



National Bank Limited

A Bank for Performance with Potential



Internship Report
On
Procedures & Systems of National Bank Limited

Prepared for

Md. Mamoon Al Bashir
Senior Lecturer
BRAC Business School

Prepared by

Md. Mahadi Hasan
ID: 13304091
BRAC Business School

Date

April 5, 2018

Letter of Transmittal

April 5, 2018

Md. Mamoon Al Bashir

Senior Lecturer

BRAC Business School

BRAC University

Subject: Submission of Internship Report on Procedures and systems of National Bank Limited.

Dear Sir,

With high reverence I want to state that I have finished my report on Procedures and system of National Bank Limited. The report helped me to demonstrate my practical experience as an intern. This report is valuable and a necessity to complete my BBA.

In this report, I have tried to contribute with my sheer hard work. I have faced some challenges in working as an intern but due to my effort and by the grace of almighty Allah, I overcame them and tried to produce this research paper for you. It was a great opportunity given to me to experience the vibe of the corporate world, and I would like to take this platform to thank you. In the end, I would like you to kindly accept my report and to acknowledge my devotion and efforts.

Thanking you in anticipation,

Md. Mahadi Hasan.

Letter of Faculty Endorsement

This is to certify that **MD. Mahadi Hasan** student of BRAC University, ID No: **13304091** under faculty of Business Administration have done an internship report titled “**Procedures and Systems of National Bank Ltd.**” at Dilkusha Branch, Dhaka, under my supervision.

The student is found to be sincere, intelligent and hardworking. The student has put in a lot of work and has also brought forth his views and ideas which are being studied for implementation at appropriate time.

I wish him every success in his future endeavour.

.....

Md. Mamoon Al Bashir

Ph.D. (Candidate, UK), M.Sc. (UK), AFHEA (UK), PGCTHE (UK)

Senior Lecturer, BRAC Business School

BRAC University

Acknowledgment

First of all, I would like to be grateful to the almighty Allah who have helped me to go through the internship period and to complete this report in the best possible way.

Secondly, I feel honor to show my gratitude to my supervisor, Md. Mamoon Al Bashir, senior lecturer, BRAC Business School, who have guided me in such a way while preparing my report that have eased my endeavor. He have encouraged me by giving valuable suggestions in the several meeting sessions.

Finally, I would like to thank my onsite supervisor, Mr. Syed Hamim Reza, assistant vice president of National Bank Limited for providing me with the information and guidance on the topic of my report which has helped me to complete my report.

Executive Summary

Banks play a crucial role in a country's economy. However, it need not to mention about the importance of the knowledge about banking procedures. This report is basically prepared based on banking procedures and systems of National Bank Limited. While preparing this report I have to go through the official website of the bank, published literatures and daily note of my internship period. This is an Affiliation Descriptive Report which focuses only on my experience as an intern. The report is divided into two parts which are Organization Profile and Project Part. In the Organization Profile, the discussion is mainly confined among the historical background, mission, vision, slogan, core values, green-banking, e-banking, CSR activities, organizational structure and management level of National Bank Limited. In contrast, in the project part, the discussion is confined based on my practical experiences as an intern. As an intern, I have worked into different sections like account opening, deposit, remittance, BACH, accounts, advance, import, export, human resource and establishment and gathered different experiences. While gathering the experiences, I have to face some organizational and academic preparation related challenges also. In the process of overcoming those challenges, I have learned some valuable lessons related to the organization and the internship program. Basically this report is a complete source for a reader who wants to know about the procedures and systems of National Bank Limited.

Table of contents

Contents

Letter of Transmittal	1
Letter of Faculty Endorsement	2
Acknowledgment	3
Executive Summary.....	4
1. Organization Profile	7
1.1. Historical Background	7
1.2. Mission	7
1.3. Vision.....	8
1.4. Slogan.....	8
1.5. Core Values	8
1.5.1. Integrity.....	9
1.5.2. Open Communication	9
1.5.3. Performance Driven	9
1.5.4. Continuous Self Improvement	9
1.5.5. Quality.....	9
1.5.6. Team Work.....	10
1.6. Green Banking of National Bank Limited	10
1.7. E-Banking of National Bank Limited.....	10
1.8. CSR Activities of National Bank Limited	11
1.8.1. Disaster Relief	11
1.8.2. Education	11
1.8.3. Sports and Cultures.....	11
1.8.4. Employment.....	12
1.9. Organizational Structure.....	12
1.10. Management Level	13
1.10.1. Top Level Management	13
1.10.2. Executive Level Management	13
1.10.3. Mid Level Management	13
1.10.4. Junior Level Management.....	13
2. Project Part	14
2.1. Introduction	14

2.1.1. Rational	14
2.1.2. Background	14
2.1.3. Objectives.....	14
2.2. Literature Review	15
2.3. Activities Undertaken.....	16
2.3.1. Account Opening.....	16
2.3.2. Deposit	20
2.3.3. Remittance	21
2.3.4. BACH	22
2.3.5. Accounts.....	23
2.3.6. Advance.....	24
2.3.7. Import	26
2.3.8. Export.....	27
2.3.9. Human Resource	28
2.3.10. Establishment.....	28
2.4. Challenges	29
2.4.1. Organizational Challenges.....	29
2.4.2. Academic Preparation Related Challenges	29
2.5. Recommendation.....	30
2.6. Lessons	31
2.6.1. Lessons from the Organization	31
2.6.2. Lessons from the Internship Program.....	31
2.7. Conclusion.....	32
Bibliography	33

1. Organization Profile

1.1. Historical Background

National Bank Limited has its prosperous past, magnificent present, forthcoming future. It was built up as the primary private division bank completely possessed by Bangladeshi business men. By time, NBL has been prospering as the biggest private area bank of the country. The members of the board of director are inventive businesspeople and driving industrialists of the nation. In order to keep pace with time and national and global monetary exercises, NBL computerized all its branches. In addition, considering its expected future, the foundation of the Bank has been improving. The desire of all business related people and the overall population is substantially more to NBL.

On March 23, 1983, The main branch of NBL at 48, Dilkusha Commercial Area, Dhaka began business task. On March 28, 1983, the then President of the People's Republic of Bangladesh Justice Ahsanuddin Chowdhury introduced the bank formally. On May 11, 1983, The second Branch was opened at Khatungonj, Chittagong. At present, NBL has 200 branches throughout the country.

1.2. Mission

Mission represents what an organization wants to do now.

National Bank Ltd's mission is to extend the activities at home and abroad by adding new dimensions to their banking services. In addition, they are also putting top priority in ensuring accountability, transparency, improved clientele service as well as to their commitment to serve the society through which they want to get closer and closer to the people of all strata. Winning an everlasting seat in the hearts of the people as a caring companion in uplifting the national economic standard through continuous up gradation and diversification of our clientele services in line with national and international requirements is the desired goal they want to reach.

1.3. Vision

Vision represents what an organization wants to be in future.

National Bank Ltd's vision is to ensure top most standard of clientele services through the best application of latest information technology, to contribute to the national economy and to establish their selves strongly at home and abroad as a front-ranking bank of the country.

1.4. Slogan

A slogan is something that really represents what the organization is all about. It's more like a shortened version of a mission statement.

National Bank Limited also use a slogan which is :

"A Bank for Performance with Potential"

1.5. Core Values

National Bank Limited's core value consists of six key elements. These values bind the people of NBL together with an emphasis that these people are indispensable to everything being in the bank.



1.5.1. Integrity

National Bank Limited always focuses on moral uprightness in its activity. In order to maintain the level of integrity NBL always-

- protects and safeguards all customer information
- treats everyone in an equitable and consistent manner
- creates an environment which earns customer trust

1.5.2. Open Communication

For maintaining the open communication process, NBL-

- builds customer relationships based on integrity and respect
- offers a full line of products and excellent service
- is committed to the prosperity of the customers and shareholders

1.5.3. Performance Driven

In National Bank Limited, customers and employees are judged in terms of their performance.

1.5.4. Continuous Self Improvement

National Bank Limited always try to maintain the continuous self improvement through-

- continuous learning
- self-challenge
- strive

1.5.5. Quality

Ensuring the best quality service is another value of National Bank Limited. In order to ensure the quality NBL-

- offers hassle free better service timely

- builds-up quality assets in the portfolio.

1.5.6. Team Work

National Bank Limited focuses on team work through-

- Interaction
- Open communication
- Maintaining a positive attitude reflect
- Being committed to a supportive environment.

1.6. Green Banking of National Bank Limited

Green banking is the way of conducting the banking business in such a way through which environment does not get much effected. Basically it is a way to protect the environment. National Bank Limited is very much aware about green banking. In order to protect the environment NBL-

- is frugal while using the paper. Paper is made of wood. By reducing the use of paper, use of woods is also reduced.
- is aware of giving loan for environment related activities. National Bank Limited would not give loan in such activities that would harm that nature.

1.7. E-Banking of National Bank Limited

E-Banking or Electronic banking means using the computer and electronic technology instead of using paper kind materials for transactions. National Bank Limited uses ATM or Debit Card in this purpose. NBL has introduced Master Card, Power Card and Visa Card also. NBL also use the updated information technology services of SWIFT and RETURNS.

1.8. CSR Activities of National Bank Limited

Besides the general activities, National Bank Limited also engaged into different CSR activities. NBL performs the corporate social responsibility only for the sack of Human and natural well-beings.

1.8.1. Disaster Relief

In different natural disaster NBL always came forward by-

- Donation of 75000 blankets to the Honourable Prime Minister's Relief Fund in winter on November 27, 2017.
- Donation of 3 core taka to the Honourable Prime Minister's Relief Fund for the flood affected people on August 23, 2017.
- Donation of 5 core taka to the Honourable Prime Minister's Relief Fund for the Rohingya refugees on October 16, 2017.
- Donation of 16000 pieces saree and lungi to the honourable Presidents Relief Fund on June 10, 2017.
- Donation of 25Lac taka pay order to the honourable prime minister for the family members of the martyred Army Officers of BDR carnage on March 10, 2009.

1.8.2. Education

National Bank Limited also focuses on to the improvement of education sector of our country. For example, NBL-

- Established school and college at Moghbazar.
- Accommodate prospective graduates of recognized universities.
- Offer internship program for the university students.

1.8.3. Sports and Cultures

NBL has a tradition of sponsoring sports and cultural activities. For example,

- "National Bank Volleyball league - 2007" was arranged by the bank.
- In 2009, NBL donated 4.65lac taka in sports.
- Annual Picnic for the NBL executives is arranged by the bank.

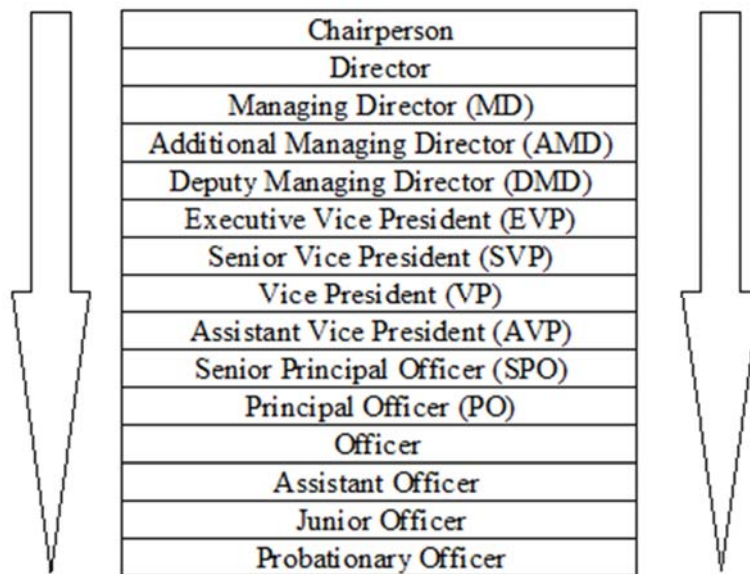
1.8.4. Employment

NBL has been constantly creating new opportunities of employment through expanding its business activities and branch networks. The goal of the bank is to make the best place to work in by creating a healthy, exciting productive and caring environment for the staffs. NBL also provides medical facilities, remuneration and other benefits to its employees.

1.9. Organizational Structure

In order to maintain a chain of command, every bank have to follow a hierarchy level of structure.

The organizational structure of NBL is given below:



1.10. Management Level

Management of National Bank Limited is divided into four levels which are:

1. Top Level Management
2. Executive Level Management
3. Mid Level Management
4. Junior Level Management

1.10.1. Top Level Management

Board of Directors and Executive Committee are the top level management of NBL. Board of Directors is consists of chairman, director, independent director and managing director. Executive Committee is consists of chairperson, member and ex-officio member.

1.10.2. Executive Level Management

This level of management team is consist of additional managing director, deputy managing director, senior executive vice president, executive vice president, senior vice president, vice president, assistant vice president.

1.10.3. Mid Level Management

First assistant vice president, senior principle officer, principle officer are in the mid level management.

1.10.4. Junior Level Management

In this level of management there are senior executive officer, management trainee officer, executive officer and assistant officer.

2. Project Part

2.1. Introduction

2.1.1. Rational

I am now currently working as an intern in National Bank Limited as a part of my undergraduate programme. The basic purpose of an internship program is to give the practical experience of working life to the students. It is mandatory for a BBA student to submit an internship report based on the working experience from the internship period. This report is prepared by me to represent my working experience at National Bank Limited.

In order to run a business properly, a businessman as well as a marketer must have a clear idea on a bank's operation. At present time no business can avoid the engagement with a bank. If a businessman knows how a bank operates its daily activities and how it provides services to its customers, surely the marketer would direct the business organization in such a way that is less risky. This report is completely based on a bank's activities in domestic and international trade which will enhance the banking knowledge of its readers.

2.1.2. Background

I have got this internship opportunity at National Bank Limited through submitting my C.V to the Human Resource Department of the bank.

2.1.3. Objectives

Objectives I have intended to attain in this report can be divided into two categories which are

1. General Objectives and
2. Specific Objectives.

2.1.3.1. General Objectives

- being familiarize with the working environment
- to fulfill the requirement of academic course work

2.1.3.2. Specific Objectives

- to know the different operation of a bank
- to know the services provided by a bank
- to know what happens in every department of a bank

2.2. Literature Review

A literature review discusses published information in a particular subject area. It is like a summary of the sources.

According to David Martin-Consuegra, Arturo Molina and Agueda Esteban, nature of a bank's activities based on the relationship between bank and its customers. Customers expect additional benefits. So, by providing some additional benefits a bank can increase the level of customer satisfaction. IF the customer satisfaction is increased, it is very much possible for a bank to create a long term relation with the customers. According to this relationship banking activities change. (Martin-Consuegra, Molina, & Esteban, 2006)

Tahmina Ferdous and B.M. Razzak stated that National Bank Limited's activity is always customer oriented. In order to make sure that National Bank Limited's activity remains customer oriented proper training is given to the employee of the bank time to time. Training session and method also changes according to the customers need. (Ferdous & Razzak, 2012)

Jannatul Mawa Nupur pointed out that Customer satisfaction can be increased through e-banking. Electronic Banking also known as e-banking involves different types of transactions. These transactions can be done by using cell phone or computer. E-banking is a faster way of transferring money that leads a customer more satisfied. (Nupur, 2010)

Tanvir Ahmed Chowdhury and Kashfia Ahmed observed that banks play a vital role in the development of a nation's economy. Banks promote saving. Moreover, banks promote investments through direct invest or through loan. Banks also promote foreign trade. As a result, country's economy become flourished. Improved economy is the indication of more development of a country. (Chowdhury & Ahmed, 2009)

According to Md. Shafiqul Islam and Prahallad Chandra Das, Green Banking Practices in Bangladesh is not satisfactory. It is very much important for a bank to practice green banking for the sack of a country's environment. Green Banking is a way of countering the global warming. In order to follow green banking, a bank can reduces the use of paper and monitor the investment and loan which cannot be used in any kind of eco-unfriendly activities. (Islam & Das, 2013)

2.3. Activities Undertaken

In this internship period, I have got the chance to roam around different departments of the bank and to gather experiences. There are different sections in National Bank Limited which are:

1. Account opening
2. Deposit
3. Remittance
4. Bach
5. Accounts
6. Advance
7. Import
8. Export
9. Human Resource
10. Establishment

2.3.1. Account Opening

Account opening is the foundation of banker customer relationship. Bank mobilizes fund or investment through opening a bank account. There are different types of bank account in NBL. Some of them are shown below:

- 1) General Account:
 - a) Savings Bank Account (SB)
 - b) Current Deposit Account (CD)
 - c) Short Notice Deposit Account (SND) / Short Term Deposit Account (STD)
 - d) Prefer Service Account (PSA)
 - e) Fixed Deposit Receipt Account (FDR)
 - f) School Banking Account
 - g) Super Saver Term Deposit Account (SST)

- 2) Foreign Currency Account
 - a) Resident Foreign Currency Deposit Account (RFCD)
 - b) Non-resident Foreign Currency Deposit Account (NRFCD)

3) Loan Account

- a) Loan General Account (LG)
- b) Cash Credit Account (CC)
- c) Consumer Credit Scheme Account (CCS)
- d) Secured Over Draft Account (SOD)
- e) Secured Over Draft Export Account (SOD Export)
- f) Packing Credit Account (PC)
- g) Payment Against Document Account (PAD)
- h) Any Purpose Loan Account (APL)
- i) House Building Loan Account (HBL)
- j) Employee House Building Loan Account (EHBL)
- k) Export Cash Credit Account (ECC)
- l) Loan Against Import Merchandise Account (LIM)
- m) Loan Against Trust Receipt (LTR)

4) Scheme Deposit Account

- a) Monthly Savings Scheme (NMS)
- b) Millionaire Deposit Scheme (MDS)
- c) Luxury Savings Deposit Scheme (LSDS)
- d) Apon Thikana Sanchoy Prakalpa (ATSP)
- e) Monthly Earning Scheme (MES)
- f) Double Benefit Account (DBA)
- g) Shadhinota Account

Eight steps should be followed while opening a bank account.

1st Step: Client put forward an introducer. Introducers are-

- i. an existing current account holder
- ii. bank officials (at least assistant officer rank or higher)
- iii. well-known person of the manager

2nd Step: Client selects the type of account.

3rd Step: Client give an application

4th Step: Client collects the account opening form and fills it up.

5th Step: Client submit the account opening form along with-

- i. two copies of passport sized photograph
- ii. specimen Signature
- iii. introducers verified signature and account no.
- iv. some specific documents

According to account holders' type, required documents vary.

For a proprietorship firm, required documents are:

- Application
- Updated Trade License Copy
- Updated TIN Certificate Copy
- Vat Certificate
- Two copies of passport sized photograph
- Passport/ NID/ Commissioner Certificate/ Photo ID Card

For a company, required documents are:

- Application
- Updated Trade License Copy
- Updated TIN Certificate Copy
- Vat Certificate
- Two copies of passport sized photograph
- Passport/ NID/ Commissioner Certificate/ Photo ID Card
- Last Board Resolution
- List of Directors
- Certified Copy of Share Summery
- Attested copy of Memorandum and Articles of Association
- Certificate of Incorporation
- Certificate of Commencement of Business
- Latest Certified Copy of Form- XII, Schedule- 117
- Photocopy of Form IX (Signature of Directors)
- Board of Investment Certificate (BIO)
- Bangladesh Bank Permission, IRC/ERC

For a partnership firm, Club Society, Association, Trusts and NGO, required documents are:

- Trade License
- Updated Trade License Copy
- Updated TIN Certificate Copy
- Vat Certificate
- Two copies of passport sized photograph
- Passport/ NID/ Commissioner Certificate/ Photo ID Card
- Partnership Deed copy
- Letter of Partnership
- Resolution
- List of Managing Committee
- Executive Committee
- By-Laws/ Charter
- Registration Certificate (if any)

6th Step: An authorized bank officer accepts the application

7th Step: Minimum cash deposit by the client

8th Step: Check book and Deposit slip book are being hand over to the newly created account holder.

While working as an intern in this section I have experienced different types of incidents. Sometimes those situations become very tiresome for a banker to handle. For example-

- Sometimes it became really hard to make the customers understand about the procedures of account opening.
- Client, when submit the incomplete form, make the bankers procedures hard. In this situation, bankers need to stop the procedure of opening an account or to contact the client through email or phone call.

2.3.2. Deposit

Deposit is a part of general banking procedures. There are two types of deposit which are:

1. Demand Deposit and
2. Time Deposit

2.3.2.1. Demand Deposit

An account holder can withdraw his or her deposit without any prior notice in demand deposit. National bank gives this type of facilities through Savings Bank Account (SB) and Current Deposit Account (CD)

2.3.2.2. Time Deposit

An account holder can withdraw his or her deposit at the end of a predetermined time period or after a time period according a prior notice. National bank gives this type of facilities through Fixed Deposit Receipt Account (FDR), Short Notice Deposit Account (SND) / Short Term Deposit Account (STD), Scheme Deposit etc.

While working as an intern in this section, I have seen banker have to face different types of problems. For example,

- Clients often want to know the rate of interest. It varies time to time in respect of different accounts. In addition, the rate differs with the rate of other banks. It make some customers confused.
- Government Tax is being deducted from the deposit at a lower rate if there is a tin certificate. But, sometimes clients who have deposited primarily without tin certificate claims for reduced government tax by submitting newly created tin certificate. But the government tax can only be reduced after submitting the tin certificate. This situation often turns into tougher for the bankers to handle.

2.3.3. Remittance

Here, fund is being transferred by using different instruments other than cheque. There are two types of Remittance which are

1. Local Remittance and
2. Foreign Remittance

2.3.3.1. Local Remittance

If the transaction is confined within the country border it is local remittance. there are two types of local remittance:

1. Inward Remittance and
2. Outward Remittance

Inward remittance consists of:

- Demand Draft (DD) Payable
- Telephonic Transfer (TT) Payable

Outward remittance consists of:

- Pay Order (PO) Issue
- Demand Draft (DD) Issue
- Telephonic Transfer (TT) Issue

Four steps should be followed in Local Remittance.

1st Step: Client collect the application form and fill it up

2nd Step: Client submits cash or account transfer cheque or account debit authority to purchase pay order for payment settlement of other party.

3rd Step: Two bank officers holding the power of attorney give their signature on PO/DD/TT.

4th Step: Client receives the PO/DD instrument. But in the case of TT, client receives a cost memo.

For PO issuing branch and paying are the same branch. However, for DD and TT, issuing branch and paying are the different branch.

2.3.3.2. Foreign Remittance

If the transaction surpasses the country border it is foreign remittance. This department plays the role all the other departments do. But the main different among other departments and foreign remittance department is the currency. All the departments deal through Taka but the foreign remittance department deals through Dollar.

Five steps should be followed in Foreign Remittance.

- 1st Step: Client live in the other country open a bank account in NBL's Dilkusha branch by submitting all the required documents to the Bangladeshi embassy.
- 2nd Step: Client's relatives, who are living in Bangladesh, collect the account opening form from NBL and send the form to the immigrant client.
- 3rd Step: Client fill up the form and submit it to NBL by own self or through his or her relatives.
- 4th Step: Bank officer receive the form and open a bank account (without any prior deposit) in the name of the client.
- 5th Step: Bank officer inform the client about the newly created account.

2.3.4. BACH

Bangladesh Automated Clearing House (BACH) section handles overall exchange and settlement of payment items between participating National Bank Limited and the central bank, Bangladesh Bank. BACH operation depends on some technical equipment, server system, network, frequency of net etc. Bankers, who are in this BACH department, remain very careful about time frame and do their works instantly as and when they find anything in the system of BACH.

BACH operation system can be two types which are:

1. Outward Clearing System (OCS) and
2. Inward Clearing System (ICS).

2.3.4.1. Outward Clearing System

Process through which National Bank Limited send instruments to Bangladesh Bank is Outward Clearing System (OCS).

2.3.4.2. Inward Clearing System

Process through which National Bank Limited receive instruments from Bangladesh Bank is Inward Clearing System (ICS).

2.3.5. Accounts

At National Bank Ltd. , numerous transactions occur daily. If the transactions are not being monitored and recorded properly, there would be a mismatch debit amount and credit amount. Accounts section monitors those transactions.

Account section of NBL usually-

- Check the vouchers related mistake
- Search for the wrong entries
- Check the transaction list
- keep the record of all the transaction in cash book and ledger
- Prepare the daily position of deposit and cash
- Prepare the daily statement of affaires
- Prepare internal statement and statutory statement for the central bank and the head office.
- Record all the vouchers (Debit and Credit) in the registrar
- Pay all the expenses according to the vouchers
- Keep the record of fund transfer with the other branches
- Prepare monthly salary statement
- Prepare weekly branch position and send it to the head office. Head office maintains CRR (Cash Reserve Ratio) according to the report.
- Prepare monthly branch position and send it to the head office. Head office maintains SLR (Statutory Liquidity Ratio) according to the report.
- Prepare different duties related charges
- Prepare the budget.

As an intern I have seen that bankers sometimes face challenges while operating in accounts section. It becomes hard to match the debit and credit amount sometimes. If any wrong entry is covered by another wrong entry, it becomes very difficult to find out.

2.3.6. Advance

Like every bank, NBL collects money through deposit at a lower interest rate and gives money to its clients through advance at a moderate interest rate. Deposit rate is lower because there is no risk for the bank while collecting money from its clients. On the other hand, Advance rate is moderate because it is risky for a bank to give money to its clients. The balance between the two interest rates is the source of profit for the bank. In order to lower the risk, NBL receives securities against loan.

There are different types of loan account in National Bank Limited such as,

- a) Cash Credit (CC)
 - Hype
 - Pledge
- b) Consumer Credit Scheme (CCS)/ Retail Loan
- c) Over Draft (OD)
 - Financial Obligation (FO)
 - General (G)
 - Bid Bond (BB)
- d) Over Draft Export (OD Export)
- e) Loan General (LG)
 - Short term (for less than 1 year)
 - Middle term (for 1 to 5 years)
 - Long term (for more than 5 years)
- f) Packing Credit (PC)
- g) Any Purpose Loan (APL)
- h) House Building Loan (HBL)
- i) Employee House Building Loan (EHBL)

- j) Export Cash Credit (ECC)
- k) Loan Against Import Merchandise (LIM)
- l) Loan Against Trust Receipt (LTR)
- m) Letter of Credit (L.C)
 - Sight
 - Deferred
 - Back to Back
- n) Advance Bill Payment (ABP)
- o) Local Document Bill for Purchase (LDBP)
- p) Foreign Document Bill for Purchase (FDBP)

The clients have to offer securities against their loan and advance which are :

- a) Primary
- b) Collateral
- c) Lien / Hypothecation
- d) Pledge
- e) Mortgage

a) Primary Securities: Security deposited by the borrower through FDR, Cash, MSS etc.

b) Collateral: Security deposited by either party or a third party.

c) Lien / Hypothecation: Bank holds the borrower's property until the debt is discharged. Bank needs permission from the court to sell the property.

d) Pledge: It is also like Lien in nature. But the difference is bank can sell the property without the permission of court.

e) Mortgage: Bank gets the ownership of borrower's immovable properties like land, building, plant etc.

Eleven steps should be followed while processing a loan.

- 1st Step: Borrowers apply for a loan.
- 2nd Step: Banker studies the past record of the applicant and asks for assessment or justification of facilities.
- 3rd Step: Credit officer prepares a proposal and send it to the head office along with all papers and documents.
- 4th Step: Head office checks all the documents.
- 5th Step: Head office send inquiry if any documents have problems.
- 6th Step: Branch collects the additional documents from the applicant according to the inquiry.
- 7th Step: Branch accumulated all the documents and re-sends those to the head office.
- 8th Step: Then the documents are being submitted to the credit committee, executive committee and board of directors of the bank.
- 9th Step: Management committee approve the loan and send a sanction letter/ approval letter to the applicant.
- 10th Step: Branch communicates to the applicant and request to complete the documentation.
- 11th Step: Branch opens a individual loan account for the applicant.

2.3.7. Import

Through Import, a country can get those products which cannot be produced within the country border. Importers use bank as a media for paying to the exporters. Banks creates a paper called Letter of Credit (L.C) in this process. Through L.C. an importer can assure his exporter of the payment against bill.

Usually, there are two kinds of L.C. which are

1. Sight L.C. and
2. Deferred L.C.

1. Sight L.C.: Through this L.C., National Bank Limited pay to the exporter's bank at the time of receiving all documents.

2. Deferred L.C. : Through this L.C., National Bank Limited pay to the exporter's bank at a maturity date.

Same L.C. is called Import L.C. and Export L.C. according to the users. Export L.C. is called by the exporters. On the other hand, Import L.C. is called by the importers.

There are some steps to be followed while opening a L.C.

1st Step: Importers open a current deposit account (C.D) at National Bank Limited in the name of importer's firm.

2nd Step: Importer collects the L.C. opening form from the banker.

3rd Step: Importer submits an application (on firm's letter head pad) along with all the documents and filled up L.C. form to the bank manager.

Required documents are:

- Import Registration Certificate (IRC)
- Trade License
- Tin Certificate
- Credit Information Bureau (CIB)

4th Step: Manager checks all the documents and approve the L.C. If the L.C. amount surpasses the power delegation of the manager, head office approve the L.C.

2.3.8. Export

Through export, country can earn foreign currency. Usually, exporters export goods into foreign country after fulfilling the demand of own country. Just like import, bank is being used for the transaction process. Export L.C. is the medium of this transaction process. After opening an import L.C. by the importer, exporter receives the L.C. through SWIFT or mail at National Bank Limited.

There is a special type of L.C. which is called back-to-back L.C. This type of L.C. was first introduced by NBL in Bangladesh. If an exporter creates a import L.C. for importing raw materials which would be used for producing export oriented products, it is called back to back L.C. Exporter can use up to 80% or as per condition of the master L.C. dollar amount for back-to-back L.C.

2.3.9. Human Resource

Human resource department of NBL deals with the employee related function of the bank.

HR section of NBL usually,

- Assess the manpower of NBL branch
- Determine the number of employee needed in each department
- Follow-up the transfer or release order of an employee
- Check the attendance of each employee
- Organize Training session for the employee
- Maintain the job rotation of employee and interns
- All kind of administrative activities

2.3.10. Establishment

Establishment department looks the managerial part of National Bank Limited.

Establishment section of NBL usually,

- Check up the security of bank
- Check up the gun (used by the security guards)
- Deals with the official car related matter
- Maintain light, fan and fire system of the bank
- Handle the security measure of volt
- Arrange the short term insurance if the cash limit is crossed

2.4. Challenges

In my internship period, I have faced some tough situations that helped me to know how to overcome such situations. Challenges that I have faced during my internship period can be divided into two categories which are-

1. Organizational and
2. Academic Preparation Related.

2.4.1. Organizational Challenges

- ❖ getting the opportunity of this internship was not so much easy
- ❖ no previous experience
- ❖ to maintain the time table of NBL
- ❖ to cope up with the new environment
- ❖ to communicate with the new people
- ❖ to know the meaning of different terminology
- ❖ to do the assigned task under different sirs
- ❖ understanding the procedure of every departments
- ❖ to maintain my daily expenditure because of non paid internship program
- ❖ limited time period

2.4.2. Academic Preparation Related Challenges

- ❖ to chose weather to go for research or to go for affiliation for my report
- ❖ to maintain the meeting session with my university advisor
- ❖ to understand the banking activities as a marketing major student

2.5. Recommendation

I think some actions can be taken in order to improve the procedures and systems of National Bank Limited. Such as-

- ❖ Job rotation of an employee or an intern can be modified. Basically it is a process of moving employees among different departments. It is done for the sake of increasing experience of the employees. For the intern, some more sections such as PRD or Public Relation Department and Despass section can be added into job rotation plan.
- ❖ Customer selection process can be done more strictly. If a bad customer gets the opportunity to use the facilities given by a bank, surely he or she will misuse it. On the other hand, a good customer maintains all the requirement of the bank, avoid any kind of illegal activities and remain loyal.
- ❖ There is no information desk for the customer. Visitors often get confused where to go according to his or her purpose of entering the bank. If there is a desk from which a customer can soothe his or query, he would be more satisfied. So an information desk should be introduced.
- ❖ There should be a online help for the customers.
- ❖ An Automatic Token System can be introduced for the visitors. Through this system visitors will enjoy first in first out policy.
- ❖ IT department of National Bank Limited can be more modernized.
- ❖ NBL should develop an effective research and development centre in order to generate the innovative marketing ideas.
- ❖ Manpower of the bank should be increased. Often it seems Employees of the bank find it difficult to manage the excessive pressure of customers.
- ❖ Duplication of work must be avoided through better communication.
- ❖ NBL should motivate its officers to hard work.
- ❖ Bank should focus on online customers.
- ❖ Server can be developed. Often server of the bank got down and the banker have to wait until the start of server. It kills the valuable time of the working banker and the waiting customers.

2.6. Lessons

There are some valuable lessons I have learned from my internship. These lessons can be divided into two perspectives which are-

1. Organizational
2. Internship program related

2.6.1. Lessons from the Organization

- ❖ Communication style
- ❖ Standard behaviour
- ❖ Required skills
- ❖ Customer handling
- ❖ Time management
- ❖ Bank related terminology
- ❖ Way to cope up with the organizational environment

2.6.2. Lessons from the Internship Program

- ❖ How to be prepared mentally for the profession
- ❖ What is the relation between academic sector and the job sector
- ❖ How to apply the theoretical knowledge into practical life
- ❖ How to increase the quality and effectiveness of a job seeker.

2.7. Conclusion

I have tried my best to utilize my internship period at National Bank Limited and to complete my report according to my experience gathered from different departments. I believe that my realization in this semester has turned me into a successful student. Actually the purpose of acquiring the theoretical knowledge is for applying in the practical life. When the theoretical knowledge is implemented practically, it can be said that the knowledge is successful. Otherwise, the achieved knowledge has no value. Internship program creates a way of implementing the theoretical knowledge practically for the students. As National Bank Limited is one of the best private banks in Bangladesh, it is the perfect place for an intern to experience the working life. I was engaged in such a branch that handles almost all types of banking activities. I did not confine my activities only in those sections that are assigned by my organizational supervisor. I have visited some extra departments like Public Relation Department (PRD), System Operation Division operated in the head office of the bank which was not in my job rotation. In the head office, I have come to know that there are more departments in the head office International Division (ID), System and Operation Division, Credit Risk Management Department, Central Despass, Share Department, Monetary Cell Department etc. Bank officers of the PRD mainly handle advertisement related activities, new branch opening, circulating the occasion related circulation, sending the greetings card to the specific person and the potential customers, organizing the conference meeting etc. Bank officers of the system operation department look up the Potentiality of a new branch through feasibility study, interiors decoration, printing documents, Supply of the electronic equipments etc. When I was working for different departments in National Bank Limited, often I had to struggle to overcome new challenges regarding organizational and academic preparation related which has taught me some good lessons. Lastly, I am pleased to complete such an interesting internship session in the National Bank Limited and to complete my Internship Report by the grace of Almighty Allah.

Bibliography

- Chowdhury, T. A., & Ahmed, K. (2009, April). Performance Evaluation of Selected Private Commercial Banks in Bangladesh. *International Journal of Business and Management*, 4(4), 86-97. Retrieved March 2018, from <http://www.ccsenet.org/journal/index.php/ijbm/article/view/1179/1127>
- Ferdous, T., & Razzak, B. (2012, May 16). Importance of Training Needs Assessment in the Banking Sector of Bangladesh: A Case Study on National Bank Limited (NBL). *International Journal of Business and Management*, 7(10). Retrieved March 2018, from <http://www.ccsenet.org/journal/index.php/ijbm/article/viewFile/14644/11397>
- Islam, M. S., & Das, P. C. (2013, March - April). "Green Banking practices in Bangladesh". *IOSR Journal of Business and Management*, 8(3), 39-44. Retrieved March 2018, from https://s3.amazonaws.com/academia.edu.documents/32137985/G0833944.pdf?AWSAccessKeyId=AKIAIWOWYYGZ2Y53UL3A&Expires=1522090721&Signature=75duXk%2FVrNeFz1b6k6InkuVn4%2B0%3D&response-content-disposition=inline%3B%20filename%3D39_Page_Green_Banking_practices_i
- Martin-Consuegra, D., Molina, A., & Esteban, A. (2006, May 25). The customers' perspective on relational benefits in banking activities. *Journal of Financial Services Marketing*, 10(4), 98-108. Retrieved March 2018, from <https://link.springer.com/article/10.1057/palgrave.fsm.4760023>
- Nupur, J. M. (2010, September). E-Banking and Customers' Satisfaction in Bangladesh: An Analysis. *International Review of Business Research Papers*, 6(4), 145-156. Retrieved March 2018, from https://s3.amazonaws.com/academia.edu.documents/40843185/12._Nupur.pdf?AWSAccessKeyId=AKIAIWOWYYGZ2Y53UL3A&Expires=1522078900&Signature=On%2FEHYoYjhY99b2mGiLZb4i0gdM%3D&response-content-disposition=inline%3B%20filename%3DE-Banking_and_Customers_Satisfacti