



# **BRAC UNIVERSITY**

## **Internship Report on**

**“A Study on the customer satisfaction level of EXIM Bank Limited”**

An Internship Report Presented to the Faculty of Business Administration in  
Partial Fulfillment of the Requirements for the Degree of  
Bachelor of Business Administration

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**EXIM**

**BANK**

June 26, 2014

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Senior Lecturer, BRAC Business School

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**Subject: Submission of Internship Report**

Dear Sir,

It is a great pleasure and honor for me to submit my internship report on "**A Study on the customer satisfaction level of EXIM Bank Limited**" which my supervisor **Ishrat Sharmin** and you have assigned me. I am submitting this report as a part of my internship in EXIM Bank Limited. All the information of this report will help the organization to find out the factors of customer satisfaction level.

In making this report a worthy one, I have tried my best to gather all relevant information by which I could gain access to. I hope that it will meet my expected standard. Especially the given lecture on Writing Formal report of my supervisor **Ishrat Sharmin**, made me a lot comfortable and made the hard work easier for me. After analyzing the topic I am submitting this report for any kind consideration and thanking you for any constant assistance and guidance. I will be available for any classification of this report, whenever necessary.

Thanking You,

Yours Sincerely,

Sadmee Anjum

ID: 09304103

Major: Marketing

BRAC Business School

## **ACKNOWLEDGEMENT**

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

I would like to acknowledge my heartiest gratitude to the Honorable Faculty Md. Tamzidul Islam, Senior Lecturer, BRAC Business School, BRAC University, who has given me the full support and suggestions for preparing the report successfully, which has become an excellent way of understanding the topic of my Internship.

I am grateful to all the Executives of EXIM Bank Ltd. (Dhanmondi Branch) who extended their wholehearted cooperation during my Internship period. I would like to extend my gratitude to the Manager; Senior Principal Officer; Executive Officer, General Banking In charge; Clearing Officer; Officers of General Banking; Foreign Exchange Officers, Investment division Officers.

- Tahseen Iqbal Suzan, Assistant Vice President & Relationship Manager, EXIM Bank Ltd.
- Mohammad Sarawor Hossain, First Assistant Vice President & Operation Manager EXIM Bank Ltd.
- AfsanaParvin, Senio Principle Officer, EXIM Bank Ltd.
- IshratSharmin, Executive Officer, Foreign RemittanceDepartment (Supervisor), EXIM Bank Ltd.

I would like to thank all the officials of EXIM BANK who have given me the chance to be familiar with the real organizational environment, and practically experiencing the procedure practiced at EXIM Bank Ltd.

I thank you all from the core of my heart.

## **EXECUTIVE SUMMARY**

Banking sector is now one of the booming sectors of Bangladesh. Currently this sector is becoming extremely competitive with the arrival of multinational banks as well as emerging and technological infrastructure, effective credit management, higher performance level and utmost customer satisfaction. This competition is elevated after the entrance of the private commercial banks in Bangladesh. For this reason, this sector is flourishing very rapidly. Among these banks, EXIM Bank is one the most reputed and fast growing private bank in Bangladesh. Though the journey of this bank is not so long as other privatized banks but within this short time they are able to achieve their expected goal through their dedicated service, professionalism and effective strategies. This bank started its operation in Bangladesh on 3<sup>rd</sup> August, 1999 as a scheduled commercial bank but in 2004 it migrated into Shariah based Islamic Bank by identifying the stiff growth of the Islamic banking system in this Muslim country Bangladesh. This report illustrates a comprehensive scenario of customer satisfaction level of EXIM Bank. For preparing this report, I have scrutinized both primary and secondary data to make it successful. Mainly, this paper is emphasized on the core banking operations of EXIM Bank including the General Banking system, Foreign Exchange and Investments & Advances. As a part of my Internship I have worked with all of the departments of the EXIM Bank of Dhanmondi branch. I divided this paper into two major parts. At the initial stage I tried to portray the bank's overall picture. In the next stage I tried to explain the general banking activities, products & services at the bank and the customer satisfaction level of EXIM Bank. I also attached here the necessary instructions and suggestions given by the Executives of this bank to clarify the actions and activities of the related subject matter. Mainly I have made this report based on my working experience at Dhanmndi branch. From the observation of this Internship, I found out some critical issues and problems about EXIM Bank and tried to give some possible recommendations regarding the topic and I expect that it will be helpful for the bank as well.

## APPENDIX

### Survey Questionnaire

*Dear Respondents,*

*I am doing the course **Internship** as a part of my BBA program. As requirement of the course I need to conduct a survey of marketing research on **Customer Satisfaction level of EXIM Bank Limited** and for this regard I need your help. I ensure you that all the data given by you will be held confidential and won't be used other than academic purpose. I wish your cooperation to conduct the survey by rendering your unbiased opinion and thus helping me to survey my academic purpose.*

#### **Related information**

1. Which bank comes first in your mind when you think about Personal loan?

- a) HSBC                      b) SCB                      c) EBL                      d) EXIM                      e) Other.....

2. Which one is prior concern to you while choosing the bank of Personal Loan?

- a) Availability              b) EMI                      c) Processing Loan      d) Loan tenor e) DBR

3. Are you satisfied with the approval loan amount?

- a) Highly satisfied      b) Satisfied              c) neutral                  d) Dissatisfied      e) Highly dissatisfied

4. Are you satisfied with the EMI set by RFC?

- a) Highly satisfied      b) Satisfied              c) neutral                  d) Dissatisfied e) Highly dissatisfied

5. How easy it was to obtain the loan?

- a) Very easy                  b) Easy                      c) Neutral                  d) Difficult                  e) Very difficult

6. How many times have you experienced difficulties during the processing period?

- a) Never                      b) Once                      c) Twice                      d) Thrice                      e) More than Three Times

7. Are you satisfied with the ATM booth service of EXIM bank limited?

- a) Satisfied    b) Highly Satisfied    c) Neutral    d) Dissatisfied    e) Highly dissatisfied

8. How efficiently the RM or sales person handled your case?

- a) Very efficiently    b) Efficiently    c) Neutral    d) Less efficiently    e) Inefficiently

09. Are you satisfied with the processing time taken in case of your loan?

- a) Highly satisfied    b) Satisfied    c) Neutral    d) Dissatisfied    e) highly Dissatisfied

10. How quickly do you want the loan?

- a) Within 1 week    b) Within 2 week    c) Within 1 month    d) Within 2 month    e) Doesn't matter

11. According to your background, you should get more money as a retail loan

- a) Strongly agree    b) Agree    c) Neutral    d) Disagree    e) Strongly disagree

12. In which area(s) do you want that they should take care of?

- a) Interest rate    b) loan tenor    c) Required documents    d) Loan processing time    e) Processing Fee

13. Would you suggest EXIM bank limited to others for Personal loan?

- a) Highly Recommended    b) Recommended    c) Neutral    d) Prohibit    e) Negative word





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## **Introduction**

In our country service sector is now one of the most promising sector. This sector is now contributing more than 49 percent to the Gross Domestic Product (GDP). In this service sector financial organizations and institutions like insurance, finance company, banks play a vital role in our economy. In our country different types of banks are seen like Central bank, State- owned Commercial bank, Private Commercial bank or Merchant bank, Foreign Commercial bank, Specialized Development bank etc. But when we use the term bank it generally means “commercial bank” that collects the deposit from surplus unit of the society and then lends the deposits to the deficit units of the society. But the new thing is that how it operates and presenting its activities for the purpose of serving customer requirements to increase their well-being in the sense of wealth. EXIM Bank is one of the Private Commercial Bank. Since their inception EXIM Bank Ltd worked very hard to improve the service quality as well as enhance their product and service to satisfy their customers. They also emphasize on their service marketing mix to control over the market. In this competitive market the banks must have to provide some distinctive offers to the clients to attract them and make a difference among the other banks. Their main differences are seen in the Eight P's that means Product, Price, Place, Promotion, People, Process, Physical Evidence and Productivity and quality. EXIM Bank provides expected service to their clients according to their requirements and demands. Mainly they emphasize on their service marketing to get the better output from the clients. This bank also comes up with Shariah based Islamic Banking system to provide their services only for a specific religious people those are their target clients. The core banking system of EXIM Bank is also designed based on their target market. In this report I will try to reveal the satisfaction level of customer of the EXIM Bank. There are some approaches and expressions of a marketing idea developed with the hope that it will be effective in conveying the ideas to the diverse population of people who receive it. There are some unique features of this bank that enhance their service

these are First private sector bank to open exchange house in UK, Implementation of the world renowned Core Banking Software (TEMENOS T24), Conversion from Conventional Banking to Shariah Based Islami Banking. These addition features and effective blue print of service marketing mix makes this exceptional than other banks in Bangladesh.

## **History**

Export Import Bank of Bangladesh Limited was established in the year 1999 under the leadership of Late Mr. Shahjahan Kabir, Founder Chairman who had a long dream of floating a commercial bank which would contribute to the socio-economic development of our country. He had a long experience as a good banker. A group of highly qualified and successful entrepreneurs joined their hands with the founder chairman to materialize his dream. Indeed, all of them proved themselves in their respective business as most successful star with their endeavor, intelligence, hardworking and talent entrepreneurship. Among them, Mr. Nazrul Islam Mazumder who is an illuminated business tycoon in the Garments business in Bangladesh became the Honorable Chairman after the demise of the honorable founder chairman. He is also the chairman of Bangladesh Association of Banks (BAB).

This Bank started functioning from 3rd August, 1999 with its name as Bengal Export Import Bank Limited. On 16th November 1999, it was renamed as Export Import Bank of Bangladesh Limited with Mr. Alamgir Kabir as the Founder Advisor and Mr. Mohammad Lakiotullah as the Founder Managing Director respectively. Both of them have long experience in the financial sector of our country. By their pragmatic decision and management directives in the operational activities, this bank has earned a secured and distinctive position in the banking industry in terms of performance, growth, and excellent management. Under the leadership of Mr. Lakiotullah, the Bank has migrated all of its conventional banking operation into Shariah Based

Islami Banking in the year July 2004.

Mr. Mohammed Lokiotullah left the Bank on 3rd June, 2007, there after Mr. Kazi Masihur Rahman became Managing Director on 4th June, 2007. Mr. Rahman served in the bank for next five years. Under his leadership, the bank has been placed on a state of the art centralized IT platform with two modern data centers where world renowned core banking software TEMENOS T24 is running along with some alternate delivery channels like ATMs and SMS banking.

On 25th August, 2011, Mr. Md. Fariduddin Ahmed has joined in the bank as Managing Director. With his long experience in the Shariah Based Islami banking in Bangladesh, EXIM Bank is going to take a new shape where IT-enable banking service will spread in the market.

## **Vision**

The gist of our vision is ‘Together towards Tomorrow’. Export Import Bank of Bangladesh Limited believes in togetherness with its customers, in its march on the road to growth and progress with service. To achieve the desired goal, there will be pursuit of excellence at all stages with climate of continuous improvement, because, in Exim Bank, we believe, the line of excellence is never ending. Bank’s strategic plans and networking will strengthen is competitive edge over others in rapidly changing competitive environment. Its personalized quality services to the customers with trend of constant improvement will be the cornerstone to achieve our operational success.

## **Mission**

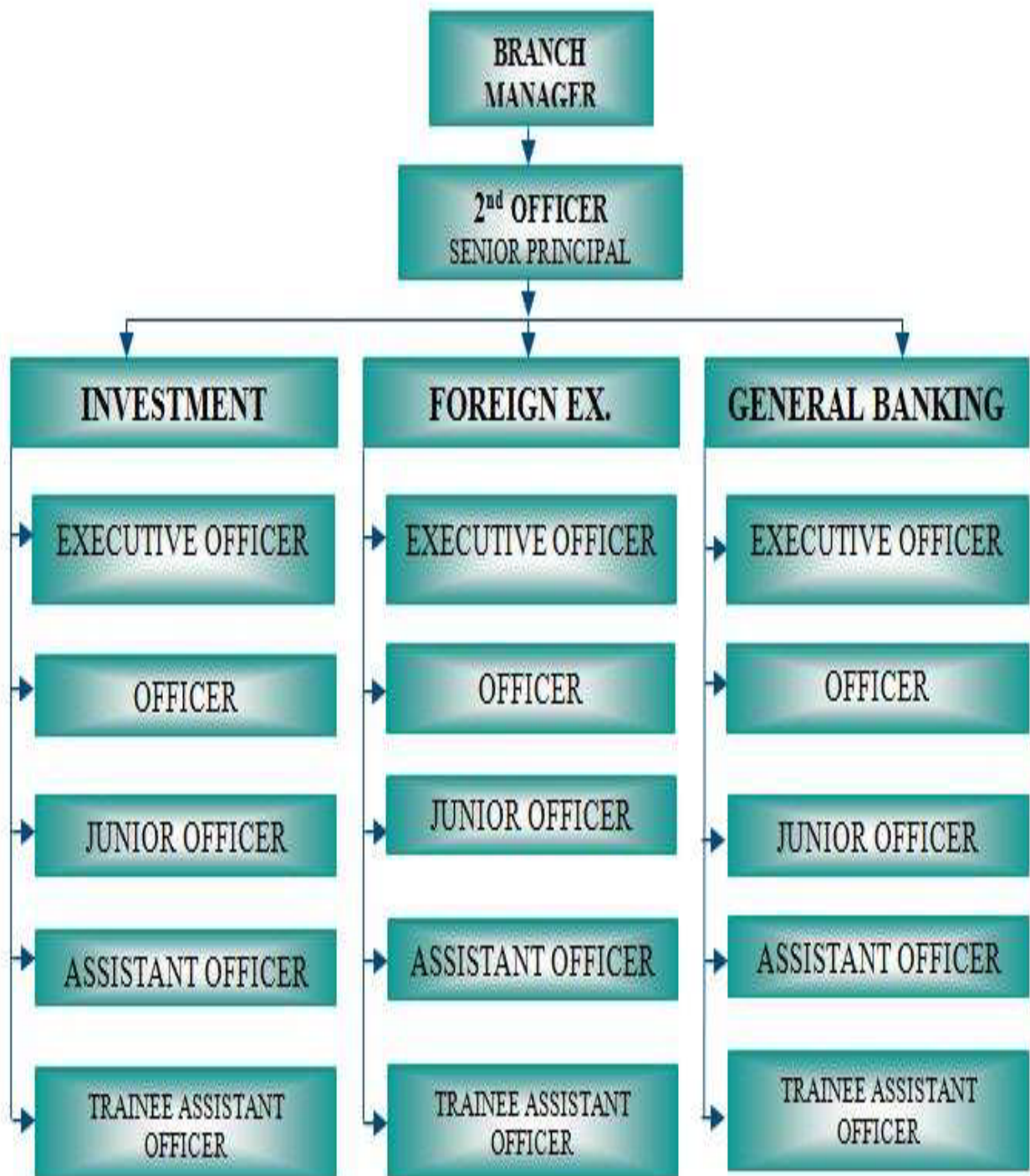
The Bank's mission gives emphasis to:

- Provide quality financial services especially in Foreign Trade
- Continue a contemporary technology based professional banking environment
- Maintain corporate & business ethics and transparency at all levels
- Sound Capital Base
- Ensure sustainable growth and establish full value to the honorable stakeholders
- Fulfill its social commitments and
- Above all, to add positive contribution to the national economy

## **Corporate Culture**

During the last two decades Corporate Culture has become an important theme in business as an intangible concept which clearly plays a meaningful role in corporations, affecting employees and organizational operations. It is not the only determinant of business success or failure, a positive culture can be a significant competitive advantage over organizations with which a firm competes. We, as an amenable bank, believe if the employees identify with the culture, the work environment tends to be more enjoyable, which boosts morale and leads to increased levels of teamwork, sharing of information, and openness to new ideas.

## **OPERATIONAL NETWORK**



## **RATIONALE OF THE STUDY**

This study is very effective to know the background of the service marketing practices of the EXIM Bank Limited and also the customer satisfaction level. It will also help to evaluate the present scenario of their Product, price, place, promotion, people, physical evidence and process. I have read out the previous articles and reports. From this I come to know that most of the articles and reports related to the EXIM Bank and other institutions based on the financial background and financial analysis. I didn't find any articles related to this topic. So that I choose this topic to reveal the strategies of the service marketing practices and customer satisfaction level of EXIM Bank Limited. From this study I can get a clear overview about the Islamic Shariah based Banking System of EXIM bank, the core banking operations and functions, gather knowledge about their products & services, the service marketing of the EXIM Bank Ltd. This paper will be helpful to understand how a conventional bank changes their strategies to Islami bank to fulfill their market demand in the Muslim state. It will give us a comprehensive scenario about the service marketing mix of the banking system of EXIM Bank as well as Banking system of Bangladeshi Banks.

Internship is an amazing opportunity to develop my teamwork and communications skills. This also helps me to understand myself and learn more about my strengths and weaknesses. I will also see how people value the work I have done. Finally, an internship in a bank is the best opportunity to discover the place/job is the best suited for and my efforts could even be rewarded with a full-time job offer. I think it is the most exciting and challenging way of starting my career.

## **SCOPE AND DELIMITATIONS OF THE STUDY**

### **Scope of the Study**



To prepare this report, I had a great opportunity to have real life knowledge about how to evaluate the performance of a bank. In this report I want to incorporate the customer satisfaction level of EXIM Bank Ltd. I have already studied the previous documents and reports. From these I came to know that most of the study is based on their financial capacity. But this study is totally different than the previous studies. It is based on their customer satisfaction level. I have collected most of the information through extensive discussion with executives and clients and other internal reports and sources. Another scope is to know about the rules, regulations, and overall banking environment of EXIM bank. I also incorporated here some limitations, findings and recommendations. I expect that it will be helpful to strengthen their business in the upcoming future in Bangladesh.

### **Delimitations of the Study**

- Lack of sufficient data found in website for some accounts.
- Busy work schedule of the officers leading to less consultation with them.
- In some cases updated published information was not available.
- Major constraint being that every organization has their own secrecy that is not revealing to others while collecting data; they did not disclose such information which they deem hampers their organizational confidentiality.

## **OBJECTIVES OF THE REPORT**

### **Broad Objective**

The broad objective of this study is to analyze the customer satisfaction level and practices of EXIM Bank Ltd.

### **Specific Objectives**

- To identify customer expectation and perception
- To determine the customer satisfaction level of EXIM bank limited.
- To determine the Service Marketing Practices of EXIM Bank Ltd.

### **METHODOLOGY**

Relevant data for this report has been collected primarily by observation of different records, Documents, operational process and personnel. Information regarding office activities of the Bank has been collected through consulting and discussion with the Executives of the Banks.

#### **Primary Data Collection**

- Interviewing with the bank officials of EXIM Bank Ltd, Dhanmondi Branch.
- Official records and observing practical work.
- Face to face conversation with the customers by random selection of 30 people
- Direct observation.

#### **Secondary Data Collection**

- Questionnaire
- Total 13 question
- Annual Report of EXIM Bank.
- Website of EXIM Bank Ltd

**Type of study**

It is a descriptive research

**Source of data**

Both primary and secondary data

**Population**

All employees and customers of the Dhanmondil Branch

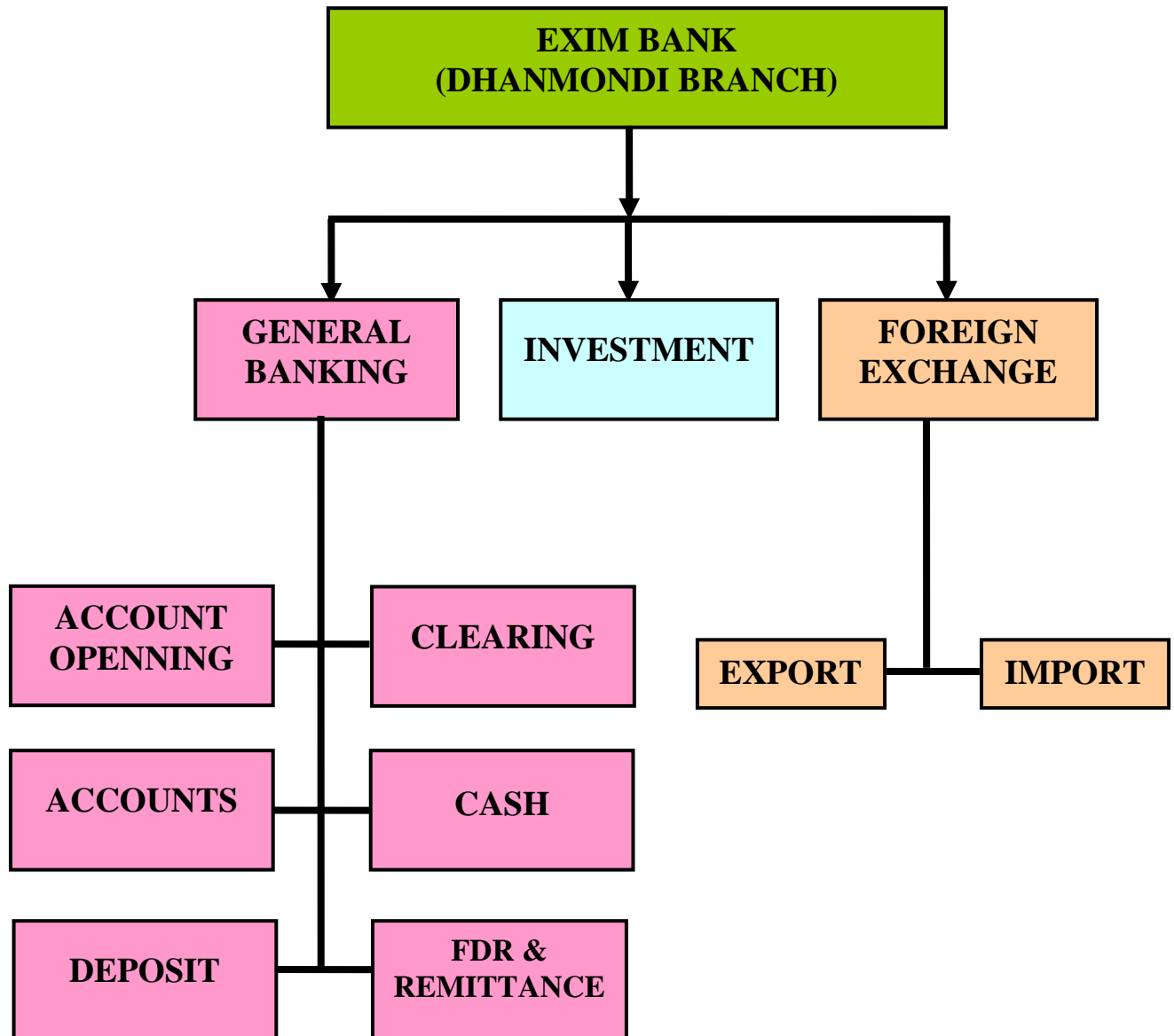
**Method**

I analyzed the results by tabulation of data and trend analysis.

**OVERALL IDEA ABOUT ISLAMIC SHARIA BASED BANKING SYSTEM**

To ensure that Standard Banking products comply with the principles of Shariah, EXIM Bank consult an independent committee comprising eleven most renowned Shariah Scholars and economist. This bank develops all the Islamic banking products with guidance from these eleven independent experts, securing their approval before they offer the products to the customers. EXIM Bank started its banking operation as a conventional Bank since August 03, 1999. To suit the demand of time as well as to reach the Islami Banking Business to a large community, EXIM Bank the first pioneer in the country converted its mode of operation and started its pace as full-fledged Islami Bank since July, 2004. To ensure the proper implementation of Islami Banking Principles in its operation, the bank framed a strong Shariah Supervisory Committee consists of following 11 (eleven) learned & elite Mufti, well reputed Economists and Bankers of

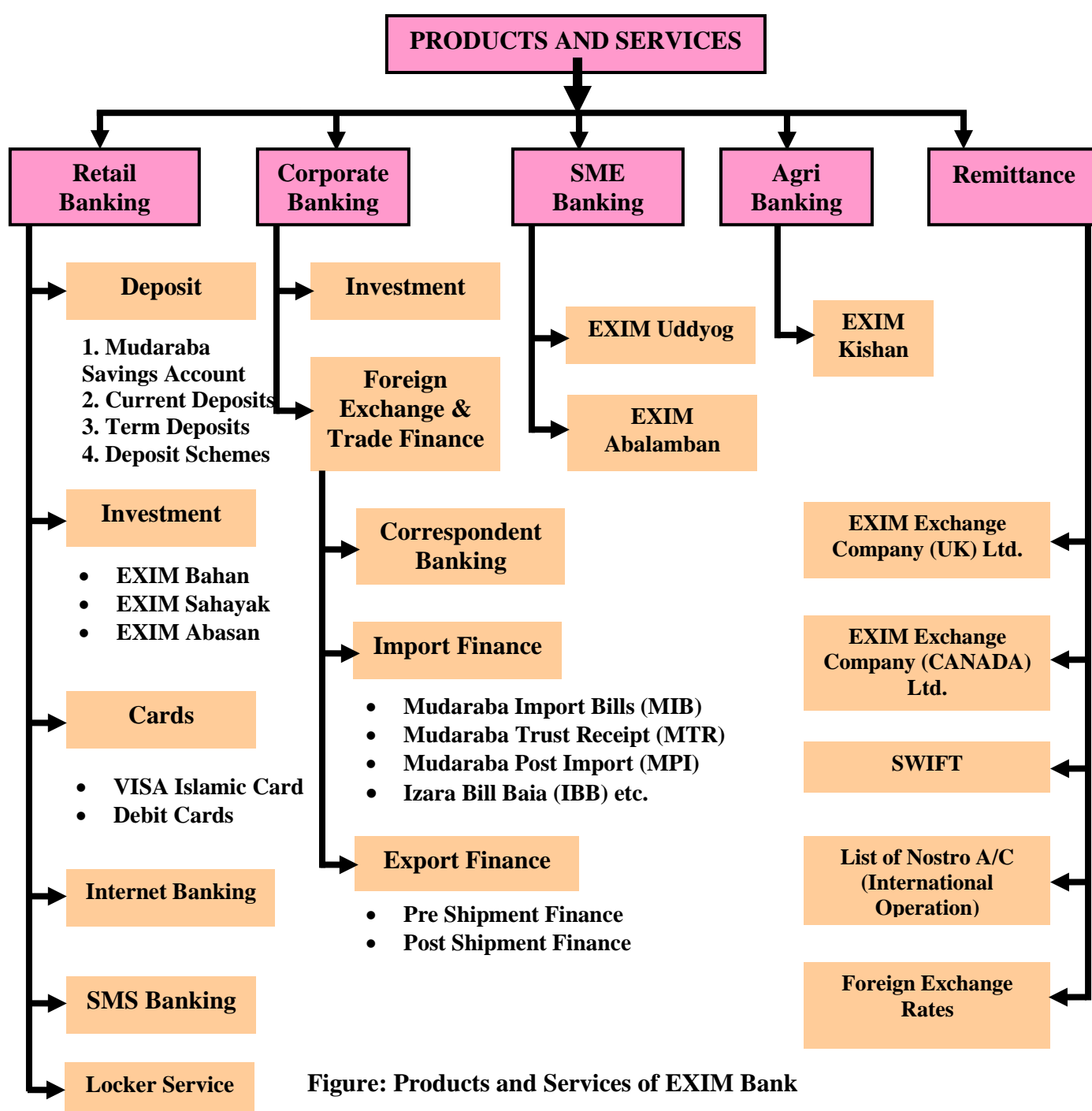
the country. Moreover, 3 Muraqibs are employed to supervise & monitor the day to day operation of the bank as well as provide necessary guidelines in order to ensure full compliance of shariah Principles which created a distinguished difference from the conventional banks and secured a strong position in Banking Arena.

**CLEAR IDEA ABOUT BANKING OPERATIONS AND FUNCTIONS**

**Figure: Structure of the Organization**

## PRODUCTS AND SERVICES OF EXIM BANK

EXIM Bank understands that wealth means different things to different people. That's why EXIM Bank offers innovative banking products, investment solutions and foreign exchange services to help you manage the client's money. These categories are designed based on the customers demand and requirement. Mainly EXIM Bank offers five types of product and service. These are retail banking, Corporate Banking, SME Banking, Agri banking and Remittance. The sub categories of these schemes are given below in the following figure.



## ❖ RETAIL BANKING OF EXIM BANK

Retail banking is banking in which banking institutions execute transactions directly with consumers, rather than corporations or other banks. Services offered include: savings and transactional accounts, mortgages, personal loans, debit cards, credit cards, and so forth.

- I. Deposit
- II. Investments
- III. Cards
- IV. Internet Banking
- V. SMS Banking
- VI. Locker Services

### I) DEPOSIT

A deposit account is a current account, savings account, or other type of bank account, at a banking institution that allows money to be deposited and withdrawn by the account holder. These transactions are recorded on the bank's books, and the resulting balance is recorded as a Liability for the bank, and represents the amount owed by the bank to the customer. Some banks charge a fee for this service, while others may pay the customer interest or profit on the funds deposited. EXIM Bank pays their customer profit on the deposited fund.

1. Mudaraba Savings Account
2. Current Deposits
3. Term Deposits
4. Deposit Schemes
5. Deposit Rates

## **II) INVESTMENT MODES OF EXIM BANK**

As a 3rd generation leading commercial bank operating under Islamic Shariah, EXIM bank provides/deals in a variety of banking services including wide range of deposit and investment products, foreign exchange, remittance and other ancillary services with the support of most sophisticated/modern IT and professional management. The bank has given utmost importance/efforts to park and maintain quality assets and is committed to retain good customers through congenial customer relationship management and financial counseling considering the customers as a real business partners. The main investment businesses are focused on the following sectors/areas:

- Ready Made Garments
- Hospitals & Clinics
- IT Related business
- Agricultural and Agricultural developments items
- Telecommunication
- Transportation and communication
- Forestry and furniture
- Construction business and housing development
- Leather and leather goods
- Plastic and other synthetics
- Entertainment
- Hotel & tourism
- Warehouse and container services
- Printing and packaging
- Pathological Laboratories



- Horticulture- Flower growing and marketing
- Food and oil processing plants
- Other admissible trading and intermediaries

### **EXIM BAHAN**

It is mainly an investment Scheme facilitating to purchase Car/vehicle - a new/reconditioned car/jeep for own/business use. The Investment Limit is maximum limit Tk. 20.00 lac (Investment equity ratio minimum 50:50). The Tenure of investment is maximum 5 years.

### **EXIM SAHAYAK**

It is mainly an Investment product for procuring Household Durables. Necessity and comfort are constantly changes with the change of time and life style which also basic indicator of the quality of life. A stitch in time saves nine. Luxurious/comfortable articles/appliances of yesterday may be treated /converted as essentials/necessities of today. Necessity of many things does not wait for capacity.

EXIM Bank provides a suitable solution of above and make breeze between necessity and capacity to acquire the household durables. The Investment Limit of EXIM Shahayak is maximum limit Tk. 3,00,000.00 & the duration of the Investment is maximum 3 years. To purchase/procure following eligible items: Interior decoration, Personal Computer , Photocopier I Fax Machine, Small PABX System, Television, Mobile Phone Set, Refrigerator, Air cooler, Audio-Video Equipment, Other Home Electric Appliance, Generator/IPS/Solar Power/Power Tiller/Water pump/ Motor-cycle/ Auto-Rickshaw/Rickshaw Van/Boat/Engine Boat etc or any Other Household Durables.

## **EXIM ABASAN**

It is a product for Home Investment. At EXIM Bank we offer an easy-to-avail Home Investment with convenient repayment facility and maximum limit on investment amount. From the scheme the customer will get necessary help to materialize long cherished dream, to enable him/them proud owner of a flat/dwelling house in a modern developed urban area. The main Purpose of Investment Product:

- Purchase apartment/House (not older than 8 years)
- Completion of finishing/construction work of house
- Renovation of existing house

## **III) CARDS OF EXIM BANK**

### **VISA ISLAMIC CARD**

EXIM Bank offers VISA card for their customers to make easier their banking system. The name of this card is VISA Islamic Card. They also offer some exclusive features with this card to make the easier banking operation. By the grace of Almighty Allah, EXIM Bank Ltd has started commercial operation of fully Shariah based VISA Islamic Card (Local, International & Dual Currency) under the principle of Bai-Murabaha. This is the first Islamic electronic product for any Islamic bank in Bangladesh.

The Salient Features of the card are

- First Shariah Based Islamic Card by any Islami Bank in Bangladesh.
- Simple Profit Rate
- No Hidden Charge
- Dual Currency Facility in One Card

- Free Supplementary Card
- 24 Hours Customer Service
- Auto Debit Payment Facility
- Worldwide Acceptance
- Instant card message service in mobile

#### **IV) INTERNET BANKING**

Online banking (or Internet banking) allows customers to conduct financial transactions on a secure website operated by their retail or virtual bank. Through this Internet banking the customer can able to maintain the transaction, including bill payments and telegraphic/wire transfer, fund transfers between a customer's own transactional account and savings accounts, investment purchase or sale, Loan applications and transactions, such as repayments of enrollments, non-transactional. Viewing recent transactions, downloading bank statements, for example in PDF format, viewing images of paid cheques, Financial Institution Administration, transaction approval process.

#### **V) SMS BANKING**

EXIM Bank brings SMS Banking services to provide instant access to your account information at any time. Any mobile phone user having account of EXIM Bank can get the service through the mobile phone upon registration.

SMS Banking offers-

- Balance Enquiry
- Mini Statement
- Help Service
- Account Information

## **VI) LOCKER SERVICES**

EXIM Bank brings to the customer a very user-friendly locker service that is a fine blend of security and confidentiality. At the same time for sheer convenience and further security that have also made arrangements for a well-appointed rest room where clients can beautify yourself, wear her jewelry before step out for the appointment or clients may also take the own time to go through the valuable documents in absolute discretion. Clients are very pleased for their locker services

## **❖ CORPORATE BANKING OF EXIM BANK**

Corporate banking consists of simple business of issuing loans to more complex matters, such as helping minimize taxes paid by overseas subsidiaries, managing changes in foreign exchange rates, or working out the details of financing packages necessary for the construction of a new office, plant or other facility.

## **I) INVESTMENTS**

### **Corporate Finance**

Corporate finance is the area of finance dealing with monetary decisions that business enterprises make & the tools and analysis used to make these decisions. The primary goal of corporate finance is to maximize shareholder value. Although it is in principle different from managerial finance which studies the financial decisions of firms, the main concepts in the study of corporate finance are applicable to the financial problems of all kinds of firms.

### **Industrial Finance**

Industrial finance is main the investment in the Industrial sector of the banks. To flourish the Industrial sector EXIM Bank invests a lot. The main objective of this investment is to develop the industrial growth.

### **Project Finance**

Project finance is the long term financing of infrastructure and industrial projects based upon the projected cash flows of the project rather than the balance sheets of the project sponsors. Usually, a project financing structure involves a number of equity investors, known as sponsors, as well as a syndicate of banks or other lending institutions that provide loans to the operation. EXIM Bank also finance in this specialized projects.

### **Mode of Investment**

- Murabaha
- Bai Muazzal
- Izara Bil Baia
- Wazirat Bil Wakala
- Quard
- Local Documentary Bill Purchased
- Foreign Documentary Bill Purchased

## **II)) FOREIGN EXCHANGE & TRADE FINANCE**

Export Import Bank of Bangladesh Limited is one of the leading private banks in Bangladesh having a strong presence in the foreign exchange market. The modern state-of-the-art dealing room at its Head Office provides the necessary wherewithal to its 19 Authorized Dealer (AD)

branches across the length and breadth of the country authorized to handle foreign exchange business of its clientele. The Bank has retained its primacy as a leading market maker both in buying and selling markets by huge volume of Exporting and Importing.

### **III) CORRESPONDENT BANKING**

We have correspondent banking relationship with more than 354 International banks around 137 countries the correspondent banks are selected with great care to ensure that our customers get the best and most reliable service in the foreign lands at most competitive rates. Moreover, it maintains relations with International Finance Corporation (IFC) with a credit limit of US Dollar 5.00 million to be exercised within the 182 IFC member countries. The bank is also engaged in an agreement with Asian Development Bank (ADB) for credit line facilities.

### **IV) IMPORT FINANCE**

Import financing basically refer to post import financing. LC is only pre import services. There are several modes of import financing and they are:

- Murabaha Import Bills (MIB)
- Murabaha Trust Receipt (MTR)
- Murabaha Post Import (MPI)
- Izara Bill Baia (IBB) etc.

### **V) EXPORT FINANCE**

Export plays a dominant role in the economy of our country. In the export trade, exporter needs the finance at different stages right from the stage he gets an export order to supply the goods from an overseas buyer. The finance is required for procuring, processing, manufacturing,

assembling and packaging the goods for export in the pre shipment stage. After the shipment is made, exporters sometimes will have to give credit to the importer for an agreed period and he has to wait for the value till the expiry of the credit period (maturity of export bill). Even if no credit is allowed to importer, the capital of the exporter is blocked till documents reach the importer, he makes the payment and the amount is collected by the exporter's bank.

## ❖ **SME BANKING OF EXIM BANK**

### **EXIM UDDYOG**

EXIM UDDYOG is an investment scheme facilitating project aimed to provide fixed and working capital in the field of small & medium level poultry, dairy, fisheries, and agro-based industries etc spread all over Bangladesh through our branches & SME Service Center. The product offers terminating investment facilities for the purpose of working capital finance and/or fixed assets purchase. The investment risk of the product is to cover by a strict evaluation and assessment of customer's credit history and track record with any bank financial institution in Bangladesh.

## ❖ **AGRI BANKING OF EXIM BANK**

### **EXIM Kishan**

EXIM Bank has committed itself to the Government's initiative to provide agricultural investment directly to the farmers for agricultural development of the country. From the very beginning Bank has started investment in various sectors including agriculture. Since 2008-09, bank has allocated separate target for agricultural investment. Mainly Crops, Fisheries & Livestock are the 3 core sectors and another agricultural supporting sector is Farm Machinery.

"EXIM KISHAN" is a short term agricultural and rural investment facility under agricultural investment by which farmers, specially share cropper and marginal farmers, are getting agricultural investment without collateral security. The objective of the product is to increase agricultural investment with a view to alleviate poverty by ensuring food security which ultimately raised standard of living of rural people by creating employment opportunity.

### ❖ FOREIGN REMITTANCE OF EXIM BANK

Remittance is the life line of Bangladesh economy. Some 4.5m nonresident Bangladeshis are working abroad, and sending home hard earned foreign currencies. It is believed that the actual number of Bangladeshi migrants, both legal and illegal, would be close to 7.5 million. Based on the demand EXIM take the initiative to open the exchange company outside of the country. They set up their subsidiaries based on their remittance flow. So they set up to subsidiaries one is United Kingdom and another one is situated in the Canada, USA, Australia. They are very strong in this sector. They make Internal Transaction with the subsidiaries. So the remittance process gets much easier and faster than other banks of Bangladesh. The subsidiaries are given below.

- EXIM Exchange Company (UK) Ltd.
- EXIM Exchange Company (Canada) Ltd.
- SWIFT (Society for Worldwide Interbank Financial Telecommunication)
- EXIM (USA) Inc.
- EXIM Exchange (Australia) Pty. Limited.

### PRICING STRATEGIES OF EXIM BANK



Monetary policy is a set of rules that aims at regulating the supply of money in accordance with predetermined goals or objectives. Monetary policy plays a very dominant role in altering the economic activity and price level in a country. So it should be very carefully formulated and implemented in achieving the goals and objectives as outlined in the Bangladesh Bank Order 1972 below:

- Price stability, both internal and external
- Sustainable growth and development
- High employment
- Economic and efficient use of resources
- Stability of financial and payment system

EXIM Bank maintains its foreign exchange reserve in different currencies to minimize the risk emerging from widespread fluctuations in exchange rates of major currencies. It also makes investment in the form of short deposits with different high rated and regulated commercial banks and purchase of high rated sovereign / supranational / corporate bonds.

SL. No	Types of Accounts/Services	Nature of Charge	Charge Amount BDT
1	Al-Wadia-CD A/C	a) Service Charge	500/- half yearly
		b) Statement Charge	200/-
		c) A/C closing Charge	200/-
		d) Minimum required balance	3000/-
2	Mudaraba Short Term Deposit	a) Service Charge	500/- half yearly
		b) Statement Charge	200/-

		c) A/C closing Charge	200/-
		d) Minimum required balance	5000/-
		e) Incidental Charge	-
3	Mudaraba Savings Account	a) Service Charge	100/-
		b) Statement Charge	100/-
		c) A/C closing Charge	200/-
		d) Minimum required balance	1000/-
		e) Incidental Charge	200/-
4	a) Collection charge for local Cheques	i) Where there is Clearing House	Free
		ii) Where there is no Clearing	At actual Minimum Tk. 25

SL. No	Types of Accounts/Services	Nature of Charge	Charge Amount BDT
		iv) Bounced Cheque drawn on our branches (Cash, clearing or Transfer).	Tk. 50/- (flat) per instance from drawer of cheque
		iii) Cheque returned unpaid	Tk. 50/- (flat) per instance from drawer of drawee

	b) Collection of out station cheques / bills (clean / documentary)	a) Commission	i) Up to Tk 25,000/- @ 0.20% Minimum Tk 25/- ii) Tk. 25,001/- to 1.00/- lac @ 0.20% Minimum Tk. 75/- iii) From Tk. 10,0001/- to 500,000/- @ 0.10% Minimum Tk 200/- iv) Over Tk. 500,000/- @ 0.05% , Minimum Tk 600/-, Maximum Tk. 3000/-
		b) Postage Charge	At actual Minimum Tk. 25
		c) Telegram Charge	At actual Minimum Tk. 50
		d) Telex Charge	Tk. 40/minute, Minimum Tk. 50/-
		e) Telephone Charge	Tk. 40/minute, Minimum Tk. 50/-
5	Inland Remittance for issuance of DD/TT/MT	a) Commission	@ 0.15 % Minimum Tk. 25/-
		b) Telephone Charge for TT issuance	Tk. 50/-
		c) Telex/Fax Charge for TT	Tk. 50/- per minute
6	P.O/SDR Issuance	Commission	i) Up to Tk 10,000/- Tk. 25

			ii) From Tk. 10,001/- to Tk. 100,000/- Tk 60/- iii) Tk. 100,001/- & above Tk.120
7	Issuance of Duplicate Instrument	Charge	Tk. 100
8	Charge for cancellation of Instrument	a) DD/MM/TT	Tk. 50/-
		b) PO/SDR	Tk. 50/-
9	Standing Instruction	Commission	Tk. 50/- for compliance of each instruction
10	Locker Rent & Security Money	Small size	Tk. 2200/-
		Medium size	Tk. 2800/-
		Large size	Tk. 3500/-
		Security Money (Refundable)	Tk. 5000/-
		Cost of key replacement	Tk. 3000/-

## PLACE STRATEGIES OF EXIM BANK

EXIM Bank is one of the new banks of the country. They came into the operation in 1999. The EXIM has good location across the country. It has of 52 strategic branches spanning the length and breadth of the country. It has also two subsidiaries out of the country. The branches are placed very strategically to serve and provide the banking service to the wide range of the people. Here is the overview of place selection of the EXIM Bank.

- Total Branches : 80
- ATM Booths : 24
- Head Office : Gulshan Avenue, Dhaka.
- Alternate Delivery Channel Division : Gulshan, Dhaka.
- CBS Project & Data Center : Dhanmondi, Dhaka.

Locations are categorized into some major divisions. These are given below.

- Head Offices
- Branches
- Agriculture branches
- SME Branches
- ATM Locations
- Bank's Overseas Network

**Head Offices****HEAD OFFICE**

"SYMPHONY"

Plot# SE (F): 9, Road# 142

Gulshan Avenue, Dhaka- 1212

Phone: 880-2-9889363, 9891489

Fax: 880-2-8828962

**CBS Implementation Project & Data Center**

House# 376 (old), 4A (new) 1<sup>st</sup> Floor

Road# 27 (old), 16 (new), Dhanmondi Tower  
(1st floor)

Dhanmondi, Dhaka

Phone: 02-8154546, F AX: 02-8141873

E-mail: itd@eximbankbd.com

SWIFT: EXBKBDDH

**Alternate Delivery Channel Division**

87 Gulshan Avenue, Gulshan, Dhaka.

Phone: 880-2-8811969.

Fax: 880-2-8811968.

Help Desk: 01755-583692, 01755-583693.

Email: adc@eximbankbd.com

## Branches

Branches are categorized into 7 divisions strategically to cover the wide range of the people all over the country.



## Division

<b>Division</b>	<b>Number of Branches</b>
Dhaka Division	39
Chittagong Division	22
Rajshahi Division	03
Sylhet Division	09
Khulna Division	04
Barisal Division	01
Rangpur Division	02
Total Branches	80

**Table: Number of Branches of EXIM Bank Ltd.**

## MAJOR SUBSIDIARIES OF EXIM BANK

### **EXIM Exchange Company (UK) Limited**

Bangladesh Bank divide their letter no. BRPD(M)204/12/2009-05 dated 11/0112009 has accorded their approval to the Export Import Bank of Bangladesh Ltd. Head Office Dhaka for opening of a fully owned subsidiary company in the UK.

### **EXIM Exchange Company (Canada) Limited**



EXIM Exchange Company(Canada) Limited , a fully owned subsidiary company of Export Import Bank of Bangladesh limited started its operation on Jan 23,2010 at 3096 Danforth Avenue, Toronto, Canada with a view ton easing remittance from Bangladeshi expatriates in Canada to Bangladesh.

## **FOREIGN REMITTANCE**

### **SWIFT (Society for Worldwide Interbank Financial Telecommunication)**

The Bank Identified Code (BIC) of EXIM Bank is: EXBKBDDH. List of Branches having Bank Identifier Code (BIC) is given below.

<b>SL. No</b>	<b>Branch Name</b>
01.	MOTIJHEEL BRANCH
02.	PANTHAPATH BRANCH
03.	AGRABAD BRANCH
04.	KHATUNGANJ BRANCH
05.	IMAMGANJ BRANCH
06.	GULSHAN BRANCH
07.	NAWABPUR BRANCH
08.	NARAYANGONJ BRANCH
09.	RAJUK BRANCH
10.	NEW ESKATON BRANCH
11.	UTTARA BRANCH
12.	MIRPUR BRANCH

13.	JUBILEE ROAD BRANCH
14.	ELEPHANT ROAD BRANCH
15.	BOGRA BRANCH
16.	MALIBAGH BRANCH
17.	CDA AVENUE BRANCH
18.	KAWRAN BAZAR BRANCH
19.	HEAD OFFICE CORPORATE BRANCH
20.	EXIM EXCHANGE COMPANY (UK) LTD.

**Table: List of Branches having BIC of EXIM Bank.**

### **NOSTRO A/C CIS**

A bank account held in a foreign country by a domestic bank, denominated in the currency of that country. Nostro accounts are used to facilitate settlement of foreign exchange and trade transactions. For example, EXIM bank may have Nostro accounts with one or more Canadian banks. These accounts will be denominated in Canadian dollars, which enables efficient settlement of transactions that are Canadian dollar denominated.

Nostro accounts also minimize the exposure of the EXIM bank to undue exchange rate risk.

EXIM Bank has Nostro accounts in the following countries with the respective banks:

<b>SL.</b>	<b>Country</b>	<b>Name of Bank</b>	<b>Currency</b>
01.	U.S.A	Standard Chartered Bank, NY	USD
02.	U.S.A	Mashreqbank psc, New York	USD
03.	U.S.A	Citibank N. A., New York	USD

04.	U.S.A	Wachovia Bank N.A., NY	USD
05.	U.S.A	HSBC Bank N.A., New York	USD
06.	Hong Kong	Union De Banques Arabes Et Francaises (UBAF) Hong Kong Limited, Hong Kong	USD
07.	Hong Kong	Union De Banques Arabes Et Francaises (UBAF) Hong Kong Limited, Hong Kong	HKD
08.	Germany	Commerzbank AG, Frankfurt	EUR
09.	Germany	HypoVereinsbank, Munchen	EUR
10.	Germany	Standard Chartered Bank GMBH, Frankfurt	EUR
11.	U.K	Standard Chartered Bank, London	GBP
12.	U.K.	HSBC BANK PLC, London	GBP
13.	Japan	Standard Chartered Bank, Tokyo	JPY
14.	Japan	Union De Banques Arabes Et Francaises (U.B.A.F.), Tokyo	JPY
15.	Japan	Sumitomo Mitsui Banking Corporation, Tokyo	JPY
16.	Switzerland	Habib Bank AG Zurich, Zurich	CHF
17.	Switzerland	Union Bank of Switzerland AG, Zurich	CHF
18.	Switzerland	Zuercher Kantonal Bank, Zurich	CHF
19.	Canada	The Bank of Nova Scotia, Toronto	CAD
20.	India	Citibank N.A., Mumbai	ACU
21.	India	Standard Chartered Bank, Kolkata	ACU
22.	India	Arab Bangladesh Bank Ltd., Mumbai	ACU
23.	India	The Hong Kong Shanghai Banking	ACU

		Corporation Limited., Mumbai	
24.	India	ICICI Bank Limited, Mumbai	ACU
25.	Pakistan	NDLC-IFIC Bank Limited, Karachi	ACU
26.	Pakistan	The Hongkong and Shanghai Banking Corporation, Karachi	ACU
27.	Sri Lanka	Standard Chartered Bank, Colombo	ACU
28.	Nepal	Nepal Bangladesh Bank Ltd., Kathmandu	ACU
29.	Bhutan	Bank of Bhutan Limited, Pluentsholing	ACU
30.	Saudi Arabia	National Commercial Bank, Jeddah	SAR
31.	India	ICICI Bank Limited, Mumbai	ACUEUR

**Table: List of Banks with Nostro A/C**

## **PROMOTION STRATEGIES OF EXIM BANK**

Promotion is the function of informing, persuading, and influencing the customer's decision process. Usually the bank's manager will respond to the goals and objectives of the bank by formulating various elements of the promotional strategy personal selling, advertising, sales promotion, publicity and public relations. Promotional strategy is closely related to the process of communication. The specification of elements creates a promotional mix or promotional plan. These elements are personal selling, advertising, sales promotion, direct marketing, and publicity. EXIM is not expense a large amount promoting their brands. So they only use few promotional tools. These tools are given below-

- Website
- Sponsor
- Bill board
- CSR
- Print Media
- Personal Selling

### **Website**

In this digitalized world website plays a positive impact on the consumers mind about the specific brands because it contains the detail information about any organization. Especially it is very important for the banks and financial institutions because the rates are frequently changed here particularly in the Islamic bank. The website is a good source of promotional tools. The website of EXIM Bank is very well structured and well designed. A customer can easily get their required information from this website. The admin of the website regular update the information so that customer can get the exact information. It is also a good source of content that easily gives an overview of this Bank.

### **Sponsorship**

EXIM Bank sponsor different games and sports as well. But the range of the sponsorship is very few. The investment in this sector of EXIM Bank is very limited. They are organized some sports especially in the Women sports those who hardly get any sponsor for the game. Most of the games they sponsor as a co-sponsor, very few of the game sponsor as a title sponsor. They also invest in the publication sector such as magazine, brochure, newsletter, and award giving ceremony as well

### **Print Media**

Print media advertising was the main advertising media in the page. Now, it is also the medium of the wide range of exposure of the organization especially in the LDC. One of the main

reasons it still works is the fact that people tend to be very much away from work when they are reading information and looking at adverts in print. If we look at magazine advertisements, their main advantage is the fact that a much targeted audience is seeing them. This is of huge benefit to the advertiser and magazine advertising gives them the space to capture potential customers when they are at their most relaxed.

- Newspaper Advertisement
- Magazine advertisement

All the recruitment circular is also given in the public newspapers. They also invest in the magazine. The major problem is the range of the investment in this area is very poor. They should invest more on it.

### **Personal Selling**

Due to the characteristics of banking services, personal selling is the way that most banks prefer in expanding selling and use of them. Personal selling occurs in two ways. First occurs in a way that customer and banker perform interaction face to face at branch office. In this case, whole personnel, bank employees & manager, take part in selling. Second occurs in a way that customer representatives go to customers' place. Customer representatives are specialist in banks' services to be offered and they shape the relationship between bank and customer.

### **Corporate Social Responsibilities (CSR)**

The banking sector of Bangladesh has a long history of involvement in benevolent activities like donations to different charitable organizations, to poor people and religious institutions, city

beautification and patronizing art & culture, etc. The mainstream CSR activities that are carried out through this foundation are:

- Scholarship program for brilliant poor student
- Healthcare service
- Education Promotion Scheme (Interest free Loan)
- Helping people affected by natural calamities
- Helping people in slum areas
- Donation to educational institutions to setup computer lab
- Beautification of Dhaka City

## **PEOPLE STRATEGIES OF EXIM BANK**

People are the most important element of any bank or service organization. Services tend to be produced and consumed at the same moment, and aspects of the customer experience are altered to meet the 'individual needs' of the person consuming it. Most of us can think of a situation where the personal service offered by individuals has made or tainted a tour, vacation or restaurant meal. Remember, people buy from people that they like, so the attitude, skills and appearance of all staff need to be first class. Here are some ways in which people add value to an experience, as part of the marketing mix - training, personal selling and customer service.

### **Training**

All customer facing personnel need to be trained and developed to maintain a high quality of personal service. Training should begin as soon as the individual starts working for an organization during an induction. At this very early stage the training needs of the individual are identified. A training and development plan is constructed for the individual which sets out

personal goals that can be linked into future appraisals. EXIM Bank does it very sincerely. They have to seat for an evaluation test after a fixed time interval The training center also conduct different types of training program about update banking system. Mainly they emphasize on it because based on this training the employee will act. In practice most training is either

- On-the-job or
- Off-the-job (Evaluation Test & Training)

On-the-job training involves training at the same time as the job is being performed training of bar staff. Off-the-job training sees learning taking place at a training centre. When an employee at that time they follow on the job rather than mostly they practices off the job.

### **Personal Selling**

Due to the characteristics of banking services, personal selling is the way that most banks prefer in expanding selling and use of them. Personal selling occurs in two ways. First occurs in a way that customer and banker perform interaction face to face at branch office. In this case, whole personnel, bank employees & manager, take part in selling. Second occurs in a way that customer representatives go to customers' place. Customer representatives are specialist in banks' services to be offered and they shape the relationship between bank and customer.

### **Customer Service**

For the service organization customer service is very important part, if the customers are not satisfied with services, an organization cannot reach to their goal. Here employees play a key role because they have to face with the customer. So the employee must have to be well trained about their product and service. In the recent days, the customer service is key success factors



for the banks and service sector as well. All the employee of the EXIM Bank is very much sincere to his/her work. They have both target and non-target customer and market.

**Target customer-** The name list of target market includes-

**1) Salaried Executive:** Corporate executives of Multinationals, UN bodies, Large Local corporate, Medium & Small corporate bodies, diplomatic houses, government bodies, Private entities etc.

**2) Businessperson:** Applicants may be proprietor of sole proprietorship firm, partner of partnership firm and/or director of a private & public limited company.

**3) Self Employed:** Individuals making a living from their technical expertise, i.e. medical practitioner, engineers, architects etc. and free lancers like consultants, landlords etc., who have an established source of income.

**Non target customer-** The name list of non-target market includes-

- Journalist of reasonably lower level & non reputed publications.
- Lawyers
- Employees of the firm which has a poor repayment history in business loan with The EXIM Bank.
- Employees of non-reputed Proprietorship Firms & Partnership Firms.
- Officials of law enforcing agencies.
- Individuals with known criminal records.
- Politicians & Individuals having politically affinity.
- Defense officials below Major level.
- Mariners
- Individuals whose personal and business loan performance is poor.
- Public Figures and media personality..

**Out of Area Customer:**

Loans are offered only to applicant's whose office or residence is located at cities where we have branch representation. However, this may be waived for salaried executives whose salary a/c is with us, but office and residence is located outside cities with our branch representation.

**Non Resident Customer:**

Loans to nonresident Bangladeshi (i.e. wage earners) are allowed for 100% cash covered facilities only.

**DISTRIBUTION CHANNEL AND SOURCING METHOD**

To satisfy their customer and to provide customer service all loan applications are mainly sourced through following distribution channels:

- Directs Sales Team
- Branches/Kiosk

**Direct Sales Team:** Customers in this segment are tracked by DSE themselves. DSE source the loan/finance application in ways:

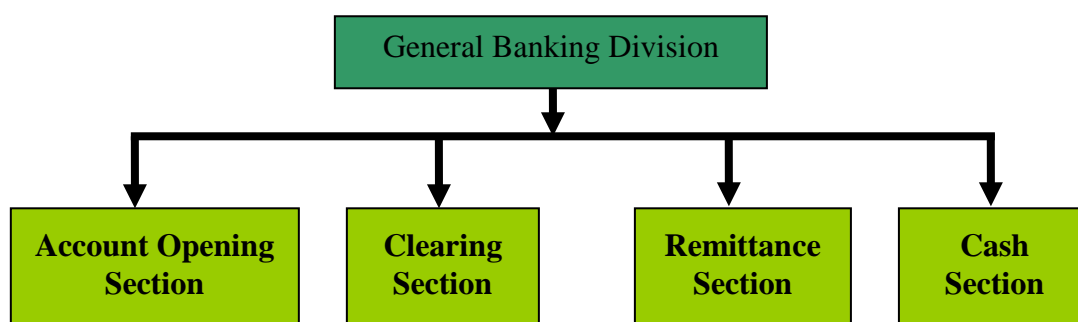
Sales Officer/Manager obtain list of local corporate and multinational corporate bodies and hand over to DSEs. DSEs set up appointments in these companies and visit the appropriate department from where a list of employees is obtained. Potential Customers are tracked down from the obtained list of employees and they are contacted either through phone calls or when the DSE visits the organization. DSE reach the customers by making phone calls or by random visits to various shops, factories, trading agencies, business firms, consulting firms etc.

**Branch:** Customer visits the Branch and approach for the loan/finance. Customer is contacted by CSO/RM/SSM over phone and approached for the loan/finance. Later customer visits the branch and performs necessary formalities to take the loan/finance.

## PROCESS STRATEGIES OF EXIM BANK

### GENERAL BANKING PROCESS

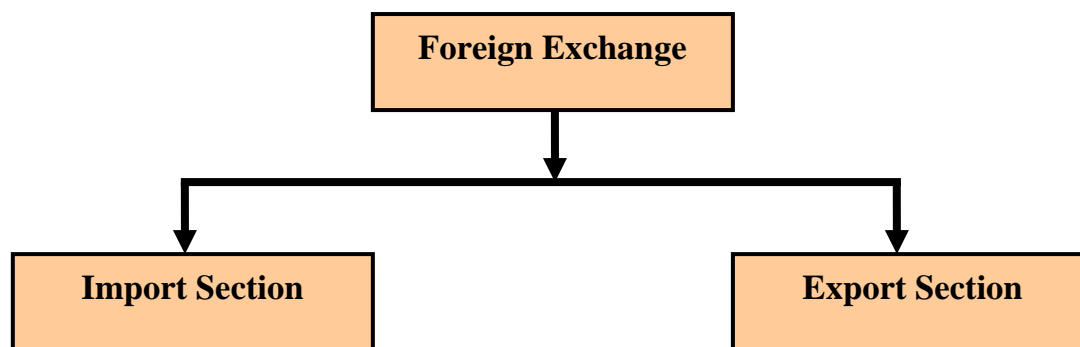
The division of general banking plays an important role in all commercial banks. It's mainly a liability side. EXIM Bank facilitates sections and facilities of general banking. General Banking Division can be functioned in the following way:



**Figure: General Banking Division**

### Foreign Exchange

Foreign Exchange Department is international department of the bank. It deals globally. It bridges between importers and exporters. If the branch is authorized dealer in foreign exchange market, it can remit foreign exchange from local country to foreign country. This department mainly deals in foreign currency. This is why this department is called foreign exchange department.



**Figure: Foreign Exchange**

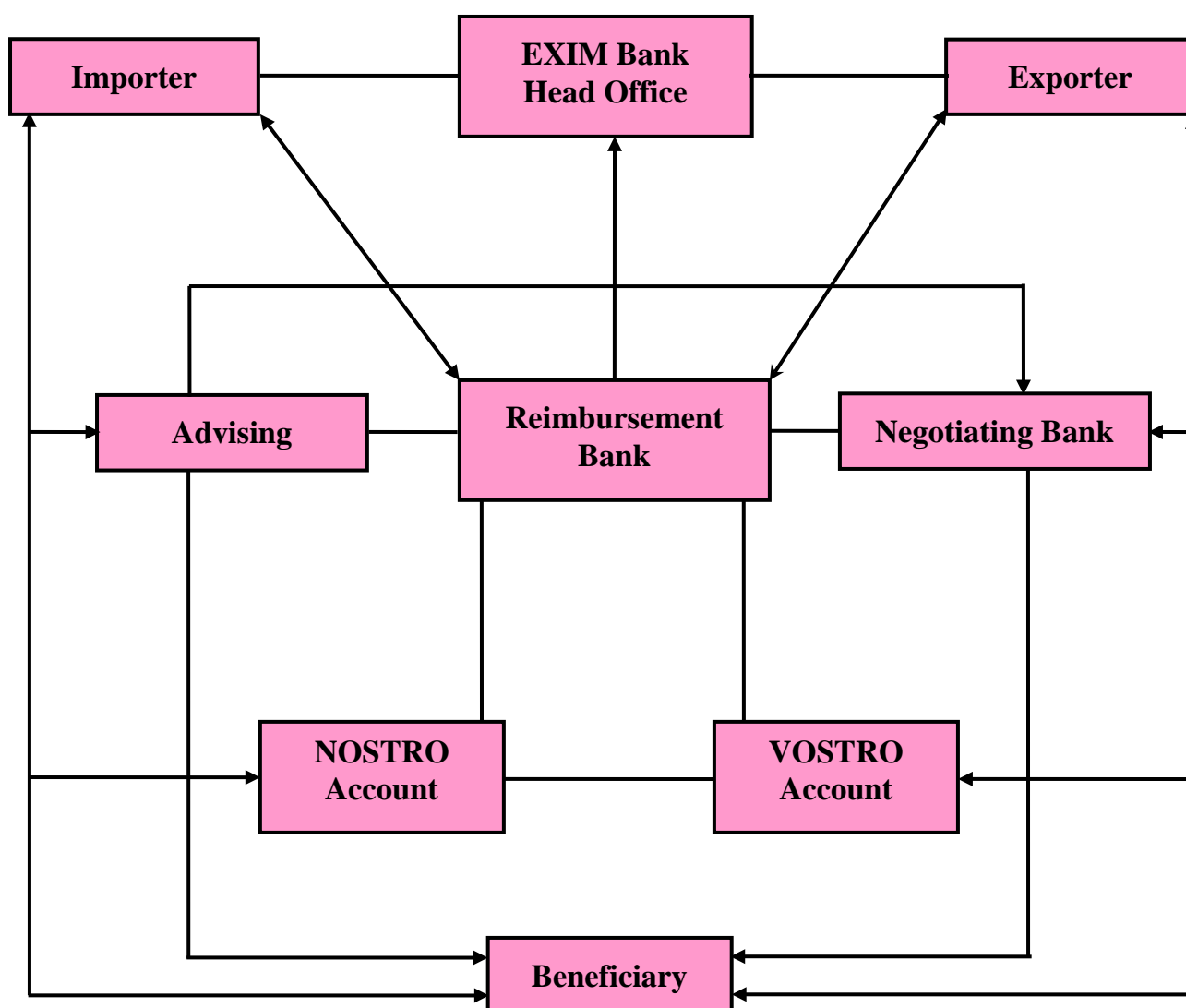
### **Letter of credit**

Letter of Credit is a guarantee or undertaking or commitment to the beneficiary/exporter for making payment issued by the issuing bank on behalf of the importer upon fulfillment of some conditions. As distance involved in international trade, buyers and sellers do not know each other. It is difficult for both the buyers and seller to appreciate each other's' integrity and credit worthiness. Apart from this it is also difficult to know various regulations prevailing in their respective countries regarding export and import. Thus the buyer wants to be assured of goods and sellers want to be assured of payments. Central Banks, therefore assure these things to happen simultaneously by opening letter of Credit guaranteeing payments to seller and goods to buyer. By opening a Letter of Credit on behalf of buyer in favor of seller, commercial) banks undertake to make payments to a seller subject to submission of documents drawn on in strictly compliance with Letter of Credit terms giving title of goods to the buyer.

### **Procedure for opening LC**

An importer who is desirous to import goods from foreign country will apply to issuing bank for opening L/C and the importer will provide an application mentioning following aspects:

- Full particulars of applicant's bank account.
- Types of business.
- Historical background.
- Amount of required L/C.
- Terms of payments.
- Name of imported goods.
- Repayment schedule and source of fund.



**Figure: Parties Involved on Foreign Exchange Operation**

## Documents Required for Opening L/C

Import shall submit following documents for opening L/C -

- Valid import registration certificate (commercial/ industrial).
- TIN certificate.
- VAT registration certificate.
- Membership certificate of a recognize Trade Association as per IPO.
- A declaration that the importer has paid income tax or submitted income tax return for the preceding year.
- Insurance Cover Note with Money Paid Receipt covering value good to the imported plus 10% above.
- L/C application form duly signed by the importer.
- Letter of Credit Authorization Form (LCAF) commercial or industrial as the case may be, duly signed by the importer and incorporating. New ITC number at least 6 digits under Harmonized System as given in the Import Trade Control Schedule 1998.
- 10 IMP form duly signed by the importer.

## Import Section

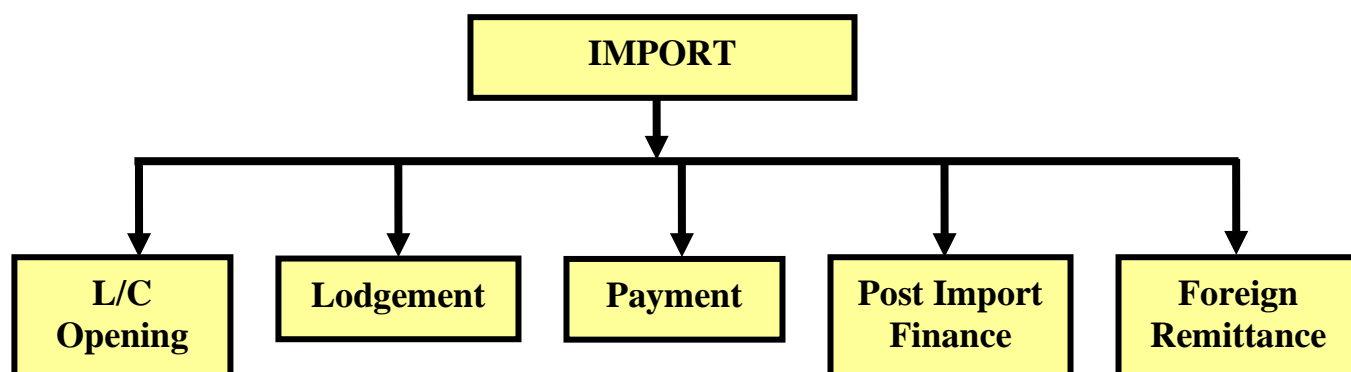


Figure: Import Section

The Import division consists of 5 departments. These are LC Opening, Lodgment, Payment, Post Import Finance, and Foreign Remittance.

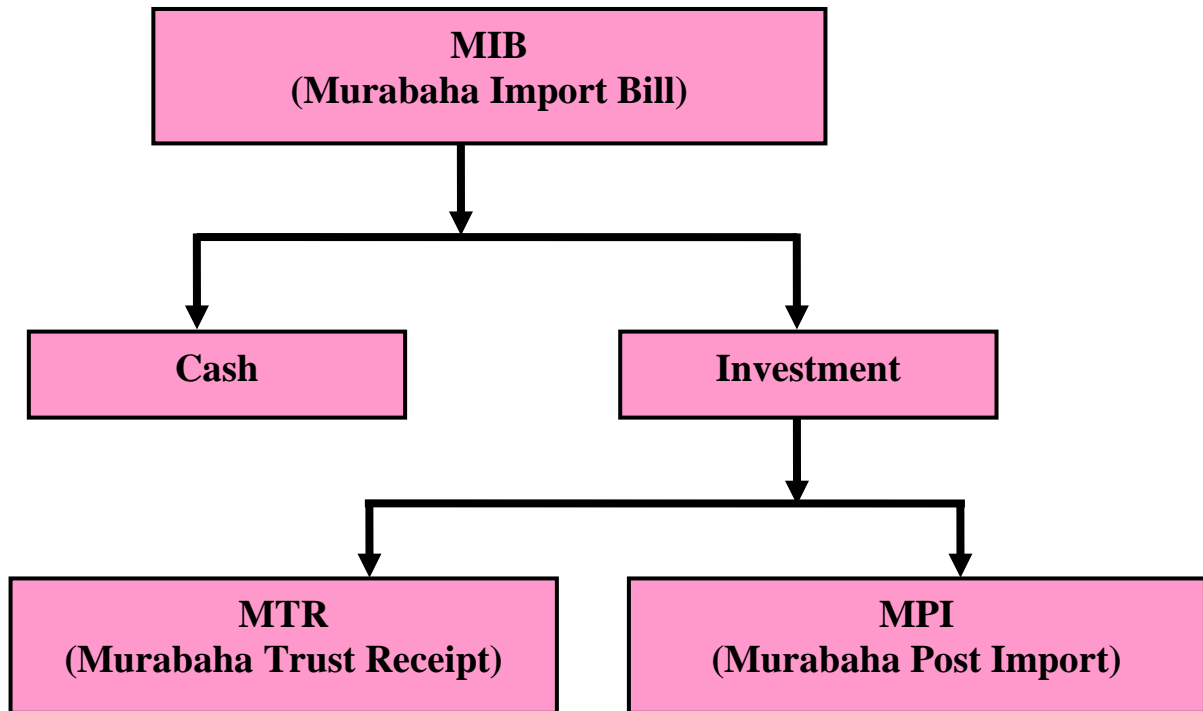
**LC Opening:** In this department LC are opening. It is the most crucial department of the Import Department. For opening the LC some papers & documents are required.

**Lodgment:** A Lodgment is one who will verify proofs, liability & Investment. Documentation is very essential for this section.

**Payment:** A very common mode of payment. EXIM Bank, on behalf of the Importer, commits with the Exporter's/Supplier's bank to make payment within the specified time when the Exporter/Supplier presents documents as indicated in UC that EXIM Bank opened upon the importer's request (Application for opening UC is provided.).

**Foreign Remittance:** e purchase and sale of freely convertible foreign currencies as admissible under Exchange Control Regulations of the country. This section is deal with the foreign remittance.

**Post Import Finance:** The Import Finance is categorized in the following segments. These are given below:



## SWIFT

The Society for Worldwide Interbank Financial Telecommunication SWIFT operates a worldwide financial messaging network which exchanges messages between banks and other financial institutions. SWIFT also markets software and services to financial institutions.

### For SWIFT (Paper Required)

- IMP Paper
- LC Paper
- Proforma invoice

### Passport Endorsement

- Within the SAARC Country: 1500 Dollar (Maximum for a year)
- Outside the SAARC Country: 5000 Dollar (Maximum for a year)



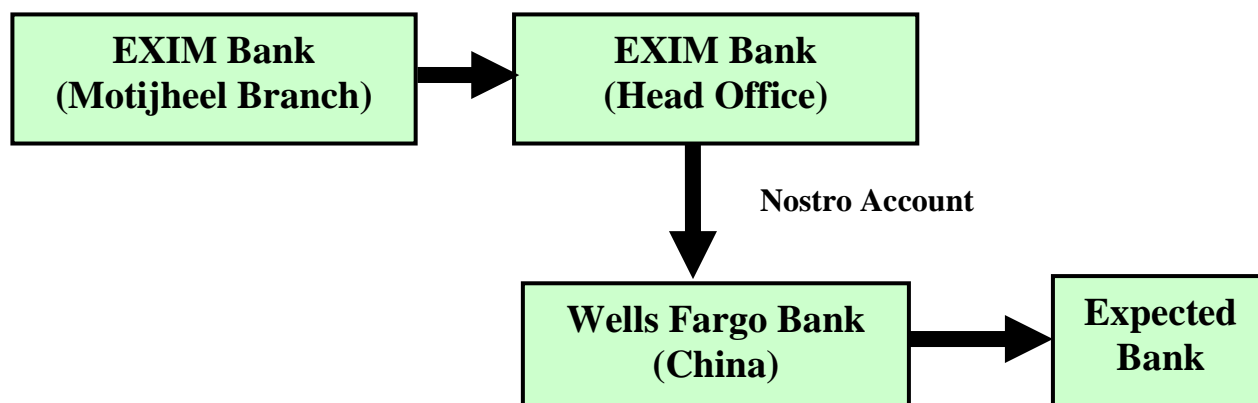
**For Nostro Account Payment (Papers Required)**

- Bill of Exchange
- Bill of Lading
- Invoice
- Packing List
- Certificate of Origin
- Shipment Invoice

Without the Nostro Account the Bank is unable to pay the amount. Exporter Bank requested to pay the amount to the Importer Bank.

**The Process of FTT (Foreign Telegraphic Transfer) through SWIFT:**

An electronic method of transferring funds. Telegraphic Transfers are used primarily for overseas wire transactions.



**Figure: FTT through SWIFT**

## Export Procedure

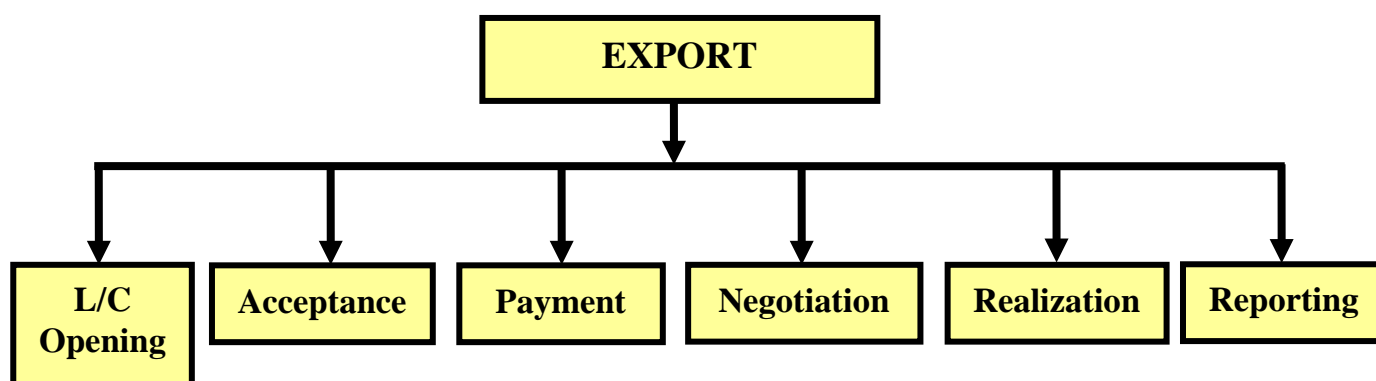
Bangladesh exports a huge quantity of goods and services in the direction of foreign households. Currently, readymade garments (RMG) which contribute 75% of total export earning, followed by 6% on frozen food, 5% on raw jute and jute products and 4% On leather. Bangladesh exports most of its readymade garments products to U.S.A and European Community (EC) countries. A person desirous to export should apply to obtain EXP form. This person submits the following documents:

- Trade License.
- ERC (Export registration certificate).
- Certificate from concerned.

After satisfaction on the documents the banker will issue EXP form to the exporter. Now exporter will be getting shipping and other documents from the shipment procedure. Exporter should submit all these documents along with letter of indemnity to bank for negotiation.

## Major wings of Export

- Back to Back LC Opening
- Acceptance
- Payment
- Negotiation
- Realization
- Reporting



## **Figure: Major Wings of Export**

### **Process**

If any Exporter wants to export any goods to USA, then Bank transaction would be like this.

Document needed for Export:

- Bill of Exchange
- Bill of Lading
- Invoice Proforma
- Other Paper

The papers are sending through DHL, Courier, and Or Air.




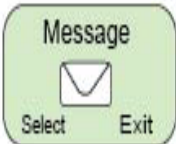
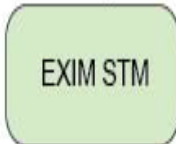


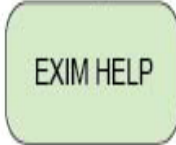


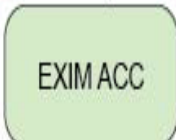

### **SMS Banking System**

The process of the SMS banking is very easier. So this banking system is getting popularity day by day. Now a day customer wants to know their balance, statement, account related information by the easiest way. SMS banking give this facility to the customer.

The process of the SMS Banking is given below.

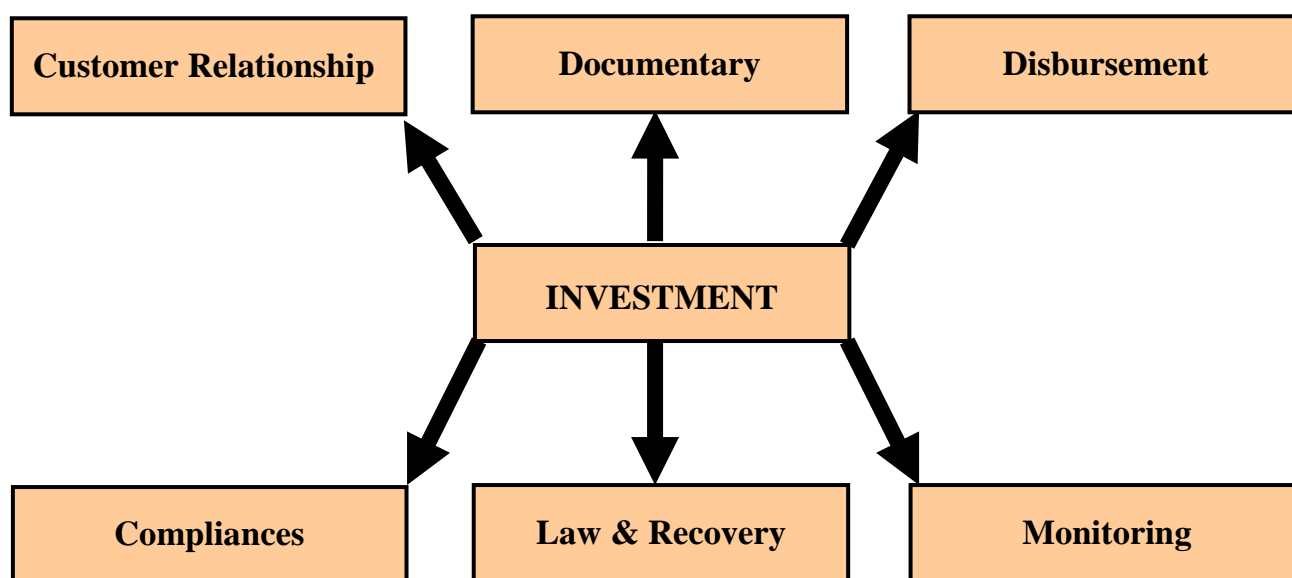
### **EXIM SMS Pull Service**

## EXIM SMS PULL SERVICE

<u>Category of query</u>	<u>Keyword</u>	# Go to Handset Message option	Write Keyword	Send to
Balance Inquiry	EXIM BAL			
Mini Statement	EXIM STM			
Service Help	EXIM HELP			
Account Information	EXIM ACC			

**Figure: Process of SMS Banking**

## Investment



**Figure: Investment Activities**

## **PRODUCTIVITY AND QUALITY STRATEGIES OF EXIM BANK**

As a full-fledged Islamic bank in Bangladesh, EXIM Bank extended all Islamic banking services including wide range of saving and investment products, foreign exchange and ancillary services with the support of sophisticated IT and professional management. The investment portfolio of the bank comprises of diversified areas of business and industry sectors. The sectors include textiles, edible oil, ready-made garments, chemicals, cement, telecom, steel, real estate and other service industry including general trade finance. The bank has given utmost importance to acquire quality assets and is committed to retain good customers through customer relationship management and financial counseling. The core strategy of EXIM Bank is composed of sustainable growth and comprehensive well-being.

EXIM Bank maintains productivity and quality through:

- Diversification of investment with emphasis on productive sector including agriculture and SME.
- Adopting state of the art technologies for fast and versatile services.
- Exploration of new promising business sectors in home and abroad.
- Motivational remuneration to the employees to ensure the best output from them.
- Proper training to the employees all the year round, emphasis on high quality corporate governance practice.
- Harmonization of business practice with the external and internal changes including changes in customer behavioral pattern, regulating policies, money market, exchange market, etc.
- Co-operation with the customers as their business partner, financial counselor and personal well-wisher.

EXIM Bank has already extended its services overseas by opening two exchange houses – one in London, UK and other in Toronto, Canada. Opening of more exchange houses at the crucial business hubs across the world are underway. EXIM Bank already obtained permission for offshore banking, which will undoubtedly enable them to explore the dimensions of their business potentials and definitely add to its brand image greatly.

## **SERVICE BLUEPRINT OF EXIM BANK LIMITED**



## **FINDINGS**

The findings of the study are as follows:

### **➤ Strong Islamic Banking System**

EXIM Bank strictly follows the Islami Shariah system. They offer profit based on the deposit of customers. This profit rate is based on the company's profit and liquidity so the profit rates are fluctuated very frequently. They are not investing in any illegal business that has been forbidden by the Islam. The most important thing is after converting the bank to Islamic banking from the conventional banking, it flourishes very rapidly. So this strategy gives an extra pace into their whole banking system.

### **➤ Advanced IT facilities**

EXIM Bank is now using the most upgraded banking software TEMENOS T24 for maintaining their core banking system. The main feature of this software is it is real time sharing software. After inputting any data from any branch, it has been updated in every branch as well as in the Central Database Center. So the banking is much easier than previous time. From this software they can easily make the internal transactions very frequently. So customers get very rapid response from this system. The personnel can get a quick overview about the customer's transaction. From this software customer can also get a statement related with their transaction. So this software gives an extra pace into their whole banking system as well as their operation.

### **➤ Strong Foreign Exchange**

The strong foreign exchange section makes this bank different than others. The upgraded software a corporate alliance with different other banks outside the country make this section stronger than the other PCB's. EXIM Bank now uses the SWIFT that is the most reliable



transaction system worldwide. SWIFT is also plays a vital role in the foreign transactions. The transaction with the subsidiaries of the EXIM Bank also makes the process easier and faster. EXIM Bank also makes an alliance with the Western Union money transfer and Money Gram. So, the flow of foreign remittance is increased of this bank day by day. From the name of this bank we came to know that they are very strong in the Export Import business transaction. They proved it by utilizing effective Executives and upgraded software.

➤ **Effective strategy for Data recovery**

The data recovery system of the EXIM Bank is very strong. They have two Central backup data base recovery center. These two are situated in to two different places. So, if one Data recovery center is destroyed they can collect all the information from the alternative Data Recovery center. These two centers are given below:

- Alternate Delivery Channel Division : Gulshan, Dhaka.
- CBS Project & Data Center : Dhanmondi, Dhaka.

➤ **Strong subsidiaries**

EXIM Bank has some major subsidiaries that give an additional pace to their foreign exchange as well as their profit margin. These subsidiaries are-

- EXIM Exchange Company (UK) Ltd.
- EXIM Exchange Company (CANADA) Ltd.
- EXIM Islami Investment Ltd. (Merchant Bank)

All these are linked with the EXIM Bank ltd. These subsidiaries motivate the customer to deal with this bank even when they are in abroad. So these subsidiaries also have enormous impact on the total banking system of EXIM Bank because from these subsidiaries the bank will get

huge amount of ratio. Among the strength of this bank this is one the vital strength that will help the customers.

➤ **Strong Offshore Banking System**

Offshore banking System of this Bank is very strong. A huge amount of money is deposited in this section. And the transaction are boosting day by day. The major revenue comes from this section. So in case of Liquidity crisis this offshore section plays a vital role. It will also increase the reserve of the bank. With the help of strong subsidiaries EXIM Bank is getting stronger day by day. Most important thing is major portion of the offshore banking revenue comes from this Motijheel branch.

➤ **Strong Investment Division**

The Investment Department of the EXIM Bank is very strong. The monitoring system & loan recovery system is strong. EXIM Bank operates the Investment department very seriously, so that they separated this department from the other departments. In this division they only deal with the investments. For monitoring, they physically visit different invested are or place or organization to find out the real scenario.

➤ **Lack of CRM Strategy**

The EXIM Bank Ltd didn't follow Customer Relationship Management strategy properly. For that reason customers are not interested to make a long term relationship with this bank. And the lacking's are-

- No Customer Database
- No loyalty management program
- No Customer Relationship help desk

- No Customer pyramid based on the loyalty
- No Customer Service Hotline Numbers
- Lower Corporate Social Responsibility
- No incentives for the Loyal customer
- Less emphasize on this sector

Most of the long term deposit is coming from the internal source of the Bank. Poor interaction towards the customers discourages the customer to deal with the bank. In this modern business era, CRM makes the major difference among the banks. Traditional banking is no longer sustained in the long run. There are some new banks that came after the EXIM Bank but now they are better position rather than EXIM Bank. Such as Prime Bank Ltd, Eastern Bank Ltd are new but the CRM strategies are very strong. There are some other banks such as AB Bank Ltd, Standard Chartered Bank Ltd, Shahjalal Islamic Bank Ltd etc. have their stronger Customer Relationship Management strategy. For these banks CRM strategy plays as a key success factor.

#### ➤ **Poor Personnel Facilities**

The personnel of this bank got very lower incentive than other Private Commercial Banks. It is not the Basic Salary. Basic salary is handsome but other incentives are very poorly designed. To retain the efficient employee incentives are very important because based on this incentive the employees take the decision to work here. If it will not happen than the efficient Executives will switch to the other bank. It can increase the switching tendency from this bank to other bank. These are some major scenario of poor incentives of the EXIM Bank Limited.

- No food facilities
- No transportation facilities
- Poor corporate tour facilities

- No common room for the refreshment
- Poor corporate incentives

### ➤ **No marketing Department**

Nowadays, Service marketing plays a vital role in the Banks as well as service organizations.

Marketing department of the bank now plays enormous effect for increase the market share.

- Effective marketing strategy,
- Innovative and effective product and service design,
- Maintaining the CRM,
- Market research,
- Know the Customers need & wants,
- Effective promotion & Advertisement
- Effective CSR strategy

In this stiff competitive market, if the EXIM Bank wants to sustain in the long run and increase the market share of the bank they must have to set up the marketing department in their banks. The profitability and liquidity hamper for this. People are not interested to deposit their money into EXIM Bank. They prefer Bank Asia Limited, Prime Bank Limited, SIBL, DBBL and some other private banks. This is happening only for their effective marketing strategy.

### □ **Poor layout of the Promotional Campaign**

EXIM Bank follows very few promotions tools. EXIM Bank has not established any department for it. They have very poor layout of Advertisement and promotion of the banks. Other banks use-

- Electronic Media (TVC)
- Print Media (Newspaper, Magazine)

- Bill board Advertisement
- CSR (sponsoring Games & Sports, Cultural Program, Award giving Ceremony etc)
- Celebrity Advertisement
- Transit Advertisement
- Personal selling
- Public Relation
- Direct marketing

EXIM Bank only follows Bill board advertisement, Personal selling and CSR. The investment of this purpose is very few. They overlook this side till now. They don't make any promotional layout for their advertisement. It has an effect in the long run

➤ **Lack of Physical Inspection**

In case of Investments and foreign exchange such as shipments and storehouses evaluating an L/C materials and goods there is no process of physical inspection of the officers. A practice of proper inspection can reduce of chance of fraudulent activities in opening LIC. Most of the time they take the decision based on the papers rather visit to the physical inspection. Though physical inspection will take time but it gives the authentication of the investment and the opening of the Letter of Credit. Lack of physical inspection also has a negative impact on the profitability of the Bank.

➤ **Flexible Corporate Culture**

The personnel are efficient but most the time they are not very effective in their work. The lack of cooperation and interaction with the customer, sharing personal life with colleagues in front of customers, flexible corporate environment, approach to deal with the customer, unorganized working environment, the decoration and placement of the desks are the major reasons of the

flexibility of the corporate culture. Though they have the intercom facilities but they rarely use it.

## **RECOMMENDATIONS**

The Recommendations for this study are as follows:

### **➤ Strengthen CRM**

Banking sector of Bangladesh is very competitive. Around 49 banks are operating their business in Bangladesh. To sustain in this competitive market Customer Relationship Management is very important. From the observation of the internship I realize the CRM of the EXIM Bank is very poor. Other PCB's like Prime Bank, Eastern Bank, standard Chartered Bank, DBBL etc. emphasize on their CRM. They should incorporate this major matter into their training session.

They should emphasize on the

- Higher customer interaction,
- Make a Customer Database
- Offer loyalty management program
- Set up Customer Relationship help desk in every branch
- Building Strategies to improve Customer Relationship
- Introduce Customer Service Hotline Numbers
- Increase the Investment in the Corporate Social Responsibility
- Make a Customer Retention strategy
- Offer incentives for the Loyal customers

### **➤ Increase the budget of CSR & Advertisement**

EXIM Bank invests on Corporate Social Responsibility only 2% of their Annual profit. The amount should be increased. CSR can be the key success factor of the Banks. Dutch Bank Limited flourishes their business into Bangladesh investing a lot on this sector. Though it

will take time to get the turn over but it has a positive impact on the society. At least they should invest 5% of their annual profit. The EXIM Bank is very poor in the marketing and the advertising sector. People hardly get any advertisement of EXIM Bank. For this they don't have any interest banking with this. They don't have any knowledge about banking products and service and schemes of this bank. A lot of people are interested to banking with the Islami banking system. From the Advertisement and CSR customer can be able to know about the Bank and it will also able to grow an interest to banking with this bank. Management has to work on it to grow interest about the banking system of EXIM Bank. If they want to boost their profit, they must have to invest more in the Advertisement and Marketing sector.

➤ **Introduce Mobile banking**

Now a days M banking (Mobile Banking) is very popular in Bangladesh. Remittance is increased rapidly after introducing the Mobile Banking system. DBBL, Dhaka Bank, Eastern Bank is already introduced this banking system and get a good response from the customer. So it is now a potential area for any bank. As an Export Import oriented bank EXIM Bank should introduce this banking system. The main feature of this banking system is Account opening, deposit, withdraw, transaction, statement, remittance etc. So The EXIM Bank should cope up this facility. They should immediately make a corporate alliance with the telecommunication company to grab this opportunity.

➤ **Improve Corporate Alliance**

The corporate alliance is very effective way to grab any facility of other organization or sector. EXIM should make some corporate alliance with different organization. Though already they are engaged with some organization but it should be increase to offer better facilities to the

customer as well as employees. It will also help to offer varieties of service that will help to enhance the business. Improve corporate alliance to give the following facilities-

- Loan facilities in case of Purchasing any product
- Discounting in specific product
- Mobile banking
- Using other banks A TM booths
- Organizing Events
- Branch opening
- Product & Equipment facilities
- IT facilities
- Other facilities

➤ **Improve the Incentive of the Employee**

EXIM Bank should improve the incentives for the employee. They will get very lower facilities than other banks. So they are getting de-motivated. Employee of a bank is the heart of the organization. So the management should offer better facilities for them. It will also increase the level of interest towards the work and the bank will get a better output from them. The Bank should be offered the following facilities.

- Food facilities,
- Transportation facilities,
- Mobile phone budget,
- Corporate tour facilities,
- Common room for the refreshment,
- House rent incentive,
- Medical Facilities,



- Bonus and increment,
- Corporate Incentives,

➤ **Set up a Marketing department**

The EXIM Bank should set up a new department of Marketing to boost their business Bangladesh. Nowadays, marketing department is mandatory to expand their operation to the wide range of the customer. For expanding their operation marketing department is mandatory. It will make their loopholes and expose this brand in front of the wide range of the people. They create a market demand. The major activities that will help you the EXIM Bank is given below-

- Effective marketing strategy,
- Strategic Marketing design,
- Innovative and effective product and service design,
- Maintaining the CRM,
- Market research,
- Know the Customers need & wants,
- Effective promotion & Advertisement,
- Implementation of the Promotional tools in Banking,
- Seeking the potential area of Investment,
- Publication and Newsletter,
- Effective CSR strategy.

➤ **Increase the number of ATM Booths**

EXIM Bank has only 10 ATM Booths. All these ATM booths are situated in the Dhaka City. The number of the ATM booths should be increased. If the fund is not available to set up the ATM booths they can make corporate alliance with the other banks which has a wide range of

ATM booths facilities such as DBBL. It will be beneficiary for the bank as well as for the customer. To serve wide range of customer they should follow two strategies-

- Set up new ATM booths
- Make Corporate Alliance with the DBBL for using their ATM booths

➤ **Introduce Hotline for Customer Care Services**

Hotlines are the easiest way to reach & know about the service. Hotlines are becoming popular day by day. Customers want to know about the service from their home. So, hotlines are very effective way to offer the services in front of the customers. From this hotline number customer can know the total process of banking system, product & services, schemes, investment, profit, Islamic banking system, ATM cards etc. Introduce the Hotlines for the customer care service is not so expensive. So EXIM Bank should offer this service.

➤ **Improve the Assessment & Training Session**

The assessment process of employees of EXIM Bank is not so update. It should be improved to maintain and improve the skills of the employees. Mainly I divided the whole assessment system into major two sectors. These are given below.

- Online Assessment System
- Training Session

The assessment program should be in Online that Online Assessment System. It will save the valuable time & employees will get a quick response about evaluation. After OAS he or she has to attend the training session. The assessment should be taken every month and the training session have to happen after every 3 month.

## **CONCLUSION**

From the practical implementation of customer dealing procedure during the whole period of practical orientation in EXIM Bank Limited, I have reached a firm and concrete conclusion in a very confident way. Performance of EXIM Bank Limited during the Last five years has proved that with strong desire and will power one achieve whatever target he may have. EXIM bank started their operation in Bangladesh in 1999. But within this short time it has become one of the leading banks of Bangladesh. Almost all the leading banks in our country have various extra facilities in offer for the customers in comparison with EXIM Bank Limited but the bank has succeeded in retaining more customer than other competitors. Success in the banking business largely depends on effective deal of finance. It will flourish rapidly when it finance is integrated with the Marketing. Banking sector is no more depends on traditional banking. In this world banking sector is wide enough to cover any kind of financial service not only local banks, but also from the foreign banks as well The major task of bank is to survive the service in this competitive environment by effectively managing it. For this service marketing plays a vital role in the banking system. In this service marketing, service marketing mix has an enormous effect of the bank. So, this study is very important to know deeply about the eight P's of Service Marketing. The study shows some drawbacks of this bank hope that if they will solve these problems it will be able to achieve their desire goal.

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