

Internship Report

Supervised By:

Tanzin Khan

Lecturer

BRAC Business School

BRAC University

Prepared By:

Safayet Aziz Khan (12104085)

BRAC Business School

BRAC University



মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.

you can bank on us

[MUTUAL TRUST BANK LIMITED]

LETTER OF TRANSMITTAL

Tanzin Khan
Supervisor
BRAC Business School
BRAC University

Subject: Submission of internship report

Dear Madam,

With all due respect I would like to state that I have finished my internship at **Mutual Trust Bank Limited** and here is the internship report on “**General Banking and Ratio Analysis for past six years**” of the organization to fulfill my prerequisite for completion of the course on internship. This internship opportunity at **Mutual Trust Bank Limited, MTB Centre Corporate Branch**, has exposed me to the banking sector of our system and has helped me learn and gather vast knowledge about how the banking industry operates.

In this report I have described the **General Banking** operations that are carried out by **Mutual Trust Bank Limited** and also did a **Ratio Analysis** to evaluate the performance of the bank in the past six years (2010-2015) and this report has been prepared only for academic purposes. I would be very grateful if there is any suggestion or recommendation that will help me further improve this report.

Thank you for your kind and helpful cooperation in directing me as to how to prepare this report.

Respectfully,

Safayet Aziz Khan (12104085)

BRAC Business School
BRAC University

ACKNOWLEDGEMENT

First of all, I thank Almighty ALLAH for granting me an internship opportunity at a reputed organization and giving me enough patience and will to work and learn from there.

This internship opportunity has been one of the most educative and constructive programs in my undergraduate curriculum and I am very much pleased to have been supervised by such brilliant individuals.

I would like to thank and express my appreciation towards **Tanzin Khan**, Lecturer, BRAC Business School, BRAC University, for helping me throughout these three months of my internship. All the instructions and guidelines presented to me have helped me more than enough to complete this report.

I would also like to express my thankfulness to, **Mr. Abu Md. Faisal**, Customer Service Manager, JAVP, for helping me throughout my internship at Mutual Trust Bank Limited and motivating to think critically and practically on an organizational perspective.

Lastly, I would like to thank all the other personnel, both at BRAC University and Mutual Trust Bank Limited, for their kind and patient assistance provided to me. It would have been really difficult for me to prepare this report without their cooperation.

Table of Contents

<u>Content</u>	<u>Page Number</u>
Executive summary	1
<u>Chapter 1:</u> The Organization	2
Introduction	3-4
Product and Services	5-7
Company Organogram	8
Management Hierarchy	9
<u>Chapter 2:</u> Job Description	10
Duties and Responsibilities	11-14
<u>Chapter 3:</u> Findings and Analysis	15
Ratio Analysis	16-21
General Banking	22-27
Conclusion	28
References	29

EXECUTIVE SUMMARY

Mutual Trust Bank is started its journey with a global mission to reach MTB's mission and vision at September 29, 1999 under the company act 1994 as a public limited. MTB believe that success depend on the ability to consistently satisfy the every changing choice of customer.

I have worked on the MTB Centre Corporate branch of Mutual Trust Bank Ltd and my responsibility was at the General banking section.

The main objectives of this study are to give a brief idea about MTB's general banking activities, deposit and savings products, retail loan product and explain my duties and responsibilities in Mutual Trust Bank over these three months.

For collection of data for this report I have used both primary and secondary sources. I collected data from personal observation and informal discussion with the employees of Mutual Trust Bank MTB Centre Corporate branch and my other sources were MTB's annual reports, published documents on the internet, etc.

In this report the first part is about overview of Mutual Trust Bank Ltd and the mission and vision of Mutual Trust Bank Ltd. Part two is about the job description. The third part is regarding the ratio analysis of the bank from 2010-2015 and the general banking activities carried out by the bank.



মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.
you can bank on us

Chapter 1

The Organization



Introduction

Banks, both private and central, have always played a vital role in shaping the overall scenario of an economy. The general performance of an organization, whether on a domestic or international scale, depends on the performance of the banks. With the changing dynamics of the current corporate world, banks will have a much more essential role to play to facilitate the business operations on both small and large scales.

History

Mutual Trust Bank Limited started its banking operations on 24th of October, 1999 after Bangladesh Bank permitted and issued the license to carry out banking activities on 5th of October of the same year.

The vision of Mutual Trust Bank, as expressed by the initiators was to build a perfect world-class bank in performance and by choice of the people.

At the same time its mission was to be a client oriented company equipped with cutting-edge technology and dynamic work force.

Mission

The mission statement of Mutual Trust Bank Limited is “We aspire to be the most admired financial institution in the country, recognized as a dynamic, innovative and client focused company, which offers an array of products and services in the search for excellence and to create an impressive economic value.”

Vision

Mutual Trust Bank's vision is based on a philosophy known as MTB3V. They envision MTB to be:

- One of the Best Performing Banks in Bangladesh
- The bank of choice
- A truly world-class bank



মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.
you can bank on us

Capital Base

Authorized Capital: Tk. 10,000,000,000

Paid up Capital: Tk. 3,693,159,670

(as per MTB Financial Statements 2015)

Slogan

You can bank on us.



Product and Service Offerings

Being a commercial bank, Mutual Trust Bank Limited provides all banking services to its customers and moreover it also offers a wide range of modern services and products to its clients. In broader sense the services offered by MTBL are shown below:

- Retail Banking
- Corporate Banking
- SME Banking
- NRB Banking
- Treasury Services

Retail Banking

Under retail banking the bank provides deposit schemes, credit scheme and Locker service. Besides Regular Savings accounts and Current accounts MTBL also has other attractive deposit schemes to offer to its customers.

The deposit schemes are mainly:

- **Regular Savings Account** - An easy-to-operate savings account that allow the customers to issue cheques, withdraw cash and draw Demand Drafts. Customers can also check up on their account balances right from their home or office through Internet Banking and SMS banking.
- **MTB Senior** - The customer must be a citizen of Bangladesh and has to be at least 60 years of age. The customer will get a lifetime free Debit Card, free internet banking, attractive discounts on locker services and interest on account will be calculated on daily basis and paid monthly and unlimited transactions.
- **MTB Inspire** - This scheme provides a range of enhanced services and lets the account holders enjoy unique benefits of getting return on their deposits monthly instead of traditional half yearly. The basic condition for this account is that the account holder has to be a citizen of Bangladesh and must be at least 18 years of age.



- **MTB Ruby** - This is an account that has been designed for women and MTB Ruby enables the customers to enjoy hassle-free banking services. MTB Ruby is packed with special benefits for the women customers namely free internet banking and free Debit card service for 1st year.
- **MTB Graduate** - MTB Graduate is a savings account for college and university students who are of 18 years of age and above.
- **MTB Junior** - MTB Junior is a savings account for school and college students who are below 18 years of age.
- **MTB Shanchay** - This account is designed for low income groups who do not manage their finances due to the lack of available banking facilities and thus opening this savings account would help them minimize their financial risks. The account holder has to be a citizen of Bangladesh and has to be at least 18 years of age.
- **MTB Care** - This is a unique savings scheme of MTB, designed especially for children with special needs. The account holder has to be a citizen of Bangladesh. The account will always require a guardian who will operate the account along with the account holder, when the latter has no mental capacity to authorize transactions.
- **Current Account** - This is an ideal account for carrying out day-to-day business transactions. With the MTB Regular Current Account, customers can have access to their account anytime, anywhere and also pay using payable at par cheques or deposit cheque at any MTB bank branch.
- **Fixed Deposit**
- **MTB Double Saver** - MTB Double Saver is a fixed deposit scheme where the deposit doubles in 8 years 3 months.
- **Monthly Benefit Plan** - This plan helps to generate monthly income out of the deposit.
- **Brick by Brick** - This is a monthly deposit scheme in which customers can deposit on a monthly basis and at maturity receive a large amount.
- **MTB Children Education Deposit Scheme** - This is a savings scheme designed for parents who are willing to save for the education of their children. The account will have to be operated by any one of the parents on behalf of the account holder (child). The duration of the product will be four years.
- **MTB Education Plan**



- **MTB Millionaire Plan** - MTB Millionaire Plan is a monthly deposit scheme that will make a client millionaire after a certain period.
- **MTB Kotipati** - MTB Kotipati is a recurring and monthly deposit product which will make a client 'Kotipati' (millionaire) after a certain period. Under this scheme any one can deposit a certain amount on a monthly basis and at the end of the period the customer will get taka one crore with a better rate of interest. This account can be operated either singly or jointly.
- **MTB Gift Cheque** - Purchasers save time and receivers have the option to buy something they require. MTB GIFT CHEQUE can be exchanged for money anytime, at any MTB branch in Bangladesh and moreover Purchasers do not have to be an account-holder of MTB to purchase MTB Gift Cheque(s).

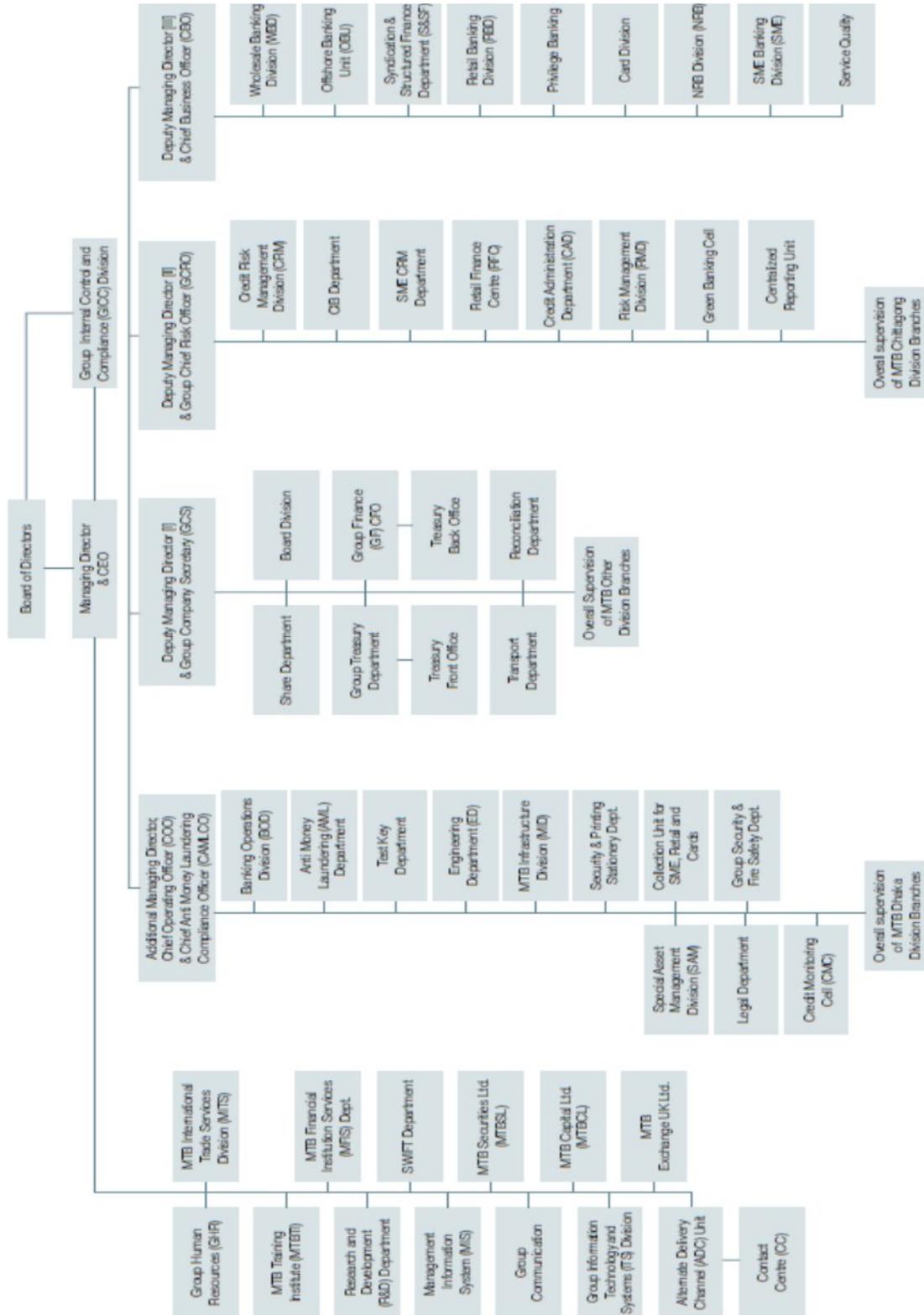
Loan products of Mutual Trust Bank under Retail Banking are:

- MTB Personal Loan
- MTB Auto Loan
- MTB Home Loan
- MTB Home Equity Loan
- MTB Professional's Loan

Mutual Trust Bank card service presents both Debit and Credit cards. It offers globally acceptable Visa card for its customers.

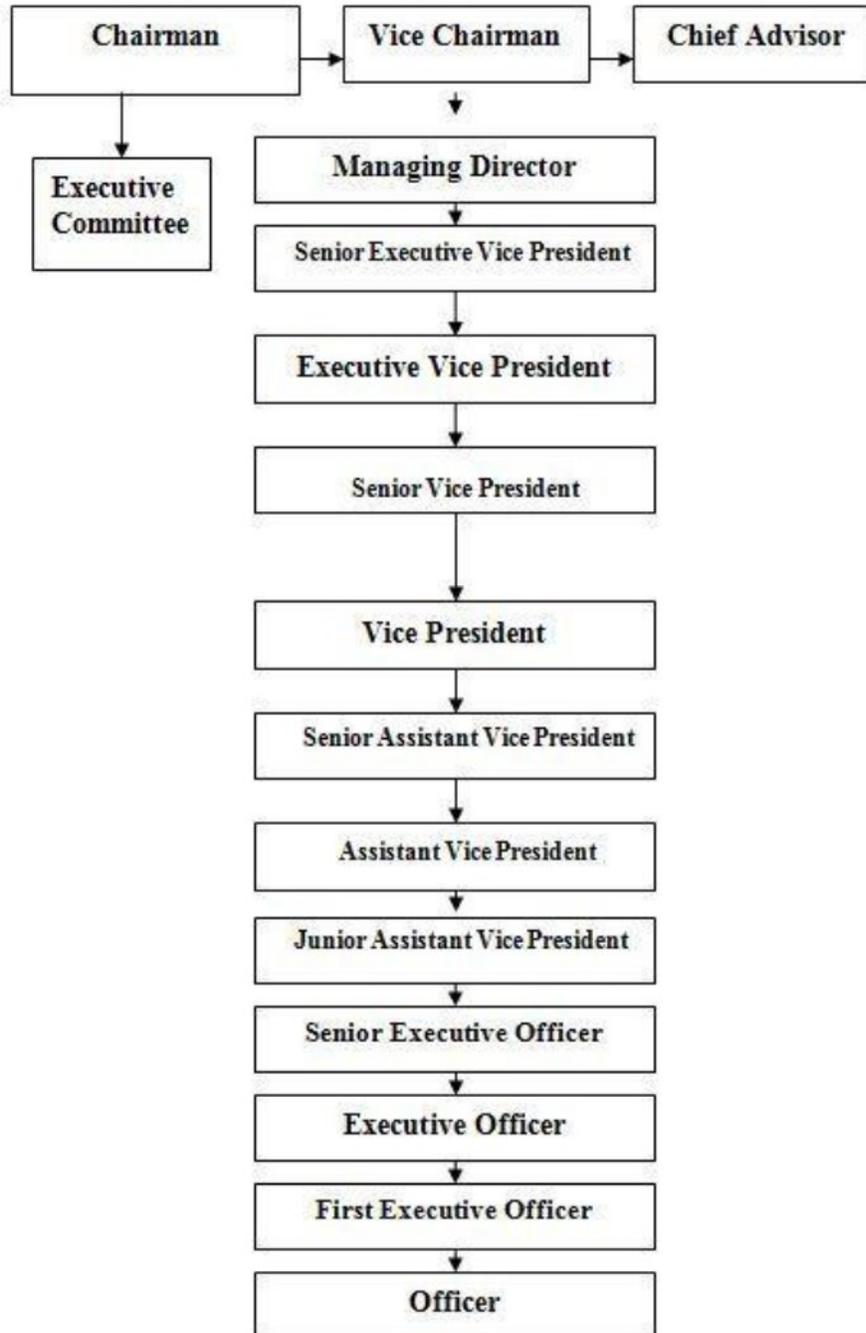


Company Organogram





Management Hierarchy



The diagram above shows the management levels at Mutual Trust Bank Limited.



মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.
you can bank on us

Chapter 2

Job Description



Duties and Responsibilities

Having worked as an intern at Mutual Trust Bank Limited, MTB Centre Corporate branch, I had the chance to work at various general banking sectors but most of my work experience is a result of working under the supervision of Customer Service Officers.

Duties:

- Assisting at the Transfer section
- Assisting at the Clearance section
- Assisting at the Credit department
- Providing information to customers
- Assisting in issuance of payment orders
- Making corresponding entries on outward mail register for sending letters to customers (Issuing thanks letter)
- Assisting in marking and checking each day's transaction supplementary with the debit and credit vouchers

Assisting at the Transfer section:

My key task at this department was to assist Customer Service Officers. In this section I had to provide all the necessary information and paper documents to the customer service officers in order help them with account opening duties. My main task was to provide all the necessary documents that are needed for account opening purposes to the customers and help them regarding filing up the account opening documents. I also had the responsibility to check and see the validity of the legal documents provided by the customers and see if any of the documents have been tampered with or not. After all the pre account opening procedures I had to hand over all the documents to the customer services officers so that they could verify all the details and open the account. I was also given the responsibility to provide the customers with debit cards



with corresponding card PINs and credit cards after verifying their identification and authorization of the customer service officer.

Assisting at the Clearance section:

As I mentioned earlier, most of my duties as an intern were at the transfer section but I also had a duty to assist the officers at the clearance section. My main duties at that department was to receive cheques of other branches and transfer those cheques to the clearance department and then later under the supervision of an officer, place the clearance seals on the cheques and put them on an order.

Assisting at the Credit section:

The credit section is mainly responsible for evaluation and assessing the risk correlated with a certain client before providing any loan or issuing credit cards. My main responsibilities in this department was to assist officers in filling up undertaking forms and various loan forms and check the legal documents provided by the customers.

Providing information to customers

Throughout my internship program, I had a vital responsibility along with other duties and that was to direct and help the customers when they were facing any problem or had any query. Almost every day, I had the responsibility to assist customers when they were unsure regarding which legal documents they would need to open an account or which savings account would be best suited for them in terms of their deposits, age, etc. or what would they have to do to change their mailing address, signature change, enrolling for sms and internet banking, account closing information, etc.



Assisting in issuance of payment order

Payment order issuance is one of the most frequent activities carried out in general banking. My duty regarding this aspect was to provide the customer, issuing the payment order, with a payment order form and place a payment order tracing number on the payment order form under the supervision of the concerned officer. Later, when the customer had deposited cash or cheque against the payment order, the concerned officer would check if the customer had made the payment. After that, the officer would print the specific payment order bearing the specific payment order number and provide me with it and then it was my responsibility to place the “**NOT OVER TK.....ONLY**” seal, on the payment order and fill that up with the respective amount of the payment order. This seal is very important as it eliminates the chance of any tampering. A payment order has three parts, one is bank’s copy, another is the payee’s copy, and the other one is for the one receiving the payment order. It was my responsibility to make sure that all the three section of the payment order had been signed by two authorizing officers. After the authorizing of the payment order, I had to hand over the payment order to the customer.

Issuance of thanks letter

For all the accounts opened with the MTB Centre Corporate branch, it is a procedure that is used to verify the address of the account opening customer and that is done by sending a formal greeting message called “**thanks letter**”. The customer service officers issue a thanks letter against the address of the customers and then I had the duty to properly enclose the letter and make corresponding entries on the outward mail register for each letter and then I had to deliver those to the Dispatch section which deals with delivering the letter to the respective addresses printed on each letter.



Assisting in marking and checking each day's transaction supplementary with the debit and credit vouchers

Each day for all transactions taking place at the branch, there is always either a debit or credit copy of all the individual transactions. If the bank has disbursed funds then there would be a debit copy of the transaction in the bank and if the bank has received funds then there would be a credit copy of that transaction in the bank. All these debit and credit copies of transactions are known as vouchers either debit or credit and after each transaction the respective voucher is placed into a transfer box. After the transaction hours were closed, it was my duty to separate and sort all the credit and debit vouchers under every different account types. After sorting out the vouchers, I had to assist the officers in marking and checking each specific account's vouchers amount with each distinct account supplementary and I had to see if the amounts on both the vouchers and the supplementary for each transaction match.

After that I had to arrange all the documents accordingly and put them in a serial on account-wise basis specified in the daily cash book.



মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.
you can bank on us

Chapter 3

Findings & Analysis



❖ Ratio Analysis

Ratio Analysis is a quantitative analysis that takes into account certain ratios to assess the performance of a company and it can also be used to make future predictions. The ratios can be computed by using data from the company's financial statement provided in the annual reports.

Description of the project

Objective of the project:

To analyze and assess the financial performance of Mutual Trust Bank Limited over the last 6 years (2010-2015).

Methodology:

For computing the ratios I have used secondary data, that is, the financial statements provided in the annual reports of Mutual Trust Bank Limited for the past 6 years (2010-2015).

Limitations:

Due to company policy, I was unable to gather any information regarding the reasons behind the decrease in certain ratios, for instance, decrease in ROA, Net Profit Margin, and etc. But I have however, tried to analyze and predict the probable reasons behind those decline of ratios.



Analysis:

<u>Ratio Analysis</u>						
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Debt-equity ratio	1261.93%	1482.51%	1808.30%	1737.40%	1600.52%	1524.76%
Current Ratio	112.406%	99.812%	97.477%	105.325%	98.263%	99.870%
Return on Equity	18.217%	13.143%	6.963%	10.546%	14.157%	15.225%
Net Profit Margin	24.713%	21.043%	10.478%	13.581%	19.169%	21.851%
Asset Turnover	5.412%	3.947%	3.483%	4.226%	4.343%	4.288%
Return on Asset	1.338%	0.831%	0.365%	0.574%	0.833%	0.937%

Results and Discussions:

Debt-Equity Ratio

The debt-to-equity ratio is a measure of how a company is financing its assets. It is also referred as leverage ratio. It can be used to determine the amount of leverage a company is using, in simpler terms; the leverage ratio is a measure of how much debt a company uses to finance its operation of assets. A debt equity ratio of 1.00 (100%) or lower ($x < 100\%$) is preferred but which means the company uses a balanced mixture of debt and equity to finance its assets or uses a large portion of its equity to finance its operations. On the other hand, a leverage ratio of greater than 1.00 (100%), for instance, 2.00 (200%) is considered risky. Because that means the company is using twice the debt compared to equity to finance its operations, which in turn means that the lenders have more money in the company than the company's equity holders and that definitely is risky.

$$\text{Debt-to-Equity Ratio} = \frac{\text{Total Liabilities}}{\text{Shareholders' Equity}}$$



After computing the data retrieved from the Annual Reports in MS Excel from 2010-2015, I have found out that Mutual Trust Bank Limited is highly leveraged organization, that is, its debt-equity ratio is very high for the years 2010-2015. But the reason behind this consistent high leverage rates for consecutive six years is very simple. This company is in the banking industry and banking industry is one of the most debt intensive industries in Bangladesh. Most of the operating expenses that Mutual Trust Bank Limited incurs are financed by the deposits that customers keep with this bank in return of interest. In banking industry the deposits are treated as debts and loans provided are treated as assets from the bank's perspective.

Current Ratio

Current ratio is used to measure the liquidity of a company, in other words, the ability of a company to pay off its short term and long term obligations. Current ratio is basically used to assess a company's financial standing or strength. A current ratio of more than 100% ($x > 1.00$) signifies that a company has sufficient ability to pay off its short term and long term obligations. While on the other hand, a current ratio of less than 100% ($x < 1.00$) shows that the company's financial strength has lacking and it would face difficulties if it has to pay off its liabilities mainly the short term obligations. A current ratio of 100% ($x = 1.00$) shows that the company has a balance between its assets and liabilities and can pay off its liabilities without getting bankrupt.

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

The figures for current ratio of Mutual Trust Bank Limited shows that the bank had more asset than its liabilities in 2010 and from 2011-2015, the bank had more liabilities than its assets. But it necessarily does not mean that it is an unfavorable situation for the bank rather it shows that the bank has more liquidity now and that is because in the banking industry the assets are considered as being the loans provided to customer, while on the other hand, liabilities refer to the deposits that have been made at the bank. Therefore higher the deposit, higher is the bank's liquidity provided that the aspect under analysis is liquidity.



Return on Equity

Return on equity refers to the profit that is generated as a result of the amount of shareholders equity being financed to generate that profit. It is usually expressed as the net income as a percentage of the shareholders equity. It is a tool that investors use to evaluate whether the company will be using their investments productively or not.

$$\text{Return on Equity} = \frac{\text{Net Income}}{\text{Shareholders Equity}}$$

In 2010, the ROE of Mutual Trust Bank Limited was 18.217% and in 2011 and 2012, the ROE came down to 13.143% and 6.963% respectively as there was a substantial increase in the shareholders equity in those two years provided that the after tax profit of the bank did not increase at the same rate during that period. But from 2013-2015, the ROE of the bank again started climbing as net income after tax increased substantially.

Net Profit Margin

Net profit margin shows how much profit is earned by a company for every currency of the revenue generated. It is usually expressed in terms of net profit as a percentage of revenue generated.

$$\text{Net profit (NP) margin} = \frac{\text{Net profit after tax}}{\text{Net sales}} \times 100$$

where, Net Profit = Revenue - Cost of goods sold - operating expenses - interest - tax.

Using the figures of net margin a company can decide whether it should concentrate on reducing its expenses or not. Higher expenses would mean less net profit thus resulting in a low net profit margin and vice-versa.



After computing the net profit margins from 2010-2015, I have seen that in 2010 the net profit margin was 24.713% which then gradually decreased to 21.043% and 10.478% in the two following years as there was a significant increase in the operating expenses of the bank provided the increase in net profit was not at the equal rate. But from 2013-2015 the bank again started generating higher net profit margins through larger sums of after tax income.

Asset Turnover

Asset Turnover ratio is used to deduce the efficiency of the assets being deployed by a company. It is usually expressed in terms of revenue generated as a percentage of the total assets being deployed by a company. The higher the ratio is the more efficiently the assets are being used by the company to generate sales.

$$\text{Asset Turnover} = \frac{\text{Net Sales}}{\text{Average Total Assets}}$$

After the computations, I have seen that the asset turnover ratio of Mutual Trust Bank in 2010 was 5.412% which slowly came down to 3.947% and 3.483% in 2011 and 2012 respectively. This decrease in the asset turnover ratio may have been caused due to defaults in loans provided to customers which were ultimately written off as bad debts. Then from 2013 onwards till 2015, the asset turnover ratio increased gradually probably due to better asset management.

Return on Assets

Return on Assets shows how well the assets of a company are managed which ultimately contribute to the generation of profits. It is usually expressed in terms of after tax profit as a percentage of the total assets of the company. ROA is used to determine how efficient the assets are at generating profits.



$$\text{ROA} = \frac{\text{Net income}}{\text{Total assets}}$$

After computations I have seen that in 2010 the ROA was 1.338%, which then decreased to 0.831% in 2011 and 0.365% in 2012. This was probably due to less than expected interest incomes on the investments made by the bank, which as a result generated lower profits. But in 2013, 2014 and 2015 the ROA again gradually increased to 0.574%, 0.833% and 0.937% respectively.



❖ General Banking

The banking industry mainly is fueled by an inflow of funds. The overall financial sector is a very complicated aspect but the basic operation of this industry can be divided in two parts. The two parts involve the inflow and outflow of funds. The inflow of funds are referred to as being the deposits taken by the banks and simultaneously some of those deposits are directly converted to an outflow which is referred to as being the investments made by the banks on other marketable securities. This inflow and outflow of funds are mainly facilitated by the general banking branch of a bank provided that the former mechanism is one of the most major activities carried out by the general banking branch of a bank. The general banking branch of a bank is what defines the retail division of a bank. General banking has three departments:

- Transfer
- Clearance
- Cash

Objective

To highlight the basic principles of general banking and state how the general banking sector operates.

Methodology

All the information that I have stated here are from primary sources. I got to know these specifics of General Banking through informal interviews of the employees of the bank and through personal work experience.

Limitations

Throughout my internship I have been involved in the transfer and cash department and as a result I could not gather much knowledge about the clearance department.



General banking comprises of -

- **Customer service**

Providing customers with information regarding the accounts that they can maintain and the pre requisites for opening accounts with the bank.

- **Account opening and closing**

Opening of accounts so that customers can make transactions with that account. Closure of accounts and withdrawal of deposits made to the bank.

For opening accounts, regardless of the type, a customer is required to get authorized by an introducer, a client of the bank who already maintains an account with the bank and knows the aforementioned customer as well.

In order to open any account, the customer is provided with a PERSONAL ACCOUNT OPENING FORM, where the customer has to write and specify the account's name and other legal information. The customer is required to assign a nominee of the account and also has to provide the bank with the name and authorization of the introducer. Then the customer is required to fill out all the necessary information in the form for instance, give all signatures where required, identification numbers, present/permanent/business address, contact number, etc.

Types of Accounts that are opened by customers:

1. **Savings Account**

- I. Regular Savings Account
- II. Inspire Savings Account
- III. NRB (Non-Resident Bangladeshi) Account
- IV. Ruby Account
- V. Senior Account
- VI. Privilege Account

The legal documents that the customer has to provide the bank for opening a savings account are:



- Three recent passport size photographs of the customer.
- One recent passport size photograph of the nominee.
- One photocopy of the National ID card of the customer.
- One photocopy of the National ID card of the nominee.
- Utility bill photocopy for last one month.
- One photocopy of TIN certificate (optional)
- One photocopy of Passport (optional)
- One photocopy of Driving License (optional)
- Business Card (optional)

2. Depository Planned Savings (DPS) Account

- I. Brick By Brick
- II. Millionaire
- III. Education Plan
- IV. Double Saver Plan
- V. MTB Kotipati

The legal documents that the customer has to provide the bank for opening a DPS account are:

- Two recent passport size photograph
- One recent passport size photograph of the nominee.
- One photocopy of the National ID card of the customer.
- One photocopy of the National ID card of the nominee.
- One photocopy of TIN certificate (optional)
- One photocopy of Passport (optional)
- One photocopy of Driving License (optional)
- Business Card (optional)

3. Current Account

- I. Limited Company
- II. Partnership Company
- III. Sole Proprietorship Company



The legal documents that the customer has to provide the bank for opening a Current account are:

Limited Company:

- Board Resolution
- Trade License
- Company TIN certificate
- NID/ Passport photocopy of each signatory
- List of Directors along with address
- Certificate of Incorporation
- Memorandum of Articles of Association
- Company Seal
- Two recent passport size photographs of each signatory
- Business Card of each signatory (optional)

Partnership Company:

- Trade License
- Company TIN certificate
- NID/ Passport photocopy of each signatory
- Partnership Deed (Registered)
- Company Seal
- Two recent passport size photographs of each signatory
- Business Card of each signatory (optional)

Sole Proprietorship Company:

- Trade License
- Company TIN certificate
- NID/ Passport photocopy of each signatory
- Company Seal
- Two recent passport size photographs of the proprietor
- Business Card of the proprietor (optional)

4. Short Notice Deposit (SND) Account:

The requirements are same as Current Accounts.



5. **Fixed Deposit Account**

The legal documents that the customer has to provide the bank for opening a Fixed Deposit account are:

- Two recent passport size photograph
- One recent passport size photograph of the nominee.
- One photocopy of the National ID card of the customer.
- One photocopy of the National ID card of the nominee.
- One photocopy of TIN certificate (optional)
- One photocopy of Passport (optional)
- One photocopy of Driving License (optional)
- Business Card (optional)

• **Issuance of payment order**

Issuing payment order in favor of the mentioned name of the receiving third party by instruction of issuing customer.

• **Telegraphic transfer**

Transferring of funds and issuing payment order by receiving instructions from customers through email.

The activities stated above are carried out in the **Transfer department**.

• **Clearance**

This department deals with cheques from other banks. For the receiving or disbursement of cash the respective clearing officer has to thoroughly check the cheques in order to maintain the clearing terms specified by Bangladesh Bank.



- **Cash**

This department is responsible for the disbursement and collection of cash to and from the customers respectively.

This department has two functions in general:

- **Receiving Cash**

The officer at the cash department receives the credit voucher (deposit slip) along with the cash provided by the customer. The officer then checks if the slip has been correctly filled or not. The officer will check the account number and match it with the account name specified on the system with the account name written on the deposit slip. The officer then checks the amount specified on the slip and counts and checks if the amount of cash provided by the customer match or not. The officer then puts the posting seal and received seal and makes the entry of the transaction on the system

- **Disbursement of Cash**

The officer will check whether the cheque is torn or has been tampered with. If not, then the officer will check the account number and match the signature and account name with the signature and account name displayed on the system. If the particulars match, then the officer checks the amount specified on the cheque and checks if sufficient amount of finance is available in the account to be debited (disbursement). If sufficient fund is available then the officer puts the posting seal and makes an entry on the system and disburses the fund to the cheque carrying customer.



Conclusion:

Mutual Trust Bank Limited is one of the top private commercial banks in the country. MTBL's constant pursuit for innovation and improvement has helped it to differentiate itself in the banking industry. Moreover, because of the versatile and effective human resource employed at the bank, Mutual Trust Bank Limited can make the most of any changes in the business or banking industry of the country. Adding to that, because of its wide range of products and services and a vast network of branches around the country, Mutual Trust Bank Limited is able to cater to the needs of its customers with unmatched accuracy and efficiency.

This internship program at Mutual Trust Bank Limited has helped me a lot in gathering knowledge regarding the banking sector of Bangladesh. I have managed to learn a lot during these past three months and this experience will surely help me in future.

This internship report has been prepared to analyze and find out how the general banking sector of the bank operates and moreover the ratio analysis that has been prepared to give the reader a logical and plain idea regarding the profitability and liquidity of Mutual Trust Bank Limited.



References

- Financial Statement (2010) of Mutual Trust Bank Limited
- Financial Statement (2011) of Mutual Trust Bank Limited
- Financial Statement (2012) of Mutual Trust Bank Limited
- Financial Statement (2013) of Mutual Trust Bank Limited
- Financial Statement (2014) of Mutual Trust Bank Limited
- Financial Statement (2015) of Mutual Trust Bank Limited
- Mutual Trust Bank Limited. (n.d.). Retrieved from <http://www.mutualtrustbank.com/>
- Ratio Analysis. (n.d.). Retrieved April, 2016, from <http://www.readyratios.com/reference/>