

**TOPICS: AN EXPERIENCE STUDY ON GENERAL  
BANKING RULES & PROCEDURES OF UNITED  
COMMERCIAL BANK**



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*Date of Submission: 5<sup>TH</sup> June, 2016*

Internship Report  
On  
United Commercial  
Bank Limited

**UCB**



## LETTER OF TRANSMITTAL

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Date: 5<sup>th</sup> June, 2016

Md. Tamzidul Islam

Assistant Professor, MBA Program

BRAC Business School

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Subject: **Submission of Internship Report**

Dear Sir,

I am here by submitting my Internship Report, which is a part of the MBA Program curriculum. It is great achievement to work under your active supervision. This report is based on, "AN EXPERIENCE STUDY ON GENERAL BANKING RULES & PROCEDURES OF UNITED COMMERCIAL BANK". I have got the opportunity to work at United Commercial Bank Limited for three months, in corporate branch Dhaka. This project gave me both academic and practical exposures. First of all I learned about the organizational culture of a prominent Bank in our country. Secondly, the project gave me the opportunity to develop a network with the corporate environment.

I shall be highly obliged if you are kind enough to receive this report and provide your valuable judgment. It would be my immense pleasure if you find this report useful and informative to have an apparent perspective on the issue.

Sincerely Yours

Shahriar Ali Khan

Masters of Business Administration

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## ACKNOWLEDGEMENT

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As part of my internship from BRAC University I have been assigned this report to reflect my learning and it is with great pleasure that I express my gratitude to following institutions and individuals. Toward the starting, I would like to pay my humble appreciation to The Almighty ALLAH for giving me the ability to work hard under pressure. Then first and foremost I want to thank BRAC University and the BRAC Business School for enlightening me over the period of my Masters of Business Administration. Every faculty of the BRAC Business School receives my greatest accolade because of all their teachings which generated an interest in me to excel. My gratitude goes to United Commercial Bank Ltd. – for selecting me as intern out of a highly competitive environment – consequently allowing me to learn from one of the prominent Bank in Bangladesh and from managers who are undoubtedly experts in their fields. The learning has been paramount and immensely enlightening. At United Commercial Bank Ltd. I had the opportunity to learn from Mohammed Faruque, EVP and head of Branch, at UCBL. He had been extremely cordial, supportive and optimistic with me and my efforts since the day I joined. Along with that I would also like to show my heartfelt gratitude to all the members of the General Banking Division who have always been very supportive towards me and encouraged me to work creatively. Last but not the least I must render my heartfelt gratitude for Md. Tamzidul Islam, Assistant Professor of MBA program at BRAC Business School who is also my Internship Supervisor on behalf of BRAC University. His optimism and faith in me and my abilities gave me massive confidence in myself and my work. Even during times when my work seemed difficult to me, I always received proper direction after a meeting with him. My internship report itself has been analysed and dissected scrupulously under his supervision.

# *List of Abbreviation*

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<b>UCB</b>	- <b>United Commercial Bank</b>
<b>RM</b>	- <b>Relationship Manager</b>
<b>ATM</b>	- <b>Automated Teller Machine</b>
<b>EPZ</b>	- <b>Export Processing Zone</b>
<b>PO</b>	- <b>Pay Order</b>
<b>DD</b>	- <b>Demand Draft</b>
<b>OBC</b>	- <b>Outward bills collections</b>
<b>LBC</b>	- <b>Local bills collections</b>
<b>FDR</b>	- <b>Fixed Depository Receipts</b>
<b>DPS</b>	- <b>Deposit pension scheme</b>
<b>C.D</b>	- <b>Current Deposit Account</b>
<b>S.B</b>	- <b>Savings Deposit Account</b>
<b>S.T.D</b>	- <b>Short Term Deposit Account</b>
<b>S.N.D</b>	- <b>Special Notice Deposit Account</b>
<b>S.O.D</b>	- <b>Security over Deposit Account</b>
<b>C.C</b>	- <b>Cash Credit Account</b>
<b>O.D</b>	- <b>Over Draft Account</b>
<b>RFCD</b>	- <b>Resident Foreign Currency Deposit Account</b>
<b>NFCD</b>	- <b>Non-Resident Foreign Currency Deposit Account</b>
<b>FC</b>	- <b>Foreign Currency Account</b>
<b>KYC</b>	- <b>Know Your Customers</b>
<b>CSR</b>	- <b>Corporate Social Responsibility</b>

## Table of Contents

Sl.	Title
<b>01</b>	<b>Executive Summary</b>
<b>02</b>	<b>Introduction</b>
<b>03</b>	<b>Objective of the report</b>
	Broad Objective
	Specific Objective
<b>04</b>	<b>Methodology</b>
	Primary Source
	Secondary Sources
<b>05</b>	<b>Scope</b>
<b>06</b>	<b>Limitation of the report</b>
<b>07</b>	<b>Overview of United Commercial Bank Limited (UCBL)</b>
	Vision
	Mission
	Core values
	Slogan
<b>08</b>	<b>Organogram of UCB</b>
<b>09</b>	<b>Corporate Social Responsibility</b>
<b>10</b>	<b>Product/Service offerings</b>
<b>11</b>	<b>Operations and Departments at Corporate Branch, Dhaka</b>
	Cash division
	Credit division
	Retail banking division
	Card division
	Foreign exchange division
	Offshore Banking
<b>12</b>	<b>Scope of General Banking</b>
	Accounting opening
	Required paper documents for opening bank account
	Common Documents
	Salary Account
	Club/Society/Trust/Charity/Association
	Proprietorship
	Partnership
	Limited company
	RFCD Account
	FC Account
	Required papers for student's file
	KYC form completion
	Account editing and entry
	Cheque book requisition process
	Cheque clearing process
	Inward cheque clearing process
	Outward cheque clearing process
	Income from this clearing process

## Table of Contents

Sl.	Title
	Issuing pay-orders
	Issuing D.D (Demand Draft)
	Online transaction
	Giving account information and statement to the clients
	Locker Service
	SMS & Internet Banking
	Keeping information from transactions on ATM booths and poses
	Doing FDR & different types of DPS
	Features and interest rate for FDR
	Features and interest for DPS
	Maintaining transfer register file
<b>13</b>	<b>SWOT Analysis</b>
<b>14</b>	<b>Suggestions for further improvement</b>
<b>15</b>	<b>Conclusion</b>
<b>16</b>	<b>References</b>
<b>17</b>	<b>Appendix</b>

## Table of Figures

SL.	Figure
<b>01</b>	<b>Figure -1: Organogram</b>
<b>02</b>	<b>Figure -2: Product/Service Offering</b>
<b>03</b>	<b>Figure -3: Different rates of FDR</b>

## **EXECUTIVE SUMMARY**

As part of my academic requirement and completion of my MBA program, I needed to complete a three month period of Internship program. I chose to do my Internship at United Commercial Bank Ltd. At UCB I was assigned to do my intern in “General Banking Division”. It was a new concept for me and I took the opportunity to learn about as much as possible while I was working on the division. United Commercial Bank Limited is one of the prominent banks in Bangladesh, which started its journey in 1983. In these thirty three years of long journey the bank has achieved trust from people by providing its services. The main motto of the bank is to give best quality and swift service to customers. In these three months of internship period I learn from them how to motivate customers and give quick services. General banking division is a very important department of a bank. Relationships with customers develop from here. In this report I describe the different functions of general banking division. Beside this I also try to give brief description of different divisions that work in UCB. The report also gives an idea of different products and offerings given by United Commercial Bank Limited.

The whole purpose of general banking division is to make UCBL more efficient in its own filed. Based on the findings I have also included a few improvements that this report holds at the end. Although, it is difficult to come to a conclusion without a proper research or survey, I based my conclusion partially on what I thought.



## Introduction

To complete the academic requirement of MBA (Masters of Business Administration) students of BRAC Business School have to complete their internship to gather practical experience by working professionally. This experience helps the students to know how to deal with the practical job related responsibilities. Inters are generally placed according to their major subject or concentrated area to gather knowledge. As a student of finance I was authorized to make a report on “An Experience Study on General Banking Rules & Procedures of UCB”.

## Objective of the report

### Broad Objective

- To get an overall idea about the banking system of United Commercial Bank.
- To get an idea about the functions of general banking division of United Commercial Bank.

### Specific Objective:

- To know the General banking system of United Commercial Bank.
- To present my observation and suggestion to the bank.

## Methodology

This report contains both primary and secondary sources. The sources that have been used to gather and collect data is given below-

### Primary Source

- Personal interview
- Observation

### Secondary Sources

- Annual Report of United Commercial Bank 2015
- Brochures of United Commercial Bank Limited
- Newspaper
- Web site

## Scope

To prepare this report I did not go to other branches of United Commercial Bank. I prepare this report based on the information given by my supervisor and other employees in the bank.

## Limitation of the report

It was a great opportunity for me to work in United Commercial Bank limited and a make a report on the general banking process of it but there were surely some limitations while making this report. They are -

- Getting the information and interpreting it, on the basis of my understanding and then implementing it.

- It is a very big and busy branch so the bank employees are so busy all the time so they could not help me much to interpret the information.
- Besides all these “Time constraint” is another problem for which many aspects of the bank are dropped in this report.

## Overview of United Commercial Bank Limited (UCBL)

United Commercial Bank Limited (UCBL) is a Bangladesh based financial institution that provides banking services. The services include personal and corporate banking, loans, credit cards, online banking and money transfer services. The bank operates in Bangladesh and its head quarter is in Dhaka. With its firm commitment to the economic development of the country, the Bank has already made a distinct mark in the area of Private Sector Banking through personalized service, innovative practices, dynamic approach and efficient Management. The Bank, aiming to play a leading role in the economic activities of the country, is firmly engaged in the development of trade, commerce and industry through a creative credit policy.

UCB Sponsored by some dynamic and reputed entrepreneurs and eminent industrialists of the country and also participated by the Government, UCB started its operation in mid-1983 and has since been able to establish one of the largest networks of 158 branches among the first generation banks in the private sector.

The Bank has its in different and diverse segments of banking like Personal Banking, SME Banking, Corporate Banking, NRB Banking, IMPERIAL, Off-shore Banking, and Remittance etc. United Commercial Bank has lengthened its arena by diversion among different segments of banking like:

- **Personal Banking:** Personal Banking is a mass-market banking where customers use all banking services from local branches of larger commercial banks. Services include personal loans, opening and checking different account, issuing debit or credit cards etc.
- **SME Banking:** Small and medium enterprise banking works for creating jobs for low income people. They help increasing economic growth, social stability, and they contribute to the development of a dynamic private sector. Bank also assess and monitor business loans, managing business financing risks, pricing products and working for further development of SME.
- **Corporate Banking:** Corporate banking, also known as business banking, refers to the aspect of banking that deals with corporate customers. It is also the source of regular write-downs for loans that have sourced. Its Corporate banking service consists of simple business of issuing loans to more complex matters, such as helping minimize taxes paid by overseas subsidiaries, managing changes in foreign exchange rates or working out the details of financing packages necessary for the construction of a new office, plant or other facility.
- **NRB Banking:** It is a banking service for Non-Resident Bangladeshi. Two types of banking facility are offered by UCB right now UCB NRB Saving and UCB

NRB DPS Plus. Eligibility for these sorts of account is customer must be a non-resident Bangladeshi and have to be over eighteen years old and minimum opening balance is Tk.25, 000.

- **IMPERIAL:** It's a Priority Banking service for Priority Banking Customers. As a Priority Banking customer they are looking for a premium level of service and attention wherever they are. And UCB providing that level of premium services to those customers. At UCB Imperial, we try to relax customers with all our efforts, with our Imperial Hospitality. Our premium Banking services and relaxing environment allow customers to let go off all the banking worries as they can enjoy a luxurious banking experience. IMPERIAL banking experience is further elevated with exclusive services like: Cosy Imperial Lounge, 24-hour Priority Banking Service, Privileged Parking Facility, Preferential rates in retail Loan Products, Waiver on Account Related Charges, Waiver on Credit Card Related Charges. And minimum deposit for this kind of account is Tk. 30 lac.

The Bank also provides its clients with both incoming and outgoing remittance services. Thus the expatriates find an easy way to send money through proper channel. The Bank, aiming to play a leading role in the economic activities of the country, is firmly engaged in the development of trade, commerce and industry by investing in network expansion and new technology adoption to have competitive advantage.

With its firm commitment to the economic development of the country, the Bank has already made a distinct mark in the realm of Private Sector Banking through personalized service, innovative practices, dynamic approach and efficient Management. The Bank, aiming to play a leading role in the economic activities of the country, is firmly engaged in the development of trade, commerce and industry thorough a creative credit policy. Operations at General Banking Division of UCBL, since its beginning has attached more importance in technology integration. In order to retain competitive edge, investment in technology is always a top agenda and under constant focus. Keeping the network within a reasonable limit, our strategy is to serve the customers through capacity building across multi-delivery channels. Our past performance gives an indication of our strength. We are better placed and poised to take our customers through fast changing times and enable them compete more effectively in the market they operate.

## **Vision**

To be the bank of first choice through maximizing value of our clients, shareholders and employees and contributing to the national economy with social commitments.

## **Mission**

To offer financial solutions that create, manage and increase our client's wealth while improving the quality of life in the communities we serve.

## **Core values**

- We put customers first.
- We emphasize on professional ethics.
- We maintain quality at all levels.

- We believe in being a responsible corporate citizen.
- We say what we believe in.
- We foster participative management.

### Slogan

The slogan of United Commercial Bank was “Happy Banking”. After completing thirty years of journey it has changed its slogan and now its slogan is “United We Achieve”. Because we believe that if we work together we can achieve everything.

### Organogram of UCB

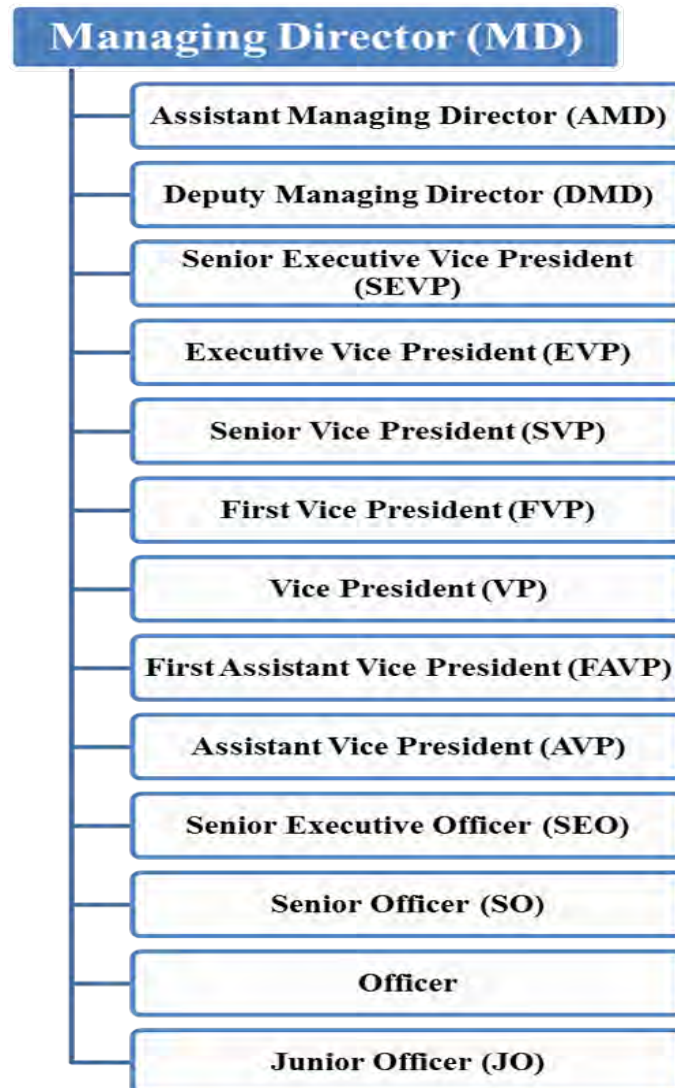


Figure -1: Organogram

### Corporate Social Responsibility

United Commercial Bank Ltd. has a long history of associating itself in different spectrum of social responsibility and there are numerous glaring instances in which they can take pride. Over the past 30 years, UCB has rendered extensive financial assistance for benevolent purpose. As a responsible corporate body, they have adopted CSR practices in a formal,

structured manner in line with our organizational vision to help the disadvantaged population of our country by taking socially responsible initiatives.

The "social contract" between the corporation and the community is of critical importance for United Commercial Bank. CSR is ingrained in their corporate culture and it is a part and parcel of what they do. UCB has incorporated CSR activities into its core strategic business planning and translated it into action across different areas and community of the country. The Bank has organized its CSR activities around seven main areas:

- Education
- Health
- Disaster Management
- Environment
- Sports
- Art and Culture
- Socio-Economic Development

**Product/Service offerings:**

✚ UCB Multi-Millionaire	✚ Import Finance
✚ UCB Money-Maximizer	✚ Export Finance
✚ UCB Earning Plus	✚ Working Capital Finance
✚ UCB DPS Plus	✚ Loan Syndication
✚ UCB RMG DPS Plus	✚ Underwriting and Bridge Financing
✚ UCB Women’s DPS Plus	✚ Trade Finance
✚ Youngster’s DPS Plus	✚ Industrial Finance
✚ UCB NRB DPS Plus	✚ Foreign Currency Deposit A/C
✚ Imperial Banking	✚ NFCD (Non Resident Foreign Currency Deposit Account)
✚ Western Union Money Transfer	✚ RFCD (Resident Foreign Currency Deposit Account)
✚ RIA	✚ Consumer Credit Scheme
✚ TRANSFAST	✚ Locker Service
✚ Credit Card	✚ Traveller’s Cheques
✚ One Stop Service	✚ Inward & Outward Remittances
✚ Time Deposit Scheme	
✚ Monthly Savings Scheme	
✚ Deposit Insurance Scheme	

Figure -2: Product/Service Offering

**Operations and Departments at Corporate Branch, Dhaka**

UCB Corporate Branch located in Plot - CWS- (A)-1, Road No - 34, Gulshan Avenue, Dhaka 1212. It is a very big branch and does have all banking facilities. The branch has several division or departments which run through the instruction and control from Head office. The divisions or departments are as follows:

- Cash division
- General banking division
- Credit division

- Retail banking division
- Card division
- Foreign Exchange division
- Offshore Banking

### **Cash division**

It is the most important division of any bank as well as Corporate Branch. At first customers and clients get service from here. All forms of cash related transactions are done here. Deposit and withdrawal of money from account, online money transfer from one account to another account through cash.

### **Credit division**

Huge amount of profit is generating from this department. The main function of this department is to give loan in condition of interest. The interest rate depends on loan amount and duration. Credit deals with loan processing function. All of the procedures regarding loans are dealing in this department. As it is a big branch of UCB most of the loans are sanctions from here is Industrial and project loans as well as SME (Small and Medium Enterprise) loans and personal loans. From this department I come to know that the difference between advance credit loan and loan. Usually advance credit loan is given to small and medium enterprise or business organization. In terms of advance credit at first individual has to apply for loan amount, financial stability of the business, mortgage amount, valuation of the given stock. Then after verification of the client by physically the bank gives report to CIB (credit information bureau) and head office. After getting clearance from both of the departments bank gives a limit of loan amount. This amount of money can be withdraw by the client at a time and after that rest of the amount can be withdraw gradually. In terms of advance credit the business entity does not has to pay monthly amount of loan payment. The business entity has to pay the loan amount within expire period of loan at any amount of payment. Another feature of this loan is to client can renew as well as extent the loan amount limit if his/ her transaction profile remains good. In case of extent or increase the loan limit client should has to increase the mortgage amount as well.

Mainly there are two differences between advance credit and loan. In case of loan individual has to repay the loan amount monthly in a fixed period of time and it's mainly given for personal need, small business. Except that rest of the process is same as advance credit.

Usually there are two conditions for giving loans one hypothecation and second pledge. In hypothecation loan clients give limit to their goods or mortgage any assets against which they can apply for loan. Usually the mortgage amount should have to be double or near about double to the loan amount but the mortgage amount remains to the client. On the other hand for pledge loan client has to give the mortgage amount or asset to the bank warehouse. Nowadays pledge loans are not given.

### **Retail banking division**

The promotional part of bank is done by the retail banking division. The Relationship Manager (RM) of the bank find customers and tell them about the bank product scheme, interest rate, different types of loan scheme, its flexibility, benefit and different types of

deposit scheme. This division work is target related. Every RM has particular target according to their position.

### **Card division**

The operations of the card division are controlled and directed by the head office of UCB bank. In new age of banking system most of the customers and clients are prefer for carrying debit or credit card instead of carrying cash. UCB provides different types of visa debit and credit cards. The function of this division is to issue new visa debit or credit cards, renew of cards, give dispute solution of the cards and collect cards which captured by the ATM machine during transaction. This division is also responsible for maintenances of the ATM booths. Credit card is one type of loan giving by the bank. There are some rules and restrictions for getting credit card. Credit card is given on the basis of customer/ client monthly income. For businessman/woman they give emphasize on banking transition, financial stability and for service holder salary should have to be 25000 Tk. According to the monthly income /salary credit card limit has to be given. By the use of credit card the card holder can purchase and can pay bills but he/ she has to pay back the money within one month with interest, otherwise the card holder has to give overdue charge.

### **Foreign exchange division**

One of the important businesses carried out by the commercial bank is foreign trading. The trade among various countries falls for close link between the parties dealing in trade. The situation calls for expertise in the field of foreign operations. The bank, which provides such operation, is referred to as rendering international banking operation. Mainly transactions with overseas countries in respect of import, export and foreign remittance dealings under the preview of foreign exchange department. International trade demands a flow of goods from seller to buyer and of payment from buyer to seller. In this case the bank plays a vital role to bridge between the buyer and seller.

Foreign exchange department of UCB is one of the most important departments among all departments. This department handles various types of activities. Among these main three are as follows:

- Import
- Export and
- Foreign remittance

### **Offshore Banking**

UCB Off-Shore Banking has been designed to meet the banking requirements of Non Resident Customers/Enterprises especially located at the EPZ areas.

Through Off-Shore banking unit UCB

- Disburses Foreign Currency denominated loans and advances to Non Resident business entities
- Accepts Foreign Currency deposits from Non Resident customers
- Extends full scale trade finance services to the Non Resident customers/enterprises from its Off-shore unit

- Extends discounting facility of Bills accepted by authorized dealers in Bangladesh as per recent guidelines of Bangladesh Bank

## Scope of General Banking

Everyday transaction of banking system is the main operation which is handled by general banking sector. It has to meet the customers demand for cash and to receive investment from them. I have done my three months of internship program in the general banking division at UCBL. General banking division is another most important division in banking sector. It plays an important role for generating profit. The main functions and operations of general banking division are:

- Account opening.
- Giving entry to the account information in the software. UCB bank use PC banking software developed by Leads Software Company for their online transaction.
- Giving requisition for cheque book.
- Cheque clearing process.
- Receiving inward cheques and clearing outward cheques on online.
- Issuing Pay-orders.
- Giving Solvency Certificate
- Issuing D.D (Demand Draft).
- Issuing OBC (Outward bills collections) and LBC (Local bills collections).
- Online transaction.
- Giving account information and statement to the clients.
- Keeping information from transactions on ATM booths and poses.
- Doing FDR(Fixed Depository Receipts) and different types of DPS(Deposit pension scheme)
- Foreign Remittance.

## Accounting opening

One of the important functions of general banking is account opening. The numbers of different accounts increase the amount of deposit and transaction. There are different types of accounts with different features, those are given below:

- C.D (Current Deposit) Account.
- S.B (Savings Deposit) Account.
- S.T.D (Short Term Deposit) Account or S.N.D (Special Notice Deposit) Account.
- S.O.D (Security over Deposit) Account.
- C.C (Cash Credit) Account.
- O.D (Over Draft) Account.
- Women Saving Account.
- Student Account.
- Non- Interest Account.

S.T.D, S.O.D, CC, O.D accounts are loan accounts.



## Required paper documents for opening bank account

### Common Documents (Introducer mandatory for all account)

- Photographs – 2 copies for each account with name & attested by introducer on the bank
- Photocopy of NID/Driving License/Passport from its pages 1 to 7
- Nominee photograph one copy each attested by the account holder with NID
- TIN certificate (if any for personal account) but mandatory for proprietorship/Partnership/LTD. Company
- Utility/Telephone bill copy
- Legal guardian's photo with NID ( Minor)

### Salary Account

- Employer certificate/Job contract
- Work permit ( for foreign national//NRTA)

### Club/Society/Trust/Charity/Association

- Certified true copy of the Constitution/By Law/Trust Deed
- Resolution
- List of members with their address

### Proprietorship

- Photo copy of up to date trade license
- Utility bill of office address

### Partnership

- Photo copy of up to date trade license
- Partnership agreement duly notarized by Notary public/Registered
- Instruction for the account operations must be mention in their agreement
- Resolution
- Permission from competent authority

### Limited company

- Certified copy or certificate of Incorporation duly attested by Chairman/MD
- Certified copy of memorandum & Articles of Association duly attested by Chairman/MD
- Extract of resolution of the Board of Directors
- List of Directors with their address
- Photocopy of up to date trade license
- Photocopy of VAT Registration
- TIN certificate
- Permission from competent authority

### RFCD Account

- Photocopy of valid passport with latest arrival seal ( arrival within one month)
- Declaration of the customer for deposit the FC as per prescribed form

### FC Account

- Photocopy of valid passport with latest arrival seal ( arrival within one month)
- Declaration of the customer for deposit the FC as per prescribed form
- Work permit/Job contact/ID

### Required papers for student's file

- Application ( Appendix 5/64) duly filled in
- Original & photocopy of admission letters issued by the Educational Institution in favour of the student ( such as the 1-20 in case of US institution)
- Original & photocopy of estimate relating to annual tuition fee, Board & lodging, Incidental Expenses etc. issued by the concerned Educational Institution
- Attested copies of Educational Certificates of Applicant
- Valid passport
- Photograph of student & Financer
- Solvency certificate of Financer

### KYC form completion

The abbreviation of KYC is Know Your Customers. Client's full information is given here. That includes submitted documents for identification, amount of money to be deposited or withdrawn in a month, earning source etc.

### Account editing and entry

After filing up the account opening form it has to give entry in the software system so that the account gets feasibility for online transaction. It also helps to keep record in the banking system as well as from these clients can see their banking transactions and can bank statement for different purpose.

### Cheque book requisition process

Mainly there are two types of cheque books one for savings account and another for other accounts. For getting cheque book at first one has to fill up the cheque book requisition form. After submitting the form within four working days the books will be available for delivery. Bank also earns money from every cheque book, for savings it charges ninety two taka and for others it two hundred thirty.

### Cheque clearing process

The main function of general banking division is cheque clearing process. It's a software base automated electronic fund transfer system known as BACH (Bangladesh automated clearing house). The branches that are authorized by Bangladesh bank to be in the BACH system can collect/transfer their money without going from one branch to another branch. It takes only one working day for transferring/ collecting money. Through this BACH system all MIRC cheques are get transfer from one bank to another. With the help of BACH system all the banks inside Bangladesh can transfer and collect their money from those branches here they don't have an account. This process is divided into two parts and those are as follows:

#### Inward cheque clearing process

It's the process in which UCB bank collects their own cheques issued by other banks. For example: Mr. X has an account in Bank Asia at Dhaka branch but he gets a payment cheque from a person Mr. Y who has an account in UCB bank and he gives Mr. X a UCB cheque. This type of transaction is done through clearing. The whole process is done through online. Now at first Bank Asia will receives the cheque from the client and will scan the cheque issued by Mr. Y and will send the scan copy to UCB bank through online. UCB bank will receive the scan copy and will cross-check the both particulars in the cheque and account holder. If everything is ok such as cheque issue date, routing number, amount etc then UCB debits the account of Mr. Y and send it to their principle branch. Then the principle branch

deals with Bangladesh bank and credit money to Bangladesh bank. Finally Bangladesh bank credits money to Bank Asia and Bank Asia credits money to Mr. X.

### **Outward cheque clearing process**

It's the opposite process of inward cheque clearing process. In this process after receiving the cheques of other banks UCB bank receives the cheques and gives entry in a register book. After that it scans the cheques and sends it to respective bank. Then the banks do the same process as inward clearing.

### **Income from this clearing process**

UCB charges money for this online clearing process. For high value which mean more than five Lac taka it charges sixty taka and for regular value that mean less than five Lac it charges ten taka only. Sometimes it happens that some outward cheques return because of insufficient money. In this situation bank debits five hundred seventy five taka from the client account who issues the cheque as a penalty.

### **Issuing pay-orders**

Pay-order is a money transfer instrument. It cost tk.12 if pay order amount is less than tk.10, 000 but if it is over Tk. 10,000 then it will free of cost. Pay-order can be issued by depositing cash, against cheque or directly debt account. Pay order is an instrument which can be only in-cash or can reverse where it has been issued. For example: Mr. X issues a pay-order from UCB bank in name of his client Mr. Y who has an account in BRAC Bank. In this case Mr. Y has to deposit the pay-order in BRAC bank and BRAC bank can collect the through online clearing from UCB bank. Pay-order can issue on organization, individual or bank. For issuing pay-order it's not necessary to have an account in the bank. Anyone can issue pay-order. The person who doesn't has not any bank account in UCB bank he / she can make it by depositing cash. Pay order helps to increase deposit because usually it takes time to be in-cash. So it's a profitable instrument for bank.

### **Issuing D.D (Demand Draft)**

It's another type of money transfer instrument. For issue pay-order bank charges commission and vat on different amount. The process of D.D is little bit complex from pay-order. Demand draft has to be issued in the same bank but it can be on different branch within the bank. Branch name should be mentioned while issuing D.D. after issuing D.D the branch gives test (it's a secret code within the bank) on that particular amount of money then credit it to the respective branch where the client wants to issue D.D. After receiving D.D the respondent branch re-check the test and then debit the amount.

### **Online transaction**

Through online system client can transfer money from one account to another account within UCB bank but any of their branch. For online transaction bank charges commission and vat on different amount of transactions.

### **Giving account information and statement to the clients**

With the help of online transaction customers / clients can check their account whenever they want. From this client can see how much money they deposit and how much they withdraw.

They can also take their transaction statement when they want to apply for loan or for apply for visa or to see their transaction at a glance. UCB bank charges three hundred forty five taka for each statement but two statements are free of cost every year.

### Locker Service

UCB provides a user friendly locker service which offers security, safety and confidentiality of customer's valuable belongings. Deposit of jewellery, important documents and all other permissible valuables are accepted in locker service.

### SMS & Internet Banking

One of the main goals of UCB is making the banking process more convenient. So they have introduced "SMS & Internet banking service" to cope up with modern banking trend. Through UCB SMS & Internet banking system, a customer can know his current account balance, can also transfer balance to other account. Customer gets SMS each and every transaction they made.

### Keeping information from transactions on ATM booths and poses

General banking division also keeps information on ATM booths transaction. Wherever it does through poses or cash withdraw.

### Doing FDR & different types of DPS

From my internship I come to know that the main motto of general banking is to increase profit as well as deposit. As a result UCB offers different types of deposit scheme.

### Features and interest rate for FDR

FDR means Fixed Depository Receipts. From the name it can be understand that which amount of money is to be deposited can't be withdraw any time. If anyone withdraw before maturity can't be able to get the profit amount. Usually FDR's done for the period of one month, three months, six months, one year, twenty four years and thirty six years. The minimum amount for doing FDR is thirty thousand taka. Different rates of FDR are given below:

### Different rates of FDR

Fixed Deposit (FDR)	Retail	SME	Corporate	
			Business Corporate & other institutions	Govt./Semi-Govt./Autonomous Bodies & other institutions having Govt. ownership & control
<b>for 1 month &amp; above but below 3 months</b>	3.50	3.50	3.50	3.50
<b>For 3 months &amp; above but below 6 months</b>				
i) Upto Tk. 50.00 lac	6.00	6.00	5.75	5.75
ii) Above Tk. 50.00 lac upto Tk. 5.00 cr	5.75	5.75	5.75	5.75

iii) Above Tk. 5.00 cr upto Tk.100.00 cr	5.75	5.75	5.75	5.75
iv) Above Tk. 100.00 cr	-		5.75	5.75
<b>For 6 months &amp; above but below 12 months</b>				
i) Upto Tk. 50.00 lac	6.00	6.00	5.75	5.75
ii) Above Tk. 50.00 lac upto Tk. 5.00 cr	5.75	5.75	5.75	5.75
iii) Above Tk. 5.00 cr upto Tk.100.00 cr	5.75	5.75	5.75	5.75
iv) Above Tk. 100.00 cr	-		5.75	5.75
<b>For 12 months</b>				
i) Upto Tk. 50.00 lac	6.00	6.00	5.75	5.75
ii) Above Tk. 50.00 lac upto Tk. 5.00 cr	5.75	5.75	5.75	5.75
iii) Above Tk. 5.00 cr upto Tk.100.00 cr	5.75	5.75	5.75	5.75
iv) Above Tk. 100.00 cr	-		5.75	5.75
<b>For 24 months</b>				
	6.00	6.00	6.00	
<b>For 36 months</b>				
	6.50	6.50	6.50	

Figure – 3: Different rates of FDR

### Features and interest for DPS

Deposit pension scheme or DPS is a monthly savings scheme which helps to increase deposit for bank as well as increase savings for clients who opens the deposit scheme. For DPS client has to deposit money every month and gets depository money with interest after specific period of maturity date. There are several types of depository schemes offered by UCB bank.

### Maintaining transfer register file

UCB maintains a transfer register file where we were supposed to keep records of our everyday transaction amounts and instruments. For example: how many FDR are got in cash, how many cheques received and its amounts, how many par-orders are issued , which accounts are got credited and which accounts are got debited etc. in short the whole day transactions are registered. At the end of the day we had to sum up the both debit and credit amounts.

### SWOT Analysis

SWOT mean strength, weakness, opportunity and threat. The detailed study of an organization's coverage and prospective in perception of its potency, flaws, chances and risks is called SWOT analysis. It is needed to make the current way of performance and also predict the outlook to develop their performance compared to opponents. The organization can learn about their current situation in the market with the help of this tool. It also plays an important role in making modification in the planned administration of the organization.

The SOWT of UCB is given here in brief:

Strength	Weakness
<ul style="list-style-type: none"> <li>● The bank has earned customer loyalty</li> <li>● Young and hardworking workforce</li> <li>● Strong relationship with customers</li> <li>● Friendly Working Environment</li> <li>● Maintaining good relationship with the new and old clients</li> <li>● It provides services even after the banking hour to special clients</li> <li>● Well known to the market</li> <li>● Online Banking Services</li> <li>● Service First</li> <li>● Customer based products</li> </ul>	<ul style="list-style-type: none"> <li>● Limited advertising strategy</li> <li>● Insufficient brunch</li> <li>● Insufficient ATM booths</li> <li>● Poor marketing strategy</li> <li>● No Islamic Banking division</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>● Growing market</li> <li>● Skilled workforce</li> </ul>	<ul style="list-style-type: none"> <li>● Growing competition in the market</li> <li>● Political instability</li> <li>● Government Plan and regulation</li> <li>● Public banks offer High interest rate</li> </ul>

### Suggestions for further improvement

As per the report requirement and doing three months of internship in the bank and based on my findings and analysis, I would like to give some suggestions for their further improvement.

The suggestions are given below-

- Better Customer Service should be provided in order to attract more clients. Increasing number of unsatisfied customers will incur loss to the organization.
- In this edge of competition UCB should introduce Islamic banking section to grab more customers.
- Now a day's people are very busy and use internet to get information. For that UCB should develop a more organized and effective web-site so that customers can get necessary or basic information about the bank products, offers and interest rate.
- It needs to bring some improvisation into the ATM card service to gain the customers satisfaction.
- They may put chip in debt cards so that it can be more secured.
- UCB does not give their high attention on advertisement on Newspaper, TV, and Radio etc. As a competition market it is too much important for any organization to increasing their advertisements procedure to provide information to the clients & Probable clients.
- In case of opening an account some big parties come to open accounts in reference with the high official of the bank. They do not submit all the necessary papers in the time of account opening so it crates pending account and banker find it difficult on later to collect necessary papers.

## Conclusion

United Commercial Bank is one of the most promising private commercial banks in Bangladesh. Every day United Commercial Bank makes an effort to increase their product and services although they provide a wide range of product and services. It is committed to provide high quality financial service to contribute to the growth of GDP of the country and the growth of industrialization, boosting up export, creating employment opportunity for the educated youth, raising standard of living of limited income group and overall sustainable socioeconomic development of the country. UCB always tried its level best to perform financially well. In spite of trying to do well in some aspects UCB faced some financial problems from time to time. Some of the problems were-excessive bad loans, shortage of loans and advances, scarcity of cash in hands due to vault limit etc. These problems arouse time to time due to economic slowdown, interest rate fluctuation, emerging capital market, inflation in the money market and so on. Fighting with all these problems and competing with other banks every moment the bank is trying to do better to best. If this thing continues we hope that United Commercial Bank will develop even more in the future.

Banking sectors no more depends on only on a traditional method of banking. In this competitive world banking sector has stretched its wings wide enough to cover any kind of financial services. Not only from the local banks but also from the foreign banks, the banks of today face a tough competition. The major tasks of banks for banks to survive in this competitive environment are by managing its assets and liabilities in an efficient way. To make the assets especially loan and advances banks must have to more cautious and otherwise these asset will became a burden for the bank. To have fruitful investment bank must have to do the marketing their product perfectly.

## **References**

<http://www.ucb.com.bd/>

Annual report of UCBL 2014-2015

Leaflets and brochures of UCBL

Many official documents (collected from my supervisor)



## Appendix

### Corporate Information at a Glance

Name	United Commercial Bank Limited
Date of Incorporation	26 June, 1983
Commencement of Business	27 June, 1983
Registered Office	Bulus Center, Plot – CWS – (A) – 1, Road No – 34, Gulshan Avenue, Dhaka – 1212, Bangladesh
Date of Listing with DSE & CSE	DSE – 30 November, 1986 & CSE – 15 November, 1995
Chairman	Mr.M.A.Sabur
Managing Director	Mr. Muhammed Ali
No. of Branches	158
No. of ATM Booth	152
No. of SME Centers	2
No. of Women’s Branches	1
Off-Shore Banking Unit	1
Auditors	Hoda Vasi Chowdhury & Co. Chartered Accountants
Swift Code	UCBL BDDH
Telephone No.	+88-02-55668070, +88-09611999999
E-mail	info@ucbl.com
Website	www.ucbl.com
Fax	+88-02-55668070-6000, +88-09611999911-520
Slogan	United We Achieve
Logo	 The logo for United Commercial Bank (UCB) features the letters "UCB" in a bold, black, sans-serif font. To the right of the text is a stylized graphic consisting of a red, rounded shape above a grey, rounded shape, resembling a pill or a drop.

## Revision of interest rates of Scheme Liability Products w.e.f. 21.01.2016

SL #	Name of the Products	Revised of Rates of Interest (w.e.f. 21.01.2016)	
		Term/Tenure	Rate
1	<b>UCB Money Maximizer</b> (Double Money Fixed Deposit)	<b>Double in 9½ years</b>	<b>7.57</b>
2	<b>UCB Earning Plus</b> (Monthly/Quarterly Interest Payable)	<b>3 &amp; 5 yrs</b>	<b>7.50</b>
3	<b>UCB DPS Plus</b> (Monthly Savings Scheme)	<b>2,3,5,7 &amp; 10 yrs</b>	<b>7.50</b>
4	<b>UCB Women's DPS Plus</b> (Monthly Savings Scheme)		<b>8.00</b>
5	<b>UCB RMG DPS Plus</b> (Monthly Savings Scheme)		<b>8.00</b>
6	<b>UCB NRB DPS Plus</b> (Monthly Savings Scheme)		<b>7.50</b>
7	<b>UCB Youngsters DPS Plus</b> (Monthly Savings Scheme)	<b>5 &amp; 10 yrs</b>	<b>8.00</b>
8	<b>UCB Multi-Millionaire</b> (Monthly Savings Scheme)	<b>5-15 years</b>	<b>7.50</b>

## Interest Rate on Deposits

SL	Type of Deposits		Rate of Interest (% p.a.) w.e.f. 17.02.2016
01.	<b>Savings Deposit (SB)</b>		
	A.	<b>Below Tk. 10.00 Lac</b>	<b>3.50</b>
	B.	<b>Tk. 10.00 Lac &amp; above but below Tk. 50.00 Lac</b>	<b>4.00</b>
	C.	<b>Tk. 50.00 Lac &amp; above but below Tk. 1.00 Crore</b>	<b>4.50</b>
	D.	<b>Tk. 1.00 Crore &amp; above</b>	<b>5.00</b>
02.	<b>Short Notice Deposit (SND)</b>		
	A.	<b>Below Tk. 1.00 Crore</b>	<b>3.00</b>
	B.	<b>Tk. 1.00 Crore and above but below Tk. 25.00 Crore</b>	
	C.	<b>Tk. 25.00 Crore and above but below Tk. 50.00 Crore</b>	
	D.	<b>Tk. 50.00 Crore and above but below Tk. 100.00 Crore</b>	<b>4.00</b>
E.	<b>Tk. 100.00 Crore and above</b>		
03.	<b>Imperial Savings</b>		
	A.	<b>Below Tk. 1.00 lac</b>	<b>0.00</b>
	B.	<b>Tk. 5.00 lac and above but below Tk. 30.00 lac</b>	<b>4.00</b>
	C.	<b>Tk. 30.00 lac and above but below Tk. 1.00 Crore</b>	<b>5.25</b>
	D.	<b>Tk. 1.00 Crore and above</b>	<b>5.50</b>