

BUS 400 Internship report on : General Banking Activities



Submitted To

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On

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Submitted By

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LETTER OF TRANSMITTAL

Date: 7 January, 2016

Suntu Kumar Ghosh

BRAC Business School

BRAC University

Subject: Submission of BUS 400 Internship Report.

Dear Sir,

It is a great pleasure to submit the internship report on “general banking activities” required for the completion of the BUS 400 course. I have tried to follow every instruction you have provided and tried our best to ensure that all the information is authentic and relevant.

The report is about the strategies that Bank follow to operate their business. I hope that all the information and analysis provided within the report will be up to your expectations and will be glad to provide clarification to any inquiries you may have.

Thank you.

Sincerely,

Jarin Subha

11204007

.....

Acknowledgement

At first I want to thank to my Almighty Allah who has helped to survive throughout my journey and help me and become kind to my in all my difficulties.

Then I want to thank my supervisor MR. suntu Kumar Ghosh , assistant professor , brac business school, BRAC who has directed, suggested and helped me throughout my journey to complete the internship report.

My special thanks to MD. Mizanur Rahman , SAVP & Manager of Bogra branch of JBL who has helped me a lot in learning the overall activities of the banking system and direct me to follow the right path to do the task. I also want to thank to MD. Akramuzzaman Ekram, officer of JBL who inspired me with his valuable suggestions, support and necessary information.

I also want to give thanks to my husband DR. Sunny Anam Chowdhury who have inspired me throughout my journey and support me in all the difficulties.

I really enjoyed this wonderful experience surrounded by lots of nice people who always inspire me to overcome all the complicated, difficult things I faced during my internship and they also provide me a very friendly working environment.

Executive summary

This case analysis is done as a part of our study and helped us to understand the real life situation of corporate industry. Bogra Branch of Jamuna Bank has given me the opportunity to work and learn lots of things related to the corporate world. This report was conducted for achieving better knowledge on BUS 400 course. And at the same time it is a crucial part for the completion of the course. This paper contains data collected from JBL Bogra Branch where their operations and banking system is mentioned in details. In addition, this report contains the company's background, front desk task, account's department, clearing section, SWOT analysis, critical observation and findings, suggestions, management structure and control system and lastly recommendation. Here we learnt the real life experience of working in corporate world. In front desk I learn the account opening task and the needed documents for it. In accounts department it has taught me transferring balance, statement of accounts, PO order, EFTN e.t.c I also got a very little chance to know about the LC and Remittance. In clearing section I learnt the inward and outward processing and about latest technology that the bank use is called EFTN. The role of Bangladesh Bank in guiding the commercial banks like JBL. It was a great opportunity for me to have a such a wonder experience

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Banking industry of Bangladesh

The banking industry is currently running their business at growth stage. Every year new banks are opening new branches to attract the customers. Now at present 51 banks are running their operation in our country. Among them 9 banks are government banks, 30 are commercial banks and 12 are foreign banks. This banking sector is divided into two section based on the activities and services they provide.

1. Specialized banks: specialized banks only work with in a specific sector. Such as bangladesh krishi bank. The main purpose of this bank to serve the farmers and so on. Shilpa bank only works with industrial sites.
2. Commercial banks: commercial banks operate their system under the rules of Bangladesh bank. There are three type of commercial banks
 - Nationalize commercial bank
 - Foreign commercial bank
 - Private commercial banks

Commercial banks are authorized to do the general banking activities only such as borrowing, saving cash, lending money, transferring balance, providing vault and e.t.c. Bangladesh Bank also permits some bank to do LC, Exporting/Importing business, exchanging currencies e.t.c

Bangladesh Bank: Bangladesh bank is the central bank of the country according to the order 1972. According to the banking act 1997 Bangladesh Bank is the only authorized bank to guide all commercial banks, licensing new bank, defining interest rate and monetary and exchange rate policy and no other bank can operate or leave without the permission of BB. BB decided the minimum paid up capital, cash reserve rate for all banks. BB only permits to own maximum 10% of the bank share and not more than that. BB has the right to appoint any new Managing Director or Chairman and also has the right to select the board of directors. Also BB can dismiss any person from his posting without giving any notice.

Jamuna Bank

Jamuna bank is a private commercial bank listed under the company Act 1994. It started its journey on 3 June, 2001. It is a third generation bank of Bangladesh and providing valuable and innovative service to customers. It has 97 branches all over the country. As a new bank it has come up with all the facilities for the customers and makes different opportunities to provide the customers a bright future. JBL has made online service available for the customers and make the website user friendly. It supports all the development of latest technology in trade and commerce to provide a good service to the customers. By clicking the www.jamunabd.com all the information will be shown on the screen.

Vision of JBL:

It is clearly understandable that JBL wants to provide the customer with the latest technology and want to be a part of the country's development program. The message is clearly written on bank website: www.jamunabankbd.com.

- “To become a leading banking institution and play a significant role in the development of the country.”

Mission of the Jamuna bank:

“The bank is committed for satisfying diverse need of the customers through an array of products at a competitive price by using appropriate technology and providing timely service so that a sustainable growth, reasonable return and contribution to the development of the country can be ensured with a motivated and professional work force.”

Their values:

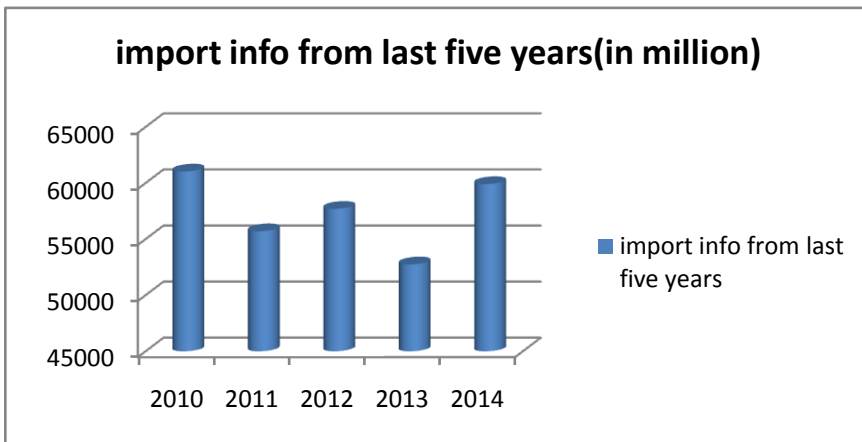
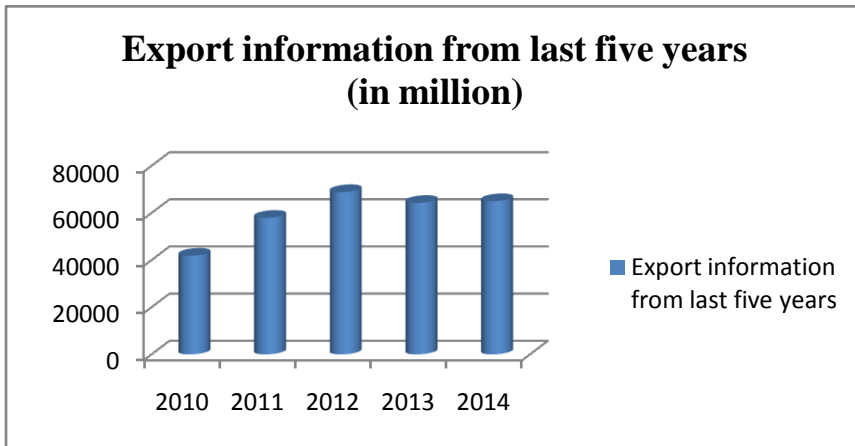
Their priorities are

- Customer
- Integrity
- Quality

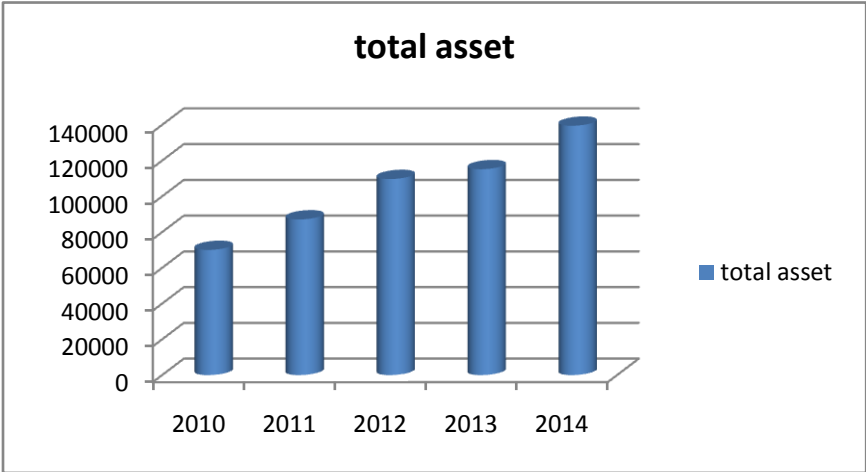
- Team work
- Respect
- Harmony
- Fairness
- Courtesy
- Commitment
- Respectable citizen
- Business ethics
- Unique

Jamuna Bank performance Profile:

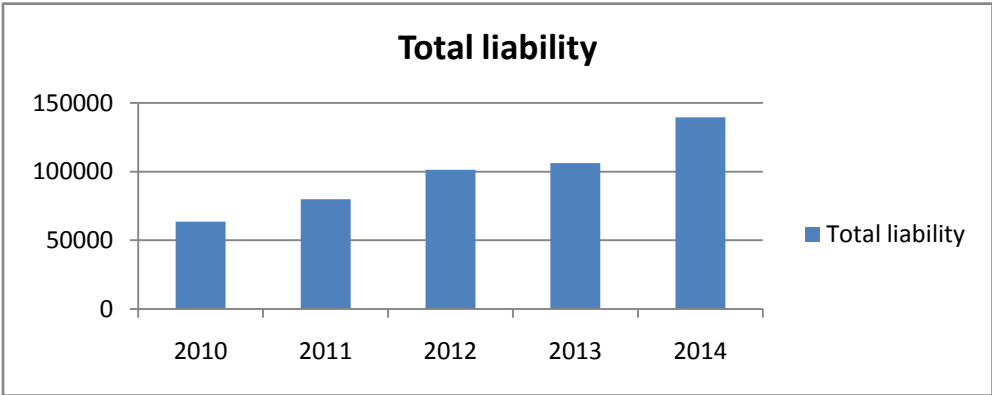
Export and import information of JBL:



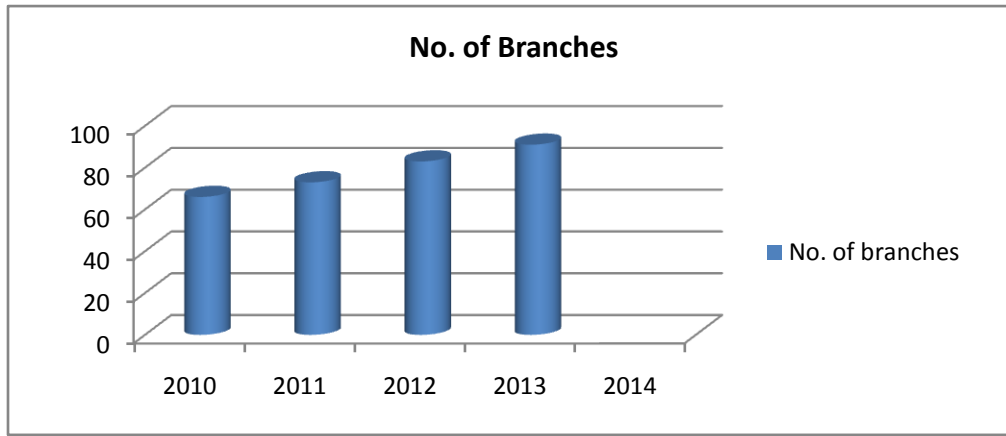
Total assets:



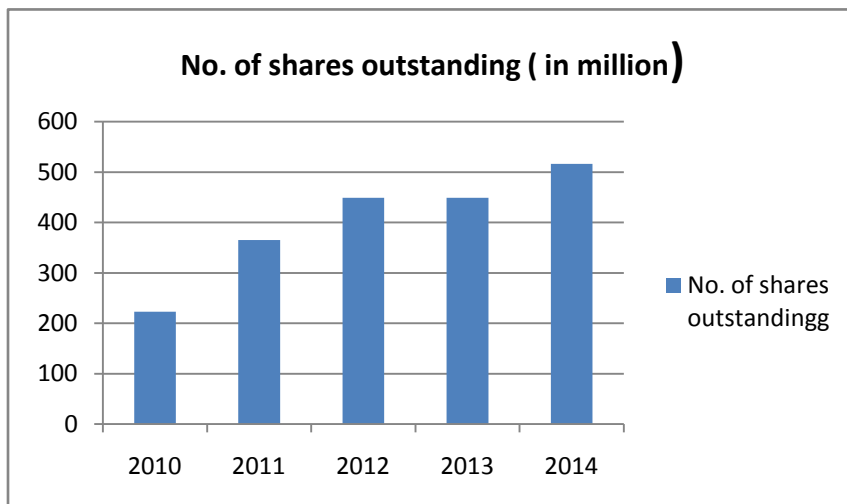
Total liability:



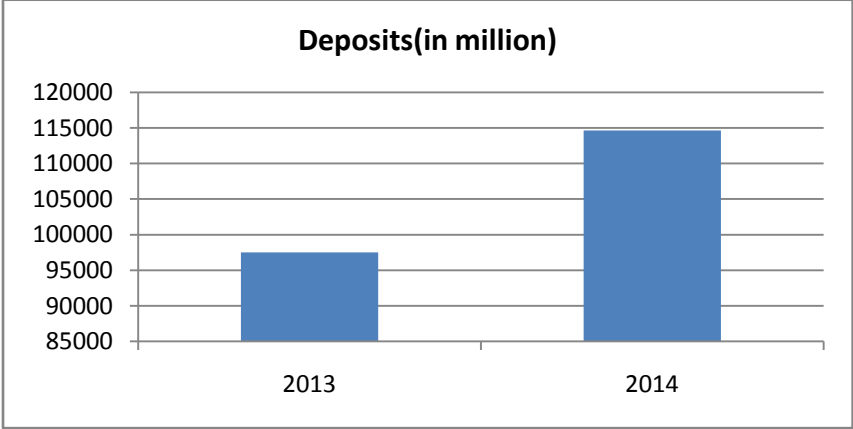
No. of branches:



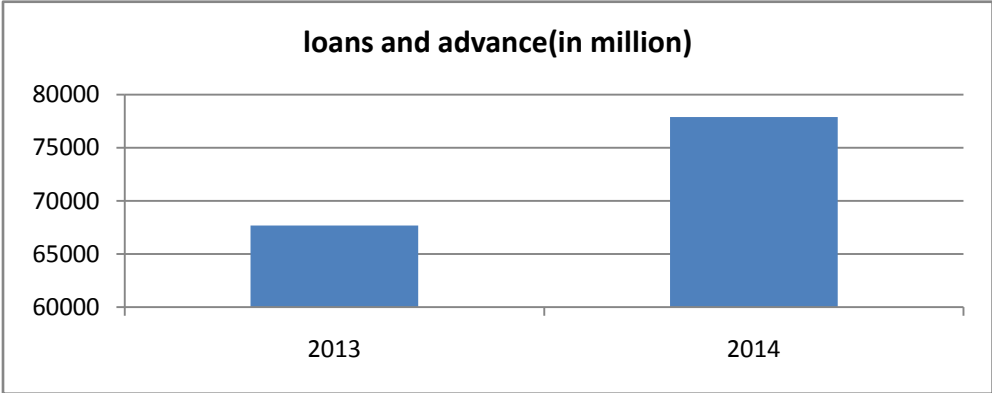
Total number of share outstanding:



Deposits



Loans and advance:



Bogra Branch of JBL

Bogra is one of the important and busy bank of Jamuna Bank. The branch was established in 2003 at the one of the important commercial area of Bogra. The branch is giving service to customers since its beginning till now it has very lucrative business in the business industry. The branch offers all the products and services like other branch authorized by Head Office. 32 highly efficient officers are working in the branch and giving effective service to the customers. The branch remains open 5 working days in a week and services are available at that time.

Total deposit of the branch:

Name of scheme	Number of account	Amount
Current deposit	1161	41175177
Fixed deposit	660	282980769
Saving bank deposit	2908	46558932
Other deposit under scheme	33	7828756
Short notice deposit	53	25256044
Special Saving scheme	3077	45593093

Total deposit	1003636901.28
Total advance	635415704.55
Less:	1598887.00
Total net advance	633816817.55

Job Responsibilities

Experience of my Internship program:

For the completion of my BUS 400 course I was required to do 3 months internship program in any organization. Since I am a student of finance I made up my mind to do my internship in a bank as it is very much suitable and connected to my field. Thanks to Jamuna Bank for giving me the opportunity to experience a real corporate environment and allow me to learn all kind of functions and knowledge those are available at branch.

Responsibilities and duties:

There is no formal procedure or rules for the internship students regarding their duties and works. I was required to attend five working days at regular office hours. I worked in all department part by part mostly where the employees consigned me to or where it is needed. Essentially I always tried to gain more or less experience in all kind of task such as accounts opening, accounts department, clearing and loan section.

Accounts opening section:

I started my internship program working in this department where I learnt the rules and regulations to open an account. At first, I learned the types of accounts the bank offer and their rules that should be followed to open an account. From my personal study I learnt the different types of accounts such as Current Account, Saving account and their different type of interest rate and their maturity date and the documents that are required such as 2 copy passport size photograph, National ID card / driving license/passport/ T.I.N certificate. My supervisor also shares his personal experience regarding dealing with the customers and the way to respond to their quires. With the opening an account the bank and customer enter into an agreement where the two parties needed to maintain the guidelines

The tasks that I used to do are

- Providing the customer with the account opening form and make them know important information such as the interest rate they will get, maturity date and procedure to maintain the account.
- Helping people who are illiterate to fill up the form as well as fill up their deposit book for depositing money for their accounts.
- I used to inform them to bring necessary documents such as national ID Card, TIN card, registration card at least one nominee.
- Helping them to fill up the form such as what type of information they need to provide (such as name address, mobile number, nominee, and national) or where to put the signature.
- I used to detect those forms which had not been completed. Identifying and separating them from the other forms and put necessary information where it is needed. Such as some forms were found without putting mobile number or TIN number. So I used to check the certificates which are attached with the form to identify those missing information.
- Arranging account opening form according to its number and put them on manager's table for approval and signature. After completing all the formalities documents are kept in a box locked.
- Distribution of check book by identifying customer's name, account number and take their signature on register book.
- Making photocopies of necessary documents and printing where it is necessary.
- Sending email or making phone calls to those customers who didn't submit all the required documents.
- Another interesting task I did was sending email to valuable clients for the New Year's greeting on behalf of the manager.

Accounts department:

Accounts department is one of the key departments of bank which plays a vital role in day to day transaction. All the accounts information, transaction and voucher are maintained in this department. Purchasing a pen to paying AC bill all kind of expense was included under this department. This department is very sensitive to work and all kind of alertness should be maintained while working in this department. i got the opportunity to work in that department though it was very sensitive and confidential. But I was not permitted to enter into the server of the bank or do any work by myself for security purpose.

The activities that I used to do

- On the request of customer's closing the accounts, I delivered them account closing form and make them filled it up and take a signature of the customer. Then I find out account opening form and signature card and check the signature and photograph of account holder whether it is matched or not. After that a stamp is required to affix "**closed account**" on the account opening form.
- Next task is done by my supervisor to calculate the amount that would be paid to the customer. After finding out the certain amount my job was to write a pay order to deliver the amount to the account holder.

Code: 0140
Jamuna Bank Limited
Bogura Branch
Date: 01/11/2019
MEMO

Kindly issue Payment-Order(s) as under for the amount tendered hereunder in Cash / by Cheque No.
Kindly debit my/our A/C No. 0102911330110114
Name: মোস্তাফিজুর রহমান
Address: ৫৭৭৪৬৩৫৫২১৫
Customer's Signature: মোস্তাফিজুর রহমান

Payment-Order No.	Routing	Tk. Amount	Ps.
	মোস্তাফিজুর রহমান	250000	

TAKA (in words): Two lakhs fifty thousand taka only.
Received the above Payment-Order(s)

PO Amount	250000
Comm. %	6%
VAT %	4%
Total Taka	250046

Auth. Signature: Auth. Signature: Customer's Signature

- I used to write checks for the customer if the need to transfer their balance or withdraw cash for their own purpose.
- I used to separate the voucher slip by debit credit and take signature from the manager and the authorized officer.

Clearing department:

It is one of the important departments for the bank where cheques , DD, PO, EFTN of other bank are received and post into FLORA computer. In this section cash sent to Bangladesh bank for cash reservation. Because of clearing section transaction and trade system have become more developed and faster than before. I got the opportunity to work with one of very friendly colleague MS. Tarana Kashem who firstly give me a brief description of how this section works and how it updated the day to day business operation.

Since the entire process is computerized so there were little that I can do.

- I used to receive the cheques and verify whether all the information are given such as account number as well as name and the branch name. Moreover the amount and date written in the cheques did match with the deposit slip or not.
- I used to do crossing the cheques immediately after receiving it with the branch crossing stamp. Behind the cheque “clearing “and “ payees account credited” seal posting is the next step.
- Print out of all the inward cheques and verify whether there is an appropriate date, crossing, seal and signature of authorized officer.
- If any dishonored cheques found I used to separate them from other cheques for returning it back. I used to check if the cheque is undated or payable in cash
- I used to separate the credit and debit voucher take signature from the manager and second manager.
- I used to keep record in the registered book of those cheques which was found dish

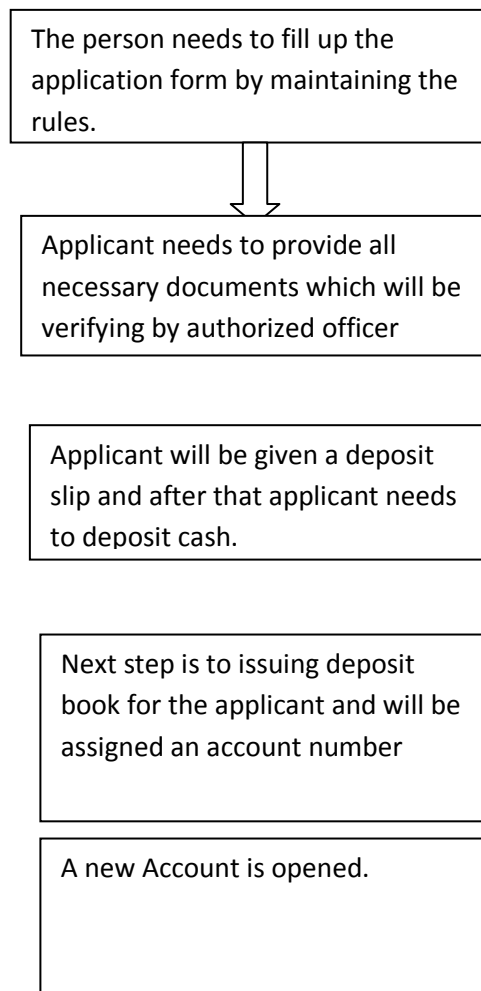
Project Work

General banking:

The main task of front desk / account opening Department

- ❖ Account opening
- ❖ Accepting of deposit
- ❖ Issuing cheque books

Account opening: bank and customers relationship begin with the opening an account. It is a demand of customers that has been fulfilled by the banking system. Through this saving process client secure his/her future even better than before and also get benefitted by this.



There are few guidelines which are followed by the bank:

1. Another important part of opening a new account is to fill up KYC from where all the information such as account name, account number, type of account , NID number should be posted. It is a better way to identify and verify an applicant. If authorized officer found any mismatch then they can inform it to Bangladesh bank.
2. Next step is to taking a signature of the new account holder on the account form and another one is on the specimen signature card. Before signing on the account form customer should know all the features of the account as well as maturity date and interest rate that would be paid against the account. Because it is an agreement between the bank and the customer and both party should know detail of it.
3. The new customer should be introduced by an existing customer. All the necessary documents (original one not photocopies) should be brought by the applicant.
 - 2 copies of photographs of account holder and nominee
 - NID card of both account holder and nominee
 - TIN number if any.
4. Authorized officer will verify all the documents and attached it with the form and assign the applicant with a new account number.
5. The applicant has to submit a deposit which is called “initial deposit”. For Current account the amount is 500/- tk and for saving account 1000/- tk.
6. Then the applicant will be provided a deposit book which will be used for further deposit. A cheque book would be issued on the request of customer.
7. Then a new account will be opened.

After opening a new account bank keep all the records in computer for security purpose and further use. The manager’s approval would be considered and a seal will be posted on top of the form on behalf of manager. Then a Thanks letter would be sent to customer to confirm and verify the customer’s address.

Joint account:

In case of joint account the both party will give their signature on partnership deed and operational instruction.

Limited company:

“If any person opens an account in the name of company need to follow the rules given below.

“(1) Memorandum and article of association (2) Certificate of incorporation and commitment (3) Latest copy of balance sheet (4) T.I.N certificate from the Registrar of Joint Stock Companies that the company is entitled to commence business.” (Source: www.jamuna bank.com)

Proprietorship Firm

1. “Account Opening Form.
2. Specimen Signature Card.
3. Copy of Trade License
4. Two photographs duly attested by introducer
5. Proprietorship Rubber Stamp against all signatures of the proprietor ” (source: www.jamuna bank .com)

Club /society:

Following documents have to be obtained in case of the account of the club or society:

- i) Updated list is required of office bearers
- ii) Certified copy of Resolution for opening and operation of account
- iii) Certified copy of Bye-Law and Regulations/Constitution
- iv) One copy of Government approval is needed.

(Source: www.jamunabankbd.com)

Minor account:

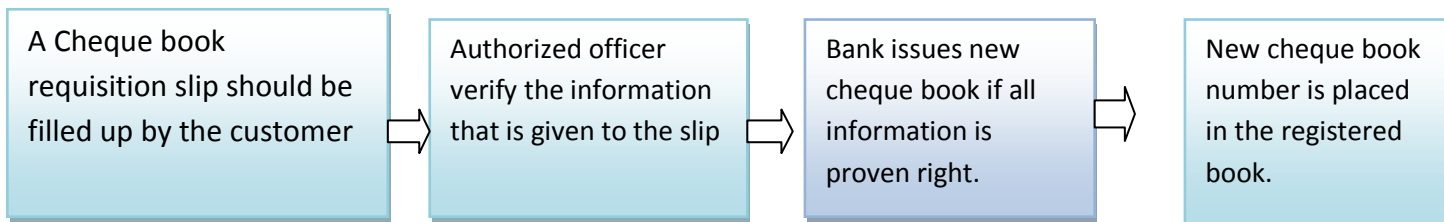
Following rules are considered in case of minor:

1. “Minor” word should be written on the title of account.
2. Special instructions should be there for operating the account

The AOF should be signed by the parents or by the legal guardian assigned by the court of law.

Issuing of cheque books:

New cheque books are issued on the request of customer. Only current account and saving account holder can have their cheque books for withdrawing money. After proper verification and authentication cheque books are given to customer attached with a cheque number



Procedure of issuance of a cheque book:

Issuing a new cheque book is obtained certain procedures:

1. An account holder needs to deposits a minimum amount of cash in the account.
2. Authorized officer put a seal on the cheque book by the branch name.
3. cheque book number is recorded in the register book along with the account holder name and account number
4. Account number is put on the cover of the cheque book along with the customer name.

5. The word “Issued on” along with the date of issuance is written down on the requisition slip.
6. Number of Cheque book and date of issuance is also written on the application form.
7. Finally a customer signature is obtained on the register book.

Then the authorized officer gives his signature on requisition slip and passes the cheque book to the customer.

Closing an account:

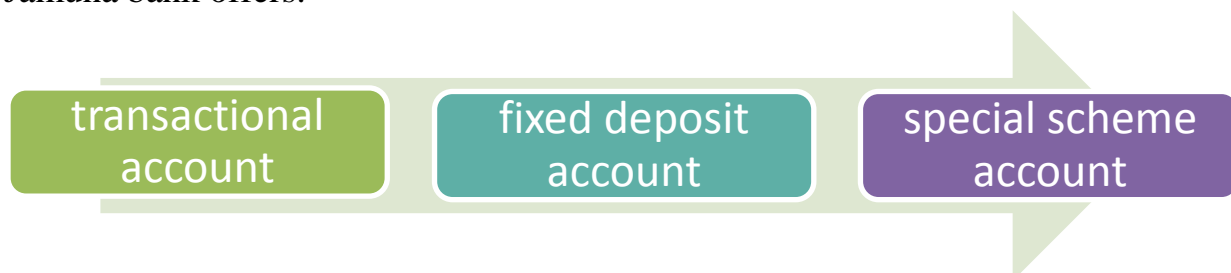
If any customer wants to close an account he just needs to give his signature on the account closing form. Then the authorized officer would find out the account opening form of the customer and verify the attached photograph and signature of the customer. If everything seems in the right form then the officer will close the account by putting a seal “account closed”

Bank can also close an account on this following circumstance

1. Death of customer,
2. Customer’s insanity and insolvency,
3. Order of the court (Garnishee order),
4. Specific charged for fraud forgery,
5. Stop payment of cheque.

(Source: www.jamuna bank.com)

Jamuna bank offers:



Transactional account:

Saving account:

1. Savings Bank Account can be opened by individual or two or more than two person jointly. But they need to be mentally fit and afford to deposit cash at every month in the prescribed manner.
2. A minor can also open saving account but permission of parents or legal guardian should to be considered.
3. Saving Bank Account can be opened by clubs, association and similar institutions. Moreover account can be opened in the name of Government and semi-government office.
4. Minimum Tk.1, 000/ initial deposit is needed to open an account.
5. Interest rates will be fixed by Head office. Interest rate fluctuates time to time.
6. A person cannot open two or more account by the same name. But parents can open more account for their two or more minor children.
7. Saving account cannot be operated like current account.
8. Withdrawal can be allowed only twice in a week. But not more than 25% of balance can be withdrawal without 7 days notice.
9. No interest would be paid for violating any above rules.

Current account:

1. A Current Deposit Account may be opened in the name of individual, firm, company and club, association, body corporate etc.
2. Funds can be withdrawal at any time
3. No interest is paid on Current Deposit Accounts.
4. A minimum initial balance of Tk.5, 000/- is obtained to open a current deposit account.

5. 1000/- minimum balance should be maintained in the CD account

Short term deposit:

Within a short notice deposit can be paid from this account. Usually financial institution , organization open this type of account because if any emergency occurs they can withdraw their money easily.

Rules that are considered:

1. Deposits can be paid within seven days notice.
2. Interest is payable on daily product basis
3. Withdrawal without notice can lead to no interest
4. Minimum balance requirement is 100000/- tk (one lack) only.
5. Cheque books would be issued like current account

Fixed deposit account:

1. Money cannot be withdrawal or transferable
2. JBL offer different type of fixed deposit account starting from 3 months to 36 months

3. FDR account can be opened by individual , firm or organization

FDR for One month	3.00 %
FDR for Three month & others	4%

4. Interest rate would be fixed by head office
5. Balance cannot be withdrawal but interest can be withdrawal after every six month.
6. Nominee can be added to the form if the account holder wants to nominate anybody to receive the money in case of his death.
7. FDR can be used as security for loan that is called SOD

Special schemes:

Monthly Savings Scheme (MSS): In this account people used to deposit their account on a monthly basis. It has specific maturity date ranging from 3 years to 10 years. Rate of interest is determined by the head office and it fluctuates time to time. Interest is usually paid on maturity with the principal amount. Withdrawing balance before maturity is highly discouraged since it will lead to very low interest. This type of account can be opened by individual, club, organization. This type account is very beneficial to customer for bright and prosperous future.

Lakhpoti Deposit Scheme: This account has given a very good opportunity for those people who dreams to become lakhpoti. It has specific maturity date ranging from 3 years to 10 years. Rate of interest is determined by the head office and it fluctuates time to time. Interest is usually paid on maturity with the principal amount. Withdrawing balance before maturity is highly discouraged since it will lead to very low interest. This type of account can be opened by individual, club, organization. This type account is very beneficial to customer for bright and prosperous future.

Tenor	Monthly Deposit	Maturity value
3- years	Tk.2410/-	Tk.1.00 lac
4- years	Tk.1720/-	Tk.1.00 lac
5- years	Tk.1503/-	Tk.1.00 lac

(source :www.jamunabankbd.com)

Kotipoti Deposit Scheme: Though this sounds very easy to become a kotipoti but actually it is not. This scheme is mainly for upper class people as saving more than 2 lacks in every month seems difficult for most of the people. But still jamuna bank are giving them opportunity to become kotipoti since lots of people dream about it. But it has certain rules and crideria regarding deposit amount , interest rate and maturity date.

Tenor	Deposit	Maturity date
3-years	Tk.243020/-	Tk.1 crore
4-years	Tk.173500/-	Tk.1 crore
5-years	Tk.131900/-	Tk.1 crore
6-years	Tk.104255/-	Tk.1 crore
7-years	Tk.84600/-	Tk.1 crore
10-years	Tk.50235/-	Tk.1 crore

(Source: www.jamunabankbd.com)

Marriage Deposit Scheme:

Jamuna bank has given opportunity to those people who are concerned about marriage of their children. With depositing very less amount of money every month people can make a prosperous future for their children's marriage. That is why the scheme jamuna bank made is within the reach of lower class, lower middle class and middle class people. From my personal opinion I really appreciate their work as lots of people face so difficulty now days for the marriage of their daughter.

(Source: www.jamunabank.com)

Education saving scheme:

Jamuna bank has certain account for those who want to save for their successful and bright career. It also helps and gives scholarship to poor bright student. this is one of their CSR activity. Children of JBL employee also get 1000 tk every month if they get A+ in SSC and HSC.

Monthly benefit scheme:

JBL has opened monthly saving scheme (MSS) for those who already have cash in their hand and want to have income on monthly basis. This account is considered to be zero percent risk and get their principal amount on maturity. But for opening this account they need 1 lack tk minimum.

Double or triple growth benefit scheme:

This account is for those who want to double or triple their money within 7 years or 11 years. But for this minimum 1 lack tk balance is required to deposit. Bank has right to change the tenor of the account and no loan service will be given for this account. Before maturity withdrawal of money will lead to no interest.

International business service:

Jamuna bank is currently working with 234 international Bank around 100 Countries for transaction facility. Now they have 23 Nostro Accounts in different Currencies such as USD, GBP, EURO, JPY, CHF, SAR, and CAD & ACU Dollar with well reputed Bank.

The service that are currently available are:

- “Letter of credit
- Foreign currency exchange
- Bank Guarantee
- Hajj Guarantee
- Purchasing/Discounting/Negotiating of export bills
- Foreign Remittance” (source : www.jamunabankbd.com)

Other services: jamuna bank also offers loan to different industries with different interest rate. As per rule of ALCO committee decided the loan, interest rate, deposits for various industries. The interest rate against load has increased for some industries according to the rule of Government.

Catagories of loans	Existing rate	Revised rate
Crops	11%	11%
Forestry	11%	11%
Livestock	11%	11%
Fisheries	11%	11%
Food manufacturing	15%	14%
Beverage	15%	14%
Tobacco	15%	14%
RMG &Textile	15%	14%
Paper and paper product	15%	14%
Leather and leathe4 products	17%	15%
Rubber products	17%	15%
Chemical and chemical products	17%	15%
Ship building	17%	15%
Metal products except machinery	17%	15%
Pharmaceuticals	17%	15%

(Source: www.jamunabankbd.com)

Accounts department

This department is the most complicated and sensitive department of bank. Transferring of balance, keeping records, maintain statement, verifying the accuracy of calculations are the main tasks of the department. But after introducing the updated technology the job has become easier than before. Now the calculation part is done by the computer which is a high chance of more accurate answer. Tasks are divided into two sections:

1. Daily tasks
2. Periodic tasks

Daily tasks:

- Keeping record of daily transaction in general and subsidiary ledger
- Preparing daily statement of comprising all the assets and liability
- Keep record of all kind of expenditure
- Preparing debit and credit voucher and confirming all the calculation are in the right form.
- Preparing daily position of the branch
- Keeping record of all transaction of account
- Writing cheques and transferring fund.
- Writing pay order
- Closing the account
- After closing the account providing customer the principal amount along with interest
- Providing customer proper and detail statement of their account.

Periodic task of account department:

- Keep records of all expenditure such as pen , paper , AC bill , current bill

- Making statement of salary payment.
- For maintain cash reserve requirement weakly position is posted
- Prepare monthly budget statement

Jamuna bank records all its transaction in ledger account in debit and credit voucher separately. They also keep transaction records of other department too.

Account transferring procedure:

A CD or SB account is transferable in another branch of same bank. On the request of transferring account a request letter is sent to the manager on behalf of the client. After that the account opening form and specimen signature card is taken out from the file and verify the information. If everything seems right the account is tranfered to the required branch. This type of service is free of charge.

The following entries take place

Debit: to the clie's account

Credit: to the JBL account

Clearing section

This section begins when a banker promise his client to transact his/her money by receiving cheques. This is an essential process of banking system which made easy transfer of money and make it faster than before. In the beginning clearing was not that much easier and faster until **BACH** has been introduced. BACH refers to Bangladesh automated clearing house. In 2010 this system was brought with a promise to give better and valuable service than before. With the involvement of Bangladesh bank BACH is going through a very effective systematic procedure

since its beginning clearing begins with crossing the cheque , posting clearing stamp and endorsement. There are two type of value.

1. High value = more than 500000
2. Regular value = less than 500000

In case of high value cheque extra consciousness is required and need to scan the cheque under cheque scanner machine since now most of the cheque has account number written with MICR ink. Scanning high value cheque is obtained because of verification. High value cheques charges extra money.

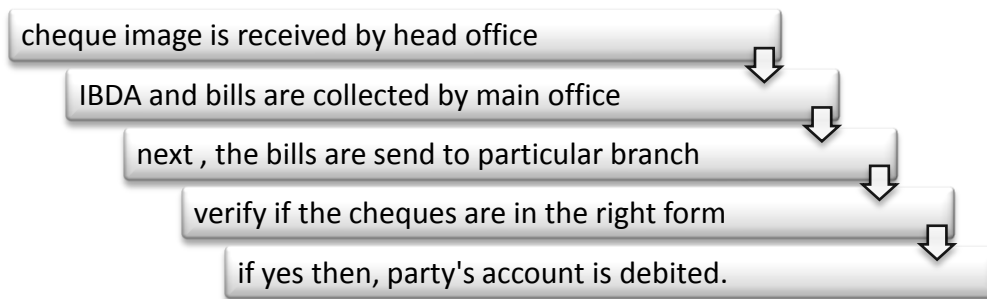
Inward clearing:

In inward cheque clearing local branch receive image of cheques from the clearing house. They need to verify clearing stamp, crossing, date and endorsement. If the cheque is in right form then they debit the part's account and if it is needed they inform the head office for further processing.

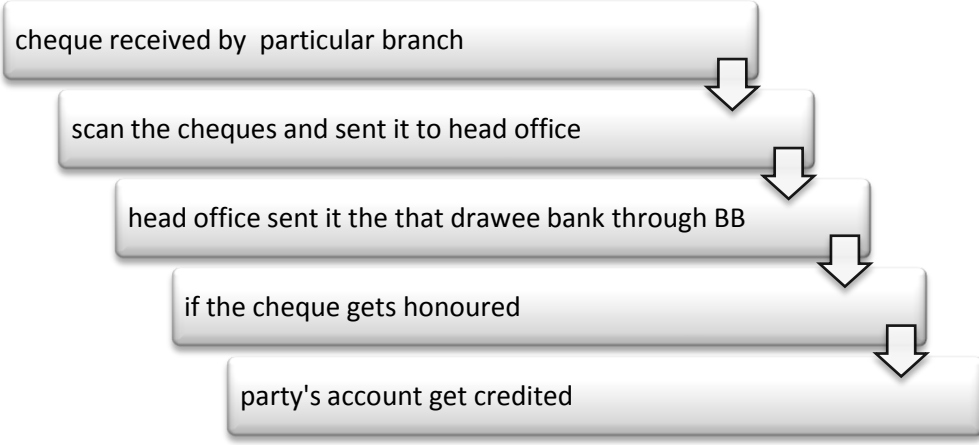
Client's account dr

JBL general account..... cr

Flow chart of inward clearing



Outward clearing: local branch receive cheques with deposit slip from the client for collection and credited the party's account. This process includes crossing the cheque and post two seal written with “clearing”and “payee's account credited” . Then we need to check the date and total amounts an



Dishonor of cheques : bankers are obliged to honor a customer's cheque. But if any cheque is found dishonor the chequ gets return to customer by the authorized officer. But bankers are not obliged to give written documents stating the reason of being a cheque dishonored. But they need to give logical reason behind it. There are lots of reasons behind a cheque become dishonor

1. Cheque is out-of-date or post dated
2. Branch name is not posted through crossing
3. Proper signature is not obtained
4. difference in word and amount figure
5. If the account has insufficient balance
6. "Account payee only" is posted
7. Crossing the stamp inappropriately
8. "Clearing " stamps is not there
9. Payees endorsement illegible

Modes of money transfer:

Another important service which is offered by bank is to transferring money from one party to another. This type of transaction also helps to enhance economic activity and improvement. This service is secured safe and available to everyone. There are mainly three type of transaction of money.

- ❖ Pay order
- ❖ Demand draft
- ❖ Telegraphic transaction.

Pay order:

"Pay order is an instrument that guides the issuing bank to pay certain a amount of money to payee."(Source: *pay order Wikipedia*) It's an easy and secured mode of payment. Money can only be received from the issuing branch. That is why it does not work outside of the city. For

making a pay order a pay order requisition slip is obtained and filled it up by giving account number, the name of payee, the certain amount and signature. After verifying all the information signature of manager is obtained and then hand it over to the client. This service is not free of charge. It has different charging scale for different amount.

Demand draft:

Demand Draft is an order of issuing bank on another branch of the same bank to pay specified sum of money to payee on (*source: demand draft Wikipedia.*). It works outside the city as well as clearing house area that means another branch of the same bank can also make the payment. To prevent the fraudulent verify the payer and confirm the test code.

Telegraphic transfer:

Though this mode is not using now a days but it was a effective mode for transferring money from one branch to another. the money is transferred by a cable message from one bank to another bank. Before coming to EFTN it was a very popular method for transferring money.

EFTN: This term refers to electronic fund transfer (EFTN). It is a system of electronic transferring money among branches of same bank or from one bank to another or multiple financial institutions. This is the most widely used system all over the bank because of its secured and fast, effective and low cost features. It is very easy to use and can work without cheque , cover , stamps or money.

Finding and observation:

Working in corporation like jamuna bank was a special and great experience of me as it is different from academic life. It has taught me so many things which were beyond my expectation. It has taught me to enhance my ability, develop my personality and my communication skill. employess of JBL was bery helpful and support me to get rid out all type of problems that I was facing during internship. Though it was a wonderful experience it was very difficult to learn a lot of things within a short period of time. From my personal experience I observe some aspects which really need attention or improvement. Those are

Dissatisfaction of Customers:

Though employees of JBL try their best to give their maximum effort to satisfied customer but still sometimes things are not as usual. Sometimes mismanagement happens because of overcrowding due to limited number of employees. Moreover some customers complained that they didn't get their deposit slip on requesting due to limited number of deposit book. We have informed to the head office but proper steps are not taken by them. Customer's satisfaction is the key point of a successful business. So if this cannot be achieved on time, then possibility of failure increases.

Limited number of employees:

This is one of the big factors of inadequate service. Only one office is deployed in the front desk section which is not enough at all. In account section there is only two officers and in clearing section there is only one officer is deployed. Comparing to the customers and daily tasks it is very few which is not accepted at all. Appropriate and suitable labor and man power should be there to handle the entire tasks together.

Lack of proper maintenance:

Lack of proper maintenance of office is another problem that I observe. Due to lack of proper space files are unorganized and messy which creates a bad image for the office. Thus customers will feel uncongenial as well as employees. Friendly and attractive working environment

motivates customers and make them confident. In addition because of congested space sometimes customers doesn't get any chair to sit at busy hour.

Lack of latest equipment:

Software of the bank is not updated at all. Employees complain about the software which is connected to their daily task. Software does not prove all the calculations which is needed such as is any irregularity happens in depositing money by the customers. So they need to do lots of calculation manually which increase the chances of mistakes. Sufficient deposit books are not provided comparing to the demand of customers. So continuously refusing the customer's demand of deposit slip makes the officers embarrassed.

Dissatisfaction of staffs:

Due to lots of pressure of work employees sometimes lost motivation and enthusiasm toward work. I heard lots of employees saying that they want to quite their job and want apply for GOVT. job. Sometimes late of promotions also make them upset and stressed out. Internal politics can be another factor behind their dissatisfaction. Promotions are influenced by internal politics which make the employees insincere. No transportation service for the employees except for manager. People who are introvert sometimes feel communication problem and end up with being isolated. In addition due to the changes of technology bank policy and working method change accordingly. Training should be arranged for senior stuffs or those individuals who lack of computer knowledge.

Ignorance of customers:

It sounds weird but one third of customers are illiterate and don't know the rules and regulations of the service they are taking. Some people don't even know to sign their name. When they open an account they don't even know all the rules they should maintain and follow. As a result at the end of the period they did not get their expected amount. From my personal observation most of the people don't know the last date of paying the deposit. Irregularities of paying the deposits end up with lots of complications for them. In addition due to the lack of knowledge proper documents are not delivered by them such as national ID card, nominee e.t.c

Ineffective Promotional activities:

From my personal opinion one of the weaknesses is lack of promotional activities and advertisements. Promotional activities are very important to aware people about the services that are providing and value of the service. But not enough promotional activities are shown and that is why JBL lost its lots of customer despite of providing good service.

Recovery of loan:

Sometimes it becomes difficult to recovery the loan from the customers. Loan is the main source of income for a bank. If they fail to recover loan it becomes a big trouble for manager and other employees. Because of some economical and political instability customers become unable to pay the interest rate and principal amount. Moreover some unscrupulous businessman refuse to repay the loan on time. Banks face lots of trouble to recover the loan in any of this situation.

No compensation for intern students:

They don't pay any compensation or intrinsic benefit to the intern. This can be a discouragement for the intern. Since some other banks are paying salary to intern so student will lose interest working with them

No specific schedule or task for intern students:

As an intern we don't have any specific schedule for the task or activities. We don't even have any desk of our own. So it becomes difficult for us to learn banking activities as we didn't get the chance to involve with it professionally. It is not possible to lean the whole activity only by observing or listening. Practical involvement is needed to do any work confidently.

Recommendations

Create value in service:

Adding more value in service will create more satisfied customers. As all the banks are providing more or less same service that is why customers are not paying an extra attention to them. Grabbing the customer's attention by adding more value will be favorable for the business profitability.

- New technology and updated software should be added to smooth the entire working system
- Intelligent, compatible, friendly and trained employees should be recruited for fasted and effective service
- Proper training should be delivered to provide valuable service
- Customer should served by individual attention
- Discount, concession, recognition should be given to attract customers.

Increasing manpower:

Human resource department should be aware to deployed sufficient labor in different section. During busy hour employees in front desk feel lots of pressure and work load that is why proper attention can be managed for individual clients. Considering the importance and work load proper employees should be posted to provide effective service. Proper training need to be arranged and intrinsic benefit need to be provided.

Proper maintenance:

Well decorated office environment creates a good impression for the customers. Proper space, organized desk, files should be arranged for giving customers an organized and valuable service. When customers enter into office for the first time before taking service he observes the appearance of the office. First impression is the last impression. So we need to make sure that appearance should get customers satisfied and confident about taking the service.

Market research:

JBL should do more market research to know the demand of customers. In the competitive business if we don't provide any extra value the customers would not get attracted, proper market research should be done to target the customers, know activities of competitors, customer's market demand, and experimenting new plan to execute. Such as what interest rate the customers would prefer or how the maturity date should be organized. Researching market can provide with valuable information which will help us to come up with new, innovative and different ideas. JBL has KYC form that refers to Know Your Customers. It is reasonably good option to make a strong relationship with the customers.

Teaching the customers:

From my personal experience I saw lot of people opening account without knowing anything. Some are so illiterate to understand some complicities terms which are used in banks. So my suggestion would be organize a seminar for the customers to learn them the basic rules and regulations to operate an account or taking loans. They need to learn the interest rate the bank will give them and the specific maturity period. If they break any agreement how much benefit they would get from the deposit. According to JBL law the last date of paying a deposit is 20. Because I saw people missing the last date of paying deposit and as a result they are paying extra money for it only because of their ignorance.

Motivating and giving proper training the employees:

Due to work load employees sometimes lost enthusiasm and interest toward work. I heard lots of employees saying that they want to quite their job and want apply for GOVT. job. Sometimes late of promotions also make them upset and stressed out. Internal politics is another factor behind their dissatisfaction. Promotions are often influenced by internal politics which make the employees insincere.

- Job rotation system is needed.
- Training should be arranged for senior stuffs or those individuals who lack of computer knowledge.
- Transportation service facility should provide

- Promotion should not be influenced by internal politics. Reason behind Late promotion should be stated.
- Working load should reduce by adding more officers and organizing the task.

Latest equipment involvement:

Providing fastest and smooth service would be another important feature of bank. Customer should be paid attention immediately after entering into the office. Paying individual attention will make the customer bank relationship more strong. Loyal customer would influence positively on other customers. Word of mouth communication is very important for bank. In addition latest and updated software should bring to execute the service smoothly. Sometime computers get hanged and posting does not save. This small malfunction can end up with a big problem both for the bank and customers.

Marketing and promotional activities should highlight more:

CSR activities are a big and very effective part of promotional activity. Customers would get more attached by it. More advertisement media should use to reach with customers. Clear, connected and constant message should provide to inform the customers with deep knowledge. Online advertisements are very useful now a day. But we need to make sure that customers don't get annoyed by this.

Specific schedule for intern:

Specific desk should be allocated for the intern students. Proper schedule and daily task should prepare to obtain practical experience for the intern. Our learning method should maintain a specific schedule and task should be divided into different section. Observation is not enough for any student to learn to execute a performance. Involvement with the task will give them more confident while learning the task.

Overall Learning

The internship was full of practical experience, awareness and learning. From the beginning to the end I have learn so many things which was beyond my expectations. I gathered lots of knowledge from different section. Though it was tough to learn so many things within 3 months but still my learning was not small.

- Front desk task: I learnt how to open an account and what type of documents you need to open an account. Then fulfilling the KYC form and posting it into computers. Writing thanks giving letter to customers to verify their address. Then issuing cheque books and allocating them to customers and keep the record in registered. Then I learnt dthe account types and the rules and conditions to maintain an account. Different interest rate and maturity period for different account.

 Visa Debit card: debit card is obtained against CD account and much secured way to use 24/7 for purchasing and withdrawing money.

 Visa Credit card: credit card is referred to as borrowing money from the bank. First you can spend money than you have to repay the money to the bank. It is much reliable way to use

 International credit card: this card can be used not only in our country but also in abroad.

- Account department task: I learnt about transferring balance, depositing money, withdrawing instant cash, writing pay order, cutting all the charges like online charge, source tax and excise duty, paying all the expenditure and keeping all transaction records. e.t.c. At the end of the day all voucher should be printed, checking equality of debit credit and then signed up by manager.

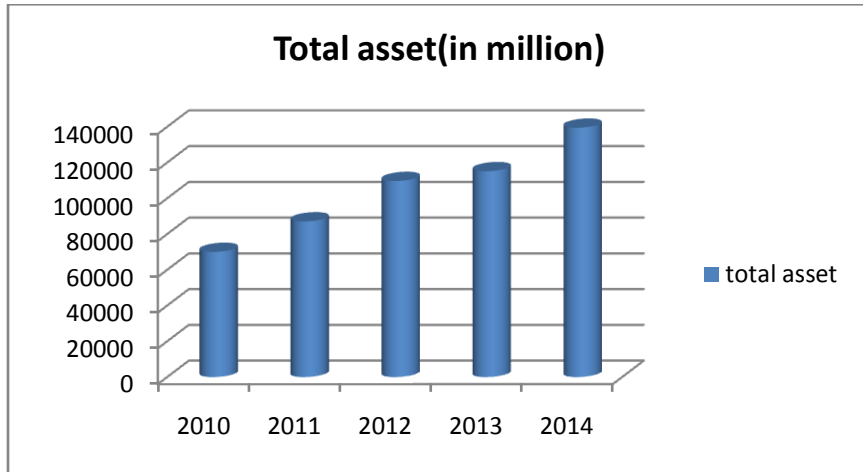
 LC (Letter of Credit): it is something like giving a guaranty to exporter and importer while trading. It gives a promise of payment to the seller through making agreement with another bank.

 Pay order: it is a medium of money transaction that gives payee the right to claim the money from the bank.

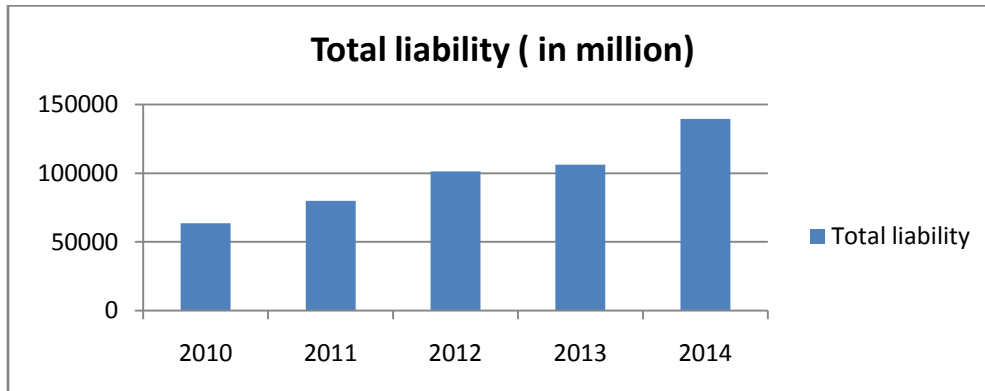
Clearing section: clearing sections begin when banker promise his client to transfer his money by receiving cheque. In the beginning clearing was not that much easier and faster until BACH has been introduced. BACH refers to the Bangladesh automated clearing house. It is a very effective procedure which makes this transaction one step further. I learnt about the clearing process and transferring money is receiving cheque. In case of high value (>500000) 60 tk charge are to be paid. But in case of low value (<500000) cheque 10 tk are to be paid as a charge. Then I learned the process of inward clearing and outward clearing and how it works. Now a day's EFTN is the mostly used system because of its secured, fast , effective and low cost features.

Performance of Jamuna bank:

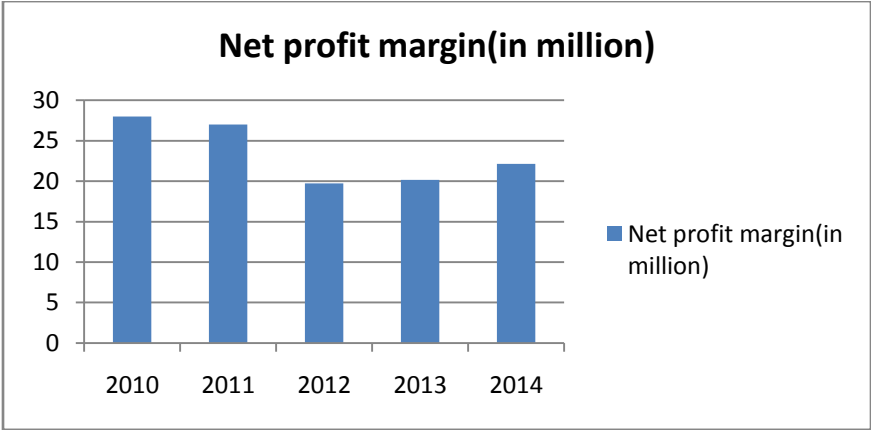
Total asset of JBL:



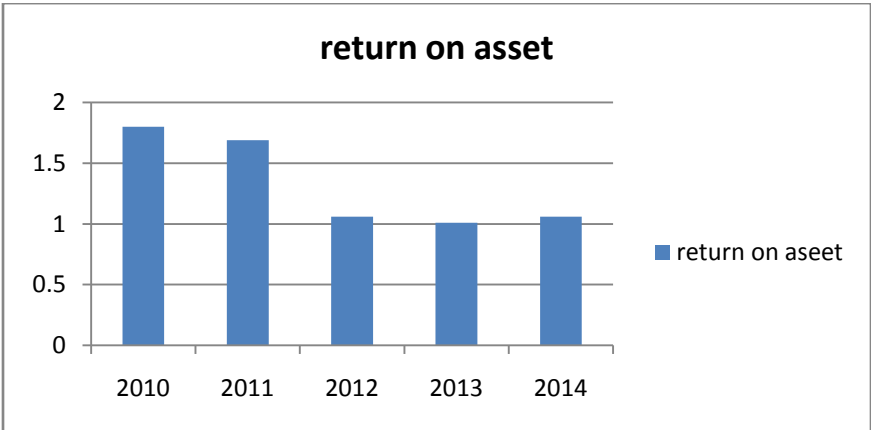
Total liability



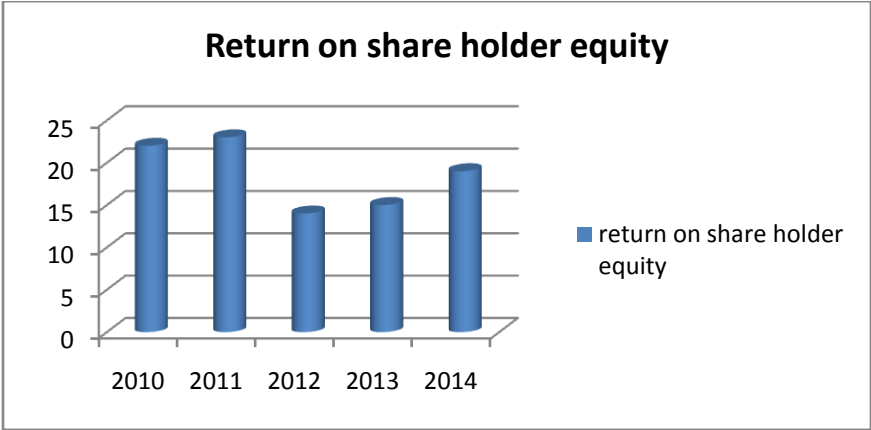
Net profit margin:



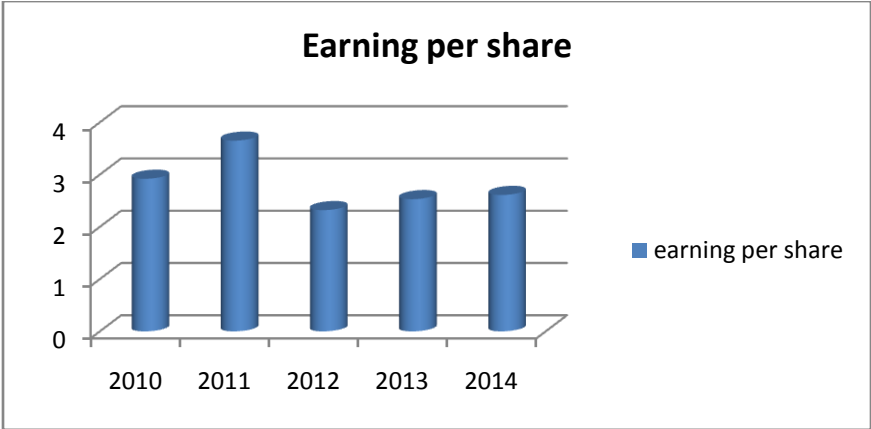
Return on asset:



Return on share holder equity:



Earnings per share:



Reference:

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2. www.bangladeshbank.com
3. www.assignmentpoint.com

