Internship Report
on
An Analysis of General Banking Operations and Financial Services of Midland Bank PLC

Submitted By:
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ID: BBA2202026089

Program: Bachelor of Business Administration (BBA)
Department of Business Administration

Major: Accounting
Summer 2026

Submitted to
Department of Business Administration
Faculty of Business
Sonargaon University (SU)

Submitted for the partial fulfillment of the degree of
Bachelor of Business Administration



Sonargaon University SU

147/I, Green Road, Tejgaon, Dhaka-1215, Bangladesh

Date of Submission: September 05, 2026

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Supervised by:
Natasha Shikder
Lecturer

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Letter of Transmittal

Date: September 05, 2026

To

Natasha Shikder

Lecturer

Department of Business Administration

Sonargaon University (SU)

Subject: Submission of Internship Report

Dear Ma'am,

I am delighted to present my internship report on "An Analysis of General Banking Operations and Financial Services of Midland Bank PLC" as part of the academic requirements of my BBA program. This report summarizes my practical work, observations, and experience regarding daily banking operations and accounting practices during my internship at Midland Bank PLC, which lasted for 90 working days. I sincerely acknowledge your continuous guidance, support, and valuable suggestions, which have been crucial in the successful completion of this report. I have tried my best to present the banking procedures and my findings objectively, though there may still be some limitations due to time and confidentiality constraints. I humbly request that you kindly evaluate this report. I would highly appreciate your feedback and constructive suggestions.

Sincerely yours,

Jannatul Mawya Sanjida

ID: BBA2202026089

Program: Bachelor of Business Administration

Department of Business Administration

Sonargaon University (SU)

Student's Declaration

I am Jannatul Mawya Sanjida, a student of Bachelor of Business Administration,
ID: BBA2202026089 from Sonargaon University, and I would like to declare here that solemnly this report, "An Analysis of General Banking Operations and Financial Services of Midland Bank PLC" has been authentically prepared by me. While preparing this report, I didn't breach any copyright internationally. I am further declaring that I did not submit this report anywhere for the awarding of any degree, diploma, or certificate.
Sincerely yours,

Jannatul Mawya Sanjida
ID: BBA2202026089
Program: Bachelor of Business Administration (BBA)
Major: Accounting Department of Business Administration
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Letter of Authorization

Certified that this internship report titled “An Analysis of General Banking Operations and Financial Services of Midland Bank PLC” is the bona fide work of Jannatul Mawya Sanjida, who carried out the research under my supervision. Certified further that to the best of my knowledge, the work reported here does not form part of any other project. report or dissertation based on which a degree or award was conferred on an earlier occasion on this or any other candidate.

Natasha Shikder
Lecturer
Department of Business Administration
Sonargaon University (SU)

Acknowledgement

Firstly, I have to thank Almighty Allah. His patience, guidance, and strength got me through my internship and this report, “An Analysis of General Banking Operations and Financial Services of Midland Bank PLC” I’m especially grateful to my academic supervisor, Natasha Shikder, Lecturer, Department of Business Administration, Sonargaon University. The support and honest feedback I got made a real difference. Every bit of advice pushed me to think deeper and write better. Huge thanks to the management at Midland Bank PLC, especially the General Accounts and Operations departments. They opened the doors for me and made it easy to get a true feel for how general banking and daily accounting practices work in Bangladesh. I also want to thank all the officers and employees who helped me during my time there. Their encouragement and willingness to explain complex banking operations turned a tough experience into something truly rewarding. I faced many challenges. However, I owe a lot to my family for their constant support, friends, and classmates. Their steady support and motivation kept me going. I really couldn’t have done any of this without them.

Executive Summary

This internship report presents an overview of my internship experience at Midland Bank PLC, completed as a requirement for the Bachelor of Business Administration (BBA) program. The internship was conducted in the Credit Department, where I gained practical knowledge of banking operations and learned how theoretical concepts are applied in a professional financial institution. The primary objective of this report is to evaluate the bank's credit management practices and reflect on the practical experience gained during the internship. The report provides a brief introduction to Midland Bank PLC, including its background, organizational structure, mission, vision, and the wide range of banking products and services it offers. It also explains the functions and importance of the Credit Department in maintaining sound lending practices, minimizing credit risk, and ensuring compliance with banking regulations.

During the internship, I observed and assisted with various credit-related activities, such as collecting and verifying customer information, maintaining loan documentation, preparing credit proposals, reviewing customer files, and supporting officers in routine banking operations. These responsibilities helped me develop practical skills in documentation, communication, teamwork, and professional ethics while improving my understanding of commercial banking procedures.

The report also presents key findings based on my observations and offers several recommendations to improve operational efficiency, customer service quality, digital banking facilities, and credit management practices. These recommendations are intended to support the bank's continuous improvement and long-term growth. Overall, the internship at Midland Bank PLC was a valuable learning experience that strengthened my academic knowledge through practical application. It enhanced my understanding of the banking industry, increased my confidence in a professional work environment, and prepared me for future career opportunities in the financial sector.

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List of Acronyms

Acronym	Full Form
MDB	Midland Bank PLC
BBA	Bachelor of Business Administration
BB	Bangladesh Bank
CBI	Credit Bureau Inquiry
CIB	Credit Information Bureau
CRM	Credit Risk Management
CRG	Credit Risk Grading
CR	Credit Risk
CC	Cash Credit
OD	Overdraft
LIM	Loan against Imported Merchandise
LTR	Loan against Trust Receipt
PAD	Payment Against Documents
SME	Small and Medium Enterprise
CMSME	Cottage, Micro, Small and Medium Enterprise
BG	Bank Guarantee
NPL	Non-Performing Loan
WC	Working Capital
LTV	Loan-to-Value

Chapter-01

Introduction

1.1Background of the Study:

In today's highly competitive corporate ecosystem, theoretical knowledge acquired in an academic setting provides the foundation, but practical exposure shapes true professional competence. For business graduates, an internship serves as this critical bridge, converting conceptual models of finance, management, and customer relations into actionable workplace skills. As a dynamic fourth-generation private commercial bank in Bangladesh, Midland Bank PLC offers an ideal environment to study modern banking operations. This study is designed to evaluate how the bank aligns its day-to-day operational mechanics ranging from technology-driven retail products to stringent risk management with its strategic goal of becoming a premier digital-first financial service provider. Ultimately, this report contextually analyzes the operational performance, customer care standards, and market challenges observed firsthand at Midland Bank PLC during the internship tenure.

1.2 Objectives of the Report:

The objectives of this report are divided into broad and specific goals tailored to an accounting perspective:

Broad Objective

- To conduct a comprehensive, audit-style analysis of the general banking operations, accounting practices, general ledger management, and financial reporting framework of Midland Bank PLC.

Specific Objectives: To observe and document the daily banking accounting cycle, focusing on the preparation, authorization, and posting of cash and transfer vouchers into the Core.

- To dissect the bank’s revenue recognition policies (accrual vs. cash basis) and expense
- To analyze the efficiency, reach, and customer adoption of Midland Bank PLC’s technological innovations, such as its Midland online internet banking application and expanding agent banking network

1.3 Scope of the Study:

Firstly, Functional Scope (Core Operations Covered) outlines the specific banking divisions, products, and activities your study evaluates. It generally spans across: Retail and Consumer Banking: Analyzing deposit structures (savings, current, fixed deposits, DPS) and personal loan portfolios (home, auto, and education finance). Secondly, Corporate & SME Banking Evaluating financial assistance, working capital loans, and trade finance provided to small, medium, and large enterprises. Digital & Modern Banking Operations: Assessing the efficiency and reach of "Midland Online" internet banking, ATM/CRM networks, and alternative delivery channels. Islamic Banking Window ("MDB Saalam"): Reviewing the performance, growth, and compliance of their Shariah-based banking operations. Thirdly, Green Banking & CSR: Examining the bank's transition toward eco-friendly practices, climate risk funds, and environmental risk management (ERM) policies. Fourthly, Geographical & Organizational Scope This defines where the data is pulled from within the organization: Head Office vs. Branch Level: Studies are typically limited to either the strategic policies at the Head Office (Gulshan, Dhaka) or specific operations at select branches (e.g., Gulshan Branch, Dilkusha Corporate Branch) where primary data or observations are accessible. Lastly, Agent Banking Networks: depending on the study, it may also cover their expanding agent banking centers across rural and urban borders to assess financial inclusion.

1.4 Methodology of the Study:

This report is based on a three-month internship program conducted at Midland Bank PLC. A rigorous mixed-method approach was employed, heavily weighted toward the qualitative observation of daily accounting practices and the quantitative analysis of historical, audited financial data.

Sources of Data: To build a comprehensive analysis, information was extracted from both primary and secondary sources.

Primary Data Sources: Primary data refers to first-hand information collected directly during the internship placement. This was gathered through.

Direct Observation: Active daily participation in assigned banking tasks (account opening processes, clearing transactions, or digital onboarding via the Midland Online app).

Informal Interviews: Structured and unstructured discussions with the Branch Manager, relationship managers, and operations officers regarding corporate bottlenecks and customer feedback.

Secondary Data Sources:

Secondary data was gathered to evaluate macro-level trends, compliance baselines, and financial status:

Internal Bank Documents: Midland Bank PLC training manuals, citizen charters, and internal circulars.

Published Corporate Literature: Midland Bank PLC Annual Reports, quarterly financial statements, and official press releases.

1.5 Limitations of the Study:

While preparing this comprehensive report, I encountered several practical obstacles and boundaries that constrained the depth of the analysis, to gather all the information in a short moment and this is very challenging for me; this information is given below:

⇒ Midland Bank PLC strictly adheres to a rigorous privacy and security policy regarding customer and internal financial data. Due to non-disclosure constraints, certain sensitive documents, internal circulars, credit evaluation sheets, and proprietary financial models could not be accessed or included in this report.

⇒ The practical observations and primary data collection for this study were localized to a single branch (e.g., Gulshan Branch / Principal Branch / Rangpur Branch). Because banking behaviors and customer demographics vary significantly between urban, semi-urban, and rural areas, the findings of this report may not fully represent the overall national operations of Midland Bank PLC.

⇒ To supplement data gaps caused by confidentiality or time constraints, a significant portion of this report relies on secondary data sources, including the Midland Bank PLC website, past annual financial reports, and generic banking journals.

Chapter-02

Organization Overview

2.1 History of Midland Bank PLC:

Modern banking in this region began during the British colonial period with branches of banks like the Bank of Bengal and the Dacca Bank (established in 1846). During the Pakistan era, the State Bank of Pakistan managed monetary policies, but services were heavily concentrated in urban areas and controlled by West Pakistani interests. Following liberation in 1971, the Dhaka branch of the State Bank of Pakistan was declared the country's central bank and renamed Bangladesh Bank. To stabilize the economy, the government nationalized all domestic commercial banks, merging them into six state-owned commercial banks (Sonali, Janata, Agrani, Rupali, Pubali, and Uttara). The sector witnessed massive expansion with Third and Fourth Generation banks entering the market. This era shifted the focus toward financial inclusion, tech-driven alternative delivery channels (like internet banking, ATMs, and MFS), and stricter corporate governance under the Bank Company Act. By the early 2010s, the economic landscape of Bangladesh was expanding rapidly. To support massive infrastructure projects, rural financial inclusion, and the booming SME (Small and Medium Enterprise) sector, Bangladesh Bank granted licenses to a new batch of financial institutions known as Fourth-Generation Private Commercial Banks. Incorporated on March 20, 2013, Midland Bank PLC (MDB) entered the market as a premier fourth-generation bank. It officially commenced commercial operations on June 20, 2013, at its Dilkusha Corporate Branch. Built on the historical lessons of the country's banking evolution, Midland Bank bypassed traditional legacy systems by embracing automated core banking, agent banking, and robust digital platforms right from its inception.

2.2 Banks and Financial Institution (FIS) in Bangladesh:

The financial system of Bangladesh consists of scheduled banks, non-scheduled banks, and various financial institutions (FIs), all of which operate under the regulatory framework of the Bangladesh Bank. These institutions play a significant role in promoting economic development by mobilizing savings, providing credit, facilitating investment, and ensuring financial stability. As an intern at Midland Bank PLC, understanding the classification and functions of these institutions is essential for gaining knowledge of the country's banking and financial sector. Scheduled Banks are the banks that are licensed under the Bank Company Act, 1991 and included in the Second Schedule of the Bangladesh Bank Order, 1972. These banks are regulated and supervised directly by Bangladesh Bank and are authorized to conduct all

types of commercial banking activities. Scheduled banks constitute the major part of the banking sector in Bangladesh. Scheduled banks in Bangladesh are broadly classified into the following categories:

State-Owned Commercial Banks (SOCBs): Banks fully owned by the Government of Bangladesh that provide banking services throughout the country. Specialized Banks (SBs): Government-owned or government-supported banks established to serve specific sectors such as agriculture, industry, or rural development.

Private Commercial Banks (PCBs): Privately owned banks that operate on a commercial basis. These are further divided into conventional private banks and Islamic Shariah-based private banks. Midland Bank PLC is a private commercial bank operating in this category.

Foreign Commercial Banks (FCBs): Banks incorporated outside Bangladesh that operate through branches in the country under the supervision of Bangladesh Bank. Non-Scheduled Banks are financial institutions that have received approval to operate under specific laws or special acts but are not included in the Second Schedule of the Bangladesh Bank Order, 1972. These banks usually perform specialized or limited banking activities and do not enjoy all the privileges available to scheduled banks. Their operations are restricted to their authorized functions and they are not permitted to conduct full-scale commercial banking activities Apart from banks, Financial Institutions (FIs) also play an important role in the financial sector of Bangladesh. Financial institutions are licensed under the Financial Institutions Act, 1993 and regulated by Bangladesh Bank. Unlike commercial banks, FIs primarily provide long-term financing, lease financing, housing finance, merchant banking, and investment-related services. They contribute significantly to industrial development, infrastructure financing, and capital market activities. The major differences between banks and financial institutions are presented below:

Banks	Financial institutions (FIs)
Banks accept demand deposits, savings deposits, and fixed deposits from the public.	FIs generally cannot accept demand deposits and mainly collect term deposits subject to regulatory conditions.
Banks provide a wide range of services including deposits, loans, remittance, foreign exchange, and payment services.	FIs mainly provide lease financing, long-term loans, housing finance, merchant banking, and investment services.
Banks are governed by the Bank Company Act, 1991 and supervised by Bangladesh Bank.	FIs are governed by the Financial Institutions Act, 1993 and regulated by Bangladesh Bank.
Banks mainly focus on short-, medium-, and long-term financing for individuals and businesses.	FIs primarily focus on medium- and long-term financing for industrial, commercial, and development projects.
Banks play a central role in the country's payment and settlement system.	FIs do not normally participate directly in the payment and settlement system like commercial banks.

In conclusion, both banks and financial institutions are essential components of the financial system of Bangladesh. While scheduled banks provide comprehensive banking services and support the country's payment system, non-scheduled banks perform specialized functions under limited authority. Financial institutions complement the banking sector by offering long term financing and specialized financial services that contribute to sustainable economic growth and development.

2.3 Current Structure of Banks in Bangladesh:

The banking sector of Bangladesh is the backbone of the country's financial system. It mobilizes savings, provides loans to businesses and individuals, facilitates domestic and international trade, and supports overall economic development. The sector is regulated and supervised by Bangladesh Bank, the central bank of the country, under the Bank Company Act, 1991 and other applicable regulations.

1. State-Owned Commercial Banks (SOCBs): These banks are fully or majority-owned by the Government of Bangladesh. Their primary objective is to support economic development by providing banking services throughout the country, especially in rural areas.

2. Specialized Banks (SBs): Specialized banks are established to finance specific sectors such as agriculture, industry, and rural development. They play an important role in implementing government development policies.

3. Private Commercial Banks (PCBs): Private commercial banks are owned by private investors and provide a wide range of banking services, including deposits, loans, foreign trade, remittance, and digital banking.

Banks in Bangladesh are also classified into two broad groups:

Scheduled Banks: Banks licensed by Bangladesh Bank under the Bank Company Act, 1991. They are authorized to conduct all commercial banking activities.

Non-Scheduled Banks: These banks are established for specific purposes under separate laws and perform limited banking functions.

Midland Bank PLC within the Banking Structure: Midland Bank PLC (MDB) is a private commercial bank (PCB) in Bangladesh. It was incorporated on 20 March 2013, received its banking license from Bangladesh Bank on 9 April 2013, and officially started commercial banking operations on 20 June 2013. The bank offers a wide range of financial products and services for individuals, SMEs, corporate clients, and institutional customers.

The major business divisions of Midland Bank PLC include:

⇒ Retail Banking

⇒ SME Banking

⇒ Corporate and Institutional Banking

⇒ Islamic Banking

⇒ Treasury Division

⇒ Agent Banking

⇒ Card Services

2.4 Overview of Midland Bank PLC:

Midland Bank PLC (MDB) is one of the leading fourth-generation private commercial banks in Bangladesh. The bank was established with the objective of providing modern, technology-driven, and customer-focused banking services to individuals, businesses, and institutions. Since its inception, Midland Bank has emphasized innovation, transparency, good corporate governance, and sustainable banking practices.

Midland Bank PLC was incorporated as a public limited company on 20 March 2013 under the Companies Act, 1994. It received its banking license from Bangladesh Bank on 9 April 2013 under the Banking Companies Act, 1991 and officially commenced commercial banking operations on 20 June 2013 through its Dilkusha Corporate Branch in Dhaka. The bank's head office is located at N.B. Tower, Gulshan-2, Dhaka.

Midland Bank PLC operates based on the following core values:

- Customer Centricity
- Quality Service
- Integrity
- Teamwork
- Mutual Respect
- Responsible Citizenship
- Building a Sustainable Future

Midland Bank PLC offers a comprehensive range of banking products and services, including:

- Savings and Current Accounts
- Fixed Deposit Receipts (FDR)
- Personal, Home, and Auto Loans
- SME Banking
- Corporate Banking
- Trade Finance
- Foreign Exchange Services
- Agent Banking
- Internet Banking
- Mobile Financial Services
- Debit and Credit Cards

Midland Bank PLC actively participates in Corporate Social Responsibility (CSR) activities, including support for education, healthcare, environmental sustainability, financial inclusion, disaster relief, and community development. The bank also promotes green banking initiatives to encourage environmentally responsible business practices.

Midland Bank PLC has established itself as a modern and customer-oriented private commercial bank in Bangladesh. Through its diversified banking services, digital transformation, ethical business practices, and commitment to customer satisfaction, the bank continues to strengthen its position in the country's banking sector. Its focus on innovation, sustainability, and corporate governance makes it a significant contributor to the development of Bangladesh's financial industry.

2.5 Overview of Midland Bank at Gulshan Branch:

The Gulshan Branch of Midland Bank PLC is one of the bank's prominent urban branches located in the commercial and diplomatic area of Gulshan-2, Dhaka. The branch plays an important role in delivering modern banking services to individual customers, corporate clients, small and medium enterprises (SMEs), and multinational organizations. Owing to its strategic location near the bank's head office, the branch handles a significant volume of customer transactions and business operations.

Here is a Branch Profile :

- Branch Name: Gulshan Branch
- Branch Code: 0011
- Location: NB Tower, Level-5, 40/7 North Avenue, Gulshan-2, Dhaka-1212
- Zone: Urban
- SWIFT Code: MDBLBDDH
- Routing Number: 285261727
- Banking Hours: 10:00 AM – 4:00 PM (Saturday banking is available with limited hours.)

Major Banking Services:

The Gulshan Branch offers a comprehensive range of banking products and services, including:

⇒ General Banking
⇒ Savings, Current, and Fixed Deposit Accounts
⇒ Corporate Banking
⇒ SME Banking
⇒ Foreign Exchange Services
⇒ Import and Export Financing
⇒ Remittance Services
⇒ Debit and Credit Card Services
⇒ Internet and Mobile Banking
⇒ ATM Services

The branch serves a diverse customer base, including:

→ Individual customers
→ Business organizations
→ Corporate clients
→ Small and Medium Enterprises (SMEs)

2.6 Mission of the Midland Bank PLC:

The bank focuses on several key areas, as detailed in:

→ Customer-Centric Banking: Delivering quality, innovative, and needs-based products through modern technology.

→ Performance & Growth: Building a high-performance, learning-focused organization that ensures steady growth and superior shareholder value.

→ Compliance & Responsibility: Adhering to high ethical standards, robust regulatory compliance, and responsible social banking practices.

If you need details on their corporate values, sustainability approach, or specific financial services, let me know how I can assist further.

2.7 Vision Statement of the Midland Bank PLC:

Midland Bank aims to be the top choice for customers by providing a distinct and respected banking experience while creating long-term value for all stakeholders through a commitment to excellence.

2.8 Goals of Midland Bank PLC:

The main goals of Midland Bank PLC focus on becoming the first choice for customers by providing trusted financial services, building long-term value for shareholders, maintaining regulatory benchmarks, and driving digital and inclusive banking innovation across Bangladesh.

2.8.1 Customer and Market Goals

→ First Choice: To be the preferred choice for customers as a distinct and valued financial service provider.

→ Excellence: To pursue continuous excellence in every aspect of banking operations and service delivery.

→ Stakeholder Value: To build long-term value for shareholders and maintain trust among all stakeholders.

2.8.2 Operational and Technological Goals

→ Digital Innovation: To use state-of-the-art delivery channels, user-friendly tech tools, and digital platforms like mobile apps for loans and savings.

→ Expert Team: To build a learning organization powered by a team of skilled banking professionals.

→ Compliance and Governance: To strictly adhere to regulatory benchmarks, strong corporate governance, and high ethical standards.

2.9 Strategic Objectives of Midland Bank PLC:

The strategic objectives of Midland Bank PLC are to strengthen its position as a leading commercial bank by delivering innovative, customer-focused, and technology-driven financial services. The bank emphasizes sustainable growth, operational excellence, and responsible banking practices. Its key strategic objectives include:

- To provide high-quality and customer-oriented banking products and services.
- To expand digital banking services through modern technology and innovative financial solutions.
- To increase the customer base and strengthen long-term customer relationships.
- To achieve sustainable profitability while ensuring efficient risk management and financial stability.
- To maintain strong corporate governance, regulatory compliance, and ethical business practices.
- To improve operational efficiency through continuous process improvement and technological advancement.
- To develop a competent, skilled, and motivated workforce through regular training and professional development.
- To support the economic development of Bangladesh by financing productive sectors, promoting financial inclusion, and fulfilling corporate social responsibility (CSR) commitments

2.10 Division and Branches of Midland Bank PLC :

Midland Bank PLC operates its banking activities through a well-defined organizational structure consisting of several functional divisions at the Head Office and an extensive branch network across Bangladesh. These divisions are responsible for policy formulation, business development, risk management, operations, and customer service, while the branches provide banking services directly to customers.

Midland Bank PLC conducts its operations through several specialized divisions at its Head Office, each responsible for managing specific banking functions and ensuring efficient service delivery. The Retail Banking Division provides deposit products, consumer loans, cards, and other customer-focused services. The Corporate Banking Division offers financial solutions, working capital, and investment financing to corporate clients. The SME Banking Division supports small and medium-sized enterprises by providing customized financing and advisory services. The Treasury Division manages the bank's liquidity, investments, foreign exchange transactions, and money market activities. The International Division handles foreign trade, remittance services, import-export financing, and correspondent banking operations. The Credit Risk Management Division is responsible for evaluating loan proposals, monitoring credit quality, and minimizing credit risk. The Operations Division oversees day-to-day banking activities, including account management, clearing, cash operations, and customer service. The Information Technology (IT) Division develops and maintains the bank's digital banking platforms and technology infrastructure.

Branch Network of Midland Bank PLC :

Branches	**41 branches across Bangladesh**
Rural Branches	21
Sub-Branches	20
Agent Banking Centres	148
ATM Booths	69
Bill Collection Centres	10
Shared ATM Network	Access to more than 2,500 ATMs through the Q-Cash network

2.11 Finance and Accounts Division of Midland Bank PLC:

The Finance and Accounts Division is one of the key functional divisions of Midland Bank PLC., responsible for managing the bank's financial activities and ensuring the accuracy, transparency, and integrity of financial reporting. This division prepares financial statements, annual reports, budgets, and management reports in accordance with Bangladesh Bank regulations and applicable accounting standards. It monitors the bank's income, expenditure, assets, liabilities, and overall financial performance while maintaining proper accounting records. The division is also responsible for tax planning, regulatory reporting, financial analysis, budgetary control, and cost management. By ensuring effective financial planning, internal control, and regulatory compliance, the Finance and Accounts Division plays a vital role in supporting sound decision-making, maintaining financial stability, and contributing to the sustainable growth of Midland Bank PLC.

2.12 Human Resources Division:

The Human Resources (HR) Division of Midland Bank PLC is responsible for managing the bank's human capital and ensuring that its workforce effectively supports the organization's strategic goals.

- Human resource planning and workforce forecasting
- Recruitment and selection of qualified employees
- Employee onboarding and orientation
- Training and development programs
- Performance management and appraisal
- Compensation and benefits administration
- Payroll coordination
- Attendance and leave management
- Employee relations and engagement
- Grievance handling and conflict resolution
- Disciplinary action and policy enforcement
- Career development and succession planning

2.13. Information technology (IT) Division:

- Managing the bank's IT infrastructure and network systems.
- Developing and maintaining banking software and applications.
- Ensuring cybersecurity and information security.
- Managing core banking systems and digital banking platforms.
- Providing technical support and help desk services.
- Maintaining servers, databases, and data centers.
- Monitoring system performance and network availability.
- Implementing data backup and disaster recovery solutions.
- Managing ATM, internet banking, and mobile banking systems.
- Installing, configuring, and maintaining computer hardware and software.
- Ensuring data privacy and regulatory compliance.
- Supporting digital transformation initiatives.

Chapter-03

Job Responsibilities At MDB

3.1 The things I have learned from MDB:

During my internship at Midland Bank PLC. (MDB), I gained practical knowledge and hands-on experience in the banking industry. I learned about the day-to-day operations of a commercial bank, customer service techniques, account opening procedures, KYC and AML compliance, document verification, record management, professional communication, teamwork, time management, confidentiality, and the effective use of banking software and digital banking services. This internship also helped me improve my problem-solving, organizational, and interpersonal skills while understanding the importance of accuracy, ethics, and professionalism in the banking sector.

3.2 The Nature of the jobs and Responsibilities:

During my internship at Midland Bank PLC., I was involved in various operational and administrative activities within the branch. My responsibilities included assisting customers with general banking inquiries, supporting the account opening process by checking required documents, organizing and maintaining customer files, verifying and updating records, assisting with Know Your Customer (KYC) documentation, and providing support in routine office tasks. I also observed cash operations, clearing activities, and customer service procedures while maintaining confidentiality and professionalism. This practical experience enabled me to understand the daily operations of a commercial bank and develop communication, organizational, and teamwork skills.

3.3 Observation at Midland Bank PLC:

During my internship at Midland Bank PLC., I observed that the bank maintains a highly professional, customer-oriented, and well-organized working environment. Employees perform their duties with dedication, integrity, and teamwork while ensuring efficient customer service. The bank strictly follows regulatory guidelines, including Know Your Customer (KYC) and Anti-Money Laundering (AML) policies, to ensure compliance and security. I also observed the effective use of modern banking technology, proper documentation, and systematic record management, which contribute to smooth daily operations. Overall, my internship experience provided valuable insights into the operational activities, corporate culture, and professional standards of the banking industry.

3.4 Recommendation:

Based on my internship experience at Midland Bank PLC., I would like to offer the following recommendations:

⇒ Enhance employee training and development programs to improve professional skills and service quality.

⇒ Continue upgrading digital banking services and technological infrastructure to increase operational efficiency.

⇒ Further strengthen customer service by reducing waiting time and ensuring prompt responses to customer queries.

⇒ Increase awareness and promotion of digital banking products and services among customers.

⇒ Maintain regular monitoring of compliance with KYC and AML policies to ensure regulatory standards are consistently met.

⇒ Provide more structured internship programs with proper orientation, mentoring, and feedback sessions to help interns gain practical knowledge and professional experience.

Chapter-04

Analysis of Credit of Midland Bank PLC

4.1 Credit Department of Midland Bank PLC:

The Credit Department of Midland Bank PLC plays a vital role in the bank's operations by evaluating loan applications, assessing borrowers' creditworthiness, managing credit risk, and ensuring compliance with Bangladesh Bank regulations and the bank's internal credit policies. The department is responsible for processing various types of loans and advances, monitoring credit portfolios, maintaining proper documentation, and supporting the bank's objective of sustainable and profitable lending. Through effective credit management, the Credit Department contributes significantly to the bank's financial stability and overall growth.

Here are the major responsibilities of the Credit Department at Midland Bank PLC

- Evaluate loan and credit applications.
- Analyze customers' financial statements and creditworthiness.
- Conduct Credit Information Bureau (CIB) checks.
- Verify customer documents and collateral.
- Prepare credit appraisals and loan proposals.
- Ensure compliance with Bangladesh Bank regulations and the bank's credit policy.
- Recommend loan approval or rejection.
- Monitor loan disbursement and utilization.
- Follow up on loan repayments and manage overdue accounts.
- Maintain accurate credit records and documentation.
- Identify and manage credit risks.

4.2 Activities of the Credit Department of MDB:

The Credit Department is one of the most important functional divisions of Midland Bank PLC (MDB). It plays a vital role in supporting the bank's profitability by providing various credit facilities to individuals, businesses, SMEs, and corporate clients while ensuring that lending activities are conducted in a safe and compliant manner. The department is responsible for evaluating loan applications, assessing borrowers' creditworthiness, analyzing financial information, identifying potential risks, and ensuring compliance with Bangladesh Bank regulations and the bank's internal credit policies.

The primary objective of the Credit Department is to maintain a high-quality loan portfolio by balancing profitability with risk management. It performs a series of activities, including client assessment, credit appraisal, documentation, loan approval, disbursement, post-disbursement

monitoring, and recovery of classified loans. These activities help ensure that loans are granted to eligible borrowers and that repayment obligations are fulfilled on time.

During my internship at Midland Bank PLC, I observed that the Credit Department follows a systematic and well-structured credit management process. The department emphasizes transparency, accountability, and prudent risk management while providing timely financial support to customers. Through this internship, I gained practical knowledge of the bank's credit operations, documentation procedures, loan processing methods, and the importance of effective credit risk management in maintaining the financial stability and sustainable growth of the bank.

1. Receiving and processing loan applications.
2. Collecting and verifying customer information and required documents.
3. Conducting creditworthiness and financial analysis of borrowers.
4. Performing CIB inquiries through the Bangladesh Bank.
5. Assessing collateral and security offered by borrowers.
6. Preparing credit appraisal reports and loan proposals.
7. Recommending loan approval or rejection.
8. Processing loan documentation and disbursement.
9. Monitoring loan accounts and ensuring timely repayments.
10. Managing classified and overdue loans.
11. Ensuring compliance with Bangladesh Bank guidelines and Midland Bank's credit policy.
12. Maintaining proper credit files, records, and reports.
13. Identifying and managing credit risks.
14. Coordinating with branches and other departments for efficient credit operations.

4.3 Credit Rating Report of Midland Bank PLC:

A Credit Rating Report is an essential component of the credit assessment process at Midland Bank PLC (MDB). It is prepared to evaluate the creditworthiness and repayment capacity of prospective borrowers before approving any loan or credit facility. The report provides a comprehensive analysis of the borrower's financial position, business performance, repayment history, management quality, industry risk, and overall credit risk profile.

At Midland Bank PLC, the Credit Rating Report assists the Credit Department in making informed and objective lending decisions while ensuring compliance with Bangladesh Bank

guidelines and the bank's internal credit risk management policies. The report helps identify potential risks associated with lending and enables the bank to minimize the possibility of loan default by assigning an appropriate risk grade to each borrower.

4.4 Different Types of Credit Facilities of Midland Bank PLC:

Credit facilities are one of the core banking services offered by Midland Bank PLC (MDB) to meet the diverse financial needs of individuals, businesses, SMEs, corporate organizations, and agricultural enterprises. These facilities enable customers to obtain financial support for working capital requirements, business expansion, trade finance, asset acquisition, housing, and other productive purposes. Midland Bank PLC provides a wide range of credit products designed to support economic growth while maintaining prudent credit risk management.

During my internship at Midland Bank PLC, I observed that each credit facility is designed to meet specific customer requirements and is processed through a structured credit approval system. The availability of various credit products enables the bank to serve different customer segments effectively while ensuring portfolio quality, customer satisfaction, and sustainable business growth.

Midland Bank PLC offers a wide range of credit facilities to meet the financing needs of individuals, businesses, and corporate clients. The major types include:

1. Cash Credit (CC)
2. Overdraft (OD)
3. Term Loan (Short, Medium & Long-term)
4. Demand Loan
5. Working Capital Finance
6. SME Loans
7. Agricultural Loans
8. Retail Loans (Home Loans, Auto Loans, Personal Loans, etc.)

Trade Finance:

- Letter of Credit (L/C)
- Loan Against Imported Merchandise (LIM)
- Loan Against Trust Receipt (LTR)
- Payment Against Documents (PAD)

Export Finance:

⇒ Packing Credit

⇒ Back-to-Back Letter of Credit (Back-to-Back L/C)

⇒ Export Bill Purchase/Discounting (FDBP/FBP)

⇒ Syndicated Finance

⇒ Project Finance

⇒ Bank Guarantee

⇒ Bills Purchase and Bills Discounting

⇒ Lease Finance (where applicable)

These are the principal credit facilities typically offered by Midland Bank PLC.

4.5. Advanced Financial Ratio Analysis (2020-2024):

The advanced financial ratio analysis of Midland Bank PLC evaluates the bank's financial performance from 2020 to 2024 by examining key profitability, liquidity, efficiency, leverage, and capital adequacy indicators. The analysis reveals that the bank maintained a stable financial position despite economic uncertainties. Profitability ratios such as Return on Assets (ROA), Return on Equity (ROE), and Net Profit Margin showed gradual improvement from 2020 to 2023, reflecting efficient utilization of assets and shareholders' funds. Although profitability declined slightly in 2024 due to changes in the economic environment and higher operating costs, the bank remained financially sound.

Liquidity and efficiency ratios indicate that Midland Bank PLC. effectively managed its deposits, loans, and operating expenses throughout the five years. The Loan-to-Deposit Ratio remained within a healthy range, demonstrating balanced credit expansion and sufficient liquidity. In addition, the bank maintained a strong Capital Adequacy Ratio (CAR), consistently complying with Bangladesh Bank's regulatory requirements. Overall, the financial ratio analysis suggests that Midland Bank PLC. achieved sustainable growth, maintained operational efficiency, and preserved financial stability between 2020 and 2024.

⇔ Steady improvement in Return on Assets (ROA) until 2023.

⇔ Return on Equity (ROE) reflected increasing shareholder value over the period.

⇔ Net Profit Margin remained stable, indicating consistent profitability.

⇔ Earnings per Share (EPS) reached its highest level in 2023, then declined slightly in 2024.

- ⇔ Loan-to-Deposit Ratio remained within an acceptable and healthy range.
- ⇔ Debt-to-Equity Ratio stayed high, which is common for commercial banks due to deposit-based financing.
- ⇔ Capital Adequacy Ratio (CAR) remained above the regulatory minimum throughout the period.
- ⇔ Cost-to-Income Ratio indicated improved operational efficiency with a slight increase in expenses during 2024.
- ⇔ The bank maintained adequate liquidity and strong risk management practices.
- ⇔ Overall financial performance demonstrates sustainable growth, stability, and resilience despite economic challenges.

4.6 Types of Loan and Advances:

Midland Bank PLC. offers a wide range of loan and advance facilities to meet the financial needs of individuals, businesses, and corporate clients. These credit products are designed to support business expansion, trade, industrial development, agriculture, and personal financial requirements while ensuring effective risk management and regulatory compliance.

Project Finance Types of Loans and Advances:

Major Cash Credit (CC)

Overdraft (OD)

Term Loan

Working Capital Loan

Demand Loan

House Building Loan

Home Loan

Personal Loan

Car Loan

SME Loan

Corporate Loan

Agricultural Loan

Export Finance

Import Finance (LIM, LTR, PAD)

Packing Credit

Consumer Credit Scheme

Staff Loan

Syndicated Loan

Lease Finance

These loan and advance facilities enable Midland Bank PLC. to serve a diverse customer base while contributing to economic growth through financing trade, commerce, industry, agriculture, and personal investment needs.

4.6.1 Cash Credit (CC) – Midland Bank PLC:

Cash Credit (CC) is a short-term credit facility provided by Midland Bank PLC to finance the working capital requirements of business customers. Under this facility, borrowers can withdraw funds up to an approved limit against acceptable security, such as stock or receivables. It helps businesses manage their day-to-day operational expenses while ensuring smooth business operations. Provides short-term working capital finance to business customers.

- ♣ Facilitates the purchase of raw materials, inventory, and other business operating expenses.
- ♣ Credit is sanctioned against hypothecation or pledge of stocks and other acceptable securities.
- ♣ Customers are allowed to withdraw funds up to the approved credit limit.
- ♣ Interest is charged only on the amount utilized, not on the entire sanctioned limit.
- ♣ The credit limit is determined based on the borrower's financial strength, business performance, and repayment capacity.
- ♣ Regular monitoring of stock, account transactions, and business performance is carried out by the bank.
- ♣ The facility is generally renewable on an annual basis, subject to satisfactory performance and compliance with the bank's credit policy.
- ♣ Helps businesses maintain smooth cash flow and uninterrupted operations.
- ♣ Managed in accordance with the Credit Risk Management (CRM) guidelines of Midland Bank PLC. and the regulations of Bangladesh Bank.

4.6.2. Overdraft (OD) – Midland Bank PLC:

An Overdraft (OD) is a short-term credit facility offered by Midland Bank PLC that allows customers to withdraw money from their account balance, up to an approved limit. It is primarily provided to address temporary cash flow shortages and short-term business or personal financial needs. Interest is charged only on the amount utilized.

1. A short-term credit facility is provided to eligible individuals and business customers.
2. Allows customers to withdraw more than the available balance in their current account up to an approved limit.
3. Primarily used to meet temporary cash flow shortages and working capital requirements.
4. Interest is charged only on the amount actually overdrawn and for the period of utilization.
5. The overdraft limit is sanctioned based on the customer's financial position, account performance, and repayment capacity.
6. May be secured by fixed deposits, government securities, property, or other acceptable collateral.
7. The facility is subject to periodic review and renewal in accordance with the bank's credit policy.
8. Repayment is made through deposits into the customer's account, reducing the outstanding balance.
9. Regular monitoring is conducted to ensure proper utilization and timely repayment.
10. Managed in compliance with the Credit Risk Management (CRM) guidelines of Midland Bank PLC. and the regulations of Bangladesh Bank.

4.6.3. House Building Loan – Midland Bank PLC:

A House Building Loan is a long-term financing facility offered by Midland Bank PLC to help individuals purchase, construct, renovate, or extend residential properties. The loan offers flexible repayment terms and is designed to meet customers' housing needs while making homeownership more affordable. A long-term loan facility is offered for the construction, purchase, renovation, or extension of residential properties.

⇒ Available to eligible salaried individuals, businesspersons, and professionals, subject to the bank's lending criteria.

⇒ Loan eligibility is determined based on the applicant's income, repayment capacity, and creditworthiness.

⇒ Repayment is made through convenient monthly installments (EMIs) over an agreed loan tenure.

⇒ The financed property is generally mortgaged to the bank as primary security.

⇒ Competitive interest rates and flexible repayment options are provided in accordance with the bank's policies.

⇒ Necessary legal, technical, and property valuation assessments are completed before loan approval.

⇒ Borrowers are required to submit valid income documents, property papers, and other supporting documents.

⇒ The bank monitors the loan to ensure timely repayment and compliance with loan terms.

⇒ The facility supports customers in meeting their long-term housing needs while maintaining prudent credit risk management practices.

4.6.4 Import Finance (LIM, LTR & PAD) – Midland Bank PLC:

Midland Bank PLC provides various import finance facilities, including Loan against Imported Merchandise (LIM), Loan against Trust Receipt (LTR), and Payment Against Documents (PAD), to facilitate international trade. These short-term financing facilities help importers make timely payments for imported goods, ensuring smooth business operations and efficient trade transactions.

1. Import finance facilities are provided to facilitate the import of goods and raw materials for business customers.
2. Midland Bank PLC. offers Loan against Imported Merchandise (LIM), Loan against Trust Receipt (LTR), and Payment against Documents (PAD) as major import finance products.
3. These facilities ensure timely payment to foreign exporters under Letters of Credit (L/C).

4. Credit is granted after evaluating the importer's financial strength, business performance, and repayment capacity.
5. The facilities are governed by Bangladesh Bank regulations, UCP 600, and the bank's internal credit policy.

Loan against Imported Merchandise (LIM):
1. Granted, when the bank takes possession of imported goods after clearing them from customs.
2. The imported goods remain under the bank's control as security until repayment.
3. Enables the importer to repay the loan and take delivery of the goods.

Loan against Trust Receipt (LTR):
1. Allows the importer to take possession of imported goods under a trust receipt without immediate payment.
2. The importer sells or uses the goods and repays the bank within the agreed period.
3. Suitable for importers with a good credit history and an established business reputation.

Payment against Documents (PAD) :
1. Created when the bank makes a payment to the foreign exporter upon receipt of compliant shipping documents.
2. The bank retains the shipping documents until the importer settles the outstanding amount or converts it into LIM or LTR.
3. Facilitates smooth processing of import transactions and timely release of goods.

4.6.5. SME Loan – Midland Bank PLC:

SME Loan is a financing facility offered by Midland Bank PLC to support the growth and development of Small and Medium Enterprises (SMEs). It provides financial assistance for working capital, business expansion, equipment purchase, and other business needs, helping entrepreneurs improve productivity and contribute to economic development.

⇔ Provides financial support to Small and Medium Enterprises (SMEs) for business growth and expansion.

⇔ Helps entrepreneurs meet working capital requirements and finance business investments.

⇔ Offered to manufacturing, trading, and service-oriented businesses.

⇔ Loan amount is determined based on the business size, financial condition, and repayment capacity of the borrower.

⇔ Can be utilized for purchasing machinery, equipment, raw materials, inventory, or business assets.

⇔ Repayment is made through flexible monthly or quarterly installments, depending on the loan agreement.

⇔ Competitive interest rates are offered in accordance with the bank's credit policy and Bangladesh Bank guidelines.

⇔ Requires proper documentation, business information, and acceptable collateral or security, where applicable.

⇔ Loan applications are assessed through credit appraisal and risk analysis.

4.6.7. Agricultural Loan – Midland Bank PLC:

Agriculture Loan is a specialized credit facility offered by Midland Bank PLC to support farmers, agribusinesses, and agricultural entrepreneurs. It provides financial assistance for crop cultivation, livestock, fisheries, and other agricultural activities, contributing to increased agricultural production and rural economic development.

- Provides financial assistance to farmers, agribusinesses, and agricultural entrepreneurs.
- Supports crop cultivation, livestock, fisheries, poultry, dairy, and agro-based industries.
- Aims to increase agricultural productivity and promote rural economic development.
- Loan facilities are offered in accordance with the Agricultural and Rural Credit Policy of Bangladesh Bank.
- Credit is provided for purchasing seeds, fertilizers, pesticides, irrigation equipment, machinery, and other agricultural inputs.

- Loan eligibility is determined based on the borrower's farming activities, repayment capacity, and creditworthiness.
- Repayment schedules are designed to match crop harvesting or business cash flow cycles.
- Requires proper documentation and acceptable security, where applicable, in line with the bank's credit policy.
- The bank regularly monitors loan utilization and recovery to ensure proper use of funds.
- Contributes to food security, employment generation, and sustainable agricultural development in Bangladesh.

4.6.8. Working Capital Loan – Midland Bank PLC

Working Capital Loan is a short-term financing facility offered by Midland Bank PLC to meet the day-to-day operational needs of businesses. It helps finance expenses such as purchasing raw materials, paying salaries, managing inventory, and maintaining smooth business operations while supporting business growth.

- ∞ Provides short-term financing to meet the day-to-day operational needs of businesses.
- ∞ Helps finance the purchase of raw materials, inventory, wages, utility bills, and other operating expenses.
- ∞ Offered to manufacturing, trading, and service-oriented enterprises.
- ∞ Loan amount is determined based on the borrower's working capital requirements, financial position, and repayment capacity.
- ∞ May be provided in the form of Cash Credit (CC), Overdraft (OD), or other short-term credit facilities.
- ∞ Interest is charged according to the bank's approved lending rates and applicable terms.
- ∞ Requires proper documentation and acceptable collateral or security, where applicable.
- ∞ Credit proposals are evaluated through comprehensive credit appraisal and risk assessment before approval.
- ∞ The bank regularly monitors the utilization of funds and repayment performance.

4.6.9. Syndicated Loan – Midland Bank PLC:

A Syndicated Loan is a large financing facility arranged jointly by two or more banks to fund high-value projects or corporate borrowers. Midland Bank PLC participates in syndicated loans to share credit risk while providing substantial financial support for large-scale business and infrastructure projects.

- ⇒ A large loan jointly provided by Midland Bank PLC. and one or more participating banks or financial institutions.
- ⇒ Primarily arranged to finance large-scale corporate, infrastructure, industrial, and development projects.
- ⇒ Enables borrowers to obtain substantial funding that may exceed the lending capacity of a single bank.
- ⇒ The participating banks share the loan amount, associated risks, and returns according to agreed terms.
- ⇒ One bank acts as the lead arranger or agent bank to coordinate the syndication process.
- ⇒ Loan proposals are evaluated through comprehensive credit appraisal, financial analysis, and risk assessment.
- ⇒ Repayment terms, interest rates, and security arrangements are determined through mutual agreement among all participating parties.
- ⇒ Requires detailed legal documentation, collateral, and compliance with regulatory requirement
- ⇒

4.7 Credit Approval Procedure of Midland Bank PLC:

The credit approval procedure of Midland Bank PLC. is designed to ensure that loans are sanctioned after proper evaluation of the borrower's financial condition, repayment capacity, and associated risks. The bank follows a structured credit approval process in accordance with its Credit Risk Management (CRM) Policy and the guidelines of Bangladesh Bank.

Credit Approval Procedure:

1. The customer submits a loan application along with the required documents.

2. Relationship Manager (RM) collects customer information and conducts a preliminary assessment.
3. Customer Identification (KYC) and Anti-Money Laundering (AML) requirements are verified.
4. Financial statements, bank statements, and business information are analyzed.
5. A detailed credit appraisal and risk assessment are conducted.
6. Collateral/security and property valuation (if applicable) are verified.
7. A Credit Proposal (CP) is prepared by the Relationship Manager.
8. The proposal is reviewed by the Credit Risk Management (CRM) Division.
9. The appropriate sanctioning authority or Credit Committee approves the loan based on delegated authority.
10. A sanction letter is issued outlining the loan terms and conditions

4.7.1 Process of Collecting Clients Information:

Collecting client information is one of the most important activities in the credit and banking operations at Midland Bank PLC. Before providing any banking services or credit facility, the bank gathers detailed information about the customer to verify identity, assess financial capability, comply with Bangladesh Bank regulations, and manage potential risks. This process supports sound decision-making and helps the bank maintain transparency, regulatory compliance, and a high-quality customer portfolio. The client information collection process generally includes the following steps:

1. Collecting the customer's National ID (NID), passport, or birth registration, along with recent passport-sized photographs.
2. The customer completes the required account-opening or loan application forms, providing personal, business, and financial information.
3. The bank collects Know Your Customer (KYC) and Customer Due Diligence (CDD) information to verify the customer's identity, occupation, source of income, business activities, and expected transaction profile.
4. Financial statements, bank statements, salary certificates, income tax documents, trade licenses, TIN certificates, and other relevant documents are collected based on the customer type and banking service.
5. For business clients, the bank verifies business registration, ownership, operational activities, sales performance, and financial records.

6. For credit facilities, the bank obtains a CIB report from Bangladesh Bank to review existing loan liabilities and repayment history.
7. If the customer applies for a loan, information, including property documents, valuation reports, and ownership records, is collected and verified.

The process of collecting client information at Bank PLC is a structured and systematic procedure that supports effective customer verification and credit risk management. By obtaining accurate information, conducting proper verification, and complying with regulatory requirements, the bank ensures safe banking operations, responsible lending, and the development of long-term relationships with trustworthy clients.

4.7.2. Loan Proposal Preparation:

Loan proposal preparation is a crucial step in the credit management process of Midland Bank PLC. After collecting and verifying the client's information, the Relationship Manager (RM) or Credit Officer prepares a comprehensive loan proposal for evaluation and approval. The proposal presents the borrower's financial profile, creditworthiness, loan requirements, and risk assessment, enabling the approving authority to make an informed lending decision. A well-prepared loan proposal helps ensure prudent lending practices and effective credit risk management.

The loan proposal is generally prepared through the following steps:

1. Gather personal, business, financial, and legal documents from the borrower.
2. Review the customer's income, cash flow, assets, liabilities, and repayment capacity.
3. Evaluate the purpose of the loan and determine whether it is financially viable and consistent with the bank's lending policy.
4. Assess the value, ownership, and legal validity of the collateral offered as security for the loan.
5. Analyze the customer's creditworthiness using the 5 Cs of Credit (Character, Capacity, Capital, Collateral, and Conditions) and review the Credit Information Bureau (CIB) report.

4.7.3. CIB Obtaining Process:

The Credit Information Bureau (CIB) obtaining process is an essential part of the credit appraisal procedure at Midland Bank PLC. Before approving any loan or credit facility, the bank obtains a CIB report from Bangladesh Bank to assess the borrower's existing loan obligations and repayment history. This process helps the bank evaluate the customer's creditworthiness, identify potential credit risks, and ensure compliance with Bangladesh Bank's regulatory requirements.

The CIB obtaining process generally involves the following steps:

1. The CIB request is submitted electronically through the Bangladesh Bank CIB online system by authorized bank officials.
2. Bangladesh Bank verifies the submitted information against its central credit database.
3. The system generates a CIB report containing the customer's outstanding loans, repayment history, classified loan status (if any), and other credit-related information
4. The Credit Risk Management (CRM) Department reviews the CIB report to assess the customer's credit history and determine whether the borrower is eligible for the requested credit facility.
5. The CIB report is considered along with the customer's financial analysis, collateral, and repayment capacity before the final credit approval decision is made.
    - ∞ Verifies the customer's credit history.
    - ∞ Identifies existing loan liabilities.
    - ∞ Detects loan defaults or classified accounts.
    - ∞ Supports effective credit risk assessment.
    - ∞ Prevents multiple borrowing beyond repayment capacity.

The CIB obtaining process at Midland Bank PLC is a critical component of the credit approval system. By obtaining and analyzing the CIB report before granting a loan, the bank minimizes credit risk, ensures regulatory compliance, and makes informed lending decisions. This process contributes to maintaining a sound and sustainable credit portfolio.

4.7.4. Sanction Letter at Midland Bank PLC:

A sanction letter is an official document issued by Midland Bank PLC to a borrower after a loan has been approved by the competent authority. It serves as a formal confirmation of the bank's willingness to provide the approved credit facility under specific terms and conditions.

The sanction letter clearly outlines the loan amount, interest rate, repayment schedule, security requirements, and other conditions that the borrower must accept before the loan is disbursed.

Contents of a Sanction Letter:

A sanction letter generally includes the following information:

1. Name and address of the borrower.
2. Type and purpose of the loan.
3. Approved loan amount.
4. Interest rate and applicable charges.
5. Loan tenure and repayment schedule.
6. Details of collateral or security.
7. Terms and conditions of the credit facility.
8. Validity period of the sanction.
9. Conditions to be fulfilled before loan disbursement.
10. Signatures of the authorized bank officials and acceptance by the borrower.

Importance of the Sanction Letter:

⇒ Acts as an official approval of the credit facility.

⇒ Clearly communicates the loan's terms and conditions.

⇒ Protects the interests of both the bank and the borrower.

⇒ Ensures transparency and reduces misunderstandings.

⇒ Serves as an important legal and operational document during the loan process.

⇒ Provides the basis for completing loan documentation and disbursement.

The sanction letter is an essential document in the credit approval process of Midland Bank PLC. It formally communicates the approved credit facility and its terms to the borrower. By clearly defining the rights and obligations of both parties, the sanction letter ensures transparency, legal compliance, and smooth execution of the loan disbursement process.

Chapter-05

Findings and Recommendations

5.1 Findings from the Study:

During my internship at the Credit Department of Midland Bank PLC, I observed the bank's credit operations, customer service practices, and risk management procedures. The internship provided practical exposure to the loan approval process, client information collection, documentation, CIB verification, and credit monitoring activities. Based on my observations, the following findings summarize the strengths and areas for improvement in the bank's credit management system.

Major Findings:

Midland Bank PLC follows a well-structured and systematic credit approval process.

1. Credit processing should be made faster and more efficient.
2. Customer waiting time should be reduced, especially during busy hours.
3. More banking activities can be automated to reduce manual work.
4. Customer awareness of digital banking services should be increased.
5. Banking procedures and credit requirements should be communicated more clearly to customers.
6. Employee workload should be managed effectively to improve productivity.
7. Regular training can help employees improve their technical and customer service skills.
8. More banking activities can be automated to reduce manual work.
9. Documentation requirements should be simplified where possible.

5.2 Recommendations:

Based on the overall internship experience at Midland Bank PLC, several recommendations have been developed to further improve the bank's operational efficiency, customer service equality, technological capabilities, employee development, and organizational performance. Although Midland Bank PLC has established a strong reputation in the banking industry through its customer-centric services and sound financial practices, continuous improvement is essential to remain competitive in the evolving banking sector. The following recommendations are proposed to support the bank's sustainable growth, enhance customer satisfaction, strengthen internal operations, and improve overall service excellence.

Recommendations for Midland Bank PLC:

- ♣ Continue expanding digital banking services and introduce more customer-friendly digital solutions.

- ♣ Reduce customer waiting time by improving service efficiency at the branch levels.
- ♣ Increase financial literacy and awareness programs for customers regarding banking products and services.
- ♣ Strengthen cybersecurity measures to ensure the safety of customer information and digital transactions.
- ♣ Enhance employee training and professional development programs on a regular basis.
- ♣ Improve coordination and communication among all departments to increase operational efficiency.
- ♣ Introduce more innovative banking products and customized financial solutions for different customer segments.
- ♣ Strengthen customer relationship management (CRM) practices to improve customer satisfaction and retention.
- ♣ Expand SME, agricultural, and green financing initiatives to support sustainable economic development.
- ♣ Increase the number of ATMs, Cash Recycling Machines (CRMs), and digital service points in underserved areas.
- ♣ Regularly collect customer feedback and use it to improve service quality.
- ♣ Continue updating internal policies and operational procedures in accordance with Bangladesh Bank regulations and international banking standards.

Chapter-06

Conclusion

6.1 Conclusion:

The internship at Midland Bank PLC was a valuable learning experience that helped bridge the gap between academic knowledge and practical banking operations. Working in the Credit Department provided me with hands-on exposure to the bank's credit approval process, loan documentation, customer information verification, risk assessment, and regulatory compliance. It also enhanced my understanding of different credit facilities, banking policies, and the importance of maintaining accuracy and professionalism in financial services.

Throughout the internship, I developed practical skills in communication, teamwork, time management, problem-solving, and professional ethics. The guidance and support of the bank's officials enabled me to gain confidence and improve my ability to work in a corporate environment. This internship has strengthened my interest in the banking sector and prepared me for future professional challenges.

In conclusion, the internship at Midland Bank PLC has been an enriching experience. It has contributed significantly to my academic learning, personal development, and career readiness. I sincerely appreciate the opportunity provided by Midland Bank PLC and express my gratitude to all the officers and employees who supported me throughout my internship period.

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