



Internship Report On
Import Activities at Dhaka Bank Ltd.
(Dhaka Bank CPC-Trade Operations)



Inspiring Excellence

Internship report on “Import Activities at Dhaka Bank Ltd”

(Dhaka bank CPC-Trade Operation)

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Letter of Transmittal

14st December, 2016

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Subject: Submission of Internship Report

Dear miss,

With great gratification I am submitting my internship report on “**Import Activities at Dhaka Bank Ltd.**” that you have assigned me as an essential requirement of Internship program. It is really an enormous prospect for me to congregate vast information and grasp the subject matter in an appropriate way. I have found the study is quite interesting, beneficial & insightful and tried my level best to prepare an effective & creditable report.

I was thankful for your kind inspiration, collaboration, patience and suggestions regarding this report which will definitely help me to go ahead as an inspirational instruction. I will be available for any uncertainty and explanation as regards this report whenever necessary.

Sincerely yours

.....
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This internship report has been possible only because of kind cooperation of many individuals. At first I am grateful to almighty Allah for establishing me to complete this report.

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Executive summary

The banking sector of Bangladesh is getting competitive day by day. This competitive environment gave the existing banks lots of challenges. For winning the competition, every bank offers huge range of products and services. The banking activities are operated not only inside the country but also it has crossed the boundary. Today, the trade transactions get easier because of the involvement of the bank.

Dhaka Bank Limited (DBL) a private sector commercial bank and The foreign trade activities of the bank is directly controlled and monitored by the Central Processing Centre, which is one of the units of the Head Office. The bank provides services to the clients with different instruments of trade operation, like-opening as well as advising LC; issuing different certificates i.e. NOC, shipping certificate/ guaranty, so on ; make as well as receiving the payments and documents on behalf of the client; The bank mainly deals with both export as well as import business.

DBL undertakes Import Business in the form of both pre-import and post-import investment. Letter of Credit is a pre-import business, which is made in the form of commitment on behalf of the client to pay an agreed sum of money to the beneficiary of the Letter of Credit upon fulfillment of terms & conditions of the Trade. Under import activities there is back to Back division and the report is prepared based on that. The main responsibilities of these divisions are data entry, LC filling and posting, FDD checking, SWIFT message downloading, BB bank online posting etc.

Furthermore the report showed the learning of the project, performance of the CPC, customer relationship as well as challenges along with some personal recommendation that should be applied for betterment.

Finally, Dhaka Bank believe connectivity and good relationship is the key to success and it is proceeding forward with all its clients and stake holders in bold steps and contributing in national economy too by providing the instruments by trade operation.

Chapter-1

The organization overview

History overview:

As the pioneer of private banking system in Bangladesh, Dhaka Bank Limited converts its glorious past into a productive present, which has given the base for creation of an outstanding future. Since its establishment back in 1995, Dhaka Bank Limited provided its strength and commitment in financial sectors which gains public trust in terms of quality service to the customers and value addition to the shareholders. And that positioned it in the top slot of financial sectors in all respect. To keep pace with time and in harmony with national and international economic activities and for rendering all modern services, Dhaka Bank Limited, as a financial institution automated all its branches with computer network in accordance with the competitive commercial demand of time. Dhaka bank Limiter is determined to explore the different ways to accommodate with the needs of its clients. Dhaka Bank was incorporated as a public limited company under the Companies Act. 1994. The Bank started its commercial operation on July 05, 1995 with an authorized capital of Tk. 1,000 million and paid up capital of Tk. 100 million. The paid up capital of the Bank stood at Taka 3,590,457,030 as on December 31st, 2011. The total equity (capital and reserves) of the Bank as on December 31st, 2010 stood at Taka 2,036,368,754. (wiki/dhaka bank, 2016)

Present scenario of DBL:

The Bank has 69 Branches, 6 SME Service Centers, 6 CMS Units, 1 offshore Banking Unit across the country and a wide network of correspondents all over the world. The Bank has plans to open more Branches in the current fiscal year to expand the network. The Bank offers the full range of banking and investment services for personal and corporate customers, backed by the state-of-the-art technology and a team of highly motivated professionals. As an integral part of our commitment to Excellence in Banking, Dhaka Bank now offers the full range of real-time online banking services through its all Branches, ATMs and Internet Banking Channels. Dhaka Bank Ltd. is the preferred choice in banking for friendly and personalized services, cutting edge

technology, tailored solutions for business needs, global reach in trade and commerce and high yield on investments. (wiki/dhaka bank, 2016)

The goals of DBL:

Dhaka Bank Limited people, products and processes are aligned to meet the demand of its discerning customers. Its goal is to achieve a distinction like the luminaries in the sky. Its prime objective is to deliver a quality that demonstrates a true reflection of its vision – Excellence in Banking. (dhaka bank vision)

Mission of DBL

“To be the premier financial institution in the country providing high quality products and services backed by latest technology and a team of highly motivated personnel to deliver “Excellence in Banking.” (dhaka bank vision)

Vision of DBL:

“At Dhaka Bank, we draw our inspiration from the distant stars. Our team is committed to assure a standard that makes every banking transaction a pleasurable experience. Our endeavor is to offer you razor sharp sparkle through accuracy, reliability, timely delivery, cutting edge technology, and tailored solution for business needs, global reach in trade and commerce and high yield on your investments.” (dhaka bank vision)

Products/services offer by DBL:

The product/service offers by Dhaka Bank is shown below in a table:

Liability Products	Asset Products	Services
Savings Bundled	Home loan	Internet Banking
Product	Personal loan	SMS Banking
Deposit Pension	Vacation loan	Locker
Scheme	Car loan	ATM Card
Special Deposit Scheme	Any Purpose loan	VISA Credit Card
Deposit Double Scheme		Utility Bills
Gift Cheque		

Branches of Dhaka Bank

Bangshal Branch	Gulshan Branch
Banani Branch	Agrabad Branch
Imamganj Branch	Narayanganj Branch
Islampur Branch	Madhabdi Bazar Branch
Uttara Branch	Rajshahi Branch
CPC (Central Processing Centre)	BograBranch
Epz Branch	

The organizational hierarchy:

The Organ gram of Dhaka Bank Limited starts from the Managing Director. Then it follows gradually to the Deputy Managing Director. There are company advisors who are directly related to the top management division. Whatever the decision is to be taken the advisory suggested it after consulting the MD. The Organ gram indicates channels of communication and reporting relationship. Each Head of Division/ Department/ Unit in-charge should ensure that the employees under her/him fully understand the organizational Matrix and follow that reporting relationship and flow of all communications as delineated.

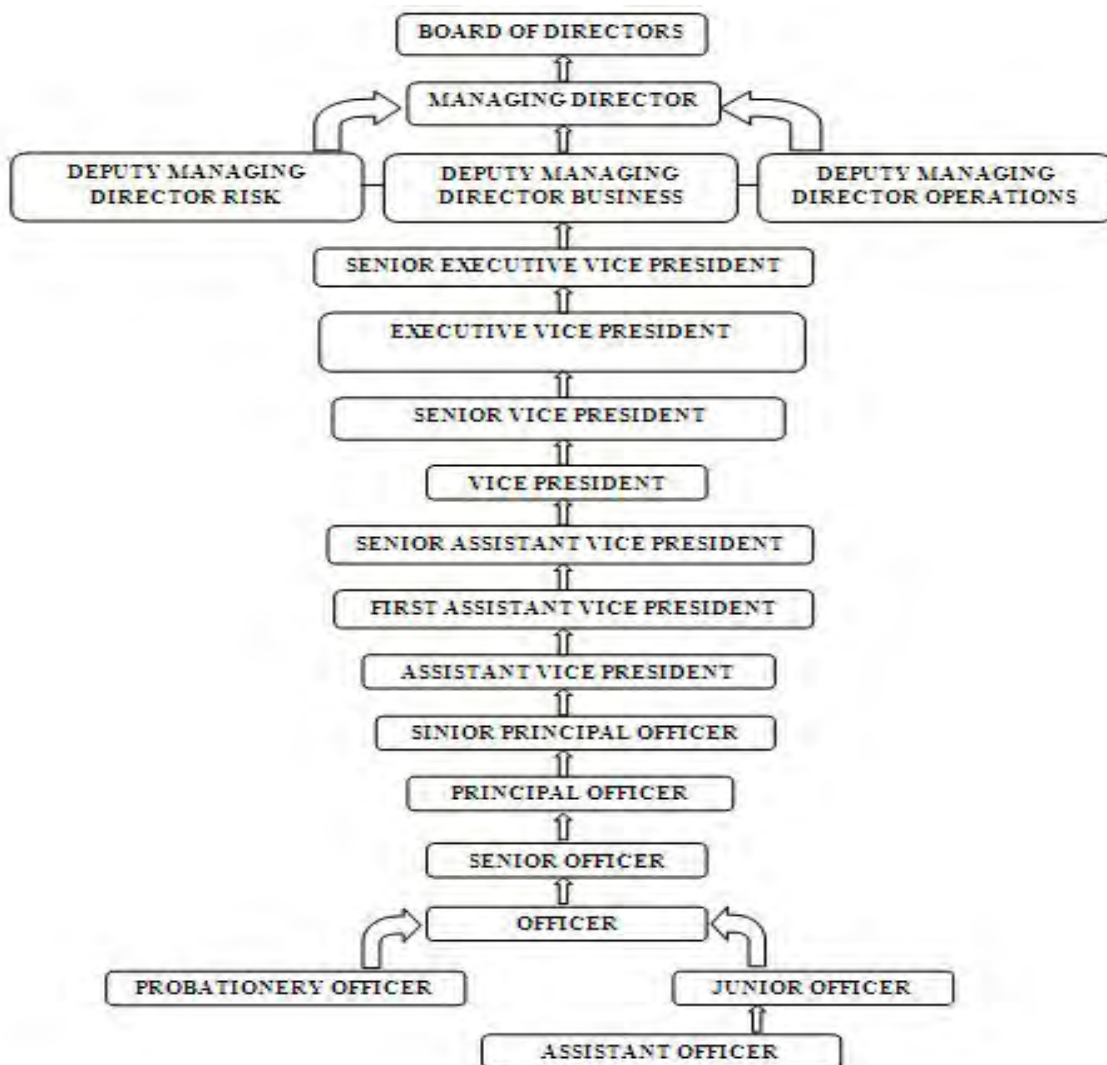


Fig1: Organizational hierarchy

Functional hierarchy:

Dhaka Bank Limited divides its all functions and one department is doing each function. But integration is maintained between these departments.

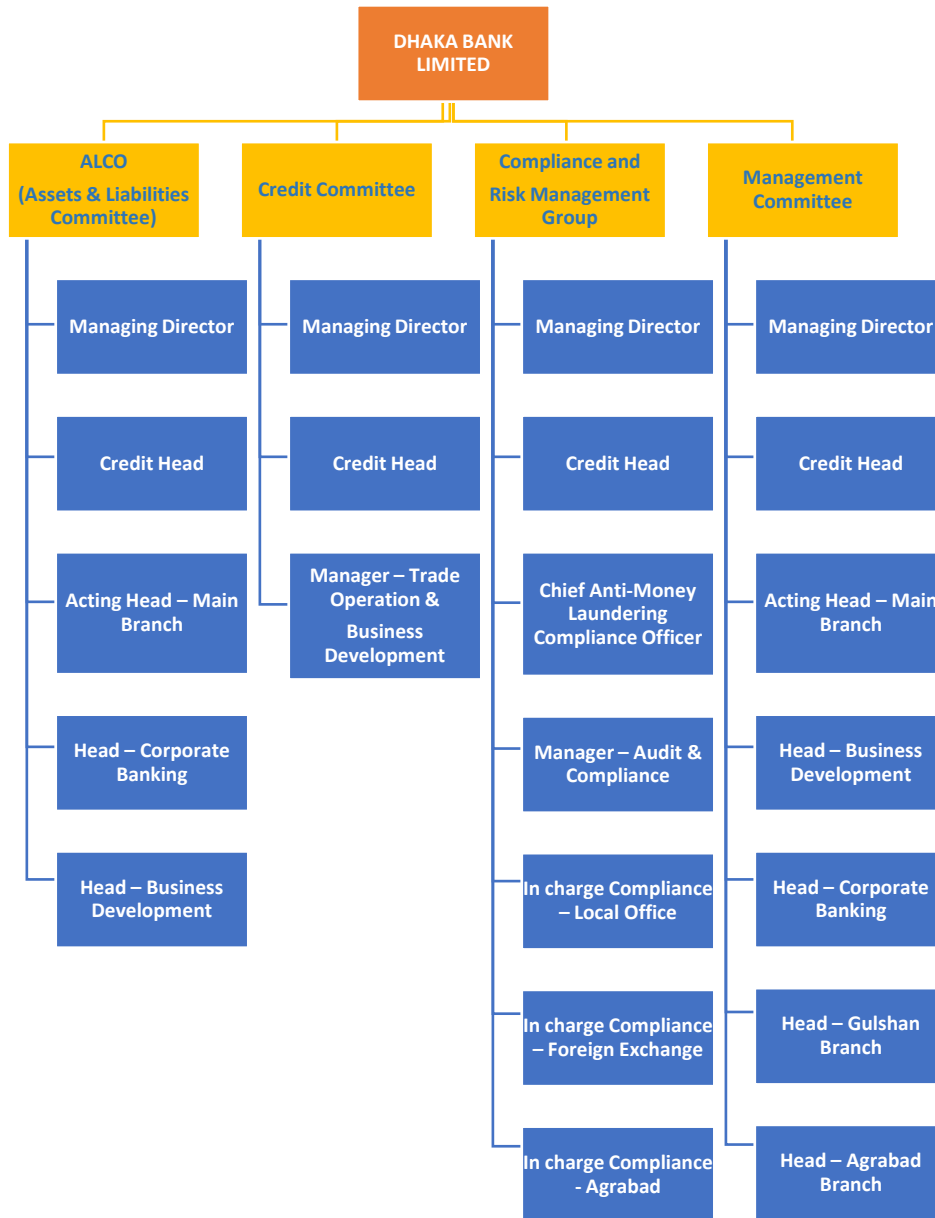


Fig2: Functional hierarchy

Chapter-2

Purpose of the report:

Theoretical classes of BBA provide us theories regarding different subjects where as practical training gives us the chances to view those systems and their operations. The principal intent of this report is to analyze different aspect of trade & marketing operations of a commercial Bank like Dhaka Bank Ltd.

Broad Objective

The broad objective of this study is to assess the functions, benefits, customer relationship and potential problems of foreign trade and import Practices of Dhaka Bank Ltd.

Specific Objectives

More specifically the objectives of this study is to-

- Show the functions of Centralized Trade & import Operations
- Find out the overall performance of Central trade Processing Center
- Assess the risk minimization in trade operation through centralization of trade operations.
- Find out the financial benefits and challenges of centralization of trade in Dhaka bank.
- Compleitive analysis and customer relationship
- Analyzing strength, weakness, threat and opportunity of CPC

So there are some precise objectives that are clearly described by me later and I think accomplished my objective by this project.

Chapter-3

Methodology:

This report is based on the information collected from different sources following a specific methodology. The details are as follows:

Primary sources

In the primary search for information, the sources are-

- Practical Desk works
- Discussing with experienced officers and In-charge
- Discussion with employees
- Personal observation
- Analysis clients portfolio provided by organizational supervisor.

Secondary Sources

- Annual report of Dhaka Bank Limited
- Procedure Manual of DBL
- DBL website and different journal and related information from internet searching

This is a Descriptive Research, which briefly reveals the overall activities of the Dhaka Bank Limited and also critically analyzes the “Credit Management” of this bank.

To prepare this report all the necessary information collected from both primary and secondary sources of data.

Chapter-4

Job description

Introduction:

Dhaka Bank Limited (DBL) started its trade operations in 1995 and all the trade activities were carried out by DBL's 15 (fifteen) Authorized Dealer (AD) Branches. In the year 2009, DBL established the Central Processing Center (CPC) at BGMEA Bhaban, Karwanbazar, Dhaka and Agrabad, Chittagong. Since then the CPC does the processing of all the trade activities of DBL by using state of the art technology and well groomed team. The trade activities of 40 branches are routed through the Dhaka Hub and that of the rest 12 branches are routed through the Chittagong Hub. Central Processing Centre of DBL is well equipped with highly talented and experienced team who has very good knowledge in foreign trade and technology. Strong MIS, network coverage and real time technology help them to satisfy customer needs just in time maintaining Quality of Work Life (QWL). All sorts of statement are generated centrally to comply the compliance issue of internal and external authorities. CPC of DBL is performing in a cost effective and environmental friendly way by reducing use of time, resources and labours to achieve its corporate motto "Excellence in Banking". All sorts of LCs, bills, payments, negotiation and other transaction related to foreign trade are routing from our CPC in well organized and effective way. CPC is running complying all Standard Operating Procedures (SOP) & rules and regulations of national and international bodies. CPC also helps the efficient & easier management of information. Thus, the centralization of the trade services is one step forward to the bank's commitment of providing seamless processes and services to its customers. Trade Finance activities are totally controlled by the Central Bank of Bangladesh (Bangladesh Bank). Central Bank permits some specific branches to perform the foreign trade. Those who have the authority to operate foreign trade business are known as Authorized Dealer (AD) branch. DHAKA BANK LIMITED is an AD Bank. DHAKA BANK LIMITED operates foreign exchange trade through its branches. To operate foreign exchange business effectively and efficiently, the Bank is developing day by day a wide network of correspondents throughout the world. DHAKA BANK LIMITED is equipped with all modern technology & provides following international banking services.

Plays a vital role in import, export and other foreign trade in the country

Provides fastest service to the exporter and importer through its SWIFT service:

- ❖ Offers competitive price for importers and exporters.
- ❖ Provides support to the exporter and importer by extending working capital, pre-shipment, post shipment facilities.

The foreign trade finance activities of Dhaka Bank, CPC are mainly divided into two major parts. One is import related activities and the other one is export related activities. These activities are involved in different types of letter of credit.

Import Activities:

Import of goods from outside Bangladesh is regulated by the Ministry of Commerce in accordance with Import & Export (Control) Act, 1950 and the notification issued there under. In terms of the importers, Exporters & indenters (Registration) order, 1981 no person can import goods into Bangladesh unless he is registered with the chief controller of Import & Export (CCI&E) or exempted from the provision of the said order. Before any Letter of Credit is opened or remittance made on behalf of any importer for import into Bangladesh, Authorized Dealers must verify that the importer is registered with the CCI&E or otherwise exempted from such registration. Import shall be allowed only against opening of irrevocable Letters of Credit unless otherwise authorised by CCI&E in certain exceptional cases as mentioned/ in the Import Policy order in force. When buying goods from overseas suppliers, the clients will wish to receive the goods as ordered in the right quantity, on time and at the designated place. They will also wish to make payments only after receipt of the required documents including the title of goods. Dhaka Bank can solve their needs by issuing a documentary credit on their behalf. A documentary credit is the Bank's guarantee of payment for a shipment of goods against specific documents as stipulated on it. By using a Letter of Credit, the bank will only make payment after receipt of titles and other documents that should fully comply with the terms of the credit. The clients can enjoy a safer and cheaper alternative to making advance payment or deposits.

According to Import and Export Control Act, 1950, the Office of Chief Controller of Import and Export provides the registration (IRC) to the importer. In an international business environment, buyers and sellers are generally unknown to each other. So seller of goods always seeks security for the payment of his exported goods. Bank gives export guarantee that it will pay for the goods

on behalf of the buyer if the buyer does not pay. This guarantee is called Letter of Credit. Thus the contract between importer and exporter is given a legal shape by the banker by 'Letter of Credit'.

Participants in LC Process:

Buyer (Applicant/Exporter)

- ❖ Issuing Bank
- ❖ Advising Bank
- ❖ Seller (Beneficiary/Importer)

Procedures to the Import Letter Of Credit

Procedures those are followed by the Dhaka Bank Limited are as follows:

Know the Customers:

As LC or Letter of Credit means the banks guaranty to the exporter from the importer that, they will pay properly to the exporter after receiving the proper goods and related documents. Here, Dhaka Bank is the issuing bank and it is undertaking all the risk regarding the payment procedure. So, they will have to know the applicant (importer) very well. The applicant must have to have an account (Current) continued with Dhaka Bank. When, a new applicant comes to the bank for opening LC after the agreement between applicant (Importer) and seller (Exporter) about terms and condition including means of transport, period of credit offered (if any), and latest date of shipment acceptable then the bankers try to know the information i.e. whether he is honest or not, what is his background, what is the type of his business, etc. The applicant must be the member of their related Trade Association, For example- if the applicant is involved in Garments Business then he must be the member of BGMEA. If the applicant is very well known to the bankers, like- the Acme Group of Industries, who always deals with Dhaka Bank, then They can apply for the LC without any inspection as they are trustworthy. The applicant is needed to submit some documents, like-

- ❖ IRC (Import Registration Certificate)
- ❖ Trade License, Tax Certificate or Taxpayer Identification Number (TIN)
- ❖ VAT (Value Added Tax) Registration
- ❖ Membership of chamber of commerce, etc.

L/C Advising:

The L/C duly signed by two authorized officers, whose specimen signatures are already recorded with the correspondent banks, must be addressed to the beneficiary. Bank generally does not enter into direct contact with the beneficiary. Instead they utilize the services of its own branch office (if any) or correspondent bank at seller's country for the purpose of advising it to the seller (beneficiary). Thus the correspondent bank becomes the "Advising Bank". The process of advising a credit consists of forwarding the original credit to the beneficiary to whom it is addressed. Before forwarding/advising the credit to the seller under appropriate forwarding coverage, the advising bank has to verify the signatures of the officers of the opening bank and ensure that the terms and conditions of the credit are not in violation of regulations relating to export. While advising, the advising bank does not undertake any liability.

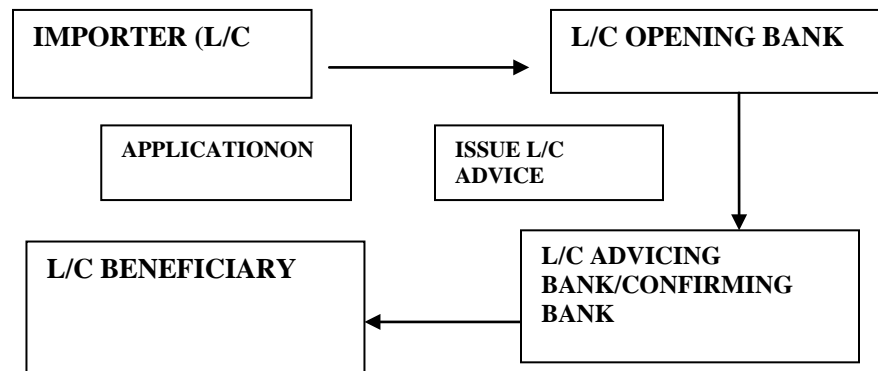


Figure 3: Advising a letter of credit

Formal Request through Application:

The applicant must have to give a formal application for opening Letter of Credit to the bank. On the basis of which the bank can start the LC procedure. The applicant is needed to submit some documents with the application, Like-

- Completed and Signed CF-7 and LCAF (Letter of Credit Authorization Form) by the applicant
 - ❖ Indent or Performa Invoice (in case of some selective items approval from concerned authority to be needed)
 - ❖ Insurance cover note with money receipt

Indent or Performa Invoice:

Indent or Performance invoice is the sale contract between seller and buyer in import-export business. There is slight difference between indent and Performa invoice. The sales contract, which is direct correspondence between importer and exporter, is called Performa invoice. There is no intermediary between them. On the other hand, there may be an agent of exporter in importer's country. In this regard, if the sale contract is occurred between the agent of exporter and importer then it is called indent. In this invoice, the whole details of imported goods are placed, like-

- Port of Shipment
- Date of Shipment
- Mode of Shipment
- Validity
- Goods Description
- Quantity
- Unit Price
- Whether the goods to be imported is permissible or not.
- Whether the goods to be imported is demandable or not.

The forms are:

- Import Merchandised Permit Form (IMP).
- L/C Application Form (L/CAF) or CF-7.
- L/C Authorization Form (LCAF).

CF-7 and LCAF (Letter of Credit Authorization Form):

CF-7 is the form by which the agreement between Bank and the Applicant is occurred. This is the application and agreement for confirmed irrevocable without recourse to drawers letter of credit. In this agreement the details of LC are placed, like-

- Beneficiary's Name and Address
- Opener's Name and Address
- Draft Amount
- Country of Origin
- Document Required As Indicated By Check
- Insurance Coverage
- Last Date of Shipment
- Last Date of Negotiation
- LC Amount
- Exchange Rate
- Margin Amount
- Other Terms and Conditions, etc.

LCAF (Letter of Credit Authorization Form) this is also an agreement form where some more information about LC are placed, like- IRC Number, Year of Renewal, Source of Financing, List of items and their HS(Harmonize System) Codes, etc.

Sending LC Opening Request to CPC (Central Processing Centre):

As I have mentioned it before that, the Dhaka Bank Ltd uses centralize system for the purpose of opening LC so the AD (Authorized Dealer) branches send the opening request of LC after processing all the documents through e-mail. The AD branches calculate the margin, commission, VAT, SWIFT charges, other charges, etc and place it in the mail. They also send the scanned copy of the original documents with the mail. After getting the mail, the head of Foreign Exchange in CPC confirm the LC information by talking with the in-charge of foreign exchange. Then the CPC open and transmit the LC to the exporter's bank or advising bank through SWIFT (Society for Worldwide Interbank Financial Telecommunication) that supplies secure messaging services and interface software to wholesale financial entities. Here, there is an intermediary bank between issuing bank and advising bank that has the authority to operate worldwide, like- Standard Chartered Bank, HSBC Bank, Citi Bank NA, etc. as the two banks might not have that authority. The name of the intermediary bank is mentioned in the LC Contract. This bank collects the LC and provides it to the advising bank.

Submission of Necessary Documents by Exporter to the Bank and Shipment of Goods:

Advising bank establishes authenticity of the letter of credit using signature books or test codes, then informs the exporter (beneficiary). When the exporter collects the LC from advising bank, they check that LC matches commercial agreement and that all its terms and conditions can be satisfied. As soon as the exporter receives the credit and is satisfied that he can meet its terms and conditions, he is in position to load the goods and dispatch them. The exporter then sends the documents evidencing the shipment to the bank. The bank where the exporter places the documents is called the negotiating bank. Exporter will submit those documents in accordance with the terms and conditions as mentioned in L/C. Generally the documents observed in the

Foreign exchange department are:

- Bill of exchange
- Commercial invoice

- Bill of lading
- Certificate of origin
- Packing list
- Clean report of finding or CRF (if any)
- Pre-shipment certificate

Bill of exchange:

- ❖ The bill of exchange is drawn by the beneficiary (Exporter) as mentioned in the LC duly signed and dated.
- ❖ The amount is identical with the amount of Commercial Invoice.
- ❖ The amount mentioned in figure and words are consistent.
- ❖ The bill of exchange is in order and/or endorsed properly.

Commercial Invoice:

Commercial Invoice issued by exporter is the accounting document by which the seller charges the goods to buyer.

Bill of lading:

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

Certificate of origin:

This is the certificate that shows from where the goods are sent or issued. The Certificate is issued by the concerned authority of exporting country as stated in the LC [usually such Certificates are issued by the Chamber of Commerce & Industry of exporting country].

Packing list:

This is the list where the description of the packaging are mentioned. This Certificate is issued and prepared by the beneficiary as per instruction given in the LC.

Clean report of finding or CRF:

This is issued by the Pre Shipment Inspection Company. This is optional for LC. If the importer wants to inspect the quality and quantity of the goods then he mention it in the LC contract. This

is done before the shipment of the goods. The negotiating bank carefully checks the documents provided by the exporter against the credit, and if the documents meet all the requirement of the credit, the bank will pay, accept, or negotiate in accordance with the terms and conditions of the credit. Then the bank sends the documents to the CPC of Dhaka Bank Limited.

Receiving and Checking Of the Documents by Dhaka Bank:

After getting the documents, the CPC of Dhaka Bank checks them immediately and if they are in order and meet the credit requirements. Then the CPC inform the AD Branch about the arrival of the documents and the AD Branch will arrange to make payment against L / C and will send the importer the document arrival notice.

But if there is any discrepancy in the documents, then the Dhaka Bank send message to the negotiating bank to rectify it under its risks and responsibilities. They also inform the importers about the discrepancy. The common discrepancies are- late presentation of the documents, mismatch between proforma invoice and commercial invoice etc. If there is no discrepancy in the documents, then the payment of the LC must be made to the exporter within 5 days after receiving of the documents.

Shipping Guarantee:

To operate the importers business efficiently, it is vital your goods be cleared expeditiously. By issuing a shipping guarantee in the shipper's favor, Dhaka Bank facilitates prompt clearance of goods until a bill of lading is received. Shipping guarantee is a Letter of Guarantee / Indemnity issued jointly by importer (consignee) together with a bank (L / C opening Bank) in favor of a commercial carrier or their agent to a consignee in the absence of original shipping bill i.e bill of Lading / airway bill while the co-issuer furnish an assurance / undertaking to submit the original Bill of Lading / airway Bill to the carrier as soon as the same is in their possession.

No Objection Report (NOC):

This is the certificate which is issued by the issuing bank. When the original documents sent by the advising bank but for some reason they could not reach to the issuing bank but the shipment have arrived, in this situation the issuing bank give the endorsed copy of copy document to the importer for the purpose of releasing the shipment against which the importer give undertaking

that the original document will be accepted with discrepancy. This is issued for the betterment of the importer.

Import Finance Instruments At Dhaka Bank Limited

If there is no available in cash in importer 's hand, he can request the bank to grant loan against the documents for the purpose of post import finance. Dhaka Bank Ltd undertakes Import Finance in the form of both pre-import and post-import finance. These two categories of import finances include:

Letter of Credit

This is a pre-import finance, which is made in the form of commitment on behalf of the client to pay an agreed sum of money to the beneficiary of the Letter of Credit upon fulfillment of terms & Conditions of the Credit. Dhaka Bank has significant credit line with various Corresponding Banks for confirmation of the LCs of our customers. A documentary credit is a Bank 's guarantee of payment an import of goods against specific documents. DBL ensures this payment commitment in time.

Loan against Trust Receipt (LTR)

This is also a post import finance facility awarded to retire import bill directly or under PAD as the case may be. In this category of finance, possession of the goods remains with the borrower and the borrower executes "Letter of Trust Receipt" in acknowledgement of debt and its repayment along with interest within agreed period of time. Advances against a Trust receipt obtained from the clients are allowed when the documents covering an import shipment are given without prior payment. This type of facility is given only to first class and reliable clients. 64 The customer holds the goods or their sale proceeds in trust for the bank till the loan allowed against Trust Receipt is fully paid off. The Trust receipt is a document which creates the banker 's lien on goods and practically amounts to hypothecation of the proceeds of sale in discharge of lien. The period of Trust receipt may be 30, 45, 60, 90 days. The loan is adjustable within the period. Sale proceeds of goods held in trust must be deposited in the bank by the borrower irrespective of the period of the trust receipt.

Loans against Imported Merchandise (LIM)

Loan against the merchandise imported through bank maybe allowed pledge of goods retaining margin prescribed on their landed cost. The branch shall also obtain letter of undertaking and indemnity from the customer before getting goods cleared through LIM account. Clearing should be taken by approved clearing agent of the bank. Merchandise should be insured with specific risk clauses. The following matters must consider while allowing LIM against secured of goods. The landed cost of the merchandise is measured before the goods are delivered the client against proportionate payments.

Release the Shipment from the Port

For releasing the shipment from the port the importer have to collect the authorization from the Dhaka Bank Limited as the shipment are sent in the name of the issuing bank. The importer also needs all the documents endorsed to release the shipment, those have sent to the Dhaka Bank by the exporter. The Dhaka Bank arranges all the documents properly and endorses them. The importer also need clearance certificate from the bank. And the bank will give clearance after getting the Bill Of Entry, which shows the shipment has really entered in Bangladesh. In this Way the importer get clearance from bank and can release the shipment.

Amendment of Letter of Credit

There might be some change in the agreement of LC, which will occur before the shipment of the goods for destination. This is occurred for the benefit of both exporter as well as importer. Some common amendments are- increase in the value of the LC ie if the importer orders more goods than he ordered before; Change of the transportation mode i.e. if in the contract the mode of transport is by air but for some reason the exporter cannot manage and he wants to send the shipment by sea; etc. When these are occurs then after setting all the changes with the exporter the importer give a formal request through application to the Dhaka Bank for the change then the bank will send the amendment to their Central Processing Centre and they send it to the advising bank through SWIFT.

Chapter-5

Job undertaken in Import division:

As I mentioned Dhaka Bank CPC is the place where two types of activities are practiced import and export activities. I worked there under import division, in import division my key job responsibility was in Back to Back division and the works that I have done so far were:

Post letter of credit number in register book

There were register books for each and every single branch which contains the type of L/C with serial number. What kind of products we are importing or exporting. The applicants name and the beneficiaries name along with it. At the end of the day I filtered that how much L/C I had transmitted in one day.

Letter of credit filing

After getting the Letter of credits my job was to file those along with a Dhaka Banks sealed file, So that we could allocate them properly according to our departments. Otherwise it would have been hard for L/C department to do the swift on time.

Payment formulation and data entry

The payment of the amount to their desired companies what was actually written in the letter of credit form because the two companies took Dhaka Bank as a guarantor so that they could assure about the antifraud system. After that I need to make an entry in the Microsoft excel so that my department can track the LC's payment which has been given in our following day.

Daily transaction checking

After the data entry it need to check the GL with our following entries so that we can make sure that no entries had missed.

Bangladesh bank online payment checking (Back to back)

Bangladesh bank can check the following payments whether they are on due dates or not. So after giving payment it was posted to the payments in Bangladesh Banks portal. After checking I needed to close the LCs for that's due date.

Swift alliance messaging download

Swift messaging is something that had to be downloaded and every division of CPC did that in their suggested date. It was basically done for large number of message regarding payment.

FDD issue & checking

Foreign demand draft which is known as FDD is the last thing in payment. Every company does something wrong while they are maintaining a LC and we need to charge them according to what they had done wrong. That's kind of profit for that following bank which is giving the payment. These kinds of charges are known as discrepancy charge and the discrepancy charges are like 15+10+1.5. It's also varies from branch to branch.

Data entry & online posting

In every bank there is rule provided by our Bangladesh Bank that whatever the transactions they had made all the day through, they have to post in Bangladesh Banks portal. So that Bangladesh Bank can check each and every transactions, whether they are legal or not, or were they following all the rules and regulations or not. It's basically for the custom purpose issue.

The importance of time and punctuality is the precious quality that I earned from CPC by giving entry and paying FDD before maturity date. Second one is How to use different software like SAM (Swift Alliance Messenger), whenever any draft copy of LC comes to CPC (Central Processing Centre) I had to download it from SAM. I know LC was important for the organization, the way it important was – If any company or organization wanted to import or export any product they need to create LC for like a guarantor where they were bound to pay the money to the beneficiary and applicant could easily trust the issuing bank to open the LC and complete the overall transaction. I had learnt about how to post online local and foreign L/C in

Bangladesh Bank- Whenever any LC got its draft copy I had to post it online because Bangladesh bank wanted to keep a trace in their online portal.

Chapter-6

Competitive analysis of CPC

Performance of CPC-Trade operations:

Since its inception central processing center have been performing well at least from my point of view. Initially it started with only two branches and now it is processing trade of all AD and non-AD branches of Dhaka bank Limited. Over the time employee and branch both have increased but it has always limited work force. Officers of CPC are working under extreme pressure from its inception.

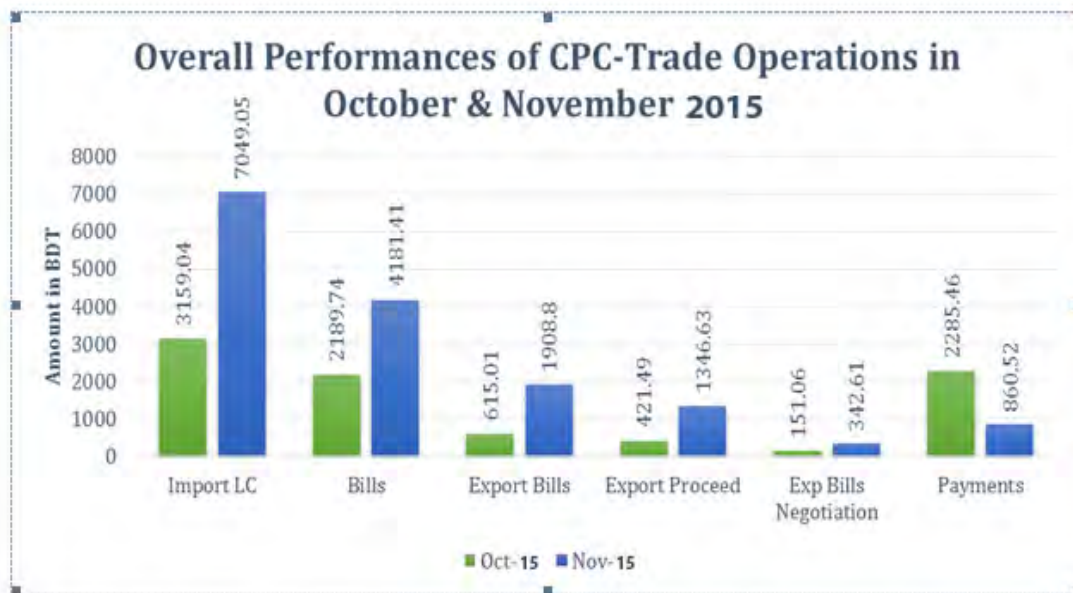


Figure: Performance in terms of contract in October & November

From the following figure we can see that there is no significant difference in the performance in October and November of 2015 in terms of number of contract. The performance is quite consistent. The number of L/C issued is almost same and the import bills and export bill

negotiation is more in month ended October than that in November. But export bill, export proceed realization and payment is more in the month of November than that in October.

Customer relationship:

From the inception CPC is trying to provide quality service to branches with its very limited manpower. Over the time the quality of service is improving.

The concept of back office is to give more concentration to the valued customer from the front end. The function of back office is to process all the functions and the function of front office or branches is to give more concentration on customer. The main relationship manager is to attract, retain and grow customer base by developing good customer relationship

Most of the people of our country do not like large scale changes and try to resist. Most people in our country are not technologically sound. They do not know how information technology has squeezed the world. Client of Dhaka Bank mostly beneficiary think that centralization has greatly increased processing time. Most of the respondent said that customers do not want to give minimum processing time. This complains from customer is illogical because processing time has insignificantly increased.

Chapter-7

Limitations and challenges:

While I was doing my internship in Dhaka Bank CPC I identify some challenges and one of the biggest challenges is mismatch between assigned tasks and other operational functions of the organization with my academic preparation. As I did my major in Marketing and the related topic was on consumer behavior, culture and values, brandings, advertisement and in Dhaka bank CPC I was dealing with foreign exchange trade services which is totally irrelevant with my academic subjects that's why I faced problems at the beginning which was creating negative perception towards the employees of Dhaka bank.

Second of all, the problem with the report topic as I am a Marketing student and report should be related with my course but In Dhaka Bank my internship programme was concentrated trade operation department it's a big challenge to me. Along with there are other problems are:

Secondary Information:

There was a lack of proper secondary information on corporate activities. Few supports of books, journals, and other related documents have been found on the topic those have been covered in this report.

Confidentiality:

In order to guard the secrecy of the company, DBL is not interested to disclose some information required for enhancing the quality of this report.

Depth & strength:

Assigned task were very little in depth and strength which discourage the report to be rich in terms of quality.

Chapter-8

SWOT analysis

Strength	Weakness
<ul style="list-style-type: none"> ✓ Reliable and easy to use internal computer system. ✓ Dedicated and skilled workforce ✓ Specialization in function 	<ul style="list-style-type: none"> ✓ Lack of planning of top management ✓ Congested workspace ✓ Lack of employee motivation
External	
Threat	Opportunity
<ul style="list-style-type: none"> ✓ Undiversified customer base of branches ✓ Lack of potential Relationship Manager in branches 	<ul style="list-style-type: none"> ✓ Expansion of branch network ✓ Early mover advantage

Strength:

Reliable and easy to use internal computer system

Central Processing Center of trade operation is equipped with state of the art technology. CPC is connected to the branches with intranet and has sufficient internal computer system to support the operations.

Dedicated and skilled workforce Most of the employees of CPC are dedicated and responsible to their work and skilled in trade operations. Day by day they are trying to increase their efficiency and effectiveness.

Specialization in function

Division of work and description of job is properly defined to each and every staff member. This division of work and description of job have brought expertise which in turn brought operational efficiency.

Weaknesses:

Lack of Proactive Planning

In charge of CPC trade operations has little proactive planning for the future of trade operations. They are mainly dependent on reactive planning regarding different issues.

Lack of employee motivation

Many of are burdened with overwork due to improper job allocation. This type of burden reduces the accuracy and compliance. Employees of CPC have to work for long hours and under pressure. So they should be provided incentives to motivate. But long working hours and pressure without any extra incentives have made them dissatisfied and dissatisfaction might reduce their productivity in the long hour.

Congested workspace

Workspace of CPC is very congested. Congested workspace hampers the usual speed of work. Employee needs enough personal space for better performance

Opportunities:

Expansion of branch network

Most of the commercial banks are concentrated in Dhaka. There is an ample opportunity of expand branches in other business areas of Bangladesh and increase AD Branches.

Thread:

Lack of potential Relationship Manager in branches

Branches have shortage in potential officer who can manage some big client and increase customer base.

In spite of these strengths there is also some internal strength which helps company to overcome weaknesses. Similarly Dhaka bank has also some strong external opportunity which assists to pull down company threads.

Chapter-9

Recommendation and Conclusion:

Conclusion:

Banking sectors are very crucial thing which play a vital role in our economy and GDP growth of our country. But the banks of our country are still in the growth stage. Every bank is developing their own specialized sectors and special offerings to their customers. This is a huge step towards entering in the international banking market.

Dhaka Bank has dynamically been financing the trade operation Sector with the ambition of supporting and enlarging the trade finance industry as well as the entrepreneurial potentials of Bangladesh. Dhaka Bank has a firm commitment to contribute to every segment of the economy.

As I did my internship program at Dhaka bank-CPC and it gave me direct experience of import activities in foreign exchange. The financial performance of Dhaka Bank was really good; there were some weaknesses I had observed during my internship program. There were some other weaknesses which Dhaka Bank should recover like- Small number of Branches, Lack of ATM service, Limited workforce.

MY entire report is made on the basis of my internship program at CPC- trade operations. In Back to Back department related activities under foreign exchange (import activities) played a major role, regarding that bank can generated maximum profit and market share. The bank provides services to the clients with different instruments of trade operation, like-opening as well as advising LC; issuing different certificates i.e. NOC, shipping certificate/ guaranty, so on ; make as well as receiving the payments and documents on behalf of the client.

Recommendation:

I have taken my work seriously and tried to make it enjoyable during my internship program at CPC-trade operations of Dhaka Bank. As I have done my three months long internship program at Dhaka Bank CPC and It has given a wide range of scope to observe the different functions of

bank through banking departments. Dhaka Bank is facing some challenges nowadays I hope Dhaka bank will take a fruitful initiative to overcome them.

- Considering the continuous progress in this industry from recent year's analysis, the Bank should do more trade operation finance to make the bank profitable.
- Dhaka Bank should consider about the satisfaction of their clients because if fail to satisfy them then they will switch to another bank. So the organization can make it happen by giving their best to like get their job done by due time.
- Establishing decentralizing the delivery channels, so that branches can process and deliver Trade operation by themselves.
- Develop KIOSKs (small booths) and establish more SME Centers to process and deliver Trade operation facilities, especially in the rural and semi-rural areas of the country.
- Government as well as Bangladesh bank need to be established a standard format and policy for SME loan proposal and project evaluation. Beside this, close monitoring of the banks activities regarding Trade operation evaluation should be more constructive and the banks also should take care of it.
- To overcome the constraint of collateral, the banks should have some relaxation considering the collateral requirements and Bangladesh bank also should take steps on this issue.
- To overcome the obstacle of infrastructure the government of Bangladesh needs to take
- Our bank should allocate some spaces where they can put their files according to the branch so that it could be easier for them to find the specific file by making some cabinet or allocate the place for specific branches.
- Dhaka bank need to strict about their staff policy it reduce the mismanagement between them so that they can give their code of conduct to each and every employee.

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