Practical Orientation Report On

General Banking Activities of
Southeast Bank Limited

Banasree Branch Dhaka

Prepared By
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BBS Department

Submitted To
Asphia Habib, Lecturer, BRAC Business School

Date of Submission: 12th January, 2015

BRAC University
66 Mohakhali, Dhaka 1212
Letter of transmittal

January 12th, 2015

Mrs. Asphia Habib
Lecturer, BRAC Business School
BRAC University.

Subject: Submission of Internship Report.

Dear Madam,

I consider myself very fortunate to have had the opportunity to prepare internship report under your valuable supervision. It was an immense pleasure for me to work under your direct guidance. I have prepared this report on the basis of my experience that I have acquired during my 3 months long internship program in the Banasree Branch of South East Bank Limited. During this period I have covered general banking, accounts and clearing. This study, under your able and constant guidance, has enabled me to gather practical knowledge in this field and complement my theoretical knowledge acquired about it.

I would like to express my earnest appreciation and gratitude to you for your kind help in preparation of the report. Without this it would not have been possible for me to complete the report.

I shall be very pleased to answer any query you may have about this report.

Sincerely Yours,

Susmita Sen
ID: 10104066
BRAC Business School
BRAC University
Acknowledgement

First of all, I would like to express my gratitude to Almighty for enabling me to complete the report in due time.

I would like to express my sincere gratitude to Mrs. Asphia Habib, Lecturer, BRAC Business School and BRAC University for providing me with detailed feedback and advice on this report. She gave me suggestions in order to make this study as flawless as possible.

I want to express my thanks to Mr. Saiful Islam, Manager of South East Bank, Banasree Branch. My utmost thankfulness goes to my supervisor Mr. Sheikh. Rafiq Ahmed, M.O. and Principal officer of the bank. I would also like to thank all other seniors for providing the necessary support in the organization. They are Ms. Nahida Akter, Ms. Ishrat Ahmed Dina, Ms. Mousumi Mahjabin Tia, Ms. Masura Akter, Ms. Fatematuj Johora, Mr. Mohammad Russel, Mr. Mazanur Rahman and Mr. Muhammad Asasuzzaman. Their guidance and co-operation helped me to get a more hands-on experience. Moreover, they have provided me with the information regarding each and every operational activity of the organization which enabled me to get a better understanding of all the tasks.

Finally I convey my cordial thanks to my friends and my family members who has helped and prayed for me to prepare the report in time.
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A bank is an institution which deals with money and credit. It accepts deposits from the public, makes the funds available to those who need them and helps in the remittance of money from one place to another.

Southeast Bank Limited has a long and relishing heritage. It is a second generation Bank which was established in 1995 with a vision to stand out as a pioneer banking institution in Bangladesh and contribute significantly to the national economy. It was established under Companies Act, 1994 on March 12, 1995. The Bank and its first branch at the busiest commercial hub of the country at 1, Dilkusha Commercial Area, Dhaka were opened on May 25, 1995. The 133 branches of SEBL are operating in Dhaka, Chittagong, Sylhet, and Khulna.

The General Banking services of SEBL, Banasree Branch include taking of deposits in the form of Current deposit A/C, Saving A/C, Special saving deposit A/C, Fixed deposit receipt. This bank is providing good services to the clients and making a good level of profit from the beginning. This bank plays significant role through providing different services for their customers.

Southeast bank has some shortcoming. They should have tried to come out from the traditional thinking like-fewer advertising actions, a small number of commercial locations of ATM Card, scarcity of human resources and slow internet network. In addition of all these shortcomings the operating surroundings of the bank is improving every day.
Chapter One
Introduction

1.1 Background of the study

As a student of Bachelor of Business administration (BBA) everyone has to conduct a practical orientation in any organization for fulfilling the requirements of the 12 weeks Internship program. The main purpose of the program is to expose the student to the real world situation. This report is done as a partial requirement of the internship program for the BBA students. Branch has given me the opportunity to commence my internship there for a period of three months.

I took the opportunity to do my internship in Southeast Bank Limited. I have conducted a study on ‘General Banking Activities of Southeast Bank Limited.’ My faculty supervisor Mrs. Asphia Habib, Lecturer of BRAC Business School, also approved the topic and authorized me to prepare this report as part of the fulfillment of internship requirement.

Practical knowledge is fundamental for the application of theoretical intelligence. Bearing this in mind and internship program was being included in the BBA curriculum. The goal of this analysis is to expose the student in the organizational work situation and also to provide an opportunity for applying classroom learning in practice. There are some difference between theories and practice.

1.2 Origin of the report

Now a day, education is not just limited to books and classrooms. In today’s world, education is the tool to understand the real world and apply knowledge for the betterment of the society as well as business. From education the theoretical knowledge is obtained from courses of study, which is only the half way of the subject matter. Practical knowledge has no alternative. The perfect coordination between theory and practice is of paramount importance in the context of the modern business world in order to resolve the dichotomy between these two areas. Therefore, an opportunity is offered by BRAC University, for its graduates to get practical experience.
1.3 **Objective of the report**

Main objectives of this report are:

- To observe and evaluate banking activities such as Transactional procedures and analyzing the data.
- To become familiarized Southeast Bank Limited’s general activities of banking & Transaction procedures.
- Coming up with suggestions and solutions regarding banking operations in Southeast Bank Limited.

1.4 **Scope of the Study**

The report is prepared based on the general banking operations of the Banasree Branch, Southeast Bank Limited. These activities involve the following:

- General Banking activities
- Clearing section’s activities
- Accounting section's operations etc.

However, emphasis is specially given on the accounts and clearing department of the branch.

1.5 **Significance of the Study**

This report is written for the three months long internship program at Banasree Branch of Southeast Bank Limited. The title of the report is “General Banking of Southeast Bank Limited”.

As the title says, the main focus of this report is to observe the overall banking process of SEBL. This report is not just written for academic purpose but it can also be used as an information source for researchers and students who want to focus on this area of banking system. So this study is very significant for both the bank and the researcher.
1.6 Methodology

For preparing this report, I used both primary and secondary data

Collection of primary data

Most of the data presented in this report is collected from my practical knowledge while working as an intern in the bank. Some data has been collected on an observation basis are primary data like statement of affairs of 30th October, read sheet of different accounts and document checklist both for accounts and loan processing. Also, the confidential information was collected from interviewing executives and employees of SEBL. Information and data regarding overview of the SEBL, interest rates & charges, transaction process, SWOT Analysis, maintaining accounts, clearing and remittance etc. were collected from these sources.

Collection secondary data

Other important data such as financial appearance and Performance Evaluation of The Southeast Bank Ltd. were collected from secondary sources like Annual Report of 2013 of SEBL, MBL, DBL, EBL and website of southeast bank limited.

1.7 Nature of the Information

The main focus of this study is to collect relevant information of this particular department through focusing and analyzing on the A/C related activities, clearing cheques, accounts opening, terms and conditions regarding these fields, operations, and recommendations.

1.8 Data Analysis

The data was collected by analyzing the information from different parts and sections of the General Banking Operation, accounts and clearing department and remittance of Southeast Bank LTD.
Statement of affair of 30th October, read sheet and document checklist of general banking, list of board of directors, performance of the SEBL from 2009 to 2013 are used as a primary data. These data used for mentioning the activities and the improvement of the bank at a glance.

The data used as secondary data like annual report of 2013 of SEBL, MBL, DBL, EBL and the website of the southeast bank. These annual reports mainly collected for showing the comparisons of the deposits, investments as well as the income increment of the SEBL compared to the others three banks. The history and the overview of the banks information were collected from the bank website.

1.9 Time Schedule of the Project

To complete the report I was given three months to work as intern and obtain data for my internship program. In the first two months as an intern I have worked under accounts department and for later fifteen to twenty days I worked in the front desk for customer service purpose. After organizing and analyzing the data which I have collected, I have submitted the final report by 12th January, 2015. To complete this report properly I have to maintain regular communications with the academic supervisor and the organizational supervisor for crucial feedbacks.

1.10 Limitation

Working only three months in Southeast Bank Limited was not enough to fully understand how the bank fully operates. Therefore, I have gained overall idea about the accounts and clearing department. Moreover, for not being an employee of that bank I couldn’t get access to all information or departments. As this was my first time practically getting involved with a bank I lacked much knowledge to work professionally. These are the following limitations which I have confronted:

- Some bank officers did not agree to reveal confidential information about SEBL.
• The information gathered in this report is fully based on Southeast Bank Limited’s policy and terms. It may or may not be similar with other Banks.
• There were not sufficient resources like papers and documents available to fully conduct my research.
• The paper follows the term and polices only maintained by Southeast Bank Limited.
• Difficulty in accessing latest data of internal operations.
• Lake of internet facilities in the office hindered timely writing of the report.
• The time limit was also very crucial for the report. Working at the bank and writing report at a very limited time may have caused some minor mistakes in this paper.

However, I have tried my best to write this paper as flawless as I can. Readers are requested to think about these limitations while reading and justifying any part of my research.
Chapter Two
Organizational overview

2.1 Historical Background of SEBL

In 1995, Southeast Bank Limited was established with a purpose to become one of the best banking institutions of the country. The main principle of the bank was to contribute in economic function of Bangladesh and see it developed gradually. Many important personals and leaders of this country established this bank to contribute significantly to the economic sector.

It has been nineteen years since the bank is running its operations and contributing significantly to the economic sector. In 2013, the Bank earned an after tax profit of Tk. 3,378,822,023. The deposit of the bank grew by 16 percent to BDT 177,519 million and loans and advances by 6 percent to Tk.134, 864 million compared to 2012. During the years 2001-2011, the bank achieved an average annual growth of 23.32 percent in deposit, 22.29 percent in advances, 28.12 percent in export and 28.94 percent in import and 47.15 percent in remittance. During the two years, the export volume increase by 13 percent to Tk. 95,220 million and total capital increased by almost 11 percent to Tk. 21,808 million. With its operational improvement combined with qualitative upgrading the bank is gradually improving its performance. At present, the Bank has 130 branches. Dhanmondi and mogbazar branches opened on 29th December, 2014.

2.2 Commencement

Southeast Bank Limited (SBL) started its banking operations from May 25, 1995 at the Principal Branch located at 1, Dilkusha Commercial Area, Dhaka. The bank was established as a second generation private commercial bank under the act of The Bank Companies Act 1991 and became a part as a public limited company under the companies Act 1994 on March 12, 1995. The establishment of SBL was possible only because of a successful group of prominent investors and Bangladesh Government who dreamed of an economically solvent country. The founder chairman Mr. M. A. Quasem, is a prominent businessperson of the country. The first Managing Director (MD) was Mr. Syed Anisul Haque and the present MD is Mahbubul Alam. They are also renowned faces of the business world of this country. Also, the present Chairman Alamgir Kabir is not only respectable in national level business but also in international business world.
2.3 Vision, Mission and Objectives of SEBL

Vision

Southeast Bank Limited mainly started with the vision of helping the economic section of this country. It also has the vision of decreasing the gap of investment and savings of the economy through savings mobilizations and motivates the speed of industrialization. This journey to create an economically solvent country started in 1995 and it is still going on. Southeast Bank Limited never compromises with while aiming to fulfill its vision and sets a high standard to look up to. The bank puts emphasize on fulfilling daily activities efficiently which will gradually lead it to its aimed goal.

Mission

The aim of the bank is to become one of the leading and highly competitive bank system institutions not only in national ground but also in international ground.

Objectives

The bank gives a high priority to its customers. It believes in the motto that customer is always right and tries to provide best service to the people. It takes action and provides service according to different categories of customers. The Bank believes that to provide standard financial services is to deliver a quality that makes every transaction a pleasurable experience. Therefore, providing its customers with personalized service, tailor-made solutions for business needs, global reach in trade and commerce right at their hands the bank tries to satisfy its customers. Moreover, the bank gives full importance in investments and transactions for achieving its ultimate goal.

2.4 Organization Structure of SEBL

Similar to any other local banks SEBL also has a traditional organizational structure. The committee known as Executive Committee holds a corporate meeting on a weekly basis. The committee includes Chairman, Vice Chairman, and the group of Directors, Managing Director (MD), and Deputy Managing Director (DMD) and Company Secretary. Before implementing
any conduct or activities a proper detailed report has to go through the committee members to have final approval.

A graphical representation of the hierarchy of the bank is in point

Figure 1.1: Management hierarchy of Southeast Bank Limited
The Managing Director of the Bank bears the responsibility of presenting these proposals to the committee members. A number of top executives work under the DMD; they are - 5 Senior Executive Vice Presidents, 5 Executive Vice Presidents, 4 Senior Vice Presidents, and 8 Vice Presidents. The proposals are first developed by the mid-level managers and then forwarded to the Managing Director through the Head of Branches or the head of the divisions. There is also a legal advisor assigned by the bank to have legal advice on legal problems and issues which the bank faces while operating.

2.5 Management of SEBL

Again, like any other institution SEBL also puts great importance in its management system. It believes that with a great management system and organized work an institute can stay firm on its way of achieving goals and aims. With a strong Management system it conducts planning, organizing, staffing, directing and controlling of all financial and non-financial resources.

Different aspects of management practice in SEBL are discussed below.

Planning

SBEL has a division fully devoted to planning. This department takes the whole responsibility of planning and sees it through. The planning approach in this bank is top-down and each branch plans according to the objectives imposed by the corporate level.

Organizing

SEBL has its different branches located in different locations. Although each of these branches works as separate entities, they are organized in the same way and working for the same goal. Each of these branches’ also has their own Senior Vice President (SVP) followed by Manager (Operations) who are responsible for the performance of their respected branch.

Staffing

The process of recruitment in SEBL is conducted in two different ways. The “Provisional Officer” post for the management level is a position of minimum period of two years. The other one is non-management level as "Trainee Assistant Officers". Provisional Officers are recruited
in officer category and their career path is headed towards different managerial jobs. The contractual category post is sales executive.

Directing and Controlling

Each of the managers responsible for each branch conducts a very strict role of directing and conducting. As the authority these managers and vice presidents observe and assign different tasks to the employees. Also by budgeting, rewarding, punishing, etc. the authority tries to control the behavior and performance of the employees and staffs. An organogram of the Head office along with a description of different sections is given below.

Figure 1.2 Organogram of Head Office, Southeast Bank Limited
**List of Board of Directors of the Bank**

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name and Address</th>
<th>Designation</th>
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| 01      | **Mr. Alamgir Kabir, FCA**  
226, Dilu Road, New Eskaton  
Dhaka. | Chairman |
| 02      | **Mr. Ragib Ali**  
House No.06, Road No.76, Gulshan  
Dhaka-1212 | Vice Chairman |
| 03      | **Mr. M. A. Kashem**  
73/C, Gulshan Avenue, Gulshan  
Dhaka-1212 | Director |
| 04      | **Mr. Azim Uddin Ahmed**  
Plot No.51, Road No.9, Block-F Banani  
Dhaka-1213 | Director |
| 05      | **Mrs. Duluma Ahmed**  
Plot No.51, Road No.9, Block-F Banani  
Dhaka-1213 | Director |
| 06      | **Mrs. Jusna Ara Kashem**  
73/C, Gulshan Avenue, Gulshan  
Dhaka-1212 | Director |
| 07      | **Mr. Md. Akikur Rahman**  
Sonarpara, Nobarun-227  
Sylhet | Director |
| 08      | **Mrs. Rehana Rahman**  
House No.10, Road No.68  
Gulshan, Dhaka-1212 | Director |
2.6 Activities of Different Division

Financial Control and Accounts Division (FCAD)

- Financial planning, budget preparation and monitoring
- Payment of salary
- Controlling inter-branch transaction & Disbursement of bills
- Preparation of financial reports and annual reports
- Preparation/Review of returns and statements
- Maintenance of Provident Fund, Gratuity, Superannuation Fund
- Reconciliation

International Division (ID)

- Agency arrangement and credit line with correspondent banks
• Compile and circulate the foreign exchange circulars (daily exchange rates, special instruction etc.) to the branches
• Controlling Test Key and Authorized Signature
• Issuance of power of attorney

Credit and Loan Administration Division

• Loan administration
• Loan disbursement
• Project evaluation
• Processing and approving credit proposals of the branches
• Documentation, CIB (Credit Information Bureau) report etc
• Arranging different credit facilities
• Providing related statements to the Bangladesh Bank and other departments

Human Resource Division (HRD)

• Recruiting
• Training and development
• Compensation, employee benefit, leaves and service rules program and up gradation
• Placement and performance appraisal of employees
• Preparing related reports
• Reporting to the Executive Committee/ Board on related matters ^ Promotional campaign and press release

Information Technology (IT) Department

• Software development
• Network management and expansion
• Software and Hardware management
• Member banks reconciliation
• Data entry and processing
- Procurement of hardware and maintenance

**Branches Control & Inspection Division**

- Controlling different functions of the branches and search for location for expansion
- Conducting internal audit and inspection both regularly and suddenly
- Ensuring compliance with Bangladesh Bank (BB), monitoring BB's inspection and external audit reports

**Board Division**

- Maintenance of different Board affairs
- Preparation of extracts and minutes
- Forwarding different memos to the Board of Directors/ Executive Committee
- Administration of company's' share related affairs like issuance, settlement, providing coupons, right share issuance etc.

**Card Division**

- ATM card and system operation and maintenance
- SWIFT operation
- Credit Card Operation (Proposed)
- Customer and vendor relationship

**Marketing & Outreach Division**

- New product development and marketing analysis on financial services
- Mass media, event management and protocol
- Liability marketing
- Improvement of policies and strategies
- Management Information System (MIS)
Chapter 3
Products and Services of SEBL

Products

Deposit Schemes

- Saving Account (SB)
- Current Account (CD)
- Short Notice Deposit (SND)
- Fixed Deposit (FDR)

Customer Friendly Deposit Schemes

- Pension Savings Scheme (PSS)
- Double Benefit Scheme (DBS)
- Monthly Savings Scheme (MSS)
- Millionaire Deposit Scheme (MDS)
- Multimillionaire Gold Deposit Scheme (MGDS)

Loan Schemes

- Consumer Credit Scheme (CCS)
- Equity & Entrepreneurship Fund (EEF)

Services

- SME Banking
- Dual Currency VISA Credit Card
- Virtual Card
- Remittance Business
- Western Union
- SWIFT Services
- Locker Services
• ATM Services
• Internet Banking Services
• Bill Payment Services
• E-Statement Services

Period of Loan

• Continuous Loan: 01 (One) year. Period of Loan
• Term Loan: Maximum 05 (Five) years

Loan Ceiling

• For small enterprise: Taka 2.00 Lac to Taka 3.00 Lac. Loan Ceiling
• For medium enterprise: Taka 2.00 Lac to Taka 50 Lac.

Loans & Advances:

• Working Capital
• Personal Loan
• Home Loan
• Car Loan
• Commercial Loan
• Re-financing Loan
• Overdraft (OD)
• Project Finance
• Syndicate Loan
• Packing Credit
• Loan Against Export Bill
• Loan Against Trust Receipt
4.1. Capital

The Authorized Capital of the Bank was Tk.10,000.00 million and paid-up capital was Tk. 8,732,858,820 as of December 31, 2013. The total Capital grew by 11 percent to BDT 21,808 million in 2013.

4.2. Deposits

The Bank mobilized Total Deposits of Tk 177,519 million as of December, 2013 as compared to Tk 152,901 million in 2012. The deposits of 30th October, 2014 was Tk. 1,942,613. So, it is seen that the deposits are increasing day by day. Competitive interest rates, attractive deposit products, deposit mobilization efforts of the bank employees and confidence reposed by the customers in the bank contributed to the notable growth in deposits. The Bank introduced a number of attractive deposit schemes to cater to the requirement of savers. This improved not only the quantum of deposits but also brought about qualitative changes in deposits structure.
4.3. Investments

The investment portfolio of the bank during the year 2013 was Tk. 57,589 million against Tk. 39,011 million in the previous year. The Bank has always given emphasis on investment of funds in high yield areas simultaneously maintaining Statutory Liquidity Requirements (SLR) as fixed by Bangladesh Bank time to time.

4.4. Profit

Net profit after Tax and provision: The bank earned Net profit of Tk. 3378.82 million during the year in 2013. In 2012, it was 1648.72 million. In 2014, it became 21,442 million till 30th October.

4.5. Current State of Operations of SEBL

In 2006 the Bank experiences an increase in its operations resulting an increase in profits. But it failed to have a favorable response from export business. The total earned profit of the bank (pre-tax) is Tk. 425.50 million (un-audited) registering an annual growth of 6% over that of the previous year. But the growth rate comparing to the previous year, which was 40%, is very low. Now the scenario has been changed. The performance of the bank is much than the previous and its operations almost developed in 2013 as well as developing till 30th October.

4.6. Industry analysis and Competitive Condition of Southeast Bank

It is observed that the Private Commercial Banks (PCBs) made sizeable contributions towards registering positive growth rates in all the key performance indicators. It is also observed that the 2nd generations PCBs, on an average, have relatively higher performance growth records in respect of key indicators compared to the 1st generation PCBs. The 3rd generation PCBs, however, are yet to come up with reasonable performance standards excepting a few ones.

SEBL's export, import and guarantee business has been growing at a good pace since its inception. The import business of the Bank is in line with its competitors. Export business had a growth of about 100% each year for the last four years. But if it is compared with the competitors, it appears that Southeast Bank will have to go a long way to keep pace with the like banks. The following Table shows a brief comparative analysis of some 2nd generation banks in
the year 200\(^{nd}\) including Southeast Bank Limited, which may be helpful to find out the condition of the Bank in the industry. A comparative picture of financial position of second generation PCBs as on Dec 2013 of MBL, DBL, EBL and SEBL is in point. In October, 2014 the deposit increased to 1,942,013 million in SEBL.

All Taka are In Million:

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<td>120,857</td>
<td>115,981</td>
<td>117,037</td>
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<tr>
<td>Loan and advances</td>
<td>134,864</td>
<td>97,688</td>
<td>99,596</td>
<td>103,331</td>
</tr>
<tr>
<td>Investment</td>
<td>57,589</td>
<td>30,090</td>
<td>18,757</td>
<td>26,018</td>
</tr>
<tr>
<td>Total asset</td>
<td>220,930</td>
<td>144,841</td>
<td>140,924</td>
<td>158,163</td>
</tr>
<tr>
<td>Net profit after tax</td>
<td>3,378</td>
<td>1,977</td>
<td>1,927</td>
<td>2,567</td>
</tr>
<tr>
<td>Total Income</td>
<td>9,684</td>
<td>7,468</td>
<td>18,233</td>
<td>9,583</td>
</tr>
</tbody>
</table>
So, we can see that the performance of SEBL was the appreciable than another three others bank. The deposit, Investment is the highest percentage of SEBL but the total income is highest in the Dhaka bank where the SEBL was only 21% that was too poor. In 2013, their performance not so good but also not so bad. They are trying to go ahead at their best. Now they are planning to increase their loan section performance so that they can give more loans to the people.
### 4.7 Performance of Southeast Bank Ltd at a glance

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorized Capital</td>
<td>10,000.00</td>
<td>10,000.00</td>
<td>10,000.00</td>
<td>10,000.00</td>
<td>10,000.00</td>
</tr>
<tr>
<td>Paid up Capital</td>
<td>8,732.86</td>
<td>8,732.86</td>
<td>8,317.01</td>
<td>6,930.84</td>
<td>3,422.64</td>
</tr>
<tr>
<td>Reserve Fund/ Others</td>
<td>13,074.71</td>
<td>10,864.68</td>
<td>10,683.05</td>
<td>10,165.06</td>
<td>6,504.62</td>
</tr>
<tr>
<td>Deposit</td>
<td>177,519.46</td>
<td>152,901.24</td>
<td>127,178.22</td>
<td>107,729.58</td>
<td>96,669.05</td>
</tr>
<tr>
<td>Advance</td>
<td>134,863.82</td>
<td>126,968.97</td>
<td>107,288.56</td>
<td>92,452.62</td>
<td>77,497.57</td>
</tr>
<tr>
<td>Investment</td>
<td>57,589.06</td>
<td>37,656.56</td>
<td>29,846.60</td>
<td>18,327.65</td>
<td>21,350.23</td>
</tr>
<tr>
<td>Import Business</td>
<td>131,644.82</td>
<td>111,537.50</td>
<td>99,509.01</td>
<td>103,726.70</td>
<td>69,582.92</td>
</tr>
<tr>
<td>Export Business</td>
<td>95,220.40</td>
<td>84,464.20</td>
<td>75,982.06</td>
<td>58,158.06</td>
<td>46,724.47</td>
</tr>
<tr>
<td>Guarantee Business</td>
<td>17,226.41</td>
<td>21,506.65</td>
<td>25,673.90</td>
<td>22,781.19</td>
<td>11,916.74</td>
</tr>
<tr>
<td>Remittance Business</td>
<td>39,299.10</td>
<td>41,455.40</td>
<td>49,544.10</td>
<td>28,082.25</td>
<td>23,800.00</td>
</tr>
<tr>
<td>Total Income</td>
<td>26,918.30</td>
<td>23,134.18</td>
<td>19,931.91</td>
<td>16,071.33</td>
<td>13,702.25</td>
</tr>
<tr>
<td>Total Expenditure</td>
<td>20,218.11</td>
<td>17,638.99</td>
<td>13,846.66</td>
<td>9,316.39</td>
<td>9,087.79</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>6700.20</td>
<td>5,495.19</td>
<td>6,085.66</td>
<td>6,754.94</td>
<td>4,614.66</td>
</tr>
<tr>
<td>Net Profit After Tax and Provision</td>
<td>3,378.82</td>
<td>1,648.72</td>
<td>1,912.19</td>
<td>2,763.13</td>
<td>1,870.19</td>
</tr>
<tr>
<td>Fixed Assets</td>
<td>7,795.65</td>
<td>7,677.51</td>
<td>7,373.11</td>
<td>4,463.08</td>
<td>4,338.35</td>
</tr>
<tr>
<td>Total Asset</td>
<td>220,930.85</td>
<td>189,921.58</td>
<td>158,078.59</td>
<td>131,943.48</td>
<td>112,676.98</td>
</tr>
<tr>
<td>Earnings per Share(Tk.)</td>
<td>3.87</td>
<td>1.89</td>
<td>2.19</td>
<td>3.77</td>
<td>3.24</td>
</tr>
<tr>
<td>Dividend Cash(%)</td>
<td>16%</td>
<td>15%</td>
<td>15%</td>
<td>10%</td>
<td>-</td>
</tr>
<tr>
<td>Dividend Bonus Shares</td>
<td>5% (20:1)</td>
<td>-</td>
<td>5%(20:1)</td>
<td>20%(5:1)</td>
<td>35%(20:7)</td>
</tr>
<tr>
<td>----------------------------</td>
<td>-----------</td>
<td>-------</td>
<td>----------</td>
<td>----------</td>
<td>-----------</td>
</tr>
<tr>
<td>Return on Equity(ROE)</td>
<td>16.20%</td>
<td>8.42%</td>
<td>10.47%</td>
<td>19.41%</td>
<td>16.51%</td>
</tr>
<tr>
<td>Return on Asset(ROA)</td>
<td>1.64%</td>
<td>0.95%</td>
<td>1.32%</td>
<td>2.26%</td>
<td>1.66%</td>
</tr>
<tr>
<td>Non-Performing Loan</td>
<td>3.94%</td>
<td>4.47%</td>
<td>3.51%</td>
<td>4.26%</td>
<td>3.73%</td>
</tr>
<tr>
<td>Capital Adequacy Ratio</td>
<td>10.90%</td>
<td>10.87%</td>
<td>11.46%</td>
<td>11.25%</td>
<td>3.73%</td>
</tr>
<tr>
<td>No of Correspondent Bank</td>
<td>211</td>
<td>183</td>
<td>161</td>
<td>152</td>
<td>146</td>
</tr>
<tr>
<td>No of Foreign Correspondents</td>
<td>778</td>
<td>691</td>
<td>654</td>
<td>645</td>
<td>589</td>
</tr>
<tr>
<td>No of Shareholders</td>
<td>65,413</td>
<td>64,000</td>
<td>68,039</td>
<td>66,898</td>
<td>22,152</td>
</tr>
<tr>
<td>No of Employees-Banking</td>
<td>1704</td>
<td>1655</td>
<td>1526</td>
<td>1373</td>
<td>1254</td>
</tr>
<tr>
<td>No of Employees Non-Banking</td>
<td>414</td>
<td>355</td>
<td>322</td>
<td>240</td>
<td>148</td>
</tr>
<tr>
<td>No of Branches</td>
<td>103</td>
<td>94</td>
<td>84</td>
<td>76</td>
<td>56</td>
</tr>
</tbody>
</table>
Chapter Five
SWOT Analysis of SEBL

Under SWOT analysis an organization or institutes strength, weakness, opportunity and threat are observed and analyzed. The regular observation and development of these issues assists the organization to stay in line of performance and also motivates to perform better in the future. SWOT analysis can be an important tool to evaluate an institute’s regular performance and help it to overcome its short coming which may hinder its ultimate goal.

Strengths

For its strong management system and uncompromised works in banking sector, Southeast Bank Limited has become one of the established reputed banking institutes of Bangladesh. It is also considered as one of the best private commercial banks of the country.

- A good recruiting policy conducted by SEBL has ensured highly functioning and hardworking leadership and management position along with other staffs.
- The recruitment policy of Southeast Bank Limited is also praised for bringing new system of recruitment policy by giving opportunity to Fresh MBA's and BBA's graduates in mid-level.
- The working environment of SEBL is very friendly and comfortable as the managers and presidents behave very friendly with their staffs and employees. They are also given free time to spend time with their colleagues to create bonding among themselves.
- As the employees are highly functioning and satisfied with the working environment, it ends up resulting in better service and quality.
- Also, the attractive compensation package provided by SEBL is also a tool of attracting new employees and holding on to existing employees.
Weakness

- One of the main weaknesses of the bank is that it did clearly mention its goal and strategy to fulfill. The bank is claiming to make a positive difference in economic sector but first it has to come with a strategic plan to do so. Moreover, the bank is not still fully determined to follow a certain path for exam it still not decided on whether it should become a full corporate bank or only focus on retail banking.
- The HR division of the bank is also very slow to evaluate the staff and employees’ performance which often delays the employees’ promotions. Sometimes, recruitment is done by directors’ influence or other way which ends of recruiting not very efficient workers.
- Recently there have been accusations that the bank failed to recruit suitable candidates in the lower and some mid-level position which lowered the banks service quality.
- The service of the bank is more satisfactory than many other local banks but it is not enough to become one of the qualified banks in national level of international level,
- Many posts offered in the bank does not have a good potential of growing or a satisfactory future, these leads to many number of unsatisfied employees and staffs. This is one of the major weaknesses of SEBL.
- The marketing campaign of the bank is also not very pleasing therefore it attracts fewer customers than many other banks like Dutch Bangla Bank and BRAC Bank.

Opportunity

- The bank can find out what kind of job must be done by what kind of people and recruit accordingly to the plan.
- Like many other banking institutes SEBL can also recruit directly from different universities by organizing exams and interviews in the campus ground of the universities.
- SEBL can also come up with different opportunities, offers and retail lending products targeting the middle class group of this country. By grabbing this large number of middle class people the bank can develop its business process.
• It can also introduce various kind of corporate scheme plan for customers who are interested and have a high level of income source. It will be even better if it conducts a survey and find out the demands and complains of its customers.

Threats

• The highly qualified multinational banks which offer various schemes for satisfying customers are the greatest threat to SEBL.
• The probationary employees recruited by the bank may leave their position after getting their confirmation.
• Also, the compensation package paid to its employees should be updated with recent economic conditions. It is not very satisfactory for employees anymore and the bank may lose efficient employees due to this problem which will ultimately hinder the banks process.
This is the age of speed. Now all the people know about the cost of time, cost of quality, better
good quality etc. So a bank has to be very careful in providing services to customer. All clients are
equal and valued. On the other hand every day innovations come- sometime as an opportunity
and sometime as a threat. A bank must adjust its operation with these opportunity or threats. So
to satisfy existing as well as potential customers a bank must provide speedy, custom tailored
services. Southeast Bank also knows it and for this reason it makes its strategy time to time. It
keeps a careful eye on the current and upcoming events. With the vision of providing the
customers the most advanced service, the bank is in the verge of providing the cutting edge
technology in today's banking business - Online Banking Facility. The process of complete
automation of the services of the bank and all the branches being online is presently under way.
It is mentionable here that the bank already started the use of SWIFT. It provides ATM facilities
through share ATM. It has more than 20 ATM booths available throughout the country provided
by Electronic Transaction Network Limited (ETN). In order to provide round the clock and
current information on the bank to the business community worldwide, this bank has Web Site

The Bank is considering the option of entering into the credit card business and analyzing the
potentiality and prospects of the bank in this market. The Bank has also developed some new
products and the board is working on launching them very soon.
Chapter Seven
Activities of General Banking

The principle activities of a bank fall under the general banking. The collection of deposit, giving customer service, remitting funds, issuing bank drafts, pay order and all the accounts opening are done in this department. It mainly provides all the day-to-day activities to the customers. If the customers want to know any kind of information about accounts, this department helps them as per the bank rules and regulations. The medium of day-to-day general banking in the Bank is either cash or cheque. So the transactions are either handled by a cash counter (transactions through cash) or the front desk personnel (transactions through cheque or other instruments).

There are so many functions are deportment for directing the general banking procedures.

7.1. Account opening section:

Different types of accounts are opened in this section. For instance, savings account, fixed deposit account, current account of Individual, Firms, Partnership Firms, proprietorship firms, private & public limited companies. There are also so many schemes are there. They are Pension savings scheme, milliners’ savings scheme, special notice deposit, DPS. These accounts are
mostly available in this section. Issuance of cheque books, maintenance of A/C opening register, preparation of different bill statements and clearing cheques received for collection are also maintained in this section. Brief description of the accounts are given below-

**Current account (CD):** Mainly private and public companies open this account. There is no interest is given. 450 taka charges for this. The account holder has to deposit minimum 5000 taka at the time of opening. They also withdraw or deposit at any working day but if they want to close the account in that case they have to inform the reason to the bank behind closing. On the other hand, if bank finds out any accounts are unavailable for a long time, in that case the bank tries to contact with the client to confirm if he wants to keep his account any more or not. Some documents are needed to open a current account. The applicant must have to fill up the applicant form with his or her as well as the nominee’s details personal information.

**Savings account (SB):** Savings account is a normal account. The yearly charge for this account is 230 taka only. 115 taka for July and 115 taka for December. Monthly 5% interest is given to the account holder. At first the account holder has to open a DPS because if any customer fails to deposit the monthly DPS amount, in that case that money cut down from his savings account. For closing the savings account the rules and regulations are same as current account.

**Fixed deposit receipt (FDR):** These are the deposits, which are made with the bank for a fixed period specified in advance. It is purely a time deposit account. The bank does not maintain cash reserves against these deposits and therefore the bank offers higher rates of interest on such deposits. Interest is paid at rate determined by the length of the period for, with the deposit is made. Obviously, the longer is the period of deposit, the higher is the rate of interest. At present the rate of interest for Fixed Deposit receipt (FDR) in the Southeast Bank Limited is presented in the next table. The depositor has to fill up an application form wherein he/her mentions the amount of deposit, the period for which deposit is to be made and the name(s) in which the fixed deposit receipt is to be issued. In case of a deposit in joint names, the banker also takes the instructions regarding payment of money on maturity of deposit i.e. whether payable jointly or payable to either or survivor etc. the banker also takes the specimen signatures of the depositors). A Fixed Deposit Receipt is than given to the depositor acknowledging receipt of the sum of money mentioned therein. It also contains the rate of interest and the date on which the deposit
will fall due for payment. In this account no transaction are allowed and no “cheque book” is
issued. Customers are given Fixed Deposit Receipt only.

Monthly savings scheme (MSS): This scheme is deposit related. The minimum amount of
deposit is 500 taka. The account holder has to deposit monthly wise. The total amount will be
given given to the account holder after maturity. The total amount depends on the deposited
amount and the maturity years.

Monthly Benefit Deposit Scheme (MBDS): Monthly Benefit Deposit Scheme is a product
where the customer deposits either Tk. 1, 10,000 or Tk. 5, 50,000 and receives a monthly return
of Tk. 1000 or Tk. 5000 respectively for a period of six years. The bank is also planning to give a
nominal rate of 0.5% p.a. interest on current account to the customer who maintains a credit
balance. For modern banking and investment decisions the Bank is eager to make substantial
investments through branch and business expansion with added capacity of resources. The bank
has a plan to set up a research and development extension so as to analyze business opportunities
to extending its presence in this new market and sources of investments

Details of products:

<table>
<thead>
<tr>
<th>PSS (Pension savings scheme)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly installment</td>
</tr>
<tr>
<td>100</td>
</tr>
<tr>
<td>500</td>
</tr>
<tr>
<td>1000</td>
</tr>
<tr>
<td>1500</td>
</tr>
<tr>
<td>2000</td>
</tr>
<tr>
<td>3000</td>
</tr>
<tr>
<td>5000</td>
</tr>
<tr>
<td>10000</td>
</tr>
<tr>
<td>20000</td>
</tr>
<tr>
<td>25000</td>
</tr>
<tr>
<td>Monthly installment</td>
</tr>
<tr>
<td>--------------------</td>
</tr>
<tr>
<td>500</td>
</tr>
<tr>
<td>1000</td>
</tr>
<tr>
<td>1500</td>
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<tr>
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<td>3000</td>
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<tr>
<td>5000</td>
</tr>
<tr>
<td>10000</td>
</tr>
<tr>
<td>20000</td>
</tr>
<tr>
<td>25000</td>
</tr>
</tbody>
</table>

**MDS (Millionaire deposit scheme)**

<table>
<thead>
<tr>
<th>Deposit maturity</th>
<th>Monthly installment</th>
<th>After maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 years</td>
<td>16962</td>
<td>10 lacs</td>
</tr>
<tr>
<td>5 years</td>
<td>12877</td>
<td>11 lacs</td>
</tr>
<tr>
<td>6 years</td>
<td>10160</td>
<td>12 lacs</td>
</tr>
<tr>
<td>7 years</td>
<td>8220</td>
<td>13 lacs</td>
</tr>
<tr>
<td>8 years</td>
<td>6790</td>
<td>14 lacs</td>
</tr>
<tr>
<td>9 years</td>
<td>5690</td>
<td>15 lacs</td>
</tr>
<tr>
<td>10 years</td>
<td>4808</td>
<td>16 lacs</td>
</tr>
</tbody>
</table>

**MGDS (Millionaire gold deposit scheme)**

<table>
<thead>
<tr>
<th>Maturity limit</th>
<th>Monthly installment</th>
<th>After maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 years</td>
<td>24040</td>
<td>50 lacs</td>
</tr>
<tr>
<td>12 years</td>
<td>17730</td>
<td>50 lacs</td>
</tr>
<tr>
<td>14 years</td>
<td>13390</td>
<td>50 lacs</td>
</tr>
</tbody>
</table>

**FDR (Fixed deposit receipt)**

<table>
<thead>
<tr>
<th>Maturity years</th>
<th>% rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 month</td>
<td>7.50%</td>
</tr>
<tr>
<td>TYPES OF DEPOSITS</td>
<td>RATE OF INTEREST (with effect from June 16, 2014)</td>
</tr>
<tr>
<td>------------------</td>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td>1. CURRENT (CD)</td>
<td>0.00%</td>
</tr>
<tr>
<td>2. SAVINGS (SB)</td>
<td>Below Tk 10.00 lac &amp; above</td>
</tr>
<tr>
<td></td>
<td>Tk. 10.00 Lac</td>
</tr>
<tr>
<td></td>
<td>5.00%</td>
</tr>
<tr>
<td></td>
<td>5.50%</td>
</tr>
<tr>
<td>3. SPECIAL NOTICE DEPOSIT (SND)</td>
<td>Banks and NBFIs: 5.50%</td>
</tr>
<tr>
<td></td>
<td>Customers</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Below Tk.</th>
<th>Tk. 1.00 crore &amp; above but below</th>
<th>Tk. 25.00 crore &amp; above</th>
<th>Tk. 50.00 crore &amp; above</th>
<th>Tk. 100.00 crore &amp; above</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.00 crore</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tk. 25.00 crore</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>above but Tk.</td>
<td>above but Tk.</td>
<td>above but Tk.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>below Tk.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>50.00 crore</td>
<td>100.00 crore</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.00%</td>
<td>5.00%</td>
<td>6.00%</td>
<td>7.00%</td>
<td>8.00%</td>
</tr>
</tbody>
</table>

Mother account (IPO): Will be fixed upon approval from Head Office.
on case to case basis.

<table>
<thead>
<tr>
<th>4. FIXED DEPOSIT</th>
<th>For both individual and corporate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>For any amount</td>
</tr>
<tr>
<td>1 month</td>
<td>7.00%</td>
</tr>
<tr>
<td>3 months</td>
<td>9.75%</td>
</tr>
<tr>
<td>6 months</td>
<td>9.50%</td>
</tr>
<tr>
<td>1 year</td>
<td>9.50%</td>
</tr>
<tr>
<td>Head Office General Account</td>
<td>For all branches</td>
</tr>
<tr>
<td>Head Office General Account</td>
<td>11.05%</td>
</tr>
<tr>
<td>(Credit balance in Head Office Book)</td>
<td></td>
</tr>
<tr>
<td>Head Office General Account</td>
<td>11.15%</td>
</tr>
<tr>
<td>(Debit Balance in Head Office Book)</td>
<td></td>
</tr>
</tbody>
</table>

Document checklist of account opening:

- **Personal Account Opening**
  - Completed account opening form.
  - 2 copy of passport sized photograph of each account holder.
  - 1 copy of passport sized photograph of nominee (attested by the account holder).
  - Valid identification proof (i.e. national ID card, passport, driving license & voter ID).
  - Recent utility bill / TIN certificate to support residence address.
Sole proprietorship / partnership / private Ltd. Co. / Other Account Opening

- Copy of Trade License.
- Copy of VAT certificate.
- Copy of passport and national ID’s of all partners / shareholders / signatories/directors/ proprietors / beneficial owners.
- Photographs of all partners / signatories / directors (one copy of each).
- Copy of partnership deed / Trust deed.
- Copy of utility bill of office premise.
- Memorandum of Association (MOA), Share list.
- Schedule X / By-laws / Constitution.
- Copy of Incorporation Certificate / Certificate of Registration.
- Copy of Form xii (if any).
- Board of Resolution (with all director’s signature).
- Other mandatory (regulatory) documents required to open particular type of A/C (e.g. NGO Bureau approval for NGOs)

7.2. Cash payment & receipt section: This section is the very challenging for the banker. The cash-in-charge and also other staffs should be permitted to do the day to day activities of this department. The bankers have to always careful to receive cash from the customers with documents as well as pay to the customers with evidence. Otherwise, they will be responsible to give the rest money if there will be found any mismatch of the money.

Activities of cash department:

Cash department is the most vital department of a bank. It is a platform to communicate with customers. Cash department receives and pays cash directly.

In the cash department there are following register:

- Vault register
- Cash received register
- Cash payment register
• Cash remittance register
• Prize bond register.
• Key register

There is a procedure of cash-in and cash-out from the vault. A systematic procedure is maintained for receiving cash through different vouchers and payment against different cheques and vouchers.

**Vault opening**

The vault is opened with three different keys of three respective authorized officers (in Foreign Exchange Branch)

• Second office
• Cash – in – charge
• Another authorized officer

Strong room door has two keyholes opened by two officers respectively by two keys of cash.

• Grill door has one keyholes opened by two officers
• Open the safe the by two keys of two officers

Bring out the following thing

• Cash
• Vault register
• Receive register
• Payment register
• Balance book
• Prize bond register
• Security stationary

Closing of the safe

Enter the amount of cash withdrawal from the vault in vault register. (For every withdrawal)

Cash receiving procedure

Cash is received in receiving counter by following ways-

• Pay – in – slip for SB, CD, STD A/C etc.
• Single credit voucher for FDR, BCD etc.
• Different types of instrument remittances are received by respective forms.
• Bills like T&T, Grameen phone, DESA, WASA etc.
• In case of prize bond, its serial balance also maintained in prize bond register.

General procedure

• Upon receiving of the pay in slip cashier checks the A/C no, signature, amount.
• Entry in receiving ledger and signature of authorized officer.
• Receiver cash.
• Seal up the pay in slip as cash received.
• Signature of cashier and authorized officer on the slip.
• Counterpart to customer.
• Posting in computer in respective A/C.
• Tracer no. on deposit slip.
Payment

Cash is paid in payment counter against the following instrument-

- Cheques
- Cash debit voucher
- Pay in slip
- Different types of bank’s expenses which is made by branch’s staff on paid through cash debit voucher
- Bank’s expenses also paid to outside through cash debit voucher

Procedure:

Receive of the cheques with a signature behind it.

- Scrutinize it by an authorized officer as payment in due cause.

Bank Name

- Branch Name
- Date
- Account Number
- Cheque Number/ series
- Amount in figure and word
- Signature
- Submit to computer section for checking balance.
- Cancelled and seal up “pay in cash” and cancellation through sign up.
- Again submitted to computer section for debiting the party A/C and seal up “posted”.
- Send to cash counter- payment officer.
- Cash officer checks the cancellation, seal and up “Cash Payment”
- Entry in the Payment Register.
• Take another signature of payee behind the cheque and pay cash.

Cash Remittance

Requisition letter, which must be authorized by the manager, is sent to principle office for Cash Remittance.

Inward Cash:

• Counting the cash (Ring counting)
• Prepare simple credit voucher
• Prepare IBCA
• Entry the cash receipt register

Outward Cash:

• Car requisition (call through phone )
• Taking counter part of forwarding (including Name and specimen signature of authorized officer and guard)
• Remit the cash
• Prepare simple debit voucher

Cash Balance

At the end of the transaction:

• Sum up total received
• Sum up total payment
• Total received + opening balance – total payment = closing balance for that day and opening balance for the next day.
• Counting cash
• Entry in cash balance register
• Write cash position memo with denomination
Vault register

Opening balance

(+) amount receive from tellers

Teller 1    ********
Teller 2    ********
Teller 3    ********
Teller 4    ********    ……………….  ********

(-) Amount given to the tellers

Teller 1    ********
Teller 2    ********
Teller 3    ********
Teller 4    ********    ……………….  ********

End balance / beginning balance of next day    ********

Sorting and Stitching

After country notes cash officers sort cash according to their denomination

• Make 1 packet with hundred notes stiches them with needle & thread
• Pen packets make a bundle & bind them with thread

Things related with counter and maintenance

• Cash (taka, coin)
• Sponge for water
• Payment & receiving seal
• Payment receiving, prize bond, cash balance register
• Calculator
• Counting machine
• Stitching items – wooden block, seal gala, candle, needle thread, glycerin, scissors etc.

Cash counter is most part of the bank. Unauthorized persons are not permitted to enter inside the counter.

• Cash, register, seal are kept in the safe.
• Counting machine in the vault.
• Other things in proper place.

Vault closing

Before vault closing concern officer will-

• Check receive, payment, cash balance, vault register signature.
• Signature on computer sheet.
• Count physical cash.
• Keep cash in the safe.
• Bundle in safe.
• Loose peak, loose cash notes and coins on the tray.
• Keep different registers.
• Keep security stationeries
• Close safely
Check the rifle and cartage.

Count cartage and entry in register.

Close grill door and vault room’s door.

7.3. Local remittance and online transaction section: Remittance is another significant part of the general banking. The bank receives and transfers various types of bills through the remittance within the country. Obviously the bank charges commission on the basis of bill amount. The payment of western union, RIA, money express, money gram from the outside country is given by this section. To get the amount the receiver has to bring the passport or national ID, pin number in where the money in transferred and the details of the sender. The types of remittance:

- PO (Pay Order)
- DD (Demand Draft)
- TT (Telegraphic Transfer)

Pay Order (PO)

A pay order is written order issued by a branch to pay a certain sum of money to a specified person or a bank. It may be said a banker's cheque as it is issued by a bank drawn upon and payable by itself. Pay order is the safest way of making payments, as they are drawn on the bank issuing them. So there is no scope of fraudulence or cheque bouncing.

Demand Draft (DD)

A demand draft is a written order of one branch upon another branch of the same bank, to pay a certain amount of money to or to order of a specified person. DD is drawn on the bank's other branches and the payer should have an account with the bank.

Telegraphic Transfer (TT)

Telegraphic Transfer may be affected at the written request of any person and against value received from the person. A written application on the banks prescribed form duly signed by the purchaser should be obtained. The payment of TT should make to the payee or beneficiary after being satisfied in all respects. This telegraphic transfer is not that available on this branch.
Sanchaypatra

Southeast Bank Ltd issues govt.’s quarterly benefit fixed deposit scheme called "Sanchaypatra". In this branch, the banker does not process this by them. If any gets sanchaypatra related work, at that time they send a mail to the head office. The head office then processes this.

7.4. Clearing section:

Clearing checks is the processing of funds that destruct from the payers account and the money goes to the payee’s account. The clearing house of a bank is the responsible for clearing checks; draft and other instruments receive from the customers and accumulated the amount to the payee at the appointed rules under the Bangladesh bank. In Bangladesh, clearing – house sites at Bangladesh Bank but where there is no office of the Bangladesh Bank, Sonali Bank acts as agent of Bangladesh Bank. There are two types of cheque clearing under BACPS (Bangladesh Automated Cheque processing System). They are regular and high value. The cheque amounting 500000 or above are eligible for high value and amounting less than 500000 are regular value. The limited time for high value is 11:30am and 12pm for regular value. The charge for regular value is 10 taka. The Bangladesh bank gets 8taka and the own bank gets 2taka. 60taka charges for high value.50taka for Bangladesh bank and 10taka for own bank.

<table>
<thead>
<tr>
<th>SL no</th>
<th>Return Reason</th>
<th>Re-presentable- R, Non-representable- N</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Insufficient Fund</td>
<td>R</td>
</tr>
<tr>
<td>2</td>
<td>Amount in figure and word differs</td>
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</tr>
<tr>
<td>3</td>
<td>Stale Cheque</td>
<td>N</td>
</tr>
<tr>
<td>4</td>
<td>Postdated/ Undated Cheque</td>
<td>R</td>
</tr>
<tr>
<td>5</td>
<td>Drawers signature differs / missing</td>
<td>R</td>
</tr>
<tr>
<td>6</td>
<td>Payment stopped by drawer</td>
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</tr>
<tr>
<td>7</td>
<td>Item represented too often / more than 3(three)</td>
<td>N</td>
</tr>
<tr>
<td></td>
<td>Description</td>
<td>Status</td>
</tr>
<tr>
<td>---</td>
<td>-----------------------------------------------------------------------------</td>
<td>--------</td>
</tr>
<tr>
<td>8</td>
<td>incomplete or missing endorsement</td>
<td>R</td>
</tr>
<tr>
<td>9</td>
<td>Forged endorsement</td>
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<tr>
<td>10</td>
<td>Material alteration-payee name / amount / date/ account no.</td>
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</tr>
<tr>
<td>11</td>
<td>Forged or unauthorized signature</td>
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<tr>
<td>12</td>
<td>Missing corporate stamp</td>
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<tr>
<td>13</td>
<td>Incorrect amount, cheque number, account number</td>
<td>R</td>
</tr>
<tr>
<td>14</td>
<td>Item sent to wrong bank / branch</td>
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</tr>
<tr>
<td>15</td>
<td>Account closed / dormant / blocked</td>
<td>N</td>
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<tr>
<td>16</td>
<td>Advice not received</td>
<td>R</td>
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<tr>
<td>17</td>
<td>Duplicate item- previously paid</td>
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</tr>
<tr>
<td>18</td>
<td>Incorrect payee(mismatch with advice)</td>
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<td>19</td>
<td>High value item presented to an ineligible branch</td>
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<tr>
<td>20</td>
<td>Cheque not activated / intimation not received</td>
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<tr>
<td>21</td>
<td>Cheque and advice data mismatch</td>
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<tr>
<td>22</td>
<td>7(seven) days’ notice required</td>
<td>R</td>
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<tr>
<td>23</td>
<td>Test key required / differs</td>
<td>N</td>
</tr>
<tr>
<td>24</td>
<td>Not arranged for / Credit limit exceeded</td>
<td>N</td>
</tr>
<tr>
<td>25</td>
<td>Revenue stamp required / not sufficient</td>
<td>R</td>
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<tr>
<td>26</td>
<td>Signature and seal required on the stamp</td>
<td>R</td>
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<tr>
<td>27</td>
<td>Budget required / refer to the issuer</td>
<td>R</td>
</tr>
<tr>
<td>28</td>
<td>Item required revalidation</td>
<td>R</td>
</tr>
<tr>
<td>29</td>
<td>MICR data and image miss- matched</td>
<td>N</td>
</tr>
</tbody>
</table>
How to do clearing:

• Select the date.
• Scan the cheque.
• Gives report to the Bangladesh bank.
• Do balancing (Entry the beneficiary account and amount).
• Takes report.

Clearing is more preferable than cash because

• It is safe.
• There is no chance to make any duplicate cheque.
• It is safer than cash payment.

Voucher sorting: Voucher sorting is the collection and the arrangement of all the vouchers of the specific date. It mainly collects for the future needs. For the audit purpose it will be very helpful to come out the debit or credit voucher of the specific date. The voucher sorting is very important for the keeping documents and proves of the voucher details with supporting letter.

IBDA: This is the inter branch debit advice. It is done when any branch of the same bank wants to give money in another branch.

IBCA: Inter branch credit advice is the abbreviation of this. This is the opposite of the IBDA. It is done when it’s time to do credit into branch to branch.

EFTN (Electronic Fund Transfer Network): EFTN is the most critical payment system in the bank. There are two types of EFTN. They are inward and outward. In inward the funds are transferred into the own branch from the outside and the inside funds are transferred into the outside are the outward EFTN. In case of inward, the head office of the bank gives a mail to the specified branch where the payment will be transferred. Later receiving the mail the branch clearing in-charge will check the account number, if it will be debit or credit and there is
sufficient balance is present or not. After confirmation the in-charge will give the routing number and then process the fund transfer electronically.

**Process of outward EFTN**

There are some few things are related in the clearing department:

- **IBC (Inward bills for collection)**
- **OBC (Outward bills for collection)**
- **LBC (Local bills for collection)**

**Operational Procedure**

Clearing operations are completed in three stages:

- Operation at branch level.
- Operation at Internal Clearing-House i.e. Local office.
- Operation at the Clearing-House in Bangladesh Bank.

Bangladesh Bank clearing-house sits twice in a day. In its first meeting Bangladesh Bank clearing-house received instruments and distributes the same among the representatives of different banks drawn of their bank. In second meeting different bank representatives comes with returned instruments and distributing among the representatives.

**7.5. Clean cash and accounts section:** Accounts department is mainly the anchor of stability of any organization. It mainly the processor of the incoming and outcoming payments of the bank. Voucher writing is also the responsibility of this department. Voucher is the written documentary evidence of the transaction. This department prepares the Thursday position at the end of every week, monthly position at the end of every month, prepares financial reports and budget, schedule bank statement(SBS), processes the pay order of different bills.
**Thursday position:**

Thursday position is the evaluation of the every week financial report of the bank. The branch accounts officer is responsible for posting every Thursday position at the end of the week and then sending it by mail to the financial control and accounts division (FCAD) of the bank. After that the in-charge of FCAD evaluates the overall condition of the every branch financial condition of the week.

**Monthly position:**

Every month financial report specially profit or loss calculation is recorded in the monthly position. The head office provides interest to every branch depending on the total deposit of the individual branch. This interest portion is mainly the profit or loss of the branch. The profit or loss comes from the income expenditure. Salary disbursement is also related in this position.

**Schedule bank statement:**

Schedule bank statement divided into 2 categories. They are SBS1 and SBS2.

**SBS1:**

The SBS1 prepares at the first day of the month. This is the calculation of the previous month schedule bank statement. In this section how much the bank deposited in the previous will be settled down under three categories named Govt, private and public sectors.

**SBS2:**

This statement is done quarterly. The head office gives a mail. After that all scanned forms (for instance the company name or account holder name as well as the information provided) are rechecked and edited.

**Budget:** Budget is the most important to do all the activities of a bank. This is the main thing depending on which everything will be done. How much the bank can be profitable and in which how much money is settled for everything the budget preparation is the first thing the bank has to do. The budget is done twice in a year. One is the last June and other is the 30th December of the year. The accounts department of the every branch has to show how much income expenditure,
income expense and loans are going on depending on the budget of the individual branch given by the head office and how much money should be fixed as well as how much installments should be kept for the upcoming year. After that the depreciation of the all assets also has to indicate.

**Closing:** Closing is the ending situation of a bank. The bank is responsible for doing this to observe the present condition of the bank at a glance. The closing is also done as same as budget. The closing of the end of the June is done by taking the average of the month of January to June and to do the end of December closing, the average of the whole year has to calculate. Leave fare concession is a part of the salary. It divides twice in a year. The bank also has to concern about the advance tax and VAT deducted at source. 10% & 15% tax on interest on deposit, advance tax deducted from salary of employees, 7.5% tax commission charges against foreign buyers, 15% VAT on L/C commission, 15% VAT on other banking services, 9% VAT on office rent (if the branch uses rented premises), 0.30% income tax on export precedes of knit-wear and woven garments, terry towel, carton and accessories of garments (with break up) up to December 30, 2014 to reach Head Office by January 5, 2015 and enabling Head office to deposit the same to Bangladesh Bank on January 7, 2015 as instructed by DCI, Income Tax Office.

**7.6. Document checklist of loan processing:**

- **General documents for all loans required document for salaried**
  - Photograph of all applicants / guarantors (one copy each).
  - Copy of photo ID of applicants and guarantors (passport / national ID / driving license).
  - Latest utility bill with holding number of residence address.
  - Letter of introduction from employer.
  - Pay slip.
  - Last 6 months up to date bank statement.
  - TIN certificate.
  - Rental deeds (if required).
  - Previous employment proof (if required).
Required documents for businessmen / professional

- Photograph of all applicants (one copy each).
- Copy of photo ID (passport / national ID / driving license).
- Latest utility bill with holding number of residence address.
- Trade license.
- Partnership deed.
- MOA
- Schedule x, xii.
- Last 6 months up to date bank statement.
- TIN certificate.
- Personal statement (for partner and shareholder/director).
- Self-declaration of income (for professional).
- Rental deeds (if required).
  - Specific documents for personal loan
- Quotation to be purchased.
  - Specific documents for car loan.
- Car quotation
  - Specific documents for home loan.
- All types of property related documents along with concern authority approved plan with forwarding.
- Estimation for construction / renovation.
- Permission copy of utility connection.
Chapter Eight
Findings, Recommendation and Conclusion

Findings:

1. The activities of many branches are very slow.
2. Customers are not satisfied as the service is not very timely.
3. Less options for the customers to choose an appropriate plan.
4. Terms and condition of credit product is not flexible
5. Some employees are given too much work pressure
6. Internet available in the office often does not work properly.
7. Software used in the system should be up to date.
8. Marketing system should be more active.
9. Less efficient employees and staffs due to lack of professional training

Recommendation:

In specific level following recommendations are suggesting:
SEBL should be increased marketing activities to be competitive in the marketplace.

- SEBL can pursue a Diversification Strategy in expanding its current line of business
- By expanding Business Portfolio, SEBL can reduce its business risk
- SEBL should increase efficiency Online Banking System for efficient transaction of business.
- They should increase the manpower.
- Management efficiency needs to be enhanced.
• They should take proper initiative to create strong image among the people through aggressive marketing to attract more client, they should also pay more attention to customer retention.
• More ATM Booths Should opened for the ease of the clients.

For General Banking
• Skill and efficiency should be given more importance
• The service should become more active and effective
• Ensure customer satisfaction
• Different types of products of General banking activities should be presented.

For Accounts Section
• Works and activities should be properly distributed to decrease work pressure on some employees.
• Internet service should be updated.

For Credit Division
• The bank should for more flexible credit cards with terms and conditions.
• Different type of credit product should be introduced and increased with proper categorization.
• Credit products should be introduced by proper marketing.
• Constructing effective training program can enhance employee’s operational competence .
Conclusion:

As the banking service especially the private Banks are giving so many privileges to people starting from giving business loan to securing their valuable assets and get high-quality and timely services so these pushed up the new commercial banks to take the opportunity and make them visible in this sector with the variety of services and made this banking sector very competitive. So, now banks need to organize their operations according to the need of the market. Banking sectors has broken down the traditional method and emerged with wide range of services to support any kind financial risk. The major task for banks, to survive in this competitive environment is by managing its assets and liabilities in an efficient way.

The Southeast Bank’s philosophy – “A Bank with Vision” has been precisely an essence of the legend of success in the Asian countries. The bank has proved itself by offering quality and timely services to its customers. Their efficient employees made their desire goal to achieve and facilitate to improve the operation on daily basis. The employees Southeast Bank are very efficient knows to produce the best output. The bank has plans to open more branches to expand their network.

They are also playing a significant role in the import and export of Bangladesh. Especially Southeast Bank has more import business than its rivals.

This report is intense with the general banking information that could help the banking procedure more attractive and can also enhance the banks reputation among the customers.

Every day Southeast Bank endeavor to increase their product and services although they provide a wide range of product and services to the ease of their customers made this bank one of the successful commercial bank in Bangladesh. Southeast Bank is helping the economy of Bangladesh by remitting of funds both local and foreign.
Bibliography


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