Internship report on Corporate Governance of Janata Bank Limited
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Submitted To
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Senior Lecturer
BRAC Business School
BRAC University

Submitted By
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12204007

Date: 23/07/17
Declaration

I hereby declare that the Internship work entitled “Corporate governance of Janata Bank Limited” submitted to the BRAC University Bangladesh is a record of an original work done by me under the guidance of, Zaheed Husein Muhammad Al Din, Senior Lecturer, BRAC Business School, BRAC University Bangladesh. I further declare that this Internship work is submitted in the partial fulfillment of the requirements for the award of the degree of Bachelor of Business Administration. The results embodied in this Report have not been submitted to any other University or Institute for the award of any degree or diploma or such other titles.

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Rifayat Rahman
ID: 12204007
BRAC Business School
BRAC University
Date: 23 July, 2017

Zaheed Husein Muhammad Al Din
Senior Lecturer,
BRAC Business School
BRAC University.

Subject: Submit the Internship report on “Corporate Governance of Janata Bank Limited”.

Dear Sir,

It is a great pleasure and privilege to present the internship report titled “Corporate Governance of Janata Bank Limited” which was assigned to me as a partial requirement for the competition of BBA Program.

Throughout the study I tried with the best of my capacity to accommodate as much information and relevant issues as possible and tried to follow the instructions as you have suggested. I tried my best to make this report as much informative as possible. I sincerely believe that it will satisfy your requirements. I however sincerely believe that this report will serve the purpose of my internship program.

I, therefore, pray and hope that you would kindly accept my report and oblige thereby. With thanks and best regards.

Sincerely yours,

Rifayat Rahman
ID: 12204007
BRAC Business School
BRAC University.
Acknowledgement

For the very first of all I would like to express my gratefulness and harmony to the GOD, the supreme authority of the Universe, without whom we would be nothing. Next I would like to express my kindness to my Beloved Parent whose continuous inspiration enrages me to make a right move in my life.

Then of all I would like to thank my supervisor Zaheed Husein Muhammad Al Din, Senior Lecturer, without whose help, suggestion and co-operation the total report will be valueless. I would also like to express my heartiest gratitude to the Assistant Product manager Mr. Md. ShejadurRahma, GM, Janata Bank, Head Office, Dhaka, for giving me the opportunity to complete my internship program in his organization. I am also grateful to the Senior Officer AsmaAfreen for his constant help and support during my working period at Janata Bank. I would like to express my gratitude to the 2nd Officer of Shyamoli Branch Md. Ashraf Al, PO, Md. Sohel Rana, SPO for their full support to know about Janata Bank Limited. I have got tremendous help from them. They always provided me the required materials and helped me to clarify the banking activities. This report will give me practical knowledge about the financial activities.

Finally, I would like to thank all officials of Janata Bank for their co-operation, support and love. This is really a nice superior working environment. I do not ever forget this organization. I would like to thank from the deep of my heart to those people who are related with making of this report and make it a success.

At last but not the least, the BRAC University for giving me an opportunity to complete my BBA degree and give me a scope to gather practical experience and enrich my knowledge.

Rifayat Rahman
ID: 12204007
BRAC Business School
BRAC University.
Executive Summary

As a part of Internship program for Business Graduate students, each of the students needs an organizational attachment. Being attached with Janata Bank Limited, this study has been undertaken to fulfill the internship purpose. During a specified period of internship, the students are required to prepare a report on the organization from where he has completed his internship.

Janata Bank Limited is a private commercial bank, which is operating its business last 15 years. The bank has achieved a tremendous success during this short span of time and established itself as a progressive and dynamic financial institution in the country. The bank is widely acclaimed by the business community, starting from small businessmen/entrepreneurs to the big traders/industrial group, including the top rated corporate clients who hold pragmatic outlook and financial solution. Mainly secondary data have been used to gather information which is necessary to prepare this study.

Corporate Governance is based on several critical principles. They include an independent, active and engaged Board of Directors which has the skill to properly evaluate and oversee the business process, business and financial performance, internal control and compliance structure and direct management on strategic and policy issues. On the other hand, the Board has to ensure that the management headed by Chief Executive Officer (CEO) fully discharge their day to day administrative responsibilities prescribed by BB and the Board itself and necessarily refrain themselves from micro management of the management affairs. JBL, recognizes the importance of good corporate governance as a major factor in enhancing the efficiency of the organization. The Bank therefore seeks to encourage the conduct of its business to be in line with the principles of good corporate governance, which form a basis for sustainable growth.
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Chapter-1

Introduction
Introduction
Banking has a long and rich history. It started as a result of people’s need. And with ages it has been playing an important role in fulfilling the dire needs of businessmen and others. As the size and complexities of business is increasing day by day banking sector is also providing various innovative services with basic functions to increase size but to reduce the complexities. Modern banking is a result of evolution driven by changing economic activities and life styles. Entering in to a new millennium, banking needs have become more diverse and exotic than ever before. It is known now that commercial bank is a profit maximizing institution. Hence it should provide loans to those sectors in which its return is higher. But the nationalized commercial banks are conducting banking business with different purposes. The main purpose is not just to make profit but also to maximize the social benefit. Commercial banks provide a variety of other services to their customers as for example remittance facilities, credit information about customers, financial advice, collection of debts and dues etc. Banks also provide a number of trust services to their customers. These services may either corporate trust services, which arise in connection with the issue of bonds; personal trust services under which they manage property on behave of their clients or corporate pension funds that provide retirement benefit for their employees. After the completion of four-years and twelve semesters academic BBA program I, Rifayat Rahman, a student of BRAC University, Bangladesh was placed in Janata Bank Bangladesh Limited for the Internship Program. As a requirement for the completion of the program I need to submit a report, which includes “Corporate Governance of JanataBank Ltd.”
Origin of the Report
This internship report is originated as a partial fulfillment of the BBA program of BRAC Business School (BBS), BRAC University. This report is a mandatory for the completion of BBA and it carries four credits as well. During the period of my internship, I am adjusting and applying my theoretical knowledge with my practical experience. The main purpose of the program is to expose the students to the professional life.

Limitations of the Report
To prepare a report on the topic like this in a short duration is not easy task. From the beginning to end, the study has been conducted with the intention of making it as a complete and truthful one. In preparing this report some problems and limitations have encountered which are as follows:

- As the data, in most cases, are not in organized way, the bank is not willing to provide all the information.
- Lack of opportunity to access to internal data.
- Much confidential information was not disclosed by respective personnel of the department.
- Due to time limitation, many of the aspects could not be discussed in the present report.
- Since the bank personnel were very busy, they could not pay enough time.
- I had to base on secondary data for preparing this report.
- Legal action related information was not available.

Objectives of the Report
**Broad Objective:**
The major objective of the report is to make an in depth analysis of activities of General Banking of Janata Bank Limited.

**General Objective:**
- To know about the management system of Janata Bank Limited as a public commercial bank, its formation, and its functional and financial aspects.
• To have a clear knowledge about all the division and departments of Janata Bank Limited Shyamoli corporate Branch.
• To achieve the practical knowledge that will be helpful for future life.
• To apply theoretical knowledge in the practical field.
• To have exposure to the functions of general banking section.
• To observe the working environment in commercial banks.
• To study existing banker customer relationship.
• To be acquainted with the procedures of several schemes of deposits.
• To recommend some suggestions based on findings.
• To improve corresponding, report writing ability.

Methodology of the Study
The study is performed based on the information extracted from different sources collected by using a specific methodology. To fulfill the objectives of this report total methodology has divided into two major parts:

Data Collection Procedure:
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:-
• I have discussed with officials about the general banking activities of JBL.
• Sharing practical knowledge of officials.
• In-depth study of selected cases.

The “**secondary Sources**” are as follows:-
• Annual report of Janata Bank Limited
• Web sites
• Periodicals Published by Bangladesh Bank
• Study related books and journals
Data Processing & Analysis:
Collected information have then processed & compiled with the aid of MS Word, Excel & other related computer software. Necessary tables have been prepared on the basis of collected data and various statistical techniques have been applied to analyses on the basis of classified information. Detail explanation and analysis have also been incorporated in the report.
Chapter-2
Company Profile
After independence the Government of Peoples Republic of Bangladesh was formally to cover the charge of the administration of the territory now constitute Bangladesh. In an attempt to rehabilitate the war-devastated banking of Bangladesh, the government promulgated a law called Bangladesh Bank (temporary) order, 1971 (Acting President’s Order No.2 of 1971). By this order, the State Bank of Pakistan was declared to be deemed as offices, branches and assets of Bangladesh Bank. On that date there existed 14 scheduled banks with about 3042 branches all over the country. On the 16th December, 1971, there existed the following 12 banks in Bangladesh, namely:-

1. National Bank of Pakistan
2. Bank of Bahwalpur Ltd
3. Premier Bank Ltd.
4. Habib Bank Ltd.
5. Commerce Bank Ltd.
6. United Bank Ltd.
7. Union Bank Ltd.
8. Muslim Commercial Bank Ltd.
10. Australasia Bank Ltd.
11. Eastern Mercantile Bank Ltd.
12. Eastern Banking Corporation Ltd.

**Nationalization of Banks in Bangladesh**

Immediately after the liberation war in 1971, Government of Bangladesh consolidated banks authority and decided to adopt socialist pattern of society as its goal. Hence in order to implement the above mentioned state policy; the Government of Bangladesh decides to nationalize all the banks of the country accordingly on the 26th March, 1972, Bangladesh Banks (Nationalization) Order, 1972 (President order No. 26 of 1972) was promulgated. The undertakings of existing banks specified in the 1st column of the table below stand transferred to and vested in, the new banks mentioned in the 2nd column of the said table:
Nationalization of Banks:

Existing Bank

2. Bank of Bahwalpur Ltd
3. Premier Bank Ltd.
4. Habib Bank Ltd.
5. Commerce Bank Ltd.

6. United Bank Ltd.
7. Union Bank Ltd.

8. Muslim Commercial Bank Ltd.
10. Australasia Bank Ltd.
11. Eastern Mercantile Bank Ltd.
12. Eastern Banking Corporation Ltd.

New Bank

4. Rupali Bank.
5. Pubali Bank.
6. Uttara Bank

2.3. Profile of JBL

Janata Bank, one of the largest commercial bank in the country, was established under Bangladesh Bank (Nationalization) Order 1972 (Presidency Order of 1972). By taking over branches of former United Bank Limited and Union Bank Limited, were two private banks performing class banking over the country. After the birth of Bangladesh on 16th December 1971, newly formed Janata Bank for mass banking got special facilities from the government to work as nationalized commercial bank all over the country. With the increase of responsibility and by virtue of performance within a few years, it becomes the largest commercial bank of the country with 906 branches including 4 overseas branches at United Arab Emirates. It is linked with 1239 foreign correspondents all over the world. Total employees of JBL are more than 14 thousands (14,244). Its head office located at Janata Bhaban at Motijheel C/A, the heart of the capital city, Dhaka.
Corporate Information

Name of the Company: Janata Bank Limited
CEO & Managing Director: Md. Abdus Salam
Legal Status: Public Limited Company
Registered Office: Janatabhaban 110, Motijheel Commercial Area, Dhaka, Bangladesh
Deposit (31.12.3013): Tk. 4,73,989 million
Authorized Capital (31.12.2014): Tk. 30,000 million
Paid up Capital (31.12.2014): Tk. 19,140 million
Operating Profit (31.12.2014): Tk. 10,683 million
Reserve: Tk.8202.00 million
Total asset: Tk. 282423.00 million (as on 30th Nov 2009)
Number of Branches: 906 br. including 4 overseas branches at U.A.E
Subsidiary Companies: 1. Janata Capital and Investment Company Ltd.
                  2. Janata Exchange Company SRL, Italy
Phone Number: 9551337, 9565384, 9567675, 9560000, 9560027-30
SWIFT: JANB BD DH
Website: www.janatabank-bd.com

Awards and Achievements

Recently The Bank has been recognized internationally and domestically for its good performance. Few of these recognitions are given below:

Best Presented Annual Report Awards and SAARC Anniversary Awards for Corporate Governance Disclosers 2013

The awarding ceremony was held on 4th December 2014 at hotel Mayfair, Bhubaneswar, India. Dr. Prodip Kumar Panigrahi, minister of State, Higher Education, Science and Technology Ministry of Udisha, India, handing over South Asian Federation of Accountants (SAFA) award to Md. Mosaddake-Ul-Alam, company secretary of Janata Bank Ltd.
14th ICAB National Award for Best Presented Annual Reports 2013

The Institute of Chartered Accountants of Bangladesh (ICAB) awarded Janata Bank Limited with the ICAB National Awards for best presented annual reports in 2013 and in the category of public-sector bank Janata Bank Limited secured first position. In the category of corporate governance disclosure, Janata Bank Limited was awarded second position by the same institution.

ICMAB Best Corporate Award

This Bank secured the first position among the state owned Commercial Banks in Bangladesh. The Institute of Cost and Management Accountants, Bangladesh (ICMAB) recognized the achievements of Janata Bank Limited with the following awards:

ICMAB Best Corporate Award 2014
ICMAB Best Corporate Award 2012

Management

Janata Bank is the largest commercial bank of the country. It has 906 branches throughout the country and abroad to serve the nation. There are 4 overseas branches at U.A.E. The Head Office of the bank is located at Janatabhaban 110 Motijheel C/A, Dhaka. It has 15 GM, 77 DGM 192 AGM, 576 First AGM, 1037 SEO, 3085 EO and 460 AEO. Principal Offices are headed by First AGM and each department is headed by AGM.

Head Office
↓
G.M. Office
↓
Area Office
↓
Regional Office
↓
Branch

Board of Directors
Board of Directors, constituted by thirteen members, has authority to organize, operate and manage its affairs on commercial consideration within the Board Policy of government. The Directors are representatives from both public and private sectors. Members of the Board including M.D are government appointed out of that at least three have the experience in the field of Finance, Banking, Trade, Commerce, Industry and Agriculture. The managing director is the chief Executive of Bank. The Board of Directors is composed of thirteen members headed by a Chairman. The name and position of directors are as under.

**Chairman of the Board of Directors**
Shaikh Md. Wahid-uz-Zaman

**Members of the Board of Directors**
1. Dr. Jamaluddin Ahmed, FCA
2. Mr. Md. EmdadulHoque
3. Mr. Nagibul Islam Dipu
4. Dr. R M Debnath
5. Syed Bazlul Karim, B.P.M.
6. Prof. Mohammad Moinuddin
7. Mr. Md. Abu Naser
8. Mrs. Sangita Ahmed
9. Prof. Dr. Nitai Chandra Nag
10. Mr. A.K.M Kamrul Islam, FCA
11. Mr. Md. Mahabubur Rahman Hiron
12. Mr. Md. Abdus Salam, CEO & Managing Director

**Vision**
To become the effective largest commercial bank in Bangladesh to support socio-economic development of the country and to be a leading bank in South Asia.

**Mission**
Janata Bank Limited will be an effective commercial bank by maintaining a stable growth strategy, delivering high quality financial products, providing excellent customer service through an experienced management team and ensuring good corporate governance in every step of banking network.
Objectives

The objectives for which the bank is established as follows:

- To carry on, transact, undertake and conduct the business of banking in all branches.
- Full implementation and utilization of the Bank’s excellence program which aims to provide services to customers.
- To carry on business as financiers, promoters, capitalists, financial and monitory Agents, concessionaires and brokers, dealing in exchange, securities and all kinds of mercantile banking etc.
Chapter-3
Corporate Governance of Janata Bank Limited
The corporate governance means the corporate running policies and the activities of the staffs the setting up the board members activities. Overall the corporate structure and make all the people to follow it the corporate governance. JBL is following a strict corporate governance in their organization. I have dig up some of the main aspects of corporate governance in Janata Bank Limited.

**Stakeholder’s interest**

Corporate governance is very important in any kind of organization. For a public organization it becomes a very vital element because the company relies on the public investment. Janata Bank is not a public company but the corporate governance is very important for the company, because there is a huge amount of money of normal people is managed by them. The stakeholders are mainly the officers, customers, media person, staffs of the organization, policy makers and government. Janata Bank is a government bank, so the government has taken the responsibility of corporate governance. The officers are one of the most important stakeholders in the corporate governance. They are the part of the corporate governance. They run the whole system of the corporate governance. They have to put maximum effort in this area. All the officers are very careful about the corporate governance. They all maintain the chain of command and maintain the line. The decision making system is also relying on this corporate governance. The model of corporate governance is very common in this bank. There are many departments, we have already discussed about the departments. They all have same kind of organogram. The principle also recognized the rights of the stakeholders as established by law which encourage active Cooperation between the corporation and the stakeholders in creating wealth and sustainability of such enterprise. There rights includes: opportunity to redress any violation of their right; provide stakeholders with relevant information to enable them participate actively and permit performance enhancing mechanism for stakeholder participation. Other principles of OECD include disclosure and transparency of information. It stipulated that all the material matter regarding the governance and performance of the corporation should be disclosed. It also underscore the importance of applying high quality standards of accounting disclosure and auditing: disclosure should include the financial and operating results; company objectives; major share ownership and voting rights; members of the board and key executives and their remuneration; governance structure and policies information should be prepared, audited and disclosed in accordance with quality standards, while the channels for disseminating information
should be fair timely and cost-effective. The people who are involved in the bank activities are all the part of corporate governance. The people have to put interest about the corporate governance because they have invested huge amount of money and the money is depending on their decision. Everybody is look forward to them and their decisions.

Rights and Equity management of Shareholders
The shareholders are the main investor and the money source of the company. Without their contribution the bank has nothing on their own. They are running the bank smoothly. So the board has take look upon on the shareholders. The board members have to take all the decision to support their shareholders. The rights of them should maintain properly in a very good manner. The rights are on the rules book, so there are no one to break them. Corporate governance will be very successful if the management of rights and equity of shareholders are properly maintained.

The rights are-

- Voting power
- Transfer of ownership
- An entitlement of Dividend
- Opportunity to inspect the financial statements
- The right sue for wrong acts

These are the rights of any shareholders of the company. The board member and the executive committee should have proper look on these matters. The JBL is very much active about their shareholders rights. They take all the steps and decisions to satisfy their shareholders. They are maintaining a very good equity among the shareholders. So there is no problem in the management system about the shareholders. The corporate governance of JBL is very much careful about the situation. The board members are also care about the risk issues of all the shareholders. The corporate governance of JBL practice this kind of governance which is control the risk of shareholders and take minimal decisions which will averse all the risks. They cannot averse the systematic risks, but the decisions and good practice of corporate governance help them a lot. It is very helpful to maintain the equity of balance and the rights of them. The board members have practiced very good corporate governance which is prioritizing the shareholders position. They know about the game of market and they are helping the main player. They are confirming the voting powers the dividend factors and them also keeping the transparency in
their all activities. These are the main factors to keep the peace and maintain all the things. The corporate governance is based on these structures. So it is better to stick with the model and run a very good corporate governance.

Role and Responsibilities of the Board Members
Board members are main element of corporate governance. The whole system is running by following them. They are the most important part of corporate governance and they have to play the most important duties as well. The roles and responsibilities are huge in number done by the board members. They have to take the most important and all the sensitive decisions of the company. The board members of the Janata Bank Limited are very much active with their roles and responsibilities. They have complete sense about the corporate governance and they are doing their responsibilities and playing their role. The main roles and responsibilities are-

- The renewal of loan borrowers and other decisions about the loan borrowers are taken by the board members. They set up the rules and regulations or make amendment to set the situation. They take all the decision according to the situation.
- They hold the power of attorney and they can give anyone the power. They choose the right people of this huge power.
- They have a meeting about the budget and new monetary policy and take decisions over the situations and them also take all the stakeholders’ perspective in their account when they are making any kind of decisions.
- One of the big responsibilities of board members is choosing the CEO and MD of the company. The board members of JBL choose their CEO after many meetings and finally they have appointed their CEO.
- The board members are the liable of the resources of the organization. There are many board members from governments officials, who have served for government in past. They always look for the interest and best use of resources.
- There are many members are from government part. So they have to look after the government decisions and government interest and government policies.
- They compare with other banks and set up the strategy for the future. The strategy setting is the most important task they are doing all together. They have to set up a very good strategy to cope up with the situation and increase the revenue line.
**Integrity and ethics**

When the total system will be tied down by one string then that system will be the strongest system of all. The coordination and integrity is a very essential element for corporate governance. The basic thing for corporate governance is the chain of command and integrity is the primary key of the whole process. All the board members and other staffs try to connect with all other and maintain a good balance and forward their steps to fulfill all the duties and try to complete all the tasks. Corporate governance makes the way of integrity and other things in JBL. The integrity among the staffs is based on the corporate governance. The well maintains system of the board members help all things to run smoothly. The board members always sit together to solve any big deal or matter. They like to hear from the very root level. They like to take suggestions from the field level managers. They collect all the information and connect with each other and again they do some meetings and after that they take their decisions. So we can see the integrity level in Janata Bank Limited. They are very conscious about their integrity level in their organization. That is the reason they have a very good level of corporate governance.

They keep all the records of their all kind of activity and they are bound to follow all the procedures and protocols to level the integrity and that is a very good practice of corporate governance and this show that the respect for the corporate governance of their board members. The ethical issues are very important for any kind of corporate governance. If there is no ethics the whole system is going to break down. The ethical behavior is the capital of corporate governance. If one party is trying to give more partial to a specific party then there will be no ethics. Janatta Bank is very sensitive with ethical issues. They tried to follow the ethical rules and even the run some program to train their employees about ethical study. The board members are believer of transparency, so they are promoting ethical issues in corporate governance. They have brought up many situations and try to be modest in different situation to keep up the ethical value of them. The board of members has set up the ethical parameter for their staff and they are running it as their corporate governance practice. The board members are also try to be ethical when they have to deal with sensitive issues. They don’t want to hurt any of the shareholder or
their staff, so it is very good to maintain the ethical balance and it is very important in corporate governance.

Disclosure and Transparency
Transparency is consistent with sound and effective corporate governance. As emphasized in existing board of director’s guidance on bank transparency, it is difficult for investors, depositors, other relevant stakeholders and market participants to effectively monitor and properly hold the board and senior management accountable when there is insufficient transparency. The objective of transparency in the area of corporate governance is therefore to provide these parties with the information necessary to enable them to assess the effectiveness of the board and senior management in JBL. While Janata Bank is a non-listed bank so they are less liable for disclosure facts. All banks, even those for whom disclosure requirements may differ because they are non-listed, should disclose relevant and useful information that supports the key areas of corporate governance. Identified by the Committee. Such disclosure should be proportionate to the size, complexity, structure, economic significance and risk profile of the bank. At a minimum, banks should disclose annually the following information:

- The recruitment approach for the selection of members of the board and for ensuring an appropriate diversity of skills, backgrounds and viewpoints; and
- Whether the bank has set up board committees and the number of times key standing committees have met.

In general, the bank should apply the disclosure and transparency section of the OECD principles. Accordingly, disclosure should include, but not be limited to, material information on the bank’s objectives, organizational and governance structures and policies major share ownership and voting rights, and related party transactions. Relevant banks should appropriately disclose their incentive and compensation policy following the FSB principles related to compensation. In particular, an annual report on compensation should be disclosed to the public. It should include: the decision-making process used to determine the bank-wide compensation policy; the most important design characteristics of the compensation system, including the criteria used for performance measurement and risk adjustment; and aggregate quantitative information on remuneration. Measures that reflect the longer-term performance of the bank should also be presented.
Internal corporate governance audit

An effective and efficient internal audit function constitutes the third line of defense in the system of internal control. It provides an independent assurance to the board of directors and senior management on the quality and effectiveness of a JBL’s internal control, risk management and governance systems and processes, thereby helping the board and senior management protect their organization and its reputation. The internal corporate governance audit function should have a clear mandate, which will be accountable to the board and be independent of the audited activities. It should have sufficient standing, skills, resources and authority within the bank to enable the auditors to carry out their tasks effectively and objectively.

- Providing the function with full and unconditional access to any records, file data and physical properties of the bank, including access to management information systems and records and the minutes of all consultative and decision-making bodies;
- Requiring the function to independently assess the effectiveness and efficiency of the internal control, risk management and governance systems and processes;
- Requiring internal auditors to adhere to national and international professional standards, such as those established by the Institute of Internal Auditors;
- Requiring that audit staff collectively have or can access knowledge, skills and resources commensurate with the business activities and risks of the bank;
- Requiring timely and effective correction of audit issues by senior management; and
- Requiring the function to perform a periodic assessment of the bank’s overall risk governance framework, including but not limited to an assessment of:
  - The effectiveness of the risk management and compliance functions;
  - The quality of risk reporting to the board and senior management; and
  - The effectiveness of the bank’s system of internal controls.

So these are the main things have to control in the internal section for audit in the corporate governance. The Janata Bank is very much efficient to maintain this sequence and they are always cooperative about the corporate governance. They tried and provide all the efforts to make the decisions very quick and maintain a perfect balance in corporate governance.
Balance of power
The board and senior management are primarily responsible for the governance of the bank, and supervisors should assess their performance in this regard. This section sets forth several principles that can assist supervisors in assessing corporate governance of JBL and foster good corporate governance in the bank. Supervisors are establishing guidance or rules, consistent with the principles set forth in this document, requiring the bank to have robust corporate governance policies and practices. Such guidance is especially important where national laws, regulations, codes or listing requirements regarding corporate governance are not sufficiently robust to address the unique corporate governance needs of JBL. Regulatory guidance are going to address, among other things, expectations for checks and balances and a clear allocation of responsibilities, accountability and transparency among the members of the board and senior management and within the bank. In addition to guidance or rules, where appropriate, supervisors should also share industry best practices regarding corporate governance with the banks they supervise. Supervisors have processes in place to fully evaluate the bank’s corporate governance. Such evaluations may be conducted through regular reviews of written materials and reports, interviews with board members and bank personnel, examinations, self-assessments by the bank, and other types of on- and off-site monitoring. The evaluations are also including regular communication with the bank’s board of directors, senior management, those responsible for the risk, compliance and internal audit functions, and external auditors. Supervisors should evaluate whether the bank has in place effective mechanisms through which the board and senior management execute their respective oversight responsibilities. Supervisors should evaluate whether the board and senior management have processes in place for the oversight of the bank’s strategic objectives, including risk appetite, financial performance, capital adequacy, capital planning, liquidity, risk profile and risk culture, controls, compensation practices, and the selection and evaluation of management. Supervisors should focus particular attention on the oversight of the risk management, compliance and internal audit functions. This should include assessing the extent to which the board interacts with and meets with representatives of these functions. Supervisors have to determine whether internal controls are being adequately assessed and contribute to sound governance throughout the bank.
Risk Identification, Monitoring and Controlling

The bank’s risk governance framework should include policies, supported by appropriate control procedures and processes, designed to ensure that the bank’s risk identification, aggregation, mitigation and monitoring capabilities are commensurate with the bank’s size, complexity and risk profile. Risk identification should encompass all material risks to the bank, on- and off-balance sheet and on a group-wide, portfolio-wise and business-line level. In order to perform effective risk assessments, the board and senior management, including the CRO, should, regularly and on an ad hoc basis, evaluate the risks faced by the bank and its overall risk profile. The risk assessment process should include ongoing analysis of existing risks as well as the identification of new or emerging risks. Risks should be captured from all organizational units. Concentrations associated with material risks should likewise be factored into the risk assessment. Risk identification and measurement should include both quantitative and qualitative elements. Risk measurements should also include qualitative, bank-wide views of risk relative to the bank’s external operating environment. Banks should also consider and evaluate harder-to-quantify risks, such as reputation risk. Internal controls are designed, among other things, to ensure that each key risk has a policy, process or other measure, as well as a control to ensure that such policy, process or other measure is being applied and works as intended. As such, internal controls help ensure process integrity, compliance and effectiveness. Internal controls provide reasonable assurance that financial and management information is reliable, timely and complete and that the bank is in compliance with its various policies and applicable laws and regulations. In order to avoid actions beyond the authority of the individual or even fraud, internal controls also place reasonable checks on managerial and employee discretion. Even in smaller banks, for example, key management decisions should be taken by more than one person. Internal reviews should also determine the extent of a bank’s compliance with company policies and procedures as well as with legal and regulatory policies. Adequate escalation procedures are a key element of the internal control system. The degree of sophistication of the bank’s risk management infrastructure – including, in particular, a sufficiently robust data infrastructure, data architecture and information technology infrastructure – should keep pace with developments such as balance sheet and revenue growth; increasing complexity of the bank’s business, risk configuration or operating structure; geographical expansion; mergers and
acquisitions; or the introduction of new products or business lines. The main risk detection are being done in the meeting of the board members and they are doing it very efficiently. The corporate governance is very effective for the risk detection in every situation, monitoring the whole situation and controls the output and other element of the situation. In a word I have to say that, the corporate governance of JBL is very much effective in every way possible.

Financial Control

The financial control is one of the main tasks of the board member. They are doing their best to maintain all the balance and all the system of financial things in the bank. The JBL board members are responsible for the financial control. The statements are reviewed by the board, the reviewed the audit report and give proper direction to the field force. They also have take decisions for the big party and big decisions. They control the whole financial system and analyze the situation and take proper decisions.
Chapter-4
Recommendations

- The department should develop appropriate tools to support staff in understanding and implementing integrated risk management at both the corporate and activity level.

- The department should modify its existing reporting processes to include an analysis on how all its existing activities are mitigating the key risks identified in the Corporate Risk Profile.

- Communication and interaction by the company with its investors and other stakeholders

- Communication aims at ensuring that all shareholders regularly receive the same information.

- The insight of the board of directors into the dialogue may possibly be established through participation in investor meetings or reporting from such meetings, or through regular reporting from the executive board.

- Corporate Social Responsibility, or CSR, is a movement within the business world that advocates a larger ethical and social role for corporations. Boards of directors structure corporations to maximize profits for their shareholders, and as a result, according to advocates of CSR, they frequently exploit or neglect the larger community and the natural environment. People who make CSR guidelines design them to amend this problem and to transform large companies into productive corporate citizens who contribute in positive ways to the community.
Conclusion
Banks have their own unique strategy, which leads to their objectives. Some wishes to grow faster and achieve some long range growth. On the other hand some banks want to lead a quite life minimizing risk and convey an image of a sound bank. JBL is pretty new in its operation. Even though the financial analysis on the banks performance seems the banks doing very well in The banking industry of Bangladesh, and has prosperous future. JBL has established goodwill through innovative products and services. Technology development has opened up a new dimension in the development of creative products, efficient services and customer satisfaction. The bank must cope with this technological advancement its present status.

Though there are some drawbacks in some sectors of Janata Bank Ltd., still modern banking technology and employee and employer sincerity may lead to increased profit. The progress of JBL in Bangladesh is depended on the environment, structure, special features offered by the bank, rapid increase of deposit, investment, profit, dividend on behalf of short time, the public respond over the bank. The aim of the internship program is to gain knowledge of practical banking and to compare this practical knowledge with theoretical knowledge. During the 3 month internship program, it is not possible to go to the depth or each activities of division because of time limitation. So, objectives of internship program have not been fulfilled with complete satisfaction. However, highest effort has been given to achieve the objectives of internship program. I think this report may show a guideline to JBL for its future planning and its successful operation to achieve its goal in the competitive environment.

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