

INTERNSHIP REPORT  
ON



**Janata Bank Limited**

A Committed Partner in Progress



**Internship Report On**  
**“General Banking Activities of Janata Bank Limited”**



**Prepared For:**

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Date of Submission- February 03, 2017

# Letter of Transmittal

February 03, 2017

To

Riyashad Ahmed

Assistant Professor, BBS

BRAC University,

66 Mohakhali, Dhaka.

Subject: Submission of Internship Report.

Dear Sir,

With utmost respect I would like to present this internship report on “**General Banking Activities of Janata Bank Limited**” as a requirement for completing my Bachelor of Business Administration. I enjoyed preparing the report though it was challenging to finish within the given time. In preparing this report, I have tried my level best to include all the relevant information related to general banking activities of Janata Bank Limited. In addition, it is a great opportunity for me to present my internship report under your supervision. I am very thankful for your valuable suggestions, guidelines and instructions. I will be very much glad to hear from you for further clarification.

May I, Therefore, wish and hope that you would be gracious enough to accept my effort and oblige thereby.

Yours Sincerely,

-----

Md. Rafat Moyeen

ID: 12304063

BRAC Business School,

BRAC University

## **Acknowledgement**

This is high time for me to convey my deepest gratitude and sincere submission to the Almighty Creator Allah for giving me the opportunity for the accomplishment of preparing the internship report.

I feel honored to lay my sincerest gratitude to my honorable supervisor, Mr, Risashad Ahmed, Assistant Professor, BRAC University, for his help, encouragement, Guidance and valuable suggestions throughout the period of this study, without which it would not have been possible to submit this report on time.

It was a great opportunity for me to complete my internship program at Janata Bank Limited, Dhanmondi Corporate Branch. I am also very grateful to my branch manager, operation manager and other officers for their great support.

I am fortunate for the aid and encouragement I have received from all of my teachers and friends and students of BRAC University.

## **Executive summary**

Doing Internship in financial institutions always gives best chance to finance students to apply their knowledge on practical field. Financial institutions have very wide range of activities in the economy of a country. Banks are the most important one in the financial sector as they play a very crucial role for the economy. Banking business mainly maintains flow of funds from depositors to investors. In doing so, banks need to collect deposit from the depositors and then distribute those as loan to the investors. Besides, banks provide assistance in international trade, money transfer, collection and payment of utility and other bills, etc. all of which are fully customer oriented. Therefore, commercial banks are treated as service organizations and their business is largely dependent on the quality of services they provide. Hence, the efficiency and success of commercial banks depend entirely upon the satisfaction of their clients. So the key factor of any commercial bank is the customer service provided by them. This report “General Banking Activities of Janata Bank Ltd” is the picture of quality services provided by one of the well-known state owned public commercial bank of Bangladesh ‘Janata Bank Limited’. The study covers the following sections:

- ✓ Brief Discussion about Janata Bank Limited (JBL)
- ✓ SWOT Analysis of JBL
- ✓ Services provided by Janata Bank Limited
- ✓ Findings & Recommendations.

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# Chapter One

## Introduction

### 1.1 Introduction of the Report

Bank is very old institution that is contributing toward the development of any economy and is treated as an important service in the modern world. Economic history shows that development has started everywhere with the banking system and its contribution towards financial of a country is the highest in the initial stage. It started as a result of people's need. And with ages it has been playing an important role in fulfilling the dire needs of businessmen and others. As the size and complexities of business is increasing day by day banking sector is also providing various innovative services with basic functions to increase size but to reduce the complexities.

Modern banking is a result of evolution driven by changing economic activities and life styles. Entering in to a new millennium, banking needs have become more diverse and exotic than ever before. It is known now that commercial bank is a profit maximizing institution. Hence it should provide loans to those sectors in which its return is higher. But the main purpose of nationalized commercial banks is not just to make profit but also to maximize the social benefit. Commercial banks provide variety of other services to their customers as for example, remittance facilities, credit information about customers, financial advice, collection of debts and dues etc. Banks also provide a number of trust services to their customers. These services may either corporate trust services, which arise in connection with the issue of bonds; personal trust services under which they manage property on behave of their clients or corporate pension funds that provide retirement benefit for their employees.



## 1.2 Origin of the Report

This internship report is originated as a partial fulfillment of the BBA program of BRAC Business School (BBS), BRAC University. This report is a mandatory for the completion of BBA and this course (BUS400) carries four credits as well. I was placed at Dhanmondi Corporate Branch of Janata Bank Limited for my internship program and prepare report on “General Banking Activities of Janata Bank Limited”. During the period of my internship, I am adjusting and applying my theoretical knowledge with my practical experience. The main purpose of the program is to expose the students to the professional life.

## 1.3 Limitations of the Report

To prepare a report on General Banking Activities of Janata Bank in a short duration is not an easy task. From the beginning to end, the study has been conducted with the intention of making it as a complete and truthful one. A lot of information could not obtain because the bank were not interested to disclose their information, policy, and data to maintain their secrecy. I had to depend on the websites of the respective bank for much information. In preparing this report some problems and limitations have encountered which are as follows-

- ✓ Officers are busy with their respective works. Many of them have truly failed to manage time to have a talk with me about his work in the desk.
- ✓ Every organization has their own secrecy that is not revealed to others. While collecting data on JBL, personnel did not disclose enough information for the sake of confidentiality of the organization.
- ✓ One of the major limitations is the time constraints
- ✓ Branch was going through renovation process, which was hampering the working environment.
- ✓ As the data, in most cases, are not in organized way, the bank failed to provide all information.
- ✓ Lack of opportunity to access to internal data.
- ✓ Legal action related information was not available.

## 1.4 Objective of the Report

There are some purposes of preparing the report. These are given:

- ✓ To acquire knowledge about the relationship between theoretical knowledge practical activities.
- ✓ To have a clear knowledge about all the division and departments of Janata Bank
- ✓ To have exposure to the functions of general banking
- ✓ To observe the working environment in commercial bank
- ✓ To get idea about how to deal with the customers
- ✓ To be acquainted with the procedures of several schemes of deposits.
- ✓ To recommend some suggestions based on findings.

## 1.5 Methodology of the study

To perform the study data sources are to be identified and collected, the data are to classified, analyzed, interpreted and presented in a systematic way.

### (1) Primary Sources-

- ✓ Discussion with the officials about the general banking activities of Janata Bank.
- ✓ Practical deskwork
- ✓ Direct communication with clients
- ✓ Simple depth interview technique was used by asking number of open-ended questions to collect the information.

### (2) Secondary Sources-

- ✓ Website of the Janata Bank Ltd.
- ✓ Annual report of Janata Bank
- ✓ Various articles, journals about general banking activities.
- ✓ Periodicals Published by Bangladesh Bank.

# Chapter Two

## The Organization

### 2.1 A Brief History of Janata Bank Limited

#### Background

With the emergence of Bangladesh as an independent, sovereign state in 1971 after a devastating nine month war against the West Pakistani occupation army, a war, full of blood and tears, trauma and pain of millions of our beloved ones, the legacy of rebuilding the already broken financial base of the country was felt as an urgent call of the day against a collapsed economic reality of a newly born state.

#### Inception

In this backdrop, in order to rebuild the country's economy, measures had been taken to merge a number of banks previously operated in this region and make new banks and this initiatives led to formation of Janata Bank in 1972 by combining the erstwhile United Bank Limited and Union Bank Limited under the Banks Nationalization Order (President's Order No. 26) of 1972.

#### Corporatization

In 15 November, 2007 Janata Bank got registered with the Joint Stock of Registrars and restructured it as a public limited company with the name Janata Bank Limited.

#### Roundup

Including 4 overseas branches in United Arab Emirates Janata Bank runs its business with 910 branches across the country having a big family of around 19,140 (As on 31.10.2016) employees with its head office located at Janata Bhaban at Motijheel C/A, the heart of the capital city, Dhaka.

At the end of 2015 the Bank held Deposit BDT 568,911.14 million, Advance BDT 349,861.30 million with Authorized capital BDT 30,000 million and Paid-up Capital BDT 19,140 million.

Janata Bank Limited, a corporate body trusted over the years, the 2nd largest (in respect of Deposits/Assets) commercial bank in Bangladesh, has been playing pivotal role in overall financial activities of the country and is possessing a long heritage of discharging laudable services to the society since her embankment immediately after the emergence of this verdant rich alluvial soil as a sovereign, independent state.

The contribution of the Bank to the national economy and social reform has set standard bar so high that others in this business can't help aspire touching the benchmark of success earned JBL. More so a matter of great honor is that the contribution, commitment and success of the Bank have been recognized with a number of prestigious awards by national and international organizations of repute.

## 2.2 Corporate Information

Name	Janata Bank Limited
Registered Address	Janata Bhaban, 110, Motijheel Commercial Area Dhaka - 1000, Bangladesh.
Legal Status	Public Limited Company
Chairman	Shaikh Md. Wahid-uz-Zaman
Managing Director & CEO	Md. Abdus Salam
Company Secretary	Md. Mosaddake-Ul-Alam
Date of Incorporation	21 May 2007
Authorized Capital	BDT 30,000 Million
Paid up Capital	BDT 19,140 Million
Face value per share	BDT 100 per share
Shareholding Pattern	100% Share owned by the Government of Bangladesh
Number of Employees	13,498(As on 31.10.2016)
Banking license obtained from Bangladesh Bank	31 May 2007
Phone	+88 02-9560000, 9566020, 9556245-49, 9565041-45, 9560027-30
SWIFT	JANBBDDH
Website	<a href="http://jb.com.bd">http://jb.com.bd</a>
E-mail	<a href="mailto:md@janatabank-bd.com">md@janatabank-bd.com</a>

Figure: 1. JBL Corporate Information.

### **2.3 Vision**

To the effective largest commercial bank in Bangladesh to support socio-economic development of the country and to be a leading bank in South Asia.

### **2.4 Mission**

Janata Bank Limited will be an effective commercial bank by maintaining a stable growth strategy, delivering high quality financial products, providing excellent customer service through an experienced management team and ensuring good corporate governance in every step of banking network.

### **2.5 Objectives of the Bank**

- (1) To make the best use of latest technologies for giving the clients a taste of modern banking.
- (2) Respond to the need of the time by participating in syndicated large loans financing, thereby expanding the area of investment of the bank.
- (3) Full implementation and utilization of the Bank's excellence program which aims to provide services to customers.
- (4) To be the leading bank in Bangladesh.
- (5) Create employment and poverty alleviation through financing schemes.
- (6) Establishing financial women enterprise.

## 2.6 List of Branches

Local Office	1
Corporate-1 Branch	15
Corporate-2 Branch	61
Overseas Branch	04
Grade-1 Branch	290
Grade-2 Branch	213
Grade-3 Branch	294
294 Grade-4 Branch	107
Total Branches	910

Figure: 2. JBL Branches.

## 2.7 Management

Janata Bank is the largest commercial bank of the country. It has 910 branches throughout the country and abroad to serve the nation. There are 4 overseas branches at U.A.E. The Head Office of the bank is located at Janata bhaban 110 Motijheel C/A; Dhaka. It has 15 GM, 77DGM 192 AGM, 576 First AGM, 1037 SEO, 3085 EO and 460 AEO. Principal Offices are headed by First AGM and each department is headed by AGM.

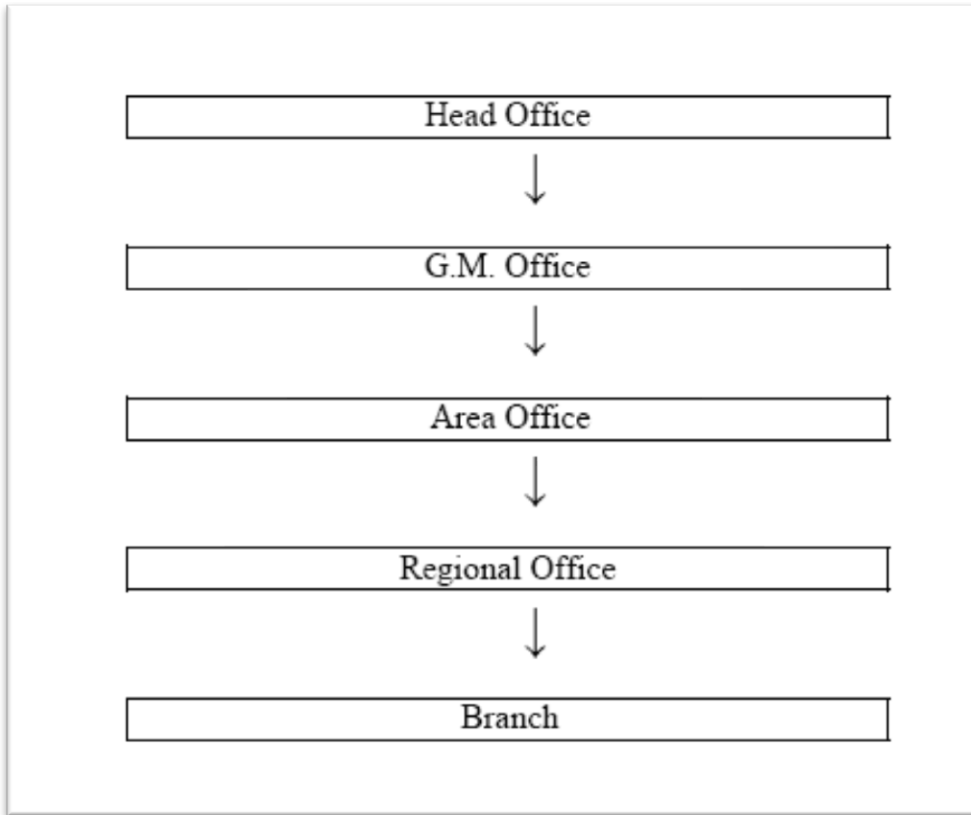


Figure: 3. Functional Hierarchies.

## 2.8 Board of Directors

Board of Directors, constituted by 10 (ten) members, has authority to organize, operate and manage its affairs on commercial consideration within the Board Policy of government. The Directors are representatives from both public and private sectors. Members of the Board including M.D are government appointed out of that at least three have the experience in the field of Finance, Banking, Trade, Commerce, Industry and Agriculture. The managing directors are the chief Executive of Bank. The Board of Directors is composed of 10 (ten) members headed by a Chairman. The name and position of directors are as follows.

### **Chairman of the Board of Directors**

- ✓ Shaikh Md. Wahid-uz-Zaman

### **Members of the Board of Directors**

- ✓ Mr. Manik Chandra Dey
- ✓ Khondker Sabera Islam
- ✓ Mr. Md. Mofazzal Husain
- ✓ Mr. Masih Malik Chowdhury, FCA
- ✓ Mr. A.K. Fazlul Ahad
- ✓ Mrs. Luna Shamsuddoha
- ✓ Mrs. Selima Ahmad
- ✓ Mr. Mohammad Abul Kashem
- ✓ Mr. Md. Abdus Salam, CEO & Managing Director.

## **2.9 Regulations**

Janata Bank's regulations are a form of government regulations which subject banks to certain requirements, restrictions and guidelines. This regulatory structure ensures transparency between banking institutions and the individuals with whom JBL conducts business, among other things.

Immediately after the emergence of Bangladesh in 1971, the Bank emerged as 'Janata Bank' by combining the erstwhile United Bank Limited and Union Bank Limited under the Bangladesh Banks Nationalization Order (President's Order-26) of 1972. 'Janata Bank Limited' has been corporatized on 15 November, 2007 as per Clause (1) of Article 27A of The Bangladesh Banks (Nationalization) Order 1972.

### **Objectives of Janata bank Regulations:**

- ✓ Prudential—to reduce the level of risks to which bank creditors are exposed (i.e. to protect depositors)
- ✓ Risk reduction—to reduce the risk of disruption resulting from adverse trading conditions for banks causing multiple or major bank failures.
- ✓ Avoid misuse of banking practice—to reduce the risk of bank being used for criminal purposes, e.g. laundering and terrorism financing.
- ✓ To protect banking confidentiality.



- ✓ Credit allocation- to channel credit to favored sectors.
- ✓ It may also include rules about treating customers fairly and having corporate social responsibility (CSR)

## **2.10 Corporate Social Responsibility (CSR)**

Corporate Social Responsibility (CSR) is a concept whereby organizations consider the interests of society by taking responsibility for the impact of their activities on customers, employees, shareholders, communities and the environment in all aspects of their operations. It is becoming a key initiative and an essential tool in the development of third world countries throughout the globe. In recent time CSR has got more acceptability than profit maximization.

### **View of Janata Bank Limited towards CSR**

Janata Bank Limited sees CSR activities as a critical component of continuous improvement, like the overall effort to be a more socially responsible and sustainable organization. Being one of the leading state-owned commercial banks in Bangladesh, Janata Bank Limited, with its 904 branches has also realized its responsibilities to the society and is contributing to the amelioration of the social life of the destitute people, infra-structure, environment etc. Not only that, it has stepped forward to introduce interest-free loans to the poor and marginal farmers in the Aila-Sidr-Monga unit areas.

### **Field of CSR Activities by Janata Bank:**

- ✓ Education and Research
- ✓ Health and Treatment
- ✓ Poverty Reduction and Rehabilitation
- ✓ For repaying loan interest of the poor and marginal farmers and for leather sector business promotion.
- ✓ History, culture and sports.
- ✓ Information Technology
- ✓ Natural Calamity
- ✓ Protection of Environment
- ✓ Miscellaneous.

## 2.11 Award and Recognition

Recently The Bank has been recognized internationally and domestically for its good performance. Few of these recognitions are given below:

- ✓ Best Presented Annual Report Awards and SAARC Anniversary Awards for Corporate Governance Disclosers 2013
- ✓ 14th ICAB National Award for Best Presented Annual Reports 2013
- ✓ ICMAB Best Corporate Award 2015
- ✓ ICMAB Best Corporate Award 2014
- ✓ ICMAB Best Corporate Award 2012
- ✓ ICMAB Best Corporate Award 2011
- ✓ International Award -"World's Best Bank Award-2009 in Bangladesh
- ✓ International Award -"World's Best Bank Award-2008 in Bangladesh
- ✓ International Award -"World's Best Bank Award-2007 in Bangladesh
- ✓ International Award -"World's Best Bank Award-2006 in Bangladesh

# Chapter Three

## General Banking Activities of Janata Bank

### 3.1 General Banking

General Banking or Retail Banking refers to the division of a bank that deals directly with retail customers. It is also known as consumer banking or personal banking. Basically General banking is the combination of different departments and the activities performing in banking operation. This banking department operates day-to-day transactions of banking operation. Every day it receives deposits from customers and meets their demand for cash. it opens new accounts, remits customers money from one place to another through issuing bank draft, pay order, funds, local, foreign remittance, collects all bills like local cheque collection, Inward bill collection and outward bill collection for customers.

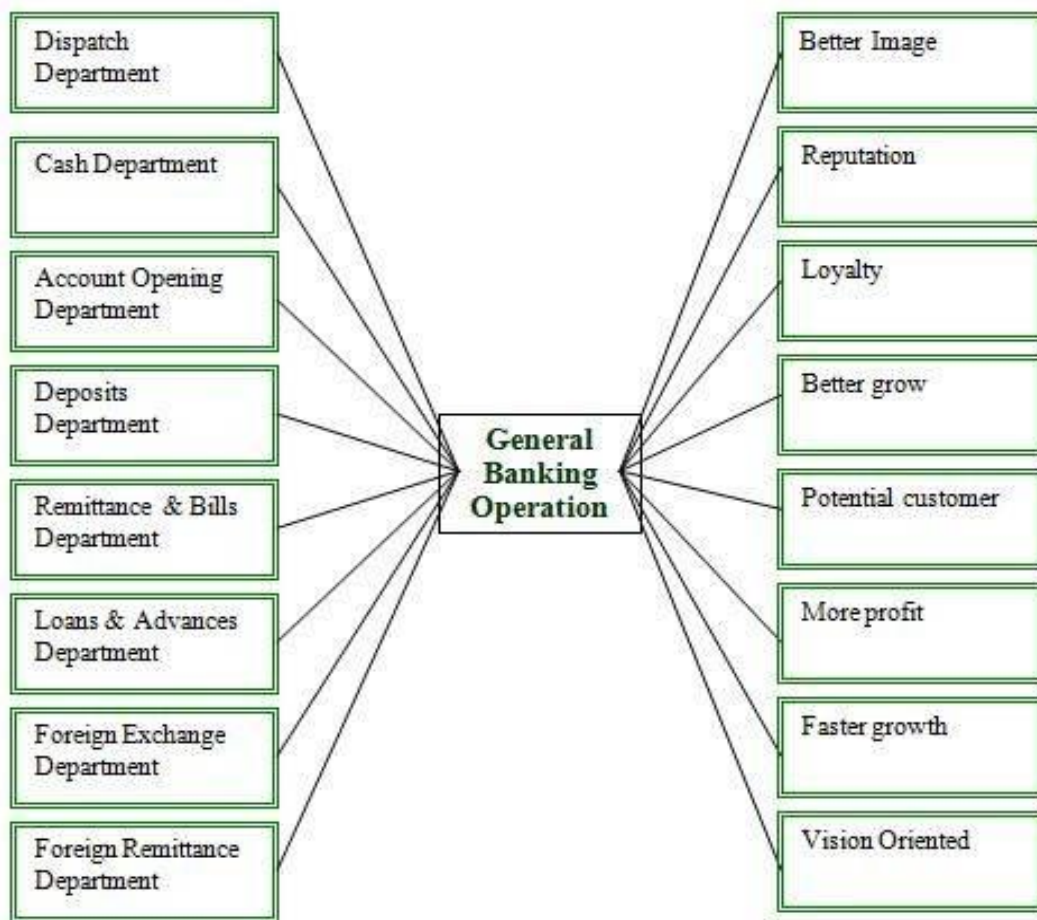


Figure: 4. General Banking Activities

### 3.2 Procedures for Opening of Accounts:

The customers of a current or saving account have to complete the following formalities before opening their above account. This are-

1. Application on the prescribed form.
2. Furnishing photographs (two copies)
3. Introduction by an account holder
4. Putting three specimen signature in the 'specimen signature card'
5. Mandate (if necessary)
6. Voter ID card number
7. Voter ID card of Nominee
8. Photograph of Nominee attested by account holder (one copy)

Then after meeting the above requirements, the particular branch provides the customer pay-in-slip and a Cheque-book.

### 3.3 Deposit Products:

#### ❖ **Current Deposit Account:**

Janata Bank Limited offers customers current deposited facility for day-to-day business transaction without any restriction. This deposit account pays no interest. But a customer can withdraw money from this account when he wants just by presenting his account cheque over counter during any working day. This type of account may be opened in the name of individual or firms. This account suits best for businessman or business firm.

#### **Main requirements for opening Current Deposit Account:**

- ✓ Two copies of passport size photograph.
- ✓ Photocopy of National ID card
- ✓ Photocopy of TIN certificate, if any
- ✓ Memorandum and Articles of Association. (for limited company)
- ✓ Certificate of incorporation (for limited company)

- ✓ Board resolution for opening of account and operation of account. (for limited company only)
- ✓ Up to date trade license (for organization)
- ✓ Photocopy of VAT certificate, if any.
- ✓ IRC & ERC copy, if applicable.
- ✓ List of all the directors, if applicable.
- ✓ Latest Form XII, if applicable.
- ✓ Other papers (if necessary).

### **Main procedure to open Current Deposit Account:**

- ✓ Account Opening Form to be duly filled out and submitted to the concerned branch of Janata Bank duly attested by an introducer who must be an account holder of any branch of Janata Bank.
- ✓ An initial deposit is required for opening of the A/c.
- ✓ Minimum balance is to be maintained in the A/c.
- ✓ All required information and papers as per terms mentioned in the Account Opening Form.

### **❖ Saving Deposit Account:**

In terms of saving account Janata Bank currently provide 5% of interest to the account holder. Here customer can not withdraw their money according to their wish. There are some rules which should be followed by the clients for withdrawing money per week. Now-a-days people are very much interested to open this type of account as it is both secured and it gives an interest.

### **Main requirements for opening a Savings Bank Account:**

- ✓ Account Opening Form to be duly filled out and submitted to the concerned branch of Janata Bank along with three passport size recent photographs of the applicant duly attested by an introducer who must be an Account Holder of any branch of Janata Bank.
- ✓ An initial deposit is required for opening of the A/c.

- ✓ Minimum balance is to be maintained in the A/c.
- ✓ A Savings Bank Account may also be opened in the name of a minor whom has to be operated by the minor's guardian.
- ✓ An account in the name of an illiterate person can also be opened which is to be operated by the account holder's thumb impression. For each and every transaction of the Account the illiterate account holder has to present himself/herself before the concerned Branch officials.
- ✓ All required information and papers as per terms mentioned in the Account Opening Form
- ✓ Up to date trade license (for organization)
- ✓ Interest for the account is applied in June and December on monthly product basis.
- ✓ Photocopy of TIN certificate, if any.

**Main procedure to open Savings Deposit Account:**

- ✓ Account Opening Form to be duly filled up out and submitted to the concerned branch of Janata Bank which is duly attested by an introducer who must be an Account Holder of any Branch of Janata Bank.
- ✓ An initial deposit is required for opening of the A/c.
- ✓ Minimum balance is to be maintained in the A/c. Photocopy of TIN certificate, if any.
- ✓ All required information and papers as per terms mentioned in the Account Opening Form.

**❖ Fixed Deposit:**

Fixed Deposit is also known as FDR. This account is quite different from saving or current account. In terms of fixed deposits an amount of cash is deposited in bank for a certain period of time and takes interest in return. But the depositor of this account cannot withdraw their money before the maturity period. These deposits are time deposits or time liabilities. For a fixed deposit account, Bank does not need to hold reserve cash for repaying the customers money because the payment will be occurred just after the competition of fixed period of time. Janata bank offers high interest rate in fixed deposit account and the interest rates are given below-

Period	Interest rates
For 3 months to > 6 months	@7.00%
For 6 months to > 12 months	@7.50%
For 12 months to > 24 months	@7.75%
For 24 months to > 36 months	@8.00%

Though the fixed deposit holders can withdraw their deposited money at any time after giving a short notice. But then the customers will get a different interest rate, which are given below-

- ✓ If withdrawal happens before 3 months, there will be no interest.
- ✓ If withdrawal happens before 6 months, there will be 3 months interest rate.
- ✓ If withdrawal happens before 1 year, there will be 6 months interest rate.
- ✓ If withdrawal happens before 2 years, 1 years interest rate.
- ✓ If withdrawal happens before 3 years, 2 years interest rate.

#### ❖ Janata Bank Deposit Scheme (JBDS)

The minimum eligible age of applying for Janata Bank Deposit Scheme (JBDS) is 18 years old. According to this scheme, a person can open this account by depositing at least 500 taka or maximum 20000 in each month for 10 years term. Then, after the maturity period the depositor can withdraw all the money with interest or can withdraw the money on monthly basis. The depositor can select more than one nominee to withdraw their money after his or her death. But in this scheme, no joint account will be allowed. And JBDS is exempted from income tax. Another significance of JBDS is, this scheme gives the depositors a chance of bearing educational or marital expenses of their sons and daughters.

For, JBDS, the payment systems in case of maturity of an account are as follows:

<b>Amount of monthly installment</b>	<b>Period (years)</b>	<b>Payment in case of maturity of the period (tk)</b>	<b>Total Payment (tk)</b>
500	10	60000	94609
1000	10	120000	188218
2000	10	240000	375435
5000	10	600000	937088
10000	10	1200000	1873176
20000	10	2400000	3745352

Source: Deposit Department, Dhanmondi Corporate Branch.

#### ❖ **Sonchoy pension Scheme (SPS)**

Janata Bank started 'Janata Bank Ltd. Sonchoy Pension Scheme'. This scheme helps to improve the socio-economic conditions of the professionals of all levels. The main characteristics of SPS are as follows-

- ✓ Duration of the account in this scheme is either five or ten years.
- ✓ Amounts of installments are tk.100, tk.200, tk.300, tk.400 tk500, or tk.1000
- ✓ Any person of minimum 18 years old can open a SDPS account.
- ✓ A depositor should deposit his/her monthly installment by the 01th day of each month. If the 10<sup>th</sup> day is a public holiday, then deposit in next working day is allowed. The installment can be deposited either by cash or by cheque.
- ✓ The depositor can have one or more nominees. In case of more than one nominee, the depositor can determine the portion of amount of money for each nominee.



A customer can stop to continue his/her operation with SPS at any time. Then the interest rate will be count under the following policy-

- If she/he stops the account within one year, no interest will be given.
- If he stops the account after one year but before three years, 5% simple interest will be given.
- If he cancels his account after three years but before five years, 7% simple interest will be given.
- If he withdraws his account after five years, then 8.5% simple interest will be given

#### ❖ **Short Term Deposit:**

In Short Term Deposit Account, the deposit should be kept for at least seven days to get interest. And the interest rate is less than the saving deposit account. In terms of short term deposit frequent withdrawal of depositors money is discouraged by the bank and it require a prior notice to withdraw their money. STD is also called ‘Seven Days Notice Current A/C’. The interest rate in terms of short term deposit account is given below-

<b>STD</b>	<b>Interest Rate</b>
Up to 10 core	3.50%
Above 10 core	3.60%

### 3.4 **Transfer of Account to another Branch:**

The account holder requests to transfer his accounts by giving the following instructions-

- ✓ Reasons for transfer the account.
- ✓ Address of the branch at which customer wants to transfer the account
- ✓ The unutilized cheque book will be returned to the transferring branch before transfer

After verification, the approval of the manager for transferring the account is obtained and then the specimen of the forwarding letter of transferee branch will be sent. After the application is received duly approved from the manager, the branch transfer the account based on the following entries-

Customer's Account-----Dr  
 Transferee Branch Account-----Cr  
 Service charge (income) -----Cr

### 3.5 Account closing-

An account can be closed mainly for two reasons. And it can be closed by both the banker and the customer.

- ✓ **By Banker:** An account can be closed by the Banker only when a customer does not maintain any transaction within six years. And the account balance becomes lower than the minimum balance.
- ✓ **By customer:** If a customer wants to close his/her account then, he writes an application to the manager and requesting him to close his account.

But, willingly a customer does not close his/ her account. At times, customer doesn't maintain any transaction for long time. It is becoming dormant and ultimately closed by the banker.

### 3.6 Remittance:

'Remittance' means sending of money from one place to another place through post or Telegraph. Commercial banks provide this service to its customers and this service become popular to the customers.

There are 2 types of bank remittance, this are-

#### (1) Foreign Remittance-

- **EFT (Electronic Fund Transfer):** An electronic funds transfer (EFT) is a transaction that takes place over a computerized network, either among accounts at the same bank or to different accounts at separate financial institutions.
- **Instant cash payment:** A form of liquid funds given by a consumer to a product or service provider as compensation for receiving those products.
- **Web based spot cash payment (cash over the counter):** money that is paid for something immediately, when it is delivered.

## (2) Inland Remittance-

**Demand Draft (DD):** Demand Draft (DD) is an instruction payable on demand. It is a negotiable instrument issued by the branch of a bank containing an order to another branch of the same bank to pay fixed sum

- Money to a certain person or order of demand.
- **Telegraphic Transfer (TT):** A telegraphic transfer is an electronic method of transferring funds; it is mainly use for overseas wire transactions.
- **Mail Transfer (MT):** This is the mode used when you wish to transfer money from your account in Center 'A' to either your own account in Center 'B' or to somebody else's account.

### 3.7 e-services:

(1) **ATM Service:** Janata Bank limited has already started online banking and they are progressing rapidly in this area. To keep patch with the modernized world janata bank also offer modern banking service to their customers. Thus, they are providing ATM facilities with Debit and Credit cards to the customer. Some of the featured of their cards are given below-

- ✓ Connected with NPSB (National Payment Switch Bangladesh)
- ✓ Running under the largest network of Bangladesh.
- ✓ Card holder can use any ATM & POS (point of sales) within Bangladesh.
- ✓ Mobile phone recharge & online Tax payment facility is available.
- ✓ Minimum fees and charges.
- ✓ SMS alert service is available.
- ✓ No hidden cost.

(2) **Q-cash Service:**

Janata Bank limited is the first among the Nationalized Commercial Banks, has introduced ATM services. Janata Bank is one of the pioneer members of shared

Q-cash consortium. They offer Debit and Credit card facilities. If a person has an account in Janata Bank he/she can easily be owned Debit and Credit card of this bank. A card holder can enjoy the facilities of all ATMs of network sharing banks; BRAC Bank Limited and Dutch Bangla Bank Limited. A Q-cash (ATM) cardholder can use their cards to meet shopping needs through POS terminals of American Express deployed at important shops, stores and malls.

### Debit Card



### Credit Card



### 3.8 Operation of Cheque:

A cheque, signed by the drawer is an unconditional order in writing and drawn on a specified bank. Bank will pay a certain sum of money to the cheque bearer. There are three parties who involves in a cheque. They are-

- ✓ The drawer
- ✓ The drawee (the bank) and
- ✓ The payee (to whom the cheque is to be paid)

There are some procedures to pass a cheque. These are given below-

- ✓ A clerk scrutinizes the cheque for the date, amount and the signature and then he gives the drawer of the cheque a token number he also writes that number at the back side of the cheque. He then passes the cheque to the ledger-keeper after giving a seal.
- ✓ The ledger-keeper again scrutinizes the cheque for his satisfaction. He then debits the amount in the ledger book and passes the cheque to the authorized officer. The authorized officer verifies the signature of the accountholder very carefully to protect any kind of fraudulent activities and passes it to the cash officer for payment.
- ✓ The drawer of the cheque presents the token in the 'Cash Payment Counter' and the cashier makes payment after verifying the token. The cashier may want another signature to compare with the previous one.

### 3.9 Issuing Chequebook:

There are three types of cheque book in the Janata Bank limited. This are-

- ✓ **Ten leaves cheque book**- this type of cheque books are use only for savings account.
- ✓ **Twenty leaves cheque book**- twenty leaves cheque books are use for current account.
- ✓ **Fifty leaves cheque book**- fifty leaves cheque books are use for current account but this is provided those depositors who are loyal customer or those whose transactions are done randomly.

#### ❖ **Chequebook issue to a new account holder:**

New account holder has to fill up an application form which is provided by Janata Bank before getting a chequebook. Then, after completing the application form with required information the account holder back it to the officer. The officer then verifies the depositors signature and put

Branch seal and put his signature, date, name of the account holder, account number, cheque number is recorded in the register book. When all this functions are successfully completed the client gets his chequebook and put his signature on the register book.

❖ **Chequebook issue to existing account holder:**

When an existing deposit holder wants a new cheque book then he or she should be give a requisition slip to the bank which he get from previous cheque book. Then after verifying the authorized officer gives him or her new chequebook.

**3.10 In the case of lost Chequebook:**

When an account holder lost his chequebook, then he has to give an application to the Brach manager for providing him a new chequebook. After verifying the accounts holder signature the manager gives him a new chequebook.

**3.11 Clearing:**

Clearing is a system by which a bank can collect customers fund from one bank to another bank through clearing house.

❖ **Clearing house:** it is a place where the representative of different banks gets together to receive and deliver cheque with another bank. Normally Bangladesh Bank performs the clearing house. The procedures of collection are given below-

- ✓ Putting the receive seal on the cheque.
- ✓ Putting crossing seal in the cheque.
- ✓ “Payee’s A/C credited” endorsement is given.
- ✓ Entry is given in the outward clearing register.
- ✓ Clearing seal is given
- ✓ Cheques are sorted bank wise and entries are given to the computer.
- ✓ Entries are given in the clearing house register before dispatching to the clearing house.

### 3.12 Return Cheque:

There are several reasons for cheque return or dishonored.

- ✓ Insufficient fund
- ✓ Exceed arrangement
- ✓ Full cover not received
- ✓ Payment stopped by drawer
- ✓ Payee's endorsement irregular/illegible/required
- ✓ Drawer's signature differs
- ✓ Cheque is past dated/ out of date or multi date
- ✓ Amount in word and figure is different

The dishonor cheque entry in the return register & the party is informed about it. Parties signature is required in the register to deliver the dishonor cheque. If the cheque is dishonor due to insufficiency of funds then bank charges TK. 50 only as penalty.

### 3.13 Cash Department:

Cash is the lifeblood of every financial activity. And as a financial institution, Bank takes money from the people as deposit and gives them the opportunity to withdraw their money by cheque. Through cash department bank receive the deposit and paying the cash to the customer according to their demand of money. The main functions of this department are given below-

1. **Cash receipt:** when customer wants to deposited his money, he can deposited it by deposit slip in the cash counter. After receiving money and slip from the client, officer perform some following functions-
  - ✓ Officer ensure that all the writings on deposit slip are correct
  - ✓ Then count the money and write denomination in the backside of the deposit slip
  - ✓ Then officer put cash receive seal on the carbon copy of the deposit slip main copy as well
  - ✓ Put his signature on the both copy

- ✓ Then give entry in receive register book.

**2. Cash payment process:** when depositor wants to withdraw his money then he present or order cheque for withdrawing cash from cash counter. The process is given below-

- ✓ at first, deposit holder present his cheque on the computer desk
- ✓ then, the officer checks the cheque and amount has been balance in his account
- ✓ If everything is right then, the amount has been debited from the depositor account and payment seal has been putted on the cheque.
- ✓ Then bearer has signed on the backside of the cheque and authorized officer made payment.

The authorized officer must have to maintain cash payment register. Some of the components of cash payment register book are-

- ❖ Cheque number
- ❖ Account number
- ❖ Payment amount
- ❖ Authorized signature
- ❖ Payment date.

### 3.14 Account Department

Accounts department is the most important section of all banks. Accounts department of a particular branch maintain all types of accounting procedures and support the branch to take necessary measures by providing data and information. There are several functions are being done by accounts department. This are-

- ✓ Prepare daily statement of affairs
- ✓ Give posting of voucher in computer
- ✓ Maintain transfer book
- ✓ Prepare supplementary



- ✓ Prepare daily, weekly, monthly, and quarterly, half quarterly and annual statement.
- ✓ Reconciliation of CIBTA
- ✓ Prepare advice
- ✓ Prepare incomes and expenditures statement
- ✓ All administrative work.

When accounts officer receive any types of voucher then he has to identify whether this are-

- ❖ Clearing
- ❖ Cash
- ❖ Transfer

- (1) **Clearing:** when accounts officer receive clearing voucher, he send it to the clearing division.
- (2) **Cash:** when accounts officer receive cash voucher then payment made by clients.
- (3) **Transfer:** when accounts officer receive transfer voucher that means this amount should be transfer one account head to another account head. So account officer firstly, register it in the register book before computer posting. In transfer register book contains debit and credit side, particulars and amount. End of banking hour accounts officer calculate the transferred amount and debit and credit balance should be equal. He also make sure that the debit balance and credit balance of transfer, clearing and cash would be same figure. Everyday accounts department prepared daily statement and send them to the every department.

### 3.15 Loan and Advance department:

Advance division is heart of any bank. A big portion of income of Janata Bank Limited comes from this particular division. Janata bank invests depositor's money in different sectors and gets interest which is the main source of income of a bank. Though investment decision is not an easy task and this responsibility is taken by the management of the janata bank. Currently janata bank advance department play a vital role in economic development.

Janata bank has an investment committee, who are responsible for some measures like-

- ✓ To ensure the cash liquidity requirement and can this cash liquidity meet depositors requirement.
- ✓ To identify new investment portfolio and this is portfolio for the Janata Bank.
- ✓ To examine banks deposit, investment and identify their surplus money.
- ✓ They should be active for recovery their substandard, doubtful, bad loan.
- ✓ They should take short-term investment but this investment return is comparably high.
- ✓ They should be aware about market study and existing portfolio of investment.
- ✓ They must be aware to identify new sources of investment.

**Factors of loan:** Janata Bank considers and monitors some of the factors before giving loan to any person or organization. Some of the factors which include in their policies are given below-

- ✓ Safety
- ✓ Security
- ✓ Liquidity
- ✓ Adequate yield
- ✓ Diversity of risk

- ❖ **Safety:** during the repayment of loan, the borrower might be unable to pay so security is one of the most important aspects of sanctioning any amount of loan. Thus, bank takes collateral security from the borrower at the time of sanctioning loan.
- ❖ **Security:** Banker should be aware in the selections of security for their loan. They should properly evaluate the value of security and it should not be less than or equal to loan amount.
- ❖ **Liquidity:** on the time of sanctioning any amount of loan, the banker must ensure the liquidity position of Janata Bank.
- ❖ **Adequate yield:** banker should select those investments which interest rate is higher than savings interest rate.
- ❖ **Diversity of risk:** bank should not invest in one or two sector. If this happens then their investment risk would be higher than their market risk. Bank should maintain investment portfolios for reducing their risk. As a result, if one investment makes loss then another investment will cover that loss.

Janata Bank Limited provides loans in different sectors for the development of our country and the organizations development. Sectors of giving loans by Janata Bank are given below-

- ✓ Commercial loans
- ✓ Agriculture/ rural credit
- ✓ Land mortgage loans
- ✓ Rural transportation loans
- ✓ Self-loans
- ✓ Specialized loan programs
- ✓ Large and medium-term loans to industry
- ✓ Agro-based projects/ industries-term loans
- ✓ Term/project loans for property industries
- ✓ Term loans to small and cottage industry
- ✓ Working capital loan
- ✓ Import trade loans
- ✓ Export trade loans
- ✓ Service holders loans
- ✓ Consumers credits
- ✓ Financing in computer software and information technology industry
- ✓ Cyber café loans
- ✓ Women entrepreneur loan
- ✓ Employment loans for rural women's
- ✓ Nursery, forestry and horticulture cultivation loan
- ✓ Loans for disabled persons
- ✓ Loans for farming goats
- ✓ Loans for leather goods exporting
- ✓ Kakara loans for farming
- ✓ Loans for the cultivation of flowers
- ✓ Doctors loan
- ✓ Financing in green banking.

### 3.16 Clean Cash Book:

The clean cash book is the abstract of each days transactions, classified under the general ledger heading. Clean cash book is written to-

- ✓ Test the arithmetical accuracy of one day's transaction
- ✓ Consolidate one day's transaction
- ✓ Help position in the general ledger
- ✓ Test the closing cash balance of the branch.

The procedures for writing the clean cash book are as follows-

- 1) At first the writer sees that the books are checked and authenticated by the authorized officials properly.
- 2) The clean cash book should be checked daily from the subsidiary register by an authorized supervising official.
- 3) Each morning the manager will scrutinize the whole of the previous day's vouchers.
- 4) All vouchers should be collected by the clean cash book writer and handed over to a supervising official.

### 3.17 The General Ledger:

After successful completion of the entry in clean cash book, all the balances of the account heads are transferred to the General Ledger. General Ledger is the final and most crucial part of accounting system of the branch. The debit side of the clean cash book is transferred to the credit side in the general ledger book and the credit side of the clean cash book is transferred to the debit side in the general ledger. A weekly/monthly statement is prepared in F-12 form by the branch and is sent to the Head Office. The figures of F-12 form are collected from General Ledger. The accounts in the branch's General Ledger are as follows-

- ✓ Janata Bank Ltd General Account (SBG A/C)
- ✓ Fixed Deposit Account
- ✓ Short Term Deposit Account
- ✓ Saving Bank Account
- ✓ Call deposit Account
- ✓ Current Account
- ✓ Pay Order Account

- ✓ Drafts Payable Account
- ✓ Demand Loan Account
- ✓ Cash Credit Account
- ✓ Foreign Bill Purchase & Negotiable Account
- ✓ Bills for Collection Account
- ✓ Forced Loan Against Back to Back Loan Account
- ✓ Advance Against Merchandise Account
- ✓ Discount Account
- ✓ Interest Account
- ✓ Exchange Account
- ✓ Commission Account
- ✓ Charges Account
- ✓ Profit & Loss Account
- ✓ Stationary Account.

# Chapter Four

## SWOT Analysis, Findings and Recommendations

### 4.1 SWOT Analysis:

The acronym for SWOT stands for-

- ✓ Strengths
- ✓ Weaknesses
- ✓ Opportunities
- ✓ Threats

The SWOT analysis comprises of the organization's internal strength and weaknesses and external opportunities and threats. Each and every organization should be aware of their strengths, weaknesses, and opportunities and threats. It gives an organization an insight of what they can do in future and how they can compete with their existing competitors playing in the same field and also used in the strategic analysis of the organization.

The SWOT Analysis on Janata Bank Limited is presented underneath-

#### ❖ **Strengths:**

- ✓ Janata Bank Limited has the strong good will in the banking sector
- ✓ As a large bank, it has qualified and experienced manpower
- ✓ Name recognition within the community
- ✓ One of the largest number of branches bank in the country
- ✓ Its Branch location is suitable for business
- ✓ Large customer base
- ✓ They are stronger based on capital and asset
- ✓ Being a nationalized banking organization, it always gets government support in all of its operations
- ✓ Management knowledge of industry
- ✓ Regulatory performance is strong and positive.

### ❖ Weaknesses

- ✓ IT section is weak comparatively to others as they are using old and backdated software.
- ✓ Lack of knowledge of customer profile
- ✓ Lack of motivation for the workers
- ✓ Sometimes they have to pay extra time due to not having it expert in different branches
- ✓ Overall market share needs to grow opportunities
- ✓ In some cases management-employee relation is not good.

### ❖ Opportunities

- ✓ Due to have a strong brand image they may establish different industry or firm. For instance, housing, consumer products etc.
- ✓ Scope for automation will open a big door of opportunity
- ✓ They may launch e-banking, mobile banking and strong online banking
- ✓ Branches as well as booth they may set up in different areas
- ✓ In case of fund crisis Janata Bank gets government support
- ✓ Expanding the business in abroad.

### ❖ Threats

- ✓ Rivals are increasing day by day
- ✓ Inefficiencies within the operations of the bank
- ✓ Policies are not practiced properly
- ✓ Political unexpected activities
- ✓ Lack of flexibility to adopt any change
- ✓ Rules and regulations are changed any time ordering from central bank.

## 4.2 Findings

During my internship time period I have gone through several departments of general banking to talk with the assigned officer and also observe their work. I detached some problems from my own practical experience as follows:

- ✓ It can be said that they are the lower position in order to ATM booth.
- ✓ No suitable desk for the interns
- ✓ Lack of technological support
- ✓ Sometimes the behavior of the officials toward customers is not friendly.
- ✓ Marketing policy is not so strong in banking sector like others
- ✓ They don't have ATM debit card which is very popular now a days
- ✓ Most of the cases employee only concerns about his or her job
- ✓ Absenteeism rate is high
- ✓ The newly prescribed account opening form is very much informative so it takes much time
- ✓ Lengthy process of issuing cheque book, pay order, Bank draft.
- ✓ Still heavily rely on traditional system.



### 4.3 Recommendations

As an internee it is quite difficult for me to give any recommendation with my little working experience but I have tried as my best to give best recommendations-

- ✓ Number of booth should be increased to fulfill the demand of the customers
- ✓ They may use modern software to provide service faster to the clients
- ✓ JBL should give more freedom to their branches for taking decisions and their head office should take decisions more quickly
- ✓ Bank should formulate simple process for issuing cheque book, Pay order, and Bank draft
- ✓ To recruit sufficient skilled manpower because the bank employees should communicate properly with customers about their deposit and other schemes.
- ✓ They can improve their office decoration and make it more attractive for the clients
- ✓ Islamic banking is the popular term what they may run to increase profitability
- ✓ SME banking service can started what already launched in other banks
- ✓ They should increase promotional campaign and they should participate in social activities for creating good image in target customer mind
- ✓ Ensure proper maintenance and cleanliness of office premises. Every branch is supposed to be very neat and clean.
- ✓ Branch should give requisition for new more printers, photocopy machines to improve their service
- ✓ JBL should use group incentives so that employee can share their experience, strength and can work smoothly
- ✓ Ensuring transparency of its financial reports.
- ✓ Proper training should be given to all employees on regular basis to identify the suspicious transactions for Anti Money Laundering compliance policy.

## **Chapter Five**

### **Conclusion**

As the largest nationalized commercial bank Janata Bank Ltd is operating every corner of the Country providing the banking services to different classes of customers. The area where there is no branch of any bank of the modern competitive banking sector, there one can find a branch of Janata Bank. JBL always try to increase their profitability through different service reaching to the customer's hand. To be more near to the customer they are increasing their branches as well as services. To be more than 40 years of experience, they have great advantage to journey a long path. They believe that customer's satisfaction is the indicator of wealth maximization. To conclude this report it can be said that it was a great opportunity to study the operational activities of JBL. During my job I got lots of opportunity to achieve experience how to deal with the clients, what the behavior should be an official which is not possible gain from the book or in the class. It was a great job in the banking environment. I got a real communication skill in the office to expand my confidence level. During my job in JBL I tried to gather experience in general banking and summarize all the information within the report. Though there were some limitations but I have enjoyed my three months of journey with Janata bank. Moreover, I believe that the amount of experience I get through my internship in Janata Bank will help me a lot in my future job career.

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