INTERNSHIP REPORT

ON

GENERAL BANKING ACTIVITIES OF AGRANI BANK LIMITED

SUBMITTED TO:

Department of Business Administration
Sonargaon University (SU)
Green Road, Dhaka-1215

SUBMITTED BY:

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Program: EMBA
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SUPERVISED BY:

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Submitted for the partial fulfillment of the degree of Masters of Business Administration

Date of Submission: January 12, 2023

LETTER OF TRANSMITTAL

Date: 12/01/2023

To
Md. Shahbub Alam
Lecturer
Department of Business Administration
Sonargaon University (SU)
Dhaka-1215

Subject: Submission of Internship Report.

Dear Sir,

With due respect, I would like to inform you that, it is a great pleasure for me to submit the Internship report **"General Banking Activities of Agrani Bank Limited"** Study on Mouchak Branch as it is a fulfillment of partial requirement to achieve EMBA degree under Sonargaon University (SU), Bangladesh. To prepare this report, I have gathered what I believe to be the most complete information available on the Internship program. The experience I have gathered during this period of time will remain as an invaluable asset of immense useful in my life. I sincerely hope it will fulfill the standard of your judgment. I will be always available for answering any inquiry or clarification regarding this report.

So, I pray and hope that you would kind enough to accept my report and oblige thereby.

Sincerely yours,

_____

Ariful Islam
ID: EMBA2103024010
Program: EMBA
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STUDENT DECLARATION

I soberly declare that Internship Report titled **"General Banking Activities of Agrani Bank Limited"** is an original work done by me (**Ariful Islam)** under the supervision Md. Shahbub Alam, Lecturer, Department of Business Administration, Sonargaon University (SU).

Here no part of this report has been previously submitted to any other institution.

……..

Ariful Islam
ID: EMBA2103024010
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CERTIFICATE OF SUPERVISOR

This is to certify that, **Ariful Islam,** Registration No. 13501003170, Major in Finance, is a regular student of EMBA. Program, Department of Business Administration in Sonargaon University (SU) of Bangladesh. He has completed his Internship Report titled **"General Banking Activities of Agrani Bank Limited"** under my supervision, which is fulfillment of partial requirement of obtaining EMBA. degree.

I wish his every success in his future endeavor.

……

Md. Shahbub Alam
Lecturer
Department of Business Administration
Sonargaon University (SU)

ACKNOWLEDGEMENT

First of all, I am expressing my heartfelt gratitude to the **Almighty Allah**, the most Merciful and Benevolent, for his special kindness to give me the opportunity to complete the Internship successfully and prepare Internship report timely.

I would like to express my gratitude to the authority of national university and to our honorable **Supervisor, Md. Shahbub Alam, Lecturer, Department of Business Administration, Sonargaon University (SU)** for his continues guidance, individual suggestion, continues encouragement and unfailing enthusiasm throughout the process of completion of this report.

I would like to extend my deepest appreciation to all the faculty members of Department of Business Administration, Sonargaon University (SU) for their individual contribution and co-operation in advancing this report and hereby completing my EMBA. program successfully. I would also like to express my special thanks to the staffs of the institute for their excellent administrative supports.

I am also thankful to the **Head of Human Resource Division of Agrani Bank Limited** for giving me the opportunity to do the Internship in **Agrani Bank Limited**, and especially to **Md. Tarikul Islam (Mouchak Branch Manager)** for his sincere advice, encouragement and support in my Internship program as my organizational supervisor.

At last but not least, I am very grateful to my entire family members especially to my Mother and father for their respective support and inspiration to accomplish my study.

EXECUTIVE SUMMARY

In order to provide a student with job exposure and an opportunity of the transition of theoretical knowledge into real life experience, an Internship is a must. A better balance between theory & practice can be gained through this program. The report is a combination of three months Internship program with Agrani Bank Limited. The Management of the bank constantly focuses on understanding and anticipating customers' needs. Since the need of customers is changing day by day with the changes of time, the bank endeavors its best to device strategies and introduce new products to cope with the change. Agrani Bank Ltd. has already achieved tremendous progress within its last 10 years of operation. The bank has already built up reputation as one of quality service providers of the country. I acknowledged different banking functions and day-to-day banking operations on my way to complete Internship. The objective of this study is to acquire the knowledge about the General Banking department & Foreign Exchange operation of Agrani Bank Ltd. To prepare this report both primary and secondary sources of data have been used. The topic of the report has been selected after consulting with my academic supervisor.

The beginning Chapter of the report contains the objectives, scope, methodology and limitations of the study. In second chapter, it consists of company profile including Agrani Bank's history, their vision, mission and strategy, products and services, and operational network organ gram. The Bank provides all types of support to trade, commerce, industry and overall business of the country. The Bank offers both conventional and Islamic banking through designated branches. The Bank is being managed and operated by a group of highly educated and professional team with diversified experience in finance and banking. It also includes the offers of Agrani Bank Limited that have been serving to its clients. In this chapter also describes the personal banking and corporate banking division objectives of Agrani Bank Limited.

In third chapter, it has explained the working experience of my Internship period at different division of Agrani Bank Limited. It focuses on the General Banking Activities of Agrani Bank Limited. This is the main part of the Internship. It includes accounting opening section, Deposit section, clearing & transferring section, cash department and accounts section of Agrani Bank Limited. It also includes remittance and loans & advances of Agrani Bank Limited. It also describes in details about the procedure of Opening bank account, deposit system, stamping witness and other legal formalities.

Mainly, in this chapter there had been discussed about the General Banking Activities of

Agrani Bank Limited and how Agrani Bank deals with customers. In Chapter four, it describes Foreign Exchange Operation of Agrani Bank Limited. This department has three sections. These are: Export section, Import section and Foreign Remittance section. It also shows the total inflow of foreign remittance till 2016. Also describe the Net interest margin of 2014 to 2016 including current growth rate. For performing the international trade related business skillfully, the bank has a large network of 328 foreign correspondents in the several countries of the world. All the Procedures of Foreign Exchange department provides services to its customers. In chapter five, it describes the recommendations and conclusion. In the recommendations part tries to suggest the way of recovery of problems of Agrani Bank Limited. Finally I observed that Agrani Bank Limited will ensure the better services to the people of Bangladesh and they will be more contribution on development of economy of Bangladesh.

LIST OF ACRONYMS

ABL	Agrani Bank Limited
BB	Bangladesh Bank
CD	Current Deposit
STD	Short term Deposit
SD	Saving Deposit
FDR	Fixed Deposit Receipts
A/C	Account
LC	Letter of Credit
TT	Telegraphic Transfer
DD	Demand Draft
VAT	Value Added Tax
PO	Pay Order
BTB	Back To Back
GM	General Manager
DGM	Deputy General Manager
AGM	Assistant General Manager
KYC	Know Your Customer
TP	Transaction Profile

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CHAPTER ONE

INTRODUCTION

1.1 Introduction

Bangladesh inherited its banking structure from the British regime and had 49 banks and other financial institutions before the Partition of India in 1947. The Dhaka Bank established in 1806 was the first commercial bank in the Bangladesh region of British India. Bengal Bank, the first British-Patronized modern bank established in India in 1784, had opened its two branches in 1873 in Sirajganj and Chittagong of Bangladesh region. Later in 1862, the Bengal Bank Purchased the Dhaka Bank and opened its first branch in Dhaka in the same year by reconstituting and merging the Dhaka Bank. Thereafter, another branch of Bengal Bank was opened in Chandpur in 1900. A number of other branches of Bengal Bank were opened in this region and some branches had been closed in Course of time. There were six other branches of Bengal Bank in operation in the territory of Bangladesh until the Partition of British-India in 1947 and these branches were at Chittagong (1906), Mymensing (1922), Rangpur (1923), Chandpur (1924), and Narayanganj (1926).

Bangladesh Bank has been entrusted whit all of the traditional central banking functions including the sole responsibilities of issuing currency, Keeping the reserves, formulating and managing the monetary and credit policy, regulating the banking system, stabilizing domestic and external monetary value, preserving the par value of Bangladesh Taka, fostering economic growth and development and the development of the country's market.

The Bangladesh Banks (Nationalization) Order enacted in 1972 nationalized all banks except foreign ones. Six nationalized banks were formed through merging the existing banks of the period.

The rate of growth and development of banking sector in the country was extremely slow until 1983 when the government allowed to establish private banks and started

1.2 Origin of the study

Practical knowledge is fundamental for the application of theoretical intelligence. Bearing this in mind, Internship program was being included in the EMBA curriculum. The goal of this analysis is to expose the student in the organizational work situation and also to provide an opportunity for applying classroom learning in practice. There are some differences between Theories and practices. Internship program is a system by which we can familiarize ourselves with the practical situation through the application of theoretical knowledge into real life, the gap between these two can be bridged up through this Internship procedure.

1.3 Objectives of the Report

In this report, I tried to furnish all sorts of practical dealings that are conducted in case of handling various types of activities in General Banking department, the theoretical aspects, that is what should be the procedures and requirements maintained from first to last, and actual practices as well as the ultimate gain for the bank in conducting financial activities are mainly discussed. So the purpose and objective of this report can be summarized as follows:

1.3.1 Primary Objectives

The primary objective of this report is to familiar with the working environment of present institutions and also fulfill the requirement of EMBA theoretical knowledge gained from the coursework of the EMBA program in a specific field.

1.3.2 Secondary Objectives

- To assess overall dealings of the ABL Bank
- To know how the risk reducing system in general banking
- To examine bank's performance
- To examine foreign remittance of the selected Bank
- To identify problems regarding transaction
- To suggest probable measures in order to solve the identified problems.

1.4 Methodology of the report

The report is a combination of primary and secondary data analysis along with financial analysis. To accomplish the report both primary and secondary data are necessary. Primary data is collected though meetings, surveys and secondary data are collected through annual report, books, articles, journals, brochures, website etc.

1.4.1 Area of the study

The proposed study has been focused on the management of Investment of the Agrani Bank Limited. In relation with the primary and secondary objectives, the Mouchak Branch of the Agrani Bank Limited has been selected to perform our Internship program.

1.4.2 Primary Data

The primary data of this report are:

- Direct interview of principal officer of the bank
- Direct question to the officers of general banking division
- Practical experiences gained during performing duties in different desks and department of the general banking branch office of Agrani Bank Limited

1.4.3 Secondary Data

I collected secondary data from the following sources:

- Annual report of Agrani Bank Limited
- Printed forms and documentation supplied by Agrani Bank Limited
- Booklets of international division of Agrani Bank Limited
- Different Publications and Journals regarding banking activities and policies
- Auditors report of Agrani Bank Limited
- Various past documents of general banking of Agrani Bank Limited
- Website of Agrani Bank Limited (*www.**agranibank**.org/*)

1.4.4 Data Processing and Analyzing

After collecting both the primary and secondary it process through various ways. Data has been computerized & processed by using MS Word, MS Excel. For the purpose of analyzing the data we have presented in tabular form, percentage form with necessary chart and graphs. After computerized processing, the data are analysis for making the report.

1.4.5 Determination of Time Horizon

The time horizon has been selected of four years from 2013 to 2017. Over the four year time period, the related data of the Agrani Bank Limitedhas been analyses.

1.4.6 Final Report Preparation

On the basis of the suggestion of our honorable super visor some deductions and addition are made and final report is prepared thereafter. As an intern ship report this is considered as long format report. So the structure of long format report is followed.

1.5 Limitation of the Study

As I have completed my Internship in Agrani Bank Limited, Mouchak Branch, I have enjoyed a very well decorated environment and comfortable place. The officers are very co-operative but they are too busy to give me time to get knowledge about practical activities. Moreover they have to deal in a very competitive environment based on money related activities. Any mistake from me may hamper their performance and goodwill in the banking sector, for these reasons I deprive of having practical knowledge. Short time duration and lack of practical knowledge are the main limitations of the study.

Every internship has some limitations. I faced some usual constraints during the course of my Internship. The experienced problems that have, to some extent, affected the presentation of the report are presented below:

Business of The Administration – Since the representatives of the ABL are very busy, in some case I could not communicate with them properly.

Fears to Disclosure – The administration also feared to disclose the confidential data related to the party and various forms and documents.

Lack of Experience – Experience makes a man efficient. I am not experienced enough to complete the study because I am a person of new hand on such study. That is why inexperience creates obstacles to follow the systemic approach and logical research methodology.

Lack of personnel – Lack of personnel in the foreign exchange division of the branch. So they always busy about their own work. And it is very difficult to take information from them as they busy enough.

- Banks officials, for security reasons, declined the request for providing information in some crucial issues. As some of the fields of banking are still not covered by our courses, there was difficulty in understanding some activities.
- Another limitation of this report is Bank's policy of not disclosing some data and information for confidential reason, which could be very much useful.

Chapter Two
Overview of Agrani Bank Limited

2.1 History of Agrani Bank Limited

Agrani Bank (Bengali: অগ্রণীব্যাংক) is a state-owned commercial bank of Bangladesh established in 1972. Its headquarter is situated at Motijheel in Dhaka, the capital city of Bangladesh. It started functioning as nationalized commercial bank taking over assets and liabilities of the erstwhile Habib BankLtd.and commerce Bank Ltd. function in the East Pakistan. It has been privatized on 15th November 2007 and emerged as Agrani Bank Limited (ABL) taking over assets, liability and goodwill of Agrani Bank. The authorized capital of the Bank is Tk. 800 crore.

Agrani Bank Limited, a leading commercial bank with 867 outlets strategically located in almost all the commercial areas throughout Bangladesh, overseas Exchange Houses and hundreds of overseas Correspondents, came into being as a Public Limited Company on May 17, 2007 with a view to take over the business, assets, liabilities, rights and obligations of the Agrani Bank which emerged as a nationalized commercial bank in 1972 immediately after the emergence of Bangladesh as an independent state. Agrani Bank Limited started functioning as a going concern basis through a Vendors Agreement signed between the ministry of finance, Government of the People's Republic of Bangladesh on behalf of the former Agrani Bank and the Board of Directors of Agrani Bank Limited on November 15, 2007 with retrospective effect from 01 July, 2007.

Agrani Bank Limited is governed by a Board of Directors consisting of 13(thirteen) members headed by a chairman. The Bank is headed by the Managing Director & Chief Executive Officer; Managing Director is assisted by Deputy Managing Directors and General Managers. The bank has 10 Circle offices, 30 Divisions in head office, 53 zonal offices and 868 branches including 27 corporate and 40 AD(authorized dealer) branches.

2.2 OBJECTIVES OF AGRANI BANK LTD:

- To facilitate and handle all kinds of commercial banking services to its customer authorized by Bangladesh Bank
- To handle the export and import trade of Bangladesh
- To take part in international banking etc

The Bank renders commercial banking services to all types of customers. The range of services offered by the Bank includes- accepting deposit, making loans and advances, discounting bills, conducting domestic and international money transfers, carrying out foreign.

Exchange transactions in addition to international money transfers, and offering other customer services such as safe keeping, collections and issuing guarantees, acceptances and letters of credit. Core business of the Bank includes- deposit mobilization and lending activities comprising short- term, long- term, import and export financing. Financing activities are extended to different sectors of the economy that could be grouped in to several sectors including Rural & agriculture, Garments & Textiles, Jute, Cement & Bricks, Tannery, Steel & Engineering, Food & Beverage, Chemical & Pharmaceuticals, Printing & Packing, Glass & Ceramics and Miscellaneous.

2.3 Mission of Agrani Bank Limited:

- Provide excellent quality customer services
- Provide expert workers and professionalism
- Maintenance of business ethics
- Become trusted: repository (place where things are stored) of customer's money and their financial advisor
- Sound capital base
- ABL mission is to provide Banking services to their valued clientele with utmost proficiency and sincerity reinforced by an efficient workforce and the latest state of technology.

2.4 Vision of Agrani Bank Limited:

By assuring satisfaction to the customers, through a proper training of its most selected group of employees, it plans to pursue its mission. Also it plans to accomplish its mission through the constant innovation of its product line and establishing constant network with prospective corporate client.

2.5 Milestone of Agrani Bank Limited:

Type: Public Limited Company

Industry: Banking Financial services

Founded: March 26, 1972

Headquarters: Dilkusha commercial area, Dhaka, Bangladesh

Area served: Bangladesh

Key people: Dr. Khondoker Bazlul Hoque{*Chairman*)

Products:

1.Finance&insurance

2. Consumer Banking

3.CorporateBanking

4.InvestmentBanking

5.Investment Management

Net income: Tk 264.6 crore (US$ 38.35 million) *2008*

Employees: 13,269

Website:http://www.agranibank.org

2.6 Organizational Hierarchy



Figure: 2.6.1 Organizational Hierarchy

2.7 Corporate Profile Agrani Bank Limited

Legal Status	Public Limited Company (business conducted as per the Bank Companies Act 1991)			
Shareholding Pattern	100 percent share owned by Government of the People's Republic of Bangladesh			
Chairman	Dr. ZaidBakht			
Managing Director & CEO	Mohammad Shams-Ul Islam			
Company Secretary	KhandakerSajedulHaque			
Registered Office	9/D Dilkusha, Dhaka 1000, Bangladesh			
Tax Identification No.	**0022001223**	**Vat Registration No.**	**19011031730**	
Authorized Capital	**Tk. 2,500.00 Crore**	**Total Deposits**	**49,405.01 Crore**	
Paid up Capital	**Tk. 2,072.29 Crore**	**Loans & Advances**	**26,587.11 Crore**	
Total Equity	**3,657.68**	**Total Assets**	**62,356.74**	
Employee	**12,672**	**Branch**	**935**	
Circle Office	**11**	**Zonal Office**	**62**	
Corporate Branch	**27**	**Authorized Dealer Branch**	**40**	
Foreign Correspondent	**318**	**Foreign Remittance/ Exchange House**	**71**	
Credit Rating	Alpha Credit Rating Limited rated on December 05, 2017		**Long Term**	**Short Term**
	Entity Rating 2017 (as Govt. Guaranteed Bank)		AAA	AR-1
	Surveillance Rating 2017 (Stand Alone Basis)		A-	AR-3
	Outlook		Stable	
Subsidiary Companies in Bangladesh	Agrani Equity & Investment Limited			
	Agrani SME Financing Company Limited			
	Agrani Exchange House Private Limited, Singapore (4 branches)			

Subsidiary Companies in Overseas	Agrani Remittance House Sdn. Bhd., Malaysia (6 branches)
	Agrani Exchange Company (Australia) Pty. Limited
	Agrani Remittance House Canada Inc.
Phone	+88-02-9566160-9, +88-02-9566153-4, +88-02-9566074-5
Fax	+88-02-9562346, +88-02-9563662, +88-02-9563658
SWIFT Code	AGBKBDDH
Website	www.agranibank.org
E-mail	agrani@agranibank.org, info@agranibank.org
MD's E-mail	mdagrani@agranibank.org

Table 2.7.1: Corporate Profile Agrani Bank Limited

2.8 Products and Services of Agrani Bank Limited:

2.8.1 Deposits

Accounts & Deposits

- Savings Deposit
- Fixed deposit received

Savings Bank Account (SBA) - Savings Bank Account can be opened in any branch of Agrani Bank by any Bangladeshi citizen in the name of an individual or a group of individuals which can be operated singly or jointly:

Requirements for opening a Savings Bank Account

- Account Opening Form to be duly filled out and submitted to a chosen branch of Agrani Bank along with three passport sized copies of the applicant's recent photograph duly attested by an introducer who must be an Account Holder of any Branch of Agrani Bank. Attested copy of Bangladesh Passport of the applicant may also serve as an Introducer
- An initial deposit of Tk. 100/- is required for opening of the A/c.
- Minimum balance of Tk. 50/- to be maintained in the A/c.

- A Savings Bank Account may also be opened in the name of a minor which 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 as per terms mentioned in the Account Opening Form
- Interest for the Account is applied in June and December on monthly product basis.
- An amount of Tk. 20,000/- or 25% of the balance, whichever is lower, can be withdrawn at a time from the account; two withdrawals per week are permissible. Otherwise, the Account is deprived of interest accrued in the month when the permissible provisions are not complied by.

Fixed deposit- Fixed Deposit Account

Opening a Fixed Deposit Account for different terms with any Branch of Agrani Bank is very simple. Any individual or a group of individuals can step in to any Branch of Agrani Bank, fills out a prescribed form, hand out over the counter cash or easily cashable instrument of any amount and leave the Branch with a Fixed Deposit Receipt

Schemes

- Agrani Bank Pension Sanchay Scheme
- Agrani Bank Bishesh Sanchay Scheme

2.8.2 Loan Scheme

Term Loan – The Bank takes collateral against giving any Term Loan to a firm. Bank prefer short- term loan (like- current assets, accounts receivable and inventory) which can be transferred in to cash much sooner than fixes assets.

Loan (General) – Bank does not take any collateral. For a specific purpose this short period loans are taken. Only a note is used by the Bank which is signed by the borrower where states the conditions and length of taking this loan including interest rate.

Secured Overdraft (SOD) – In it, Bank takes security of customer's FDR or balance in DPS/ SDPS/ MDS/ SDS/ EDS A/Cs are marked as lien.

Transport Loan – To buy any type of transport, the borrower apply for this loan. Here, the collateral is only that transport which the borrower will buy by this Transport Loan.

House Building Loan – For giving this house loan the Banks takes collateral of that house's land and building.

Payment against Document (PAD) – Suppose customer's documents are alright but importer is willing to retire the documents - In this case, Bank is obligated to pay price of exported goods. Since importer did not pay for bill of exchange, this payment by bank is one kind of credit to the importer and this credit in banking is known as **PAD.**

Loan against Imported Merchandise (LIM) - Everything is O.K. but importer fails to clear goods from the port and request bank to clear - In this case, Banks clear the goods and takes delivery like same, by paying customs duty and sales tax etc. So, this expenditure is debited to the importer's account and in banking it is called **LIM.**

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

Consumer Finance Scheme – There are branches and finance centers under this division which have qualitative workforce of employees. Some of the services provided by this division are unsecured personal loans, credit cards, and vehicle related lease etc.

Hire-Purchase Scheme – As Bank make their own investment in Government securities (like- Government treasury bills, prize bonds, Bangladesh Bank bills, special treasury bonds & reverse repo) and in other investment which sometime borrower wants to hire as a loan from the Bank. That is why this loan is known as hire of Bank's purchase scheme.

2.8.3 Services

ATM Banking- Agrani Bank Ltd. has implemented successfully Automated Teller Machine (ATM) /DEBIT card transaction from June 25, 2008. Through Automated Teller Machine (ATM) /Debit card, customer can avail the facilities like withdrawal money, balance inquiry and purchase goods from Point of sale (POS) using Dutch Bangla Bank Ltd. ATM Booth and POS.

SMS Banking - Agrani Bank Ltd. has officially launched SMS banking service from December 17, 2007.

Lockers - For safekeeping of customer's valuables like important documents and goods like jewelries and gold ornaments, ABL Locker Service is available in most of the Branches in urban areas. Their nature of service is like custody of locker/ safe and nature of charge is like rent.

Education Remittance – Students who are desirous (wishing or wanting) to study abroad for them this Bank is giving education remittance service. In this service, this Bank assures their remittance of funds in abroad for study.

2.9 Shareholders Information

Particulars	Distribution of Shares	
	31 December 2017	31 December 2017
Government of Bangladesh	20,72,29,395	20,72,29,392
Directors	9	12
General Public	_	_
Total	20,72,29,404	20,72,29,404

Shares held by Directors					
Sl. No.	Particulars	Status	Share	Closing Position	Change
1	Dr. Zaid Bakht	Chairman	1	1	0%
2	Gokul Chand Das	Director	1	1	0%
3	Sangita Ahmed	Director	1	1	0%
4	Shameem Ahsan	Director	1	1	0%
5	Hasina Newaaz	Director	1	1	0%
6	Professor Dr. Nitai Chandra Nag	Director	1	1	0%
7	M. Ashiqul Hoque Chawdhury	Director	1	1	0%
8	Kashem Humayun	Director	1	1	0%
9	MD. Ansar Ali Khan	Director	1	1	0%
		Total	9	9	

Table: 2.9.1 Shareholders Information

2.10 Board of Directors:

Board of Directors of Agrani Bank Ltd (ABL) is given below.



Dr. Zaidbakth

Chairman



BISWAJIT BHATTACHARYA KHOKON

Director



MR. MAFIZ UDDIN AHMED

Director



MR. KASHEM HUMAYUN

Director



KMN MANJURUL HOQUE LABLOO

DIRECTOR



KHONDKER FAZLE RASHID

DIRECTOR



TANJINA ISMAIL

DIRECTOR



MD. SHAHADAT HOSSAIN

Director



MOHAMMAD MASUD RANA CHOWDHURY

Director



MD. MURSHEDUL KABIR

Managing Director & CEO

2.11 Corporate Social Responsibility

As an integrated part of the Corporate Social Responsibility (CSR), Agrani Bank Limited is much aware in support of environmentally sustainable social development since its introduction. The Bank is committed to CSR towards the community. Our ethics are clear i.e. not to earn excessive profits, our vision is to build up a society where human dignity and human rights receive the highest consideration and evaluation. Our motto is also to improve the society and its culture by means of CSR. Its activities are related to the needs of our valued customers, shareholders, the employees and communities.

A sector facilitated against CSR is appended below:

Figure in lac.

Sl. No.	Nature of Work	Amount	No. of beneficiaries
01	Education	344.55	38
02	Health	51.81	82
03	Natural Disaster	2.00	7
04	Sports	20.10	9
05	Art & Culture	79.46	28
06	MuktijoddhaJadughor	30.00	1
07	Others	43.81	17
	Total:	**571.73**	**182**

Figure: 2.11.1 Sector Facilitated Against CSR

2.12 Credit Management:

Agrani Bank Limited has already adopted the Credit Risk Management Guidelines issued by the Bangladesh Bank for improving the risk management culture, establishing minimum standards for segregation of duties and responsibilities, and promoting the ongoing process for improvement of the Banking Sector in Bangladesh in the context of globalization. This puts in place a robust process for proactive management of loan portfolios in order to minimize

Loss and enhance return to shareholders. The Bank has introduced credit policy guidelines for CRM

2.13 Human Resources Division

In Agrani Bank Limitedhas a separate Human Resources Division (HRD) to manage the employee policies and practices. In 2007 total human resources strength of Agrani Bank Limitedwas 13,209. Bank follows a standardized human resources policy. The Bank has defined HR policies including recruitment, training & development, promotion, leave, transfer, and disciplinary action policy. Usually internal recruitment procedures are considered to fill up the mid and top management positions, while entry-level positions are filled with regularly through competitive recruitment exams. The Bank established fully equipped training centre.

2.14 Corporate Governance

To assess Bank's corporate governance practices CRAB evaluates the quality of financial reporting and disclosures, strength of internal control system and internal audit function; induction of professionally competent, independent non-executive directors on corporate Board, formation of audit committee; delegation of power to executives and staff; protection of shareholder rights etc. FSIBL has addressed most of the issues of corporate governance for strengthening organizational strength. But the Bank has not yet appointed independent director which is required by SEC

Chapter Three
General Banking of Agrani Bank Limited

3.1 General Banking

General Banking Department is considered as the direct customer service center. It is the starting point of all the banking operation. It opens new accounts, remits funds, honor chaque, takes deposits, issues bank draft and pay order etc. general Banking is also known as retail banking. General Banking is an operational function of the bank which consists the management of deposit, cash, clearing house, bills, account opening, security instruments handling, customer services, locker facilities and other ancillary services of the bank besides Advance and Foreign Trade.

3.2 Functions of General Banking

The functions of general banking department of Agrani Bank Ltd. are as follows:

Maintenance of Deposit A/Cs: Saving accounts./ Current accounts./cash credit deposits/Fixed deposits/short term deposits/margin deposits/Bond deposits/F.C. Bond deposits.

1. Receipts & payment of cash.
2. Handling transfer transactions.
3. Operations of clearing house.
4. Maintenance of accounts with Bangladesh Bank & other banks.
5. Collection of Cheques& Bills.
6. Issue and payment of Demand Drafts, Telegraphic Transfers and payment orders.
8. Executing customers standing Instructions.
9. Maintenance of safe Deposit Lockers.
10. Maintenance of Internal Accounts of the banks.
11. Reporting to head office about daily position.
12. Saving all transaction record in computer.
13. Closing and transfer of different types of accounts.

3.3 Sections of General Banking

During my practical orientation in Agrani Bank Ltd, Malibag Branch, Dhaka, it came to the observation that general banking section is divided with the following areas.

These are:

- Account opening section
- Deposit section
- Remittance section
- Bills and clearing section
- Cash section
- Accounts Section

3.3.1 Account Opening Section

One of the vital sections under general Banking is the account opening section. Banker customer relationship begins through this section. Various tasks are performed in this section. Such as:

- Opening of different types of account.
- Issue of cheque book.
- Transfer and closing of account.
- Enquiry of account.

1. Procedure for Opening an Account

Major information's are essential for identification of the account holders individually so that Banker can discharge his obligations to everyone correctly and to the extent due. Following are the customer must complete the formalities:

- Application on the prescribed form
- Furnishing photographs (2 copies)
- Introduction by an account holder
- Recording of specimen signature in the specimen card.
- Mention nominee on the prescribed form.
- Furnishing nominee's photograph (one copy)

2. Classification of account

- Saving Account **(SB).**
- Current Account **(CD).**
- Short Term Deposit **(STD).**
- Fixed Deposit Receipt **(FDR).**
- Monthly Savings Scheme **(MSS).**
- Super Saving Account (SSA)

3. Opening Various Type of Account

A. Individual/Joint Two copies of photograph of the Account holder(s) person(s) who will operate the account.

B. Proprietorship Firm

- Two copies of photograph of the Account holder (s) person(s) who will operate the account.
- Certified copy of Valid Trade License.
- Seal must be used.

C. Partnership Firm

- Two copies of photograph of the Account holder(s) person(s) who will operate the account
- Certified copy of Valid Trade License.
- Certified copy of Partnership Deed duly signed by all the Partners.
- Partnership Account Agreement (Draft enclosed)

D. Limited Company:

- Two copies photograph of the Account holder(s) / person(s) who will operate the account.
- Certified copy of the Memorandum & Articles of Association.
- Certified copy of certified or incorporation.
- Certified copy of Certified of Commencement of Business (in case of operation of the Accounts (Draft enclosed)

E. Club/ Society/ School/ College etc

- Two copies of photograph of the Account holder(s)/ person(s)who will operate tile account
- Certified copy of the Memorandum & Articles of Association.
- Certified copy of byelaws & Regulations/ Constitution.
- Certified copy of Resolution for operation & operation of the Account.
- Up-to date List of office Bearers / Governing Body/Managing Committee.

F. Trust

- Two copies of photograph of the Account holder (s) person (s) who will, operation the account.
- Up-to date List of Members of the Trustee Board.
- Certified copy of Deed of Trust.
- Certified copy of Resolution of the Trustee Board for opening & operation of the Account.

3.3.2 Deposit Section

Meaning of Deposit

Deposit is the main part of Bank deposit. It is impossible to imagine a commercial Bank without deposit. It is desirable for every Bank to collect enough deposit, safety of deposit and free flow of deposit. The money which is collected by a bank from surplus unit money through different account is called deposit. It is noticeable that at once time current deposit is higher than fixed deposit, But with the passes of time this trend not only in Bangladesh but also all over the world is changing and fixed deposit is playing an important role in supplying Bank fund.

Objectives of Bank Deposit

Bank mainly collects deposit from depositor for collection its fund. Besides these, there are some other reasons for mobilizing deposit.

1. **Collection of Bank fund:** Commercial Bank mobilizes deposit and gives loan to the people. Providing loan, Bank gets interest from the debtor on the other hand to increase such income, Bank provides some interest to the depositor for attracting enough deposit

2. **Ensure productive investment of the scattered songs of the clients:** It is seen that about every man has some savings. Banks combines this scattered savings and contributes in the development of the country.
3. **Extending the scope of the loan:** The bank extend the scope of the loan by mobilizing deposit. Sometimes bank gives such opportunity that the depositors deposit which amount, double of that amount is given to the deposition as loan.
4. **Fulfilling the excess need for money:** By mobilizing deposit Bank provides overdraft and advances to the client.
5. **Social participation:** Bank performs various social activities in favor of clients and institutions.

Deposit Products of Agrani Bank Ltd

There are variations in the needs and demand of the people. It is almost impossible for banks to satisfy all these divers' demands with a single type of account. That's why banks generally offer the following types of accounts to satisfy customer's demand-

- Current Deposits Accounts
- Savings Deposits Accounts
- Short Term Deposit
- Term Deposit
- Fixed Deposit
- Foreign Currency Deposit
- Monthly Savings Scheme
- Agrani Bank Ltd Sanchaya (Savings) Pension

Current Deposit

Current account is an active account at a bank into which deposits can be paid and from which withdrawals can be made by cheque. It is a running account which may be operated upon any number of times during a working day. Generally Business men operate this account and can deposit or withdraw money at any time. It doesn't pay any interest to the customers.

- It does not allow any interest on this account
- Opening Amount/ Initial Deposit 500
- Service Charge (yearly) 100

- Minimum Balance Requirement 500
- Current a/c may be individual, joint/ partnership or can be formed any name. It provides overdraft facility.
- It also provides facilities like collection of checks, transfer of money, rendering agency and general utility services.

Savings Deposit

Saving accounts is a bank account into which personal savings are paid. It is designed for the investment of personal savings. The savings accounts are usually operated by lower and middle class people so as to m Number of withdrawals over a period of time is limited. The withdrawing amount is not to exceed 25% of the total balance.

- This A/C mainly open a person name
- Initial deposit requires to open a savings account is TK.200.
- Minimum balance of TK. 200 should maintain in this account.
- Interest rate is 2.6%
- One cannot withdraw money not more than two times in a week.
- To withdraw more than Tk 20000 seven days notice is required.
- Service charge is not fixed.

Restrictions

Customer cannotwithdraws money more than twice in a week. If customers draw money more than 25% of the balance at a time then no interest is given for that n month. If interest accrued less than TK. 200/- for six month then no interest is given to customer.

Fixed Deposit

Fixed deposit accounts are called prime liabilities of a banker, the money is payable in the expiry of a fixed period of time. The expiry time is predetermined by the customer himself. In this category are included the deposit with the bank for a fixed period which is specified at the time of making the deposit. Such deposits are therefore called fixed deposits or term deposits.

A fixed deposit is repayable on the expiry of a specified period, chosen by the depositor to suit his purpose and to enable him to get back money as and when he needs it. The fixed deposit may be made for 3,6,12,24 or 36 months. As the date of repayment of fixed deposit

is determined in advance. The banker need not keep more cash reserves against it and can utilize such amount more profitably. The banker therefore offers higher rate of interest on such deposits the depositor parts with liquidity for a definite period. Fixed deposits have grown in importance and popularity in our country during recent years. When a matured FDR is withdrawn, the principle amount along with the interest amount (deducting 10% tax from the total) is paid to the client.

Fixed Deposit	Interest Rate
3Month to less then 6 Month	6.25%
6Monthto Less then 12 Month	6.5%
12 Month to Less then 24 Month	7%
2 Years And Above	7.25%
Prime Rate: (Applicable only for Govt. Org)	
Above (12 Month)	General rate + PR

Table: 3.3.2.1 Fixed Deposit

Minimum TK. 5,000 require to open a fixed deposit account. Service charge TK. 200 realized half yearly on customer's account.

Agrani Bank Ltd Deposit Scheme (ABS) Special advantage with this scheme is that after the scheduled period the client can withdraw the full amount or can draw pension on monthly basis. Besides the client can open account in his name in any branch.

Procedure for operation of Agrani Bank Ltd Deposit Scheme (ABS):

- The applicant should be of minimum 18 years age and Bangladeshi national.
- The account holder can appoint one or more nominees.
- On the death of the account holder his / her nominee can withdraw the whole amount of money.
- The account holder can change or cancel his nominee through a written notice.
- On the death of the account holder, the nominees will be entitled to withdraw the deposit according to the instruction of the account holder.
- The account becomes inoperable on the death of the account holder.

- The account under this scheme should be opened within the 10th day of any month against deposit of the first installment in cash.
- Monthly installment: TK.1000,2000,3000, 4000,5000, 6000,7000, 8000, 9000, 10000
- Tenure: 5 & 10 Years.
- The monthly installment must be paid by the 10th day of every month. In case of delay a fine @TK. 2 per day of defaulted installment will be charged and the fine must be paid with the installment.

3.3.2.2 Features of the Agrani Bank Ltd Deposit Scheme (ABS)

Monthly Installment Quantum TK.	Money of the end of 5 years TK.	Money at the end of 10 years TK.
1000	73448	191196
2000	146896	382392
3000	220344	573588
4000	293792	764784
5000	367240	955980
6000	440688	1147176
7000	514136	1338372
8000	567584	1529568
9000	661032	1720764
10000	734480	1911960

Table: 3.3.2.2Features of the Agrani Bank Ltd Deposit Scheme (ABS)

Total Amount=Principal amount+Interest+Bonus amount The money will be paid out on maturity according to the table above, but Tax / Duty and other charges may be adjusted from the amount in the account.

3.3.2.3 Interest Rate for Different Types of Deposit

S.L. no.	Description of the Deposits	Interest Rate
1	Savings Deposit (SB)	
	I. City Area	2.6%
	II. Rural Area	3.00%
	III. From Foreign Remittance	5.5%
2	Short term deposit (STD)	3.50%
3	Fixed Deposit (FDR)	
	i. 3 months to 6 months	6.25%
	ii. 6 months to 1 years	6.5%
	iii. 1 years to 2 years	7%
	iv. 2 years to 3 years	7.25%
4	JBSPS (5 Years)	7.00 %
5	ABS (10 Years)	9.00%

Table: 3.3.2.3 Interest Rate for Different Types of Deposit

3.3.2.4 Accounts Maintenance Charge

	Scopes	Charge
	CD opening cha. (individual)	50
	CD opening cha. (organization)	150
	CD closing cha. (individual)	300
	CD closing cha. (organization)	150
	SB opening cha.	50
	SB closing cha.	200
	DPS/JBSPS closing before Maturity cha	100
	Solvency certificate (up to 25.00 lac)	200
	Solvency certificate (25.00 lac plus)	500

Table: 3.3.2.4 Accounts Maintenance Charge

3.3.3 Remittance Section

The major function of commercial Banks is mobilization of fund. Other than this, banks provide ancillary services to its clients. Clients need to remit money from one place to another for their business or other purposes. Banks fulfill this need of customers by means of remittance service. Money can be remitted domestically or internationally, which known as local remittance and foreign remittance.

There are three ways of transferring fund domestically. The modes of transferring funds are:

- Pay- Order (PO).
- Demand Draft (DD).
- Telegraphic Transfer (TT).
- Mail Transfer (MT)
- SDR Pay Slip

Payment Order / Pay Order (P.O)

This is an instrument issued by the branch of a bank for enabling the Customer/ Purchaser to pay certain amount of money to the order of a certain person/ firm/ organization/ office within the same clearinghouse area of the pay order-issuing branch.

Characteristics of P.O

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

Demand Draft (D.D)

This is an instrument through which customer's money is remitted to another person/firm/organization in outside the clearinghouse area from a branch of one bank to an outstation branch of the same bank or to a branch of another bank (with prior arrangement between that bank with the issuing branch). This is an order instrument in which the issuing branch gives instruction to the payee/drawer branch to pay certain amount of money to the order of certain person/firm/organization. Commission, vat and postage is charged on issue of DD entries for issuing DD.

Telegraphic/ Telephonic Transfer (T.T)

This is a mode of transfer of customer's money from a branch of one bank to another branch of the same bank through telegraphic/telephonic message. The issuing branch used to send the message of such remittance through telegraph/telephone adding certain code number or test number on the basis of test key apparatus developed by the concerned bank for its different

branches. The drawer and the payee is required to have account with the bank in order for this transaction to take place. TT is issued against cash, check, letter of instruction etc.

Characteristics of T.T

- Issued by one branch to other branch and message is tale-communicated.
- Remittance/ transfer of money is done through tested tale-messages.
- Remittance is affected on the basis of tested message.
- Test key apparatus is required.
- Charge is Tk.50

Security Deposit Receipt (SDR)

It is used only for tender, auction etc.

Pay Slip:

Used internally

3.3.4 Clearing And transferring Department

Clearing Department plays a vital role in General Banking. This department receives cheques, DD, P.O. etc from depositors attached with a deposit slip. Then these instruments are posted in the Computer. After posting those instruments, are segmented bank wise. Branches of ABL with in Dhaka sent instruments to the local branch for collection. Then the authorized officer of the local branch accumulates all information and the instruments (including the local branch) are segmented bank wise. All instruments are now ready for collection at the 1st clearing house. There are two types of House:

- 1st Clearing House and
- Same-day clearing House

Conditions for Same-Day Clearing

- The Instrument's value must be over Tk.5 lac
- The respective branch of the bank must be within 2 K.M of Bangladesh Bank.

Outward clearing

All cheques, demand drafts and other credit instruments tendered for the credit of customers account will be delivered by the depositor at the clearing counter. Any deposits received by post will also be sent over to the clearing counter. The counter officer shall at the time of receipt examine such deposits carefully to ensure that:

a) The name of the account is very clearly written on the Deposit slips.

b) The particulars of deposits such as cheque numbers, names of bank etc. are properly entered on the deposit slip.

c) The depositor has signed the Deposit Slip.

d) On item deposited payees discharge and the chain of endorsement, are in order.

e) All cheques and other instruments will be crossed immediately on receipt with the banks special crossing stamp. Items intended/selected for the next day's clearinghouse will be

branded with the bank's clearing stamp with date. If the deposits are made at a time when it is too late for these to be presented to drawee banks the same days the stamp "Too late for today's clearing" will be affixed on the counter foil.

f) All clearing items will first be sorted out bank-wise and then entered in a computer printed slip prescribed for the purpose. These Schedules/Slips are in fact list of cheques etc. delivered by Agrani Bank Ltd to other banks through the clearing House.

g) All these slips are summarized in a bigger computer print out which reflects in details the instruments etc. presented by the bank to Clearing House and contains the names and account number to which the credits will be posted. These sheets serve the purpose of a Clearing House Register.

h) Bank also prepare, another summery sheet (Validation Sheet) from computer which contain the total a number of cheques etc. delivered to different banks in the Clearing House and cheques received from different banks with correct total of amount.

i) The Credit vouchers should then be released for posting in the computer. It will be the responsibility of Deposit Department, however, not to allow any drawings against such items before the fate is definitely known. Reversal entries for any clearing item returned unpaid should invariably be made by a separate debit voucher.

j) All clearing item will be passed through the bank's Local Office/Main Branch's Account with Bangladesh Bank.

k) Entries to be passed by Local office/ Main Branch.

l) Local Office/ Main Branch shall respond the IBDA to the debit of their account with Bangladesh Bank in a consolidated manner.

m) In case of return of cheques unpaid in the Clearing House, Local Office /Main Branch shall issue IBDA on the branch which lodged the cheques in clearing to reconcile the accounts.

n) All IBDAs originated in connection with Clearing House shall invariably be responded on the same day and under no circumstances shall be kept pending.

Inward Clearing

a) Local Office/Main Branch shall receive chequesetc drawn on Agrani Bank Ltd branches from the Clearing House. On receipt of the cheque etc. they shall segregate the same branch-wise and issue IBDA on branches against total amount of cheque etc. and shall arrange delivery of the IBDA together with the cheques etc. within Clearing House time schedule.

b) Branches shall send the cheques dishonored by them supported by IBDA issued on Local Office/Main Branch, within Clearing House time schedule for enabling

Local Office/ Main Branch to return these instruments in the 2nd Clearing House (Return House).

Who will deposit Cheque for Clearing

Only the regular customers i.e. who have Savings, Current, STD & Loan Account in the bank can deposit Cheque for collection of fund through clearing house.

Precaution at the time of Cheque receiving for Clearing, Collection of LBC, OBC & Transfer:

1. Name of the account holder same in the Cheque& deposit slip.
2. Amount in the Cheque& deposit slip must be same in words & in figure
3. Date in the Cheque may be on or before (but not more than six months
4. Bank clearing house date.
5. Bank & Branch name of the Cheque, its number & date in the Deposit slip.
6. Cheque must be signed.
7. Signature for confirmation of date, amount in words / in figure Cutting &
8. Mutilation of Cheque.
9. Cheque should be crossed (not for bearer Cheque).
10. Account number in the deposit slip must be clear.
11. Depositor's signature in the deposit slip.

Transfer Delivery

All such instruments drawn on easily accessible local Branches of ABL (say within Dhaka city) and deposited for credit of customer's account shall be treated as "Transfer Delivery". Agrani Bank Ltd is yet to introduce transfer delivery system of collection amongst its branches in Dhaka. Till such time the branches shall continue to collect proceeds through outward bills for collection procedure as laid down in bills chapter.

Internal Transfer

1. Transfer Book shall be maintained for entering transfer cheques/vouchers.
2. Serial number shall be allotted both on the debit and credit side of the book, which shall be required for recording the daily transactions. The same serial number shall be noted on the voucher entered in the book including their contra credit and debit voucher and or a set of credit or debit vouchers of a transaction.
3. Entries in the debit and credit column of the book shall be directly made from the respective debit and credit vouchers. At the end of the banking hours the total of the debit and credit shall be arrived at and tallied with the computer figure in Transfer Head.
4. Transfer Stamp is affixed on the face of voucher; Vouchers are released from Transfer book. It is balanced and signed by the writer and Book is checked and signed by the authorized officer.
5. In a computerized system scroll is done by the computer system. But branch shall maintain the Transfer Book manually as a safe guard against easy detection of mistakes and issuing vouchers if any

3.3.5 Cash Section

Money deposited in cash by the constituents at the cash counter of the Bank excluding that of government transaction is known as Bank Receipt (Cash). Different types of forms are used for cash deposits for different types of accounts. Particulars of some forms are furnished below:

- Current or Savings account pay in slip
- Application for fixed deposit receipt
- Credit voucher
- Draft or mail transfer application form
- T. Pay order application form Call deposit application form
- Demand loan pays in slip.

First Step:

The depositor will fill up the appropriate form properly. The concerned officer working at the general Banking counter will initial the form relating to the new account.

Second Step

Receiving the cash and voucher at the cash counter; the cash officer will count cash correctly. Then the voucher will be branded "Cash Received" seal. Then the assistant cash officer will write the denomination of the notes and coins in the backside of the voucher. After that, the assistant officer will sign the voucher.

Third Step

The cash officer will check up the voucher and -entered the amount in the cash receipt register and put the scroll number. Then the officer will sign the voucher and send to the computer department.

Forth Step

The officer computer department will entry the transaction into the computer and put the Posted seal and a tracer number on the voucher.

Fifth Step

At the end of the transaction the cash officer will total the cash receipt book and the total figure should be tally with scroll maintained by the officer whose scroll will also be totaled. The physical cash received at the counter must be equal to the total figure of the scroll.

Cash Payments

Banks payment includes all kinds of payments excluding those of treasury section. Extreme precautions must be taken at all levels through, which instruments like cheque, drafts, etc, are disposed of. All the instruments received at the general Banking counter will be preliminary checked by the dealing officer who will enter the instruments in the respective ledger. In case of cheque the following particulars will be scrutinized:

- Date (Whether post dated or anti dated)
- Amount in word and figure
- Crossed or Open
- Bearer or Order

- Style of signature as available in the ledger
- Prohibitory order or stop payment of cheques.

The Cash officer will follow the following procedures at the time of payments of cheques/other instruments over the cash counter.

1. The client will submit the instruments in the computer department first. The computer officer and cheque passing authorized officer will verify the instrument and posted the instruments. Then it will be send to the cash counter.
2. After getting the instrument the cash officer will verify the instruments and if necessary the cash officer can told the clients to sign in the backside of the instruments.
3. Cash officer will record the denomination of notes and coins on the backside of the instruments.
4. The officer will enter the cheque in the cash payments register where the denomination of notes and coins will also be recorded.
5. The cash officer will give the amount to the clients at the cash counter and told the clients to count it immediately and if needed any quarry.
6. All cheques drafts, debit vouchers etc. must be branded with "Cash Paid" stamp with the current date.
7. After payment the cash department for the purpose of clean cashbook will send the vouchers.
8. The head of the cash department is responsible for all debit vouchers being branded with the cash Paid date stamp immediately they are paid and the manager must supervise him/her in this matter as any laxity is extremely dangerous.

Late Payments

In case of any late payments instruments must be debited in the ledge and passed in the usual manner. It will be entered in the cash paid sheet in the above manner andcash-book under authentication of the manger and the cash officer. It must also be noted with late mark under initial of the manager with date.

Finally all cash receipts and payments will be taken into account to calculate the cash balance of the branch we may take an example to clarify this.

But this is to notify that, at the end of the day of the Bank the amount of the cashbook and the amount of the computer should be equal. Because currently the whole Banking are doing through computer. So the clean cash of the cash department and the supplementary of the computer must be equal.

3.3.6 ACCOUNTS SECTION

Introduction:

Accounts division is the nerve center of a bank. As all transactions carried by a bank is being legalized as far as accounting is concerned. If transactions were not recorded properly there would be dis-equilibrium in state of the bank. There can be imbalance in the cashbook thus the whole mechanism will collapse. The regular tasks of department are:

- To record all transactions in the cash book.
- To prepare daily fund position, weekly position, periodic statement of affairs.
- Prepare necessary statements for reporting purpose.
- To pay all expenditures on behalf of the branch.
- Make salary statements and pay salary.
- Branch to branch fund remittance and supporting accounting treatment.
- Prepare statements for customer.
- Publishing basic data of the branch etc.

General practices of an Accounts Department:

BASIC maintains slip system of accounting.

Scrutinizing Vouchers:

At the day end all vouchers are sent to the accounts department by the respective department from where vouchers are originated. On the next day an `activity report' is received from computer department. The activity report is the detail statement of all the transactions carried by the branch of a particular date. It is the summary of all account position. It also displays cash, clearing, transfer position, individual deposit account position etc.

Provisioning:

Accounts department make provision for different deposit accounts. Provisioning means keeping the record of expense, which has occurred by non-cash way. This department also made depreciation of assets that is one kind of non-cash expense

3.3.6.1 Statement Prepared in Account Section:

The following weekly/ monthly/ quarterly and half-yearly statements should be submitted to Central Accounts Division of Head Office:

SL No	Particulars of Statement	Period	Last date of submission to HO.
01	Weekly Position	Weekly	By every Saturday
02	S.B.S.—1	Monthly	10th next month
03	Sector Corp.	Monthly	10th next month
04	S.B.S.—2	Quarterly	5th next month
05	Quarterly Statement of Scheduled Bank	Quarterly	7th next month
06	Statement of Bearer Certificate of Deposit	Quarterly	5th next month
07	Statement of Deposit Landing and Borrowing	Half Yearly	7th next month
08	Business Performance report	Monthly	1st next month
09	SLM Statement	Monthly	1st next month

Table: 3.3.6.1 Statement Prepared in Account Section:

3.4 Loans & Advances

3.4.1 Loans

Term Loan – The Bank takes collateral against giving any Term Loan to a firm. Bank prefer short- term loan (like- current assets, accounts receivable and inventory) which can be transferred in to cash much sooner than fixes assets.

Loan (General) – Bank does not take any collateral. For a specific purpose this short period loans are taken. Only a note is used by the Bank which is signed by the borrower where states the conditions and length of taking this loan including interest rate.

Secured Overdraft (SOD) – In it, Bank takes security of customer's FDR or balance in DPS/ SDPS/ MDS/ SDS/ EDS A/Cs are marked as lien.

Transport Loan – To buy any type of transport, the borrower apply for this loan. Here, the collateral is only that transport which the borrower will buy by this Transport Loan.

House Building Loan – For giving this house loan the Banks takes collateral of that house's land and building.

Payment against Document (PAD) – Suppose customer's documents are alright but importer is willing to retire the documents - In this case, Bank is obligated to pay price of exported goods. Since importer did not pay for bill of exchange, this payment by bank is one kind of credit to the importer and this credit in banking is known as **PAD.**

Loan against Imported Merchandise (LIM) - Everything is O.K. but importer fails to clear goods from the port and request bank to clear - In this case, Banks clear the goods and takes delivery like same, by paying customs duty and sales tax etc. So, this expenditure is debited to the importer's account and in banking it is called **LIM.**

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

Consumer Finance Scheme – There are branches and finance centers under this division which have qualitative workforce of employees. Some of the services provided by this division are unsecured personal loans, credit cards, and vehicle related lease etc.

Hire-Purchase Scheme – As Bank make their own investment in Government securities (like- Government treasury bills, prize bonds, Bangladesh Bank bills, special treasury bonds & reverse repo) and in other investment which sometime borrower wants to hire as a loan from the Bank. That is why this loan is known as hire of Bank's purchase scheme.

3.4.2 Advances

Credit indicates any amount which is lent to the party on a fixed rate interest and return after a certain period of time. Major source of income of a commercial bank is the earning from credit. Borrower selection, to credit sanctioning, recovery of credit etc are the important tasks of this Division. Commercial Bank credit is not only important for surviving a bank but also

it is essential for developing a country's business and industry. Without loans country's industrial and commercial development is not pos e. Therefore, smooth loan system in banking sector is a catalyst for economic development of a country.

Advance Secured and Unsecured

Secured Advance: Secured advance are those advances which are secured by tangible securities of adequate value over which the bank has either absolute or constructive control in addition to the personal guarantee of the customer

Chapter Four
Findings, Recommendations & Conclusion

4.1 Findings

1. Recently, this Bank has come into competition with the other commercial Bank.

2. Branch Manager puts conscious efforts to achieve the targets and knows how to motivate employees and how to represent the Bank well in the local community.

3. As the bank uses some modern technology such as Fax, Telex & other electronic devices, hence its service is better than other banks.

4. The controlling officers are effective in providing necessary guidance and support to the branch.

5. The strategy and policy of Branch Manager are effective. So in spite of cut throat competition, the bank has a sound position in the competitive environment

6. Employees are very friendly about customer service in ABL

7. Account opening process is very hazardous. It discourages people to open new accounts.

8. Customers are not satisfied about the congested area of the branch.

9. Strict controlling of Central Bank in on the local bank

10. Customers are not treated equally persons referred by higher official get priority. This disrupts the normal process of the service.

11. ABL is not upgrading them with market. Share newer banks are coming with newer dimension of banking. It might encourage other bank take away its position.

12. Day by day new upcoming banks are coming with many new services, which are a threat for the bank.

4.2 Recommendations

However the satisfaction level of Agrani Bank Ltd is good enough. But some customers have expressed their dissatisfaction about the Agrani Bank Ltd in various aspects. It has a profound effect on the overall satisfaction level of Agrani Bank Ltd. Following are the problems found which Agrani Bank Ltd faces.

1. Label of adoption to the modern technology is poor. Like The great problem of Agrani Bank Ltd is the absence of credit card, ATM Card, Debit 1ard, on line banking service. In line banking service means any one can deposit or draw money in any branch of Agrani Bank Ltd.

2. Agrani Bank Ltd is giving the lowest interest rate to its saving accountholders. Lowest interest rate makes them demoralize and consequently they are shifting their accounts to other banks to make more money.

3. Lack of promotional activity is another problem that is responsible for the decline of the customer's satisfaction of Agrani Bank Ltd. It has been found that people could hardly recall any advertisement of Agrani Bank Ltd.

4.Some customers said that the services time of Agrani Bank Ltd are comparatively higher than other bank.

5. The bank is moving towards semi-multinational culture, some employees are resisting the change, as they are accustomed to traditional banking system and do not want to change.

6.Other important problem is most of the officials who are working in the foreign exchange, General Banking and Credit Department are not commerce background.

7. Most of the people of the Bangladesh are poor. But Agrani Bank Ltd does not provide any special facility to them. They do not have any short-term scheme.

8. Like Micro credit for poor people. Moreover they do not have merged some rural area.

9. Interest rate is same for both high-risk borrowers and low risk borrowers. It is another problem of Agrani Bank Ltd.

10. There is lack of training program which necessary for the officials to update themselves.

11. Maximum employees are older so they do not serve quickly.

4.3 Conclusion

There are a number of nationalized and foreign banks operating their activities in Bangladesh. Among them Agrani Bank Ltd is one of the leading commercial bank. Agrani Bank Ltd has introduced new dimension in the field of innovative and benevolent bankinginour country.

The bank has successfully made a positive contribution to the economy of Bangladesh. Its profit is gradually increasing. It plays a great role in collecting scattered deposit, Loan settlement and International Trade etc.

If the Bank ensures quality services to the customers for better growth and healthy economic position, it should introduce new and lucrative long-term credit scheme especially for new investors and schemes for socio economic development besides their banking business. To keep pace with ever changing uncertain domestic business environment and face the challenges of revised global economic scenario.

Bank should be more pro-active and responsive to introduce new marketing strategy to hold the strong position in home and abroad. For the future planning and the successful operation in its prime goal in this current competitive environment. I hope this report can provide a good guideline. I wish continuous success and healthy business portfolio of Agrani Bank Limited.

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