



Internship Report On

*“Analysis of SME (Small and Medium Enterprise)
Banking of BRAC Bank Limited”*

Prepared For: **Mr. Showvonick Dutta**
Lecturer
BRAC Business School
BRAC University

Prepared By: **Md. Faruk Hossain**
ID: 09104183
BRAC Business School
BRAC University

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BRAC University
66, Mohakhali C/A, Dhaka-1212
Bangladesh

Letter of Transmittal

25th March, 2013

Showvonick Dutta

Faculty & Lecturer of BBS

BRAC Business School

BRAC University

Dhaka-1212

Subject: Submission of the report.

Dear Sir,

I would like to thank you for giving me chance to prepare internship report on this topic “Analysis of SME (Small and Medium Enterprise) Banking of BBL”. This task has been given me the opportunity to explore one of the most important aspects of the BRAC Bank SME sector which is the core banking activities of BRAC Bank.

The report contains a comprehensive study on the small and medium enterprise loan of BRAC Bank Limited along with my job part. I would like to mention that, I tried my best to prepare this report to my greater extent through study, analysis, discussing among the clients & managers of BRAC Bank to make it a comprehensive one. I hope that you will overlook it with kind consideration. I am still learner and will give me the necessary suggestions that you always give for the improvement of my future. I again express my heartfelt gratitude to you to give me the opportunity of analyzing this topic.

I would like to place this Paper for your evaluation & recommendations.

Thank you,

Sincerely yours

Md. Faruk Hossain

ID: 09104183

BRAC Business School

BRAC University

Acknowledgement

With deep interest I had started my work. This “Internship Program” is just a part of BBA requirement under the BRAC Business School. I am greatly indebted to my honorable academic supervisor Mr. Showvonick Dutta who has supervised, instructed & directed me to complete my Internship report.

I am also grateful to Ms. Puspita Bardon, AVP, “Fixed Assets, compliance & payment, Finance Department, Head Office – Annex Building, BRAC Bank Limited who has helped me very much by providing me various documents and information of BRAC Bank Limited which is the topic of my Internship Report. Also thanks my site supervisors Mr. Abdullah Mamun (Millon) associate managers fixed assets, Finance dept. Furthermore, my heartfelt thanks to my immediate supervisor Mr. Abdullah Al-Mamun who directed me enormous learning opportunity, Officer, fixed assets, Finance dept. The Regional officer, other officers and staff also helped me by providing the actual data and correct information. I am also grateful to them.

Besides I am also grateful to the authors, researchers, and articles writer who’s Books, Reports, Thesis papers and journals that have helped me to prepare my Internship Report successfully.

PREFACE

My Internship Report on the topic of “**Analysis of SME Banking of BRAC Bank**” as a part of my completing BBA degree which reveals not only read but also realizes the subject deeply to accomplish professional knowledge. So it is very necessary to achieve practical knowledge and clear concept about the subject. The practical experience also helps the learners to gather new idea and techniques. Form this view the BRAC Business School of BRAC University, has introduced an internship program in order to obtain practical knowledge with the different fields of business.

To full these criteria, I had to work in BRAC Bank Limited at Head Office. In this study and observation about three month I have gathered knowledge on “**Analysis of SME Banking of BRAC Bank**”.

After all my deepest pleasure to submit this report to my honorable supervisor and respected teacher Mr. Showvonick Dutta, Faculty & Lecturer BBA Program, BBS Department, BRAC University.

Md. Faruk Hossain

Executive Summary

This report aims at providing an overall analysis of the repayment behavior of the SME loan borrowers of BRAC Bank Limited. Before going to the analysis, it is mandatory to know something about the organization, its service, and its core products that it offers to its customers; about the SME loan, its classifications and the whole of its process starting from loan sanction to recovery and closing of the loan.

That's why, first of all, I made an overview of the organization, BRAC bank Limited, where I had completed my internship program. Here I tried to focus the bank's history of origination, its mission and vision, major departments and business units and major products and services. Then I said something about Asset Operations Department, the department where loan is analysis. SME is the next section where I gave my concentration. Here I focused on the terms and conditions of giving SME loan, enterprise selection criteria and documentation. Then talked about the procedure of SME loan where I delineated the sanction, disbursement, repayment and closing of SME loan.

After talking about the whole process of SME loan, I made an attempt to analyze the repayment behavior of SME loan borrowers. For this end in view, I have collected information about 29 SME borrowers from 10 branches in different locations. So, by using these sample through spss software I analysis the SME service, loan paying ability, most popular products, average recovery rate, satisfaction of clients in terms of service etc.

Finally I got some findings from the analysis of the repayment behavior of SME loan borrowers. Then I conclude my report saying some policy implications, improvement of services & products.