hold fast to adequate policies, practices and procedures for evaluating the quality of asset and the adequacy of loan provision.

Acronyms

AIBL : AL- Arafah Islami Bank Limited

MD : Managing Director

DMD : Deputy Managing Director

EVP : Executive Vice President

SVP : Senior Vice President

VP : Vice President

AVP : Assistant Vice President

FAVP : First Assistant Vice President

BB : Bangladesh Bank

BCD : Bearer Certificate of Deposit

OB : On line Banking

BBLC : Back to Back Letter of Credit

BL : Bill of Lading

AWCD : Al Wadiah Current Deposit A/C

MTDR : Mudaraba Term Deposit

ITD : Installment Term Deposit

SND : Short Notice Deposit

MSD : Mudaraba Savings Deposit

STD : Short Term Deposit

PTD : Profit Term Deposit

LC : Letter of Credit

PO : Pay Order

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Chapter 1

Introduction

Introduction

AIBL enjoys the prestigious position in Cash Management, and Trade activities, and is primarily corporate driven. With the objective of achieving success here & hereafter by pursuing the way directed by Allah and the path shown by His Rasul (SM), Al Arafah Islami Bank Limited was established (registered) as a private limited company on 18 June 1995. Renowned Islamic Scholars and pious businessmen of the country are the sponsors of the Bank. 100% of paid up capital is being owned by indigenous shareholders. The goal of AIBL is to be the "To be a pioneer in Islami Banking in Bangladesh and participate significantly in the development of the national economy. It has made a good contribution towards the socio economic development of the country. In this tough edge time of business, saving money exercises have spread out in numerous zones like trader keeping money, share exchanging, giving lease et cetera. In such a profoundly aggressive administration industry, the significance of consumer loyalty can't be de-accentuated.

The bank conducts its business on the principles of Mudaraba, Bai-muazzal, and hire purchase transactions approved by Bangladesh Bank. Naturally, its modes and operations are substantially different from those of other conventional commercial bank. There is a Shariah council in the banks who maintains constant vigilance to ensure that the activities of the bank are being conducted on the precepts of Islam. The Shariah council consists of prominent Ulema, reputed bankers, renowned lawyers and eminent economists.

- Al-Arafah Islami Bank is a standout amongst the most eminent private business banks. Amidst an obliged ability to focus time the Bank has built up a superior than normal picture in the Banking area and has changed into a household name in the nation because of a few clients – kind store and credit plot. I am doing my entrance level position in Al-Arafah Islami Bank of Jatrabari Branch with a focus on different work regions which consolidates Accounts opening, General Banking, Retail Banking, Clearing, Remittance, Loans and Advances and so forth. Since they are remaining at a great position among the private banks, their money related position, pieces of the pie, advertising components, by and large qualities and shortcoming, destinations, objectives will be interrogated for investigating the way that how they were and how they will be in future.

1.1 Objectives of the Study

The primary target of the examination is to build up a comprehension about the down to earth management of account exercises and to relate them with the hypothetical learning obtained from the banks. Other than these the particular destinations are the followings:

1. To Know the general managing an account exercises of AIBL

2. To distinguish the quality, shortcoming of general managing an account of AIBL.

3. To make proposals for approach suggestions.

1.2 Methodology of the Study

The methodology of a study focusing on Al-Arafah Islami Bank Limited would typically involve a systematic approach to gathering, analyzing, and interpreting data about the bank's operations, performance, and its adherence to Islamic banking principles. Below is an outline of how such a methodology might be structured:

1.2.1 Data Collection

The collection method of primary and secondary data differ since primary data are to be originally collected, while in case of secondary data the nature of data collection work is merely that of compilation. There are several methods of collecting primary data, they are as follows:

1. Face to face conversation with the respective officer of the branch.

2. Exposure on different desks of the bank.

3. Relevant file study as provided by the officers concerned.

4. Informal conversation with clients.

Secondary data may either be published data or unpublished data. Usually published data available in the followings: 1. Technical and exchange diaries

2. Report and productions of different affiliations associated with business and industry, banks, stock trade

1.2.2 Scope of the Study

In my report I have highlighted the various steps of general banking of the AIBL. I have also discussed the background of the sector, market structure, risk management factor etc. with the bank personnel. Before that, a brief overview of the AIBL has been given to understand its operations and activities. So the scope of the report covers the comprehensive knowledge on the organization of AIBL. I have tried to analyze and evaluate general banking performance based on adequate information contained in documents and interviews of banking officers.

1.2.3 Limitations

On the way of my study, I have faced the problems that are given below which could be termed as the limitation / shortcoming of the study-

- ♣ Short Time Period
- ♣ Data Insufficiency
- ♣ Lack of Records
- ♣ Incomplete and obscure data
- ♣ Unwillingness of key person

Chapter 2
Profile of the Organization

2.1 Historical Background of Al-Arafah Islami Bank Limited (AIBL)

Islamic ideology encourages us to succeed in life here & hereafter. To achieve this success we must follow the way dictated by the Holy Quran and the path shown by Rasul (SM). With this goal in view Al-Arafah Islami Bank Ltd was established (registered) as a public limited company.

Date of Registration:	18 June, 1995
1st Branch:	Motijheel Branch, Dhaka
Opening Ceremony:	27 September, 1995
Authorized Capital:	15,000.00 Million
Paid-up Capital:	9, 943.06 Million
Local Partnership of Capital	100%
Equity	22,520.68 Million
Number of Branches	154
Deposit	244,806.26 Million
Investment	235,905.23 Million
Number of Employees	3,446
Number of Shareholders	30,386

The bank leads its business on the standards of Mudaraba, Bai-muazzal, and enlists buy exchanges affirmed by Bangladesh Bank. Normally, its modes and activities are significantly not the same as those of other regular business banks. There is a Shariah gathering in the banks who keeps up steady watchfulness to guarantee that the exercises of the bank are being directed on the statutes of Islam.The Shariah council consists of prominent Ulema, reputed bankers, renowned lawyers and eminent economists.

2.2 Company Profile

2.2.1 Vision, Mission, Commitments

Vision

- To be a pioneer in Islami Banking in Bangladesh and contribute significantly to the growth of the national economy.

Mission

- Achieving the satisfaction of Almighty Allah both here & hereafter.
- Proliferation of Shariah Based Banking Practices.
- Quality financial services adopting the latest technology.
- Fast and efficient customer service.
- Maintaining a high standard of business ethics.
- Balanced growth.
- Steady & competitive return on shareholders' equity.
- Innovative banking at a competitive price.
- Attract and retain quality human resources.
- Extending competitive compensation packages to the employees.
- Firm commitment to the growth of the national economy.
- Involving more in Micro and SME financing.

Value

AIBL values are based upon the fundamental principles that define our culture and bring life to our attitude and behavior. It is their values that make us unique and seen from five basic principle:

- Excellence: The market which AIBL operates is becoming increasingly competitive and their customers now have an abundance of choice.
- Integrity: AIBL success depends upon trust. Their customers are society in general and expect us to process and steadfastly to high moral principles and professional standards.
- Customer focus: AIBL needs to understand fully the needs of their customers and to adapt our product and service to meet these.
- Meritocracy: AIBL believes in giving opportunities and advantage to its employees on the basis of their ability.

- Progressiveness: AIBL puts stock in the accomplishment of society through the appropriation of illuminated working practice, creative new items and the process of a sprite of big business.

Commitments

- Focused on present day Islamic Banking making sound and relentless development in both assembling stores and making quality Investment to keep our situation as a main Islami Bank in Bangladesh.
- To deliver financial services with the touch of our heart to retail, small and medium scale enterprises, as well as corporate clients through our branches across the country.
- The business initiatives are designed to match the changing trade industrial needs of the clients.

2.2.2 Corporate Division/Department

Al-Arafah Islami Bank is one of the most disciplined Banks with a distinctive corporate culture. Here we believe in shared meaning, shared understanding and shared sense making. AIBL's people can see and understand events, activities, objects and situations in a distinctive way. The corporate culture they have a place in has not been rather accomplished through their corporate direct. The Bank achievement has been conceivable as a result of the capable initiative devoted and conferred administrations given by all levels of administration and staff which are all conceivable due to a decent and quality full corporate culture.

2.2.3 Corporate Division

The whole corporate section is actually led by the board of directors. Khaja Shahriar is the chairman of the board of directors and Alhajj Abdus Salam is the vice chairman of the board of directors. Hafez Alhajj Md. Enayet Ullah is the chairman of the Executive Committee. Alhajj Salim Rahman is the vice-chairman of the Executive Committee. Alhajj Mohammed Emadur Rahman is the chairman of the Risk Management Committee. Jb. Md. Amir Uddin PPM is the chairman of the Audit committee.

2.2.4 Ex Official Director

Managing Director: Md. Habibur Rahman .The branches are controlled by managing directors. MD provides a guideline on how to work and all branches abound to follow that guideline.

2.2.5 Risk Management Committee

The Committee shall assist relevant work of the Board of Directors to validate the type of strategies, policies, procedures and internal control process of risk management of the Bank, and supervise and appraise the risk management department and relevant senior management on risk management.

2.2.6 Audit committee

The corporate culture they have a place in has not been forced, it has rather been accomplished through their corporate direct. The Bank achievement has been conceivable in light of the capable administration devoted and conferred administrations given by all levels of administration and staff which are all conceivable due to a decent and quality full corporate culture**.**

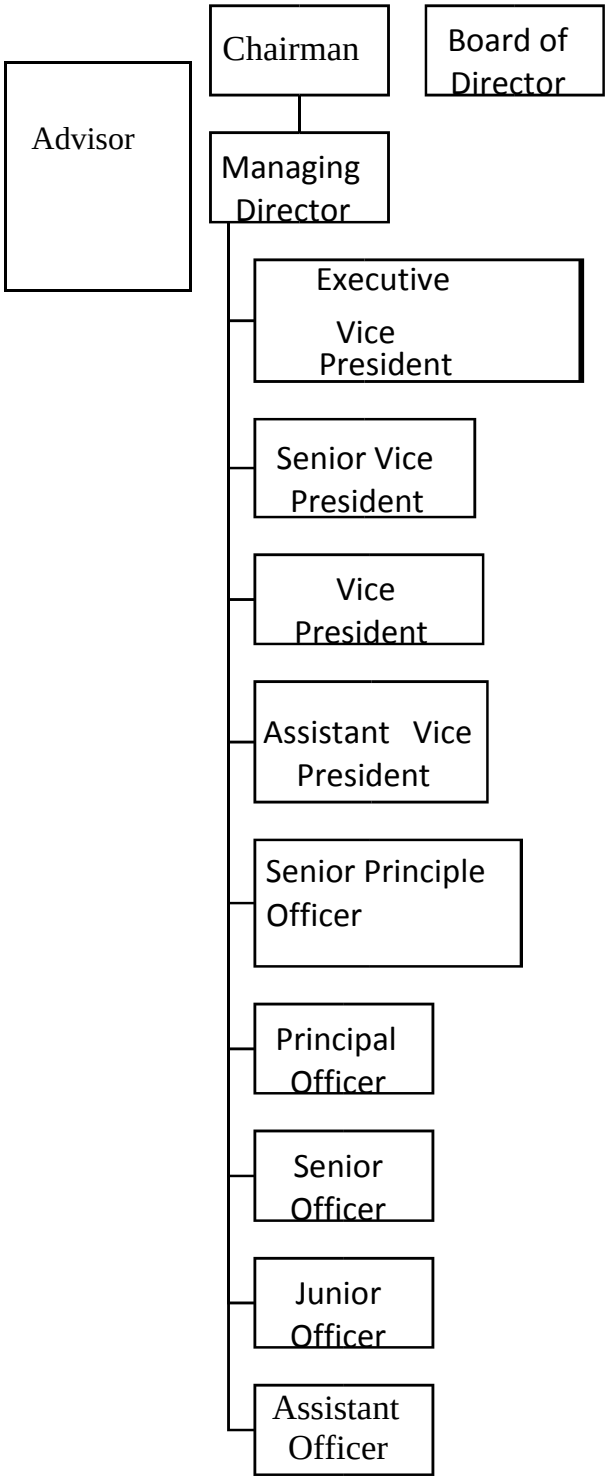
2.2.7 Executive Committee

The Executive committee coordinates all bank activities. They ensure that bank activities accord by following their budget and plan.

2.2.8 Shariah Supervisory Committee

The Fatwa & Shariah Supervision Board of committee oversees the application of different aspects of Shariah in the Bank. It also gives the surety that all transactions are in strict compliance with the right of contradicting (fatwa) any violating procedures, if found with proper evidence.

2.3 Operational Details



2.4 Sections and Their Functions

There are mainly two sections in AIBL, General Banking Division Investment Division and Foreign Exchange Division. These Divisions have small departments or units under them. The details of the important sections and subsections are described below.

2.4.1 General Banking Division

There are certain three sections working together to fulfill the target of the company.

(a) Customer Service (b) Cash Department (c) Accounts Department

2.4.1(a) Customer Service

Different functions of customer service are:

- Accounts opening
- Issuance of Cheque Book
- Issuance of Payment Order
- Issuance of Online Transfer
- Handling transfer transaction
- Operation of clearing house
- Executing customer standing instructions

2.4.1 (b) Cash Department

Different functions of cash department are:

- Receiving money from the investors.
- Payment of money to the customer as requested.
- Checking all zones of store slip whether it is plainly composed or not.
- Verifying the installment check when to pay the cash to the customer.
- Cash register must be maintained by the Cash Officer.
- Maintenance of daily cash balance.
- Preparation of monthly cash balance.

2.4.1 (c) Accounts Department

Accounting of AIBL can be broadly classified in the following two groups:

i) General Accounting

ii) Investment Accounting

i) General Accounting

General Accounting includes accounting for-general and administrative expense, funding operation and fixed assets.

Activities of accounting subsection includes

- Registration of vouchers.
- Posting of the voucher in the ledger.
- Preparation of unadjusted trial balance
- Preparation of adjustments (accrual of expenses and income)
- Preparation of adjusted trial balance
- Maintenance of accounts with Bangladesh bank & other banks

ii) Investment Accounting

The organization keeps up its books of record in light of the working strategy for bookkeeping as per Generally Accepted Accounting Standards in similarity with one the arrangement of significant controls of Bangladesh Bank.

- Collection of receipts i.e. rental, profit
- Control of collection i.e. maintain cheque register.
- Reporting of information regarding rental collection i.e. cash collection statement.
- Acknowledgement to the Account holder i.e. –statement of accounts.
- Preparation of overdue statement i.e-overdue statement for BOD.
- Activities regarding delinquent charge i.e.-billing.
- Treatment of irregular investment Account.

2.5 Investment Division

Functions of investment divisions are:

- Preparing the proposal
- Issuance of sanction letter
- Disbursing the payment
- Prepare & posting voucher

2.5.1 Foreign Trade Investment

- Investment in Agricultural sector
- Investment in Industrial sector
- Investment in Business sector
- Investment in Foreign Trade
- Investment in Construction and Housing
- Hire purchase
- Village and small investment schemes
- Consumer investment scheme

2.6 Human Resource Division

One of the major responsibilities of the human resource division is to enforce the Personnel policy of AIBL. The section evaluates the performance of each employee twice a year and maintains a detailed file on each employee.

Chapter 3
General Banking Practices of Al-Arafah Islami Bank Limited

General banking

General banking department is the main body of all banking activities. This is the busiest and critical division of a branch, since stores are prepared, money exchanges are made; clearing, settlement and bookkeeping exercises are done here.

Financial institution/ intermediary that mediates or stands between ultimate borrowers and ultimate lenders is known as a banking financial institution. Banks perform this function in two ways- taking deposits from various areas in different forms and lending that accumulated amount of money to the potential investors in other different forms.

General keeping money is the front-side managing an account benefit division. It gives those clients who come often and those clients who come one time in keeping money for getting a charge out of auxiliary administrations. In some broad saving money exercises, there is no connection amongst investors and clients who will take just a single administration shape bank. On the other hand, there are some customers with whom banks are doing their business frequently. It is an important department for all banks because it provides day-to-day service to the customers. Front Desk is important for general banking. Customers give their deposits and meet their demand for cash by honoring cheques.

3.1 GB Sections:

There are various sections in this department, which are as follows: -

- Cash Section
- Accounts Opening Section
- Cheque Clearing Section
- Remittance Section

3.2 Electronic funds transfer

The term Electronic funds transfer (EFT) means electronic exchange or transfer of money from one account to another, either within a single financial institution or across multiple institutions, through computer-based systems.

The term covers a number of different concepts:

- Cardholder-initiated transactions, where a cardholder makes use of a payment card
- Direct deposit payroll payments for a business to its employees, possibly via a payroll service bureau
- Direct debit payments, sometimes called electronic checks, for which a business debits the consumer's bank accounts for payment for goods or services
- Electronic bill payment in online banking, which may be delivered by EFT or paper check Transactions involving stored value of electronic money, possibly in a private currency
- Wire transfer via an international banking network (carries a higher fee in North America)
- Electronic Benefit Transfer

3.3 Automated Clearing House

Automated Clearing House (ACH) is an electronic network for financial transactions in the United States. ACH forms extensive volumes of credit and charge exchanges in clumps. ACH credit exchanges incorporate direct store finance and seller installments. ACH coordinate charge exchanges incorporate purchaser installments on protection premiums, contract credits, and different sorts of bills. Charge exchanges additionally incorporate new applications, for example, the purpose-of-procurement (POP) check change test case program supported by NACHA-The Electronic Payments Association. The government and the commercial sectors use ACH payments. Businesses increasingly use ACH online to have customers pay, rather than via credit or debit cards.

3.4 Cheques

Cheques are those types of bills of exchange which were developed to make payments without the necessary to carry large amounts of money. While paper money evolved from promissory notes, another form of negotiable instrument, similar to cheques in that they were originally a written order to pay the given amount to whoever had it in their possession.

Technically, a cheque is a negotiable instrument instructing a financial institution to pay a specific amount of a specific currency from a specified transactional account held in the drawer's name with that institution. Both the drawer and payee may be natural persons or legal entities.

3.5 Deposit Product of AIBL

- Mudaraba Savings Deposits (MSD)
- Mudaraba Short notice deposits (MSND)
- Al- Wadiah Current Account (CD)

3.6 Fixed deposits

36 Months	24 Months	12 Months	06 months	03 months

Fixed deposits are a high-enthusiasm yielding Term store offered by banks. The most mainstream type of Term stores are Fixed Deposits, while different types of Term Deposits are Recurring Deposit and Flexi Fixed Deposits.

3.7 Mudaraba Term Deposit

- Monthly Hajj Deposit
- Monthly Installment Term Deposit Monthly Profit Based Deposit.
- Monthly Savings Investment
- Marriage Saving Investment Schemes.
- Pensioners Deposit Scheme
- Cash WAQF.
- Kotipoti Deposit Scheme
- Millionaire Deposit Scheme
- Double Benefit Scheme
- Triple Benefit Scheme

3.8 Electronic Products

- Real Time On-Line any branch banking
- 24-hours ATM
- Debit Card
- Credit Card
- Telephone Banking
- MSMS Banking
- Internet Banking
- SMS Banking
- Agent Banking
- RTGS

Chapter 4

My responsibilities as an Intern

4.1 Job Part

4.1.1 Actual Task Part

In the period of my three months internship program, I got a position and some duties in Al Arafah Islami Bank Limited, Jatrabari Branch. My observation and responsibilities were in General Banking Department like opening & different types of DPS or FDR opening (Deposit Schemes), fill up the Account Opening Form. From **October 03, 2024 to January 04, 2025** I worked with Salman Waheed Rezwan, Executive Officer of Al Arafah Islami Bank Limited, Jatrabari Branch who manages the front desk. At that time, I mainly worked in the Customer Service Department & observed the rules and regulations of Deposit Schemes and the procedure which they followed in the Deposit Section.

4.2 Job responsibilities

There were several responsibilities carried out by me in the general banking division of Al Arafah Islami Bank Limited (Jatrabari Branch). Every day I used to start my job at 10:00am and it ended at 05:00 pm. Within this time different types of jobs were done by me and those are given below.

4.3 Accounts Opening

Account opening is the most important issue in general banking. It is the first phase of customers who are going to get services from the bank. Before opening any account it is very important to know the target customers of the bank. It is additionally critical to know why the client needs to open records at this branch. To uncover the client's motivation of opening a record is entirely dubious. In the event that the record opening officer is experienced and insightful s/he can without much of a stretch uncover the reason for opening the record from the client himself. Al Arafah Islami Bank Limited offers different types of accounts for their target groups.

4.4 Closing Accounts

However, customer accounts are closed for many reasons. So if I closed accounts with maximum attention to the customer so that next time when they will think about opening a bank account, Al Arafah Islami Bank Limited will come to their mind as a preferred choice.

4.5 Receive Cheque Requisition

A check demand is gotten from the client for giving another check book containing a particular number of pages specified by the client. I got the check demands for the duration of the day and sent the rundown to the head office toward the day's end.

4.6 Pay Order Issue

Pay order has been issued to serve the customer who wants to send money not in cash rather in cheque. It reduces the cash carrying risk. I filled up the pay order slip to help out the customers.

Total amount of PO	Commission	Vat
Upto Tk. 10,000.00	Tk. 15.00	Tk3.00
Tk. 1 0,001. 00-Tk. 1,00,000.00	Tk.25.00	Tk. 4.00
Tk. 1, 00,001. 00-Tk. 5,00,000.00	Tk. 50.00	Tk. 8.00
Tk. 5, 00, 001. 00 and Above	Tk. 100.00	Tk. 15.00

4.7 Issuing Cheque Books

Cheque registers are designed and signed by the account holder before issuing the cheque book. Minimum five working days was needed to issue a new cheque book. Many steps were followed while issuing the check book.

4.8 Inform Clients

Getting the proper reacquisition form from our clients we needed one week to deliver. I informed our clients through the phone when check books were reached in our branch.

4.9 Providing Client Statements

In the event that any customer needed their announcement it was given by me. Before giving an explanation I confirmed that record. I additionally coordinated the photograph through a server that was given by the customer. At that point I gave articulation.

Chapter 5

Analysis & Findings

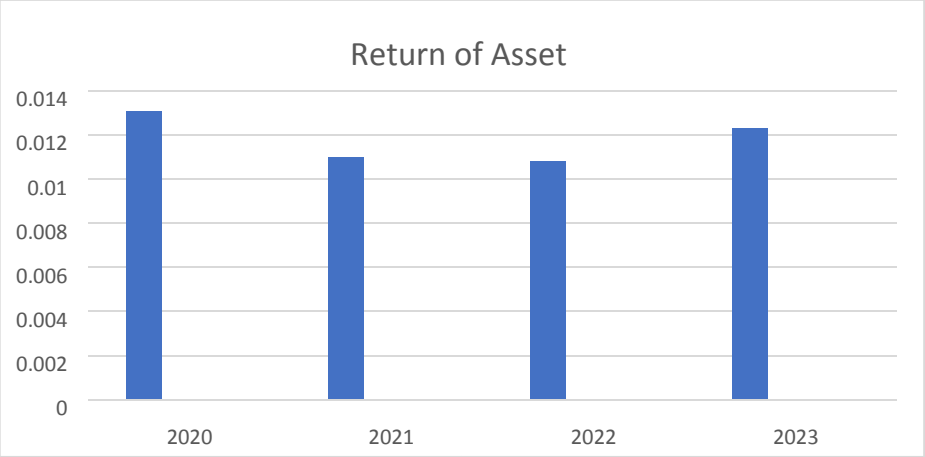
5.1 Financial Highlights:

1. Gross profit margin:



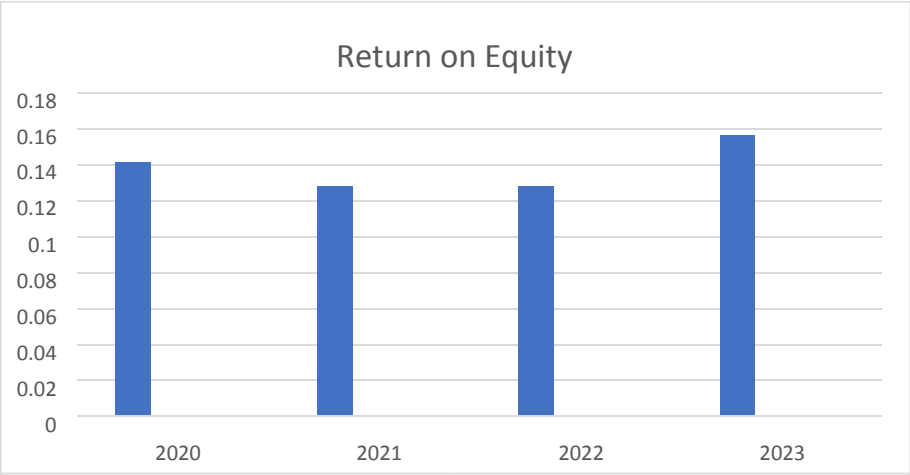
The Gross profit margin of AIBL has changed rapidly from 2020 to 2023. In 2020 their gross profit margin was 0.13 and in 2023 gross profit margin has speedily amplified 0.17. That is a good sign of development of this bank.

2. Return of Asset:



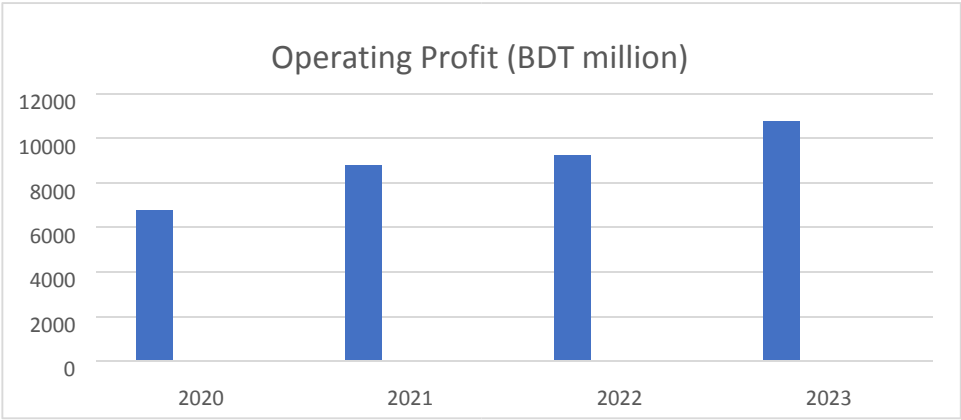
The return on asset ratio of AIBL has increased 0.011 in 2020 to 2023 year. This is an actually good sign for AIBL because it shows that AIBL has generated less income than by utilizing more assets.

3. Return on equity:



The ROE of this bank was lower in 2020 (0.141) than in 2021 (0.128) & 2022 (0.123). Next Year in 2023 that was also increased this was 0.157. Return on equity increased, which is not a good sign of investors.

Operating Profit of Al-Arafah Islami Bank:



From the graph we can see that every year except 2020 Operating Profit of the Bank is BTD 6763.22 million. In 2021 the Operating Profit of Al-Arafah Islami Bank was BDT 8813.76 Million and in 2022 it was 9216.78 Million.In 2023 the operating profit was BDT 10150.76 Million

5.2 Findings

Some of the findings are described below:

1. Officers of the bank are equipped. Despite the fact that huge numbers of them just know the working methodology of what they are doing, however, they don't have the foggiest idea about the reasoning behind doing those.
2. AIBL does force an objective store for accumulation upon its representatives. Each worker needs to go out with the end goal of store accumulation, which they call "improvement reason". It is a viable technique with no inquiry concerning it, since numerous banks of our nation depend on this strategy. Officers of the work area, where workload is high, scarcely find the opportunity to go out for improvement reasons and dependably feel that their obligations for the association would not be assessed except if they can demonstrate a decent measure of store gathering against their name.
3. The cash counters are congested which hamper day to day teller activities and action become delayed.
4. AIBL provides training but the facility isn't sufficient especially for the lower level officers.
5. Problems are faced at the ATM booth due to poor network.

5.3 SWOT Analysis in AIBL:

Every organization is composed of some internal strengths and weaknesses and also has some external opportunities and threats in its whole life cycle.



Strengths:

-AIBL provides its customers excellent and consistent quality in every service.

-It is a financially sound company.

-It utilizes state of the art technology to ensure consistent quality and operation.

-It gives its works drive a brilliant work environment

-AIBL as of now accomplished a positive attitude among the customer. - AIBL has a research and preparing division.

Weaknesses:

-Lack of human resource in certain area

-Inadequate IT infrastructure.

-Inadequate delegation of power.

-The bank has limited ATM service.

-Marketing policy is not well setup

Opportunities:

-Development of online keeping money will open more degree for AIBL

-AIBL can introduce more innovative and modern customer service.

-Many branches can be opened in local remote areas because of its high demand.

-AIBL can recruit experienced, efficient and knowledgeable officers and staff as it offers a good working environment.

-Relationship management.

Threats:

Worldwide trend of mergers and acquisition in financial institutions is causing problems.

-Frequency taka devaluation and foreign exchange rate fluctuation is causing problems.

-lots of new banks are coming in the scenario with new service.

-Some other banks also follow the Islamic banking policy.

-Similar types of retail banking products.

-Certain Bangladesh Bank's rules and regulations.

Chapter 6

Recommendation

Recommendation

On the basis of observation, SWOT analysis, Ratio analysis, and employee comments I have some recommendations for Al-Arafah Bank Limited to capture more market share and to make the inward condition more dynamic. I trust these suggestions would assist them with competing with their rivals.

Al-Arafah Bank Limited has the Islamic rules and regulations. So I think they should follow those rules and regulations for their future betterment. Al-Arafah Islami Bank Limited does not have enough advertisements for their products, so Al-Arafah Islami Limited needs greater commercial to advance their items. AL-Arafah Islami Bank Limited sets aside more opportunity for CIB report and provokes benefits than alternate banks. So AIBL ought to do this sort of employment inside a brief timeframe.

As per earnest observation some suggestions for the improvement of the situations are given below:

- According to open another record AIBL must require continuous and productive reports from new customers. It would be particularly valuable to both the Bank and the customers.
- General working conditions ought to be moved forward.
- The frame ought to be exact with the quality data to the purposes of the customer rather than pointless data.
- To recruit sufficient skilled manpower because the bank employees should communicate properly with customers about their deposit and other schemes.
- If the intrigued customers have legitimate documentation in support of his/her character at that point there ought to be probation for staying away from introducer.
- Proper preparation ought to be given to all representatives on customary premises.
- They should deal with every one of the customers' legitimate administrations.
- They require a precise process in real money counters to give clients well and quick offices.

Conclusion

Islam is the most peaceful religion known throughout the world. Though the concept of Islamic Banking is no longer a new thing in the world. At present there are six Islamic Banks working in our country.

As I have completed my internship at AI Arafah Islami Bank Limited. Al-Arafah Islami Bank Limited intends to play a primary role in the financial activities of the country through adjusted administration, imaginative practices, energetic progress and efficient organization it has made an unmistakable stamp in the region of private keeping money division at this point. Through an imaginative credit policy, it is also decisively occupied in the improvement of business, trade, and production.

Al-Arafah Islami Bank Limited maintains flow of funds from depositors to investors. In doing so, this bank needs to collect deposits from the depositors and then distribute those as loans to the investors. Besides, this bank provides assistance in international trade, money transfer, collection and payment of utility and other bills, etc. all of which are fully customer oriented.

On the other hand promising individual representative development and improvement, the bank likewise offers push to recognize and hold the human resources who can conceivably be the successors of mission basic parts. The bank perceives that movement masterminding and organization is basic to the continued advance. So the bank reliably reviews various leveled, divisional and bunch capacity gaps to perceive, make and hold the successor in a propitious method to meet solicitations without limits.

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