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27/03/2014



Internship Report

On

Cash Management Operations

(Standard Chartered Bank)



Letter of Transmittal

27th March, 2014

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Subject: Submission of Internship Report on Cash Management and Operations

Dear Sir,

It is my pleasure to submit my Internship Report on "Cash Management Operations of Standard Chartered Bank Bangladesh" as a requirement of Internship.

I tried my best to meet relevant information for constructing a complete report on Cash Management Operations of Standard Chartered Bank Bangladesh as outlined.

The preparations of this report enable me to a great extent to complete my academic knowledge with practical analysis. I would like to express my profound gratitude for your kind and conscious guidance in preparing my report in the giving time. Thank you so much for your heartiest collaboration.

Sincerely Yours:

Sadiya Shahnaz

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ACKNOWLEDGEMENTS

At the very beginning, I would like to express my gratitude to almighty Allah to enable me to complete this report on time. Thanks to all the people who helped me to accomplish the entire task in making this report. Thanks to all the people who give broad insight of the corporate world, who taught me different technique, to meet the goal and to match the theory with the practice of the current phenomena.

I would like to thank Senior Lecturer **Shamim Ehsanul Haque** BRAC Business School, BRAC University, for his guidance and support. My honorable supervisor approached me very positively every time when I had wanted his guidelines and suggestion for the report preparation. I feel my sorry for disturbing my supervisor time to time when I needed.

My sincerest gratitude to my supervisor at Standard Chartered Bank **Mr. Asif Aziz, Head of Cash Management Operations** for his continues guidance and support from the beginning of my research, for his patience, understanding and the time he dedicate to make me understand the proper procedures and rules in accomplishing my task. I want to thank **Shumit IbneTaher** (Project Manager), who contributes a lot to make this report, for his generous support, to treat me as his younger brother.

Executive Summary

The main objective of the internship program is to fill the gap between theoretical knowledge and practical experience. After doing 12 weeks of internship in to Standard Chartered Bank I have to prepare a report. My internship report consists of two phases. In the first phase, I discuss about Standard Chartered Bank as an organization. Start with a brief introduction, and then move on to its historical background, product offering, organization structure and future vision, mission, goal, policy of Standard Chartered Bank. Then I have focused and described the financial statement of SCB Bangladesh in the previous year along with the elaborate description of SCB operations in Bangladesh in connection with its group policy. As I have the attachment with the Cash Management operation Department, most of the part of this internship report aims at discovering the functions of CMO and its different unit like Foreign Collection Unit, Local Collection Unit, OTT, ITT, STS-PO/DD, Project and Ops risk.

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CHAPTER: ONE

INTRODUCTION

1.1 Background of the Report

This report has been prepared as a requirement of the internship program. The report was based upon the Standard Chartered Bank's Cash Management operations, Projects, Risk ops, MIS and Investigations. My organization supervisor was Mr. Asif Aziz, Head of Cash Management Operations, and my Institution supervisor is Shamim Ehsanul Haque, Senior Lecturer, BRAC Business School Department, BRAC University. The topic, which was decided for doing the report, was duly approved by my institute supervisor and my organization supervisor. The report will definitely increase the knowledge of other students to know Cash Management Operations include FCU, LCU, STS-PO/DD, ITT & OTT.

1.2 Significance

This internship report is an important partial requirement as, knowledge and learning become perfect when it is associated with theory and practice. By this internship program students can establish contacts and networking. That is, student can train and prepare themselves for the job market. A developing country such as Bangladesh has an overwhelming number of unemployed graduates. If we have no internship experience we will not be able to gain normal professional experience of official conduct and manner, which is important in getting a job. Therefore, it is obvious that the significance of internship is clearly justified it is important before entering job market.

1.3 Scope of the Report

In the Banking industry of Bangladesh, **Standard Chartered Bank** is one of the leading foreign commercial banks for their effective banking service throughout the country. The output of this report may help to bring the situation of the current scenario in front of the related managers and the higher authority and help to take effective and efficient decisions to achieve the business goal. So the report will provide some real chance to explore the factors as it is defined by organizational set-up, functions, and performances as well as comparison with same categories of banks.

1.4. Objectives of the Report

1.4.1. General objective

General objective of this report is to analyze the “**Cash Management Operations of Standard Chartered Bank**”.

1.4.2. Specific objectives

There are some specific objectives also:

- ✘ To know about Cash Management Operations of Standard Chartered Bank.
- ✘ To show the actual scenario of CMO department on yearly basis.
- ✘ To suggest some recommendations on the basis of findings.

1.5 Methodology of the Report:

1.5.1. Sample Information

Samples are collected from the SCB’s CMO, Project, MIS, Ops Risk unit. Here, the samples had been picked up on a judgmental basis. For the organization part, much information had been collected from different published articles, journals, brochures and web sites. All the information incorporated in this report has been collected both from the primary sources and as well as from the secondary sources.

1.5.2. Primary Source of Data

Collecting data directly from the practical field is called primary source of data. The method that was used to collect the primary data is as follows:

▪ **Observation Method:**

I have used Observation method by, watched day to day phenomena occurring in different unit of CMO, to understand nature office interment and people’s active relation to it.

▪ **Other Primary Sources are:**

- ✘ Discussion with officials of SCB
- ✘ Face to face conversation with the CMO employee.
- ✘ Discussions with employee over the telephone & responding to their query.

1.5.3. Secondary Sources of Data

The secondary data has been collected from the MIS of Standard Chartered Bank and Foreign Exchange Policy Department of Bangladesh Bank. To clarify different conceptual matters, internet and different articles published in the journals & magazines have been used.

Secondary Sources are:

- ✦ Brochures of SCB
- ✦ Annual report of SCB
- ✦ Wikipedia
- ✦ www.standardchartered.com
- ✦ Brochures of SCB
- ✦ Research papers on banking industry
- ✦ SCB Online Resource

1.5.4 Data Collection:

Both secondary and primary data are used for preparing this report. But the research was mainly based on the inbound Business Banks. Information was collected directly from the employees of Standard Chartered Bank, CMO Department. In many times, the telephonic interview was handy for collecting data.

1.6 Limitations:

Limitation, which I have faced while doing my internship report are the following:

- ✘ As, I had more dependence on the primary sources, so there might be some level of inaccuracy with those collected information's. Though, adequate verification and cross-checking was used, to minimize the error level.
- ✘ Confidential information regarding past profit or product cost, financial information was not accurately obtained. Alike all other banking institutions, SCB is also very conservative and strict in providing those information. In those cases, I have relied upon some assumptions, which in result have created certain level of inaccuracy. Still, I had tried my best in obtaining those sensitive information's, as much as possible.
- ✘ Many of the analysis on the obtained data are based upon my sole interpretation. This in result might bring some biases, as lack of knowledge and depth of understanding might hinder me to produce an absolute authentic and meaningful report.
- ✘ Time constraint was another limitation restricting this report from being more detailed or analytical. Head of the CMO department are awfully busy with meeting their targets. So, it was very difficult for me to get them free and obtain some practical ideas regarding their expectation and opportunities regarding my topic.
- ✘ As I was working in CMO there was very little chance for me to observe other department to of SCB. So in m report most of the information is about SCB in whole form or about CMO.
- ✘ Above all, this internship report was prepared during internship going on in SCB. So, it was very hard for me to accommodate time for preparing this report. Mostly, our office timings at SCB are from early morning till 8 p.m. During office hours it's simply hard to manage time for working with the report information collection. And, working with the report after regular office hours is quite hectic.

CHAPTER: TWO

INSIGHT OF SCB

2.1 An Overview of Standard Chartered Bank

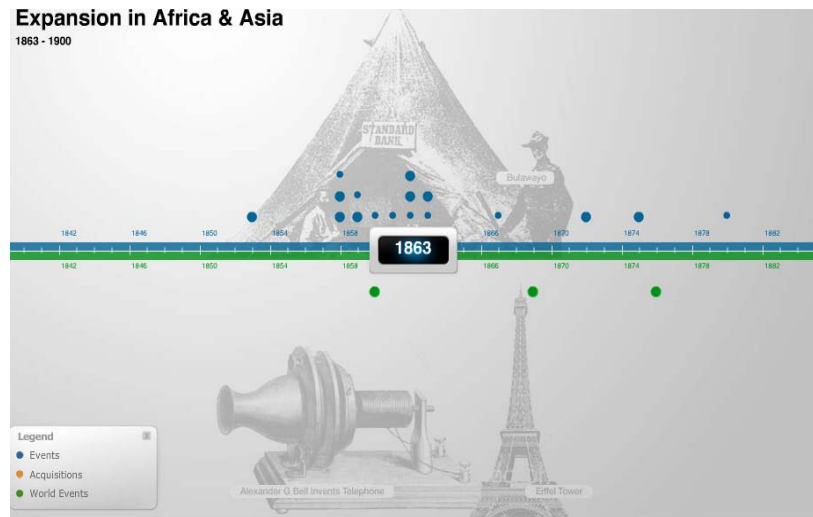
Standard Chartered Bank (SCB) is a multinational bank and financial services group that is incorporated in the U.K. with a unique international network. It now spans in the developed and emerging economies of the world, serving the world for 150 years now. It has its primarily operations in Asia, Africa, and Middle East. This bank plays an invigorating role in linking the world economic trend with emerging markets of its operating countries and provides a wide range of population with different services under the big umbrella of personal banking, corporate banking (wholesale banking), private banking, SME banking and SAADIQ Islamic banking services. 75,000 people of 115 nationalities work in the bank worldwide. This range of diversity helps to energize creativity and innovation, supporting the development of exciting new products and services for customers; worldwide.

In Bangladesh, the Chartered Bank opened its operation in Chittagong in 1947. The bank acquired ANZ Grindlays Bank for 1.34 billion dollars in the year 2000. The bank serves Bangladesh with consumer banking and wholesale banking. It has 26 branches across the nation.

The bank has the brand promise stating “Leading by Example to be The Right Partner”. It is the largest foreign bank operating in Bangladesh. In 2008, SCB was one of the few multinational financial institutes which managed to protect its operations and revenue from the recession and gathered a \$ 4568 million of net profit. SCB managed to keep its record growth and 2008 net profit was \$ 533 million higher than 2007’s net profit and \$ 850 million higher than 2006. Total asset was \$ 435 billion in 2008, 32 % higher than 2007. The bank has major operations and revenue in Asia, Africa and Middle East.

2.2 History Of Standard Chartered

The name Standard Chartered comes from the two original banks from which it was founded, The Chartered Bank of India, Australia, and China, and; The Standard Bank of British, and South Africa. The Chartered

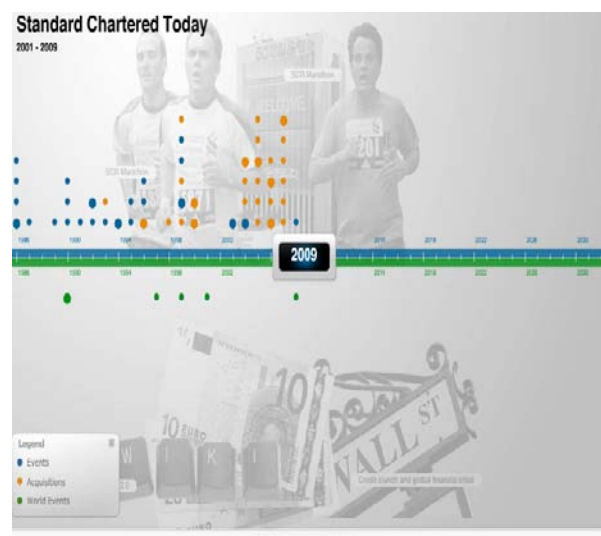


Bank was founded by James Wilson following the grant of a Royal Charter by Queen Victoria in 1853, while The Standard Bank was founded in the Cape Province of South Africa in 1862 by John Paterson. Both companies were keen to capitalize on the huge expansion of trade. They wanted to earn handsome profits from financing the movement of goods from Europe to the East and to Africa.

In those early years, both banks prospered well and quick. Chartered opened its first branches in Bombay. In South Africa, Standard, having established a considerable number of branches, was prominent in financing the development of the diamond fields of Kimberley from 1867 and later extended its network further north to the new town of Johannesburg when gold was discovered there in 1885.

Both bank acquired other small banks over time and spread their networks further. In 1969, the decision was made by Chartered and by Standard to undergo a friendly merger. They decided to counterbalance their network with expansion in Europe and the United States.

In mid 1993, Sir Patrick Gillam became Chairman. He made it clear that Standard Chartered would grow and develop its strong franchises in Asia, the Middle East and Africa using its operations in the United Kingdom and North America to provide customers with a bridge between these markets.



In August 2000, the US\$ 1.34 billion acquisition of Grindlays Bank was completed. This made Standard Chartered the leading international bank in India and the other countries of South Asia strengthened the Group's competitive position in the Middle East and brought to the Group a respected private banking business. The group operates through more than 600 offices in over 48 countries and has over 25,000 people managing assets of over 47 billion pounds.

2.3 Vision of SCB

Vision of SCB is—"Their vision is leading the way by providing best customer services. Their Brand Promise is to be the right partner".

2.4 Mission of SCB

Mission of SCB is - "Their motto is to become the world's best international bank by providing high quality products and services backed by latest technology and a team of highly motivated personnel to deliver Excellence in Banking."

2.5 Objective of SCB

Their objective is to benefit their shareholders, customers, staff and the communities in which they operate. They strongly support the trend towards delivering the shareholders value in a socially, ethically and environmentally responsible manner.

2.6 Values of SCB

Standard Chartered Bank has five values, which are critical to their success. These values determine how the employees achieve their goals, the way they work together and how it feels to be a part of Standard Chartered Bank. In brief these values are:

I. Courageous

Being courageous is about confidently doing what is right. Often the task may seem impossible but with courage and tenacity, the odds can be overcome.

II. Responsive

How SCB responds to customers and how it will influence customer's belief in their commitment towards them. It clearly demonstrates organization's willingness to go beyond the unexpected.

III. International

As a member of global village SCB views the world from the widest perspective. They consider themselves to be global citizens and the world is full of new opportunities and exciting possibilities. SCB also delivers world-class products and services.

IV. Creative

Creativity belongs to those who are excited by challenges and engage themselves in fresh thinking. Creative thinkers are not limited by rule but are those all who use their mind beyond others can not even dream to think about. SCB believes that they are a creative organization as they like to do what others don't even dream to do.

V. Trustworthy

Trust is the foundation of every successful relationship. SCB trusts because the organization believes in the sincerity of their promise. They also believe that building trust can take forever, but losing it takes only a moment.

2.7 Global Network of Standard Chartered Bank

Standard Chartered has over 600 offices in 56 countries such as Asia, Africa, the Middle East and Latin America. The global strategies of Standard Chartered Bank are:

- ✦ To build and grow strong businesses in East and South East Asia -the Asia Pacific Region.
- ✦ To enhance historical position in the MESA region.
- ✦ To concentrate operations in the OECD in those activities that's support Standard Chartered Bank's remarkable franchise in newly industrialized and emerging markets.

Standard Chartered International Network



2.8 Business Activities of the Global Standard Chartered Bank

The bank provides a full range of products and services all around the world, some of which are mentioned here:

2.8.1 Global Consumer Finance:

There are seventy-six branches and finance centers under this division in about the countries with a workforce of 1616 employees. Some of the services provided by these divisions are unsecured personal loans, credit cards and retail store cards, vehicle related leases, etc.

2.8.2 Personal Banking:

There are about 410 branches with a workforce of 12,000 employees working under this division in 28 countries. Some of the services provided by this division are various kinds of insurance and loans, account maintenance, traveler's cheques and money exchange etc.

2.8.3. Global Corporate and Institutional Banking:

There are 350 branches under this division. This division provides services in 42 countries. The services provided by this division are International Trade Management, Institutional banking, Treasury, Custody and Cash Management.

2.8.4. Global Custodial Service:

There are 17 offices under this division and about 900 staff members, operating in 14 countries and headquartered in Singapore. Standard Chartered Equator fulfils standard Chartered Bank's strategic commitment to provide custody and clearing services in the Greater Asia. Standard Chartered Bank has one of Asia's leading custodians over 40 years. Equator's focus is on the followings:

- ✘ Commitment to equity
- ✘ Dedication to the customer needs
- ✘ Sustained investment in people and systems.

2.8.5. International Trade Management:

Principles services of this division are to the people are Import Letter of Credits (L/C), Import Bills for Collection, Back to Back Letter of Credit, Direct Export Bills for Collection, Bulk Letter of Credit Collection, Bonds and Guarantees.

2.8.6. Global Cash Management:







The division is operational in all countries where the group has Corporate & Institutional Banking division. Standard Chartered Bank recognizes the importance of Cash Management to corporate and institutional customers and offers a comprehensive range of services and liquidity management. Services provided worldwide by this division with stress on Asian delivery.

2.8.7. Global Institutional banking:

Throughout Standard Chartered Bank's network of more than 600 offices in over 40 countries, it is very well positioned to provide a wide range of services to institutional clients: commercial, merchant & central banks; brokers and dealers; insurance companies; fund managers and others. Offices of emerging markets of Asia, Sub-Saharan, the Middle East and Latin America are complemented by the branches in the developed countries such as USA, UK and Japan and bank's membership of the clearing systems in those countries. The Institutional banking group has a network of offices in 25 countries throughout Asia, North America, Europe, Africa and The Middle East.

2.9 Standard Chartered Bank in Bangladesh

The Chartered Bank started operating in Bangladesh in 1948, opening a branch in Chittagong. The Chartered Bank opened another branch in Dhaka in 1966, where it was headquartered until July 2007. Later the office was transferred to the present location which is located at GULSHAN AVENUE in August 2007. After the merger of the Chartered Bank with the Standard Bank in 1969, the Standard Chartered Bank took up a program of expansion. It increasingly invested in people; technology and premises as its business grew in relation to the country's economy. In 1993, there was an organizational re-structuring, which led to a substantial expansion of business. That is why Bangladesh is under the MESA region, where the controlling office is in Dubai. Its correspondence interrelationship with IBBL (Islamic Bank Bangladesh Limited), which is one of the largest banks in Bangladesh, gives its customers access to all major centers in the country. Standard Chartered Bank's worldwide network facilitates convenient connections with foreign trade and remittance business. Standard Chartered Bank's elegant branch banking license in Bangladesh allows it to offer a full range of banking services to their customers. The Bank presently has 25 branches in 6 cities serving a huge number of customers. The network of SCB Bank in Bangladesh includes:

-  16 branches in Dhaka
-  1 branch in Narayanganj
-  5 branches in Chittagong
-  1 branch in Khulna
-  1 branch in Sylhet
-  1 branch in Bogra

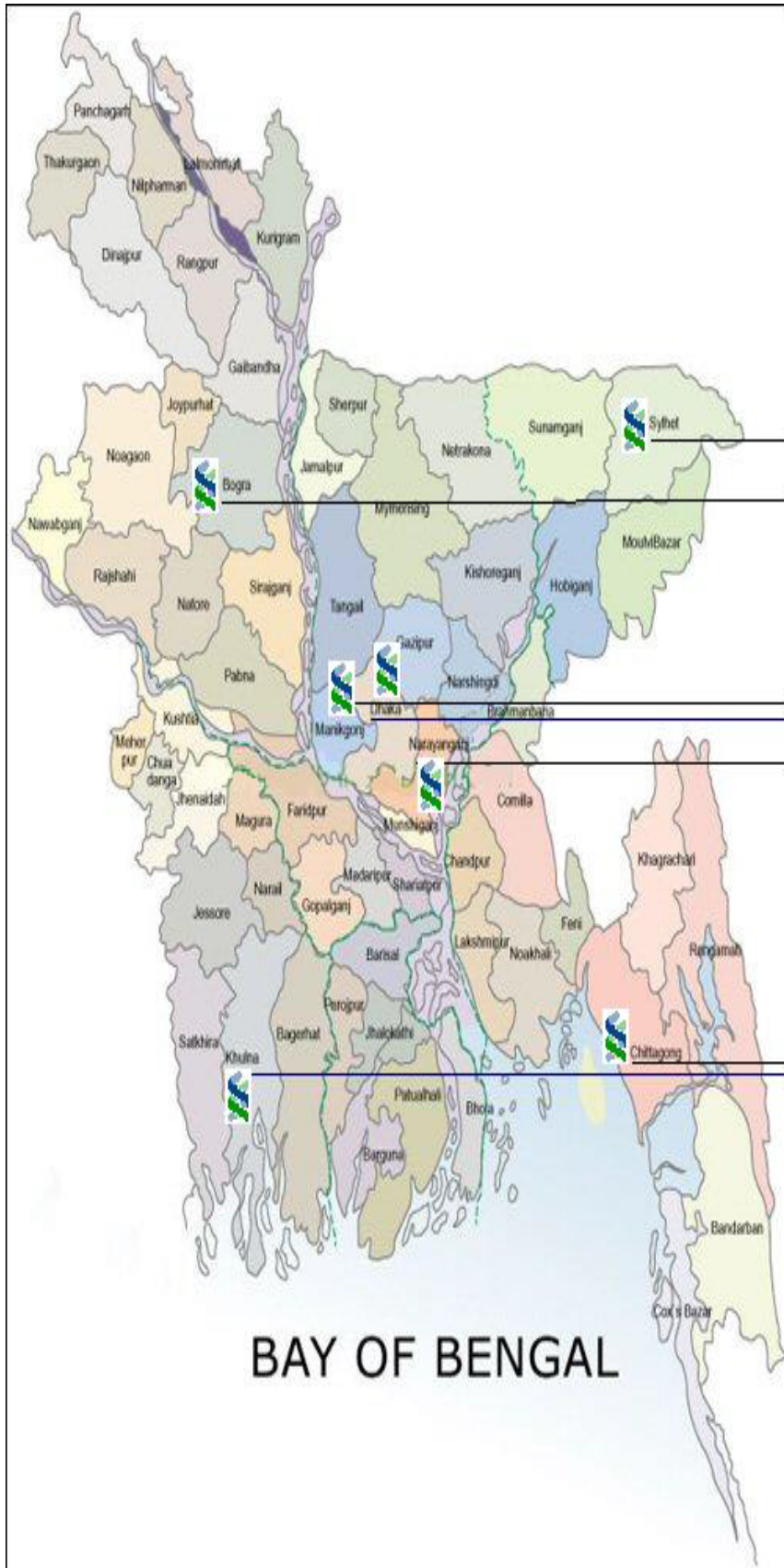


Standard Chartered is the only foreign bank with a presence in six major cities in Bangladesh.

- 1 - Dhaka
- 2 - Narayanganj
- 3 - Sylhet
- 4 - Khulna
- 5 - Bogra
- 6 - Chittagong



Standard Chartered Branch Locations



Sylhet

Bogra

Savar

Dhaka

Narayanganj

Chittagong

Khulna

- Motijheel
- Dilkusha
- Kakrail
- Shahbagh
- Kawran Bazar
- Dhanmondi 2
- Dhanmondi 5
- Banani
- Gulshan
- Uttara

- St. Road
- CTG Main
- Nasirabad

BAY OF BENGAL

2.10 Impact of Standard Chartered On Bangladesh

STANDARD CHARTERED'S IMPACT ON BANGLADESH



Through operations and onshore lending, contributes – directly, indirectly and through induced effects – 1.5% of Bangladesh's GDP.



Supports 545 jobs in the wider economy for each direct full-time employee.



Helped Bangladesh achieve its first-ever sovereign credit rating, enabling the country to borrow on international capital markets.



Supports 3.3% of total tax receipts in Bangladesh.



Supports 13.2% of Bangladesh's trade with the world.



Serves 15,000 Bangladeshi SMEs and is one of the only banks to offer collateral-free loans to the SME sector.



Introduced numerous financial firsts to Bangladesh, including the first credit card and first commodity derivatives.



Mobilised finance towards 24% of the total installed power in Bangladesh.



For every USD1 million provided to the garment sector, 256 jobs are supported in the wider economy.



One of the first banks to introduce solar-powered ATMs in Bangladesh, and reduced its paper use by 61%, saving 600 trees.

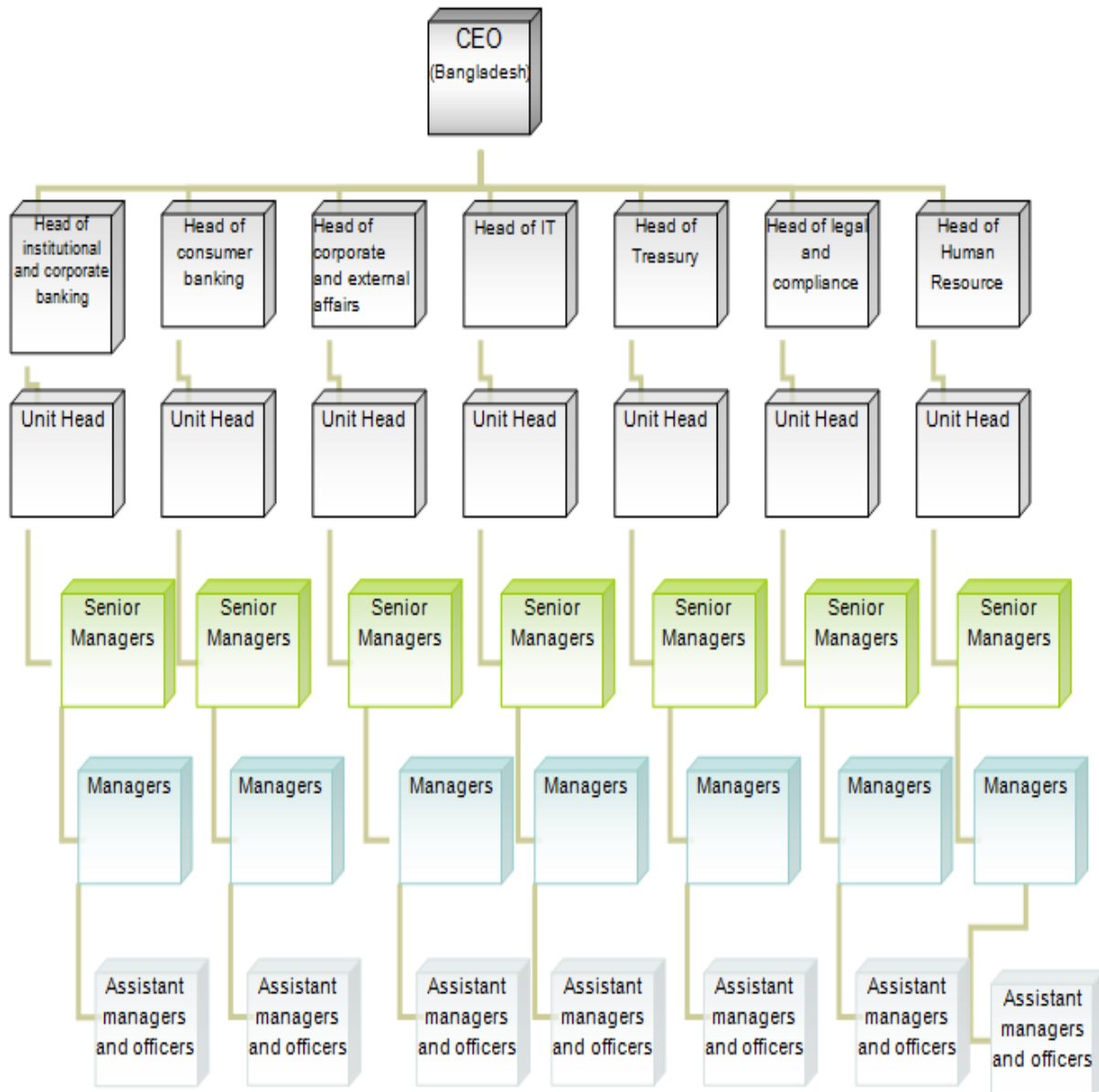


Through operations and onshore lending, supports – directly, indirectly and through induced effects – 655,000 jobs in Bangladesh, or 0.9% of the labour market.



17 former employees have gone on to become CEOs or deputy managing directors of other banks in Bangladesh.

2.11 Structure of SCB Bangladesh



Jim McCabe currently the chief executive officer of Standard Chartered Bank Bangladesh. Several operational units work under his supervision. The functions of the units are following,

2.11.1 Corporate Banking Group

Standard Chartered Bank offers its local customers a wide variety of financial services. All the accounts of corporate clients, which mainly comprise the top local and multinational companies

operating in Bangladesh, are assigned a Relationship Manager (RM) who maintains regular and close contact to cater to their needs. The objective of this department is to maintain a thorough knowledge of the client's business and to develop positive relationships with them. This is maintained through interactions to offer timely advice in an increasingly competitive business environment. The expertise of the Financial Institution (former Institutional Banking) and Treasury groups is also available whenever required. The unique Off-shore Banking Unit (OBU) in Savar offers a full range of facilities to overseas investors, and recently that Savar Branch have expanded many of its activities. The Corporate Banking Group in Bangladesh has displayed a spirit of community involvement by working with NGOs to underwrite soft loans. Standard Chartered Bank offers its corporate customers:

- ✦ *The wide varieties of lending needs are offered with skilled and responsive attention.*
- ✦ *Project finance and investment consultancy.*
- ✦ *Syndicated loans.*
- ✦ *Bonds and Guarantees.*
- ✦ *Local and International Treasury products.*

The trade finance of Standard Chartered Bank takes care of the commercial activity related issues, particularly those related to import and export finance services. Some of the services are: Trade finance facilities including counseling, confirming export L/Cs and issuing of import L/Cs, backed by its international branch and correspondent loan network Bond and Guarantees Project finance opportunities for import substitution and export oriented project

2.11.2 Treasury Division

The foreign exchange and money market operation of the Standard Chartered Bank in the world is extensive. Exotic currencies happen to be one of its special areas of strength. A 24 hour-service is provided to customers in Bangladesh through the Bank's network of dealing centers placed in the principal of the world. The Bank's treasury specializes in offering solutions to those who wish to manage interest rate and currency exposures that result from trade, investment and financing activities of other dynamic economies of the region. Treasury operations are developed in line with changing market conditions to provide the best services to its customers. According to BAFEDA (Bangladesh Foreign Exchange Dealers Association), Standard Chartered Bank presently controls 42% of the local foreign exchange market's traded volume.

2.11.3 Financial Institution Department (Former Institutional Business Group)

Financial Institution Department (former Institutional Banking) is a specialized banking unit of Standard Chartered, providing products and services to the specific needs of other banks and financial institutions. It assists the local banks by taking care of their cross-border business through the worldwide Standard Chartered Bank networking over 40 countries. It offers various services like L/C Confirmation, Negotiation, Inter and intra Bank Guarantee, Local Bill Discounting, L/C Advising, L/C Transfer, L/C amendment advising, Reimbursement Undertaking and Authorities, Fund Transfers, Export proceeds, BDT Draft Drawing, International Payments (T T's), Account Services (Vostro Account Management)

2.11.4 Consumer Banking Division

Superior retail banking services comprising a wide range of deposit and loan products are offered by the Standard Chartered Bank to its individual customers. The Consumer Banking division constantly faces challenges and meets them by developing new products and services to fulfill the specific requirements of local and foreign customers. Bank offers a 24-hour service in Bangladesh through its Money link ATM network and Phone-link Phone Banking services. The below mentioned type of accounts are served by the Consumer Banking Division.

- ✦ *Personal Current Account*
- ✦ *Personal Savings Account*
- ✦ *Personal Access Account*
- ✦ *Consumer Fixed Deposit Account*
- ✦ *Personal Call Deposit Account*
- ✦ *Non-resident Foreign Currency Deposit Account*
- ✦ *Resident Foreign Currency Deposit Account*
- ✦ *Convertible Taka Account*
- ✦ *Foreign Currency Accounts for Foreign Nationals*
- ✦ *Foreign Currency Accounts for Bangladeshi Nationals*
- ✦ *Escrow Account*
- ✦ *Private Non-Resident Taka Account*

2.11.5 Card Division

Card is the latest area that has been identified for rapid development. The bank is the one of the acquirers of three major cards in Bangladesh. Two of the credit cards are VISA and MASTER

CARD and the one is the charge card known as Japan Credit Bureau (JCB). Standard Chartered Bank is the subsidiary or secondary agent of the credit cards and a primary agent of JCB.

SCB started its cards operation in 1989 as a part of retail banking. Initially, SCB's card market was very small, with only 30 merchants. But seeing the economies and the consumers' attitude towards the credit card has given the opportunity to expand their market base by acquiring high quality merchants in the chosen segment. The bank is the first to introduce the TAKA CREDIT CARD. The card is issued basically to a person's name and the specific person can use the card in anywhere in Bangladesh.

2.11.6 Custodial and Clearing Service

Head quartered in Singapore, Standard Chartered Equator fulfils the group's strategic commitment to the provision of custodial service in Asia. Equator's customers are primarily foreign global custodians and broker/dealers requiring cross border information as well as sub-custodian services. Standard Chartered Bank, Bangladesh is responsible for the planning in Bangladesh, but the overall management of the custody business is based on Equator's international business strategy.

2.11.7 Supporting Departments

2.11.7.1 Information and Technology Department

This department is instrumental in the running of all the computerized operations of the bank. They help in the implementation and generation of computerized reports. Another major duty of the department is to maintain communication with the rest of the world.

2.11.7.2. Operation

Operation is part of the support division, which helps to run the businesses of the bank in a smooth and controlled manner. Since it helps mainly in processing the works of the business units, any mistakes made can be easily detected and on time.

Following are the main functions of the operations department:

- ✘ Central operations deals with the closing and opening of accounts and other payment and account related processing of the Personal Banking division
- ✘ Treasury operations help to deal with the processing works of the treasury division. Loan Administration Unit (LAU) deals with the processing of the Corporate Banking division.

- ✘ Operations also have a department that deals with internal projects that arises from the need to deal with certain problems or to make certain changes.

2.11.8 Legal and Compliance

In the UK, Standard Chartered Bank is regulated by the Bank of England, while in Bangladesh local banking laws regulate it and rules set by the Ministry of Finance and Bangladesh Bank. It also encourages its staff to conform to an internal culture of ethical behavior and sensitivities to the culture and religion of the country.

Some of the key areas that the Legal & Compliance department has to take care of are: any kind of legal issues, to advise the CEO regarding all matters and the management on legal and regulatory issues, correspond regulatory compliance issues to MESA Regional Head of Compliance, and supervise internal control (e.g. internal audit).

2.11.9 External Affairs

This department deals with advertising, public relations, promotions, partial marketing which involves disseminating new products and services to customers and above all ensuring service quality.

2.12 Financial Highlights of Standard Chartered Bank

Profit and Loss Account

Standard Chartered Bank Bangladesh Branches

Profit and Loss Account for the year ended 31 December 2012

| | Notes | 2012 Taka | 2011 Taka |
|---|---------|-----------------------|-----------------------|
| Interest income | 19.00 | 18,549,124,098 | 14,186,305,628 |
| Interest expense on deposits and borrowings | 20.00 | 7,500,538,781 | 4,955,082,555 |
| Net interest income | | 11,048,585,317 | 9,231,223,073 |
| Income from investments | 21.00 | 1,563,695,973 | 1,382,282,538 |
| Commission, exchange and brokerage | 22.00 | 5,868,658,889 | 5,725,100,761 |
| Other operating income | 23.00 | 4,363,725 | 10,220,376 |
| Total operating income | | 18,485,303,904 | 16,348,826,748 |
| Salaries and allowances | | 2,244,497,218 | 2,111,462,016 |
| Rent, taxes, insurance, lighting, etc. | | 382,382,598 | 354,074,843 |
| Legal expenses | | 9,888,814 | 33,859,161 |
| Postage, stamp, telegram and telephone | | 219,424,205 | 177,676,455 |
| Auditors' fee | | 575,000 | 575,000 |
| Printing, stationery and advertisement | | 237,708,885 | 226,388,426 |
| Chief executive officer's salary | | 15,089,172 | 9,373,366 |
| Repair, maintenance and depreciation | 24.00 | 552,379,177 | 528,558,962 |
| Other expenses | 25.00 | 1,065,341,379 | 1,330,167,113 |
| Total operating expenses | | 4,727,286,446 | 4,772,135,343 |
| Profit before provisions | | 13,758,017,458 | 11,576,691,405 |
| Provisions for loans and advances and off balance sheet exposures | 16.01 | 896,606,065 | 989,576,174 |
| Profit after provision before tax | | 12,861,411,393 | 10,587,115,231 |
| Provisions for tax | | 5,445,483,827 | 4,385,715,770 |
| Current tax expense | | 5,127,766,109 | 4,681,826,275 |
| Deferred tax expense/(income) | 13.03.1 | 317,717,718 | (296,110,505) |
| Profit after tax | | 7,415,927,565 | 6,201,399,461 |

Cash Flow Statement

Standard Chartered Bank Bangladesh Branches

Cash Flow Statement for the year ended 31 December 2012

| | 2012 <u>Taka</u> | 2011 <u>Taka</u> |
|--|------------------------------|------------------------------|
| A) Cash flows from operating activities | | |
| Interest received | 18,077,236,334 | 13,582,559,559 |
| Interest paid | (7,130,280,373) | (4,148,351,589) |
| Commission, exchange and brokerage received | 6,010,322,834 | 5,655,535,510 |
| Cash paid to employees | (2,259,586,390) | (2,120,835,382) |
| Cash paid to suppliers | (1,400,518,111) | (1,664,996,331) |
| Income tax paid | (4,299,111,345) | (3,975,142,748) |
| <i>Operating cash flows before changes in operating assets and liabilities</i> | <u>8,998,062,950</u> | <u>7,328,769,018</u> |
| Changes in operating assets and liabilities: | | |
| Money at call and short notice | - | - |
| Loans and advances to customers | (14,370,893,407) | (19,341,682,465) |
| Other assets | (485,606,256) | 1,415,273,483 |
| Customer deposits | 25,024,479,767 | 28,254,884,086 |
| Borrowing from other banks and financial institutions | 1,271,090,020 | 170,885,038 |
| Other liabilities | (240,745,554) | (4,134,543,051) |
| <i>Net cash provided for operating activities</i> | <u>20,196,387,519</u> | <u>13,693,586,110</u> |
| B) Cash flows from investment activities | | |
| Income from investments | 2,731,838,847 | 1,621,272,279 |
| Investment in treasury bills, etc. | (16,564,268,655) | 1,276,812,775 |
| Proceeds from disposal of fixed assets | 16,572,548 | 42,878,727 |
| Purchase of fixed assets | (227,927,739) | (347,261,893) |
| <i>Net cash received from investing activities</i> | <u>(14,043,784,999)</u> | <u>2,593,701,888</u> |
| C) Cash flows from financing activities | | |
| Profit remitted to Head Office | (4,470,482,892) | (2,725,878,415) |
| <i>Net cash provided for financing activities</i> | <u>(4,470,482,892)</u> | <u>(2,725,878,415)</u> |
| D) Net increase in cash and cash equivalent (A+B+C) | 1,682,119,628 | 13,561,409,583 |
| E) Gain on revaluation of foreign currency deposited with central bank as capital | 147,388,435 | 247,564,121 |
| F) Opening cash and cash equivalents | 39,489,954,438 | 25,680,980,734 |
| G) Closing cash and cash equivalents (D+E+F) (Note - 26.00) | <u>41,319,462,500</u> | <u>39,489,954,438</u> |

Standard Chartered Bank
Bangladesh Branches
Balance Sheet
as at 31 December 2012

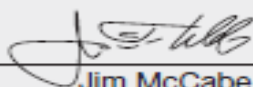
| PROPERTY AND ASSETS | Notes | 2012 Taka | 2011 Taka |
|---|--------------|------------------------|------------------------|
| Cash | 6.00 | 16,580,761,720 | 16,816,416,195 |
| In hand (including foreign currencies) | | 1,968,985,979 | 2,270,253,028 |
| With Bangladesh Bank (including foreign currencies) | | 14,611,775,741 | 14,546,163,167 |
| Balances with other banks and financial institutions | 7.00 | 24,738,700,780 | 22,673,538,242 |
| Inside Bangladesh | | 1,930,822,307 | 1,852,400,386 |
| Outside Bangladesh | | 22,807,878,473 | 20,821,137,856 |
| Money at call and short notice | 8.00 | - | - |
| Investments | 9.00 | 33,494,654,125 | 17,866,555,753 |
| Government securities | | 23,500,707,064 | 14,534,730,888 |
| Reverse repo | | 9,975,947,061 | 3,313,824,865 |
| Shares of Central Depository Bangladesh Limited | | 18,000,000 | 18,000,000 |
| Loans and advances | | 116,651,772,039 | 102,420,921,474 |
| Loans, cash credits, overdrafts, etc. | 10.00 | 98,453,888,629 | 92,114,691,702 |
| Bills discounted and purchased | 11.00 | 18,197,883,410 | 10,306,229,772 |
| Fixed assets including premises, furniture and fixtures | 12.00 | 1,107,408,843 | 1,113,820,869 |
| Other assets | 13.00 | 7,054,425,273 | 6,576,321,892 |
| Non-banking assets | | - | - |
| Total assets | | <u>199,627,722,780</u> | <u>167,467,574,425</u> |
| LIABILITIES AND CAPITAL | | | |
| Borrowing from other banks and financial institutions and agents | 14.00 | 2,644,298,722 | 2,137,380,547 |
| Money Market call borrowings | 14.01 | - | - |
| Term Borrowings | 14.02 | 811,225,062 | 1,123,400,792 |
| Other Deposit | 14.03 | 1,833,073,660 | 1,013,979,755 |
| Deposits and other accounts | 15.00 | 155,567,129,372 | 129,778,477,762 |
| Current and other accounts, etc. | | 34,538,108,206 | 26,164,245,087 |
| Bills payable | | 2,678,161,956 | 3,732,238,276 |
| Savings deposits | | 32,533,434,870 | 28,736,471,998 |
| Term deposits | | 61,261,489,971 | 51,024,023,672 |
| Short term deposits | | 17,117,225,384 | 14,995,823,268 |
| Other deposits | | 7,438,708,984 | 5,125,675,461 |
| Other liabilities | 16.00 | 19,996,419,348 | 17,458,289,366 |
| Total liabilities | | <u>178,207,847,443</u> | <u>149,374,147,673</u> |
| Capital/shareholders' equity | | 21,419,875,337 | 18,093,426,752 |
| Fund deposited with Bangladesh Bank | 5.01 | 2,246,727,963 | 2,296,618,578 |
| Other reserves | 17.00 | 874,597,417 | 443,702,891 |
| Profit and loss account balance | 18.00 | 18,298,549,956 | 15,353,105,283 |
| Total liabilities and capital/shareholders' equity | | <u>199,627,722,780</u> | <u>167,467,574,425</u> |
| OFF BALANCE SHEET ITEMS | | | |
| Contingent liability | 27.00 | 97,004,048,665 | 75,119,252,903 |
| Acceptances and endorsements | | 30,212,465,712 | 24,047,486,519 |
| Letters of guarantee | | 29,108,276,246 | 29,343,932,296 |
| Irrevocable letters of credit | | 28,974,809,872 | 13,834,012,174 |
| Other contingent liabilities | | - | 18,538,261 |
| Bills for collection | | 8,628,783,342 | 7,872,012,294 |
| Other commitments | | 79,713,492 | 3,271,359 |
| Forward contracts | | 79,713,492 | 3,271,359 |
| | | <u>97,004,048,665</u> | <u>75,119,252,903</u> |

Statement of changes in equity

Standard Chartered Bank Bangladesh Branches

Changes in Equity for the year ended 31 December 2012

| | Capital Taka | Other reserves Taka | Profit and loss account Taka | Total Taka |
|--|----------------------|---------------------------|------------------------------------|-----------------------|
| Balance as at 01 January 2011 | 2,049,054,457 | 542,637,992 | 11,877,584,237 | 14,469,276,686 |
| Profit remitted to Head Office | - | - | (2,725,878,415) | (2,725,878,415) |
| Exchange Equalization Reserve Moved to Extra ordinary Gain | - | - | - | - |
| Revaluation of foreign currency held as capital during the year 2011 | 247,564,121 | - | - | 247,564,121 |
| Equity reserve - amortised discount on HTM securities | - | 100,689,187 | - | 100,689,187 |
| Net profit for the year 2011 | - | - | 6,201,399,461 | 6,201,399,461 |
| Revaluation reserve account | - | (199,624,288) | - | (199,624,288) |
| Balance as at 31 December 2011 | 2,296,618,578 | 443,702,891 | 15,353,105,283 | 18,093,426,752 |
| Profit remitted to Head Office | - | - | (4,470,482,892) | (4,470,482,892) |
| Revaluation of foreign currency held as capital during the year 2012 | (49,890,615) | - | - | (49,890,615) |
| Actuarial gain (Note - 13.03.2) | - | 197,279,050 | - | 197,279,050 |
| Equity reserve - amortised discount on HTM securities | - | 258,336,266 | - | 258,336,266 |
| Net profit for the year 2012 | - | - | 7,415,927,565 | 7,415,927,565 |
| Revaluation reserve account | - | (24,720,790) | - | (24,720,790) |
| Balance as at 31 December 2012 | 2,246,727,963 | 874,597,417 | 18,298,549,956 | 21,419,875,337 |




Jim McCabe
Chief Executive Officer, Bangladesh



Imtiaz Ibne Sattar
Chief Financial Officer, Bangladesh

As per our separate report of even date annexed.

Dated, Dhaka
29 April 2013



M. J. ABEDIN & CO
Chartered Accountants

CHAPTER- THREE

CASH

MANAGEMENT

OPERATIONS

Cash Management Operations

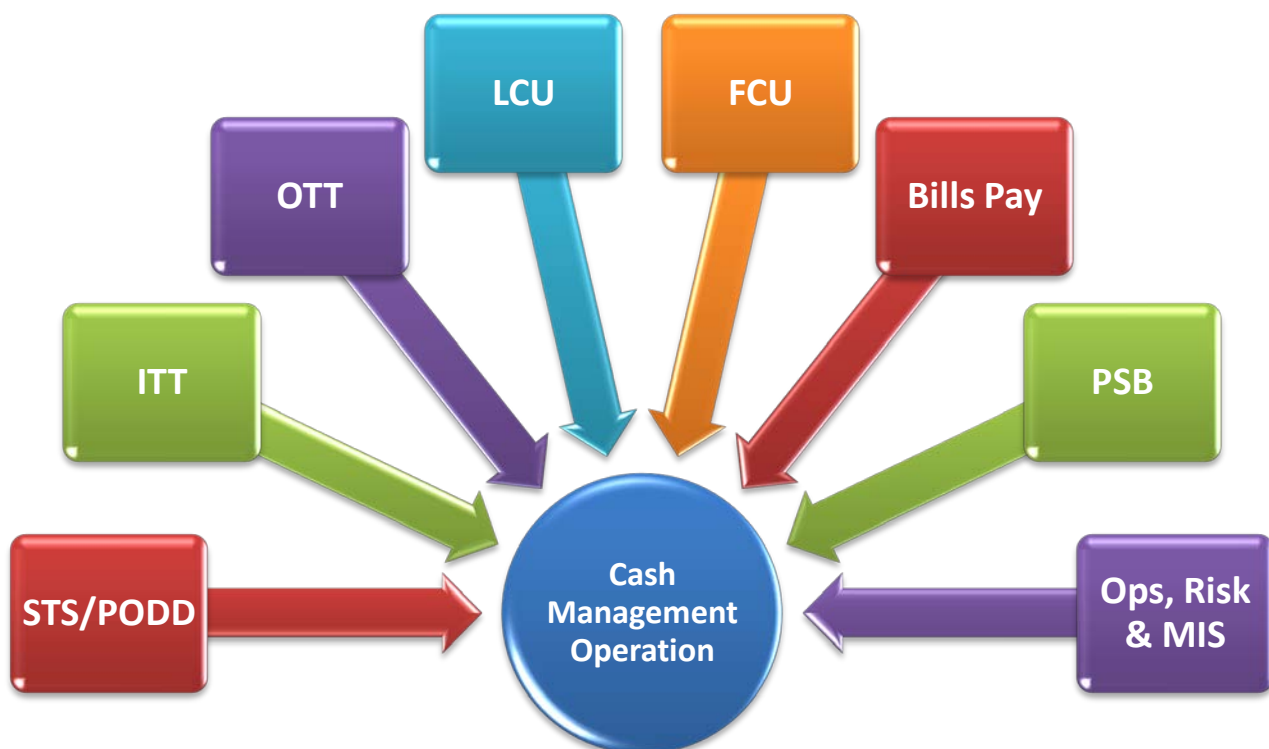
3.1 Introduction

Cash Management services include local and cross border payments, collections, information management and investment services for corporate, Institutions and individual clients. As part of Standard Chartered's global transaction solutions to Corporate, Institutions and individual, they provide Cash Management, Securities Services and Trade Services through their strong market networks in Asia, Africa, the Middle East and Latin America. SCB also provide a connection to these markets for clients from other region of the world.

They are committed to providing with

- ✦ Integrated, superior cross-border and local services
- ✦ Efficient transaction processing
- ✦ Innovative products
- ✦ World-class clearing services

3.2 Cash Management Operations Department



3.2.1 Inward Telegraphic Transfer (ITT)

ITT is a unit under Cash Management Operations department. When the bank receives remittance on behalf of the customer, it is inward remittance / Inward telegraphic transfer. The bank receives the remittance instruction through SWIFT message, and then the following steps are taken by ITT unit:

- Receive ITT instruction via SWIFT in MT103, 202, 101 formats.
- Sort messages
- Generate pre-advice and inform customer about remittance and receive supporting documents from customer for the payments
- Verify details / checking for confirmations
- Payment instruction / encashment to customer's account
- If necessary documents are not been provided or required documents are not updated then items move to UCD (Unclaimed Cover for Drawings) file, and hold the remittance for regulatory requirement.

3.2.2 Outward Telegraphic Transfer (OTT)

OTT unit processes outward remittances where fund is transferred from accounts held with SCB Bangladesh. Though the telegraphic system has been decommissioned for such transfers, the term 'telegraphic transfer' broadly is being used throughout the banking industry. OTT unit works in following steps:

- Receive OTT instruction
- Verify details
- Reject / input OTT transaction
- Check and approve transaction
- Generate and send payment message
- Prepare customer advice.

3.2.3 Local Collection Unit (LCU)

Local Collection Unit collects local cheque of other bank. When local cheques are received by local cheque collection unit then the following steps are followed:

- Receive other bank local cheque
- Verify details

- Reject / input cheque transaction
- Check and approve transaction
- Generate and send payment message

3.2.4 Foreign Collection Unit (FCU)

Foreign Collection Unit also works under cash management operations department. FCU collects foreign cheques, inward cheques and process in the following steps:

- Receive other bank foreign cheque
- Collects inward cheque
- Verify details
- Reject / input cheque transaction
- Check and approve transaction
- Generate and send payment message

3.2.5 Bills Pay

Bills pay, the most convenient way to settle monthly utility bills. Bills pay unit not only provide convenience but also allow flexibility to pay customer bills as and when chosen. Once who sign up for the services, customer will no longer have to go out of his way to pay bills for electricity, mobile phones, internet, etc., every month. Bills pay provides one-stop payment solution where the department will debit customers' account to pay bills.

3.2.6 Premium Service-Banking (PSB)

Premium Service-Banking offers a choice of service improvements which can be tailored to individual business needs. These service enhancements collectively allow managing business finances and cashing resources more effectively and conveniently. PSB unit works in following steps:

- Receive daily fax of routine transaction of ITT, OTT, PODD units
- Entry all the transaction into the system with CMO suite software
- Verify and forward each transaction to the related unit
- When other units clear the transaction / credit amount to the customer the status updated by PSB unit in CMO suite

- PSB unit also allows customer to full range of transaction banking enquiry relating to balances, account statements, cheque payment status and other transactions.

3.2.7 Ops, Risk & MIS

This unit at CMO department maintains and upgrades Database and provides MIS updates on different issues to Management, Branches & different teams on a routine basis. The unit generates and updates different Management Information reports regarding ITT, OTT, STS/PODD customer's information and clarification etc. This unit also verifies operational activities and risk on overall CMO department's activities. Thus this unit plays an important role in maintaining efficiency of SCB Bangladesh.

3.2.8 Straight through Services & Pay-Order/Demand Draft

“Straight through Services” / Pay Order Demand-Draft system to introduced speedy technology for issuing huge volume of pay-order and demand draft of customer instructions. With the system a huge volume of customer instructions can be approved with short time with accuracy.

- Receive pay order/demand draft request
- Verify details
- Accept/reject transaction
- Input transaction
- Print copy then check and sign
- Release copy to customer
- File documents.

3.3 Cash Management Services

The Cash Management service provides total solutions to improve cash flows. Standard Chartered is highly recognized as a leading cash management supplier across the emerging markets. Cash Management Services cover local and cross border payments, collections, information management, account services and liquidity management for corporate, institutional and individual customers.

With Standard Chartered's Cash Management Services, customers always know where their money is. They can take advantage of SCB's outstanding range of payment, collection, liquidity and investment services and receive reports detailing when and where cash has been moving.

3.3.1 Clearing Services

Standard Chartered possesses 150 years of experience in Trade Finance. SCB's broad international customer base, professional insight and knowledge of the risks and rewards of international trade earned the bank a unique position in the industry. The bank offers world-class support across the worldwide buyer chain to minimize overall cost, maximize buyer base, and shorten administrative processes.

To enable customers to capture global opportunities, it has a presence in over 50 countries, in addition to the extensive network of overseas banking partners and correspondents.

Standard Chartered has a wide array of financing tools to ease customer's cash flow burden and help them grow their business.

3.3.2 Receivables Services

It gives financial security to explore new markets overseas or grow your business locally, reducing risk and cost.

3.3.3 Import Services

Instead of paying for imports immediately, SCB is able to offer import financing, to finance a drawing under an Import Letter of Credit or Import Bill for Collection, giving customer's time for the goods to be cleared and resold.

3.3.4 Export Services

Standard Chartered offers the opportunity to obtain pre-shipment and post-shipment financing.

3.4 Cash Management for Corporations

3.4.1. Collection Services

Standard Chartered understands that operating and sustaining a profitable business these days is extremely tough. In an environment of constant changes and uncertainties, most businesses face challenges of costs and efficiency. Key concerns include

✦ Receivables Management

Ensuring receivables are collected in an efficient and timely manner to optimize utilization of funds.

✦ Risk Management

Ensuring effective management of debtors to eliminate risk of returns and losses caused by defaulters and delayed payments.

✦ Inventory Management

Ensures efficient and quick turnaround of inventory to maximize returns.

✦ Cost Management

Reduces interest costs through optimal utilization of funds.

✦ Solution

This Collections Solution, delivered through a standardized international platform, has the flexibility to cater to customers' local needs, thus enabling to meet objectives of reducing costs and increasing efficiency and profitability through better receivables and risk management. The key components of our solution include the following:

- Extensive Clearing Network
- Guaranteed Credit
- Comprehensive MIS
- System Integration
- Outsourcing of Collection

3.4.2. Liquidity Management

With global experience and on-the-ground market knowledge, Standard Chartered will help to define an overall cash management strategy which incorporates a liquidity management solution that best meets customer's needs.

Solutions for efficient management of customers' funds:

- A corporate treasurers' main challenge often revolves round ensuring that the company's cash resources are utilized to its maximum advantage.
- Maximize interest income on surplus balances; minimize interest expense on deficit balances for domestic, regional and global accounts
- Minimize FX conversion for cross-currency cash concentration
- Customize liquidity management solutions for different entities in different countries
- Centralize information management of consolidated account balances

3.4.3. Payment Services

It helps customers save time and money by reducing processing costs while providing a value-added service to suppliers.

Full range of payment capabilities offered by SCB:

| Type of payments | Facilities |
|-----------------------|---|
| Cross-border payments | Telegraphic transfers International bank cheques / drafts |
| Domestic payments | Local bank cheques / drafts / Cashiers order Corporate cheque Direct credits – ACH / GIRO / credit vouchers Local bank transfers (RTGS) Book transfers (account transfer between Standard Chartered branches) |

✦ **Payroll:**



✦ **Payments System Integration:**

Straight2Bank channels caters to different levels of customer payment sophistication, including simple online transaction via Internet, bulk file payment via internet or lease line, and the ability to send industry standard messages directly to the bank. Its in-country specialists are available to help customize a solution that enables customers to manage their working capital in a more efficient manner.

3.5 Cash Management for Financial Institution

✦ **Clearing Services**

With increasing business globalization, customer banking network may not have sufficient reach. They may not want to put in the extra infrastructure or resources to expand their network but still want to ensure their clients' transactions are serviced efficiently. Clearing is one of the important services in which customer bank would need support to facilitate clients' smooth international trade and cross-border transactions.

Solution:

- Standard Chartered Bank's international network and multi-currency capabilities are well placed to provide with a seamless service for all clearing requirements worldwide. SCB's network extends across Africa, the Middle East, South Asia, Latin America, the USA and the UK.

- Over 150 years of on-the-ground experience to tailor a clearing solution that meets by Standard Chartered, is a correspondent banking partner to make this potentially complicated process much easier.
- Standard Chartered offers “Best in Class” technology and processes in clearing services wherever customer are, in whichever country customer do business and in whatever currency.
- With Standard Chartered Bank’s Cash Management services, exact financial position can be determined. So it’s easy to manage company’s complete financial position directly from computer workstation.
- With outstanding range of Payments, Collections, Liquidity and Investment Services and receive comprehensive reports can be determined. With Standard Chartered, everything it takes to manage clients’ cash flow more accurately.

3.6 Cash Management Facilities

- Manage the availability of funds efficiently
- Monitor and control the movement of funds
- Settle payments to suppliers in a timely and cost-effective manner.
- Capture every investment opportunity to increase income

3.7 E-Commerce and E-Banking

E-Commerce provides with a full range of reporting capabilities, and a comprehensive range of transaction initiation options. Whether it is cash or trade related, the user-friendly e-Banking customer workstation will provide with a secure, reliable and effective link between client and his accounts anywhere across the Standard Chartered network with more than 600 offices in more than 70 countries.

E-Banking also incorporates an “events scheduler” which automatically executes tasks. Moreover, e-Banking offers Data Export/Import capability to/from other widely used Windows-based software (e.g. MS Excel, MS Access etc).

CHAPTER-FOUR

ANALYSIS

ANALYSIS

Analysis part is the main part of any report. In this report two types of analysis have been done. This analysis will define the overall condition of **Cash Management Operations** of **Standard Chartered Bank**.

Quantitative Analysis

- Trend Analysis

4.1 Quantitative Analysis

4.1.1 Trend Analysis

Inward Telegraphic Transfer (ITT)

| Year | Amount(In US Dollar) |
|------|----------------------|
| 2008 | 40,427,797.93 |
| 2009 | 43,618,090.39 |
| 2010 | 47,885,853.59 |

Table: 01

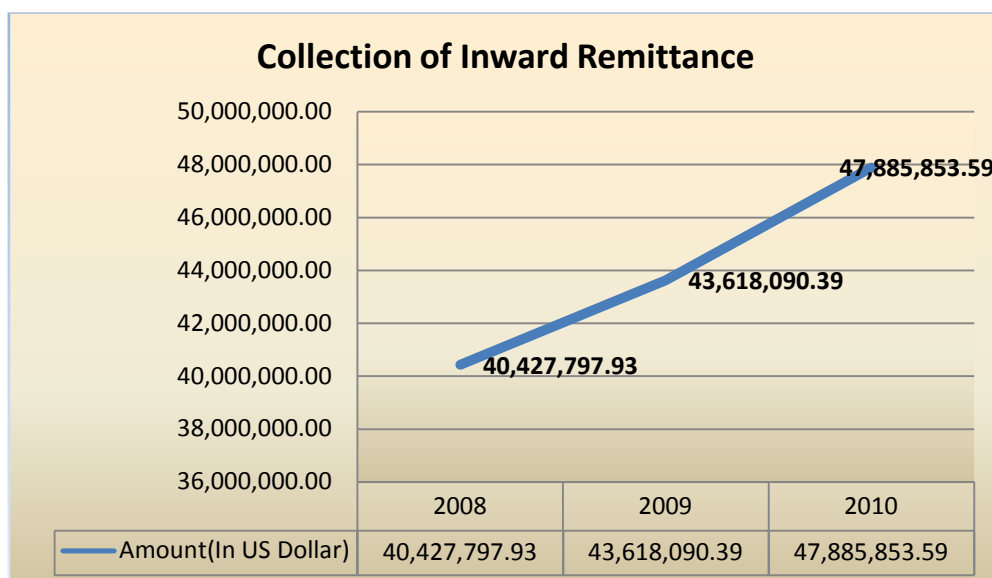


Figure: 01

The above Trend analysis is showing the total amount of remittance received in 2008, 2009 and 2010 in US dollar. Here we can see that, the amounts of inward remittances are gradually increased by year.

| Purpose | Amount (In US Dollar) |
|----------|-----------------------|
| Personal | 860,750.11 |
| Business | 20,505,750.23 |
| NGO | 15,420,150.25 |
| Others | 11,099,203.00 |
| Total | 47,885,853.59 |

Table: 02

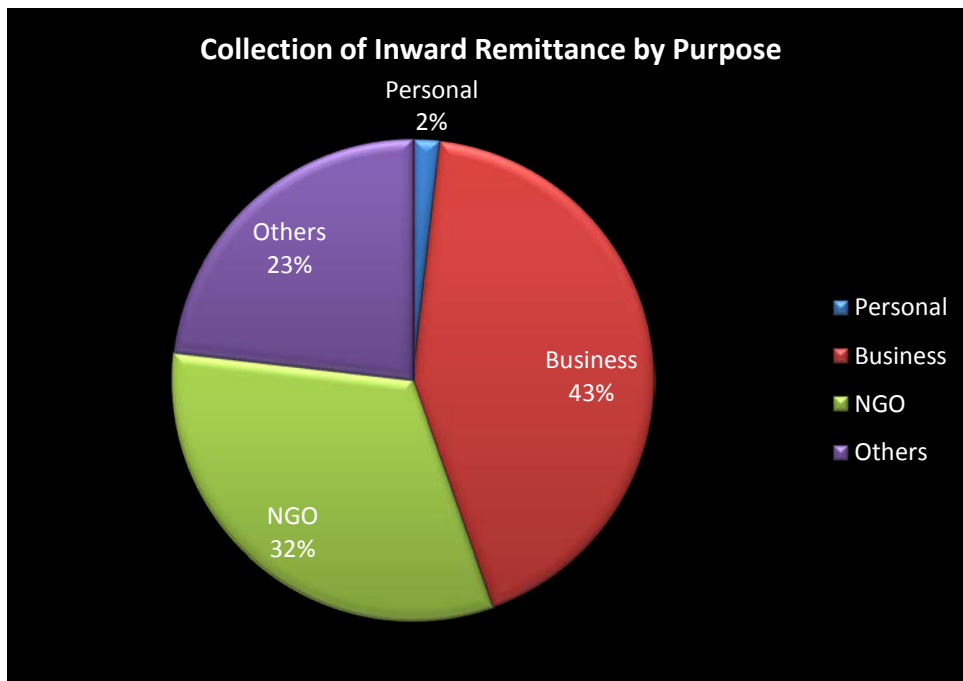


Figure: 02

Here above Pie chart shows the percentage of purposes of inward remittance received on the basis of year 2010. From the business purpose 43% remittances are received which is maximum among others then remittance come from NGO, Other and Personal purposes accordingly.

| | Year | | |
|----------------------|---------------|---------------|---------------|
| | 2008 | 2009 | 2010 |
| Remittance Collected | 40,427,797.93 | 43,618,090.39 | 47,885,853.59 |
| Remittance Disbursed | 32,357,890.70 | 35,608,100.39 | 40,089,357.65 |
| Remittance unsettled | 8,069,907.23 | 8,009,990.00 | 7,796,495.94 |

Table: 03

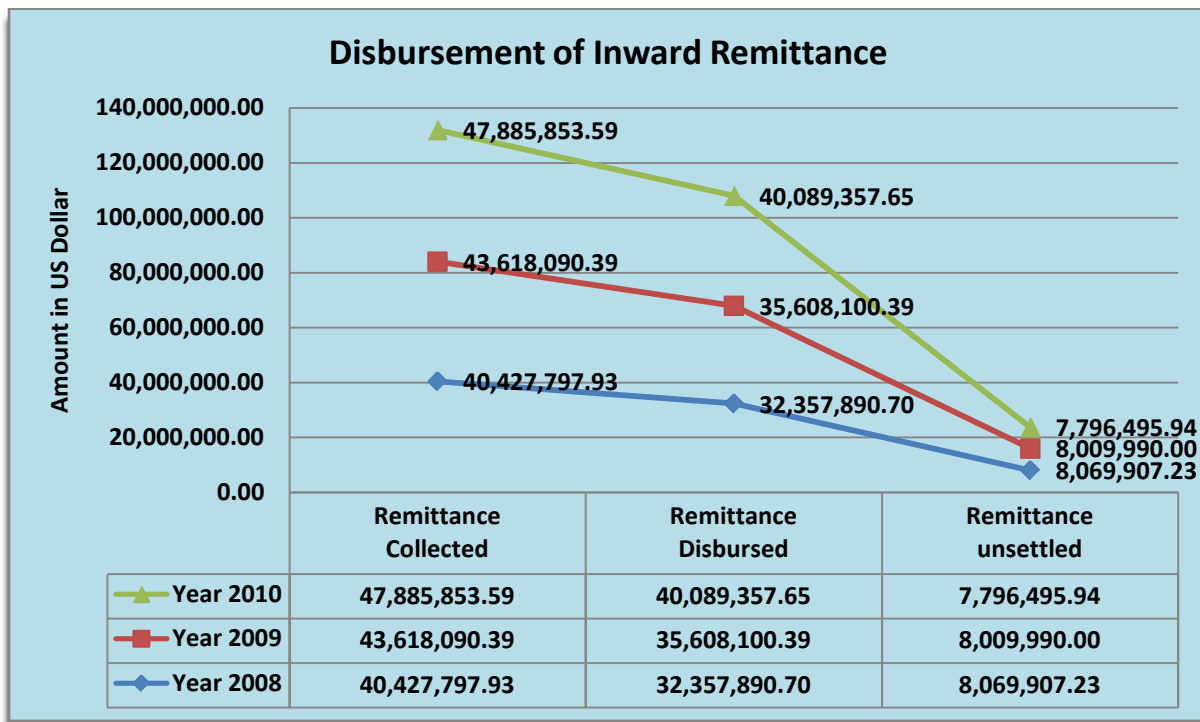


Figure: 03

This trend analysis is showing how much inward remittance SCB collected, disbursed and unsettled in the year 2008-2010.

Outward Telegraphic Transfer (OTT)

| Year | Amount(In US Dollar) |
|------|----------------------|
| 2008 | 35,054,875.78 |
| 2009 | 41,535,977.89 |
| 2010 | 45,655,232.86 |

Table: 04

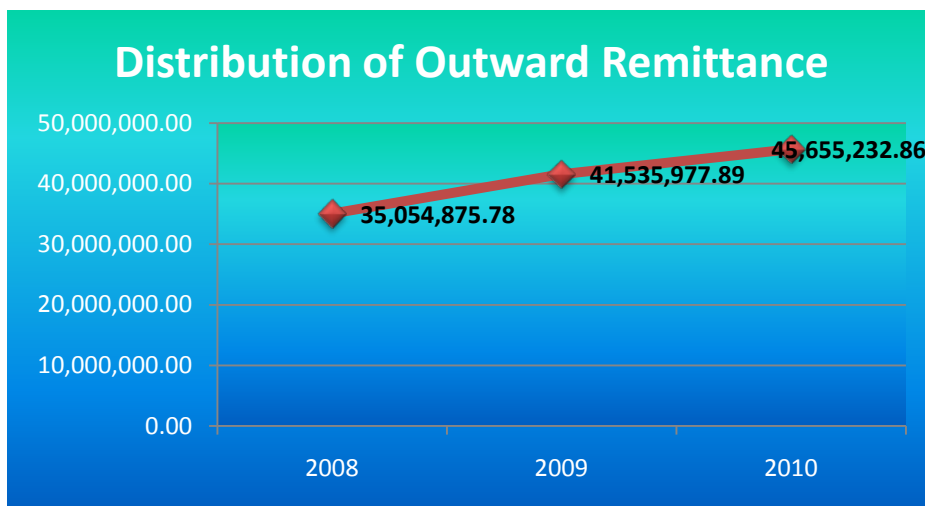


Figure: 04

From the above graph we can easily identify the amount of remittance send to other countries increasing year by year.

| Purpose | Amount (In US Dollar) |
|------------|-----------------------|
| Travelling | 10,860,350.55 |
| Business | 15,027,050.10 |
| Student | 10,567,830.13 |
| Others | 9,200,002.08 |
| Total | 45,655,232.86 |

Table: 05

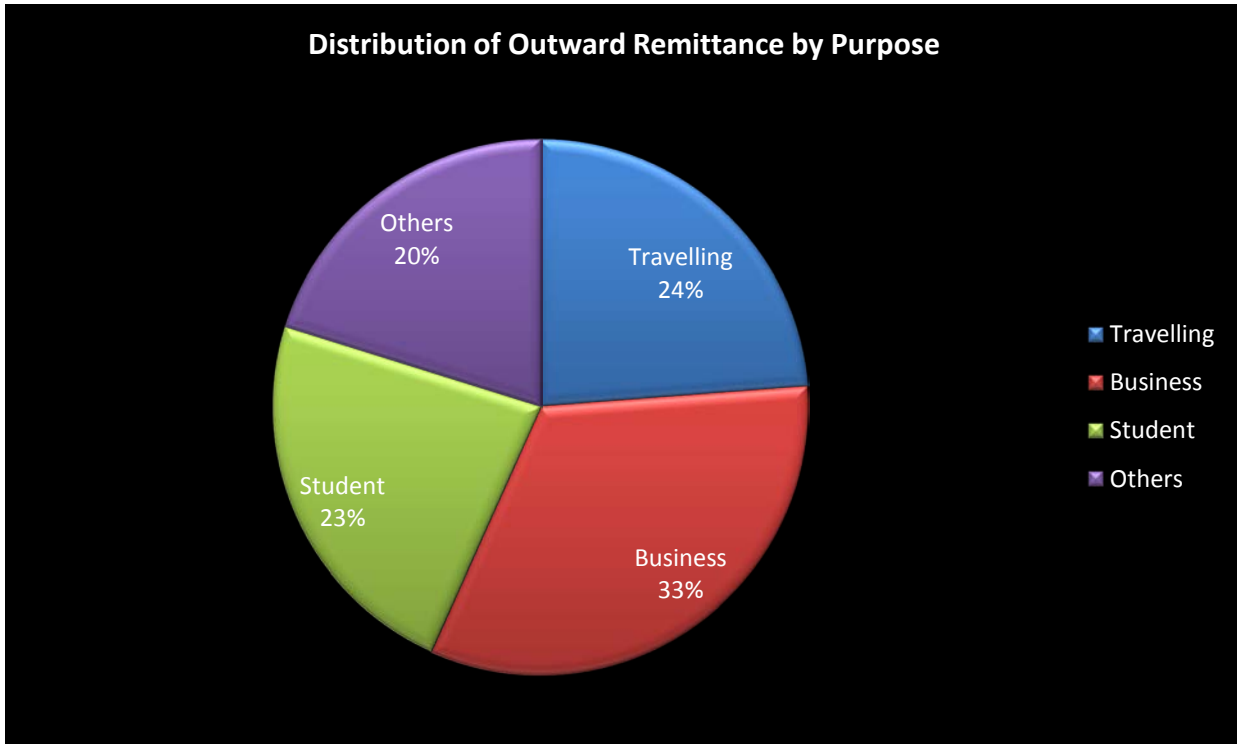


Figure: 05

In the Pie Chart in business purpose around 33%, travelling 24%, for student and other purposes 23% and 20% remittances transferred in year 2010.

CHAPTER-FIVE

Findings

Recommendation

&

Conclusion

Findings, Recommendation & Conclusion

5.0 Findings

From the analysis part I have discovered the following findings:

- ✘ Inward remittance from personal purpose is very low compare to the other purposes of remittance collection. Which indicates that remittances come in personal account/salary account are only 2% according to 2010.(In the figure 02)
- ✘ Disbursements of inward remittances are not satisfactory. Each year handsome amount of remittances are not been settled and goes to UCD files for regulatory confirmation. (In figure 03)
- ✘ Outward remittance distributions by purpose are close in percentage to one another. But outward remittance distribution of other purposes is less then business, travelling, and student. (In figure 05)
- ✘ Their process of transaction is time consuming and critical, for that some time business of customer.
- ✘ They're not as innovative as other Banks such as BRAC Bank and Dutch-Bangla Bank.
- ✘ They are not as seen in our country different media doing promotion.

6.0 Recommendation

Based on the above findings from my experience in the organization I recommend that SCB should consider the followings:

- ✘ SCB has some regulatory restrictions which discourage the individual customers to send remittance from abroad. That is why remittance coming in personal purpose is 2% out of the total. So, SCB should take initiatives to increase it by mitigating the restriction for personal account and encourage the customer by promotional activities.
- ✘ CMO should concentrate more on UCD items time to time. Because every year many customers- Corporate, NGO, individual etc. failed to receive their remittances.
- ✘ Outward remittance send by the purpose of business, travelling, student fees and expenses are satisfactory but they should consider remittances send for other purposes as well.
- ✘ In the distribution of outward remittance CMO department of SCB also need to concentrate to have the edge on competitors.
- ✘ CMO department also have to try to increase interest and lower charge of collection, both local and foreign, to bit its competitors.
- ✘ They need to go for customer with innovation like BRAC Bank and Dutch-Bangla Bank.
- ✘ They need to do promotional activities to make customer more interested to make a relation with SCB.

7.0 Conclusion

Proper financial system of country can contribute towards the development of the country's economy. In our country banks are leading in the financial system. Again private commercial banks, which are much better than state owned bank, are playing significant as well as imperative role in the development of our country.

Certainly with a banking heritages panning more than 150 years, Standard Chartered has an extensive global reach and a strong position in emerging markets, supplemented by strategic alliances and acquisitions. SCB is not only the leading foreign bank but also one of the few banks that have revolutionized the banking service which gives option of modern technology and process with a view to enhancing customers at is faction. Despite stiff competition among banks operating in Bangladesh both foreign and local, Standard Chartered Bank has achieved satisfactory progress in areas of its operations and earned an impressive customer's loyalty over the previous years. Standard Chartered group committed to the emerging markets, where they have a strong and established presence and where they see their future growth. Standard Chartered Bank generates around 90% of its profit from the MESA region where it is committed to the local community by their brand image **"Here for good"**.

Though Standard Chartered Bank has been operating around the globe with a strong brand image and customer satisfaction but it's still need to improve some of its lacking toenrich and maintain a better reputation to become the world's best international bank.

CHAPTER-SIX

REFERENCES

Reference

- www.standardchartered.com
- www.standardchartered.com/bd/en
- http://en.wikipedia.org/wiki/Standard_Chartered
- http://en.wikipedia.org/wiki/Standard_Chartered_Bangladesh

Annexure

✚ Abbreviations:

1. Cash Management Operations (CMO)

2. Unclaimed Cover for Drawings (UCD)

| Year | Amount(In US Dollar) |
|------|----------------------|
| 2008 | 40,427,797.93 |
| 2009 | 43,618,090.39 |
| 2010 | 47,885,853.59 |

| Purpose | Amount (In US Dollar) |
|----------|-----------------------|
| Personal | 860,750.11 |
| Business | 20,505,750.23 |
| NGO | 15,420,150.25 |
| Others | 11,099,203.00 |
| Total | 47,885,853.59 |

| | Year | | |
|----------------------|---------------|---------------|---------------|
| | 2008 | 2009 | 2010 |
| Remittance Collected | 40,427,797.93 | 43,618,090.39 | 47,885,853.59 |
| Remittance Disbursed | 32,357,890.70 | 35,608,100.39 | 40,089,357.65 |
| Remittance unsettled | 8,069,907.23 | 8,009,990.00 | 7,796,495.94 |

| Year | Amount(In US Dollar) |
|------|----------------------|
| 2008 | 35,054,875.78 |
| 2009 | 41,535,977.89 |
| 2010 | 45,655,232.86 |

| Purpose | Amount (In US Dollar) |
|------------|-----------------------|
| Travelling | 10,860,350.55 |
| Business | 15,027,050.10 |
| Student | 10,567,830.13 |
| Others | 9,200,002.08 |
| Total | 45,655,232.86 |

| | 2008 | 2009 | 2010 |
|-----|---------------|---------------|---------------|
| SCB | 40,427,797.93 | 43,618,090.39 | 47,885,853.59 |

| | 2008 | 2009 | 2010 |
|-----|---------------|---------------|---------------|
| SCB | 35,054,875.78 | 41,535,977.89 | 45,655,232.86 |

| | 2008 | 2009 | 2010 |
|-----|---------|---------|---------|
| SCB | 155,204 | 180,870 | 224,595 |

| | 2008 | 2009 | 2010 |
|-----|---------|---------|---------|
| SCB | 172,060 | 197,655 | 233,887 |