



**BRAC UNIVERSITY**

**CREDIT RISK ANALYSIS**

**OF**

**JAMUNA BANK LIMITED**



**Jamuna Bank Limited**  
Konabari Branch, Gazipur



Internship Report  
On  
Credit Risk Analysis  
Of  
**JAMUNA BANK LIMITED**

**Prepared For**

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**Date of Submission: January 15, 2009**



## **Letter of Transmittal**

January 15, 2009

ANUP CHOWDHURY  
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Subject: Submission of Internship Report.

Dear Sir,

It gives me immense pleasure in preparing this report, which was assigned to me in fulfillment of my internship course requirement.

This report has been valuable to me as it helps me to unite the practical experience to my theoretical knowledge and a new experience has been added in my career for supporting me strongly during while doing my internship at JAMUNA Bank Limited, Konabari Branch.

I would like to mention here that I am extremely grateful to you for your valuable guidance, tireless effort and constant attention as and when required in accomplishing the report and during my internship period.

I shall be very pleased to answer any query you think necessary as and when needed.

Sincerely Yours  
Md. Moniruzzaman  
ID # 04304097  
BRAC University

## **Acknowledgement**

Preparation of this report I received assistance, guidance and took valuable time of many important and prestigious personalities. I would like to express my appreciation to my internal supervisor, ANUP CHOWDHURY, Senior Lecturer, BRAC Business School, BRAC University for providing me all the guidance and support that I needed mostly.

I would like to thank Mr. Md Sonowar Hossain, Head of the Credit Department, , Mr Md Rabiul Islam, Head of Cash Department, Mr Md Faysal Ahmed, Head of Foregin Exchange Division, Mr Md Yasir Rahaman, Head of the General Banking, Mohammad Nurul Huda, First Assistant, Vice President & Sub-Manager Jamuna Bank Limited, Konabari Branch for rendering their valuable time and providing me with information that was very much needed in order to successful completion of this report.



## **Abstract**

Internship is must to fulfill academic requirement. This internship report is based on practical experience at the JAMUNA Bank Limited, Konabari Branch. This report contains several parts. In the first part of this report contains some description about the banking sector and perspective of the JAMUNA Bank Limited. In this part how data has been collected is also described. The next part is about the company. Here history and back ground of the company. Their corporate mission and vision. How they exercise their corporate and social responsibility. Then a brief description of the board of director and key management profile. One important fact that is focused in the report is the performance of the company. Their performance of the last few year and growth. The next part is described about the product of the JAMUNA Bank Limited. JAMUNA Bank Limited offers a diversified asset and liability product. Those are broadly described in this part.. The organ gram of this branch and the functions of the branch. Konabari branch of the JAMUNA Bank Limited is an authorized dealer bank. So it can't do foreign. Except this branch perform all regular banking activities. As it is a computerized online banking service provider this branch can support other branches. For the sanction of loan and some other expenditure, authorization from the Head Office is required. A target of profit is given by the Head Office and the branch is trying it best to achieve it. During my internship program in this branch I have found some lacings. It is to be mentioned that this is from my point of view. I have also pointed out some recommendations which I believe to be the best from my point of view. At the concluding part I have focused the overall facts of this report.



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## **01. INTRODUCTION**



## **1.0 Introduction**

We can simply say that Bank is financial organization that deals with money. But it is the precise most definition about bank. In modern age it is impossible to think a country without bank. Banks play diversified role in an economy. The most important task that is done by a bank is building of capital. That is the key factor of the development of an economy. Industrialized nation's build their industrial sector with the help of banking sector. The growth of the economy also depends on the performance of the banking sector. Banks secure money of the society. Government takes various monetary policies. These policies are implemented with the help of banking sector. It is impossible to do foreign trade with the help of bank. Banks provide services that help the business sector a lot to carry on the business. For example giving guaranty, different types of certificate, expertise advice to business people. Banks also help to establish good faith among business persons.

Bangladesh is a developing country. The growth of her apparel sector is mentionable. Banks can play a strong role to take the apparel sector into a stable position. The preset economic status of Bangladesh demands immediate development of financial institutions. The key to success in such demanding marketing situation is how automated the service is on a continuous real time

Jamuna Bank Ltd. is a third generation bank in Bangladesh. It is playing an important role to develop the business sector. The growth of this bank is very good. Its motto is to provide a prompt and quick service to the clients. Jamuna Bank Ltd. has implemented well structured online banking systems that make it easier to provide prompt services to the customer.

The report has been prepared in the light of practical as well as theoretical knowledge. Also it is prepared under the guidance and supervision of the core teacher. During the internship program I have got a good idea about the bank and that is depicted in the report.



## **1.1 Origin of the report**

The BBA (Bachelor of Business Administration) internship program is required course for the students who are graduating from the Business School of BRAC University, Bangladesh. It is a four credits hour course with the duration of twelve weeks. Students who have completed all the required courses are eligible to for this course. In this internship program, I was attached to do my internship by rotation to all departments of Jamuna Bank Limited, Konabari Branch. Both the academic and the organizational supervisor assigned me on this project. The report is on “**Credit Risk Analysis of Jamuna Bank Limited**”.

## **1.2 Objectives of the report**

### **1.2.1 General objective**

To gain practical job experiences and view the application of theoretical knowledge in the real life.

### **1.2.2 Specific objective**

The specific objective of this report is to explore the Credit Risk Analysis process practiced by Jamuna Bank Limited (JBL). This organization is one of the emerging banks of the third generation bank in Bangladesh. It is being popular day by day with its attractive services and competitive product package. Because of its warm customer services, it's acceptability to the customer has been increased to masses. Credit risk analysis of this bank is very organized acceptable to the all levels. This credit risk analysis is well structured and that's why they are being gained from it. Thos report investigates all the methods and principles for credit risk analysis of Jamuna Bank Limited.



### **1.3 Scope of this report**

The report commences with the outline of the organization in focus, presenting the mission and vision, individual department job responsibilities, Credit Risk Analysis related issues are discussed in detail along with their results and possibilities. In this report is all the aspect of credit risk analysis has been discussed detailed by those the management can take decisions regarding modifying their plans for granting loans and can strengthen the relationship with the business environment as well as with the stakeholders and clients.

### **1.4 Limitations**

Banking sector is a vast field. It is so vast that it is very tough to cover the basic of banking within three months. Limited access to banks files is also a factor for limitations. Most of the information contained within this report was either obtained through documents published by the company itself or informal interviews during my work at my workplace. The report could have delved deeper into certain matters, but that has not been possible because certain sensitive information were not readily shared due to company regulations. Moreover as I worked as an Intern, therefore I had not that much accessibility to all those factors. Bank authority also prohibits some facts to be included in this report.

### **1.5 Methodology**

This report is the reflection of three months internship program at the Jamuna Bank Limited, Konabari branch.

Banking sector is a fast growing sector in Bangladesh. All banks specially the private sector banks are facing tremendous competition from each other. So officers remain very busy to provide prompt service to clients. As an internee I had to collect data and information from that busy corporate environment. To prepare this internship



report I have collected data and information both from primary sources and secondary sources.

**The primary sources are given below:**

- Face to face conversation with officers.
- Taking initial lectures from senior officers.
- Consulting with the supervisor.
- Practical work experienced at different desk.
- Close observation of the tasks dJamuna by different departments' officers.

**The secondary sources of information are given below:**

- Annual report of the Jamuna Bank Limited.
- Outlets of Bangladesh Institute of Bank Management.
- Website of the Jamuna Bank Limited.
- Different publications of the Jamuna Bank Limited.
- Theoretical books relating banking sector.
- Internet (Website of Jamuna Bank).



## **2.0 ORGANIZATIONAL BACKGROUND**



## **2.0 Organizational Background**

### **2.1 Business of the bank**

Jamuna Bank Limited (JBL) provides commercial banking services in the Bangladesh. The bank primarily engages in corporate banking, trade finance, project finance, retail banking, small enterprise finance, consumer finance, and syndication. Its range of service offerings include cash management services, payments and clearings, safe deposit locker services, employee benefits, collection services, treasury services, asset management, services and SWIFT for foreign trade. Jamuna Bank has an investment of 390 million taka in its business.

### **2.2 Location**

The Registered office & corporate Head Office at Chini Shilpa Bhaban, 3, Dilkusha C/A, Dhaka-1000. Jamuna Bank Limited, Konabari Branch is situated at A-140 & A-141 (Part), BSCIC Industrial Area, Konabari, Gazipur-1704. Its branches are situated at all the major cities of the country except 09 which are situated at rural area. The number of bank branches stood at 39 on December 2008. The bank has a plan to open more branches over the next several years at different important commercial places of the country.

### **2.3 Historical background of the company**

Jamuna Bank Limited (JBL) is a Banking Company registered under the Companies Act, 1994 with its Head Office at Chini Shilpa Bhaban, 3, Dilkusha C/A, Dhaka-1000. The Bank started its operation from 3rd June 2001.

Jamuna Bank Limited is a highly capitalized new generation Bank with an Authorized Capital and Paid-up Capital of Tk.1600.00 million and Tk.390.00 million respectively. The Paid-up Capital has been raised to 429.00 million and the total equity of the bank stands at 725.00 million as on June 30, 2005. The Bank undertakes all types of banking transactions to support the development of trade and commerce of the



country. JBL's services are also available for the entrepreneurs to set up new ventures and BMRE of industrial units.

Jamuna Bank Ltd. the only Bengali named new generation private commercial bank was established by a group of winning local entrepreneurs conceiving an idea of creating a model banking institution with different outlook to offer the valued customers, a comprehensive range of financial services and innovative products for sustainable mutual growth and prosperity. The sponsors are reputed personalities in the field of trade, commerce and industries.

The Bank is being managed and operated by a group of highly educated and professional team with diversified experience in finance and banking. The Management of the bank constantly focuses on understanding and anticipating customers needs. The scenario of banking business is changing day by day, so the bank's responsibility is to device strategy and new products to cope with the changing environment. Jamuna Bank Ltd. has already achieved tremendous progress within only seven years. The bank has already ranked at top of the quality service providers & is known for its reputation.

Jamuna Bank offers different types of Corporate and Personal Banking Services involving all segments of the society within the purview of rules and regulations laid down by the Central Bank and other regulatory authorities. As per the provisions of Bangladesh Bank license, the Bank has offered initially its shares to public by Pre – IPO and subsequently sold shares to the public through IPO in the year 2004. The shares of the Bank are listed with both Dhaka Stock Exchange Ltd. & Chittagong Stock Exchange Ltd.

## **2.4 Ownership structure**

Leading industrialists of the country having vast experience in the field of trade and commerce own 52.84% of the share capital and the rest is held by the general public. JBL's board currently consists of 13 (thirteen) Directors. Authorized capital is Tk.4000.00 million and paid up capital is Tk.1225.71 million as of 31<sup>st</sup> December 2007.



## 2.5 Management structure

JBL is managed by highly professional people. The present Managing Director of the bank is a forward-looking senior banker having decades of experience and multi discipline knowledge to his credit both at home and abroad. He is support by an educated and skills professional team with diversified experience in finance and banking. Jamuna bank limited has already achieved tremendous progress within a short period of its operation. The lists of management structure are given in bellows:

**Mr. Al-Haj Nur Mohammed:** Mr. Al-Haj Nur Mohammed assumed the office of the Chairman of the Jamuna Bank Foundation with effect from 29.04.2007. He comes from a respectable Muslim family of Munshiganj district. He is the President of the Chamber of Commerce & Industries of Munshigonj Dist Since long. Al Haj Nur Mohammed is the President of the Bangladesh Anti Drug Federation and he played a vital roll in the field of Drug Addiction. He is the founder President of Shahed Ali Eatimkhana, Goalgunni, Munshigonj. The renowned Al-Haj Nur Mohammed Trust established in the year of 2001. Al Haj Nur Mohammed is the chairman of the said Trust. In the year of 2002 World Anti Drug Federation invited Al Haj Nur Mohammed to attend the Conference held in USA. Al Haj Nur Mohammed visited many countries across the world. He engaged himself in various Social & Development activities. He is an ex parliament Member of the National assembly of Bangladesh.

**Mr. Md. Tazul Islam:** Mr. Md. Tazul Islam assumed the office of Chairman of the Board of Directors of Jamuna Bank Limited with effect from April 27, 2008 having unanimously been elected by the Board in its 101<sup>st</sup> meeting held on 27.04.2008. Mr. Islam is an MBA major in Marketing. He comes of a respectable Muslim family of Monohorgonj Upozila, of Comilla distnict. He is the Managing Director of Fabian Group of Industries and a former Member of Parliament of the People's Republic of Bangladesh.

**Mr. Kanutosh Majumder:** Mr. Kanutosh Majumder assumed the office of Vice Chairman of the Board of Directors of Jamuna Bank Limited with effect from April 27, 2008 having unanimously been elected by the Board in its 101<sup>st</sup> meeting held



on 27.04.2008. He comes of a respectable family of Noakhall district. He is an M.Com from Dhaka University. He is engaged in construction industry as a Director of New Generation Construction Co, Ltd.

**Mr. Motior Rahman:** Mr. Motior Rahman is the Managing Director (CC) of Jamuna Bank Ltd. He successfully completed his Masters in accounting in the year 1971 from Dhaka University. He started his carrier from Pubali Bank Ltd. in the year 1973, after that in 1991 he joined Islami Bank Bangladesh Ltd. Mr. Motior Rahman joined in Prime Bank Ltd. in the year 1995. He joined in the Jamuna Bank Limited in September 15, 2005 as Deputy Managing Director and subsequently promoted as Additional Managing Director.

### 2.5.1 Directors

Engr. A. K. M. Mosharraf Hussain	Mr. Fazlur Rahman
Al-Haj Nur Mohammed	Mr.Sakhawat, Abu Khair Mohammad
Al-Haj Md. Rezaul Karim Ansari	Mr. Md. Sirajul Islam Varosha
Mr. Md. Irshad Karim	Mr. Shaheen Mahmud
Mr. Md. Ismail Hossain Siraji	Mr. Gazi Golam Murtoza
Mr. Mohammad Nurul Alam	

### 2.5.2 Sponsor director

Al-haj M.A. Khayer	Engr. Md. Atiqur Rahman
Mr. Golam Dastagir Gazi	Mr. Md. Mahmudul Hoque
Mr. M.N.H. Bulu	Mr. Abdus Salam
Mr. Md. Belal Hossain	Mr. Farhad Ahmed Akand



### 2.5.3 Executive committee

Mr. Md. Tajul Islam	Mr. Kanutosh Majumder
Engr. A.K.M. Mosharraf Hussain	Mr. Fazlur Rahman
Al-Haj Nur Mohammed	Mr.Sakhawat, Abu Khair Mohammad
Al-Haj Md. Rezaul Karim Ansari	Mr. Md. Sirajul Islam Varosha
Mr. Md. Irshad Karim	Mr. Shaheen Mahmud
Mr. Md. Ismail Hossain Siraji	Mr. Gazi Golam Murtoza
Mr. Mohammad Nurul Alam	

### 2.6 Management team

<b>Managing Director:</b>	Mr. Mohammed Lakiotullah
<b>Additional Managing Director:</b>	Mr. Md. Motior Rahman
<b>Deputy Managing Director:</b>	Mr. M. A. Salam
	Mr. Md. Alauddin Al- Azad
<b>Senior Executive Vice President:</b>	
Mr. Md. Rafiqul Islam	Mr. M Shamsul Huq.
Mr. AKM Rashiduzzaman	Mr. Md. Shafiqur Rahman
<b>Executive Vice President:</b>	Mr. Md. Yunus Ali
<b>Principal:</b>	Mr. Md. Anwar Hossain

<b>Senior Vice President:</b>	
Mr. Shahedul Alam Khan	Mr. A. K. M. Saifuddin Ahamed
Ms. Nur-E-Jannat Begum	Mr. Mahbubul Huq Choudhry
Mr. Md. Balayet Hossain	Mr. Md. Nazmul Hossain
Mr. Md. Zobaidul Islam	Mr. Manzurul Ahasan Chowdhury



Mr. Mahboob Alam Choudhury	Mr. Muhammad Ali Ashraf
Mr. Md. Habibur Rahman	Mr. Md. Jobaidul Islam
Mr. Md. Abrar Hossain Khan	

<b>Vice President:</b>	
Mr. Fazlul Jalil Jalal	Mr. Mokhlesur Rahman
Mr. Md. Mofazzal Hossain	Mr. Ghulam Mustafa
Mr. Md. Elias Ali Akanda	Mr. Khorshed Ahmed Nayeem

## 2.7 Senior Assistant Vice President

Mr. Amir Uddin Chowdhury	Mr. Khandaker Zia Hassan
Engr. S.M. Anisuzzaman	Mr. Ashim Kumar Biswas
Mr. Md. Kamal Uddin	Mr. Zashim Uddin
Mr. Tahmidur Rahman	Mr. A.K.M. Mostafa Kamal Chow
Muhammad Bazlul Huq	Mr. Md. Fazle Elahi Chowdhury
Mr. Md. Mahbub Alam	Mr. Anwar Hakim
Mr. Md. Monirul Alam Chy.	Mr. Md. Shamsur Rahman Majum
Mr. Md. Mokshed Ali Hawlader	Mr. Md. Harunoor Rashid
Syed Shakir Uddin Mohd. Munir	Mr. Abdul Hamid Chowdhury
Mr. Md. Shahidul Islam	Mr. Md. Abdullah
Mr. Md. Mostafizur Rahman	Mr. Iqbal Akram Khan
Mr. Md. Abdus Sattar	

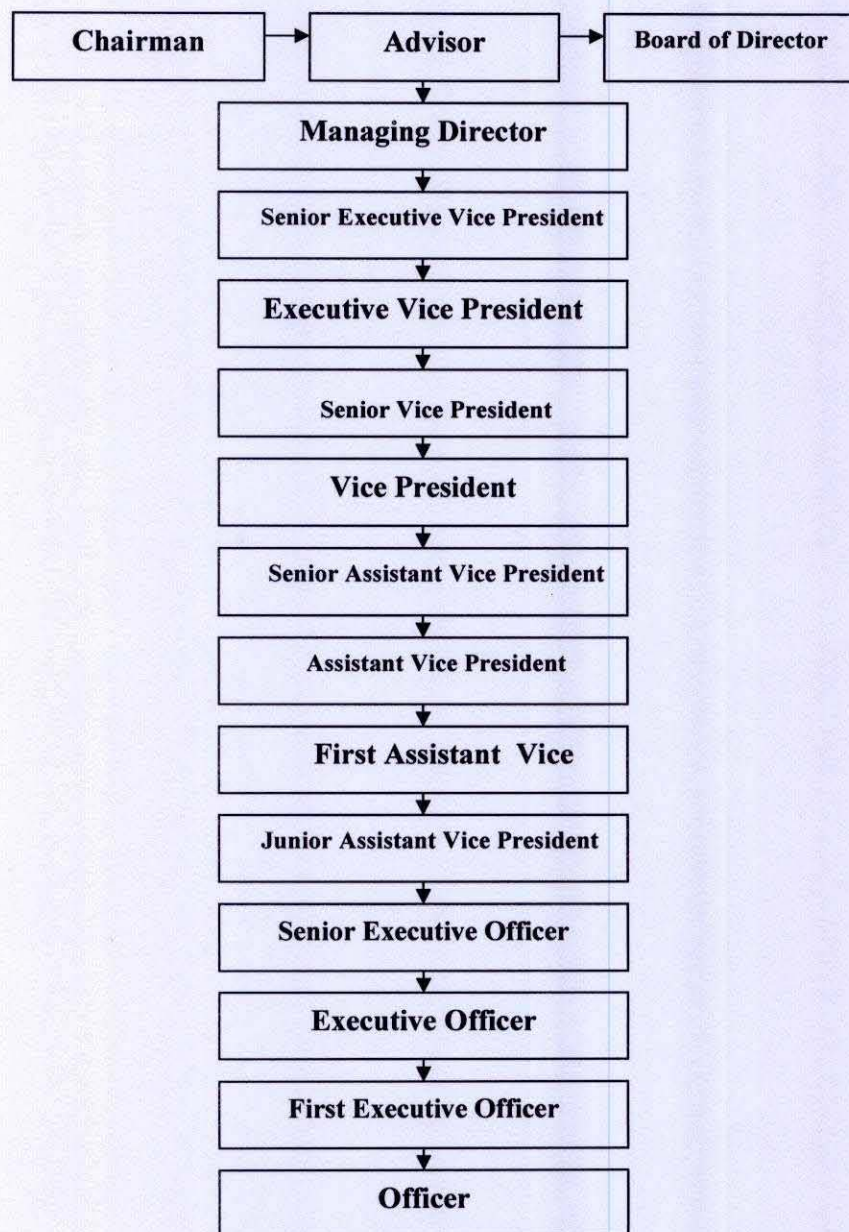


## **2.8 Assistant Vice President**

Mr. Md. Abdur Rahim	Mr. Salah Uddin Ahmed
Mr. A.K.M. Shah Alam	Mr. Md. Nazrul Islam
Mr. Manjurul Hasan	Mr. Md. Mohtasinul Hoque
Most. Shahida Khatun	Mr. Shafir Ahmed Chowdhury
Mr. Md. Harun-or-Rashid	Mr. Chowdhury Reza Shahzaman
Mr. Md. Shah Alam	Mr. Parvez Ahmed Khan
Mr. Md. Shahid Ullah	Mr. Md. Yasin Siddiqui
Mr. Sudatta Sebak Barua	Mr. Masudur Rahman
Mr. Mohammad Azam	Mr. Borhan Uddin Ahmed
Mr. Hafizul Hauqe	Mr. Abu Rushd Md. Zubair
Mr. Md. Mozharul Haque	Mr. Md. Mofazzal Mamun Khan
Mr. Jamil Uddin Akhter	Mr. S.M. Ashfuddullah
Mr. Md. Mahfuzul Karim	Mr. Mominul Abedin
Mr. Mohammed Shaharior Islam	Mr. Md. Faruquzzaman



## 2.9 Hierarchy of position in Jamuna Bank Limited:





## **2.10 Corporate Mission & Vision**

### **2.10.1 Vision of Jamuna Bank Limited**

- To become a leading banking institution.
- To play a pivotal role in the development of the country.

### **2.10.2 Mission of Jamuna Bank Limited**

- To satisfying diverse needs of its customers.
- To array of products at a competitive price.
- To using appropriate technology and providing timely service.
- Contribution to the development of the country.
- Ensured with a motivated and professional work-force.

### **2.10.3 Corporate Slogan**

Your partner for growth.

### **2.10.4 Corporate Culture**

Employees of JBL share certain common values, which helps to create a JBL Culture

- The Clint comes first.
- Search for professional excellence.
- Openness to new ideas & new methods to encourage creativity.
- Quick decision- making.
- A sense of professional ethics.



## **2.11 Corporate Strategies & Objectives**

### **2.11.1 Strategies for Jamuna Bank Ltd.**

- To manage and operate the Bank in the most efficient manner to enhance financial performance and to control cost of fund
- To strive for customer satisfaction through quality control and delivery of timely services
- To identify customers' credit and other banking needs and monitor their perception towards our performance in meeting those requirements.
- To review and update policies, procedures and practices to enhance the ability to extend better service to customers.
- To train and develop all employees and provide them adequate resources so that customer needs can be reasonably addressed.
- To promote organizational effectiveness by openly communicating company plans, policies, practices and procedures to employees in a timely fashion
- To cultivate a working environment that fosters positive motivation for improved performance
- To diversify portfolio both in the retail and wholesale market
- To increase direct contact with customers in order to cultivate a closer relationship between the bank and its customers.

### **2.11.2 Objective for Jamuna Bank Ltd.**

- To earn and maintain CAMEL Rating 'Strong'
- To establish relationship banking and improve service quality through development of Strategic Marketing Plans.
- To remain Jamuna of the best banks in Bangladesh in terms of profitability and assets quality.
- To remain Jamuna of the best banks in Bangladesh in terms of profitability and assets quality.
- To introduce fully automated systems through integration of information technology.



- To ensure an adequate rate of return on investment.
- To keep risk position at an acceptable range (including any off balance sheet risk).
- To maintain adequate liquidity to meet maturing obligations and commitments.
- To maintain a healthy growth of business with desired image.
- To maintain adequate control systems and transparency in procedures.
- To develop and retain a quality work-force through an effective human Resources Management System.
- To ensure optimum utilization of all available resources.
- To pursue an effective system of management by ensuring compliance to ethical norms, transparency and accountability at all levels.

### 2.11.3 Corporate Social Responsibilities of Jamuna Bank Limited

All corporate houses are a part of the society. So they have responsibility to the society. Jamuna Bank perceived its social corporate responsibility. So it always exercises its responsibility to the society.

- **Al Haj Nur Mohammed**, Chairman of the Board of Directors of Jamuna Bank Limited handed over a Pay order of Tk. 50.00 lacs to the Chief Advisor **Dr. Fakhruddin Ahamed** recently as donation to CA's Relief Fund on behalf of the Jamuna Bank Limited for helping the flood affected people.
- **Al Haj Nur Mohammed**, Chairman of the Board of Directors of **Jamuna Bank Limited** distributed relief to the flood affected people of Hasail union of Tongibari upzilla under Munshiganj District.
- Relief material was distributed by **Jamuna Bank Limited** among the flood affected people of Kurigram sadar upzilla under Kurigram District.
- **Al Haj Nur Mohammed**, Chairman Board of Directors presenting crest to the children of the JBL Executives/Officers scored GPA-5 in SSC examination - 2007.
- **Al Haj Nur Mohammed**, Chairman Board of Directors presenting scholarship to the poorest children of the country scored GPA-5 in SSC examination - 2007.



- **Al Haj Nur Mohammed**, Chairman Board of Directors inaugurating the blood donation program at Rajshahi.
- **Al Haj Nur Mohammed**, Chairman Board of Directors inaugurating the blood donation program at National Press Club, Dhaka.
- JBL contributed TK.0.50million to **Atish Dipankar University**, one of the leading universities of the country.
- In winter JBL **distributed 27,000 new blankets** amounting to TK. 4.32 million among the distressed peoples.
- JBL established **Jamuna Bank Foundation**.
- Helped the famous singer **Sabina Yasmin** by contributing TK.2.5 million for treatment.
- **SIDR hit people** from the funds raised by donating a part of oer employe salary.

## 2.12 Credit Ratings

As per Bangladesh Banks mandatory requirement vide BRPD circular No. 06 dated July 05, 2006 Credit Rating of Jamuna Bank Limited was done by the and Credit Rating information Service (CRISL) on the audited Balance Sheet as on 31.12.2007 CRISL has submitted their report as under:

### Credit Rating Report (Entity Rating)

	Long Term	Short Term
Current Rating 2007	BBB+	ST-3
Previous Rating 2006	A-	ST-3
Outlook	Stable	
Date of Rating	30 June, 2008	

Credit rating information and Service Limited (CRISL) downgrades the rating of Jamuna Bank Limited to BBB+ and reaffirms short term rating to ST-3. The above rating has been done in consideration of Banks visible improvement in fundamentals such as capital adequacy, liquidity position, profitability, introduction of real time



online banking etc. However, the above rating is moderated, to some extent, by limited market share, increase in NPL, high cost of fund, moderate corporate governance, dependency on term deposit etc.

Financial institutions rated in this category are adjudged to offer adequate safety to timely repayment of financial obligation. This level of rating indicates a corporate entity with an adequate credit profile. Risk factors are more variable and greater in period of economic stress than those rated in the higher categories. The short term rating indicates good certain of timely payment. Liquidity factors and company fundamentals are sound. Although ongoing funding needs may enlarge total financing requirements, access to capital markets is good. Risk factors are small.

## 2.13 Financial Situation

### JAMUNA BANK LIMITED

Konabari Branch

Statement of Provisional Income & Expenditure upto 31/12/2008

#### Income

Head of Account	Balance up to 30/11/2008	During Current Month	Cumulative Total
1. Interest on Loan, Advance & other.	8031530.00	943002.00	8974532.00
2. Interest on Other bank deposit.	1594.00	0.00	1594.00
3. Commission.	635229.63	65846.00	701075.63
4. Other Receipts.	1174967.29	824397.65	1999364.94
5. Interest on Jamuna General Account.	21791571.00	2199611.00	23991182.00
<b>TOTAL INCOME</b>	<b>31634891.92</b>	<b>4032856.65</b>	<b>35667748.57</b>



**Expenditure**

<b>Head of Account</b>	<b>Balance up to 30/11/2008</b>	<b>During Current Month</b>	<b>Cumulative Total</b>
1. Interest paid (Deposit)	17964804.00	1736253.00	19701057.00
2. Charges of bank.	3440.00	380.00	3820.00
3. Salary.	2083684.00	187130.00	2270814.00
4. Allowances.	1353739.00	106040.00	1459779.00
5. Provident fund& ESS Fund	134442.00	12513.00	146955.00
6. Bonus.	448280.00	195000.00	643280.00
7. Security Service & Off. Cleaning	367110.00	32783.00	399893.00
8. Rent rate & Tax's.	231000.00	21000.00	252000.00
9. Insurance.	102952.00	8660.00	111612.00
10. Power & Electricity.	209378.00	18561.00	227939.00
11. Postages and commission charge	274442.50	60115.00	334557.00
12. Telephone (Office)	75840.00	2962.00	78802.00
13. Repairs & Maintenance.	53809.00	900.00	54709.00
14. Stationary Expanses.	58401.00	36873.00	95274.00
15. Computer Stationary.	54020.00	4700.00	58720.00
16. Entertainment.	74255.00	10368.00	84623.00
17. Car expense.	135428.00	28595.00	165823.00
18. Newspaper.	3700.00	400.00	4100.00
19. Traveling expense.	109700.00	30200.00	139900.00
20. conveyance	77327.00	6085.00	83412.00
21. Training & internship expense	1300.00	0.00	1300.00
22. Liveries & uniform	12260.00	0.00	12260.00
23. Miscellaneous	740049.00	67096.00	807145.00
24. Depreciation.	402709.00	40276.00	442985.00
<b>TOTAL EXPENCE</b>	<b>24972069.50</b>	<b>2607890.00</b>	<b>27579959.50</b>

Total Income	35667748.57
Total Expenses	27579959.50
Operating Profit	8087789.50
Operating Profit Current Month	1424966.65
Operating Profit Up to Previous Month	6662822.42



**Balance Sheet**

As on: 31<sup>st</sup> December 2008

<b>Liability</b>	<b>Amount</b>	<b>Assets</b>	<b>Amount</b>
<b>DEPOSIT:</b>		<b>CASH AND BANK:</b>	
Current Deposit	31886981.71	Cash in Hand	7954375.46
Saving Bank Deposit	70361726.86	Sonali Bank	671166.22
Short Term Deposit	81132486	Other Banks	5079444.80
Fixed Deposit	97613047.00	Stock of Price Bond	19300.00
Sundry Deposit	5613804.14	<b>INVESTMENT:</b>	
Other Deposit Scheme	12963103.00	(LONE & ADVANCE)	
Special Saving/Deposit S.	36678802.00	Loans (General)	3015653.00
		Lease Finance	6702626.00
<b>BILLS PAYABLE:</b>		P A D	1240293.00
P O Issued	272577.67	Cash Credit	37408886.00
		Overdraft	9793266.38
<b>OTHER LIABILITY:</b>	150431.48	SME Lone	1213011.00
Adjusting A/C Credit	3196982.44	Car Loan/Investment	2696990.00
Interest Payable A/C		Consumer Credit Scheme	732496.00
		Local Doc Bills Purchase	10855758.00
<b>CONTRA:</b>	2972000.00	<b>FIXED ASSETS:</b>	
LDBC(Liability)	750000.00	Furniture & Fixture	1646974.50
Bankers Liability		Equipments & Machineries	1741276.00
		<b>OTHER ASSETS:</b>	
<b>PROFIT &amp; LOSS A/C:</b>		Stationary Account	65601.00
Profit & Loss A/C	8087789.07	Stamp in Hand	1000.00
		Sundry Assets	81441.00
		<b>CONTRA:</b>	
		LDBC(Assets)	2972000.00
		Customers Liability	750000.00
		<b>ADVANCE DEPOSIT:</b>	
		Advance Deposit	6000.00
		<b>JAMUNA GENERAL:</b>	
		Jamuna General Acc.	257031563.93
<b>TOTAL LIABILITY</b>	<b>351679131.37</b>	<b>TOTAL ASSETS</b>	<b>351679131.37</b>



### **3. PRODUCTS & SERVICES**



### **3.0 Products & Services**

Products of Jamuna Bank Ltd. can be divided into two parts. They are asset product and liability product. Generally liability product means deposits of many kinds that are payable to parties. On the other hand, asset products are the products which clients are liable to pay to bank. Different types of undertaking by the bank to the clients or on behalf of the clients are also a type of liability to bank. On the other hand a different type of promises makes by the clients to bank is considered as bank's asset.

#### **3.1 Liability Product**

##### **3.1.1 Saving Account**

Bank considers it as Low Cost liability product. The cost of capital is only six percent. But the rate is comparative higher than some other banks. To open a savings account a person/persons must be adult and mentally sound. Organizations and institutions can also open savings account. For that one or more authorized person from that organization will handle the account. Person(s) will be selected by that respective organization/institution.

##### **3.1.2 CD Account**

CD stands for current deposit. It is cost free. No interest is given by the bank. As it has no cost and more over bank charges on different services, the target of the bank is to increase the number of current account clients. It can be only opened by the name of any organization and not in any personal name. Current account is most suitable for private, individuals, traders, merchants, importers and exporter's mill and factory owner's etc. One can enjoy maximum flexibilities and convenience he or she opens a current account with JBL. These accounts consider some advantages.

- Any number of transaction a day
- Free check book
- Online banking service
- Monthly and yearly statement sent for customer awareness.



### **3.1.3 STD Account**

STD stands for Short Term Deposit. Bank considers it as low cost product. Its cost of capital is only six percent. But for five crores and above it is 8.5 %. Person(s), any kind of organization can open this account. Generally organization like club maintained this type of account. This account opened by companies, firms, government and administration persons such as the NTO, WDP etc. Deposit should be kept for at least 7 days to get the interest. The account holder must give notice 7 days before the withdrawal that is why STD is called "Seven-day-notice".

### **3.1.4 Special Savings Scheme**

#### **3.1.4.1 Monthly Savings Scheme (MSS)**

Savings is the best friend in your bad days. Small savings can build up a prosperous future. Savings can meet up any emergencies. JBL has introduced Monthly Savings Scheme (MSS) that allows you to save on a monthly basis and get a handsome return upon maturity. If you want to build up a significant savings to carry out your cherished dream, JBL MSS is the right solution.

#### **3.1.4.2 Marriage Deposit Scheme**

Marriage of children, specially 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 capacity to meet the matrimonial expense of their children specially daughters. Parents get relief and can have peace of mind if they can arrange the necessary fund for marriage of their children, no matter whether they survive or not till the marriage occasion. With this end in view JBL has introduced Marriage Deposit Scheme, which offers you an opportunity to build up your cherished fund by monthly deposit of small amount at your affordable capacity.



### **3.1.4.3 Lakhpati Deposit Scheme**

To become a lakhpati is a dream to most of the people of Bangladesh specially to the lower and lower middle class income group. We experience our expectations and wants are enormous in nature in our small span of life. To meet our deposit and wants we need right plan. Keeping the above in mind JBL has introduced “Lakhpati Scheme” which has flexibility in report of maturity and monthly installment as per affordable capacity.

### **3.1.4.4 Millionaire Deposit Scheme**

It is a dream for many small savers to become a Millionaire. The word ‘**Millionaire**’ is really exciting. This dream can be a reality if you have a calculated plan and strong determination. JBL has introduced ‘**Millionaire Deposit Scheme**’ which has flexibility in respect of period and monthly deposit as per your affordable capacity for giving a sum of Tk.1.00 (Jamuna) million i.e. Tk.10 (ten) lac at a time.

### **3.1.4.5 Kotipati Deposit Scheme**

To become ‘Kotipati’ is simply a dream for the most of the populace of Bangladesh. It is realizable for high income group who have strong determination and savings habit. If you decide and plan to save money from your regular income, you can own Tk1.00 crore easily by making a planned savings. In this regard, JBL has introduced “**Kotipati Deposit Scheme**” offering the savings plan fit to your income and to execute your dream to be a **Kotipati** by monthly deposit at your affordable capacity. You can take advantage of the “**Kotipati Deposit Scheme**” from JBL and plan for your golden future accordingly.

### **3.1.4.6 Education Savings Scheme**

Education is a basic need of every citizen. Every parent wants to impart proper education to their children. Education is the pre-requisite for socio-economic development of the country. As such, there should be pre-arrangement of fund to



ensure higher education of the children. Today's higher education is becoming expensive day by day. Parents can get relief and can have peace of mind if they can arrange the necessary fund for higher education of their children.

As such, JBL has introduced 'Education Savings Scheme' which offers you an opportunity to build up your cherished fund by monthly deposit of small amount at your affordable capacity or initial lump sum deposit to yield handsome amount on a future date to meet the educational expenses. Under this Scheme you have the different attractive options to avail the future benefit i.e. withdrawal of the total amount accumulated in lump sum or withdrawing monthly benefit to meet educational expense keeping the principal amount intact or to withdraw both principal and accumulated profit monthly for a certain period.

#### **3.1.4.7 Monthly Benefit Scheme**

Jamuna Bank Limited has introduced Monthly Benefit Scheme (MBS) for the prudent persons having ready cash and desiring to have fixed income on monthly basis out of it without taking risk of loss and without encashing the principal amount. This scheme offers highest return with zero risk. You can plan your monthly expenditure with the certain monthly income under the scheme.

#### **3.1.4.8 Double/Triple Growth Deposit Scheme**

For people who have cash flow at this moment and want to get it doubled/tripled quickly JBL has introduced Double/Triple Growth Deposit Scheme that offers you to make double/triple your money within 6(six) years and 9.5 (nine and a half) years respectively resulting a high rate of interest.

#### **3.1.5 FDR**

FDR stands for Fixed Deposit Reserve. It can be opened by any person(s)/organization. Here a fixed amount of money is deposited for a fixed time and at affixed rate. From the client's point of view it is highly profitable but from the banks



point view it is a High cost liability product. The interest rate is high. It is a deposit scheme where a receipt is used for the full amount which is payable after a specified period of time against deposit of certain amount. Depositors enjoy different types of FDR interest. This bank's FDR interest rates are given below:

Term/FDR	Rate of interest
1 Month	10%
3 Month	12%
6 Month	12%
12 Month	12.25%

### **3.1.6 Q-Cash ATM**

Jamuna Bank Q-Cash ATM Card enables you to withdraw cash and do a variety of banking transactions 24 hours a day. Q-Cash ATMs are conveniently located covering major shopping centers, business and residential areas in Dhaka and Chittagong. ATMs in Sylhet, Khulna and other cities will soon start be introduced. The network will expand to cover the whole country within a short span of time.

## **3.2. Asset Products**

### **3.2.1 Funded**

Funded means those type products in which bank directly fund. This type of product is provided against mortgage, guarantee previous performances. For example: Overdraft, Term Loan, Time Loan, Consumer credit, Car Loan, Professional Loan and Small Business Loan. These will be described on credit part later on.

### **3.2.2 Non Funded**

Non funded means when the bank provides this type of service bank need not provide immediate fund. It is a high income source for the bank. But the bank has to provide high care when provide such type of services to the clients. These types of products are LC, Bank Guarantee. Discussion on LC is later on Foreign Exchange part.





আপনার উন্নয়ন অংশীদার

আধুনিক ও উত্তম ব্যাংকিং সেবা যমুনা ব্যাংকের লক্ষ্য। যমুনা ব্যাংক গ্রাহকদের সর্বোচ্চ সন্তুষ্টির লক্ষ্যে গ্রাহকানুকূল ও উচ্চহারে লাভজনক নিম্নবর্ণিত আকর্ষণীয় সঞ্চয় প্রকল্প সমূহ চালু করেছে। দেবুন, কত দ্রুত আপনার জমাকৃত টাকা বেড়ে আপনার ভবিষ্যৎ আর্থিক নিরাপত্তা বিধান এবং আপনার আর্থিক স্বপ্ন পূরণে সহায়ক হয়।

এ অফার সীমিত সময়ের জন্য

বিত্তরিত জ্ঞানার জন্য যমুনা ব্যাংকের যে কোন শাখায় যোগাযোগ করুন। শাখা সমূহের তালিকা সংযুক্ত করা হলো।

লাখপতি ডিপোজিট স্কিম (Lakhpati Deposit Scheme) :

সুবিধাজনক মাসিক জমার মাধ্যমে লক্ষ টাকার মালিক হওয়া।

মেয়াদ	মাসিক জমার পরিমাণ	মেয়াদান্তে প্রদেয় টাকার পরিমাণ
৩-বছর	টাক ২৩৯৫/-	টাক ১,০০ লক্ষ
৪-বছর	টাক ১৬৯৫/-	টাক ১,০০ লক্ষ
৫-বছর	টাক ১২৭৫/-	টাক ১,০০ লক্ষ
৬-বছর	টাক ৯৯৫/-	টাক ১,০০ লক্ষ
৭-বছর	টাক ৮০০/-	টাক ১,০০ লক্ষ
১০-বছর	টাক ৪৬০/-	টাক ১,০০ লক্ষ

কোটপতি ডিপোজিট স্কিম (Kotipati Deposit Scheme) :

সুবিধাজনক মাসিক জমার মাধ্যমে কোটি টাকার মালিক হওয়া।

জমার মেয়াদ	মাসিক জমা	মেয়াদান্তে প্রদেয় টাকার পরিমাণ
৩-বছর	টাক ২৩৯,৫০০/-	টাক ১,০০ কোটি
৪-বছর	টাক ১৬৯,৫০০/-	টাক ১,০০ কোটি
৫-বছর	টাক ১২৭,৫০০/-	টাক ১,০০ কোটি
৬-বছর	টাক ৯৯,৫০০/-	টাক ১,০০ কোটি
৭-বছর	টাক ৮০,০০০/-	টাক ১,০০ কোটি
১০-বছর	টাক ৪৬,০০০/-	টাক ১,০০ কোটি
১২-বছর	টাক ৩৩,৮৫০/-	টাক ১,০০ কোটি
১৫-বছর	টাক ২১,৮৫০/-	টাক ১,০০ কোটি
১৮-বছর	টাক ১৪,৩০০/-	টাক ১,০০ কোটি
২০-বছর	টাক ১১,১০০/-	টাক ১,০০ কোটি

মাসিক মুনাফা প্রকল্প (Monthly Benefit Scheme) :

এক কালীন টাকা জমা দিয়ে মাসিক মুনাফাপ্রাপ্তি

মেয়াদকাল	*এককালীন জমা টাকার পরিমাণ	আমানতের উপর প্রদেয় মাসিক মুনাফার পরিমাণ
৫-বছর	টাক ১,০০ লক্ষ	টাক ১০২০/-
৩-বছর	টাক ১,০০ লক্ষ	টাক ১০০০/-
১-বছর	টাক ১,০০ লক্ষ	টাক ৮৭৫/-
৬-মাস	টাক ১,০০ লক্ষ	টাক ৮৫০/-

\* এক লক্ষ টাকার তুলনিক যে কোন অংকের টাকা জমা দেয়া যায়।

শিক্ষা সঞ্চয় প্রকল্প (Education Savings Scheme) :

প্রথম পছন্দ (1st Option) :

মেয়াদকাল	মাসিক জমা টাকার পরিমাণ	মুনাফাসহ মূল টাকা উত্তোলনের অপশন
৪-বছর	টাক ১০০০/-	টাক ৫৮,৪২০/-
	টাক ১৫০০/-	টাক ৮৭,৬০০/-
	টাক ২০০০/-	টাক ১,১৬,৮৪০/-
	টাক ২৫০০/-	টাক ১,৪৬,০৮০/-
৬-বছর	টাক ১০০০/-	টাক ৯৭,৬৪০/-
	টাক ১৫০০/-	টাক ১,৪৬,৪৬০/-
	টাক ২০০০/-	টাক ১,৯৫,২৮০/-
	টাক ২৫০০/-	টাক ২,৪৪,১০০/-
৮-বছর	টাক ৫০০০/-	টাক ৭২,৯৩০/-
	টাক ১০০০/-	টাক ১,৪৫,৮৬০/-
	টাক ১৫০০/-	টাক ২,১৮,৭৯০/-
	টাক ২০০০/-	টাক ২,৯১,৭২০/-
১২-বছর	টাক ৫০০০/-	টাক ৩,৬৪,৬৫০/-
	টাক ১০০০/-	টাক ২,৩৮,২২০/-
	টাক ১৫০০/-	টাক ২,৭৬,৪৪০/-
	টাক ২০০০/-	টাক ৩,১৪,৬৬০/-

দ্বিতীয় পছন্দ (2nd Option) :

প্রাথমিক এককালীন জমা টাকার পরিমাণ	মেয়াদকাল	মুনাফাসহ মূল টাকা উত্তোলনের অপশন
টাক ১,০০ লক্ষ	৩-বছর	টাক ১,৬৬,৯২৫/-
	৫-বছর	টাক ১,৬৬,৬১৫/-
	৭-বছর	টাক ২,০৭,৬১৫/-
	১০-বছর	টাক ২,৬৯,৮৪০/-
টাক ২,০০ লক্ষ	৩-বছর	টাক ২,০৩,২৩০/-
	৫-বছর	টাক ২,০৩,২৩০/-
	৭-বছর	টাক ২,৪৯,৭৭৫/-
	১০-বছর	টাক ২,৪৯,৭৭৫/-
টাক ৩,০০ লক্ষ	৩-বছর	টাক ২,৪৯,৭৭৫/-
	৫-বছর	টাক ২,৪৯,৭৭৫/-
	৭-বছর	টাক ২,৪৯,৭৭৫/-
	১০-বছর	টাক ২,৪৯,৭৭৫/-
টাক ৫,০০ লক্ষ	৩-বছর	টাক ৩,৭৪,৬২৫/-
	৫-বছর	টাক ৩,৭৪,৬২৫/-
	৭-বছর	টাক ৩,৭৪,৬২৫/-
	১০-বছর	টাক ৩,৭৪,৬২৫/-

মিলোনিয়ার ডিপোজিট স্কিম (Millionaire Deposit Scheme) :

সুবিধাজনক মাসিক জমার মাধ্যমে দশ লক্ষ টাকার মালিক হওয়া।

জমার মেয়াদ	মাসিক জমা	মেয়াদান্তে প্রদেয় টাকার পরিমাণ
৩-বছর	টাক ২৩৯৫০/-	টাক ১০,০০ লক্ষ
৪-বছর	টাক ১৬৯৫০/-	টাক ১০,০০ লক্ষ
৫-বছর	টাক ১২৭৫০/-	টাক ১০,০০ লক্ষ
৬-বছর	টাক ৯৯৫০/-	টাক ১০,০০ লক্ষ
৭-বছর	টাক ৮০০০/-	টাক ১০,০০ লক্ষ
১০-বছর	টাক ৪৬০০/-	টাক ১০,০০ লক্ষ
১২-বছর	টাক ৩৩৮৫/-	টাক ১০,০০ লক্ষ
১৫-বছর	টাক ২১৭০/-	টাক ১০,০০ লক্ষ

বিবাহ সঞ্চয় স্কিম (Marriage Deposit Scheme)

সুবিধাজনক মাসিক জমার মাধ্যমে সন্তানের বিবাহের খরচের জন্য তহবিল গঠন।

জমার মেয়াদ	মাসিক জমা	মেয়াদান্তে প্রদেয় টাকার পরিমাণ
৫-৫ বছর	টাক ১০০০/-	টাক ৮৬,৮৭৫/-
	টাক ১৫০০/-	টাক ১,৩২,০১৫/-
	টাক ২০০০/-	টাক ১,৭৩,৭৫০/-
	টাক ২৫০০/-	টাক ২,১৭,১৯০/-
৭-৭ বছর	টাক ১০০০/-	টাক ১,৩২,৪৩০/-
	টাক ১৫০০/-	টাক ১,৯৮,৬৪৫/-
	টাক ২০০০/-	টাক ২,৬৪,৮৬০/-
	টাক ২৫০০/-	টাক ৩,৩১,০৭৫/-
১০-১০ বছর	টাক ১০০০/-	টাক ২,৩০,৭৬০/-
	টাক ১৫০০/-	টাক ৩,৩১,১৪০/-
	টাক ২০০০/-	টাক ৪,৩১,৫২০/-
	টাক ২৫০০/-	টাক ৫,৩১,৯০০/-
১২-বছর	টাক ১০০০/-	টাক ২,৭৬,৪৪০/-
	টাক ১৫০০/-	টাক ৩,৭৬,৮২০/-
	টাক ২০০০/-	টাক ৪,৭৭,২০০/-
	টাক ২৫০০/-	টাক ৫,৭৭,৫৮০/-
১৫-বছর	টাক ১০০০/-	টাক ২,৪৯,১১৫/-
	টাক ১৫০০/-	টাক ৩,৭৬,১৭৫/-
	টাক ২০০০/-	টাক ৪,৯৮,২৩০/-
	টাক ২৫০০/-	টাক ৬,২০,২৯০/-
১৮-বছর	টাক ১০০০/-	টাক ১,০০,৬০,০০০/-
	টাক ১৫০০/-	টাক ১,০০,৬০,০০০/-
	টাক ২০০০/-	টাক ১,০০,৬০,০০০/-
	টাক ২৫০০/-	টাক ১,০০,৬০,০০০/-

দ্বিগুন / ত্রিগুন বৃদ্ধি আমানত স্কিম

(Double / Tripple Growth Deposit Scheme) :

* এককালীন জমা টাকার পরিমাণ	মেয়াদকাল	মেয়াদান্তে প্রদেয় টাকার পরিমাণ
টাক ১,০০ লক্ষ	৩-বছর	টাক ২,০০ লক্ষ (দ্বিগুন)
টাক ১,০০ লক্ষ	৯-৯ বছর	টাক ৩,০০ লক্ষ (ত্রিগুন)

\* এক লক্ষ টাকার তুলনিক যে কোন অংকের টাকা জমা দেয়া যায়।

মাসিক সঞ্চয় প্রকল্প (Monthly Savings Scheme) :

মেয়াদকাল	মাসিক জমা টাকার পরিমাণ	মেয়াদান্তে প্রদেয় টাকার পরিমাণ
৩-বছর	টাক ৫০০/-	টাক ২১,১৩০/-
	টাক ১০০০/-	টাক ৪২,২৬০/-
	টাক ১৫০০/-	টাক ৬৩,৩৯০/-
	টাক ২০০০/-	টাক ৮৪,৫২০/-
৫-বছর	টাক ৫০০/-	টাক ১,২৬,৭৮০/-
	টাক ১০০০/-	টাক ২,৫৩,৫৬০/-
	টাক ১৫০০/-	টাক ৩,৮০,৩৪০/-
	টাক ২০০০/-	টাক ৫,০৭,১২০/-
১০-বছর	টাক ৫০০/-	টাক ১,২৬,৭৮০/-
	টাক ১০০০/-	টাক ২,৫৩,৫৬০/-
	টাক ১৫০০/-	টাক ৩,৮০,৩৪০/-
	টাক ২০০০/-	টাক ৫,০৭,১২০/-

Note : Duties and taxes are payable by the customer as per government rules in all cases.

\* যমুনা ব্যাংকের ইসলামী ব্যাংকিং শাখা সমূহের মাধ্যমে ইসলামী শরীয়ার ভিত্তিতে এই স্কিমসমূহের আওতায় হিসাব গোলা যাবে। অনলাইন ব্যাংকিং ব্যবস্থার মাধ্যমে যমুনা ব্যাংকের যে কোন শাখায় টাকা জমা দেওয়ার সুব্যবস্থা আছে।



**4. COUNTRYWIDE OPERATIONS  
OF  
JAMUNA BANK LIMITED**



#### **4.1 All Branches of Jamuna Bank Limited**

- |   |  |
|---|--|
| 01. <b>Mohakhali Branch, Dhaka</b><br>Ismail Mansion<br>32 Mohakhali C/A, Dhaka                                   | 02. <b>Sonargaon Road Branch, Dhaka</b><br>National Plaza (1st Floor)<br>109, Bir Uttam C.R. Datta Road          |
| 03. <b>Moulvibazar Branch, Dhaka</b><br>Mustaquim Mansion<br>77/3, Moulvibazar, Dhaka.                            | 04. <b>Goala Bazar Branch, Sylhet</b><br>New Plaza, Goala Bazar<br>Osmani Nagar, Balaganj, Sylhet                |
| 05. <b>Agrabad Branch, Chittagong</b><br>Jahan Building No. 4<br>76-77, Agrabad C/A, Chittagong                   | 06. <b>Dilkusha Branch, Dhaka</b><br>33, Dilkusha Commercial Area<br>Dhaka-1000                                  |
| 07. <b>Beani Bazar Branch, Sylhet</b><br>Fatehpur, Union 6 Beani Bazar<br>Beani Bazar, Sylhet                     | 08. <b>Sylhet Branch, Sylhet</b><br>Sahir Plaza, 7647, Zinda Bazar<br>Kotoali, Sylhet Tel: 725239                |
| 09. <b>Shantinagar Branch, Dhaka</b><br>41/B, Chamelibag Shantinagar,<br>Dhaka                                    | 10. <b>Gulshan Branch, Dhaka</b><br>Land View Commercial Centre<br>28, Gulshan North C/A (2 <sup>nd</sup> Floor) |
| 11. <b>Dhanmondi Branch, Dhaka</b><br>House -17 & 17/A (1 <sup>st</sup> Floor)<br>Road - 6, Dhanmondi R/A, Dhaka, | 12. <b>Nayabazar Branch, Dhaka</b><br>10/3 Malitola, North South Road<br>Bangshal, Dhaka-1100                    |
| 13. <b>Mohadebpur Branch, Naogaon</b><br>Mohadevpur,<br>Naogaon   | 14. <b>Naogaon Branch, Naogaon</b><br>247, Sadar Road,<br>Naogaon  |



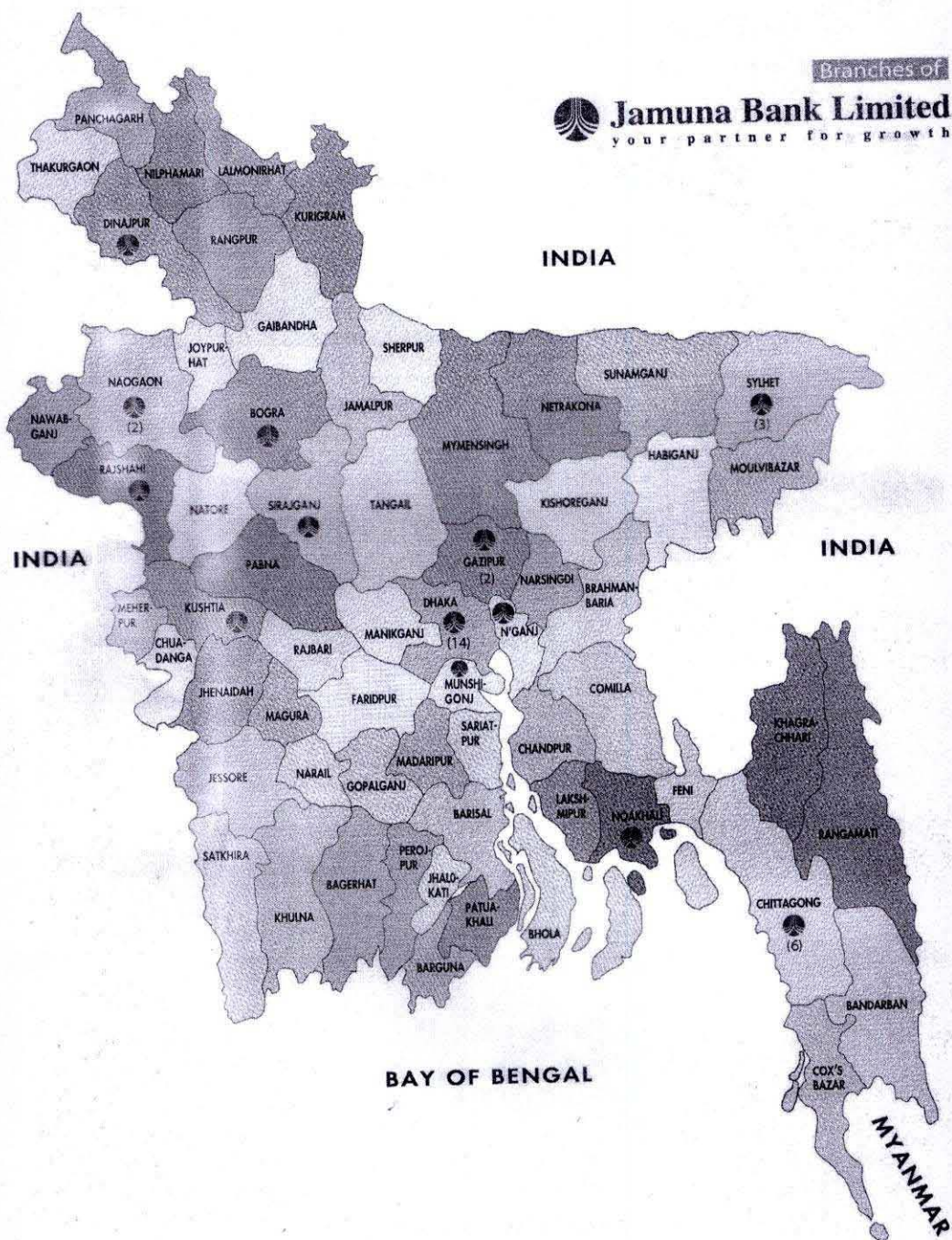
- |   |  |
|---|--|
| <p>15. <b>Khatunganh Branch, Chittagong</b><br/>1575, Pathorghata,<br/>Chittagong,</p>  | <p>16. <b>Konabari Branch, Gazipur</b><br/>Plot # A-140&amp;141(partial)<br/>Konabari, Gazipur</p>               |
| <p>17. <b>Bhatiyari Branch, Chittagong</b><br/>Uttarbazar , Newaz Market<br/><br/>Bhatiyari, Shitakundu<br/><br/>Chittagong</p> | <p>18. <b>Foreign Exchange Branch, Dhaka</b><br/>Chini SHilpa Bhaban,<br/><br/>3, Dilkusha C/A, Tel: 9564258</p> |
| <p>19. <b>Jubilee Road Branch, Chittagong</b><br/><br/>Modina Tower, Jubilee Road<br/><br/>Chittagong</p>                       | <p>20. <b>Chistia Market Branch, Dhaka</b><br/>Chistia Market, (Gausia Market)<br/><br/>393/B Elephant Road</p>  |
| <p>21. <b>Bogra Branch, Bogra</b><br/><br/>Kazi Nazrul Islam Sarak<br/><br/>Borogola, Bogra</p>                                 | <p>22. <b>Baligaon Branch, Munshiganj</b><br/><br/>Aziz Plaza, Baligaon Bazar<br/><br/>Tongibari, Munshiganj</p> |
| <p>23. <b>Narayanganj Branch,</b><br/>Narayanganj, Holding# Old:137,<br/><br/>B.B. Road, Chasasra, Narayanganj</p>              | <p>24. <b>Motijheel Branch, Dhaka</b><br/><br/>2,DIT Avenue (Ext.)<br/><br/>Motijheel C/A, Dhaka-1205</p>        |
| <p>25. <b>Rajshahi Branch, Rajshahi</b><br/><br/>88,Shaheb Bazar (Zero Point),<br/><br/>Rampur,Rajshahi.</p>                    | <p>26. <b>Bashurhat Branch, Noakhali</b><br/><br/>Bashurhat, Companygonj,<br/><br/>Noakhali</p>                  |
| <p>27. <b>Dhoalikhali Branch, Dhaka</b><br/>119/B/1(New), Distillary Road,<br/><br/>P.S.-Sutrapur, Dhaka.</p>                   | <p>28. <b>Bahddar Hat Branch, Chittagong</b><br/>1068/69/70 Rahman Centre,<br/><br/>Arakan Road, Chittagong.</p> |



- |  |   |
|--|---|
| <p>29. <b>Shirajganj Branch, Shirajganj</b><br/>973, 974 and 975 ,S.S. Road,<br/>Hossain Plaza, Shirajganj<br/>Municipality, Shirajganj.</p>         | <p>30. <b>Banani Branch</b><br/>Tower Hamlet (2nd Floor)<br/>16, Kemal Ataturk Avenue<br/>Banani Commercial Area</p>  |
| <p>31. <b>Ashulia Branch, Dhaka</b><br/>1159, Nigar Plaza &amp; Hakim Plaza<br/>(Opposite of Fantasy Kingdo)<br/>Jamghara, Ashulia, Savar, Dhaka</p> | <p>32. <b>Mawna Branch, Gazipur</b><br/>172 Mawana Chowrasta<br/>Powrashava,<br/>Sripur, Gazipur.</p>   |
| <p>33. <b>Dinajpur Branch, Dinajpur</b><br/>Holding No. 562/533 &amp; 563/534<br/>Nimtala, Balubari<br/>Kotowali, Dinajpur.</p>                      | <p>34. <b>Kushtia Branch, Kushtia</b><br/>21-22 N. S. Road (1st Floor)<br/>MH Bhaban (Roxy More)<br/>Kushtia Sadar, Kushtia.</p>                                      |
| <p>35. <b>Kadamtali Branch, Chittagong</b><br/>Khaleque Mansion,<br/>1167, D.T. Road<br/>Kadamtali, Chittagong</p>                                   | <p>36. <b>Aganagar Branch, Dhaka</b><br/>Haji Anowar Hossain Complex<br/>(1st &amp; 2nd floor)<br/>Shahid Delwar Hossain Road<br/>East-Aganagar, South Keranigonj</p> |
| <p>37. <b>Uttara Branch, Dhaka</b><br/>Singapur Plaza, 17, Mymensingh<br/>Road, Sector-3, Uttara<br/>Dhaka</p>                                       | <p>38. <b>Comilla Branch, Comilla</b><br/>Trical Tower, 634/581 South<br/>Thakurpara, Kandirpar<br/>Comilla.</p>  |
| <p>39. <b>Azadi Bazar Branch, Chittagong</b><br/>Nazir Market, Azadi Bazar<br/>Fatikchari,<br/>Chittagong.</p>                                       |   |



BANGLADESH





### **4.3 Milestones in the development of JAMUNA Bank Limited**

#### **Hallmarks:**

2001 – Jamuna Bank Limited (JBL) is a Banking Company registered under the Companies Act, 1994 with its Head Office at Chini Shilpa Bhaban, 3, Dilkusha C/A, Dhaka-1000. The Bank started its operation from 3rd June 2001.

2004 – IPO issued and traded in both Dhaka & Chittagong Stock Exchange

2005 – Jamuna Bank has launched its Online Banking services on April 05, 2005

2006 – Jamuna Bank Limited has installed its first Q-cash ATM.

2007 – Approved the new attractive salary structure to compete the top graded banks.

2008 – Jamuna Bank issue VISA card.



## **05. JOB RESPONSIBILITIES**



## **5.1 General Banking**

General banking section of a bank is one of the most important department. Without this section a bank can't be functioned. Without it other section of a bank is disabled. In Jamuna Bank Limited Konabari Branch customer service section, cash and clearing is under general banking department. Their functions are described belows:

### **5.1.1 Customer Service Section**

#### **5.1.1.1 Account Opening**

To open an account at first properly a form provided by the bank has to be fulfilled. Then the following criterion has to be fulfilled.

- a) Introducer is a must precondition to open any type of account. In this bank introducer means a person or organization who is currently maintaining an account with this bank. The transaction of the account must at least three month.
- b) For personal account valid personal identification document is required.
- c) For organization relevant document is required.
- d) For business organization trade license is required.
- f) To open a savings account a person/persons must be adult and mentally sound.
- g) For Organizations and institutions one or more authorized person from that organization will handle the account. Person(s) will be selected by that respective organization/institution.

After fulfill the required procedure if at least two authorized officer satisfied and signed then an account is opened. An account number is given.



#### **5.1.1.2 Cheque Book Issue**

When a new account is opened and customer deposits the minimum required money in the account, the account form is sent for issuing a chequebook. Customer signed a cheque requisition slip. Responsible officer checked/verified the signature & issuing officer issue the cheque. Next the customer is requested to sign in the cheque book issue register. At the end of the day all the requisition slips are sent to the computer section to give entry.

#### **5.1.1.3 Account Close**

For account close at first the client has to submit an application addressing the manager requesting to close the account. After verification and authorization the account will be closed. The client must surrender the cheque book at that time. The stoppage of the operation of the account can be under following circumstances.

- Notice given by the customer himself.
- Death of Customer.
- Customer insanity and insolvency.
- Garnishee order

#### **5.1.1.4 Fund Transfer**

Clients can transfer their funds from one account to another account. Clients, especially of current account and STD account are permitted to do this work. For transfer of fund clients have to submit an authorization letter to the bank addressing manager to do so. Bank applies no charge relating this matter.

#### **5.1.1.5 Stop Payment Instruction**

Stop payment instruction is given by the clients. Bank charge is applicable to implement this instruction.



#### **5.1.1.6 Account Block**

The task of account block is done as per the order of the client or order of the court or order by the central bank.

#### **5.1.1.7 Inactive, Dormant**

If there is no transaction happened in account during past one year then the account is being inactive as per the rules of Bangladesh. This is called dormant account. A report has been sent to the Bangladesh bank relating this matter and after a certain period the central bank takes control over this account.

#### **5.1.1.9 Pay order, Demand Draft issue & Liquidation**

A pay order is an instrument that is issued and paid from the same branch of the bank to pay a certain sum of money to the person there on or to his order. Unlike cheque, there is no possibility of dishonoring pay order because before issuing pay order bank takes out money of the pay order in advance. Pay order is issued in the same city. This instrument is generally used in tender, bids, earnest money etc.

##### **Pay Order Issue:**

Following procedure is maintained for issuing of pay order

- Customer is supplied with PO form.
- After filling the form by the customer, the officer writes down the number of the p.o. on the p.o. form and the officer also includes commission and VAT voucher with the p.o. form, then the customer pays the money in cash or cheque.
- At the end the customer is provided with the two parts of the block after signing on the back of the bank's part.



**Demand Draft Issue:**

The demand draft (DD) is a negotiable instrument under section 85(A) of the negotiable instrument act -1881. DD is issued in favour of the customer who maintains an account with this branch.

A DD application form is given to the customer. Customer fills up the form which includes the name of the drawer, name of the payee, amount of money to be sent, name of the drawee branch, signature and address of the drawer. The customer may pay in cash or may transfer the amount from his/her account. After the money is paid and the form is sealed and signed, it is given to the DD issuing desk. DD block has two parts one for bank and another for the customer. Bank's part contains issuing date with drawer's name and sum of the money and name of the drawee branch. Customer's part contains the name of the payee, issuing date, sum of the money and drawee branch.

After filling up the DD, form is given in the DD issue register and at the same time the bank issue a DD confirmation slip addressing the drawee branch .This confirmation slip is entered into the DD advice issue register and a number is put on the confirmation slip from the same register. Letter on the bank mail this slip to the drawee branch. Then the DD form is sealed with a protectograf machine to protect the form from material alteration. Next the customer signs on the back of the DD and takes his/her part of DD.

**Different between Pay order & Demand Draft:**

There are some differences between pay order & demand draft, which are:

- In case of Demand Draft both the payer and payee need to maintain accounts. But there is no certain rule for pay order.
- PO is used in the same clearing area; DD is used for all kinds. DD cannot be done in the same clearing area.
- DD is drawn on a certain bank office. But there is on certain rules for PO.



#### **5.1.1.10 Tasks with lost instruments**

Dealing with facts like lost of pay order, cancellation of pay order: In case of lost of pay order the bank at first inform all branch through head office wither that has been honored or not. Then bank takes an indemnity from the client that in case of payment or any type of fraudulence bank will take no responsibility.

#### **5.1.1.11 Money Gram money transfer**

Jamuna Bank is a dealer of Money Gram Money Transfer. It pays the money remitted by the non resident Bangladeshis to their relatives. The tasks are done by the satellite link and pay the beneficiary after successfully identification proof.

#### **5.1.1.12 Online Banking**

Any one can take online service. In Dhaka city Income is 0.01% and out side of Dhaka 0.75% of total amount. Vat @ 15% on Income.

#### **5.1.1.12 My Specific Job Responsibilities**

I was appointed here for two weeks. As an intern I had some limitations to work in this section. What ever I did in this section those are given below.

- Assist the clients by providing information for account opening.
- Collecting the documents necessary for account opening.
- Issuing cheque book.
- Maintaining the cheque book registrar.
- Pay order, demand draft issuing.
- Fund Transfer
- Tasks with lost instruments



### **5.1.2 Cash Department**

Bank is a financial organization. Banks deals with money. So cash department is an inseparable part of a bank. The tasks of cash department are very important for a bank. The responsibility is huge to maintain a cash department. Cash department deals with receiving and payment of money.

The officer who dose the task of receiving and payment of cash is known as teller. Money counting machine is available at the Konabari Branch. It makes easier for the teller to provide quick service to the clients.

As in The JAMUNA Bank Limited the online banking system is available so the clients of any branch can deposit money from any branch and receive payment from any branch.

#### **5.1.2.1 Maintenance of specimen signature records**

Records of specimen signature are very much important. In the Jamuna Bank Limited the specimen signature are scanned and in the internal network it makes available. Records of specimen signature are very much important in times of payment of cash for instant checking and verification of signature.

#### **5.1.2.2 Cash receive from clients**

The cash officer receives cash from the clients and credits the accounts of the clients. While receiving cash the cash officer must be careful about. In this case teller has to observer a lot of important things like signature by the depositor, properly fulfillment of the deposit slips, giving cash receive sill etc.



### **5.1.2.3 Payment of cash to the clients**

The cash officer also does the tasks of payment of cash. Cash payment is done against cheque. A cheque is a negotiable instrument. In Jamuna Bank Limited through online system en-cash can be made at any branch. The cash officer must check some important facts like signature verification; accounts balance check, amount in ward, amount in taka, date of the cheque etc. After checking all facts mentioned above the cash officer will debit the client's account. Then he/she must give posting on the online & need authorization by the cash officer.

### **5.1.2.4 Maintenance of IBCA, IBDA**

As the Jamuna Bank Limited is an online Banking system clients of any branch can deposit money at any branch and take payment from any branch. So if a client of any branch other than Konabari Branch deposits money or takes payment against cheque, Konabari Branch has to debit or credit of the client's account. It is happened on the online. Then Konabari Branch has to inform this information to related branch. This task is done with IBCA and IBDA. IBCA means inter branch credit advice & IBDA means inter branch debit advice.

### **5.1.2.5 Vault limit maintain**

There is a limit how much cash can be reserved in a vault of a branch. It is decided by the Head Office under Bangladesh Bank guidance. In the Konabari Branch of the Jamuna Bank the vault limit is eight million.

### **5.1.2.6 Excess Cash transfer**

If cash is excesses the vault limit of eight million taka in vault, extra cash must be send to another branch or in main Dilkushah Branch.



#### **5.1.2.7 Shortage cash bring from other branch**

If there is shortage is vault of cash then cash have to be brought from the feeder branch or from the main Dilkushah Branch

#### **5.1.2.8 Insurance maintains:**

Cash must be insured. So all types of insurance cover taken. Cash in vault, cash in transit and cash in teller is under insurance coverage in the Jamuna Bank Limited.

#### **5.1.2.9 Teller Register maintains**

The tellers have to maintain a book called teller register. Here the tellers maintain the records of how much cash has been paid and received in every working day.

#### **5.1.2.10 Cash reserve sheet maintain**

This sheet is maintained by the cash in charge. It contains about the daily end cash position and it has to send to the account section and the Head Office.

#### **5.1.2.11 Locker Service**

JBL Konabari branch has locker facility to secure the gold ornaments, Valuable papers and articles of the customers. This branch does not differentiate between safe deposit receipts (SDR) and safe custody. This branch charges TK.800 per annum for large and small locker respectively. This facility is provided free of cost to the VIP customer of the branch.



#### **5.1.2.12 My Specific job responsibilities**

Cash department of the bank is very sensitive department. Banking authority maintains strong security for this department. Due to a lot of limitations as an intern I submit my job responsibilities below:

- Providing deposit slips to the clients.
- Counting money in the automated counting machine.
- Maintaining the IBCA (Inter Branch Credit Advice) and IBDA (Inter Branch Debit Advice).
- Maintaining primary online payment and receive sheet.
- Writing vouchers for inter branch amount transfer.
- Entry the clearing cheque in registrar.
- Excess Cash transfer
- Insurance maintain
- Shortage cash bring from other branch

#### **5.1.3 Clearing Department**

The banking mechanism for settling payment of cheques, drafts, bills etc. drawn on other schedule bank is called clearing. Clearing House is an organization of banks constituted for the purpose of settling inters bank liabilities due to transfer of deposits by a customer of a particular bank to that of another bank. The scheduled bank that clears the instruments drawn on other scheduled banks is called clearing bank.

Konabari Branch of Jamuna Bank Limited does the task of clearing through principal branch. Jamuna Bank has online banking system. Clients of any branch can deposit their instruments to any branch. So clients of any branch can deposit their instruments at Konabari Branch. This branch collects from its own client as well as from clients of other branch of the same bank and go forward for clearing.

Clearing can be divided into two parts. Inward clearing and outward clearing. They are discussed below:



### **5.1.3.1 Inward Clearing**

This is all about all the cheques of the Konabari Branch. Customer comes to the bank with various purposes with cheque. Cheques from another branch of Jamuna Bank except Konabari Branch, cheques of Konabari Branch, cheques from another bank except Jamuna Bank etc. Among all of these cheques inward clearing works with only the cheques of Jamuna Bank. Clearing department collects all the cheques given by the clients to the Konabari Branch. Then making vouchers it is posted to the software of Konabari Bank Limited.

### **5.1.3.2 Outward Clearing**

Clients deposit their instrument to credit their account. Instruments are received either on reception, cash department or at clearing section. But wherever they are deposited they are sent to the clearing department.

At first the clearing officer has to do some primary tasks that are very important. Those are given below:

- Name of the payees must be same both at deposit slip and on cheque.
- Account number is correctly fulfilled.
- Amount written on deposit slip and on cheque is same.
- Date on deposit and cheque.

Then the officer crosses the cheque and endorses the same. It is a must to clear the cheque through clearing house. Then the banker gives input of cheques details at software provided by the Bangladesh bank which is mandatory. Then bank takes a validation hardcopy. Validation hardcopy is stored at bank and a floppy disk has been send to the principal branch.

Outward ward clearing can be divided into two categories though the procedure is same. They are same day clearing and first house clearing.



Same day clearing is done only for amount 500000 lacs and above and the particular bank's branch must be within five kilometer of the central bank. Same day clearing sits at 11.00 a.m. for quick settlement. If the cheque returns it must be informed to the relative bankers within 3.00 p.m.. First house clearing sits at 9.30 a.m. to delivery and received of instruments from each other. Clearing return house sits at 5 p.m.

At JAMUNA Bank limited any client can deposit their instruments at any branch. So Konabari Branch clears of all instruments deposited either its own clients or clients of another branch. Then they credited clients account through online using Flora banker software.

### **5.1.3.3 My Specific Job Responsibilities**

I have worked with both of the inward and outward clearing process. Except these I had some other responsibilities which are given below?

- Inward clearing
- Outward clearing
- Operate the clearing software of the JAMUNA Bank
- Input the outward cheques into the software
- Validation sheet maintenance
- Return cheques registrar maintenance
- Clearing IBCA (Inter Branch Credit Advice) & IBDA (Inter Branch Debit Advice) writing.

## **5.2 Accounts Department**

Accounts department is very confidential department. As an intern I got a very few access to this department. The bank maintains strong security in this department. The displayed very little things to me. I get very few information about this department. Those are given below:



### **5.2.1 General ledger (Daily tasks)**

Affairs print out taking and daily position prepare. Preparing daily general ledger. (As Jamuna bank has its own computerized network system it is prepared automatically).

### **5.2.2 Daily Position (Daily tasks)**

A daily position report is prepared everyday. Information is collected from general ledger. It has to send to head office or keep in safe for future use. In a daily position report there are generally deposits, different types of bill, loan and advances, cash in hand, cash in ATM etc.

### **5.2.3 Voucher keeping (Daily tasks)**

Keeping all vouchers date wise along with supporting instruments. Vouchers and relevant supporting instruments are sending to the account department from all departments. All the vouchers are keeping in safety place at least 15 years.

### **5.2.4 Profit and loss Calculation (Periodical task)**

At the end of each month profit and loss account is prepared and send to the head office. At the end of year cumulative total loss and profit is prepared.

### **5.2.5 All income & Expenditure monthly monitoring**

All income and expenditure are done by the accounts department. They also monitor the income and the expenditure.



### **5.2.6 Branch budget monitoring**

The budget of a branch is prepared by the HEAD Office. And it is monitored by the account department.

### **5.2.7 My Specific Job Responsibilities**

Because of strong maintenance of confidential things, I was assigned for a very few responsibilities, those are given below:

- Voucher keeping (daily tasks)
- Voucher checking
- Data entry for salary payment
- Assist the accounts manager according to his instruction



## **6.3 FOREIGN EXCHANGE DIVISION**

## **6.3 Foreign Exchange Division**

JAMUNA Bank Limited, Konabari Branch is an Authorized Dealer bank. Foreign Exchange refers the deal with foreign currency. It is process, which is converted one national currency into another and transferred money from one country to another. If we consider 'Foreign Exchange' as a subject, then it means all kind of transaction related to foreign currency, as well as currency instruments, such as Draft, MT, TT, TC, and payment Order and Foreign Trade.

### **6.3.1 Necessity of Foreign Exchange Division**

No country is self-sufficient in this world. Every one is more or less dependent on another, for goods or service. Say, Bangladesh has cheap manpower whereas Saudi Arabia has cheap petroleum. So Bangladesh has dependent on Saudi Arabia for petroleum and Saudi Arabia is dependent on Bangladesh for cheap manpower. People of one country are going to another country for Education, Medical Service etc. One country export Agricultural commodities, another country exports Industrial products, all these transactions needs Foreign currency and are related to Foreign Exchange.

### **6.3.2 Function of Foreign Exchange**

The Bank actions as a media for the system of foreign exchange policy. For this reason, the employee who is related to the bank to foreign exchange. As Jamuna Bank konabari are in a rural areas bank so all types of work activity are not present in hear. JAMUNA Bank, Konabari Branch has these following functions:

- Export and import letter of credit.
- Non-commercial letter of credit.
- Financial of foreign trade.
- Exchange Arithmetic.



### **6.3.3 Activities of Foreign Exchange**

There are two kinds of foreign Exchange transaction is done by the JAMUNA Bank Limited, Konabari Branch. Those are given below.

- Import
- Export

### **6.3.4 Letter of Credit (L/C)**

Generally Foreign Trade works with L/C. L/C is important for both of the import and export process. So we should have clear idea about L/C.

L/C is guarantee of a bank (Issuing Bank) on behalf of the importer in a trade in favor of the exporter to pay a certain sum of money under some specific terms and conditions. So, an L/C is a negotiable instrument (A form of documentary credit) that carries a promise of payment with the fulfillment of certain conditions. An L/C can be used in foreign trade as well as for local payments.

#### **6.3.4.1 Parties involved with L/C**

- Applicant/ importer
- Advising bank
- L/C opening/ issuing bank
- Negotiating bank
- Exporter/ beneficiary
- Reimbursing Bank/Paying Bank

#### **6.3.4.2 Classification of L/C**

There are many kinds of L/Cs exist in different considerations at JAMUNA Bank, Konabari Branch, such as:

- ✓ Irrevocable L/C
- ✓ Revocable L/C
- ✓ Add-Confirmed L/C

- ✓ Back-to- Back L/C
- ✓ Revolving L/C
- ✓ Green Clause L/C
- ✓ Documentary Letter of Credit

#### **6.3.4.3 Documents required for open a L/C**

JAMUNA Bank, Konabari Branch requires the following requirements for the documentation:

- Tax Identification Number Certificate (TIN)
- VAT Registration Certificate
- Membership Certificate of a recognized Trade Association as per IPO
- A declaration, in triplicate, that the importer has paid income-tax or submits income-tax returns for the previous year.
- Pro-forma Invoice or Indent duly accepted by the importer
- Insurance cover notice with money paid receipt-covering value of imported goods.
- L/C Application form duly signed by the importer
- Letter of Credit Authorization Form (LCAF) commercial or industrial as the case may be duly signed by the importer and incorporation new ITC number of at least 6 digits under the harmonized system as given in the Import Trade Control schedule 1998.
- IMP form duly signed by the importer.

#### **6.3.4.4. Most dealing L/C**

JAMUNA Bank Limited, Konabari Branch mainly deals with the following types of L/C:

- Sight L/C (Cash L/C)
- Deferred L/C
- Sight Local L/C
- Back to Back L/C



### **6.3.5 Import Processing**

Import trade of Bangladesh is controlled under the Import & Export control act, 1950. Authorized Dealer banks will import goods into Bangladesh following import policy, public notice, F.E circular & other instruction from competent authorities from time to time. Goods are being imported for personal use, commercial purpose or industrial use. JAMUNA Bank Limited, Konabari Branch follows the exact rules for the processing import that is given below.

#### **6.3.5.1 Registration of importer**

- Questionnaire duly filled in & signed by applicant.
- Trade license.
- Membership certificate from chamber of commerce or any other trade association.
- Nationality certificate.
- Income tax registration certificate.
- Partnership deed or certificate of registration with the register of joint stock companies where applicable.

#### **6.3.5.2 Import Policy**

- Items eligible for imports during the shipping period.
- Items importable against cash foreign exchange, foreign aid, and barter, wages earners scheme.
- The procedure for induction of new comers into the import trade
- The procedure for imports by industrial consumers and commercial importers and for import under wages earned scheme.
- Procedure for formation of groups
- The procedure for submission of application for Repeat License
- The dates for opening letter of credit, and shipment and the rules for revalidation of the license or LCAF and the L/C.

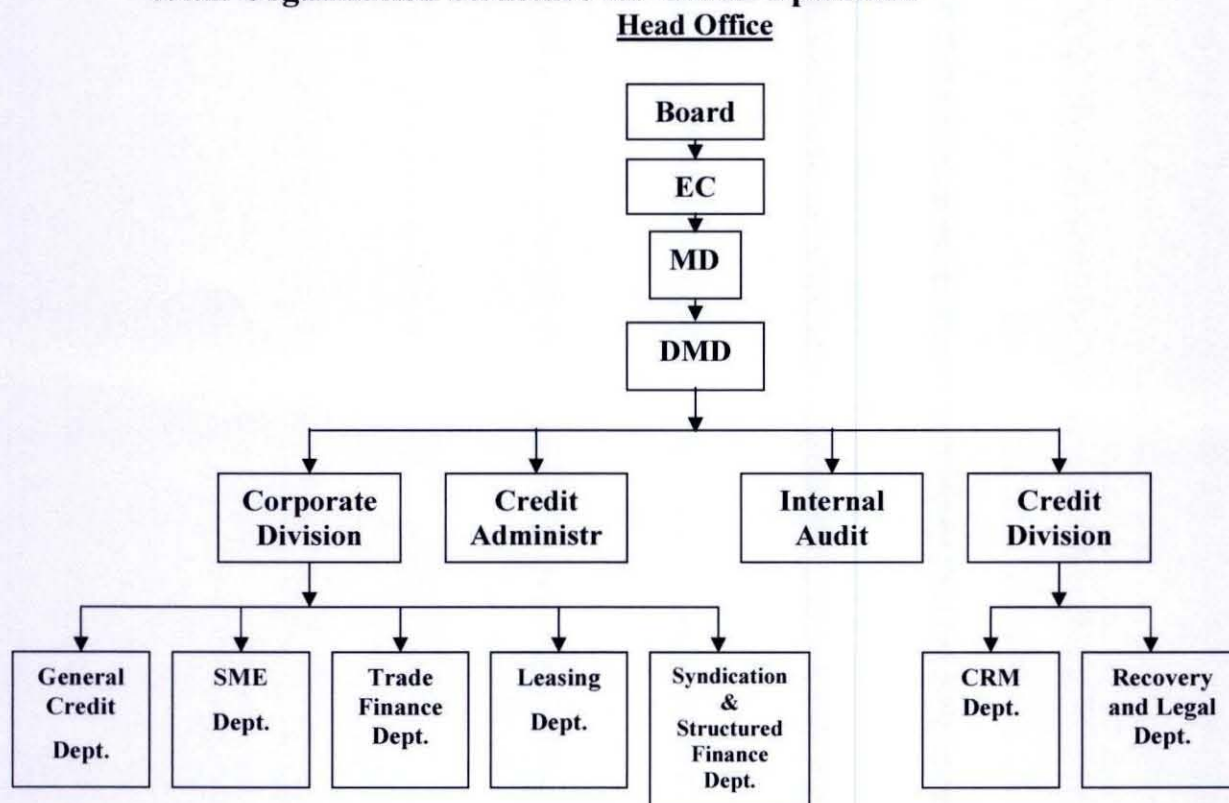
### 6.3.6.3 Modes of Payments of Export Bills under L/C

- At sight payment credit
- Deferred payment credit
- Acceptance credit
- LDBC (Local Documentary Bill Credit), LDBP (Local Documentary Bill Purchase)
- FDBC (Foreign Documentary Bill Credit), FDBP (Foreign Documentary Bill Purchase)

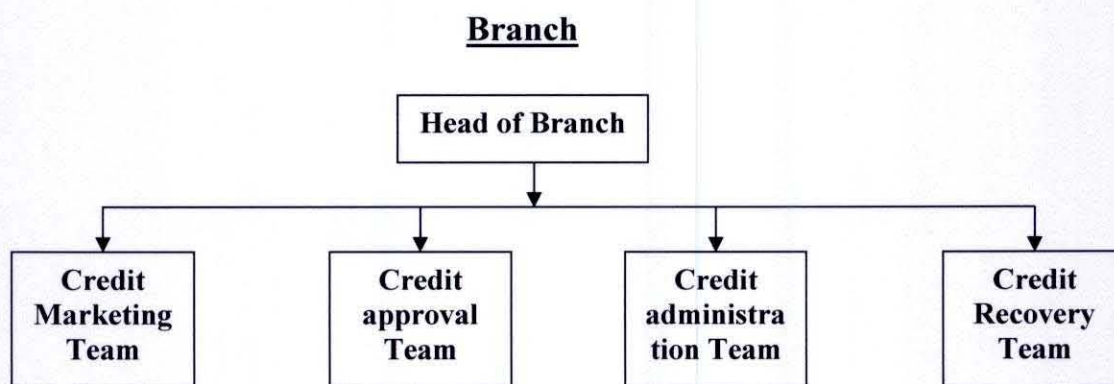
## 6.4 Credit Department

A department in the bank that evaluates the financial status of credit applicant it also confirms that the applicant is capable of lending money from the bank or not. There are some criteria by which a bank can accept or reject the application for sanction the loan/advance proposal. The job description of this department is broadly discussed later part.

### 6.4.1. Organization Structure for Credit Operation







#### **6.4.2. Specific Job Responsibility of the Department:**

##### **6.4.2.1 General responsibilities**

1. Preparations of Facility Offer Letters
2. Processing security documents.
3. Preparation and dispatch of security documents.
4. Help to coordinate legal matters with lawyers.
5. Attending customer queries regarding FOL, securities, Limits and interest related queries.
6. Issuance of Bank Certificate & Coordinate Search and Inspection Report.
7. Circulating Security tracking List to Senior Management on a monthly basis after having RM's comments.

##### **6.4.2.2 Limit**

1. Monitoring exception reports and taking necessary action.
2. Interest Adjustment & Limit / security loading.
3. Canceling securities & limits.
4. Updating & Circulating Preferential Pricing.

##### **6.4.2.3 Loan Disbursement / Repayment**

1. Receive customer's request letter and verify the signature.
2. Check FOL (Facility Offer Letter) for terms and conditions.
3. Check the invoices & Send the customer's advice through courier.
4. File the documents after final checking

**7.0. CREDIT RISK ANALYSIS  
OF  
JAMUNA BANK LIMITED**



## **7.1 Why does Credit Risk Analysis?**

Credit department of any bank is very much important. "A bank will collapse or not" this important matter depends upon the performance of the bank's credit department

Responsibilities of the credit department of Jamuna Bank are many. They have to maintain a lot of scrutiny factors. They have to use the deposit collected by the bank in a proper way by giving loans to maintain the liquidity. A huge part of the revenue is generated from the interest received from the loans and advances. Again if they give so many loans then liquidity of the bank may decrease and risk will also increase in the market.

But ultimately this is the truth that if banks don't give loan to their clients their revenue generation will be slow and ultimately the bank will be collapsed. So bank must give loans and advances to the business and the personnel. Now the question arises that how effectively they can do it. They must have to take care that the loan they are giving to the clients. Some questions must arise when Jamuna Bank gives loan to clients.

- Is the client capable enough to repay the loan and interest?
- How it will be measured?
- On what basis the bank will give the loan to the client?
- How will the Jamuna Bank recover the lone if it is default?

To get the answer of these questions and maintain the credit activities properly there is no alternative of Credit Risk Analysis. Analyzing the risk associated with the loan gives a clear idea about the next step of the credit department that is what decision they will take further.

I am focusing this important factor of the credit department that Credit Risk Analysis of Jamuna Bank Limited that is described broadly in the later part of the report.

## **7.2 Types of loan of Jamuna Bank Limited**

Depending on the various nature of financing, all the lending activities have been brought under the following major heads:

### **7.2.1 Loan (General)**

Short term, Medium term & Long term loans allowed to individual/firm/industries for a specific purpose but for a definite period and generally repayable by installments fall under this head. This type of lending is mainly allowed to accommodate financing under the categories (i) Large & Medium Scale Industry and (ii) Small & Cottage Industry. Very often term financing for (i) Agriculture & (ii) Others are also included here.

### **7.2.2 Loan (General): House Building Loan (General)**

Loans allowed to individual/enterprises for construction of house (residential or commercial) fall under this type of advance. The amount is repayable by monthly installment within a specified period. Such advances are known as Loan (HBL-GEN).

#### **7.2.2.1 House Building Loan (Staff)**

Loans allowed to our Bank employees for purchase/construction of house shall be known as Staff Loan (HBL-STAFF).

#### **7.2.2.2 Other Loans to Staff**

Loans allowed to employees other than for House Building shall be grouped under head - Staff Loan (Gen).



### **7.2.3 Cash Credit (Hypo.)**

Advances allowed to individual/firm for trading as well as wholesale purpose or to industries to meet up the working capital requirements against hypothecation of goods as primary security fall under this type of lending. It is a continuous credit. It is allowed under the categories (i) "Commercial Lending" when the customer is other than a industry and (ii) "Working Capital" when the customer is an industry.

### **7.2.4 Cash Credit (Pledge)**

Financial accommodations to individual/firms for trading as well as for whole-sale or to industries as working capital against pledge of goods as primary security fall under this head of advance. It is also a continuous credit and like the above allowed under the categories (i) "Commercial Lending" and (ii) Working Capital".

### **7.2.5 Hire Purchase**

Hire-Purchase is a type of installment credit under which the Hire-Purchaser agrees to take the goods on hire at a stated rental, which is inclusive of the repayment of Principal as well as interest for adjustment of the loan within a specified period.

### **7.2.6 Lease Financing**

Lease Financing is one of the most convenient sources of acquiring capital machinery and equipment whereby a client is given the opportunity to have an exclusive right to use an asset usually for an agreed period of time against payment of rent. It is a term financing repayable by installment.

### **7.2.7 Time Loan**

This is one time financial accommodation for short period maximum 12 months to meet some specific purpose. The loan is adjustable within the validity and not renewable and no transaction is allowed.

### **7.2.8 Consumers Credit Scheme**

It is a special credit scheme of the Bank to finance purchase of consumers' durable to the fixed income group to raise their standard of living. The loans are allowed on soft terms against personal guarantee and deposit of specified percentage of equity by the customers. The loan is repayable by monthly installment within a fixed period.

### **7.2.9 SOD (General)**

Advances allowed to individual/firms against financial obligation (i.e. lien on FDR/PSP/ BSP/Insurance Policy/Share etc). This may or may not be a continuous Credit.

### **7.2.10 SOD (Others)**

Advances allowed against assignment of work order for execution of contractual works falls under this head. This advance is generally allowed for a definite period and specific purpose i.e. it is not a continuous credit. It falls under the category "Others".

### **7.2.11 SOD (Export)**

Advance allowed for purchasing foreign currency for payment against L/Cs (Back to Back) where the exports do not materialize before the date of import payment. This is also an advance for temporary period which is known as export finance and falls under the category "Commercial Lending".

### **7.2.12 PAD**

Payment made by the Bank against lodgment of shipping documents of goods imported through L/C falls under this head. It is an interim advance connected with import and is generally liquidated against payments usually made by the party for



retirement of the documents for release of imported goods from the customs authority. It falls under the category "Commercial Lending".

#### **7.2.13 LIM**

Advances allowed for retirement of shipping documents and release of goods imported through L/C taking effective control over the goods by pledge in godowns under Bank's lock & key fall under this type of advance. This is also a temporary advance connected with import which is known as post-import finance and falls under the category "Commercial Lending".

#### **7.2.14 LTR**

Advance allowed for retirement of shipping documents and release of goods imported through LC falls under this head. The goods are handed over to the importer under trust with the arrangement that sale proceeds should be deposited to liquidate the advances within a given period. This is also a temporary advance connected with import and known as post-import finance and falls under the category "Commercial Lending".

#### **7.2.15 IBP**

Payment made through purchase of inland bills/cheques to meet urgent requirement of the customer falls under this type of credit facility. This temporary advance is adjustable from the proceeds of bills/cheques purchased for collection. It falls under the category "Commercial Lending".

#### **7.2.16 Export Cash Credit (ECC)**

Financial accommodation allowed to a customer for exports of goods falls under this head and is categorized as "Export Credit". The advances must be liquidated out of export proceeds within 180 days.

### **7.2.17 Packing Credit (P.C.)**

Advance allowed to a customer against specific L/C/firm contract for processing/packing of goods to be exported falls under this head and is categorized as "Packing Credit". The advances must be adjusted from proceeds of the relevant exports within 180 days. It falls under the category "Export Credit".

### **7.2.18 F D B P**

Payment made to a customer through purchase/negotiation of a Foreign documentary bills falls under this head. This temporary advance is adjustable from the proceeds of the shipping/export documents. It falls under the category "Export Credit".

### **7.2.19 IDBP**

Payment made against documents representing sell of goods to Local export oriented industries which are deemed as exports and which are denominated in Local Currency / Foreign Currency falls under this head. This temporary liability is adjustable from proceeds of the Bill.

### **7.2.20 F B P**

Payment made to a customer through Purchase or Foreign Currency Cheques/Drafts falls under this head. This temporary advance is adjustable from the proceeds of the cheque/draft.

## **7.3 Mission Statement of the Credit Department**

To deliver credit facilities to customers of Jamuna Bank Limited with prudence and efficiency and establish JBL as the preferred credit service provider in the country in terms of wide range of credit product, competitive price, adherence to credit norms, exercising due diligence, and effective management of risk assets.



## 7.4 Credit Principles

In order to maximize the stakeholders' value by establishing JBL as fundamentally sound financial institution, there are ten credit principles, which should always Guide your behavior in our lending decision:

- i. The Bank shall provide suitable credit services and products for the market in which it operates. Product innovation shall be a continuous process.
- ii. Loans and advances shall normally be financed from customers deposit and not out of temporary fund or borrowing from money market.
- iii. Credit facilities shall be allowed in a manner so that credit expansion goes on ensuring quality i.e. no compromise with the Bank's standard of excellence. Credit is extended to customers who will complement such standards.
- iv. All credit extension must comply with the requirements of Bank's Memorandum and Articles of Association, Bank companies Act as amended from time to time, Bangladesh Bank's instructions Circulars, Guidelines and other applicable laws, rules and regulations.
- v. The conduct of the loan portfolio should contribute, within defined risk limitation, to the achievement of profitable growth and superior return on the Bank's capital.
- vi. Credit advancement shall focus on the development and enhancement of customer's relationship and shall be measured on the basis of the total yield for each relationship with a customer (on the global basis), though individual transactions should also be profitable.
- vii. Credit facilities will be extended to those companies/persons, which can make best use of the facility thus helping maximize our profit as well as economic growth of the country. To ensure achievement of this objective lending decision shall be based mainly on the borrower's ability to repay.
- viii. **Diversification:** The portfolio shall be well diversified sector wise, Industry wise, geographical area wise, maturity wise, size wise, mode wise, purpose wise. Concentration of credit shall be carefully avoided to minimize risk.
- ix. **Remunerative:** If Credit facilities are granted on a transaction/one-off basis, the yield from the facility should be commensurate with the risk.
- x. **Loan pricing:** Loan pricing shall depend on the level of risk and type of securities offered. Rate of interest is the reflection of risk in the Transaction. The

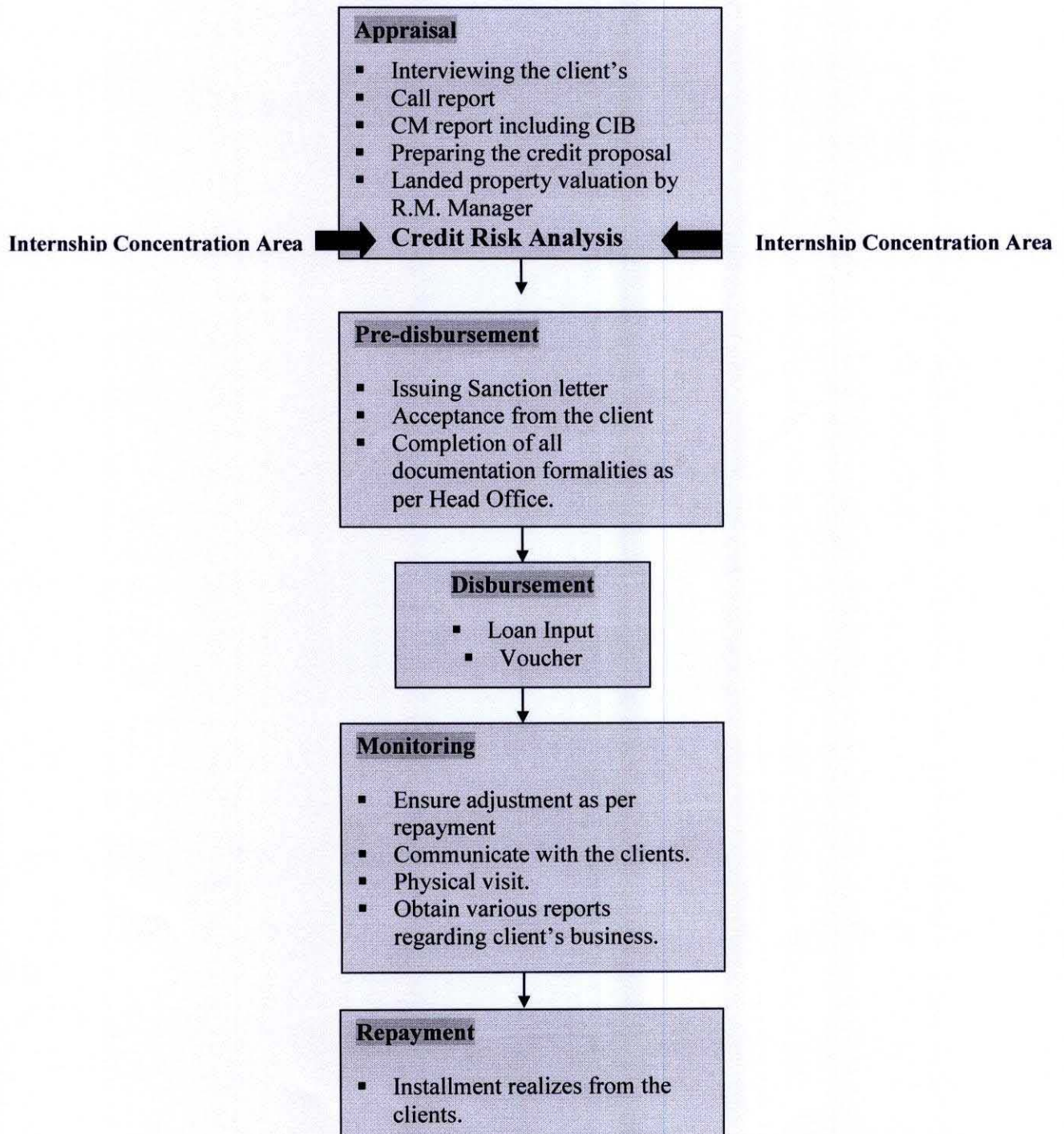
higher the risk, the higher is pricing. Interest rate may be revised from time to time in view of the change in the cost of Fund and market condition

- xi. Proper staffing:** Proper analysis of Credit proposal is complex and required high level of numerical as well as analytical ability and common sense. To ensure effective understanding of the concept and thus to make the overall credit portfolio of the Bank healthy, proper staffing shall be made through placement of qualified officials having appropriate background, who have got the right aptitude, formal training in Credit Risk Analysis, Bank's credit procedures as well as required experience.

One	Assess the customer's character for integrity and willingness to repay
Two	Only lend what the customer will have the capacity and ability to repay
Three	Plan for the possibility of default
Four	Only extend credit where we can sufficiently understand and manage the risk
Five	Ensure independent credit participation in the credit process
Six	Behave ethically in all credit activities
Seven	Be proactive in identifying, managing and communicating credit risk
Eight	Be diligent in ensuring that credit exposures and activities comply with JBL
Nine	Optimize risk and reward
Ten	Build and maintain a diversified Credit portfolio



### 7.5. Processing of Credit Approval:



## **7.6 Credit Risk Grading System (CGRS)**

Risk is inherent in all aspects of commercial operation. However for Banks and Financial Institutions Credit risk is an essential factor that needs to be managed. Credit risk is the possibility that a borrower will fail to meet its obligation in accordance with agreed terms. Credit risk, therefore, arises from the Bank's dealings with or lending to corporate, individual and other Banks or financial institutions.

Credit risk management needs to be a robust process that enables Banks to proactively manage loan port-folio in order to minimize losses and earns an acceptable level of return for Shareholders. Central to this is a comprehensive IT system, which should have ability to capture all key customer data, risk management and transaction information. Jamuna Bank Ltd.. already has real time on-line Banking system which enables to capture all key customer data. Given the fast changing dynamic global economy and the increasing pressure of globalization, liberalization, consolidation and dis-intermediation, it is essential that Banks have robust Credit risk management polices and procedures that are sensitive and responsive to these changes.

Jamuna Bank Limited being a progressive and dynamic Private sector Bank having very successful and proven track record should have a pragmatic Credit policy guidelines to efficiently and professionally manage risks arising out of its Credit operation. The purpose of this document is to improve risk management culture, establish minimum standard for segregation of duties and responsibilities relating to Credit Operation of the Bank.

With a view to bringing about an effective risk management system in Credit operation of the Bank and in compliance to the Directives/Guidelines of Bangladesh Bank given vide BRPD Circular No-17 dated 07.10.2003, the following policy and guidelines are framed. This policy replaces all previous ones, which set out Credit policies of Jamuna Bank Limited.



### **7.6.1 Credit Risk Grading (CRG)**

Any deviation from the approved policy in case of any credit proposal in any respect shall be clearly identified and mentioned in the credit proposal with proper justification for approval of the approving authority.

Any Credit proposal that does not comply with the Credit policy/ Lending Guidelines in any respect regardless of the amount should be referred to Head office for consideration.

The Credit Risk Grading (CRG) is a collective definition based on the pre-specified scale and reflects the underlying credit-risk for a given exposure. It deploys a number/ alphabet/ symbol as a primary summary indicator of risks associated with a credit exposure. It is the basic module for developing a Credit Risk Management system.

### **7.6.2 Risk Grading System**

Credit risk grading is an important tool for credit risk management as it helps the Banks & financial institutions to understand various dimensions of risk involved in different credit transactions. The aggregation of such grading across the borrowers, activities and the lines of business can provide better assessment of the quality of credit portfolio of a bank or a branch. The credit risk grading system is vital to take decisions both at the pre-sanction stage as well as post-sanction stage.

At the pre-sanction stage, credit grading helps the sanctioning authority to decide whether to lend or not to lend, what should be the loan price, what should be the extent of exposure, what should be the appropriate credit facility, what are the various facilities, what are the various risk mitigation tools to put a cap on the risk level.

At the post-sanction stage, the bank can decide about the depth of the review or renewal, frequency of review, periodicity of the grading, and other precautions to be taken. Having considered the significance of credit risk grading, it becomes imperative

for the banking system to carefully develop a credit risk grading model which meets the objective outlined above.

The Lending Risk Analysis (LRA) manual introduced in 1993 by the Bangladesh Bank has been in practice for mandatory use by the Banks & financial institutions for loan size of BDT 1.00 crore and above. However, the LRA manual suffers from a lot of subjectivity, sometimes creating confusion to the lending Bankers in terms of selection of credit proposals on the basis of risk exposure. Meanwhile, in 2003 end Bangladesh Bank provided guidelines for credit risk management of Banks wherein it recommended, inter alia, the introduction of Risk Grade Score Card for risk assessment of credit proposals.

Since the two credit risk models are presently in vogue, the Governing Board of Bangladesh Institute of Bank Management (BIBM) under the chairmanship of the Governor, Bangladesh Bank decided that an integrated Credit Risk Grading Model be developed incorporating the significant features of the above mentioned models with a view to render a need based simplified and user friendly model for application by the Banks and financial institutions in processing credit decisions and evaluating the magnitude of risk involved therein.

Bangladesh Bank expects all commercial banks to have a well defined credit risk management system which delivers accurate and timely risk grading. This manual describes the elements of an effective internal process for grading credit risk. It also provides a comprehensive, but generic discussion of the objectives and general characteristics of effective credit risk grading system. In practice, a bank's credit risk grading system should reflect the complexity of its lending activities and the overall level of risk involved.

### **7.6.3 Definition of Credit Risk Grading (CRG)**

- The Credit Risk Grading (CRG) is a collective definition based on the pre-specified scale and reflects the underlying credit-risk for a given exposure.
- A Credit Risk Grading deploys a number/ alphabet/ symbol as a primary summary indicator of risks associated with a credit exposure.



- Credit Risk Grading is the basic module for developing a Credit Risk Management system.

#### **7.6.4 Function of Credit Risk Grading**

Well-managed credit risk grading systems promote bank safety and soundness by facilitating informed decision-making. Grading systems measure credit risk and differentiate individual credits and groups of credits by the risk they pose. This allows bank management and examiners to monitor changes and trends in risk levels. The process also allows bank management to manage risk to optimize returns.

#### **7.6.5 Use of Credit Risk Grading**

- The Credit Risk Grading matrix allows application of uniform standards to credits to ensure a common standardized approach to assess the quality of individual obligor, credit portfolio of a unit, line of business, the branch or the Bank as a whole.
- As evident, the CRG outputs would be relevant for individual credit selection, wherein either a borrower or a particular exposure/facility is rated. The other decisions would be related to pricing (credit-spread) and specific features of the credit facility. These would largely constitute obligor level analysis.
- Risk grading would also be relevant for surveillance and monitoring, internal MIS and assessing the aggregate risk profile of a Bank. It is also relevant for portfolio level analysis.

#### **7.6.6 Number & Short Name of Grading Used in the CRG**

The proposed CRG scale consists of 8 categories with Short names and Numbers are provided as follows:

GRADING	SHORT NAME	NUMBER
Superior	SUP	1
Good	GD	2
Acceptable	ACCPT	3
Marginal/Watchlist	MG/WL	4
Special Mention	SM	5
Sub standard	SS	6
Doubtful	DF	7
Bad & Loss	BL	8

#### 7.6.7. Characteristics of different grades

A clear definition of the different categories of Credit Risk Grading is given as follows:

- **Superior - (SUP) - 1**
  - ❖ Credit facilities, which are fully secured i.e. fully cash covered.
  - ❖ Credit facilities fully covered by government guarantee.
  - ❖ Credit facilities fully covered by the guarantee of a top tier international Bank.
- **Good - (GD) - 2**
  - ❖ Strong repayment capacity of the borrower
  - ❖ The borrower has excellent liquidity and low leverage.
  - ❖ The company demonstrates consistently strong earnings and cash flow.
  - ❖ Borrower has well established, strong market share.
  - ❖ Very good management skill & expertise.
  - ❖ All security documentation should be in place.
  - ❖ Credit facilities fully covered by the guarantee of a top tier local Bank.
  - ❖ Aggregate Score of 85 or greater based on the Risk Grade Score Sheet



- **Acceptable - (ACCPT) - 3**
  - ❖ These borrowers are not as strong as GOOD Grade borrowers, but still demonstrate consistent earnings, cash flow and have a good track record.
  - ❖ Borrowers have adequate liquidity, cash flow and earnings.
  - ❖ Credit in this grade would normally be secured by acceptable collateral (1st charge over inventory / receivables / equipment / property).
  - ❖ Acceptable management
  - ❖ Acceptable parent/sister company guarantee
  - ❖ Aggregate Score of 75-84 based on the Risk Grade Score Sheet
- **Marginal/Watch list - (MG/WL) - 4**
  - ❖ This grade warrants greater attention due to conditions affecting the borrower, the industry or the economic environment.
  - ❖ These borrowers have an above average risk due to strained liquidity, higher than normal leverage, thin cash flow and/or inconsistent earnings.
  - ❖ Weaker business credit & early warning signals of emerging business credit detected.
  - ❖ The borrower incurs a loss
  - ❖ Loan repayments routinely fall past due
  - ❖ Account conduct is poor, or other untoward factors are present.
  - ❖ Credit requires attention
  - ❖ Aggregate Score of 65-74 based on the Risk Grade Score Sheet
- **Special Mention - (SM) - 5**
  - ❖ This grade has potential weaknesses that deserve management's close attention. If left uncorrected, these weaknesses may result in a deterioration of the repayment prospects of the borrower.
  - ❖ Severe management problems exist.
  - ❖ Facilities should be downgraded to this grade if sustained deterioration in financial condition is noted (consecutive losses, negative net worth, excessive leverage),
  - ❖ An Aggregate Score of 55-64 based on the Risk Grade Score Sheet.
- **Substandard - (SS) - 6**
  - ❖ Financial condition is weak and capacity or inclination to repay is in doubt.

- ❖ These weaknesses jeopardize the full settlement of loans.
- ❖ Bangladesh Bank criteria for sub-standard credit shall apply.
- ❖ An Aggregate Score of 45-54 based on the Risk Grade Score Sheet.
- **Doubtful - (DF) - 7**
  - ❖ Full repayment of principal and interest is unlikely and the possibility of loss is extremely high.
  - ❖ However, due to specifically identifiable pending factors, such as litigation, liquidation procedures or capital injection, the asset is not yet classified as Bad & Loss.
  - ❖ Bangladesh Bank criteria for doubtful credit shall apply.
  - ❖ An Aggregate Score of 35-44 based on the Risk Grade Score Sheet.
- **Bad & Loss - (BL) - 8**
  - ❖ Credit of this grade has long outstanding with no progress in obtaining repayment or on the verge of wind up/liquidation.
  - ❖ Prospect of recovery is poor and legal options have been pursued.
  - ❖ Proceeds expected from the liquidation or realization of security may be awaited. The continuance of the loan as a bankable asset is not warranted, and the anticipated loss should have been provided for.
  - ❖ This classification reflects that it is not practical or desirable to defer writing off this basically valueless asset even though partial recovery may be affected in the future. Bangladesh Bank guidelines for timely write off of bad loans must be adhered to. Legal procedures/suit initiated.
  - ❖ Bangladesh Bank criteria for bad & loss credit shall apply.
  - ❖ An Aggregate Score of less than 35 based on the Risk Grade Score Sheet.

#### **7.6.8 How to Compute Credit Risk Grading**

So far I have discussed about the theoretical part of the Credit Risk grading. I have known in which grade what are the characteristics of the company as well as clients' profile. To measure the actual risk associated with the loan that is going to be paid by the bank to the particular client, we have to follow some steps and get a



statistical parameter of the risk. There are six steps to compute credit risk grading. Those are given and described below:

- Step 1 :** Identify all the Principal Risk Components
- Step 2 :** Allocate weights to Principal Risk Components
- Step 3 :** Establish the Key Parameters
- Step 4 :** Assign weights to each of the key parameters
- Step 5 :** Input data to arrive at the score on the key parameters
- Step 6 :** Arrive at the Credit Risk Grading based on total score obtained

### **Step 1: Identify all the Principal Risk Components**

Credit risk for counterparty arises from an aggregation of the following:

- a) Financial Risk
- b) Business/Industry Risk
- c) Management Risk
- d) Security Risk
- e) Relationship Risk

Each of the above mentioned key risk areas require to be evaluated and aggregated to arrive at an overall risk grading measure.

a) Evaluation of Financial Risk:

Risk that counterparties will fail to meet obligation due to financial distress. This typically entails analysis of financials i.e. analysis of leverage, liquidity, profitability & interest coverage ratios. To conclude, this capitalizes on the risk of high leverage, poor liquidity, low profitability & insufficient cash flow.

b) Evaluation of Business/Industry Risk:

Risk that adverse industry situation or unfavorable business condition will impact borrowers' capacity to meet obligation. The evaluation of this category of risk looks at parameters such as business outlook, size of business, industry growth,

market competition & barriers to entry/exit. To conclude, this capitalizes on the risk of failure due to low market share & poor industry growth.

c) Evaluation of Management Risk:

Risk that counterparties may default as a result of poor managerial ability including experience of the management, its succession plan and team work.

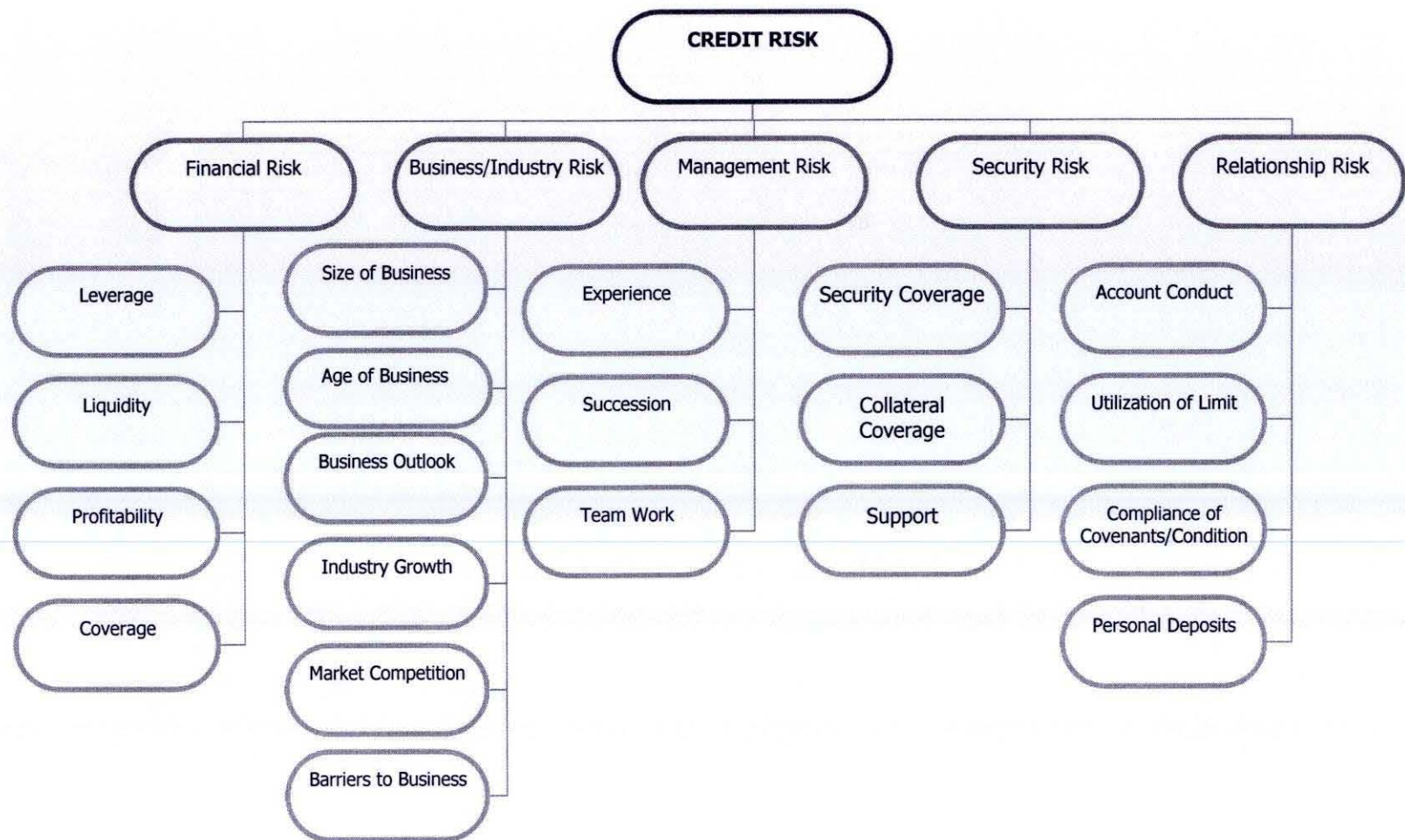
d) Evaluation of Security Risk:

Risk that the bank might be exposed due to poor quality or strength of the security in case of default. This may entail strength of security & collateral, location of collateral and support.

e) Evaluation of Relationship Risk:

These risk areas cover evaluation of limits utilization, account performance, conditions/covenants compliance by the borrower and deposit relationship.





## Step 2: Allocate weights to Principal Risk Components

According to the importance of risk profile, the following weightages are proposed for corresponding principal risks.

Principal Risk Components:	Weight:
Financial Risk	50%
Business/Industry Risk	18%
Management Risk	12%
Security Risk	10%
Relationship Risk	10%

## Step 3: Establish the Key Parameters

Principal Risk Components	Key Parameters
a) Financial Risk	Leverage, Liquidity, Profitability & Coverage ratio
b) Business / Industrial Risk	Size of Business, Age of Business, Business Outlook, Industry Growth, Competition & Barriers to Business
c) Management Risk	Experience, Succession & Team Work
d) Security Risk	Security Coverage, Collateral Coverage and Support
e) Relationship Risk	Account Conduct ,Utilization of Limit, Compliance covenants/conditions & Personal Deposit



#### Step 4: Assign weights to each of the key parameters

Principal Risk Components	Key Parameters	Weights
<b>1. Financial Risk .....</b>	.....	<b>50%</b>
	<input type="checkbox"/> Leverage.....	15%
	<input type="checkbox"/> Liquidity.....	15%
	<input type="checkbox"/> Profitability.....	15%
	<input type="checkbox"/> Coverage.....	5%
<b>2. Business / Industrial risk.....</b>	.....	<b>18%</b>
	<input type="checkbox"/> Size of the business.....	5%
	<input type="checkbox"/> Age of the business.....	3%
	<input type="checkbox"/> Business Outlook.....	3%
	<input type="checkbox"/> Industry growth.....	3%
	<input type="checkbox"/> Market competition.....	2%
	<input type="checkbox"/> Entry / Exit Barriers.....	2%
<b>3. Management Risk.....</b>	.....	<b>12%</b>
	<input type="checkbox"/> Experience.....	5%
	<input type="checkbox"/> Succession.....	4%
	<input type="checkbox"/> Team Work.....	3%
<b>4. Security Risk.....</b>	.....	<b>10%</b>
	<input type="checkbox"/> Security coverage.....	4%
	<input type="checkbox"/> Collateral coverage.....	4%
	<input type="checkbox"/> Support.....	2%
<b>5. Relationship Risk.....</b>	.....	<b>10%</b>
	<input type="checkbox"/> Account conduct.....	5%
	<input type="checkbox"/> Utilization of limit.....	2%
	<input type="checkbox"/> Compliance of covenants...	2%
	<input type="checkbox"/> Personal deposit.....	1%

## Step 5: Input data to arrive at the score on the key parameters

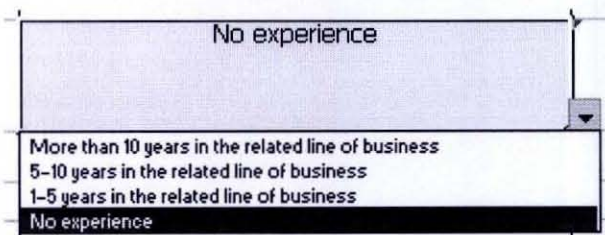
After the risk identification & weightage assignment process (as mentioned above), the next steps will be to input actual parameter in the score sheet to arrive at the scores corresponding to the actual parameters.

This manual also provides a well programmed MS Excel based credit risk scoring sheet to arrive at a total score on each borrower. The excel program requires inputting data accurately in particular cells for input and will automatically calculate the risk grade for a particular borrower based on the total score obtained. The following steps are to be followed while using the MS Excel program.

- a) Open the MS XL file named, **CRG\_SCORE\_SHEET**
- b) The entire XL sheet named, **CRG** is protected except the particular cells to input data.
- c) Input data accurately in the cells which are **BORDERED** & are colored **YELLOW**.



- d) Some input cells contain **DROP DOWN LIST** for some criteria corresponding to the Key Parameters. Click to the input cell and select the appropriate parameters from the **DROP DOWN LIST** as shown below.



- e) All the cells provided for input must be filled in order to arrive at accurate risk grade.



- f) We have also enclosed the MS Excel file named, **CRG\_Score\_Sheet** in CD ROM for use.

**Step 6: Arrive at the Credit Risk Grading based on total score obtained**

The following is the proposed Credit Risk Grade matrix based on the total score obtained by an obligor.

Number	Risk Grading	Short Name	Score
1	Superior	SUP	<ul style="list-style-type: none"> <li>▪ 100% cash covered</li> <li>▪ Government guarantee</li> <li>▪ International Bank guarantees</li> </ul>
2	Good	GD	85+
3	Acceptable	ACCPT	75-84
4	Marginal/Watchlist	MG/WL	65-74
5	Special Mention	SM	55-64
6	Sub-standard	SS	45-54
7	Doubtful	DF	35-44
8	Bad & Loss	BL	<35

### **7.6.9 Credit Risk Grading Process**

Credit Risk Grading should be completed by a Bank for all exposures (irrespective of amount) other than those covered under Consumer and Small Enterprises Financing Prudential Guidelines and also under The Short-Term Agricultural and Micro - Credit. For Superior Risk Grading (SUP-1) the score sheet is not applicable. This will be guided by the criterion mentioned for superior grade account i.e. 100% cash covered, covered by government & bank guarantee.

Credit risk grading matrix would be useful in analyzing credit proposal, new or renewal for regular limits or specific transactions, if basic information on a borrowing client to determine the degree of each factor is a) readily available, b) current, c) dependable, and d) parameters/risk factors are assessed judiciously and objectively. The Relationship Manager as per Data Collection Checklist as shown in Appendix-A should collect required information.

Relationship manager should ensure to correctly fill up the Limit Utilization Form as shown in Appendix-B in order to arrive at a realistic earning status for the borrower. Risk factors are to be evaluated and weighted very carefully, on the basis of most up-to-date and reliable data and complete objectivity must be ensured to assign the correct grading. Actual parameter should be inputted in the Credit Risk Grading Score Sheet as shown in Appendix-C.

Credit risk grading exercise should be originated by Relationship Manager and should be an on-going and continuous process. Relationship Manager shall complete the Credit Risk Grading Score Sheet and shall arrive at a risk grading in consultation with a Senior Relationship Manager and document it as per Credit Risk Grading Form as shown in Appendix-D, which shall then be concurred by the Credit Officer in consultation with a Senior Credit Officer.

All credit proposals whether new, renewal or specific facility should consist of a) Data Collection Checklist, b) Limit Utilization Form c) Credit Risk Grading Score



Sheet, and d) Credit Risk Grading Form. The credit officers then would pass the approved Credit Risk Grading Form to Credit Administration Department and Corporate Banking/Line of Business/Recovery Unit for updating their MIS/record.

The appropriate approving authority through the same Credit Risk Grading Form shall approve any subsequent change/revision i.e. upgrade or downgrade in credit risk grade.

#### **7.6.10 Exceptions to Credit Risk Grading**

- Head of Credit Risk Management may also downgrade/classify an account in the normal course of inspection of a Branch or during the periodic portfolio review. In such event, the Credit Risk Grading Form will then be filled up by Credit Risk Management Department and will be referred to Corporate Banking/Line of Business/Credit Administration Department/Recovery Unit for updating their MIS/records.
- Recommendation for upgrading of an account has to be well justified by the recommending officers. Essentially complete removal of the reasons for downgrade should be the basis of any upgrading.
- In case an account is rated marginal, special mention or unacceptable credit risk as per the risk grading score sheet, this may be substantiated and credit risk may be accepted if the exposure is additionally collateralized through cash collateral, good tangible collaterals and strong guarantees. **These are exceptions and should be exceptionally approved by the appropriate approving authority.**
- Whenever required an independent assessment of the credit risk grading of an individual account may be conducted by the Head of Credit Risk Management or by the Internal Auditor documenting as to why the credit deteriorated and also pointing out the lapses.
- If a Bank has its own well established risk grading system equivalent to the proposed credit risk grading or stricter, then they will have the option to continue with their own risk grading system.

### 7.6.11. Credit Risk Grading Review

Credit Risk Grading for each borrower should be assigned at the inception of lending and should be periodically updated. Frequencies of the review of the credit risk grading are mentioned below;

Number	Risk Grading	Short	Review frequency (at least)
1	Superior	SUP	Annually
2	Good	GD	Annually
3	Acceptable	ACCPT	Annually
4	Marginal/Watch	MG/WL	Half yearly
5	Special Mention	SM	Quarterly
6	Sub-standard	SS	Quarterly
7	Doubtful	DF	Quarterly
8	Bad & Loss	BL	Quarterly

### 7.6.12 Discouraged Business Types

In the context of present economic situation vis – a – vis Government policy as well as market scenario, the following industries and lending activities are considered discouraged. The management has decided that the will not approve any loan for these following sectors.

- Military equipment/ weapon finance
- Highly leveraged transactions
- Finance of speculative business
- Logging, mineral extraction/ mining or other activity that is ethically or environmentally sensitive.



**8. FINDINGS**  
**&**  
**9. RECOMMENDATION**

## 8. Findings:

- The employees are very good in nature, highly educated and helpful, if subordinate makes a mistake, higher authority motivates politely rather than blaming.
- Jamuna Bank, Konabari Branch is able to achieve excellent rating from their clients in two important criteria of branch location & comfortable interior decoration.
- The employees of credit departments that are so crucial matter are highly experienced and can handle smartly the clients.
- Important factors such as- good reputation in the market, online banking, personal & corporate relationship etc.
- Number of employee in the branch is few.
- Cash limit is low, because of this sometimes clients can not get service properly.
- ATM service is week.
- The branch manager, officer and executive who have achieved target in all respect may be rewarded.
- Political interference has to be avoided in selection of employee. Because customers are very sensitive in service marketing. If they don't get right service at right time at right place by the right person they will switch over in other bank.
- Advertising and promotional activities are very effective for informing customers about new and (financial) attractive service. So, advertising campaign should be stronger for quick improvement of the bank.
- From the study it has been found that the pricing policy of JBL is not much satisfactory. For this reason they should hire marketing specialists who will help them to develop effective service strategy, different critical decision and prepare various plans.



## **9.0 Recommendation**

According to the JBL's position, I will suggest to take the following aspects:

- ❖ Increase branch wise promotional activities.
- ❖ Training the employees one or two times in a year with latest banking technology.
- ❖ Expand the facilities of on line banking all over the branches.
- ❖ Try to faster the service.
- ❖ Increase the facilities for the employees both financial and environmental.
- ❖ JAMUNA Bank should recruit more employees on the brance.
- ❖ Cash limit should be increased
- ❖ Number of ATM booth should be increased.

## **10. CONCLUSION**



## **10. Conclusion**

The modern business world is on the fastest flow of competition which is growing wider and wider. To have sustainability in this competitive world the organization are formulating new strategies and business plan with maximum efficiency levels in all sectors.

To build a strong base for the bank and to uphold the image of bank determination of firm or customer is not an outsider on their business he she is a part of the bank. They should have decrease the knowledge gap that means the gap between customer expectation and management perception of customer expectation. They should also decrease communication gap and ultimately the bank should adjust the customer perception with their expectation.

JBL is a modernized bank; goodwill of JBL is increasing day by day. Because it makes a good employment opportunity. It provides high standard and expectation facilities for their customers. It contributes in the economic development of the country. There are many services providing by JBL that is carry out good opportunity for general people of the country and also for savings. Besides the policy and strategies of JBL is high standard than other private bank. But they need to be more careful dynamic to retain the old customer and create new customer in existing competitive situation.

## **11. REFERENCES**



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## **12. APPENDIX**



## **Appendix A**

### **DATA COLLECTION CHECK LIST**

<b>Documents/items required for Credit Risk Grading</b>	<b>Required?</b>		<b>Obtained?</b>	
	<b>YES</b>	<b>NO</b>	<b>YES</b>	<b>NO</b>
Company accounts for at least 3 years	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bank statements for prior 12 months from previous bank (for new customer)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Set of accounts for at least two competitors (if published)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Industry average figures (If available)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Financial projection required for: • Term loans; forecasts should be for the duration of the term loan. • New overdraft facilities-forecast should be for 12 months • Working capital estimation for new/renewal/enhancement of facility.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Financial Spread Sheet (FSS)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Customer Limit Utilization Form	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Current CIB Report of the Obligor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Organization chart	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Biodata for – ▪ All Directors –Other key executives ▪ Head of operations/marketing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Copies of all reports on site visits made during the last 12 months.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Valuations of securities/collateral offered	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Memorandum/articles of association/certificate of incorporation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Business plan/Project Feasibility Report (required for start up company)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Receivables Aging	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Client's declaration of Stock/Inventory and Book Debts for the last 12 months	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Trade License	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
TIN Certificate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#### **Pending Item Checklist**

<b>Item</b>	<b>Responsibility</b>	<b>Due Date</b>	<b>Status</b>
-------------	-----------------------	-----------------	---------------

Relationship Officer (RO)

Relationship Manager /

Branch Manager

## Appendix B

### CREDIT RISK GRADING SCORE SHEET

Reference No:

Date:

<b>Borrower:</b>		<b>Aggregate Score:</b> _____	
<b>Group Name (if any):</b>		<b>Risk Grading:</b> _____	
<b>Branch:</b>			
<b>Industry/Sector:</b>			
<b>Date of Financials:</b>			
<b>Completed by:</b>			
<b>Approved by:</b>			
<i>Number</i>	<i>Grading</i>	<i>Short</i>	<i>Score</i>
1	Superior	SUP	Fully cash secured, secured by Government/International Bank Guarantee
2	Good	GD	85+
3	Acceptable	ACCPT	75-84
4	Marginal/Watchlist	MG/WL	65-74
5	Special Mention	SM	55-64
6	Substandard	SS	45-54
7	Doubtful	DF	35-44
8	Bad & Loss	BL	<35

Criteria	Weight	Parameter	Score	Actual Parameter	Score Obtained
<b>A. Financial Risk</b>	<b>50%</b>				
1. Leverage: (15%)		<ul style="list-style-type: none"> <li>Less than 0.25×</li> <li>0.26× to 0.35 x</li> <li>0.36× to 0.50 x</li> <li>0.51× to 0.75 x</li> <li>0.76× to 1.25 x</li> <li>1.26× to 2.00 x</li> <li>2.01× to 2.50 x</li> <li>2.51× to 2.75 x</li> <li>More than 2.75×</li> </ul>	15 14 13 12 11 10 8 7 0		
Debt Equity Ratio (×) - Times					
Total Liabilities to Tangible Net worth					
All calculations should be based on annual financial statements of the borrower (audited preferred).					



2. Liquidity: (15%)  Current Ratio (×) - Times Current Assets to Current Liabilities	<ul style="list-style-type: none"> <li>▪ Greater than 2.74×</li> <li>▪ 2.50× to 2.74 x</li> <li>▪ 2.00× to 2.49 x</li> <li>▪ 1.50× to 1.99 x</li> <li>▪ 1.10× to 1.49 x</li> <li>▪ 0.90× to 1.09 x</li> <li>▪ 0.80× to 0.89 x</li> <li>▪ 0.70× to 0.79 x</li> <li>▪ Less than 0.70×</li> </ul>	15 14 13 12 11 10 8 7 0		
3. Profitability: (15%) Operating Profit Margin (%)  $\frac{\text{Operating Profit}}{\text{Sales}} \times 100$	<ul style="list-style-type: none"> <li>▪ Greater than 25%</li> <li>▪ 20% to 24%</li> <li>▪ 15% to 19%</li> <li>▪ 10% to 14%</li> <li>▪ 7% to 9%</li> <li>▪ 4% to 6%</li> <li>▪ 1% to 3%</li> <li>▪ Less than 1%</li> </ul>	15 14 13 12 10 9 7 0		
4. Coverage: (5%) Interest Coverage Ratio (×)-Times $\frac{\text{Earning Before Interest \& Tax (EBIT)}}{\text{Interest on debt}}$	<ul style="list-style-type: none"> <li>▪ More than 2.00×</li> <li>▪ More than 1.51× Less than 2.00×</li> <li>▪ More than 1.25× Less than 1.50×</li> <li>▪ More than 1.00× Less than 1.24×</li> <li>▪ Less than 1.00×</li> </ul>	5 4 3 2 0		
<b>Total Score–Financial Risk</b>		<b>50</b>		

Criteria	Weight	Parameter	Score	Actual Parameter	Score Obtained
<b>B. Business/Industry Risk</b>	<b>18%</b>				
1. Size of Business (Sales in BDT crore)  The size of the borrower's business measured by the most recent year's total sales. Preferably based on audited financial statements		<ul style="list-style-type: none"> <li>▪ &gt; 60.00</li> <li>▪ 30.00 – 59.99</li> <li>▪ 10.00 – 29.99</li> <li>▪ 5.00 - 9.99</li> <li>▪ 2.50 - 4.99</li> <li>▪ &lt; 2.50</li> </ul>	5 4 3 2 1 0		
2. Age of Business  The number of years the borrower has been engaged in the primary line of business.		<ul style="list-style-type: none"> <li>▪ &gt; 10 years</li> <li>▪ &gt; 5 - 10 years</li> <li>▪ 2 - 5 years</li> <li>▪ &lt; 2 years</li> </ul>	3 2 1 0		
3. Business Outlook  A critical assessment of the medium term prospects of the borrower, taking into account the industry, market share and economic factors.		<ul style="list-style-type: none"> <li>▪ Favorable</li> <li>▪ Stable</li> <li>▪ Slightly Uncertain</li> <li>▪ Cause for Concern</li> </ul>	3 2 1 0		
4. Industry Growth		<ul style="list-style-type: none"> <li>▪ Strong (10%+)</li> <li>▪ Good (&gt;5% - 10%)</li> <li>▪ Moderate (1% - 5%)</li> <li>▪ No Growth (&lt;1%)</li> </ul>	3 2 1 0		
5. Market Competition		<ul style="list-style-type: none"> <li>▪ Dominant Player</li> <li>▪ Moderately Competitive</li> <li>▪ Highly Competitive</li> </ul>	2 1 0		

Criteria	Weight				
6. Entry/Exit Barriers		<ul style="list-style-type: none"> <li>▪ Difficult</li> <li>▪ Average</li> <li>▪ Easy</li> </ul>	2 1 0		
<b>Total Score-Business/Industry Risk</b>			<b>18</b>		

Criteria	Weight	Parameter	Score	Actual Parameter	Score Obtained
<b>C. Management Risk</b>	<b>12%</b>				
1. Experience (Management & Management Team)  The quality of management based on the aggregate number of years that the Senior Management Team has been in the industry.		<ul style="list-style-type: none"> <li>▪ More than 10 years in the related line of business</li> <li>▪ 5–10 years in the related line of business</li> <li>▪ 1–5 years in the related line of business</li> <li>▪ No experience</li> </ul>	5 3 2 0		
2. Second Line/ Succession		<ul style="list-style-type: none"> <li>▪ Ready Succession</li> <li>▪ Succession within 1-2 years</li> <li>▪ Succession within 2-3 years</li> <li>▪ Succession in question</li> </ul>	4 3 2 0		
3. Team Work		<ul style="list-style-type: none"> <li>▪ Very Good</li> <li>▪ Moderate</li> <li>▪ Poor</li> <li>▪ Regular Conflict</li> </ul>	3 2 1 0		
<b>Total Score-Management Risk</b>			<b>12</b>		

Criteria	Weight	Parameter	Score	Actual Parameter	Score Obtained
<b>D. Security Risk</b>	<b>10%</b>				
1. Security Coverage (Primary)		<ul style="list-style-type: none"> <li>▪ Fully pledged facilities/substantially cash covered/Reg. Mortg. for HBL</li> <li>▪ Registered Hypothecation (1<sup>st</sup> charge/1<sup>st</sup> Pari passu charge)</li> <li>▪ 2<sup>nd</sup> Charge/Inferior charge</li> <li>▪ Simple hypothecation/negative lien on assets.</li> <li>▪ No security</li> </ul>	4 3 2 1 0		
2. Collateral Coverage (Property Location)		<ul style="list-style-type: none"> <li>▪ Registered Mortgage on Municipal Corporation/Prime area property.</li> <li>▪ Registered Mortgage on Pourashava/semi-urban area property</li> <li>▪ Equitable Mortgage or No property but plant &amp; machinery as collateral</li> <li>▪ Negative lien on collateral</li> <li>▪ No collateral</li> </ul>	4 3 2 1 0		



3. Support (Guarantee)	▪ Personal guarantee with high net worth or Strong Corporate Guarantee	2		
	▪ Personal Guarantees or Corporate Guarantee with average financial strength	1		
	▪ No Support/Guarantee	0		
	<b>Total Score- Security Risk</b>	<b>10</b>		

Criteria	Weight	Parameter	Score	Actual Parameter	Score Obtained
E. Relationship Risk	10%				
1. Account Conduct		▪ More than 3 (three) years accounts with faultless record	5		
		▪ Less than 3 (three) years accounts with faultless record	4		
		▪ Accounts having satisfactory dealings with some late payments	2		
		▪ Frequent Past dues & Irregular dealings in account	0		
2. Utilization of Limit (actual/projection)		▪ More than 60%	2		
		▪ 40% - 60%	1		
		▪ Less than 40%	0		
3. Compliance of Covenants / Conditions		▪ Full Compliance	2		
		▪ Some Non-Compliance	1		
		▪ No Compliance	0		
4. Personal Deposits  The extent to which the bank maintains a personal banking relationship with the key business sponsors/principals.		▪ Personal accounts of the key business Sponsors/ Principals are maintained in the bank, with significant deposits	1		
		▪ No depository relationship	0		
Total Score-Relationship Risk			10		
Grand Total- All Risk			100		

### **CREDIT RISK GRADING FORM**

Date:

<b>Borrower:</b>		Branch:			
Incorporated:		Legal Status:			
Client Since:		Business:			
CIB date & status:		Risk Grading	Existing		New
Next Grading Review Date:		Grade Score	Existing		New
Credit Risk Grade Score Sheet Ref. No ----- & dated ----- enclosed.					

Facilities	Amount in '000 TK		Expiry/ Maturity	Days Past due	Interest Suspense	Provision Held
	Limit	Outstandings				

SLC/PAD						
LTR						
ULC/Acceptance						
Overdraft						
Cash Credit						
Demand Loan						
Term Loan						
Guarantee						
<b>Total</b>						

**Query:**

Are we receiving Financials regularly?	
Monthly sales deposit receipt and adjustment by the Bank: (For last 6 months.)	
Is client in business?	
What is happening to sister company cash flow?	
Do we have corporate guarantee? What is the risk grade of guarantor?	
Is loan documentation 100% OK?	
Are stock of client verified/When/What is the valuation?	
When last client/factory visit was made by RM and comment by RM?	
Is Registered Mortgage in place/ What is the value?	
Are all the approval conditions/covenants complied by borrower?	

**Reason for change (if any) in credit risk grading:**

**General comment by RM or Recommended action steps for upgrade if required:**

\_\_\_\_\_  
Relationship Officer

\_\_\_\_\_  
Branch Manager

**GRADING APPROVAL**

\_\_\_\_\_  
**Credit Officer, CRM  
CRM**

\_\_\_\_\_  
**Senior Credit Officer,**