

An Internship Report on  
A Study on General Banking Division of South East Bank  
Bangladesh Limited

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## LETTER OF TRANSMITTAL

November 2013  
Saifhossain  
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*Subject: Submission of Internship Report*

Sir,

I am pleased to submit the internship report on “**Study on general banking of South East bankBangladesh Limited**” intended to fulfill the partial requirement of my Bachelor degree.

I would also like to draw your kind attention to the fact that I have tried my level best to gather and organize all the information needed for this particular report, and in doing so have tried my utmost to live up to your standards.

For your kind consideration I would like to mention that there might be some errors and mistakes due to limitations of my knowledge. I therefore wish and hope that you would be kind enough to accept my efforts and oblige thereby.

Thanking for your time and reviews.

Sincerely yours

---

Zami-A-Nazia

## **ACKNOWLEDGEMENT**

At first I would like to express my gratitude to almighty Allah who has given me the opportunity to go through the total process of internship and to write a report on this regard.

I would like to acknowledge my deepest gratitude to my honorable Internship supervisor, SAIF HOSSAIN, who has given me important suggestion and excellent guidelines for preparing this internship report.

I would also like to thank Ms Sabina Yeasmin and Mr Md. HedayetUllah, honorable course coordinator of my internship program at Islami Bank Training and Research Academy who has provided training facilities which made me understand the basic characteristics of islami banking.

I am very much grateful to the Manager of South East Bank Bangladesh Limited, dhanmondi Branch for his cooperation and valuable suggestion. I would also like to thank all the personnel of South East Bank Bangladesh Limited, dhanmond Branch, who has extended their whole-hearted co-operation for preparing the report.

Finally, I would like to convey my gratitude to all my teachers, friends and my family members who extend their support to prepare this report.

## EXECUTIVE SUMMERY

It was a great opportunity to work under one of the largest bank of Bangladesh. The purpose of the program was to perceive the real life situation. The academic knowledge is well enough to compete with the real world. This internship program was helpful to face the real working environment.

Southeast Bank Limited, a second generation private Bank, emerged in 1995 amid liberalization of global economies. Currently, its Authorized Capital is Tk.10, 000.00 million and its capital and reserve reached 19,597.54million as of December 31, 2012. Its vision is to stand out as a premier banking institution in Bangladesh and contribute significantly to the national economy.

The Bank, in the meantime, successfully completed 18th year of banking operations, recording significant growth in all the performance indicators. In 2012, the Bank earned an after tax profit of Tk.1648.72 million. During the last two years (2011-2012), the Bank achieved an average annual growth of 20.23 percent in deposit, 18.34 percent in loan and advances, 11.16 percent in export and 12.9 percent in import.

Operational excellence, coupled with qualitative improvements continued to be of paramount importance to the Bank. At present, the Bank has 102 branches, 10 SME Centers and 1 O-Shore Banking unit across the country. Plans have been drawn to raise another 10 branches and at least 10 more SME Centers in 2015.

As SEBL face the stiff challenges ahead on the way to further improving the profitability of the Bank, SEBL rely on skilled and experienced workforce. SEBL has product-basket encompasses Real Time Online Any Branch Banking, Islamic Banking, Merchant Banking, Dual Currency Visa Credit Card, Visa Travel Card, ATMs, Education Loan Scheme, Double Benefit Scheme, Consumer Loan, Millionaire Deposit Scheme, SME Banking, Corporate Banking, Syndicate Loan, Monthly Savings Scheme, Monthly Income Scheme, Pension Saving Scheme, Wage Earner Pension Scheme, SMS Banking etc. in addition to SEBL has traditional credit and foreign trade related products and services.

High quality customer services through the integration of the latest and state of the art banking technology and products is tool to achieve success. Customers are the first priority of SEBL. Southeast Bank is trying hard to provide a system of one-stop banking for customers by providing a broad spectrum of services. SEBL has employees have mastered new technology, enhanced their product knowledge and honed their skill to help customers meet their financial goals. SEBL wants to be the best helping customers become financially better o- by providing free advice, innovative leading-edge financial solutions, choice and convenience.

SEBL is pledge-bound to turn Southeast Bank into a modern banking institution, dynamic in actions, progressive in programs, honest in dealings, just in judgment, futuristic in attitude, fair in approaches and devoted to high quality service to customers. SEBL has charted plans are aimed at boosting modern management, advanced technology, good profitability, sound financial strength and fair corporate image of the Bank

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# **CHAPTER-1**

## **Introduction**

## **1.1 INTRODUCTION**

The banking world has been undergoing rapid and fundamental changes. The speed of these changes has been maintained even after the global financial turmoil experienced during the past few years. It is well recognized that there is an urgent need for better-qualified management and better-trained staff in the dynamic global financial market. Bangladesh is no exception of this trend. Bank education is a practice-oriented education and Banking Sector in Bangladesh is facing challenges from different angles though its prospect is bright in the future. The objective of the 3 month Internship to develop the specific skills and the breadth of judgment required of effective financial executives or bankers. To growing up my knowledge, I was sent to SOUTHEAST BANK LIMITED Dhanmondi Branch from June 10, 2013 to September 10 2013. This Report has been prepared on the basis of my practical experiences on the day-to-day banking activities and under the close supervision of my Organizational Supervisor Saidur Rahman and close guidance of Banks Supervisor Joshim Uddin (Head of Brach).

## **1.2 -HISTORY**

Southeast Bank Limited was established in 1995 with a dream and a vision to become a pioneer banking institution of the country and contribute significantly to the growth of the national economy. The Bank was established by leading business personalities and eminent industrialists of the country with stakes in various segments of the national economy. The incumbent Chairman of the Bank is Mr. Alamgir Kabir, FCA, a professional Chartered Accountant. Mr. M. A. Kashem a member of the Board and Mr. Yussuf Abdullah Harun were past Presidents of the Federation of Bangladesh Chamber of Commerce and Industries (FBCCI).

Southeast Bank Limited is a scheduled commercial bank in the private sector established under the ambit of Bank Company Act, 1991 and incorporated as a Public Limited Company under Companies Act, 1994 on March 12, 1995. During this short span of time the Bank is successful in positioning itself as a progressive and dynamic financial institution in the country. The bank

achieved the Certificate of commencement of business by the Registrar of Joint Stock Companies and Firms on the date of its incorporation and started its operations under private sector. Bangladesh Bank issued Banking License to the bank on March 25, 1995. Mr. M. Saifur Rahman, former Finance Minister of Bangladesh, inaugurated the foremost branch of the bank at 1, Dilkusha Commercial Area, Dhaka on 25th of the same year. As on December 31, 2012; the authorized capital of the bank is tk10,000.00 (m) whereas the paid up capital tk8,732.86. In view of the above, the Bank within a period of 12 years of its operation achieved a remarkable success and met up capital adequacy requirement of Bangladesh Bank.

Southeast Bank is run by a team of efficient professionals. They create and generate an environment of trust and discipline that encourages and motivates everyone in the Bank to work together for achieving the objectives of the Bank. The culture of maintaining congenial work – environment in the Bank has further enabled the staff to benchmark themselves better against management expectations. A commitment to quality and excellence in service is the hallmark of their identity.

Southeast Bank takes pride for bringing women into the banking profession in a significant number for gender equality. At present, 32% of Southeast Bank employees are women that will rise to 45% over the next five years.

**PRODUCT OR SERVICE OFFERINGS:**

<b>Products:</b>			
<b>Fixed Deposit :</b>	<ul style="list-style-type: none"> <li>• 1 Month</li> <li>• 2 Months</li> <li>• 3 Months</li> <li>• 6 Months</li> <li>• 1 year</li> </ul>	<b>Savings scheme:</b>	<ul style="list-style-type: none"> <li>• Double Benefit Scheme</li> <li>• Hajj Saving Scheme</li> <li>• Pension Savings Scheme</li> <li>• Mudarabah Monthly Income Scheme</li> </ul>
<b>Loan Scheme :</b>	<b>Term Loan</b>	<ul style="list-style-type: none"> <li>• Project Loan</li> <li>• House Building Loan</li> <li>• Small Business Loan</li> <li>• Consumer Financing Scheme</li> <li>• Lease Finance</li> </ul>	

		<ul style="list-style-type: none"> <li>• Personal Loan</li> </ul>
	<b>Demand Loan :</b>	<ul style="list-style-type: none"> <li>• Loan General</li> <li>• Demand Loan against Ship Breaking</li> <li>• Payment against Document (PAD)</li> <li>• Loan against Import Merchandise (LIM)</li> <li>• Loan against Trust Receipt (LTR)</li> <li>• Forced Loan</li> <li>• Packing Loan</li> <li>• Secured Over Draft against Cash Incentive</li> <li>• Foreign Documentary Bills Purchased (FDBP)</li> <li>• Local Documentary Bills Purchased (LDBP /IDBP)</li> </ul>
	<b>Continuous Loan:</b>	<ul style="list-style-type: none"> <li>• Secured Over Draft against Financial Obligation (SOD, FO)</li> <li>• Secured Over Draft Against Work Order / Real Estate etc. (SOD, GEN.)</li> <li>• Cash Credit (Hypothecation)</li> <li>• Cash Credit (Pledge)</li> <li>• Export Cash Credit (ECC)</li> </ul>

### **ABOUT CREDIT CARD:**

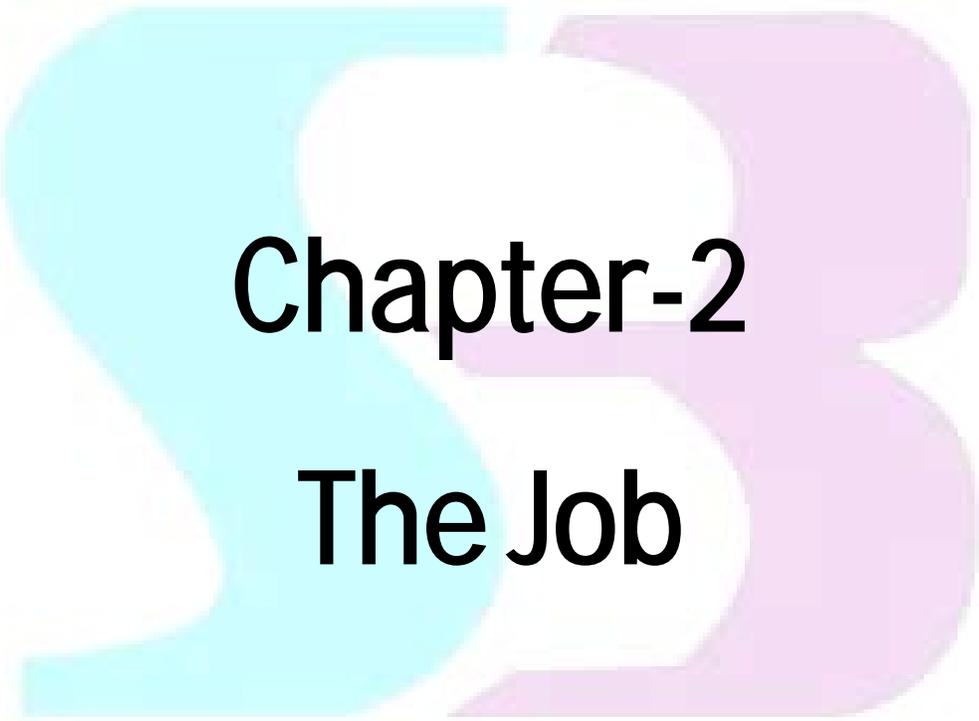
Credit Card services have become an integral part of Business for many banks and financial institutions around the world .It have been widely accepted as the best payment tool regardless of location and time.SEBL are in the card business just little over two years after obtaining principal membership from VISA International. Banks total issue stands at about 6000 at the end of the year, under review Banks classified amount is tk.6.30 million against total portfolio of tk.124.03 million which is less than 5% involving136 cardholders. Bank will continue to focus on bringing new value added services and features such as SMS services for the benefit of the customer.

## VISION FOR THE FUTURE

*“To be a premier banking institution in Bangladesh and contribute significantly to the national economy”*

It is especial!” important for managers and executives in any organization to agree upon the basic vision that the firm strives of achieve in the long term. A clear vision provides the foundation for developing a comprehensive mission statement. So the vision statement should be established first and foremost. Southeast Bank has established their vision statement to achieve their long-term Objectives, Their vision is to stand out as a pioneer banking institution in Bangladesh and contribute significantly to the national economy.





# Chapter-2

## The Job

## **2.1 DESCRIPTION /NATURE OF THE JOB**

In every bank every officer has different desk to do their job similarly in SEBL, DB has different desk for every officer but as an internee they also give me one place to do work with them. At first my supervisor gives me an opportunity to do work in front desk which is under General Banking. There various types work is done by officers and I also do those types of works with them. Like, Registered the name and amount in the maturity date of Fixed Deposit .Issuing Cheque books, Giving Information to the customers about the A/C opening, Schemes, FDR rate etc. Under the General Banking there is some another parts like Clearing, Cash and Accounts.

After that I was shifted to Accounts department .In Accounts department there is some section like trial balance prepare, voucher prepare.

I also sited some days in clearing section and few days in cash section .SEBL, DB is a small branch so, and to maintain the whole related work one person is not appropriate .As an internee I was not permitted to do more responsible work. So, my main job was to observe their work how they are doing more responsible work and to do that work as per officers instruction.

## **2.2 SPECIFIC RESPONSIBILITIES OF THE JOB**

Under General Banking A/C opening section my job was to entry the FDR maturity date in the register .Every morning a long FDR maturity sheet come from IT section .In that sheet all the name list of the account holders are there who has FIXED Deposit in SEBL, DB. At first I bring all the register for entry the name and amount of the maturity. People can do FDR for some different types such as: 1(one) month, 2(month), 3 9three) months.6 9six) months, 1 (one) year. In particular that if any ones FDR become matured that I enter their maturity date, the amount and cut the amounts excise duty which is depends on person's profit.

After that if any one comes to do pay order officers make the pay order and I make the entry of that pay order in the register with the charge (vat + commission).

Providing information to the customers is a big responsibility. Some people come to Open A/C .That can be Savings or Current. Another comes to open A/C for Proprietorship or for limited company. Some people want to know about the short term deposit or schemes than I have provided them that information.

After that I shift in account section where I have prepared voucher. Every morning I have to prepare a voucher of previous day. It is a very long process, where at first I have to sum up the total asset, liability, income, expenditure and then have to sum up all the client expenses of particular day for checking is there any error occur by accountant. If there is no problem in the paper, then I have to entry the entire ledger in the register book. Then again I have sum up the entire ledger. Finally I completed a voucher where I have to put total sum up journal.

At the end, I worked few days in clearing. Where I just count all amount of the heavy cheques and share cheques.

### **2.3 CRITICAL OBSERVATIONS AND RECOMMENDATION**

- In the Southeast Bank, Dhanmondi Branch I observe something very clearly that, Banks job is very repetitive .People are not that much happy with their job. Every day sitting in the same place and doing same work year after year is really hard.
- In this contemporary age, where all thinks are fully computerized but in this branch they use Register. They also use computer but also depend on register.
- SEBL, DB uses the software for internal transaction or entry the information. But the software is not updated.PC Bank 2000.It is the last of 2013 but they are also using the old software .So, I think the new software should be used to do the internal work more easily and swiftly.
- SEBL, DB has the system of ATM card but the ATM booth is not available. So the Authorized should look after the matter to increase ATM booth for providing more service to country people.

### **Commitments to Client's:**

SEBL is a customer focused modern banking institution in Bangladesh. We deliver unparalleled financial services to retail, small and medium scale Enterprises (SMEs), Corporate, Institutional, Governmental and Individual Clients through branch outlets across the country. Our business initiatives center on the emerging needs of the market. Our commitments to the clients are the following:

- Provide service with high degree of professionalism and use of modern technology.
- Create long term relationship based on mutual trust.
- Respond to customer needs with speed and accuracy.
- Share their values and beliefs
- Grow as our Customers grow.
- Provide products and services at competitive pricing.
- Ensure safety and security of customer's valuables in trust with us.



# GENERAL BANKING

### **3.1 SUMMARY**

Its vision is to stand out as a premier banking institution in Bangladesh and contribute significantly to the national economy. Operational excellence coupled with qualitative improvements continued to be of paramount importance to the Bank. At present, the Bank has 50 branches across the country. Plans have been made to raise the number of branches further. Our journey towards greater operational success continues with increased energy and enthusiasm. As we face the challenges on the way to further improving the probability of the Bank, we rely on our skilled and experience workforce. Our strength are our close and cordial partnership with customers ,our family anchored presence in the country's strategic places of commercial and business importance ,along with global reach through our correspondent banks foe expansion of foreign trade and foreign exchange. Our product basket encompasses Real time online Any branch Banking, Islamic Banking, Partial Merchant Banking, Dual Currency Visa Credit Card, ATMs, Education Loan schemes, Double Benefit Schemes, Consumer loan, SME, Banking, Corporate Banking, Syndicate Loan, Monthly Savings Schemes, Monthly Income Schemes, Pension Saving Schemes etc. In addition to our traditional credit and foreign trade related other services.

### **3.2 DESCRIPTION OF PROJECT**

This report is prepared as a requirement of the internship of BBA program of the BRAC University. As a student of BBA, it was my great pleasure to be attached with an organization like Southeast bank Bangladesh Limited. The internship program has given meenormous opportunity to minimize the gap between theoretical and practical knowledge.My practical experience through performing different activities of the bank includingGeneral Banking itenhanced my view, mission,and acceptability as well as has increased my overall experience about to deal in realworld phenomenon.

As per requirement, I have chosen the topic of “A Study on General Banking Division of Souteast Bank Bangladesh Limited” With the help of my three month working experience in dhanmondi Branch, Southeast Bank Bangladesh Limited, I have tried my best to make this report effective and realistic and my endeavor will be fruitful if anybody is benefited from this one.

### 3.3 OBJECTIVE OF THE PROJECT

**The core objectives of the practical orientation program in banks are as follows:**

- To apply theoretical knowledge in the practical field.
- To have exposure to the functions of general banking section.
- To have exposure to the functions of credit section.
- To observe the working environment in commercial banks.
- To study existing banker-customer relationship.
- To gather knowledge about the functions and transactions of different departments of bank branch
- Check the compliance of practice with the theory.

### 3.4 METHODOLOGY

In order to make the report more meaningful and presentable, two sources of data and information have been used widely.

**The “Primary Sources” are as follows:**

- Face-to-face conversation with the respective officers and staffs of the Branch.
- Informal conversation with the clients.
- Practical work exposures from the different desks of the four departments of the Branch covered.
- Relevant file study as provided by the officers concerned.

**The “Secondary Sources” of data and information are –**

- Annual report of Bank
- Website of the Bank
- Internet
- Registry records of the bank.
- Bank statements

### 3.5 SCOPE OF THE STUDY

This study is based on theoretical and practical analysis. However the scope of the study is confined within the region of Motijheel Branch.

The study will focus on the following areas ----

- The kinds of consumer credit facilities extended by Southeast Bank Ltd.
- General Procedure for getting different kinds of consumer credit facilities.
- How different kinds of projects are appraised at Southeast Bank Ltd. Present scenario of Consumer Credit Policy.
- Each of the above areas is critically analyzed in order to determine the efficiency of Southeast Bank Ltd, Motijheel Branch.

### 3.6 LIMITATIONS

This study report is based upon primary and secondary source of information from the documents and databases of the Bank. Though I tried my level best to produce a comprehensive and well-organized report on the Bank. The study that has been conducted in Southeast Bank Ltd has certainly some limitations, which are as follows-

- A short course of time was allowed for the program.
- Some officer did not provide information because of their busy time.
- The employees of the Bank were found very busy and as such some of them were reluctant to give time.
- The bank did not provide all required information because of official secrecy.
- The Branch also did not give me the big responsibilities because I am an internee.

### 3.7 MISSION

A business mission is the foundation for priorities, strategies, plans and work assignment. Nothing may seem simpler or more obvious than to know what a company's business is. Southeast Bank is very much concern about their mission because divergent views among managers can only be revealed and resolved through the mission statement.

- High quality financial services with the help of latest technology.
- Fast and accurate customer service.
- Steady return on shareholders equity.
- Attract and retain quality human resource.
- Balance growth strategy.
- High standard business ethics.
- Innovative banking at a competitive price.
- Deep commitment to the society and the growth of national economy.

### **3.8 The Strategy of Southeast Bank Limited**

Southeast Bank believes that its effort to become a leading bank in the private sector can only be achieved and sustained by creating effecting corporate governance, including professionalism among its stuff and strictly adhering to rules and regulations. SEBL believe that aims and objectives can only be realized fully and sustained over time by adherence to ethics that can not always to build into sets of rules and regulations. This believes in ethics motivates the bank in its dealing with those with whom it interacts.

SEBL adheres to the following principles in dealing with customers.

- a) Strictly follows ethical banking practices.
- b) Provide fair treatment to all customers, depositors and borrowers without any discrimination.
- c) Provide speedy customer service at a very competitive cost.
- d) Deal with customers in a transparent manner and without any hidden cost.

- e) Maintain strict secrecy of customer account.
- f) Provide free financial advice to clients.
- g) Deal quickly with complaints received from the customers. SEBL endeavor continuously to build trust and understanding with customers.
- h) SEBL give very competitive return to the depositors on their investment.
- i) They listen to their customers and work for improvement of customer service as per their suggestion.
- j) They never desert their customers in adversity.
- k) SEBL always keep promises as they make.

#### 2.4.2 SEBL follows the following principles in dealing with Shareholders.

- a) Adequate disclosure of corporate information and operational results to help them take suitable investment decisions / options.
- b) Stable dividend policy and payment of good dividend.
- c) Dialogue with them and implementations of their suggestions for improvement.

#### 2.4.3 SEBL follows the followings in dealing with their regulators.

- a) They are transparent in operations and governance.
- b) SEBL have a culture of timely compliance of regulatory requirements.
- c) SEBL give their suggestions and directives great value that they implement for improvement of corporate governance standard.

#### 2.4.4 SEBL follows the following principles in dealing for their Employees.

- a) No discriminate on grounds of religion, sex or race at any stage. They recruit the best on the basis of merit under a rigorous recruitment policy without any biasness or favoritism to anybody.
- b) Pay competitive compensation package with career echelon for the really deserving candidates.
- c) Care for employees and respect them.
- d) Clearly defined duties and responsibilities for every employee. No one is made a scapegoat for undefined responsibilities.

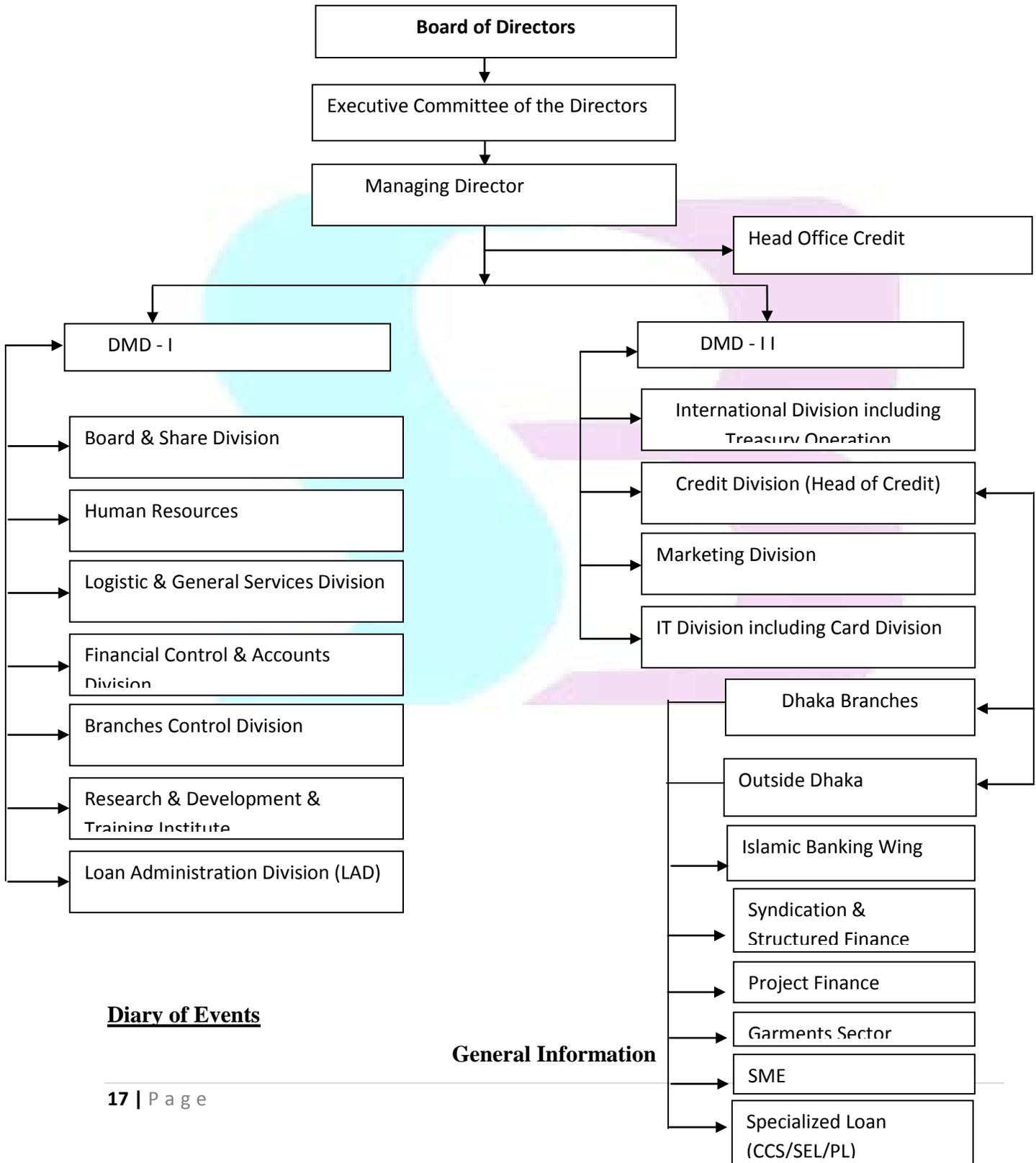
- e) Zero tolerance for any act of dishonesty.
- f) Provide a congenial work environment.
- g) Encourage freedom to employees to give opinion for both qualitative and quantitative improvement of the bank.
- h) SEBL always take care of their health and safety.

2.4.5 SEBL follows the following principles in respect of society.

- a) SEBL believe that the bank gets business sustenance from the community in which it operates and therefore must remain responsive to the community and the society in reciprocity.
- b) Do not encourage projects which are not environment friendly for financing by the bank.
- c) Provide material support for protection of environment.
- d) Give aid to the poor helpless and natural calamity hit people.
- e) Support charitable ventures.
- f) Support the women as a community and contribute to women empowerment.
- g) Give sponsorships to sports culture education health care and community development ventures.

**OPERATIONAL NETWORK:**

**Organogram of Head Office**



**Diary of Events**

**General Information**

Certificate of Incorporation	March 12, 1995	
Certificate of Commencement of Business	March 12, 1995	
Bangladesh Bank license	March 23, 1995	
First Branch Opened	May 25, 1995	
Dividend offered in 2012	Cash dividend 15%	
Number of Branches	94 as on 31/12/2012	
Number of Employees	2010 as on 31/12/2012	
Global Correspondents	691 as on 31/12/2012	
Listing of Shares	DSE & CSE	
<b>Financial Stability (Taka in million)</b>		
Authorized Capital	December 31, 2012	10,000.00
Paid – up Capital	December 31, 2012	8,732.86
Total Capital (Tier I + Tier II)	December 31, 2012	19,597.54
Deposit	December 31, 2012	152,901.24
Advances	December 31, 2012	126,968.97
Investments	December 31, 2012	37,656.56
Operating Profit	December 31, 2012	5,495.19
* Initial public offering of shares of Tk. 150.00 million was completed in 1999		

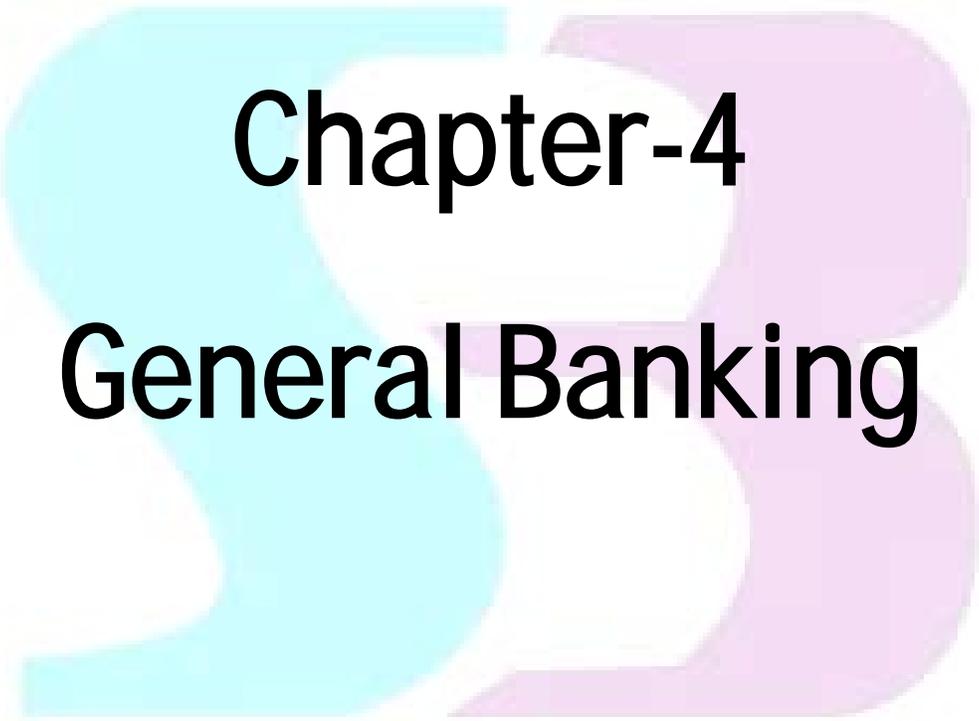
**BRANCH ORGANOGRAM:**

Head of Branch



Manager Operations

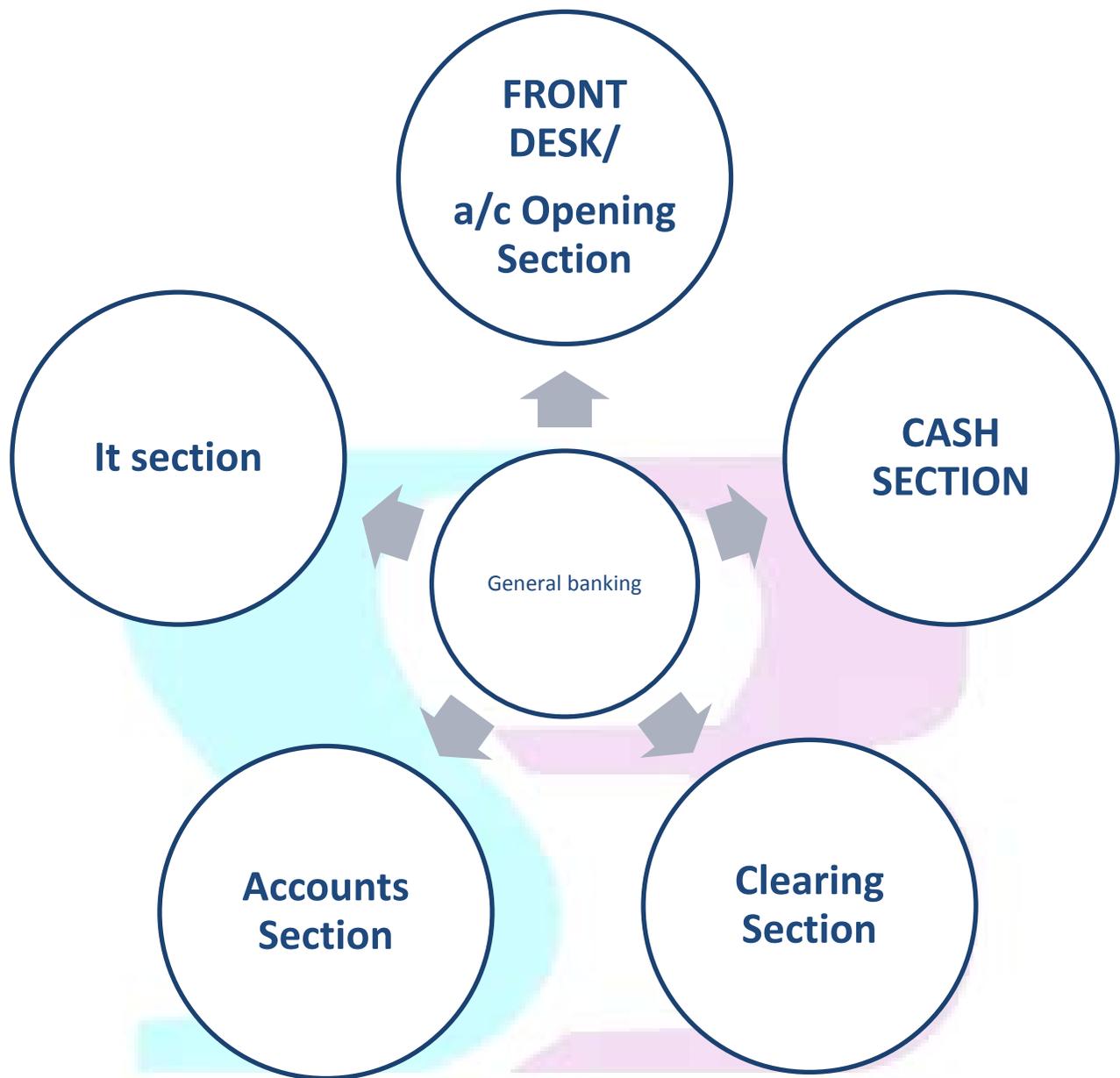




# Chapter-4

# General Banking

General banking



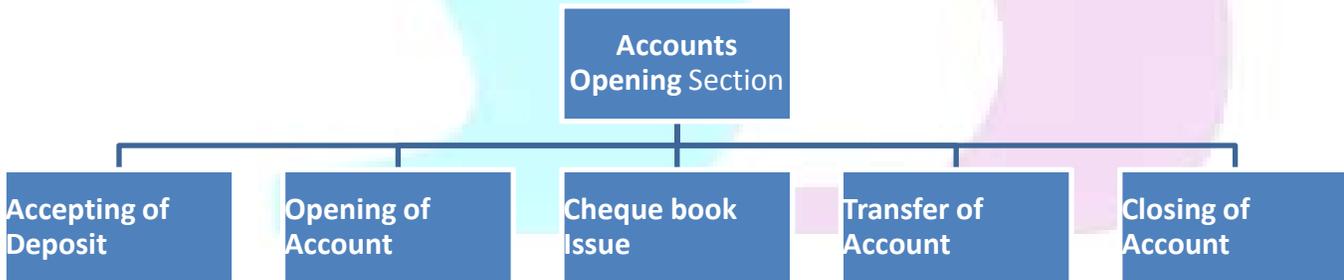
General banking is the starting point of all the banking operations. It is the department, which provides day-to-day services to the customers. Every day it receives deposits from the customers and meets their demand for cash by honoring cheques. It opens new accounts, remit funds, issues

bank drafts and pay orders etc. Since bank is confined to provide the services every day general banking is also known as 'retail banking'.

**3.1 FUNCTIONS OF THIS DEPARTMENT**

<b>G E N E R A L</b> <b>B A N K I N G</b>	<b>1</b>	FRONT DESK/ACCOUNTS OPENING SECTION
	<b>2</b>	CASH SECTION
	<b>3</b>	IT SECTION
	<b>4</b>	CLEARING SECTION
	<b>5</b>	ACCOUNTS SECTION

**4.1 THE FOLLOWING WORKS ARE DONE BY THESE SECTION:**



- **Accepting of deposit**
- **Opening of account**
- **Check book issue**
- **Transfer of account**
- **Closing of account**

### **4.1.1 ACCEPTING DIPOSIT**

Accepting deposits is one of the two classic functions of commercial banks. The relationship between a banker and his customer begins with the opening of an account by the former in the name of the latter. Initially all the accounts are opened with a deposit of money by the customer and hence these accounts are called deposits accounts. Banker solicits deposits from the members of the public belonging to different lifestyles, engaged in numerous economic activities and having different financial status. There are two officers performing various functions in this department.

**The deposits those are accepted by SEBL may be classified in to:**

- a) Demand Deposits**
- b) Time Deposits.**

#### **DEMAND DEPOSITS:**

The amount in accounts are payable on demand so it is called demand deposit account. SEBL accepts demand deposits through the opening of, -

- a) Current account**
- b) Savings account**

#### **CURRENT ACCOUNT**

Both individuals and business open this type of account. Frequent transactions are (deposits as well as withdrawal) allowed in this type of account. A current a/c holder can draw checks on his account, any amount, and any numbers of times in a day as the balance in his account permits

**Criteria of current account followed by SEBL:**

- Generally opened by businessmen, government and semi-government organizations; with proper introduction
- No interest is provided for deposited amount;
- Overdraft is allowed in this account;

- Minimum opening balance is TK.2000;
- A minimum balance of Tk. 5000/- has to be maintained;

### **SAVINGS ACCOUNT:**

Individuals for savings purposes open this type of account. Current interest rate of these accounts is 06% per annum. Interest on SB account is calculated and accrued monthly and Credited to the account half yearly. Interest calculation is made for each month based on the lowest balance at credit of an account in that month. A depositor can withdraw from his SB account not more than twice a week up to an amount not exceeding 25% of the balance in the account. If anyone withdraws money more than twice he/she will not get the interest for that month.

### **Criteria of savings account followed by SEBL:**

- An appropriate introduction is required for opening the A/C;
- Frequent withdrawal is not encouraged;
- A depositor may withdraw money from his/her account twice in a week;
- Minimum amount of TK.5000 is required as initial deposit;
- Depositor may withdraw his/her deposited money up to 25% of the Balance in his/her account without notice. The bank may realize service charge in its discretion.
- Depositor will get interest on the amount deposited in his/her account.

### **TIME DEPOSITS:**

A deposit which is payable at a fixed date or after a period of notice is a time deposit. In SEBL Motijheel Branch (Islamic Banking) accepts time deposits through Fixed Deposit Receipt (FDR), Short Term Deposit (STD), and Schemes etc.

While accepting these deposits, a contract is done between the bank and the customer. When the banker opens an account in the name of a customer, there arises a contract between the two. This contract will be a valid one only when both the parties are competent to enter into contracts. As account opening initiates the fundamental relationship & since the banker has to deal with different kinds of persons with different

### **4.1.2 OPNING ACCOUNT**

#### **Procedure of Opening Account:**

- Before opening a Account a customer has to fill up an application form which contains the followings:
- Amount in figures
- Beneficiary's name and address
- Period
- Rate of interest
- Date of issue
- Date of maturity
- How the account will be operated ( singly or jointly)
- Signature(s)
- Account. no.
- Special instructions (if any)

After fulfilling the above information and depositing the amount, account is opened and a receipt is issued and it is recorded in the Register which contains the following information:

- Account no.
- (Fixed Deposit Receipt) no.
- Name of the holder with address
- Maturity period
- Maturity date
- Interest rate
- Payment of Interest:

In case of MTDR Account the banks do not have to maintain a cash reserve. SEBL offers a high interest rate in MTDR accounts.

It is usually paid on maturity of the fixed deposit. SEBL calculates interest at each maturity date and provision is made on that "Miscellaneous creditor expenditure payable accounts" is debited for the accrued interest.

**RATE OF INTEREST PRE-MATURE ENCASHMENT OF TERM DEPOSIT:**

No	TERM DEPOSIT	RATE OF INTEREST	PRE-MATURE ENCASHMENT	RATE OF INTEREST
1.	1 months	6.75%	Before 30 days	No Interest
2.	2 months	7.25%	Before 2 month	No Interest
3.	3 months	11.25%	Before expiry of 3 month	No Interest
4.	6 months	11.50%	Before expiry of 6 month	No Interest
5.	12 months	12%	Before expiry of 12 month	No Interest

From above circumstances it is clear that. If anyone runs his/her Deposit up to 11 month and withdraw his/her money in case of any kinds of emergency he/she will not get any types of interest but if The person give an application to Manager than manager can arrange interest of savings rate for that person.

**Short Term Deposit (STD) Account:**

In Short Term Deposit account, the deposit should be kept for at least seven days to get interest. The interest offered for STD is less than that of savings deposit. In SEBL, MB various big companies, organizations, Government Departments keep money in STD accounts. Frequent withdrawal is discouraged and requires prior notice. STD Account opening procedure is similar to that of the saving account

Interest rate for STD account-----6.00% per annum

In SEBL, MB usually customers give an instruction to the Bank that their current account will be debited whenever its deposited amount crosses a certain limit and this amount will be transferred to the STD account.

Southeast Bank Danmondi Branch has some other Special Schemes which is given below:

NAME OF THE SCHEMES	TERMS AND CONDITIONS
<p><b>A. <u>Double Benefit Scheme (DBS):</u></b></p> <p>Amount to be Deposited: TK. 10,000 or Multiple</p> <p>Payment at Maturity: Double in 6 years <b>Total Amount of the (DBS): 8,60,46,000.00 (Nov, 07)</b></p>	<p>.A Person of 18 years of age and above having a sound mind can open the account</p> <p>2. A person can open more than one DBS account at any branch of the Bank of the Bank and in such case separate form should be filled.</p> <p>3.A passport size photograph of each account holder is required to open the account</p> <p>4.DBs account can be opened at any working day of the month</p> <p>5.DBs account can be opened in joint names or in the name of institution</p> <p>6. DBs account can be opened in the name of a minor. In that case, Banks existing account opening formalities for opening accounts for minor will be followed.</p>
<p><b>B. <u>Monthly Savings Scheme (MMSS):</u></b></p> <p>Duration:3 (three) Years &amp; 5 (Five) Years</p> <p>Amount of Monthly Installment: TK.500 or Multiple amount up to TK.50, 000 (Fifty Thousand).</p> <p><b>Total Amount of the (MMSS): 1,57,05,000.00 (Nov, 07)</b></p>	<p>1.A Person of 18 years of age and above having a sound mind can open the account</p> <p>2.A Person can open more than one MMSS account at any branch of the Bank and in such case separate form should be filled</p> <p>3.A passport size Photograph is required to open the account</p> <p>4. MMSS account can be opened at any working day of the month.</p> <p>5. Account opened within first 10<sup>th</sup> of any month will be treated as account of that particular month. If the account is opened after 10<sup>th</sup> of any month in that case 1<sup>st</sup> installment will be due and realized from the next month.</p>

	<p><b>6.</b> MMSS account cannot be opened in the name of any minor, in joint names, or in the name of institution.</p> <p><b>8.</b> An account can be transferred from one Branch to another Branch of the Bank by a written application of the account holder. In such case a fee of TK. 500 is payable as banks service charge.</p> <p><b>9.</b> Installments can be deposited in advance.</p>
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Monthly Installment	Matured Amount	
	3 years	4 years
500/-	21,405/-	40,750/-
1000/-	42,810/-	81,500/-
5000/-	2,14,050/-	4,07,500/-
10,000/-	4,28,100/-	8,15,000/-
50,000/-	21,40,500/-	40,75,000/-

**C. Monthly Income Scheme (MMIS)**

Duration of the Account: 3 (three) Years & 5 (five) years

Amount to be Deposited: TK.10, 000 or its multiple (Deposited amount will be returned on maturity).

**Total Amount of the (MMIS)  
:1,15,00,000.00 (Nov, 07)**

	Monthly Income	
Deposited Amount	3 Years	5 years
TK. 100,000/-	TK. 760/-	TK. 800/-

	<p><b>1.</b>A Person of 18 years of age and above having a sound mind can open the account</p> <p><b>2.</b> A person/institution can open more than one MMIS account at any branch of the Bank and in such case separate form should be filled.</p> <p><b>3.</b> The applicant must open /have a CD Savings Deposit account within the branch in which monthly income will be credited automatically.</p> <p><b>4.</b> MMIS account cannot be opened in the name of any minor but it can be opened in joint names, or in name of any institution.</p> <p><b>5.</b> An account can be transferred from</p>
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		one Branch to another Branch of the Bank by a written application of the account holder. In such case a fee of TK. 500 is payable as banks service charge.
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<p><b><u>D. Pension Savings Scheme (MPSS):</u></b></p> <p>Duration:4,6 and 8 Years Terms</p> <p>Amount of Monthly Installment's 500 or multiple up to TK.25, 000 (i.e. Tk.500 or 1000 or 1500)</p> <p><b>Total Amount of the (MPSS): 55,000.00 (Nov, 07)</b></p>	<ol style="list-style-type: none"> <li>1.A Person of 18 years of age and above having a sound mind can open the account</li> <li>2. A person can open more than one MPSS account for different amount at any branch of the Bank and in such case separate form should be filled in.</li> <li>3. A passport size photograph of the account holder and each nominee (attested by the account holder) are required to open the account</li> <li>4. The account can be opened at any working day of the month.</li> <li>5. Account opened within 10<sup>th</sup> of any month will be treated as account opened on the particular month. If the account is opened after 10<sup>th</sup> of any month in that case 1<sup>st</sup> installment will be due from the following month and will be realized in the following month.</li> <li>6.MPSS account can be opened in the name of minor .In that case minor's legal guardian can operate the account</li> <li>7. Account cannot be opened in joint names, or in the name of any institution.</li> </ol>
<p><b><u>F. New Pension Savings Scheme (NPSS):</u></b></p> <p>Duration:4,6 and 8 Years Terms</p> <p>Amount of Monthly Installment's 500 or multiple up to TK.25, 000 (i.e. Tk.500 or 1000 or 1500)</p>	<ol style="list-style-type: none"> <li>1.A Person of 18 years of age and above having a sound mind can open the account</li> <li>2. A person can open more than one NPSS account for different amount at any branch of the Bank and in such case separate form should be filled in.</li> <li>3. A passport size photograph of the account holder and each nominee (attested by the account holder) are required to open the account</li> <li>4. The account can be opened at any working day of the month.</li> <li>5. Account opened within 10<sup>th</sup> of any month will be treated as account opened on the particular month. If the account is</li> </ol>

<p><b>Total Amount of the (NPSS): 2,31,000.00 (Nov, 07)</b></p>	<p>opened after 10<sup>th</sup> of any month in thatcase 1<sup>st</sup> installment will be due from the following month and will be realized in the following month.</p> <p><b>6.</b>NPSS account can be opened in the name of minor .In that case minor’s legal guardian can operate the account</p> <p><b>7.</b> Account cannot be opened in joint names, or in the name of any institution.</p>
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It is said that, there is no banker customer relationship if there is no a/c of a person in that bank. By opening an a/c banker and customer create a contractual relationship. However, selection of customer for opening an account is very crucial for a Bank.

**Before opening of a current or savings account, the following formalities must be completed by the customer:**

- a) Application on the prescribed form;
- b) The customer is filled up the form;
- c) **Introduction:**

**The following persons can introduce an a/c opener:**

- i. An existing current/savings account holder of that branch;
- ii. An officer of that branch (not below the rank of an Assistant Officer.);
- d) Furnishing photographs;
- e) Banker will supply a set of printed forms required for opening the account, which will normally include:

**2 copies of Specimen Signature Cards (SSC);**

Check Book Requisition slips;

- f)** Customer should carefully read and full-fill the application form;
- g)** Putting specimen signatures in the specimen card.
- h)** Any special instructions with regard to operation of the account should be noted on the relevant signature card boldly duly authenticated by the a/c holder should be obtained;
- i)** The required Account Number for the new Account from the Account Opening Register should be obtained;
- j)** Obtain the signature and a/c number of the Introducer on the advice of new accountant the place meant for the purpose and gets the signature properly verified by an Authorized official of the Bank;
- k)** The Deposit slip properly filled in and signed by the customer;
- l)** Then the new a/c number should be written at the appropriate place of the Deposit slip and mark new Account on both the copies of the deposit slip and request the customer to deposit the money at the cash counter;
- m)** Place the signature cards, Advice of new account, a copy of Deposit slip, photographs and other necessary papers/documents etc. in a file;
- n)** Obtain approval of the Authorized officer for opening the new account on all relevant papers. While giving approval for opening an account the Authorized official should be satisfied about the Introducer;
- o)** The Authorized officer on the advice of new A/c and on the specimen signature cards should also attest the signature of the new a/c holder;
- p)** After approval of the opening of the a/c, get the Chequesbook requisition slip signed by the customer;

- q) Deliver the cheques book to the customer after properly marking the Account number name and place of the branch on each leaf of the checkbook;
- r) On completion of account opening open a file for the new a/c holder and file all relevant papers forms etc.

**Application form for current/saving account:**

**Following are the contents of the application form for opening Savings/current A/C**

- **Name of the Applicant**
- **Father's name/Husband's name**
- **Present address**
- **Permanent address**
- **Occupation**
- **Nationality**
- **Phone No.**
- **Special instruction for operation of the account**
- **Nominee**
- **Specimen Signature**
- **Introducer's Name**
- **Introducer's Signature**
- **Amount deposited**

**Classification of customers:**

- a) Proprietorship (Sole traders);
- b) Partnership firms (Registered or Unregistered);
- c) Joint stock Companies (Private Limited companies/Public ltd.);

**Documents required for all types of Accounts & Customers:**

1. Advise of New Account (in duplicate)
2. Specimen signature cards (in duplicate)
3. Account Opening Agreement Form
4. Photographs of Account Holders (in duplicate)
5. Deposit Slips Book
6. Cheques book Requisition slips
7. Letter of mandate authorizing another person/s to operate the A/c on behalf of the Account holder, where necessary.

**Additional documents are to be obtained for opening some special accounts.**

**Sole Proprietorship:**

- Copy of valid Trade License
- Recent Passport size Photograph(s) of signatory attested by the Introducer
- Sole Proprietorship Declaration
- Citizenship Certificate/Photocopy of Passport/Tax Certificate/Voter Card
- Transaction Profile
- KYC Form

**Partnership:**

- Copy of Partnership deed of the Firm
- Firm registration Certificate (if registered)
- List of Partners with their address
- Copy of valid Trade License
- Photographs of signatories attested by the Introducer

- Citizenship Certificate/ Photocopy of Passport/Tax Certificate/Voter I.D Card
- Resolution of the Partners of the Firm for opening the account and authorization for its operation duly certified by the managing Partner of the Firm
- Transaction Profile
- KYC Form

**Limited Liability Public/Private Company:**

- Certified copy of the Memorandum and Articles of Association of the Company
- Certified copy of Certificate of Incorporation
- Certificate copy of Certificate of Commencement of Business (for Public Limited Company)
- Certified copy of Form 12 of the company
- Extract of the Resolution of the Board Meeting of the Company for opening the account and authorization of its operation duly certified by the Chairman /Managing Director of the Company
- Photograph(s) of signatories
- List of Directors with Addresses
- Copy of valid Trade License
- Transaction Profile
- KYC Form

**4.1.3 ISSUING CHEQUE BOOK TO THE CUSTOMERS**

**(A) Issue of fresh cheques book**

Fresh cheques book is issued to the account holder only against requisition on the prescribed requisition slip attached with the cheques book issued earlier, after proper verification of the signature of the account holder personally or to his duly authorized representative against proper acknowledgment.

**Procedure of issuance of a fresh cheques book:**

- A customer who opened a new a/c initially deposits minimum required money in the account.
- The account opening form is sent for issuance of a cheques book
- Respected Officer first draws a cheques book
- Officer then sealed it with branch name.
- In-charge officer enters the number of the cheques Book in cheques Issue Register.
- Officer also entry the customer's name and the account number in the same Register.
- Account number is then writing down on the face of the cheques Book and on every leaf of the cheques book including Requisition Slip.
- The name of the customer is also written down on the face of the cheques book and on the Requisition slip.
- The word "Issued on" along with the date of issuance is written down on the requisition slip.
- Number of cheques book and date of issuance is also written on the application form.
- Next, the customer is asked to sign in the cheques book issue register.
- Then the respected Officer signs on the face of the requisition slip put his initial in the register and hand over the cheques book to the customer.

### **Issue of Duplicate cheques book:**

Duplicate chequesbook instead of lost one should be issued only when an A/C holder personally approaches the Bank with an application Letter of Indemnity in the prescribed Performa agreeing to indemnify the Bank for the lost checkbook. Fresh check Book in lieu of lost one should be issued after verification of the signature of the Account holder from the Specimen signature card and on realization of required Excise duty only with prior approval of manager of the branch. cheques series number of the new cheques book should be recorded in ledger card and signature card as usual. Series number of lost cheques book should be recorded in the stop payment register and caution should be exercised to guard against fraudulent payment.

### **Issue of New cheques book (FOR OLD ACCOUNT)**

All the procedure for issuing a new cheques book for old account is same as the procedure of new account. Only difference is that customer have to submit the requisition slip of the old cheques book with date, signature and his/her address. Computer posting is then given to the requisition slip to know the position of account and to know how many leaf/leaves still not used. The number of new cheques book is entered on the back of the old requisition slip and is signed by the officer.

#### **Procedure of issuance of a new cheques book**

If the cheques is handed over to any other person then the account holder the bank addressing the account holder with details of the cheques book issues an acknowledgement slip. This acknowledgement slip must be signed by the account holder and returned to the bank. Otherwise the bank will not honor any cheques from this cheques book.

At the end of the day all the requisition slips and application forms are sent to the computer section to give entry to these new cheques.

#### **4.1.4 TRANSFER OF AN ACCOUNT**

- The customer submits an application mentioning the name of the branch to which he wants the account to be transferred.
- His signature cards, advice of new account and all relevant documents are sent to that branch through registered post.
- The balance standing at credit in customer's account is sent to the other branch through Inter Branch Credit Advice (IBCA).
- No exchange should be charged on such transfer.
- Attention is also given in this connection.

#### **4.1.5 CLOSING THE ACCOUNT**

Upon the request of a customer, an account can be closed. After receiving an application from the customer to close an Account, the following procedure is followed by a banker. The customer should be asked to draw the final cheques for the amount standing to the credit of his a/c less the amount of closing and other incidental charges and surrender the unused cheques leaves. The a/c should be debited for the account closing charges etc. and an authorized officer of the Bank should destroy unused cheques leaves.

**In case of joint a/c, the application for closing the a/c should be signed by all the joint holders.**

**A banker can also close the account of his customer or stop the operation of the account under following considerable circumstances:**

- Death of customer.
- Customer's insanity and insolvency.
- Order of the court(Garnishee order)
- Specific charge for fraud forgery.
- Stop payment of cheques:
  - A banker can stop payment of cheques of his customer under following considerable circumstances
  - Firstly the account holder will apply to stop the payment of his cheques
  - There is a register for this purpose. It is kept by the authorized officer.
  - The officer will see the condition of account and verify everything.
  - In the ledger book, the officer will marked with red ink and the cheques will not be paid.

#### **Dishonor of cheques:**

If the cheques are dishonored, SEBL sends a memorandum (cheques return memo) to the customer stating the reason in the following way:

- Refer to drawer.
- Not arranged for.
- Effects not cleared May be present again.
- Exceeds arrangements.
- Full cover not received.
- Payment stopped by drawer.
- Drawer's signature differs/ required.
- Alterations in date/figures/words require drawer's full signature.
- Cheques are posts dated/out of date/mutilated.

- Amount in words and figures differs.
- Crossed cheques must be present through a bank.
- Clearing stamps required/requires cancellation.
- Addition to the discharge of Bank should be authenticating.
- cheques crossed “Account Payee Only”
- Collecting Bank’s discharge irregular/required.
- If the cheques is dishonored due to insufficiency of funds SEBL inform the a/c holder immediately.



## 4.2 Cash Section:

### **4.2 Cash Section:**

Cash section is an important section where cash transactions are made. Cash sections demonstrate liquidity strength of a bank. It is also sensitive as it deals with liquid money. Maximum concentration is given while working on this section. Tense situation prevails if there is any imbalance in the cash account. There are various systems maintain by cash officer that is under:

- Vault
- Cash Payment
- Cash Receive
- Evening banking.

### **Vault**

The cash department is the riskiest department of the bank. This is the section where tight security is required to avoid any accident. There is a limit to be amount of cash that each counter can carry: carrying of excess cash is avoided for safety reasons. If there is any surplus in the cash then the excess amount should sent to the Bangladesh Bank or if there is any shortage in the cash then the shortage amount should be borrowed by the bank from Bangladesh Bank or from the Head Office or Other Banks,

### **Cash Receipt**

When clients deposit cash in the bank, the bank officer should follow the following common precaution:

- Check and count the received cash.
- Make sure that the amount in word and numbers in the deposit slip are same.
- Check the account title and the number.
- Both the deposit slip is in order.
- Depositor's signature is in the slip.
- Receive seal in the slip is a must.

- Write the denomination of the currency at the back of the pay in slip or the credit voucher and affix stamp in the slip/voucher,
  - Enter particulars of in slip/credit voucher in the receiving cash officer book.
- At least, send the pay in slip/voucher to the deposit department or to the respective department.
  - Deposit slip must be signed by the respective officer.
- Carbon copy of the deposit slip must be handover to the client with proper seal and signature.

### **Cash Payment**

Cheques, demand drafts, pay orders, pay slips and debit cash vouchers etc. are received from various departments for payment of cash to customers/payees. Prior payment of , cash it is the officer's duty to make sure that the cheque/or the instrument has been genuinely passed. The following common precaution is thoroughly practiced before honoring a cheque:

- The branch name in the cheque.
- The date in the cheque is very crucial. Cheques are normally valid for six months and pre-dated cheques are asked to present after the date given.
  - Tk in words and figure of the cheque is same.
  - Balance in the account is available.
  - The specimen card signature and signature in the cheque should match.
  - Signature of recipient is obtained on the reverse of cheque.
- In case, where a prior arrangement has been made with the bank, a client may overdraw against a cheque.

### **Books maintained by cash department**

**Vault Register:** This is the book where amount of cash available in the branch is maintained. That is, the amount in the vault register book.

**Cash Receive Register:** This register keeps record of all incoming cash.

**Cash Payment Register:** Similar to the cash register book, this books keeps tracks of all outgoing cash, that is all payments.

Cash Position Register: This is the book where cash balance is recorded by counting the notes and coins that are physically available. The balance in this book is compare with the vault register, which should be the same. In case there is an error, then the figures would not match but if no discrepancy is found then anything is to be worried about.

**Other Registers:**

- Money Remittance Register
- Prize Bond Register
- Stamp in hand Register

**Cash Section has two Automatic Machine**

- Money Counting Machine: With the help of this machine officer can easily count the money. It save time and also provide accuracy.
- Money Detector Machine: This machine helps officer to find out the fake money.

## 4.3 IT SECTION:

1. Initialize the Transaction:

a. Client Transaction

b. General Ledger

2. Time deposit: FDR Maturity process run if any FDR mature then IT officer cut the excise duty and 10% Tax is automatically cut by the Software of net profit

3. Transfer profit amount to link (Savings/Current/std) account as per client information.

4. IT officer submit the maturity list of MTDR to account opening desk for entry in the Register.

5. Scheme maturity run of fixed amount

6. Client has to fill up money to their scheme under the 10<sup>th</sup> of the month. So, if the client gives any application or instruction to fill their money .Then automatically IT officer credited money from clients saving account and debited their scheme account under 10th of the month by the software.

7. ATM Card: Start Debiting process of ATM Card

8. All the cheques come to IT and checked by the IT officer than is client A/C has enough money or not. If the amount is valid then IT officer credited money from A/C holders account.

8. Day end process: After all the Transaction of the day if debit and Credit is equal then the software will show that it is successful and for that day software processing is closed.

## 4.4 CLEARING SECTION

This section receives all kinds of Cheques in favor of the client for clearing as the part of their banking service. After receiving the Cheques it is necessary to *endorse* it and *cross it specially*. Basically the Cheques for clearing are of following types:

Types	Explanation		Clearing Process
Inward Clearing Cheques	Cheques received from the Clearing House, of our bank		Party's A/C -----Dr. SEBL General Account -----Cr.
Outward Clearing	OBC (Outward Bills for Collection)	Cheques of other branch of SEBL, Dhanmondi within our clearing house area	These Cheques are directly sent to the respective branch and request them to send *IBCA. When IBCA comes, then customer's accounts are credited for the amount of the cheques.
	Clearing cheques	Cheques of another bank within our clearing house area	These Cheques are sent to clearing house via the Principal Branch. When drawee bank honor the Cheques, then the account of cheques depositors are credited.
	OBC (Outward Bills for Collection)	Cheques of another bank which is situated outside the clearing area	These Cheques are cleared in two ways: Firstly, if any branch of our bank exists within the clearing house area of drawee bank, then we send the cheques to that branch of our bank and that branch collects the proceeds through clearing house formalities and sends an IBCA to us. In second way, if there is no branch of our bank, then we directly sends the cheques to the drawee bank and request them to send the proceeds by PO or DD or by in any other means
Inward Bills for Collection (IBC)	From other branch of Southeast Bank, Dhanmondi Branch		These Cheques are settled by sending IBCA, debiting depositor's account and crediting sender's branch account.
	From another bank outside the clearing house		These Cheques are settled debiting depositor's account and sending DD or PO in favor of sender's bank

\* IBCA (Inter Branch Credit Advice) - is an instrument by which a branch credits the account of another branch.

Possibility of dishonor	Unlike cheques, there is no possibility of dishonoring of PO / DD / TT because before issuing, issuing bank takes out the amount of the instrument in advance from the customer – common for all instruments
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**Received for Collection:** It will be given at the deposit slip.

**Received too late for Collection:** In case an Instrument is presented for clearance after the Banking hour, then this seal is given at the deposit slip.

**Branch Crossing:** Authorized officer put branch crossing at the face of instrument for clearance.

**Payee A/C credited:** When an instrument is received by the clearance section then this seal is put at the backside of the instrument.

**Date:** Date will place at the face of the instrument along with collection seal.

### **TEST ARRANGEMENT:**

For all these techniques of remittance except telephone transfers, Test is deployed. Test is security number by decoding which the paying bank can be sure that the DD/TT/MT is not forged one. Only authorized officers know the test number. Bank maintains secret code for each of its officers, date, week, year, and amount to be transferred.

### **LOCAL REMITTANCE**

Sending/Transfer money from one place to another place for the customer is another important service of banks. And this service is an important part of country's payment system. For this service, people, especially businessmen can transfer funds from one place to another place very quickly.

- Demand Draft
- Pay Order
- Online Transaction

The bank followed modern online transaction (payment & withdrawal of fund) through high-speed WAN service. It is remarkable that customers are often taking advantage of the online transaction. It is very easy way for the customer to deposit their funds in any branch and make any transaction regarding that fund from any of the branches through PC Bank2000<sup>1</sup>. The charges of online transaction are tabled below. It should be mentioned that, there is no commission and fee charged in online transaction inside the clearinghouse. In case of outside the clearinghouse, commission is tk.0.10 and 15% VAT on the commission. The minimum charge is tk.0.10 commission and VAT on it.

Points	Pay Order	Demand Draft	Online Transaction
<b>Explanation</b>	Pay Order gives the payee the right to claim payment from the issuing bank	Demand Draft is an order of issuing bank on another branch of the same bank to pay specified sum of money to payee on demand.	Issuing branch requests another branch to pay specified money to the specific payee on demand by Online
<b>Payment from</b>	Payment from issuing branch only	Payment from ordered branch	Payment from ordered branch
<b>Generally used to Remit fund</b>	Within the clearinghouse area of issuing branch.	Outside the clearinghouse area of issuing branch. Payee can also be the purchaser.	Anywhere in the country
<b>Payment Process of the paying bank</b>	Payment is made through clearing	1. Confirm that the DD is not forged one. 2. Confirm with sent advice 3. Check the 'Test Code' 4. Make payment	1. Confirm issuing branch 2. Confirm Payee A/C 3. Confirm amount 4. Make payment 5. Receive advice
<b>Charge</b>	Commission + Vat	Commission + telex charge	No charge/Commission

<sup>1</sup> PC Bank 2000 is the banking software used by the bank

## 4.5 ACCOUNTS DEPARTMENT

Accounts Department is called as the nerve Centre of the bank. In banking business, transactions are done every day and these transactions are to be recorded properly and systematically as the banks deal with the depositors' money. Any deviation in proper recording may hamper public confidence and the bank has to suffer a lot otherwise. Improper recording of transactions will lead to the mismatch in the debit side and in the credit side. To avoid these mishaps, the bank provides a separate department; whose function is to check the mistakes in passing vouchers or wrong entries or fraud or forgery. This department is called as Accounts Department.

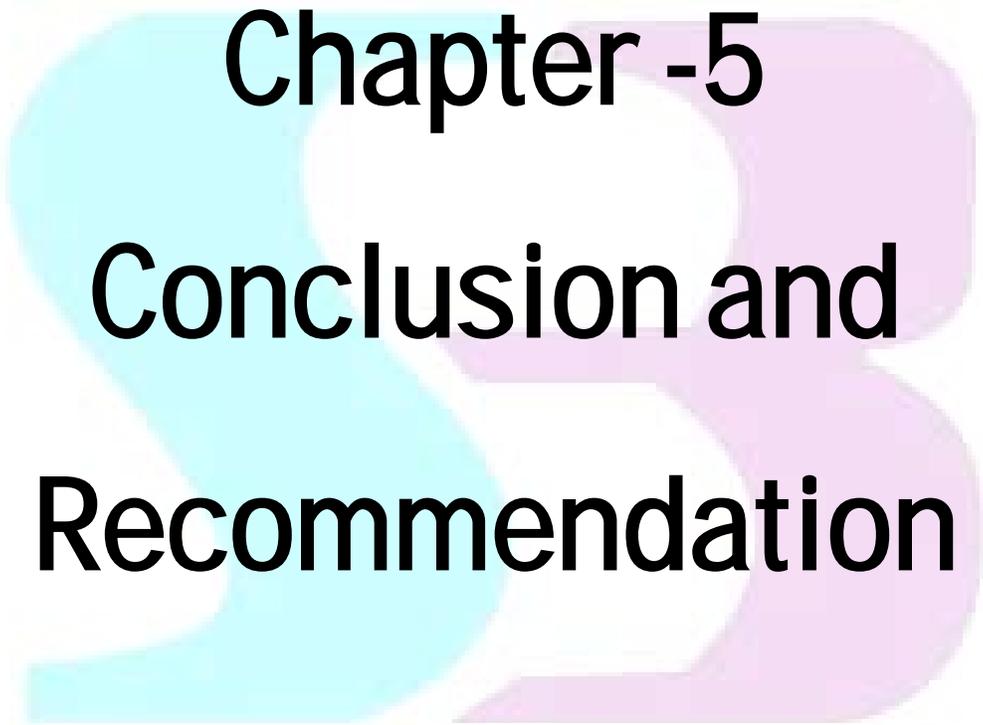
Besides the above, the bank has to prepare some internal statements as well as some statutory statements which to be submitted to the central bank. Accounts Department prepares these statements also. The department has to submit some statements to the Head office, which is also consolidated by the Head Office later on. The tasks of the department may be seen in two different angles:

### **Daily Task:**

- The routine daily tasks of the Accounts Department are as follows, -
- Recording the transactions in the cashbook.
- Recording the transactions in general and subsidiary ledger.
- Preparing the daily position of the branch comprising of deposit and cash.
- Preparing the daily Statement of Affairs showing all the assets and liability of the branch as per General Ledger and Subsidiary Ledger separately.
- Making payment of all the expenses of the branch.
- Recording inter branch fund transfer and providing accounting treatment in this regard.
- Checking whether all the vouchers are correctly passed to ensure the conformity with the 'Activity Report'; if otherwise making it correct by calling the respective official to rectify the voucher.
- Recording of the vouchers in the Voucher Register.
- Packing of the correct vouchers according to the debit voucher and the credit voucher.

**Periodical Task:**

- Preparing the monthly salary statements for the employees.
- Publishing the basic data of the branch.
- Preparing the weekly position for the branch which is sent to the Head Office to maintain Cash Reserve Requirement (C.R.R)
- Preparing the monthly position for the branch which is sent to the Head Office to maintain Statutory Liquidity Requirement (S.L.R)
- Preparing the weekly position for the branch comprising of the breakup of sector wise deposit, credit etc.
- Preparing the weekly position for the branch comprising of denomination wise statement of cash in tills.
- Preparing the budget for the branch by fixing the target regarding profit and deposit so as to take necessary steps to generate and mobilize deposit.
- Preparing an 'Extract' which is a summary of all the transactions of the Head Office account with the branch to reconcile all the transactions held among the accounts of all the branches.



# Chapter -5

## Conclusion and Recommendation

## **CONCLUSION**

There are a number of nationalized and foreign banks operating their business operations in Bangladesh. The SEB is one of them. For the future planning and succession in terms of achieving “The Vision” within the ongoing competitive environment, this report could be treated as a guideline up to some extent. Bank always contributes towards the economic development of a country. SEB, compared with other banks are contributing more by investing most of their funds in important projects for the national economic progression. Apart from that, SEB has always played its’ leading role in socio-economic development of our country. Besides its’ traditional function such as deposit mobilization, deployment of fund in trade, commerce, industry, agriculture, import & export business, outward and inward remittance, also being a promising pioneer of all the Bangladeshi commercial private bank, the SEB has always given lead from the front.

## **OBSERVATIONS AND RECOMMENDATION:**

SEBL is one of the potential banks in the banking sector. The Dhanmondi branch of SEBL is a small branch. Therefore, it is not an easy job to find so many things during the very short period of practical orientation program. Now, I would like to present my observations and give, my opinion to improve the banking service and make the customer more satisfied.

### **INTRODUCTION MODERN TECNOLOGY:**

Without using modern technology no bank can even think of remaining in the business in near future. So the bank must decide right now how it can equip its branches with modern technology. Use of modern technology in one sense can increase cost but another sense it increases productivity highly and it attract big clients. It can introduce ATM services in branch. Use of automatic machine like cash counter machine, ATM brings speed in banking services.

### **INFORMATION STRUCTURE SHOULD BE DEVELOPED**

For information transfer, branch uses primitive ways of telex, messenger and personal visit. It makes correspondence with the head office by peon or orderly. For international correspondence

the branch uses telex machine, which is very costly. And in the branch, manager has to visit specific desk for collecting information. Paper communication is too involved between manager and employees. But branch can use INTERNET for both local and international correspondence. E – Mail can reduce the telex cost substantially. Bank should take urgent decision to create own WEB Page in INTERNET so that it can communicate with others very quickly.

### **GIVE PROPER TRAINING TO THE EMPLOYEE**

To provide quality service to the customer it is necessary to have a trained team of an organization or an institution. For this reason the bank should recruit more fresh, bright and energetic persons such as MBA, BBA, MBM etc.

### **REFURBISHMENT OF CUSTOMER SERVICE**

Since a number of new banks are coming to existence with their extended customer service pattern in a completely competitive manner. Customer services must be made dynamic and prompt. Now a days, people especially business people have very little time to waste. So the bank should make its service prompt so that people need not give more time in the banking activities.

### **SPEED UP PROCESSING OF LOAN APPLICATION**

If loan-processing time is lengthy, it will not get good borrower. Most of this time is spent for correspondence between Head Office and Branch. So the branch should speed up its loan processing time. For reducing loan-processing time, branch manager should be given more power to sanction loan. This power can eliminate the time. Branch should have independent appraiser for appraising term loan proposal.

### **PROVIDING MORE INDUSTRIAL LOANS:**

It seemed to me that the bank having a large amount of deposit is not simply encouraging the large scale of producers that is this bank is not providing that much of long term industrial loans to accelerate the economy as well as to help the economy to solve unemployment problem.

### **BRANCH SHOULD BE DIVERSIFIED IN ITS SERVICES:**

Bank should diversify its banking services and add new features in its services so that it can attract customers from all groups of people. Financial Engineers of EBL should be innovative in

developing new banking services, which will attract customers and reduce costs. The Branch can provide Marriage loan, Car Loan, Study Loan etc.

### **BANK SHOULD USE MODISH TECHNOLOGY:**

There are computers almost in every branch in the SEBL, but The Software using by the bank is not that much up to the minute which can compete with the foreign banks properly .Its true that, The networking system obviously charges a high installation cost, but it will definitely reduce the overhead costs and an error free banking may be in progress. Moreover by adopting this system the bank can join in modern competition of along with e-commerce concept. The main problem is that the foreign banks and other private commercial banks have started providing these facilities, so introduction of these facilities will be added as modern facilities enhanced, rather it will be a question of survival in the next decade for the bank

### **MAKE SURE PROPER DIVISION OF LABOUR IN THE DESK**

There is lack of division of labor in the branch. Therefore everybody has to handle every type of banking services. This decreases the level of performance of the personnel, though it reduces monotonousness. But lack of division of labor hampers the discipline of working environment. So customers are to wait for some time for the desired service, which is contrary to the Premium Banking objective.

### **ENSURE SUFFICIENT MANPOWE**

The number of human resources is needed in Front Desk and in clearing section is really insufficient to give services to huge number of customers. So, number of staff should be increased in those sections.

### **DEVELOPMENT OF HUMAN RESOURCE**

Human resource is another sector for the branch to be developed urgently. Human resources, in the branch, need to be equipped with adequate banking knowledge. Majority of the human resources must be having basic knowledge regarding money, banking, finance and accounting.

Without proper knowledge in these subjects, efficiency cannot be optimized. Bank can arrange training program on these subjects like: On the job Training.

### **ENSURE PROPER MAINTANENCE OF MACHINERIES**

Dhanmondi Br. is supposed to be very neat and clean and well decorated. But sometimes it loses its glamour. The cleaners are not regular in their duties so, this habit must be changed. Most of the time the branch's Photocopy is hampered in terms of the lockage's of the proper photocopiers. So, attention should be given on proper maintenance.

### **MORE GIFT AND DISCOUNT FOR THE PREMIUM CUSTOMER**

Premium Customer should be offered occasional gifts and discounts, which can make the Premium Service more attractive and keep consumer delight. The interest rates on several loan and deposit schemes should be differentiated for the Premium customers.

### **PROPOSE SOME LOAN AND DIPOSIT SCHEME EXCLUSIVELY FOR THE PRIMUM CUSTOMER**

All the lending and savings packages offered to the Premium customers are same as offered to the general customers, excepting the waiver of service charges for Premium Ones. Southeast Bank Ltd. should try to introduce more attractive lending and savings scheme to its Premium customers to create more business for the Bank. The Bank can pay more attention to this segment of customers, as it is the most solvent group from which income can be generated if the package is designed properly.