



Inspiring Excellence

Submitted to
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“Practice on Activities of General Banking, Foreign Remittance And Loan Advance of Uttara Bank LTD”.



Letter of Transmittal

Mr. Feihan Ahsan

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BRAC University, 66 Mohakhali, Dhaka

Subject: Submission of Internship Report.

Dear Sir,

I am glad to submit the Internship Report “**Activities of General Banking, Foreign Remittance And Loan Advance of Uttara Bank LTD**” which is requirements for the BBA Program of BRAC Business School. It has been a great pleasure for me to have this opportunity to apply my academic knowledge in practical field. My internship was held at Uttara Bank Limited, Corporate Branch, Motijheel. During three months, I took this report as a chance to present my learning of the procedures and abilities of this job. The theoretical knowledge is not worthy unless theory is not applied in the practical field.

While preparing this report, I have faced some difficulties, as I am working in a banking sector, so most of the information is confidential and availability of information was low. In spite of this I have tried my best to complete the report properly and to produce a meaningful report on “General Banking System in Uttara Bank Ltd.” It will be highly appreciated if you kindly acknowledge the report, if required, I would be glad to provide you with any clarifications.

Sincerely yours

Shilpi Ghosh

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BRAC Business School



Acknowledgement

At first I would like to thank the GOD for giving me courage, strength and opportunity to complete my internship. To bring this report in real and productive form the level best effort and study were made. There is no doubt to noted that this report would not have been possible for me without the unforgettable help, support, assistance of a number of people throughout the preparing period of this period. It is really impossible to express their level best support and unforgettable help in words. I will try my level best to express my gratefulness towards some people.

At first, I would like to thank BRAC Business School of BRAC University and Uttara Bank Ltd. for giving the opportunity of having an Internship Program and permit to submit my internship report based on “General Banking System of Uttara Bank Ltd”

I am especially grateful to my internship supervisor and honorable faculty Mr. Feihan Ahsan without her guidance and advice it was impossible to complete my internship report. Whenever I felt any kind of help while preparing report, I have found her as my real advisor who always ready to help me. I could not complete my internship report without his support and instruction.

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Finally, I would like to give thanks and greetings to my fellow BBA students and colleagues for giving me some required information, valuable advices and suggestions to complete the report in a comprehensive manner. I thank them all from my heart.

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Executive Summary

I am Shilpi Ghosh (11304087) student of BRAC University. I have done my internship in Uttara Bank Ltd. My internship is in the General Banking Department. Throughout my internship, I had been working in different section of Uttara Bank. This report explains the “Activities of General Banking, Foreign Remittance And Loan Advance of Uttara Bank LTD. It is a bank that provides transactional, savings and money market accounts and that accepts deposits. Commercial banks are the deposits of individuals and business. The goal of modern banking system is to provide us with the primary contributors to the economy of the country. It is also profit making institutions that holds the best solution through consultation, design, superior hardware and software and ongoing professional support training. To keep pace with this situation, we need banking knowledge for future career. If we want to build our career in banking area, only theoretical knowledge would not help us. As internship program is established to gather practical knowledge regarding various sector of economy, I chose to get practical knowledge regarding banking sector and I select Uttara Bank as my organization to work.

The duration of my program was 3 months and during this period, I have learned many things. I observed that there is a great difference between theoretical knowledge and practical knowledge. I learned many terms, functions and nature of banking activities. I also get practical knowledge regarding organizational environment

It covers the mission, strategy of the company and organizational structure, its functions and department of the company. Again I tried including some problems issues and industry analysis and the SWOT of the company. One important challenge that the banking sector is facing is the introduction of information technology in the banking system in an aggressive manner. This is required to improve management efficiency, reduce operational cost, improve customer services, and increase transparency. Hence, the banking sector would play a vital role in the development of the country and efficient and sound banking management would led the country to reach at the highest peak of success.

Inspiring Excellence

CHAPTER 01: BACKGROUND OF UTTARA BANK LTD.

Uttara Bank Limited (UBL) was established in 1965 with the head office located at Motijheel in Dhaka, the capital city of Bangladesh. At the time of its establishment in 1965, it was named "Eastern Banking Corporation". After the liberation war of Bangladesh, the bank was nationalized. In 1983, it became the first privatized bank of Bangladesh.

Uttara Bank Limited has 220 branches in Bangladesh. The Bank's internal and external operational activities are operated by 12 Zones in different regions of the country. It operates through 217 fully computerized and online branches ensuring best possible and fastest services to its valued clients. It is also affiliated with nearly 600 financial institutions worldwide. The Board of Directors consists of 13 members. The bank is headed by the Managing Director who is the Chief Executive Officer; Mr. Sheikh Abdul Aziz is currently holding this place. The Head Office is located at Bank's own 18-storied building at Motijheel, the commercial center of the capital, Dhaka.

1.2 Vision of UBL

- To become a leading Banking institution and to play a pivotal role in the development of the country.

1.3 Mission of UBL

- Continuous improvement in our Business policies.
- Cost reduction integrations of technology at all level.

1.4 Types of General Banking activities of UBL

The operation of Uttara Bank Limited can be divided into three major categories:

General banking: it includes

- a) Mobilization of deposits.

- b) Receipts and payment of cash.
- c) Handling transfer transaction
- d) Operations of clearing house
- e) Maintenance of accounts with Bangladesh bank and other bank
- f) Collection of check and bill
- g) Issue and payment of Demand Draft, telegraphic transfers and payment order
- h) Executing customers standing instructions
- i) Maintenance of safe deposit lockers

1.5 UBL offers to open the following account to the depositors

- Current Account
- Saving Account
- Term Deposit account. (3 month/6month/12 month/36month/60 month)
- Cash Credit Account.

1.6 Foreign Exchange Business

Foreign Exchange Business plays a vital role in providing substantial revenue on the bank income pool.

- Opening letter of credit against commission for importing industrial agricultural and other permissible items under council board.
- Opening letter of credit on the principle of sale, on the principle of under wage earner scheme.
- Handling of export /import document.
- Negotiation of export and import document when discrepancy occurs.
- Financing import under import board.
- Financing to export on profit or loss sharing
- Handling inward and outward remittance.

1.7 Other activities

The UBL performs the following task for the welfare of the nation. There are some points which is below

- Income generating scheme for the unemployed youth of the nation.
- Monorom sale center for marketing homemade garment, handicraft and other items.
- Education scheme for assisting poor scholar student to case and help them to continue their study.
- Health scheme for fulfillment of health needs of rural people.
- Uttara University was established to extend service to the student.

1.8 Objectives

1.8.1 Broad Objectives

The objectives of practical orientation on bank are to get a clear idea about bank, how it runs and what function it does, that is, how an account is opened, how remittance is sent, how various Department of bank performs their functions specially General Banking department. Again, as the environment of a bank is totally new, I get a chance to familiarize myself with a new situation. Furthermore, the orientations is very useful to detect whether the theoretical knowledge match with real life scenario or not.

1.8.2 Specific Objectives

- To identify the existing procedures and techniques of general banking of Uttara Bank Limited.
- To identify the effectiveness of Uttara Bank Limited.
- Critically analyze the functions and the operations of general banking of Uttara Bank Limited.
- To find out the various types of problems of Uttara Bank Limited.
- To suggest suitable measures to remove the existing problems and improvement of general banking services of UBL.
- To find out the overall features deposit scheme of UBL
- To find out the overall pictures of investment of UBL.
- To identify strength and weakness of lending of overall banding system,

1.8.3 Objectives of the Uttara Bank Ltd.

The objectives of UBL are follows:

- Mobilizing deposit from the surplus economic unit to deficit economic unit.
- Cater to all different segments of retails and wholesale customer.
- To be a high quality distributor of products and services.
- Serve the people of the country by providing financial assistance.

CHAPTER 02: JOB DESCRIPTION

It was clearly mentioned in my joining letter that I was supposed to give regular attendance at the place where I would be deputed to work on my project. As an Internee I was suppose to perform the following the works.

- ✓ General Banking.
- ✓ Data Entry.
- ✓ KYC as well their satisfaction.

Although during my entire Internship program at Uttara Bank Ltd, I was deputed in all departments part by part for a very little period of time. But most of the time I was working accounts opening and foreign remittance.

2.1 The Daily Routine

As Internee my daily work could be divided into two phases. During this two phases my working time, working style was completely different. Description of the two phases is as follows. In the pressure phase my working hour started from 10.00 AM in the morning and normally ended at 4.00 PM. I had to perform some support works such as helping customers for money gram writing, receiving MT, helping to open account, data & entry in the documents. Putting the bank authorization seal and filling the blanks of authorized to fill by the bank personnel etc. There were a number of periods when the working pressure as not that much. In this phase I worked my own survey. I went to the customer and took their opinion to complete my topic. If there is any fault then I had to complete those vouchers as far as I am authorized. One of the doing and how they are performing their duties and sometimes I had to help the officers in filling documents and finding documents. In this period of work I did another thing that up my

research questionnaire by the depositors of the bank whenever possible, with these daily works my entire internship period completed in the Uttara Bank Corporate Branch.

My Learning

I have learned about opening individual account, Bank transaction over phone.

- I have learned about the scrolling and transferring data. Putting the bank authorization seal and filling the blanks of authorized to fill by the bank personal,
- I have learned how to printout customers account statements and how to fulfill money gram form.
- I work there as a market researcher and provided necessary information relating to my topic.
- I have learned the preparation of bill, requisition, office memo etc.
- With the process of internship program I learn to cope with the official environment and also gathered experience of working in a company with different levels.
- I learned how to work under a supervisor.
- Self motivation is a prime stimulus. I learned different tricks o self motivation and discovered the necessity of self motivation.
- I learned how to manage men tactfully, which is main requirement for the management level.
- To get my job done, I learned that how I could motivate one to have way job done by him. I am influenced by supervisor to enrich my motivating power. He set examples by motivating me in an innovative way.
- I learned to be punctual, building up responsibility, taking activities and also deal with work stress.
- Communicating with clients, soothe them and serve their purpose in a best way, where the company's goal also exists' was a package learning from the organization
- I discovered how a decision process works, how it is organized, whose are the participants, and how the message of the decision making process convey to the different level of the company and how it is accomplished and the result and evaluation process.
- My accomplishment of three months internship program at UBL is an accomplishment of my expectation about job environment, corporate behavior and especially learning about my intern topics, I have got their friendly environment, where they helped me especially my supervisor to organize my task and in its proper accomplishment and also simultaneously helped me by providing in formations, guidelines for accomplishment of my internship report.

- I am working for a job, where I could have at least same job environment provided by UBL. I won't mind different jobs to develop my accomplishment if I get the opportunity.
- This short term program helped me to increase my desire or make it stronger to become a manager. Because now I consider myself more confident because now with theoretical knowledge, I have got also some practical knowledge. Now I know how a manager manages his sub-ordinates, motivate them and also same time gets the job done.
- As internee, I worked at UBL at sales and marketing division, where I had to work with strategy, market research, market analysis, product analysis, financing etc whose were my field of interest and also major field of my study.

CHAPTER 3: DESCRIPTION OF THE PROJECT.

3.1 Origin of the report

The fundamental reason of this study is to acquire practical knowledge in the context of Bangladesh Perspective. Internship Program is a mandatory requirement for the BBA student of BRAC University to be graduated. This report of the university is an integral part of the BBA program. So it is obligatory to undertake such task by the students who desirous to complete and successfully end-up their BBA degree. This also provides an opportunity to the students to minimize the gap between theoretical and practical knowledge. During the Dissertation report the teachers of the department are attached to actively and constantly guide the students. Students are required to work on a specific topic based on their theoretical and practical knowledge acquired during the period of the internship program and then submit it to the teacher. That is why I have prepared this report

3.2 Main topic of Internship report

My Internship topic is “**Activities of General Banking, Foreign Remittance And Loan Advance of Uttara Bank LTD**”

3.3 Objectives of the study

The project experience is meant to serve as a bridge between the theoretical learning of students and the practical one of the same. The objectives of the study are categorized as below:

3.4 General Objective

The general objective of this project is to complete the project program. As per requirement of BBA program of BRAC University, one student needs to work in a business organization for Three months to acquire practical knowledge about real business operation. For this I have to attach with an organization and Uttara Bank Limited, Corporate Branch. The main objective of the study is to examine the General Banking Activities: An Analysis of Uttara Bank Limited,

3.5 Specific Objectives

The most important objectives of the study are:

- To know the background of Uttara Bank Limited and its banking business in Bangladesh,
- To know the organizational framework of the bank.
- To know about the general banking system of UBL.
- To know the general banking function, it's procedures, rules and regulations.
- To know the strengths and weakness of UBL, Corporate Branch.
- To know about rendering various banking services of UBL.
- Analyzing the customer services of the Bank.
- Determine the service quality of the Bank.
- To identify the problems related to general banking activities faced by the Uttara Bank Limited, corporate office.
- To recommend for the successful operation of the services offered by UBL.
- To apply theoretical knowledge in the practical field.

3.6 Scope of the study

The scope of the study is limited to the analysis of General Banking of the Uttara Bank Limited. The paper briefly focuses on different quantitative aspects of the Account opening section, bills and clearing section, remittance section, deposit section and cash section. Different comparative analysis of several year data has been made on the different components of financial statements to critically compare their financial status in different years.

3.7 Methodology

Sources of Data

During my study I followed some methodology to find out fact and features of the bank and I also used equalization and quantitative method which contains some past and present features of Uttara Bank Limited, Corporate Branch. The information of this project has been collected two sources:

Primary sources: Among the primary sources are: Practical Desk Work

Any student is practical knowledge acquired by the desk to desk. I acquired practical knowledge one officer to another officer.

a. Face to conversation with the officer (unstructured questionnaire)

The project way is practical knowledge one officer. The bankers are busy all- time. So, the banker is some time learned by the practical knowledge.

b. Direct Observation

Direct observation are acquiring by the knowledge. It is possible acquired by the practical knowledge.

C. Face to face conversation of the client.

d. Primary data which I have personally collected during my project period at UBL via likes as conversation and discussions with clients personnel, personal observation and doing work.

Secondary sources: There are some secondary sources. Describe are which secondary sources:

a. Annual Report of UBL (2012-2013):- The annual report of UBL is needed by the making report. They are making by the needed by the project of the Bachelor of Business Administration.

b. Files and Folders: - The files and folders are needed by the project report completed by the Bachelor of Business Administration. The files and folders are needed by the cover page forwarding loan section.

c. Websites:-The websites are needed by the project by the completed by the BBA program.

d. Various publications on Bank.

e. Various Internship projects of various Banks.

3.8 Limitations of the study

Like other study, my study has some limitations also. The organization on which I have studied is a branch of Uttara Bank Ltd. at Matijheel. It is a private Bank in Bangladesh. Faced some problems to take accurate and detailed information's, which is not sufficient. The major limitations are:

- ❖ The duration of my project program was only 3 months. But this time is not enough for a complete and fruitful study.
- ❖ The employees of the bank were too much busy so that they could not provide me information properly,
- ❖ Insufficiency of necessary information of data.
- ❖ Lack of proper explanation of records and documents.
- ❖ The website of the Bank was not that much rich to collect data.
- ❖ The bank keeps the data confidentially.
- ❖ Communication gap between the related officials and me because of their business.

3.9 GENERAL BANKING ACTIVITIES OF UBL

Introduction

General banking department usually performs a lot of important banking activities. General banking department is that department which is mostly exposed to the maximum number of bank customers. It is the introductory department of the bank to its customer. All business concerns earn a profit through selling either a product or a service. A bank does not produce a tangible product to sell but does offer a variety of financial services to its customers. The local office of UBL has all the required sections of general banking and these sections are run by manpower with high quality banking knowledge. General banking department is considered as the direct service center. The clients and customers build their impression whether they are going for further dealings with the bank or not on the basis of the service in the department, Moreover this department is the one that gives the first impression about the bank to the clients. So general department should be taken carefully,

3.10 General banking Function

A financial institutions intermediary that mediates or stands between ultimate borrowers and lenders is known as banking financial institution. Banks performs this function in two ways- taking deposits from various areas in different forms and lending that accumulated amount of

money to the potential investors in other different forms. General banking department aids in taking deposits and simultaneously some ancillaries services. General banking is the front-side banking service department. It provides those customers who come frequently and those customers who come one time in banking for enjoying ancillary services. In some general banking activities, there is no relation between banker and customers who will take only one service from bank. On the other hand, there are some customers with who bank do business frequently. It is very important department for any bank because it provides day-to-day service to the customers. Front desk is the important for general banking. Customers give their deposits and meet their demand for cash by honoring cheques. Besides this a customer opens new accounts, remit funds, issues bank drafts and pay orders etc.

The functions of general banking are as follows:

- Establishing of banker-customer relationship of account opening.
- Remitting of customer's money from one place to another.
- Collecting bills for customers.
- Taking deposits and honoring cheques drawn over local office.
- Clearing taking function

3.11 General banking department

General banking constitutes of the following department:



Diagram: General Banking Departments

3.12 Account opening Section

"Communication with the Client"

The relationship between a banker and his customer begins with the opening of an account by the former in the name of the letter. Initially all the accounts are opened with the deposit of money by the customer and hence these accounts are called deposit accounts. Banker solicits deposits from the members of the public belonging to different walks of life, engaged in numerous economic activities and having different financial status. There is one officer performing various functions in this department.

3.12.1 Accounts opening process

Recently, Bangladesh Bank has been declared, designed and enforced a unique format of form for every bank. This format should hold the important document in a same manner and process respectively for different kind of accounts. Uttara Bank Ltd. is not different from this practice. Accounts opening process can be as follows:

Step 1:

- Receiving filled up application in banks prescribed from mentioning what type of account is desired to be opened.
- The form is filled up by the applicant himself/herself.
- Two copies passport size photographs from individual are taken in case of firms' photographs of all partners are taken information from customer by key information system.

Step 2:

- Applications must submit required documents.
- Applications must sign specimen signature sheet and give mandate,
- Introducer signature and accounts number-verified by legal officer,

Step 3:

- Filling and signing up-KYC or Know Your Customer Form.
- Filling and signing up Owner Information Form.

Step 4:

- Authorized officer accepts the application.

Step 5:

- Minimum balance is deposited-only cash is accepted.

Step 6:

- Account is opened and a cheque book and a pay-in-slip book are given.

3.12.2 Kinds of account holders

Uttara Bank Ltd. open accounts of the following categories of depositors:

Individual Accounts

Individual are adult persons of 18 years age or more are competent to enter into contracts. For example a person of below 18 years age is not an adult person. Adult person include married or unmarried woman and illiterate persons. However, lunatics' persons of unsound mind and bankrupts are not adult persons.

Joint Accounts

More than one adults jointly or adult with minor constitute joint accounts. Two or more persons may open Account jointly. The banker should consider the following points while opening and dealing with a joint account.

Partnership Firms

A business concerned owned and managed by more than one person which may be a partnership firm. Persons who have entered into partnership with one another are called individually partners and collectively firm and the name under which their business is carried on is called the firm's name.

- Trade license or board resolution.
- Deeds of partnership signed by all partners.
- Two copies photograph of each partner.
- Partnership resolution signed by all partners to open an account.
- Resolution must indicate authorized person who operates the account.

Private Limited Company

A body corporate formed and registered under a Company Act, 1994 with limited members and liability having Certificate of Incorporation given by Register, Joint Stock Companies and memorandum of Association and Articles of Association.

Public Limited Company

A body corporate formed and registered under a Company Act, 1994 with limited members and liability of the shareholders and with no upper ceiling of shareholders having both certificate of incorporation and certificate of commencement given by register joint stock companies, it must have memorandum of Association and Articles of Association. Corporations, autonomous bodies are organized created by special acts of the parliament or by the Presidential order.

Trusts

Trusts are created by trust deed in accordance with the law. Trusts are given to control of an Estate, usually of the deceased for the benefit of certain persons who are called beneficiary of certain persons who are called beneficiary.

Club Society

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

- ✓ Up to date list of office bearers.
- ✓ Certified copy of byelaw and regulations.
- ✓ Copy of government approval.

3.12.3 Types of Accounts

- Saving Account.
- Current Account.
- Fixed Deposit
- Resident Foreign Currency Deposit(RFCD)
- Non-Resident Foreign Currency Deposit(NRFCD)

Others:

- Monthly Deposit Scheme.
- Double Benefit Deposit Scheme.
- Uttaran Education Deposit Scheme.
- Uttaran Marriage Deposit Scheme.
- Uttaran Swapnapuran Deposit Scheme.

Savings Account:

Individuals for savings purposes open this type of account. Interest on SB account is calculated and a depositor can withdraw from his SB account not more than twice a week up to an amount not exceeding 25% of the balance in the account. A saving account can be open in own or joint name. In case of joint account, the account can be maintained by any one of them. Not more than any account can be open in one same name. Saving account can be transfer from one branch to another. To open a saving account in the bank is required.

Features of Savings Bank Deposit Accounts:

- ❖ Minimum amount: Taka 1,000.00.
- ❖ Rate of Interest: 4.50%
- ❖ Free Cheque-Book facility (Non MICR).
- ❖ Opportunity to apply for - safe deposit locker facility.
- ❖ Collect foreign remittance in both T.C. & Taka draft
- ❖ Transfer of fund from one branch to another by.
 - Demand Draft.
 - Mail Transfer.
 - Telegraphic Transfer.
- ❖ Transfer of funds on Standing Instruction Arrangements.
- ❖ Collection of cheques through Clearing House,
- ❖ Issuance of payment order / call deposit.

Requirement for opening of the Account:

- ✓ An existing Savings holder's identification.
- ✓ Photocopy of national ID card/Passport.
- ✓ Two copies of Passport Size Photographs.
- ✓ One copy of Passport size photograph of Nominee.
- ✓ Duly fill up the application form and KYC form.
- ✓ Photocopy of the first 7 pages of the passport for non-resident Bangladeshi national.
- ✓ Signature in the Account opening form must be same with the signature of the passport.

Current Account:

This type of account is opened by both individuals and business concerns. Frequent transactions are allowed in this type of account. A current a/c holder can draw checks on his account for any amount for any number of times in a day as the balance in his account permits. This account provides no interest. Current deposit accounts should be opened with a minimum amount of TK. 2000/= But under special circumstances in may be opened with TK. 1000/=, It is payable on demand.

Key Features of opening a Current Account in UBL:

- ✓ The account opening form of current deposit account and specimen signature card is supplied to the customers, which is filled and signed by them.
- ✓ The officer in charge of the Deposit Department verifies the signature of the introducer.
- ✓ The stamp signature verifies is affixed near the signature of the introducer and the deposit officer signs over it.
- ✓ Approval of the branch in charge in obtained on the Account Opening Form.

- ✓ The customer is supplied with a pay in Slip Book and requested to deposit the money with cash officer.
- ✓ Cheque is only issued after the account opening form has been completed in all respects and initial cash deposit has been made. The cheque book series is noted in the cheque requisition slip.
- ✓ Lastly, while issuing new cheque book signature on the cheque book requisition forms should be properly verified.

Account Opening Process:

For Person: Current account for person can be opened by one individual or jointly by more than one individual. Here minimum deposit is 2000/= There is no restriction regarding "withdrawal of fund. A saving account holder cannot be the introducer for opening of current account. Citizenship certificate is also needed here. Here account closing charge is TK. 100.

Proprietorship Firm:

- Name of authorized persons, designation, specimen, signature Card.
- Trade License.
- Photocopy of National ID card/passport.
- An existing current Account holder's identification.

Partnership Firms:

- Account must be opened in the name of the firm.
- The firm should describe the names and addresses of all the partners.
- Trade License from city corp. is needed.
- Partnership DEED.
- Letter of authority is achieved.
- Specimen Signature Card.
- Memorandum and Articles of Association.
- Certificate of Incorporation.
- Certificate of Commencement of Business.
- List of Directors.

Limited Company

To open a current account photocopy or registration certificate should submit. List of Board Directors also be given to the bank. Here the name of person or persons will be given who will maintain the account.

- Certificate of incorporation.

- Certificate of Commencement of Business,
- Memorandum of Association.
- Article of Association Power of attorney.
- Resolution of the Board of Director's authorizing opening of an account.
- Memorandum and Articles of Association of Company.
- Resolution of Board Director.
- Certificate of Incorporation.
- Certificate of commencement of business in case of public limited company.
- Two copies of passport size photograph of account operators.

Fixed Deposit Account:

These are deposit, which are made with the bank for a fixed period specified in advance. The bank need not maintain each reserve against these deposits and therefore, bank gives high rate of interest on such deposits. A FDR is issued to the depositor acknowledgement receipt of the sum of money mentioned therein. Interest on this deposit is paid at the rate fixed by Head office of the from time to time depending on the period of maturity.

Features of Fixed Deposit:

- Fixed deposits are neither transferable nor negotiable.
- Fixed deposit may be opened by one adult individual signature or by more than one adult individual can signatures jointly.
- These deposits shall be opened for a fixed period ranging from three months or three years or maturity.
- Interest of FDR will be payable only after the maturity of the FDR alone with the principal.
- If FDR is in joint names and request for adding another name, comes from one of the depositors, such change cannot be made without the consent of all other depositors.

FDR interest Rates:

Fixed Depositor (EDR)	Rate of Interest
3 months and above but less than 6 months	6.25%
6 months and above but less than 1 year	6.25%
year and above but less than 2 years	6.25%
years and above but less than 3 years	6.25%

Table: Interest Rate of FDR (source working desk)

Requirement for Opening:

- Any Bangladeshi national residing home or abroad may open FDR with UBL. FDR may be opened single/joint name for a period of 3, 6, 12, 24 and 36 months.
- UBL offers attractive/competitive of interest in FDR.

Resident Foreign Currency Deposit (RFCD):

- Persons ordinarily resident in Bangladesh may opened and maintain RFCD Account with foreign exchange brought in at the time of his return from travel abroad,
- Balance in this Account can be freely transferred abroad.
- Funds from this be issued to the account holder of his foreign travels in the manner.
- Interest in foreign currency is paid in this account if the depositors are or a team of not less than one month and the balance is not less than US\$ 1000 or its equivalent,

Requirement for opening of the account:

- The account opening form and signature card to be filled in and duly signed.
- Photocopy of national ID card/Passport and the relevant pages showing evidences of travelling abroad.
- Two copies of Passport Size Photographs.
- Period of the scheme will be 5 years and 10 years term.
- Monthly installment will be TK. 500,1000,2000,5000 & 10000.
- Any adult Bangladeshi National will be eligible to open this account..

Double Deposit Benefit Scheme

For people who have cash flow at this moment and want to get it doubled quickly UBL has Double Growth Deposit Scheme that offers to make double money within 6 tears and 10 years respectively resulting high rate of interest. If anyone deposits 1, 00,000 after 6years he/she get back 2, 00,000.

Uttaran Marriage Deposit Scheme

Marriage of children, especially daughter is a matter of great concern to the parents. Marriage of children involves expense of considerable amount. Prudent parents make effort for gradual building of fund as per their as far their capacity to meet the matrimonial expense of their children specially daughters. It can be a great help to the parents if there is any scope of deposit of a modest amount as per their financial capacity, which groves very fast at high rate of

interest yielding a sizeable amount on maturity. Amount will be paid on the following matrix:
(Interest Rate 6.25%)

Uttaran Education Deposit Scheme

Education is a basic need of every citizen. Every parent wants to impart proper education to their children. As yet, there is no arrangement of free education to citizens from the Government Level. As such, there should be pre-arrangement of fund to ensure higher education's the children. Otherwise higher education may be hindered due to change of economic condition, income of the parents at the future time when education will be required. Today's higher education is expired day by day. As such, UBL has introduced 'Education Savings Scheme' which offers you an opportunity to build up your cherished fund by monthly deposit of small amount it at your affordable capacity or initial lump sum deposit to yield handsome amount on a future date to meet the educational expenses.

3.12.4 Cheque Book Issue

At the time of opening an Account, a person is required to sign a "Cheque Book Requisition Slip". If the account opening form is found complete in all respects, a cheque book is issued to client; the account number is written in cash leaf of the cheque book and in it requisitions slip. The name and account number of the client is also entered in the Departmental cheque books issued register. A saving account cheque book contains 10 leaves and a current account cheque books contain either 10 or 25 or 50 or 100 leaves. Depending on the use pattern of the client the authorized officers provide cheque books.

3.12.5 Account Transfer

An account holder can request to transfer his/her account by giving the following instructions:

- Reasons for transferring the account.
- Address at which he/she is to be contacted by the transferee branch.
- The Unutilized cheque book must be returned to the transferring branch before transfer of account

3.12.6 Account Closing

To close an account, one may be requested to send an application along with the unused pages of the cheque book that is issued to the person. After receiving the application, the signature of the account holder should be verified and the number of unused pages of the cheque book

should be noted. Before the account is closed the manager will approve the application. Lastly closing charge should be debited to the account. The following circumstances are usually considered in case of closing an account or justifying the stoppage of the operation of an account:

- ✓ Notice given by the customer himself or if the customer is desirous to close the account
- ✓ Death of the customer.
- ✓ Customer's insanity and insolvency.
- ✓ If the branch finds that the account is inoperative for a long period.

3.13 Remittance Section

"Banking for Common People"

UBL has its branches spread throughout the country and therefore, it serves as best mediums for remittance of funds from one place to another. This service is available to both customers and non-customers of the bank. The department which provides the facility is known as local remittance department.

3.13.1 Function of the Remittance Section

The following are the main functions performed by the credit department:

- Issuing and Payment of Demand Draft.
- Attached to Sanchaya Patra and Wage Earners Development Bonds.
- Payment of Incoming IT.
- Issuing of Outgoing TT
- Issuance of Local Drafts.
- Issuance of T.T. ICA. IBCA and IBDA.
- Issuing encashment of pay Order and maintenance of record and proof sheet.
- All related statements and correspondences with Bangladesh Bank and other Branches.

3.13.2 Remittance of Fund

Sending money from one place to another place for the customer is another important service of banks. And this service is an important part of country's payment system. For this service, People, especially businessmen can transfer funds from one place to another place very quickly.

There are four kinds of techniques for remitting money from one place to another place. These are:

- Demand Draft.(D.D.)
- Pay Order(P/O)
- Mail Transfer - Time consuming and not frequently used.

Demand draft DD

Local Draft is an instrument containing an order of the Issuing Branch upon another branch known as draw branch, for payment of a certain sum of money to the payee or to his order on demand by the beneficiary presenting the draft itself. This is an instrument through which customer's money is remitted to another person/organization in outside the clearing house area from a branch of one bank to an outstation branch of the same bank or to a branch of another bank. This is an order instrument in which the issuing branch gives instruction to the payee/drawer branch to pay certain amount of money to the order of certain person/organization. Commission, vat and postage are charged for issuing DD. Example:-To transfer money Chittagong to Dhaka.

Procedure for issuing D.D.:

- ✓ Obtain D.D. application from duly filled in and signed by the purchaser.
- ✓ Receive the amount in cash with prescribed commission and postage amount.
- ✓ Issue the D.D. duly in and signed by the authorized officer.
- ✓ Interest test number.
- ✓ Enter in the D.D. issue register.
- ✓ Issue advices to the payee branch

Procedure for payment of D.D.:

- Examine the D.D. by verifying the signature, test number,, serial number etc.
- Enter the D.D. payable register.
- Verify with the IBCA number. Pass necessary vouchers,

Charge for Demand Draft;

- Minimum amount for a DD is TK.25.
- Commission is the 0.10% of the DD amount
- Vat is TK. 15% on the commission amount.

- Pay order is one kind of unconditional promissory note or instrument that is issued by the bank to the customer. The difference between cheque and pay order is the mode of encashment.

Characteristics of P.O.:

- The issuing branch and paying branch are same.
- Application for payment within the clearing house area of the issuing branch.
- This can be open or can be crossed.

Pay Order Issue Process:

- For issuing a pay order the client is to submit an Application to the Remittance Department in the prescribed form properly filled up and signed by applicant.
- As in case of D.D each branch should use a running control serial number of their own issuance of a pay order. This control serial number should be introduced at the beginning of each year, which will continue till the end of the year. A fresh number should be introduced at the beginning of the next calendar year and so on.

For issuing each pay Order commission at the rate prescribed by Head Office is realized from the client and credited to Income A/C as usual.

Mail transfer Mail transfer is also used for the same purpose. It is generally used where there is no TT arrangement.

Cash Section:

Cash department is mainly engaged with cash receipt and cash payment. In Uttara Bank Local office there are number of employees in this section. There is also another officer who is engaged with canceling and verifying the cheque. There is four cash officer in this department. There is a computer officer who is mainly engaged with posting the cheques. Computer is used for posting the transaction. Two cash officer is engaged with payments with amount and another officer receives the money.

Job Description:

- Providing the jobs cash and computer section as over all in charge.
- Keeping keys of vault and iron safe as joint custodian.
- Processing of voucher of cash receipt and cash payment.
- Checking and rechecking of computer posting of all payment and receipt vouchers, including

cheque requisition slip.

- Maintaining standing instruction and stop payment register.
- Supervising cash remittance to and from Local Office.
- Distributing statement of accounts to the parties on monthly basis.
- Checking of daily cash receipt and payment register.
- Verifying signature against cheque book requisition.

Receipt of Cash:

- Pay-in-slip or Credit Voucher filled in by customer or department is given to the cash counter for depositing cash.
- Cash receiving officer shall check the title of account, its number, amount in words and figure in the Pay-in-slip and Credit Voucher.
- After receiving the cash, Receiving Officer will record the denominations of the Currency on the back of the voucher and enter the particulars in the Cash Receiving Book under progressive serial number. He will put his signature affixing the date stamp both in counter folio and Pay-in-Slip/voucher and he will pass on the same along with the Register to the Officer-in-charge of cash Department for his signature.

Payment of Cash:

Cash payment of different instruments is made in the cash section. Procedure of Cash Payment against cheque is discussed under elaborately. Cash Payment of cheque includes few steps:

- First of the entire client comes to the counter with the check and give it to the officer in charge there. The officer Checks whether there are two signatures on the back of the cheque and checks his balance in the computer. After that the officer will give it to the cash in charge.
- Then the cash in charge verifies the signature from the signature card and permits the officer in computer to debit the client's account by giving posting. A posted seal with teller number is given.
- Then the cheque is given to the teller person and he after checking everything asks the drawer to give another signature on the back of the cheque.
- If the signature matches with the one given previously then the teller will make payment keeping the paying cheque with him while writing the denomination on the back of the cheque.
- Cash paid seal is given on the cheque and make entry in the payment register. There are few things that shall be scrutinized and checked before making payments.

3.14 Clearing Section

"Clearing House Operation"

Clearing House is an arrangement under which member banks agree to meet, through their representatives, at an appointed time and place to deliver instruments drawn on the other and in exchange, to receive instruments drawn on them. The net amount payable or receivable as they may be is settled through an account kept with the controlling bank. As we know crossed cheque cannot be encashed from the counter, rather it has to be collected through banking channel i.e., clearing. For example, a client of UBL Bank received a cheque of another bank, which is located within the clearing range; deposit the cheque in his account at UBL Bank. Now UBL Bank will credit his account and collect it. Though the amount is credited in the customer's account but he will not get the money until the cheque is honored.

3.14.1 Functions of the Clearing Section

The following are the main functions performed by the department

- Pass outward instrument to the Clearing -house.
- Pass inward instruments to respective department.
- Return instruments in case of dishonor.
- Prepare IBDA for the respective branch and HO.

When a particular branch receives instruments which on them and sent by other member bank for collections are treated as inward clearing. For payment of bills presented to a particular branch of the Bank through another branch of the Bank, the procedures are the same as those applicable to Inward Clearing. The only expectation is that there are no clearing house formalities.

- The instruments drawn on UBL are received from other Banks in the Clearing House by the representing branch of the bank.
- The amount of instruments delivered, received and difference is written in a slip is provided in the Clearing House and the Slip is returned.
- The instruments with schedule are arranged branch wise.
- The grand total is agreed with the total of the House Book.
- The instruments are sent to the respective branches with Slip Showing total amount and number of instruments.

3.15 FOREIGN CURRENCY

Introduction

Foreign currency is the most important part of a bank. I had got a opportunity to work and learn about foreign currency section in Uttara bank ltd corporate branch. MD. Romiz sir was helping me to get that information.

If one can opening a L/C account then the party bring:

1. C/A account in that Uttara bank
2. Valid IRC (import Register Certificate)
3. TIN (Tax Identification number)
4. VAT (Value added Tax)
5. NID (National identification number, original) any emergency

First of all, a party given a prayer with perform voice) for opening an L/C account. The insurance copy of goods and sign of some bank papers, then bank given a document paper to party .by this paper the party can dismiss their goods.

L/C (Letter of Credit):

Parties to a Letter of Credit:

- Importer/buyer
- Opening Bank/ Issuing Bank
- Exporter/Seller/Beneficiary
- Advising Bank
- Negotiating Bank
- Confirming Bank
- Paying/ Reimbursing Bank

Bill of Lading:

A bill of lading is a document that is usually stipulated in a credit when the goods are dispatched by sea. It is a evidence of contract of carriage, is a receipt for the goods, and is a document of title to the goods. It also constituted a document that is, or may be, needed to support an insurance claim.

The details on the bill of lading should include-

- A description of the goods in general terms not inconsistent with in the credit
Identify marks and numbers, if any
- The name of the carrying vessel
- Evidence that the goods have been loaded on board
- The ports of shipment and discharge
- The names of shipper, consignee and address of the notifying party
- Whether freight has been paid or is payable at destination
- The number of original bills of lading issued
- The date of issuance

3.15.1 Import

Import is foreign goods and services purchased by consumers, firms & Governments in Bangladesh. An importer must have import registration certificate (IRC) given by chief controller of import and exports (CCI & E) to import anything from other country. To obtain IRC the following certificates are required-

- Trade License
- Income tax clearance certificate
- Nationality certificate
- Bank solvency certificate
- Asset certificate
- Registration partnership deed (if any)
- Memorandum and Article of Association
- Certificate of Incorporation (if any)
- Rent receipt of the business premises

Import Procedure:

To import Uttara Bank Ltd., a customer requires-

- Bank account
- Import registration certificate
- Taxpaying identification number
- Performs invoice/indent
- Membership certificate
- L/C application form duly attested

- One set of form
- Insurance cover note with money receipt
- Others
- **Payment Procedure of the Import Documents:**

This is the most sensitive task of the Import Department. The officials have to be very much careful while making payment. This task constitutes the following -

- Date of payment: Usually payment is made within 7 days after the documents have been received.
- Preparing memo: A sale memo is made at BC rate to the customer. As the T.T & OD rate is paid to the [D, the difference between these two rates is trading. Finally, an Inter Branch Exchange Trading Credit Advice is sent to ID.
- Requisition of the foreign currency: For arranging necessary fund for payment, a requisition is sent to the International Department.
- Transmission of telex: A telex is transmitted to the correspondent Bank ensuring that payment is being made.

3.15.2 Export

Practically by the term export we mean carrying out of anything from one country to another. From the Banker's point of view- export means sending of visible things outside the country for Sale. Export trade plays a vital role in the development process of an economy. With the earning, the country meets the import bill. Although export trade is always encouraged, anybody cannot export anything to any place. Like importer, the exporters are also required to get them registered before entering into export trade. Export Registration Certificate (ERC) given by CCI & E is required for this purpose. The required documents to be obtained ERC are almost same as IRC.

When Uttara Bank (authorized dealer) receives a L/C (cable or original) it ascertains the correctness of the test number and the authorized signature. Then the Bank sends the original copy of the L/C to the beneficiary. The export presents the relative documents to the negotiation Bank after the shipment of the goods. The L/C issuing Bank undertakes to honor its obligation only if the beneficiary fulfills the conditions stipulated in the L/C, May namely, the submission of stipulated documents within the stipulated time. Even a slight deviation of the documents from these specified in the L/C may give an excuse to the negotiating Bank. So the negotiating Bank must be careful, promote, systematic and bias-free while scrutinizing the tender documents after careful and thorough examination of the documents,

The Banker has to list out the discrepancies which may be classified as major or minor, irremovable or removable. The removable discrepancies can be corrected by the tendered or future losses, which may arise due to non-interpretation of proceeds.

The following types of discrepancies may be noted while the negotiating Bank examines the documents:

- L/C expired
- Late shipment
- Amount drawn in excess of the L/C
- Bill of Exchange not properly drawn
- Descriptions of the goods differ
- Bill of lading or Airway bill state
- Bill of lading classed
- Insurance cover note as per terms L/C
- Insurance cover obtained after the bill of lading or Air bill date
- Enough number of copies not submitted as required by L/C
- Negotiation under L/C restricted
- Packing list and certificate of analysis not as per L/C
- Documents not properly endorsed
- Full shipment not effective and part shipment prohibited
- Gross weight and net weight shown in different documents differ
- Same documents required by L/C not submitted and
- Documents inadequately stamped
- Document with major discrepancies, which could not be negotiated, should be sent on collection basis with the permission of the exporter.

Export Procedure:

The import and export trade in our country are regulated by Import and Export (Control) Act, 1950, under the export policy of Bangladesh the exporter has to get the valid Export Registration Certificate (ERC) from Chief Controller of Import & Export (CCI & E). The ERC is required to renew every year. The ERC number is to be incorporated on EXP forms and other papers connected with exports.

Registration of Exporters:

For obtaining ERC indenting Bangladeshi exporters are required to apply to the Controller/Joint Controller/Deputy Controller/Assistant Controller of Import and Exports,

Dhaka/Chittagong/Khulna/Mymensingh the prescribed form along with the following documents:

- Nationality and Assets Certificate
- Memorandum and Articles of Association and Certificate of Incorporation in case of Limited Company
- Bank Certificate
- Income Tax Certificate
- Trade License etc.

Securing the Order:

After getting the ERC the exporter may proceed to secure the export order. He can do this by contacting the buyers directly or through agent. In this purpose exporter can get help from:

- Liaison Office
- Buyer's local agent
- Export Promotion Organization
- Bangladesh Mission Abroad
- Chamber of Commerce (local & foreign)
- Trade fair etc

Signing the Contract: After communicating with buyer, buyer has to get contracted (writing or oral) for exporting exportable item (s) from Bangladesh detailing commodity, quantity, prices, shipment, insurance and marks, inspection, arbitration etc. After getting contract for sale, exporter should ask the buyer for letter of credit clearly stating terms and conditions of export and payment.

The followings are the main points to be looked into for receiving/collecting export proceeds by of documentary credit:

- The terms of the L/C are in conformity with those of the contract;
- The L/C is an irrevocable one, preferable confirmed by the advising Bank;
- The L/C allows sufficient time for shipment and negotiation;
- Terms and conditions should be stated in contract clearly in case of other modes of payment:
- Cash in advance
- Open an account
- Collection basis (documentary / clean)

(Here the regulatory framework is URC - 525, ICC publication)

6) **Advising L/C:** When exporter transmits L/C to the Bank for advising than Bank sends an advising letter to the beneficiary depicting that L/C has been issued.

7) **Test Key Arrangement:** Test Key Arrangement is a secret code maintained by the Banks for the authentication for their message. It is a systematic procedure by which a test number is given can easily authenticate the same test number by maintaining that same procedure. RBL has test key arrangements with so many Banks for the authentication of L/C messages and for making payment.

3.16 LOAN AND ADVANCE

Loan and Advances

Loan and advances granted by Uttara bank are highly beneficial for firms, individuals, companies and industrial concerns. Loan may be regarded as credit granted where the money is disbursed and its recovery is made on a later date. It is a debt for the borrower. Advance is a credit facility granted by the bank. Bank granted advances for short term purposes. Loan and advances granted by banks help in meeting short term and long term financial needs of business enterprises. Loan and Advances comprise the most important asset as well as the primary sources of earning of the bank .On the other hand Loan is also the major sources of risk for the bank management A prudent bank management should always try to make an appropriate balance between return and risk involved with the loan portfolio and unregulated bank might be with unregulated risk for maximizing its potential return In such a situation, bank might find itself in a serious financial distress instead of improving its financial health .Consequently not only the depositors but also the general shareholders will be deprived of getting back their money from the bank. Loans and advances mean lending made by the bank to weak clients for earning interest. Main objective of the loans and advances is to earn profit for the bank. On an average of 75%to 80% of the banks earning come *from* interest received against the loans and advances of a bank.

The role played by banks in business world by way of loans and *advances* are as follows

- Bank does not interfere with die use, management and control of borrowed money but takes care to ensure that the money lent is used only in business purpose.
- Loan and advances are utilized for making payment of current liabilities, wages and salaries of the employees and also the tax liability of business.
- Loan and Advances from banks are found to be economical for traders and businessman because banks charge a reasonable rate of interest on such loans and advances.

- Loan and advances can be arranged from banks in keeping with the flexibility in business operation.
- Loan and advances by Banks generally carry element of secrecy with it Banks are duty-bound to maintain secrecy of their transactions with the customers.

3.16.1 Types of Loan and advances of Uttara bank ltd

Uttara bank has different type of loans. These are:

- CC Hypo (Cash credit hypo)
- CC Pledge (Cash credit Pledge)
- Consumer Credit Scheme(CCS)
- Overdraft (Second overdraft)
- UHRL (Uttaran Housing Repairing Loan)
- SBL (Small Business Loan)
- Agricultural Loan
- PLS (Personal Loan)
- IBP.
- LTR.
- Women Entrepreneurship

Cash credit (Hypothecation):

Cash Credit allowed against hypothecation of good is known as Cash Credit (HYPO) limit. In case of hypothecation, the borrower retains the ownership and possession of goods on which charge of the lending bank is created.

Under this arrangement z credit is sanctioned against hypothecation of the raw materials or finished goods The letter of hypothecation creates a charge against the goods in fever of the Bank but neither the ownership nor its possession is passed on to it; only a right or interest in the goods is created in favor of the Bank and the borrower binds himself to give possession of the goods to the bank when called upon to do so When the possession is handed over, the charge is converted into pledge. This type of facility is generally given to the reputed borrowers of undoubted integrity.

Charge of Uttara bank limited is 15%. The bank should take the following precaution. The banker should carefully verify the stocks of hypothecated goods and their market price.

- Stocks should be duly insured against fire and burglary,
- Bank should try obtaining sufficient collateral security.

- Periodical statement of stock duly signed by the borrower should be obtained.
- The goods are readily saleable and have good demand in the market.
- The borrower should be trustworthy and prudent customer.
- The price of the goods, offered as security, is to be calculated as per purchase price or market price whichever is lower.
- The price of goods is steady etc.

1. Cash credit (Pledge):

Cash credit allowed against pledge of good is known as Cash Credit (Pledge). In case of Cash credit (Pledge), the borrower pledge his goods to the bank as security against the Credit facility. Banks retain the effective control of the pledged goods. Pledge goods may be stored in a godown of the borrower but under lock and key of the bank. Banks guards are posted to protect the godown sometimes; pledged goods are in Banks godown

For CC loan every individual have to show some papers of their property. These are

- Original title deed
- Land revenue receipt and holding tax receipt
- RAJUK Approval Plan.
- Picture of the property.
- Owners photograph (4 copies).
- Valuation certificate.
- NEC(Non Encumbered Certificate)
- Location Map.

If a person wants to take CC loan for his shop he has to submit some papers. These are-

- Applicants photograph.
- Up-to-date trade license.
- Contract deed of rental shop
- Stocks of goods position
- Balance sheet of 3 years.
- Account statement.
- TIN Certificate.
- National ID Card.

Small Business Loan (SBL):

In case of SBL the borrower will get loan from the bank against his business. Here the bank will charge against the amount of loan. Maximum limit of the loan is TK 5lac Uttara bank Ltd Charges 15% interest against the amount.

Bank will obtain following documentation from the borrower.

- Photographs of borrower.
- Commissioner Certificate/ID card/Passport/Photocopy as the identity of the borrower.
- Photographs of the mortgage property.
- Documentation of property.
- Valuation of the property.
- Audit report of the property.
- Six months bank statement.
- Report of CIB.

Special features:

- No collateral security is required.
- Quick sanction.
- Simple rate of interest.
- Maximum loan amount BDT 3,00,000/-
- 5% Incentive on total interest charged.

Personal Loan:

The banks desirous of financing the purchase of used vehicles shall prepare uniform guidelines for determining value of the used vehicles, however, the bank shall only finance the vehicles imported as described in the existing import policy order, to cater the urgent financial need of the service holders having limited income bank introduced loan scheme. The outstanding balance of the same stood at Tk2.0 million at the end of the year 2010.

Special features:

Any permanent salaried employee aged between 20 to 55 years is eligible to loan.

- No collateral security is required.
- Maximum amount of loan BDT 100000/-
- Maximum period of loan up to 3 years.

Uttaran housing Repairing Loan:

In case of UHRL the borrower will get loan from the bank by giving mortgage of his property. Here the bank wishes charge against the amount of Loan. Maximum limit of the loan is TK25lac, Uttara bank Ltd charges 15% interest against the amount

Bank will obtain following documentation from the borrower:

- Photographs of Borrower.

- Commissioner Certificate/ ID card/ Passport photocopy as the identity of the borrower.
- Photographs of the mortgage property.
- Documentation of property.
- Valuation of property
- Audit report of the property
- Six months bank statements.
- Report of CIB.

Purpose:

- To help genuine House/ Building/ Flat owners to undertake repairing, renovation works for better living or increasing rental income.
- To help the owners of House/ Building/ Flat to get loans at a minimum time & without any hurdles.
- To contribute towards development of socio-economic condition of the society.
- To improve the standard of service holders and self employed persons or Retired Government Officers, excluding Businessmen, developer.

Interest and other charges:

Interest: 15.00% per annum with yearly rest subject to change that may be made by the Bank from time to time.

- Processing Fees: @ TK 1000.00 (Taka One Thousand) only per lac to be realized before processing of loan.
- Processing fee to be refunded deducting TK. 500.00 (Taka Five Hundred) only as service
- Charge per proposal in case of it is rejected
- Cost of Application form & Prospectus: TK 200.00 (Taka Two Hundred) only.

If loan installments are regularly & timely paid without any default, the borrower will be allowed incentive at the rate of 5% of the total interest charged which will be refunded on full adjustment of the account.

Repayment period:

The loan is to be repaid by equal by monthly installments including interest maximum within 8 (Eight) years for loan above TK 5.00lac (Taka Five Lac) only.

- Repayment will start after 3 (Three) months of availing 1st installment of the loan.
- Loan installments will have to be paid within 10th day of every month. If any installment is not paid within 10th day of the month, the borrower will be treated as defaulter and penal interest @ 2% per month will be charged on the defaulted amount.

Security:

- Registered Mortgage of the property where against loan is to be availed by deposit of original Title Deed with chain of documents.
- Registered Irrecoverable General Power of Attorney empowering the Bank to sell the mortgaged property as and when required.
- An undertaking by the borrower in banks prescribed form to pay monthly installments regularly in time.
- Post dated cheque for all installments to be deposited in advance.
- Personal Guarantee of Spouse or any other person acceptable to the bank is to be obtained.

The following papers have to submit while applying for loan-

- Application in prescribed form duly filled in all the columns and signed by the applicant.
- Personal Net Worth statement of the client.
- Lawyer's opinion on the documents of the properties

3.16.2 Benefit of the scheme

The genuine House/ Building/ Flat owners of small and fixed income group or retired persons may avail of the opportunity to repair, renovate their own house according to their need and repayment capacity.

Eligibility of the client:

- Any owner of House/ Building/ Flat aged between 30 to 55 years will be eligible to get loan under this scheme who are financially capable to repay the loan having income or additional income from own source and added rental income to be guaranteed after utilization of the proposed loan. In case of age bar of applicants the proposals may be considered for sanction if the guarantor is found good or other source of income of the applicant covers the installment of the loan.

The House/ Building/ Flat to be repaired and / or renovated by the loanee should not be older than 20 years.

The monthly income will be certified by the employer of the concerned loanee in case he is a service holder,

- The employees or their dependent of Uttara Bank Ltd. Are not eligible to get loan under this scheme.
- The applicant must have a saving Account with the branch of the Bank from where he / she want to avail of the loan.
- Bank reserves the right to accept or reject any application without assigning any reason whatsoever.

Inland Hill Purchase (IBP):

Uttara Bank Limited started granting of credit facility against Inland Bill Purchase by issuing the Instruction Circular No.243 to. 17-01-99. subsequently certain amendments have also been made there to provide Credit Division. All concerned are hereby instructed to observe the following procedure for granting of credit facility against Inland Bill Purchase (IBP).

- Only those bills will be purchased which arise out of genuine business transactions of manufacturing units/concerned.
- The concerned branch allowing IBP facility must see that the bill has been drawn by the party himself and he is not the purchaser of goods/services or endorser of the bill.
- The applicant requesting for IBP facility will have to submit all the shipping documents as required in the ILC opened by buyer's bank.
- On receipt of acceptance and maturity date for payment of the bill from ILC opening bank, our concerned branch will invariably verify, by physical contact with concerned ILC issuing bank, the genuineness of the said acceptance letter by relationship Manager/ second Officer/ Dealing officer (not below Principal Officer) with authorized signature to be counter signed by the branch incumbent
- The branches must not purchase Bill against ILC opened by any of our Bank branches. In case of any need for purchasing against ILC of our bank, prior permission from Head Office is to be obtained.
- The loans under IBP will be allowed by the concerned Branch Manager as per his above discretionary power. The loans falling beyond his discretionary power will be allowed only on sanction from the concerned Zonal Head or Head Office as the case may be.

1. Loan against Trust Receipt (LTK)

On the arrival of goods and lodgment of import documents, importer may request the bank for clearance of goods from the port (custom) and keep the same to bank go down Proper sanction from the competent authority is to be obtained before clearance of consignment. For giving these types of loan, officer makes loan proposal and sends it to H/O for approval. After getting approval from H/O, bank grants loan in the form of LTR.

- Advance against a Trust Receipt obtained from the Customers are allowed to only first class tested parties when the documents covering an import shipment or other goods pledged to the Bank as security are given without payment. However, for such advances prior permission/sanction from Head Office must be obtained.
- The customer holds the goods or their sale-proceeds in mist for the Bank, till such time, the loan allowed against the Trust Receipts is fully paid off.

The Trust Receipt is a document that creates the Banker's lien on the goods and practically amounts to hypothecation of the proceeds of sale in discharge of the lien.

Overdraft:

Overdraft is a loan. A person must need to have cash deposit if a person wants to take this loan. If a person has a FDR or MBS deposit in UBL he can get the loan. For MPS owner needs to pay 15% loan interest For FDR owner needs to pay loan interest up to 2% than his FDR interest rate. Overdraft loan can be given to government employee. In that case they need to show land security and the payable interest rate is 16%. 25% advance loan can be given by the bank on work order value

Agricultural Loan:

At present the bank is disbursing Agriculture Loan to the farmers directly through its all branches with simple terms and conditions. The persons interested in agriculture works, including men and women, landless, marginal farmers and shared croppers are eligible for receiving Agriculture Loan from the bank .The Agriculture credit sectors of banks are crops, irrigation, equipments, agriculture machineries, livestock, fisheries (including Shrimp) and poverty alleviation etc. This loan is basically given by UBL because of poverty reduction. The limit of this loan is 1lac without showing any kind of property. But by showing property the loan is unlimited.

Women Entrepreneurship Loan: Woman can take mix loan by starting a business. The limit of these loans is up to 15, 00,000 and the interest rate is 10%.A women can get this loan up to 5, 00,000 without showing any kind of property.

The Loan and Advances plan envisages composition of the Loan portfolio as under:

It has been seen from the above table that Loan sanction in various sectors fulfills its target in most of the cases as per plan. But it's little bit fluctuating from 2008to 2009. However analyzing overlay it can be said that it fulfills its target.

Loan Sanction Activities

The respective unit office sanctions loan to the clients if it is between 2 & 5lacs and then send the sanction letter including all necessary charge documents to the asset operation division for disbursement the loan. If the amount is higher than 5lacs then the respective unit office sends the proposal to SME head office for sanction. The head of SME sanctions the loan and sends the sanction letter including all documents to the AOD for disbursement and inform the respective unit office regarding sanction of the loan. Select potential enterprise: For loan, in this step the

CRO conduct a survey and identify potential enterprise Then they communicate with entrepreneurs and discuss the loan program. Loan Presentation: The function of CRO is to prepare loan presentation based on the information collected and provided by the entrepreneur about their business, land property (Where mortgage is necessary). Collect confidential information: Another important function of a CRO is to collect confidential information about the client from various sources. The sources of information are suppliers regarding the client's payment .Customers regarding the delivery of goods of services according to order, various banks where the client has account which shows the banks transactions nature of the client. Open client's accounts in the respective bank: When the CRO decided to provide loan to the client then he/she help the client to open a bank account where Uttara bank has a STD. A/c. Uttara bank will disburse the loan through this account. On the other hand the client will repay by this account. Although there is some exception occur by the special permission of the authority to repay by a different bank account.

Fill up CIB form: CRO gives a CIB form to the client and the client fill and sign in it. In some cases, if the client is illiterate then the CRO fill the form on behalf of the client. Then CRO send the filled and signed form to the SME, head office. Sending CIB to Bangladesh Bank the SME, head office collects all information and sends the CIB form to Bangladesh Bank for clearance. Bangladesh Bank returns this CIB form within 10-12 days with reference no.CIB report from Bangladesh Bank: In the CIB report Bangladesh Bank uses any of the following reference no: NIL. If the client has no loan facility in any bank or any financial institution then BB (Bangladesh Bank) use 'NIL' Li the report UC (Unclassified): if the client has any loan facility in any bank or financial institution and if the installment due 0 to 5, 99 then BB use UC in the report SS (Substandard): if the client has any loan facility in any bank or financial institution and if the installment due 6 to 11.99 then BB use SS in the report

DF (Doubtful): if the client has any loan facility in any bank or financial institution and if the installment due 12 to 17.99 then BB use DF in the report

BL (Bad lose): if the client has any loan facility in any bank or financial institution and if the installments due for more than 18 or above months then BB use BL in the report. This report indicates that the client is defaulter and the bank should not provide loan the client,

3.16.3 Procedure of Preparing Proposal for Loan

The following procedure is followed by corporate branch while preparing proposal for loan.

First, borrower has to apply to UBL for their loan by filling up of a specific application form given by the bank in respect of their own status (individual/proprietorship/public/private

ltd.etc.).A very efficient team of employee is working under the supervision of sales manages to help the borrower in this regard.

In case of individual loan, an applicant has to submit at least 6 month latest financial statement of their own bank account along with his photocopy of passport or ID card or any other documentation, as his personal identification. If the loan is for house repairing then the borrower has to submit various documents of existing house as an evidence of house owner. Thereafter, he has to submit price quotation accepted and signed by the borrower, a salary certificate given by the organization (if borrower is a service holder) and with all other necessary documents.

But in the case of business person, some excess documents are required. Borrower has to submit at least 12 months latest financial statement of their own bank account. They are also required to submit the names of all board of directors of the organization.

The following papers will have to be submitted while applying for loan:

- Application in prescribed form duly filled in all the columns and signed by the applicant
- Two passport size photographs of the applicant duly attested by manager/ relationship manager of the branch. A photograph of the house/ building/ flat is to be sent with the proposal.
- Estimate of the proposed expenditure to be incurred for the repairing and or renovation of the house/ building/ flat to be submitted of the application.
- Personal Net Worth statement of the client
- Banks Statement for minimum last 6 (six) months of the account of the client
- Contact Point Verification Report by banks authorized officer.
- Lawyer's opinion on the documents of the properties.

Others

The repairing and/' or renovation work must be done within the premises as per estimate submitted by the party with the application

- Since there is no provision for insurance cover against the loan, the borrower will furnish an under taking to the effect that he/she will repay the banks loan even if there is any loss of property due to natural calamity.
- The borrower will allow the bank official to inspect the side at any time.
- The borrower will immediately inform the bank if he /she or his /her grantor changes residential address or professional.
- The borrower will not sell, gift or transfer the possession/owner ship of the

house/building /flat before foil adjustment of the loan without prior permission from the bank.

- Existing rent of the house /building /flat and other source of income of the applicant are to be mentioned in loan application form.

After that, the applicants for loan has to fill, up a CIB (Credit Information Bureau) form and must be verified by Bangladesh Bank whether the applicant has any irregularities in repayment of loan or any other credit records. After that the employee of Shyamoli branch checks all documents provided by the borrower .the following documents is checked:

- **Application and passport size photograph:** The employees of Shyamoli branch checks application and 2 or 3 copies of recent passport size photographs.
- **Price quotation:** A quotation accepted by the applicant should also be submitted to Uttara Bank Limited.
And this quotation must be real, because this is also be verified, it is genuine or not.
- **Passport /voter ID / office ID/ other ID:** Passport, voter ID, office ID, or any other Kinds of ID are also required as and evidence of the applicants ID and should be submitted by the prescribed application form.
- **Salary Certificate:** If the applicant is a service holder, then a real salary certificate, signed by his superior is also needed.
- **Photocopy of latest trade license:** if the applicant is a business person and the business is a proprietorship business, then a photocopy of latest trade license of his organization is also required,
- **Photocopy of registered/Notarized partnership deed:** if the business is a partnership business, then the applicant has to submit a photocopy of registered or notarized partnership deed to Uttara Bank Ltd. these deeds of the applicant business are also be verified carefully.
- **Tax documents:** sometimes personal relevant income tax documents are also needed and should be submitted to Uttara Bank td.
- **Bank statement:** bank statement of the applicant's account is very much important The applicant has to submit latest 6 months transactions.
- **Checking duplicity and regular liabilities with Uttara Bank Ltd.** in this part of verification duplicity and regular liabilities of an applicant UBL are also be checked.
- **Checking proper filling up of the application:** filling up of the application is also an important requirement

After that, corporate Branch sent a very efficient team for the verification. If the team is satisfied by all aspects, then they report to the branch manager. If the branch manager agrees, then he gives order for preparing proposal for loan

After getting the permission from manager the employee's team prepares loan statement of corporate branch. By adding all the documents, submit it to head office and zonal office.

OB Obtaining Process

CIB is a regulatory requirement for Loan Documentation. Credit Information Bureau (CIB) of Bangladesh bank has a central database for all the lenders of Bangladesh. It contains the total credit history of a client and act as the most dependable source to analyze the credit worthiness of a prospective client. Obtaining the CIB clearance is a precondition of fund disbursement and all type of Retail, SME and corporate loan require CIB report before disbursement. For some retail unsecured assets, UBL obtains post-factor CIB clearance. However, in most cases AOD obtains the CIB for a client before disbursement of fund. To obtain a CIB report, AOD fills up the following Bangladesh bank prescribed forms for each loan application:

Inquiry Form: CIB -A1: For each individual/ institution Inquiry Form: CIB -A2: Owner information if borrower is institution Inquiry Form. CIB -A3: Group/ related business information of borrower CIB Undertaking form "KA": For each individual/proprietor/director/partner

These forms are filled up by the business units and sent to the CIB segment of AOD. Cffi segment maintains a central database for all the Cffi inquiry forms. Each form is registered under a Head Office serial number and a Branch/ Unit office serial number. Therefore AOD prepares a forwarding letter with reference to 20 such inquiry forms and sent them to Credit Information Bureau of BB once in a day. Usually the CIB reports are received within 7-10 working days.

After receiving the reports from BB, AOD prepares a summary of the report and put that as reference in the loan file along with the photocopy of the CIB inquiry forms, undertaking and copy of the original CIB report. For any mistakes made in the forms, writing wrong spelling, incomplete name of individuals or institutions, Cffi report may show error as mismatch exists there. Those CIB inquiry forms require to be sent again correcting the facts. CIB reports are usually updated quarterly and half-yearly. Therefore most updated Cffi reports are required to be obtained and CIB report is also require for the same client for repeat loan. All forms need to be supported by the Applicant's Undertaking and all the forms are signed by designated officers of the business organization.

Appraisal process of Loan/Application:

A potential customer to interested to avail Lease Finance from our bank will apply in standard application Form design by the bank along with a brief write-up on the proposal/equipment

expected returns/benefits for the use of such equipment or automobile as the case may be. A competitive quotation of the lease item issued in favor of Uttara Bank Ltd shall have to be submitted

After examination of the various aspects of the project, if the branch manager /relationship manager fully satisfied about the financial standing, credit worthiness, management set-up , professional integrity , technical feasibility , repayment capacity etc, of the provost lessee and business viability of the project ,the proposal may be forward to head office through the zonal office with necessary comments ,view and recommendation for approval

Sanction letter

AH letters addressed to the borrowers sanctioning credit facilities should be prepared in duplicate and signed by two authorized officers of the Bank. Among the two authorized Officer one must be a Manager of the Credit Team. If the terms and conditions of loan sanction letter are acceptable to him the borrower should return the duplicate copy duly signed. Client's information & Loan details is matched with the Credit approval then loan is sanctioned & a Loan Sanction Number is auto generated.

For Personal loan:

There is a person named Sohel Rahman is a service holder worked in a NGO. His basic salary is 20,000 thousand. His agricultural income is 10,000.He get other facilities from his office. He also gives income tax. He has an account in UBL. He applied for loan tk.5, 00,000. Basically this loans limit is 10 lacks. The interest rate is 16% of this loan. And no need to show any collateral. So Sohel can get the loan easily.

For women Entrepreneurship:

Mrs.Shaila khanom is a housewife. She has account in UBL. She wants to open a boutique shop. For opening this shop she has not enough money. Without property the limit of this loan is invalid but if women have enough property she can get the loan up to 15 lacks. Mrs. Shaila applied for loan of tk.10lac. The interest rate of this loan is 10%. For taking this loan she has to submit some papers. This are-

- Papers of building.
- Fixed Deposit statement.
- Statement of provident fund.
Commissioner certificate.
- National ID.

- Voter ID card.
- Cheque of her account etc.

After showing these kinds of papers Mrs.Shaila got the loan.

4.13 Loan and advances Operations and Management

The loan and advances of the Bank demonstrated steady growth over the years. The total loan of the Bank stood at Taka 12395 cores against target of the 12700 core at the end of 2010. It was Taka 10215 core in 2009. There achievement is 97.57%, with 2132% growth. The share of loan of UBL in banking sector as on 31.12.2010 increased to 10.12% from 6.57% as on 31.12.2009

Pursuant to the loan policy adopted by the Bank, currently a 5-years Perspective loan Plan has been drawn up for the year 2005 to 2010 and put into implementation. The plan has been formulated keeping in view the national economic priorities and aiming at diversification of the Investment Portfolios by size, sector, geographical area, economic purpose & securities to bring in phases all sectors of the economy & all types of economic activities and different economic strata of the society within the fold of Banks loan operations. • 6 years performance of UBL in loan, growth & achievement can show at a glance then we can explain it literally:

From the above table it has been observed that the loan disbursement of UBL has a successive record. But the point being observed here is that the loan recovery process follows a chronological fall from the FY 2005-06 to the FY 2009-10. This is because the loan disbursed among the projects are collected or recovered on an installment basis. However, the loan amount each year has been increased. Therefore there must have an increase in recovery amount. But the amount of written-off loans has been increased. This indicates a controversial cause and effect between theoretical and practical situation.

Inspiring Excellence

CHAPTER 04: FINDINGS AND ANALYSIS

SWOT analysis of Uttara Bank Ltd: The Bank's strength and competitive capabilities can be shown by the SWOT Analysis. The SWOT analysis is grounded in the basic principle that strategy making efforts must aim at producing good fit between a company resources capability and its internal situation. Here, some of strengths, weaknesses, opportunities and threats have been discussed based on findings.



4.1 Strengths

1. UBL has already established a favorable reputation in the banking industry of the country. It is one the leading private sector commercial banks in Bangladesh. The bank has already shown a tremendous growth in the profits and deposit sector.
2. UBL has provided its banking service with a top leadership and management position.

3. UBL has already achieved a high growth rate accompanied by an impressive profit growth rate in 2001. The number of deposit and the loans advances are also increasing rapidly.
4. UBL has all interactive corporate culture. The working environment is very friendly, interactive and informal. And, there are no hidden barriers or boundaries culture provides as a great motivation factor among the employees.
5. UBL has the reputation of being the provider of good quality services to its potential customers.
6. Uttara Bank Ltd. Trained young and energetic human resources that the can be highly expert in banking sector.
7. Uttara Bank Ltd. has nationwide branch network that customers feel vary free to be an account holder.
8. Uttara Bank Ltd. has good image that is very trust worthy to the corporate level as well the general customers.
9. Uttara Bank Ltd. provides better and quick service quality by the expert and they can be goods solutions to their customers.
10. Uttara Bank Ltd. branches are well decorated and furnished that the employees can move easily from one department to another department.

4.2 Weaknesses

1. The main important thing is that the bank has no clear mission statement and strategic plan. The bank doesn't have any long-term strategies of whether it wants to focus on retail banking or become a corporate bank. The path of the future should be determined now with a strong feasible strategic plan.
2. The bank failed to provide a strong quality-recruitment policy in the lower and some mid level position. As a result the Services of the bank seem to be Deus in the present days.
3. Uttara Bank Ltd. has existence of trade union that can raise ones voice can be problem to the other.
4. Some of the job in UBL has no growth or advancement path. So lack of motivation exists in persons filling those positions. This is a weakness of UBL that it is having a group of unsatisfied employees.
5. In terms of promotional sector, UBL has to more emphasize on that they have to follow aggressive marketing campaign.
6. The default risk of all terms loans have to be minimized in order to sustain in the financial

market. UBL has to remain vigilant about this problem so that proactive strategies are taken to minimize this problem if not eliminate.

4.3 Opportunities

In order to reduce the business risk, UBL has to expand their business portfolio. The management can consider options of starting merchant banking or diversify into leasing and insurance sector.

1. The activity in the secondary financial market has direct impact on the primary financial market. Banks operate in the primary financial market. Investment in the secondary market governs the national economic activity. Activity in the national economy controls the business of the bank.
2. Opportunity in retail banking lies in the fact that country's increased population is middle class. Different types of retail lending products have great appeal to this class. Different types of retail lending products have a very large and easily pregnable market.
3. A large number of private banks coming into the market in the recent time. In this competitive environment UBL must expand its product line to enhance its sustainable competitive advantage. In that product line, they can introduce credit card and debit card system for their potential customer.
4. As its branches are situated all over the country, it is a comparative advantage to bring all the branches under computer network.
5. Now inflow of foreign remittance is increasing so it will very favorable for Uttara Bank Ltd.
6. Uttara Bank Ltd. has comparatively low cost fluid then new bank that can be very helpful for the customers.
7. Uttara Bank Ltd. taking advantage of emerging new technologies in Banking, especially online Banking, ATM etc. it will be a successive method to get fame.

4.4 Threats

1. All Sustaining multinational banks and upcoming foreign and private banks pose significant threats to UBL; If that happens the intensity of competition will rise further and bank will have to develop strategies to compete against these local and foreign banks
2. Other commercial banks are offering higher salary that may create problem for UBL to retain their experienced managers *said* executives.

3. Others are coming with hi-tech technology is the great problem for Uttara Bank Ltd.
4. Public expectation from bank changing and bargaining power of customer is increasing.
5. .Competitors is offering innovative new products and services regularly.

4.5 Major Findings

In general banking department they follow the traditional banking system. The entire general banking procedure is not fully computerized.

- Service personnel are working under pressure because they have to deal with large number of customer every day. So customers need to wait for long time.
- Logistic supports are not sufficient.
- Branch premises are not large enough for the customer.
- Less importance in customer care which is very much potential now a day.
- Lack of sitting arrangement in the branch is a trouble for the customer.
- Interest rates on different loan items are not that comparative for customer satisfaction.
- Uttara Bank Limited HRD is not so efficiently works for the personnel and for the organization.
- High paying Interest expense which is not good for a Bank or company.
- Uttara Bank Limited has less amount of foreign exchange business compare to other Banks.
- As a large branch UBL, Corporate Branch does not provide necessary prospectus that can supply the overall information about various schemes of NGCBL.
- In UBL, maximum officers are working in a specific desk for a long time and for this reason they may feel monotony and certainly they are not be able to know the overall banking activities through they have enough eagerness to know.
- Foreign Exchange Section is one of the busiest sections in Bank. Sometimes it is found that all works are not performed efficiently due to insufficiency to Officer/Staffs'
- Training facility isn't sufficient especially for the lower level officers.
- Credit card has not introduced yet in Uttara bank limited.
- In this branch there is lack of modern equipments.
- The decoration of the branch is not competitive.
- The bank does not allow any high rated fixed deposit from the borrower.
- The bank does not have any so called IT section. So the maintenance of computer is very unsound and the bank does not have any permanent personnel for that purpose.

CHAPTER 5: CONCLUSION

Uttara Bank Limited has started their journey in the year of 1965, named as Eastern Bank Corporation. They already have passed 50 years in banking. They had to struggle a lot against the different economic, social, climatic and political unpleasant environments. So they have huge experiences about the overall environment of Bangladesh. For this reason, they are comfortably doing their banking activities. The bank also plays a crucial role in human resources development and creating new employment opportunities. It has managed the employment for a large number of people in our country. It is another great contribution to the country. Uttara Bank makes a strong position through its various activities. Its number of clients/ amount of deposit and investment money increases day by day. Consumers are more or less satisfied with the present services of the bank. Management should think to start new services and take different types of marketing strategy to get more customers in this competition market of banking. It is pioneer in introducing many new products and services in the banking sector of the country. But it faces continuous challenge from the local private banks and foreign banks, which mainly specialize in the consumer banking. As a result, it lies to develop new products and services to ease the competition on a continuous basis.

The Uttara Bank Limited, Corporate Branch is one of the most potential branches in the banking sector. It has a large portfolio with huge assets to meet up its liabilities and the management of this branch is equipped with the expert bankers and managers in all level of management. So it is not an easy job to find out the drawbacks of this ranch. From the practical implementation of customer dealing procedure during the whole period of my practical orientation in Uttara Bank limited. I have reached a firm and concrete conclusion in a very confident way. I believe that my realization will be in harmony with most of the banking thinkers. It is quite evident that to build up an effective and efficient banking system to the highest desire level computerized transaction is a must.

Success in the banking business largely depends on effective customer services. Less the amount, of loan losses, the more the income will be from Credit operations. The more the income from Credit operations the more will be the profit of the Uttara Bank Limited and here plays of the Credit Financing. Though there are some drawbacks in implementing Credit facilities in Uttara Bank Limited as per manual, it can be further developed in light of the recommendations being discussed above. Finally it can be argued that though the results achieved so far are not satisfactory, Credit Financing is a modern scientific technique for enhancing Uttara Bank strength and there lies the opportunities to make it more effective in the future for our own benefit.

CHAPTER 6: RECOMMENDATION

Nearly every bank follow traditional system in general banking activities but bank should introduce computerized system it will reduce time, labor and cost also.

- ✓ Cash payment section and cash received sectioned should be separated by using data based software.
- ✓ They should use Data Base Networking in Information Technology (DBNITD) Department so that they transfer data from one branch to another and branch to head office.
- ✓ Uttara Bank Limited should give more emphasis on their marketing effort and try to increase their sales force.
- ✓ Credit card should be introduced as soon as possible.
- ✓ To ensure best service for their customer by giving full concentration to their customers.
- ✓ They should reduce their interest rate on different credit scheme.
- ✓ The Bank should give more emphasis on industrial loan.
- ✓ They should try to attend different type of target customer.
- ✓ The Bank should reduce services charge of money transfer,
- ✓ To increase their logistics support.
- ✓ The Bank should increase profit rate on different scheme.
- ✓ The existing setup can be improved by adding a few more employees
- ✓ Lack of openness often drives customers away. All kinds of rules and instructions must be disclosed to the customers so to make it convenient for him to take decisions, Customers are always afraid of charges.

UBL can give fast and efficient customer services. But bank use weak software to running their activities. The bank should change their software. They can introduce high speed software for customer services.

- ✓ Remittance facilities of this bank are reasonable. So attract more clients UBL will create a new marketing strategy, which will increase the total local remittance.
- ✓ Service charges of UBL are reasonable as compared to other banks. So it should be maintained. But it should follow the rule of Bangladesh Bank.
- ✓ Deposit Schemes of UBL fulfills their customers demand. Majority of the UBL customers are satisfied with the FDR service. But Uttara Bank provides traditional deposit schemes. So bank has provided new deposit schemes for the customer services.
- ✓ Increasing ATM card service is a quick service for withdraw the money. ATM and Quick Cash are important in globalization. But these systems are not sufficient in UBL.

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