Internship Report
On
Foreign Exchange Activities of Social Islami Bank Limited

Submitted to:

Department of Business Administration
Sonargaon University.
Dhaka-1215

Submitted by:

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ID: BBA1903018108
Program: BBA (Major in Accounting)
Semester: Fall-2023
Department of Business Administration
Sonargaon University.

Sonargaon University

Submitted for the partial fulfilment requirement of the degree of Bachelor of Business Administration

Date of Submission: 5 January, 2023

Internship Report
On
Foreign Exchange Activities of Social Islami Bank Limited

Submitted to:

Mst. Marium Akter
Lecturer
Department of Business Administration
Sonargaon University.

Submitted by:

Sazzad Hossen Akash
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Submitted for the partial fulfilment requirement of the degree of Bachelor of Business Administration

Date of Submission: 5 January, 2023

Letter of Transmittal

January 05, 2024

To

Mst. Marium Akter

Lecturer

Department of Business Administration

Sonargaon University.

Subject: Submission of Internship Report on Foreign Exchange Activities

Dear madam,

This is my pleasure that I have completed my internship report and hereby ready to submit my report on **"Foreign Exchange Activities : A case study on "Demra Branch "** for your kind consideration. This job is assigned to me to fulfill the partial requirement of BBA Program. I have tried my best to get a practical work experience and to gather all related information and have placed my best effort to prepare the report accordingly directed. I hope that my report will meet your expectation and serve its purpose.

I have thoroughly enjoyed the overall work during my internship period, which is carrying vast description of practical knowledge. This report along with all kinds of necessary information regarding the internship is being submitted to you for your evaluation. I sincerely hope that you will appreciate my effort.

Thanking you for your kind supervision.

Sincerely yours,

_____

Sazzad Hossen Akash

ID: BBA1903018108

Program: BBA (Major in Accounting)

Semester: Fall-2023

Department of Business Administration

Sonargaon University

Letter of Declaration

I hereby declare that the Internship Report on **Foreign Exchange Activities of Social Islami Bank Limited: A Study on Demra Branch, Dhaka** is my original work that has been prepared for earning the degree of Bachelor of Business Administration.

I have been duly acknowledged all the sources of information that have been used in this report.

This report has also not been submitted to any other university previously for earning any other degree, diploma, or fellowship in any other discipline.

Sazzad Hossen Akash
ID: BBA1903018108
Program: BBA (Major in Accounting)
Semester: Fall-2023
Department of Business Administration
Sonargaon University

Letter of Authorization

This is to certify that the Internship Report on "**Foreign Exchange Activities: A case study on "Demra Branch**" has been prepared by Sazzad Hossen Akash, ID: BBA1903018108, Department of Business Administration, under my supervision and guidance. He has successfully completed the report. The content of this report is prepared by himself from his short working experience in "Social Islami Bank Limited ". I have found his hardworking and sincere throughout the internship period.

I wish his success in every sphere of life.

Mst. Marium Akter
Lecturer
Department of Business Administration
Sonargaon University.

Acknowledgement

Firstly, I would like to extend my heartfelt gratitude to the Almighty for empowering me to fulfill my intern duties and complete this report on time. My sincere appreciation goes to **Mst. Marium Akter**, Lecturer, Department of Business Administration, Sonargaon University, for her unwavering support during my time at the organization. I am also thankful to Md. Nuruzzaman Azad, the Senior Principal Officer & Operation Manager, who was my supervisor at the organization, and my colleagues who offered me valuable guidance and information.

I am also indebted to all the officers, particularly Farhad Hossain and MD Mozzammel Hossain, for their invaluable cooperation, guidance, direction, and constant support throughout my internship. My close interaction with them during my internship was crucial for the success of this project. The excellent working environment and the collective commitment at the organization were instrumental in helping me manage various tasks efficiently.

Lastly, I express my profound gratitude to everyone who contributed to the preparation of this report, especially the busy employees of Social Islami Bank Limited, whose participation was essential.

Sazzad Hossen Akash
ID: BBA1903018108
Program: BBA (Major in Accounting)
Semester: Fall-2023
Department of Business Administration
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Executive Summary

In today's world of business without bank's co-operation, it is almost impossible to run any business or production unit of business. They act as financial intermediaries by performing the function of mobilizing funds from one group and tending the same to another while making a reasonable profit after meeting the cost of fund.

Export and import need finance in various stages of their activities. Social Islami Bank Limited is playing a vital role in financing import and exports of the country and helping the businesses by providing funds to run.

There are lots of local and foreign banks competing in banking industry in Bangladesh and the Social Islami Bank Limited is keeping its promises for about twenty eight years among them very successfully.After all, although it is facing some problem, it has a bright future and day-by-day. It is enhancing its financial activities over the country.

Before internship I had idea about banking hilt that was only bookish. Now after completing my internship period and preparing term paper on it I got practical aspect of banking. It will definitely help me to see the things from banking perspective also.

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Acronyms

SIBL- Social Islami Bank Limited

IRC- Import Registration Certificate

CCI&E - Chief Controller of Import and Export

PRC- Proceeds Realization Certificate

LC- Letter of Credit

ERC - Export Registration Certificate

AD- Authorized Dealer

CTPU- Central Trade Processing Unit

TIN- Tax Identification Number

FED - Foreign Exchange Department

CSR - Corporate Social Responsibility

SSC- Shariah Supervisory committee

Chapter-1

Introduction

1.1 Background of the Study

The banking sector is one of the most powerful economic sectors in our country. Banks provide the necessary funding to implement the various programs undertaken in the process of economic development. They collect savings from large crowds scattered throughout the country that would have remained lazy and unproductive without banks These spreads will be collected, bundled and made available to trade and industry to cover their needs. Bangladesh's economy is one of the least developed in the world. Bangladesh is the fourth largest Muslim country in the world and Islamic banking (which is governing based on the principles of Sharia or Islamic law) is growing so fast in the country. This study focus on Foreign Exchange Activities in the Social Islami Bank Limited. Social Islami Bank Limited (SIBL) is a financial institution which provides most of the standard banking service and investment activities on the basis of profit- loss sharing system based on the principles of Islamic Sharia. Social Islami Bank Limited (SIBL) is unique with their products, strict with their principle and uncompromising their honesty. SIBL has included online banking in its wide range of services with General Banking. Investments and Foreign Exchange banking system.

They believe in providing dedicated services to the clients inspired with Islamic spirit of brotherhood, peace and fraternity. They are committed to be establishing welfare-oriented banking system to meet the needs of low-income and underprivileged class of people. The bank emphasized to reduced imbalance of economy through the equal distribute of wealth. SIBL has created employment opportunities in the rural area to ensure a balance economic and social development in the country. Now a day SIBL one of the leading private commercial bank of Bangladesh and it plays comprehensive role to develop business activities as well the cc development of the country.

As a Business Student, start career with Banking in Bangladesh has become superior and beneficial for their nature of employment, environment and remuneration package over the last few years. SIBL is one of the reputed Bank in the country. Foreign Exchange Department is the best Department in SIBL for the reason I am working this sector.

1.2 Origin of the Study

In a free economy, a country's currency is valued according to the laws of supply and demand. The foreign exchange market is a decentralized and over-the-counter market where all currency exchange trades occur. It is the largest (in terms of trading volume) and the most liquid market in the world. Participants in these markets can buy, sell, exchange, and speculate on the relative exchange rates of various currency pairs. Foreign exchange markets are made up of banks, forex dealers, commercial companies, central banks, investment management firms, hedge funds, retail forex dealers, and investors. Social Islami Bank Limited is one of the famous and islamic sharia based bank in the Bangladesh. Social Islami Bank Limited was established on November 22, 1995 . SIBL is one of the leading partners in International Trade activities of the country. Now SIBL is one of the Best-Rated banks in Bangladesh. The bank is committed to contribute significantly to the national economy. It has made a positive contribution towards the socio-economic development of the country with 179 Branches. This report intends to evaluate and develop an understanding about the performance of Foreign Exchange activities provided by Social Islami Bank Limited . This report is an internship report prepared as a partial fulfilment of requirement for the completion of BBA (Bachelor of Business Administration) from the Department of Business Administration, Sonargaon University. The primary goal of the internship was to provide an 'on the job' exposure to the students and an opportunity for translating the theoretical concept into real life situation. For this purpose, after the completion of BBA program I decided to complete my internship Social Islami Bank Limited. In connecting, Foreign exchange department of Social Islami Bank Ltd. sent me to the Demra Branch for practical orientation. I choose the topic "Foreign Exchange activities of Social Islami Bank Limited : A Study on Demra Branch". I make this report under the supervision of Mst. Marium Akter, Department of Business Administration, Sonargaon University. This report has been prepared on my theoretical and practical experience from 08th October 2023 to 08th December, 2023 in Demra Branch of Social Islami Bank Limited.

1.3 Objectives of the Study

Board objective:

The board objective of this report is to analyze the operation of all departments basically evaluate the performance of the foreign exchange department of Social Islami Bank Limited.

Specific objectives:

The Specific objectives of the report are:

- to understand the total Export & Import Practices of SIBL;
- to identify the key factors affecting the profitability;
- to evaluate the Foreign Remittance efficiency of SIBL Bank;

1.4 Scope of the Study

Social Islami Bank Limited Has 179 branches and a total of 4000 employees. I am assigned to learn practical knowledge from Social Islami Bank Limited, Demra Branch. In this study I would try to concentrate on the theoretical aspect of Foreign Exchange. I would like to analyse the data on the bank and various foreign exchange services provided by the bank, limitations in providing this services, and the performances of the bank in this regard. And finally, I would conclude with the critical evaluation of the Exchange services of Social Islami Bank Limited. Under the guidelines of the Bangladesh Bank, Bank Companies Act 1991 and a discussion on the major findings and recommendations.

1.5 Research Quantitative

To meet the objectives of the study I've applied various qualitative & quantitative method's. It is planned in a way that it can achieve the main purpose of the study. The study is performed based on the information extracted from different sources collected and analysed by using a specific methodology. To fulfil the objectives of this report total methodology has been divided into two major parts:

1.5.1 Data Collection Procedure

To make the report more meaningful and presentable, two sources of data and information have been used widely.

Primary Sources:

Primary data are those which do the researcher collect for particular purpose. For this report, primary data has been collected by:

- Desk work
- Personal observation during the internship period.
- Face to face conversation with the bank officers & staffs.
- Conversation with the clients.

Secondary sources of data:

The data about the organization and Foreign Exchange was collected from some secondary sources. They are collected from various sources. The sources are:

- procedure manual published by the Social Islami Bank Ltd.
- Files and documents of the branch.
- Annual reports of Social Islami Bank Limited
- Website of Bangladesh Bank.
- Information from the employees of the organization.
- The official records of Social Islami Bank Limited.
- Website of Social Islami Bank Limited.
- Foreign exchange operation Publications.

1.5.2 Analyses of Data

Collected information have been then processed & compiled with the aid of MS Word, Excel & other related computer software. Detail explanation and analysis have also been incorporated in the report. The data collected were more of qualitative in nature; as the study is focused on the understanding of the topic and the thus, they were presented by using explorative analysis. Hence, the nature of the study is explorative.

1.6 Limitations of the Study

By mixing all my insight, I attempted my level best to keep the confinements as short as Conceivable. Be that as it may, alongside every one of the endeavors I confronted the accompanying constraints. The main limitation for conducting this report is time limitation and resources. Two months is not enough to understand all the activities of a bank and how they handle their clients. Lack of experience has also acted a constraint for the exploration of the topic.

Following are the Limitations:

- It was hard to gather the data from different staff for their activity Limitation.

- Sometimes authorities deny revealing some data as to look after mystery. Some inside information which bank doesn't distribute for solid explanation.
- Bank arrangement was not revealing a few information and data for clear reasons.
- Due to the restriction of the data a few presumptions are made so there might be
- Due to lack of experience, there is a chance of having some mistake in the report Though best effort has been applied to avoid any kind of mistake.
- Lack of depth of knowledge, lack of experience in collecting information and analytical ability for writing such report.
- Limitation of time was one of the most important factors to collect data. A longer time period would have ensured a much better result for the study findings.
- Every organization has its own secrecy that is not revealed to others. While collecting data, Interviewing the credit officials they did not discuss much information for the sake of confidentiality of the Bank.

Some close to home slip-ups in this report:

- The indicated time is not really enough to know every one of the exercises of the branch
- The talking with process is protracted I'm.
- Sometimes the customer doesn't coordinate effectively.
- It is tedious.

Chapter-2

Literature Review

2.1 Literature Review

The global financial landscape has witnessed significant changes over the years, driven by globalization and technological advancements. In this context, the foreign exchange activities of banks play a crucial role in facilitating international trade and investment. This literature review aims to provide a comprehensive understanding of foreign exchange activities, with a focus on the operations of Social Islami Bank Limited (SIBL) at its Demra Branch in Dhaka.

Foreign exchange operations constitute a critical component of a bank's activities, encompassing the buying and selling of foreign currencies, handling trade financing, and managing risk associated with currency fluctuations. According to Shapiro (2019), the success of foreign exchange operations depends on a bank's ability to effectively manage exposure, comply with regulatory requirements, and adopt innovative technology.

Islamic banking principles add a unique dimension to foreign exchange activities. Hasan and Dridi (2010) argue that Islamic banks, like SIBL, operate under Shariah-compliant principles, emphasizing ethical conduct and prohibiting transactions involving interest (riba) and uncertainty (gharar). This necessitates the development of innovative Islamic financial instruments to meet the foreign exchange needs of clients.

The literature highlights various challenges faced by banks in managing foreign exchange operations. Fluctuating exchange rates, geopolitical uncertainties, and regulatory changes are identified as major challenges (Cernat, 2018). Furthermore, technological advancements bring both opportunities and challenges, requiring banks to adapt to digital platforms for efficient and secure foreign exchange transactions (Leong et al., 2021).

Trade financing is closely linked to foreign exchange operations, with banks playing a pivotal role in facilitating international trade transactions. Scholars like Goldberg and Tille (2008) emphasize the importance of trade finance in promoting global commerce. Understanding the nuances of trade financing is essential for SIBL's Demra Branch to effectively support its clients engaged in international trade.

Financial inclusion is a key concern in the banking sector. The literature suggests that banks should strive to include marginalized communities and businesses in foreign exchange activities (Berg, 2019). As SIBL operates in the context of Islamic finance, it is pertinent to explore how the bank addresses financial inclusion while conducting foreign exchange operations.

Chapter-3

Organizational Overview

3.1 Background of SIBL

The Social Islami Bank Limited (SIBL), a second-generation bank operating since November 22, 1995, is based on Shariah principles and has significantly expanded its reach and services over the years. With a network of 179 branches across the country, SIBL has established itself as a prominent player in Bangladesh's banking sector. The bank also operates two subsidiary companies: SIBL Securities Ltd and SIBL Investment Ltd, which further extend its financial services.

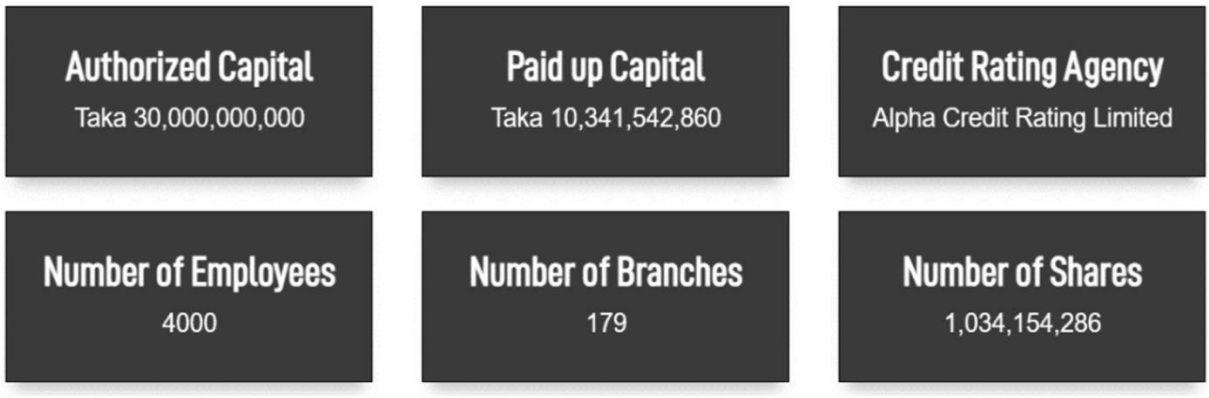
SIBL stands out for its unique approach towards banking by integrating a 21st-century participatory three-sector banking model. This model encompasses the formal sector, where SIBL functions as an Islamic participatory commercial bank. The bank adopts a human-centric approach to credit and banking, focusing on profit and loss sharing, which aligns with Islamic banking principles.

In terms of technological advancements, SIBL has been a pioneer in introducing online banking among all Islamic banks in the country. The bank utilizes state-of-the-art banking software, enabling it to offer real-time banking services across all its branches. This system is supported by a robust core banking solution, and the bank's products and services are strongly backed by an IT infrastructure that is continuously upgraded and expanded.

Financially, SIBL has shown substantial growth. As of 2023, the bank's authorized capital stands at Taka 30,000,000,000, while the paid-up capital is Taka 10,341,542,860. This financial strength reflects the bank's commitment to growth and stability in the financial sector.

SIBL's dedication to targeting poverty and promoting economic inclusion is evident in its various initiatives and services designed to empower the underprivileged and underserved segments of society. The bank's focus on participatory banking, which includes microfinance and SME financing, aligns with its mission to contribute positively to the socio-economic development of Bangladesh.

COMPANY AT A GLANCE



3.1.1History of SIBL

Social Islami Bank Limited is a Sharia-compliant bank in Bangladesh which started operations on 22 November 1995. SIBL was founded by M. A. Mannan, Dr. Hamid Al Gabid, Former Secretary General of O.I.C., Dr. Abdullah Omar Nasseef, and Ahmed M. Salah Jamjoom, Former Commerce Minister of, Kingdom of Saudi Arabia. It is a public limited company registered under the Companies Act of 1994 and regulated by the Bank Company Act 1991. The bank is an Islamic bank, based on Islamic Sharia law forbidding usury. In 2009, the bank changed its name from Social Investment Bank Limited to Social Islami Bank Limited . In 2023 the bank changed its name from Social Islami Bank Limited to Social Islami Bank PLC.

Corporate Profile

Name of the Company
Social Islami Bank Limited

Registered Office
City Center, Level 19 -22,
28 & 29 90/1 Motijheel C/A,
Dhaka-1000
Phone : +88-09612001122 (PABX)
FAX : 88-02-9568098
Email : info@sibl-bd.com
Website : www.siblbd.com
SWIFT : SOIVBDDH

Chairman
Belal Ahmed

Managing Director & CEO
Zafar Alam

Chief Financial Officer
Mohammad Shoeb, FCA

Chief Compliance Officer
Abul Ahsan Muhammad
Habibur Rahman

Chief Risk Officer
Md. Shafiqul Islam

Company Secretary
Md. Nazmul Ahsan, FCS

Auditors

Kazi Zahir Khan & Co.
Chartered Accountants
HomeTown Apartments
(Level-15),
87 New Eskaton
Road,Dhaka-1000

Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Rupali Bima Bhaban,7,Rajuk
Avenue(5th & 6th Floor
Motijheel,Dhaka-1000

Credit Rating Agency
Alpha Credit Rating Ltd.

Company Registration No.
C-28763(44)/95

Bank's License No.
DBOD(D):200/60-943/95

Tax Payer Identification No.
144050147394

Business Identification No.
000302065

Authorized Capital
Taka 30,000,000,000/-

Paid up Capital
Taka 10,341,542,860/-

Number of Shares
1,034,154,286

Investors' Inquiry
Share Department
City Center, Mezzanine-2
90/1 Motijheel C/A,
Dhaka-1000 PABX: 88 02
09612001122 (50431)
Phone: +88-02-23351852 +88-
0961 2001122 (Ext: 50431)

Number of Employees
4039 (Four thousand Thirty nine)

Number of Branches
179 (one hundred seventy nine)

For Off-Shore Banking
Off-Shore Banking Department
City Center, Level-23, 90/1
Motijheel C/A, Dhaka-1000

For SIBL Securities Limited (a subsidiary of SIBL)
Chief Executive Officer
3rd floor, 15 Dilkusha C/A,
Dhaka-1000

For SIBL Investment Limited (a subsidiary of SIBL)
City Center, 90/1 Motijheel C/A,
Dhaka-1000

Listing Status

DSE (Dhaka Stock Exchange)
Symbol: SIBL | Listing Date:
18.11.2000

CSE (Chittagong Stock Exchange)
Symbol: SIBL | Listing Date:
04.10.2005

Market Price as on 31.12.2022
DSE: Taka 12.30, Category A
CSE: Taka 12.30, Category A

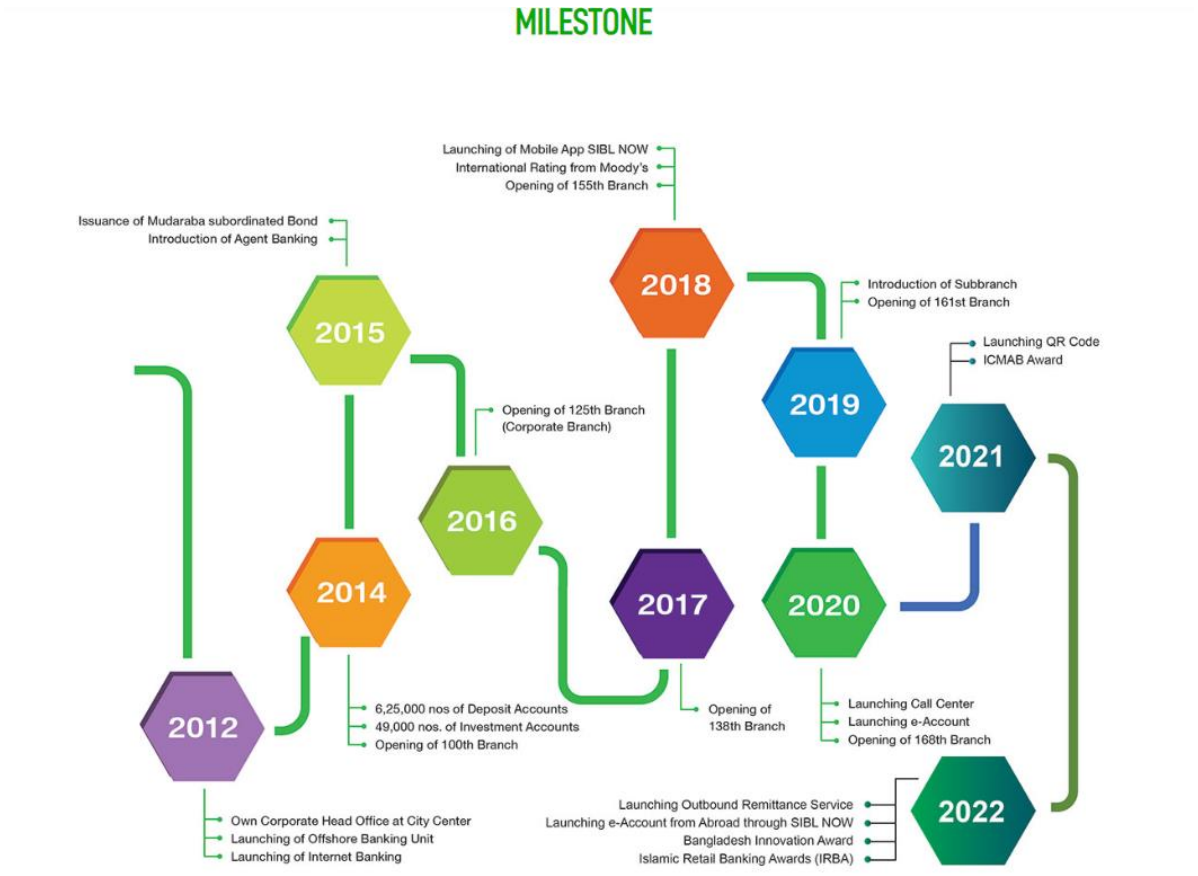
3.2 Vision

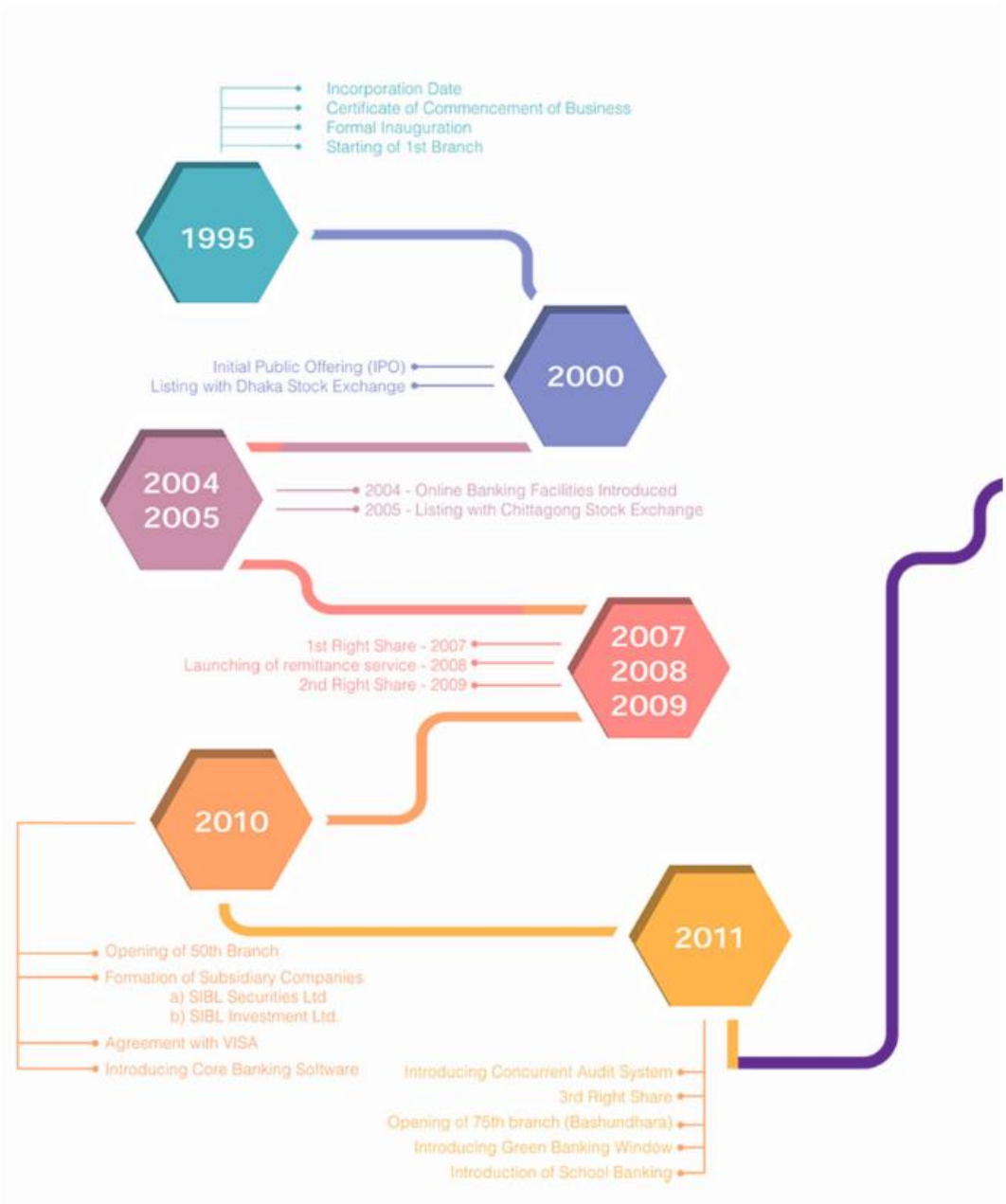
Working together for a caring society

3.2.1Mission

- Establishing Three Sector Banking Model
- Transformation to a service oriented technology driven profit earning Bank
- Fast, accurate and satisfactory customer service
- Balanced & sustainable growth strategy
- Optimum return on shareholders' equity
- Introducing innovative Islamic Banking Products
- Attracting and retaining high quality human resources
- Empowering real poor families and creating local income opportunities
- Providing support for social benefit organizations by way of mobilizing funds and social services

3.3 Milestone




Incorporation Date
Certificate of Commencement of Business
Formal Inauguration
Starting of 1st Branch
1995
Initial Public Offering (IPO)
Listing with Dhaka Stock Exchange
2000
2004
2005
2004 - Online Banking Facilities Introduced
2005 - Listing with Chittagong Stock Exchange
1st Right Share - 2007
Launching of remittance service - 2008
2nd Right Share - 2009
2007
2008
2009
2010
Opening of 50th Branch
Formation of Subsidiary Companies
a) SIBL Securities Ltd
b) SIBL Investment Ltd.
Agreement with VISA
Introducing Core Banking Software
2011
Introducing Concurrent Audit System
3rd Right Share
Opening of 75th branch (Bashundhara)
Introducing Green Banking Window
Introduction of School Banking

3.3.1 Goals

Social Islami Bank Limited (SIBL), like many financial institutions, likely has a set of core goals and objectives that guide its operations. Although I can't provide current, specific details about SIBL's goals without up-to-date information, we can infer some general objectives based on common practices in the banking industry, especially for Islamic banks. Here are some potential goals for Social Islami Bank Limited:

- Sharia Compliance: As an Islamic bank, a primary goal would be to ensure all banking activities comply with Islamic law (Sharia). This includes avoiding interest (riba) and investing in halal (permissible) activities.
- Financial Inclusion: Offering banking services to underprivileged and underserved segments of society, including small businesses and rural populations, aligning with the principles of social responsibility.
- Sustainable Growth: Striving for steady, sustainable growth in terms of assets, customer base, and profitability, while maintaining ethical banking practices.
- Innovation in Islamic Banking Products: Developing innovative banking products and services that comply with Islamic principles, meeting the evolving needs of customers.
- Customer Satisfaction: Providing high-quality customer service to ensure customer satisfaction and loyalty, which is crucial for long-term success.
- Community Development and Social Responsibility: Engaging in community development activities and projects that align with Islamic values of charity and social welfare.
- Employee Development: Investing in the training and development of employees to improve their skills and knowledge, particularly in Islamic banking principles and practices.
- Risk Management: Implementing effective risk management strategies to protect the bank's assets and ensure financial stability.
- Global Reach and Collaboration: Expanding its presence and collaboration internationally, particularly in markets that have a significant Muslim population or an interest in Islamic banking.

3.3.2 Strategic objective



3.4 Products & Services of SIBL

Investment Products

- SIBL Islamic Auto Finance
- SIBL Islamic Home Finance
- Islamic Consumer Finance
- SIBL Retail Investment for Students
- Deposit Products
- Al-Wasiyah Bil Waqf (Cash) Account
- Mudaraba Scheme Deposits
- Al Wadiah Current Account
- Mudaraba Savings Deposit
- Mudaraba Term Deposit
- Mudaraba Notice Deposit

- Cash Waqf. Deposit
- SIBL Super Savings Account

Cards

- SIBL Gift Card
- SIBL Dual Prepaid Card
- Visa Islamic Credit Card (Dual)
- Visa Islamic Credit Card (Local)
- SIBL Zameel Debit Card
- Special Offers
- SIBL Prepaid Card
- SIBL Hajj Card
- SIBL International Insta Remit
- SIBL International Insta Edu Remit
- SIBL International Insta Medi Remit
- SIBL International Insta Family Remit

School Banking

- SIBL Student Account
- Mudaraba Education
- SIBL. Youngster Account

Alternate Banking

- Internet Banking
- Agent Banking

Other Services

- Locker Service
- Insurance Service

3.5 Board of Directors

Social Islami Bank Limited 's Board consists of 11 (eleven) Directors including 2 (two). Independent Directors. As per Corporate Governance Code of BSEC and Bank Companies Act, 1991, Independent Directors were appointed in the Board and their tenure is fixed thereon. Thedevoted Board Members are highly committed towards achievement of the bank's goal. Moreover, the board is engaged in other major activities such as formulating major/strategic policies, regulatory and compliance issues, providing proper guidelines, monitoring financial performance, monitoring operations of internal control, approval of annual budget, major capital expenditure, evaluation of financial performance, approval of audit report and increase of awareness to maintain Shariah Principals. The board of directors also plays a good part in the process of appointment and evaluation of Managing Director & CEO and Senior Management team (key decisions makers). In addition, the board of directors is responsible to make timely reporting to stakeholders about the affairs and performance of the Bank. The Board is also responsible to comply with various types of Rules, Regulations, Notifications and Orders issued by the Regulatory Authorities in time to time. They ensure the implementation of good Corporate Governance in the Bank.

01.	Belal Ahmed	Chairman
02.	Md. Sayedur Rahman	Vice Chairman
03.	Md. Kamal Uddin	Vice Chairman
04.	Dr. Md. Jahangir Hossain	Director
05.	Jebunnesa Akbar	Director
06.	Ali Hasan Md. Mahmud Ribon	Director
07.	Arshadul Alam	Director
08.	Mahmudul Alam	Director
09.	Mohammad Abul Kalam	Director
10.	Professor A J M Shafiul Alam Bhuiyan, Ph.D	Independent Director
11.	Professor Mohammed Mizanur Rahman, Ph.D	Independent Director
12.	Zafar Alam	Managing Director & CEO
13.	Md. Nazmul Ahsan, FCS	Company Secretary

3.6 The Shariah Supervisory Committee of SIBL (SSC)

Article 104 of the Articles of Association of the Bank provides, on the licensing of the Social Islami Bank Limited, an Islamic Shari'ah Supervisory Committee shall be constituted with members from Fakihs/Islamic Scholars, Economists, Banker and Lawyers to advise the company on the operation of its business in order to ensure that they do not involve in any element which is not approved by Shari'ah. The Shari'ah Supervisory Committee consists of 07 (Seven) members nominated by the BOD of the Bank. Shariah Supervisory Committee of the Bank plays a vital role in framing and exerting policy for strict adherence of Shari'ah principles in all activities of the Bank since its very inception. The Shari'ah Supervisory Committee, which enjoys a high status in the structure of the Bank. Members of the Shariah Supervisory Committee meet frequently and deliberately on different issues confronting the Bank on Shariah matters. They give opinion and supervise to implement and comply Shari'ah principles in all activities of the Bank.

3.7Corporate Social Responsibility activities

As an Islamic Bank, Social Islami Bank Limited is quite conscious of its social responsibility and always tries to participate in the social cause of the country. The bank has a dedicated CSR Desk with the aim to serve humanity through different philanthropic activities giving emphasis on health, education, disaster management, rehabilitation, poverty eradication and so on. The bank believes that any kind of social philanthropic activity would improve the quality of the lives of the underprivileged in the country.

Social Islami Bank Ltd. donated 75,000 pieces of blanket to "Prime Minister's Relief Fund" to distribute among the cold-stricken people as part of the bank's CSR activities. Honorable Prime Minister Sheikh Hasina received the specimen blanket on 10 November 2023 at Ganabhaban. Md. Sayedur Rahman, vice chairman & Md. Kamal Uddin, vice chairman, and Zafar Alam, Managing Director & CEO of the bank, were present on the occasion.

SIBL pioneers CSR activities in the country. The extent of its activities ranges from individual distressed people to institutional welfare. It spends a considerable sum every year for the well- being of the community. SIBL always seeks new areas where it can serve the necessary assistance. SIBL rushes to any humanitarian crisis either flood, cyclone earthquake, or fire before anyone with life-saving materials. The vision of SIBL is to create a caring society and it is tirelessly working for that.

Chapter-4

Foreign Exchange Activities

4.1 Concept of Foreign Exchange

Foreign exchange, often abbreviated as Forex or FX, refers to the global marketplace where currencies are traded. It involves the buying and selling of one currency for another . This market facilitates international trade and investment, allowing businesses and individuals to conduct transactions across borders. The primary purposes of foreign exchange transactions are to facilitate international trade, manage currency risk, and engage in speculative activities. Governments may also intervene in the foreign exchange market to stabilize their currency or achieve economic objectives. The foreign exchange market operates 24 hours a day, five days a week, due to the global nature of currency trading.

4.2 Foreign Exchange Division

The Foreign Exchange Department is a crucial segment of a commercial bank responsible for handling foreign exchange transactions, including international trade and currency exchange. In the case of SIBL, its Foreign Exchange Department would facilitate activities such as foreign currency transactions, trade financing, export-import services, and remittances, all in accordance with Islamic banking principles. This department plays a vital role in supporting businesses engaged in international trade by providing various foreign exchange services and ensuring compliance with local and international regulations.

Foreign Exchange Department (FED) is the international department Bangladesh Bank issues license to scheduled banks to deal with foreign exchange. These banks are known as Authorized Dealers. If the branch is authorized dealer in foreign exchange market, it can remit foreign exchange from local country to foreign countries. So Social Islami Bank Limited, Principal branch is an authorized dealer. Some national and international laws regulate functions of this department. Among these, Foreign exchange Act, 1947 is for dealing in foreign exchange business, and import and export control Act, 1950 is for documentary credits. There are three kinds of foreign exchange transaction:

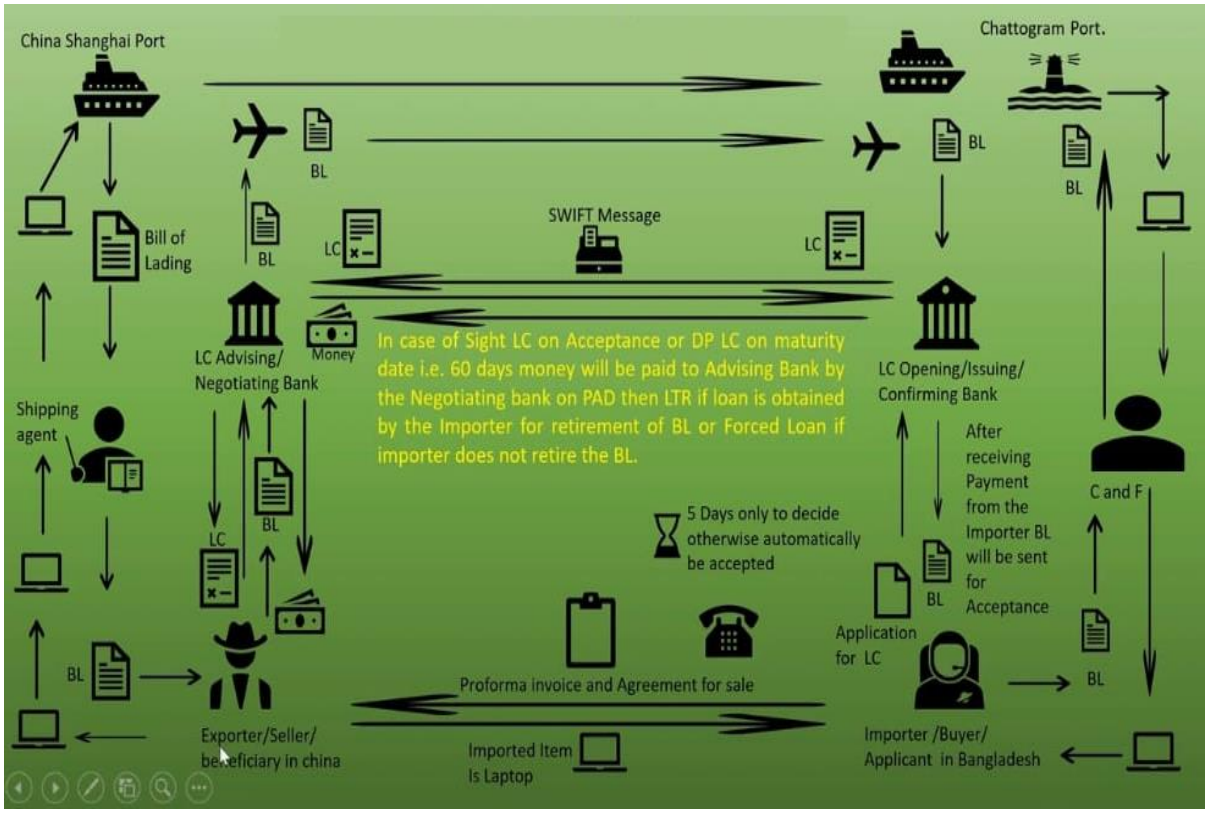
- Import
- Export
- Remittance.

4.3 Exchange House Facilities

Social Islami Bank Limited is now maintaining agency agreement with various Exchange houses in USA, UK, Qatar, Oman, SPAIN, Australia, Bahrain, Malaysia, and with Money gram, Western Union, Xpress Money, Ria who has network throughout the world. Bangladeshi Nationals working abroad can easily remit their hard-earned money to the intended beneficiary in Bangladesh. SIBL is committed to provide best and hassle-free service in this regard.

4.4 Letter of credit

Letter of credit is a classic form of international trade payment method that substantially reduces risks for both exporter and importer. This is an arrangement whereby the importer's and exporter's bank is committed to pay an agreed some of money to the exporter/seller bank under some agreed conditions.



4.4.1To open a Letter of Credit (L/C) with Social Islami Bank Limited , typically need:

i. Application Form: Fill out the L/C application form provided by the bank.

ii. Proforma Invoice: A detailed invoice from the seller outlining the goods, quantity, price, and other relevant details.

iii. Import Registration Certificate (IRC): This is issued by the Department of Commerce in our country and is required for importing goods.

iv. Tax Identification Number (TIN): Provide TIN as a taxpayer.

v. Trade License: A valid trade license is essential for commercial activities.

vi. Insurance Cover Note: If the goods are insured, include the insurance cover note.

vii. Partnership Deed or Memorandum and Articles of Association: Depending on business structure, provide the relevant document.

viii. Board Resolution: In case of a company, a board resolution authorizing the opening of the L/C.

ix. Personal Guarantee: Sometimes required, depending on the bank's policies.

Documents to be obtained and verified:

- Nature of business
- Permission of the department of Environment
- Fire License
- Factory Inspection Certificate
- Ownership documents or rent receipts of the place of business.
- Valid Drug License and indent/Proforma invoice duly approved by the Director of Drug Administration for import of drugs and medicine.
- For pharmaceutical raw and packing materials approval of the list with corresponding amount from the Director of Drug Administration.

4.4.2 Parties to LC

The following are the parties to LC:

- Importer/Buyer/Applicant: Importer/Buyer/Applicant is one who imports (buys) goods and services and on whose request the LC is opened.
- Exporter/Seller/Beneficiary: Exporter/Seller/Beneficiary is one who exports (sells) the goods and services and in whose favor LC is issued.
- Issuing Bank/Opening Bank: Issuing Bank/Opening Bank means the bank that issues a credit at the request of an applicant or on its own behalf.
- Advising Bank: Advising Bank means the bank that advises the credit at the request of the issuing bank.
- Confirming Bank: Confirming Bank means the bank that adds its confirmation to a credit upon the issuing bank's authorization or request. If the beneficiary desires confirmation of a bank on the LC then the issuing bank authorizes and requests the foreign bank to add their confirmation on the LC.
- Nominated Bank/Negotiating Bank: Nominated Bank/Negotiating Bank means the bank with which the credit is available or any bank in the case of a credit available with any bank.
- Reimbursing/Paying bank: Reimbursing/Paying bank means the bank that is authorized by the issuing bank to make payment to the negotiating bank.

4.4.3 Transmittion of L/C

After enrolling the L/C application and L/C authorization is transferred to the advising bank. Letter of credit can be sent to the advising bank by three moods. These are Courier, Telex, and SWIFT (Society for worldwide inter telecommunication network).

The Social Islami Bank Limited use SWIFT when L/C is disposed in the following manner:

- First two copies transmitted to the advising bank original for beneficiary and second copy for Advising bank ;
- One copy is sent to the importer ;
- One copy to Head office ;

- One copy is sent to the Bangladesh Bank ;
- One copy is retained as office copy ;
- One copy is sent to the C.C.I. &E (Chief controller of Imports and Exports).

Exporter receives the LC through the advising bank. Receiving L/C, exporter manufacture the goods as per needs and ships it before correct date. If any amendment is needed, exporter contacts with the importer. If the importer allow to do so, then the issuing bank issue amendment for the L./C.

4.4.4 Amendments of L/C

After issuing of a credit, it may necessary to change some of the condition of the credit or delete some or add some. These alterations are contacted through the same bank that advised the credit. There can be more than one amendment to the credit. Issuing bank intends the credit that all of the amendments from an individual part of the main credit issued.

Amendment can be done for many reasons under some guidelines which are given below:

- For Extension date of shipment
- For Extension of draft amount within L/C limit
- Change in specification of goods, value or quantity to be imported.

After shipments of the goods, the exporters prepare the necessary documents and submit it to advising bank for payment. After than shipment, exporters submit the following documents for negotiations:

a. Bill of exchange
b. Bill of Lading
c. Commercial invoice
d. Insurance policy
e. Inspection certificate
f. Packing List

4.5 Export

The export section of SIBL. is noticeable in the field of readymade garments. The bank has been attempting to diversify its export financing in other fields like leather. agricultural products, dry fish, PET, Flakes, spare parts of the ship, etc.

Export business of the bank has grown by 24% with an amount of BDT 83,213 million in 2022 compared to that of 2021 which was BDT 67,347 million. The growth of export business of SIBL has been in line with that of country which has recorded and outstanding performance in 2022. Bangladesh has returned back to the second position in RMG export in 2022, Given a sluggish year 2021 which has seen worldwide decline in trade, 2022 revived the trade growth which hasbeen resulted in export growth Bangladesh as well as SIBL. Altogether our AD branches and CTPUs achieved 92% of the total export target of 2022. SIBL is maintaining a constant market share of 1.6% over the past three years.

4.5.1 Export Procedure

Export Procedure through Social Islami Bank Limited often includes the following steps:

- Application for Export Registration Certificate (ERC): Exporters must first obtain an ERC from the Office of the Chief Controller of Imports & Exports. This certificate is essential for engaging in export activities.
- Securing an Export Order: The exporter secures an order from a buyer abroad. This order should clearly specify the goods' description, quantity, price, shipment, and payment terms.
- Signing an Agreement: The exporter and the importer (foreign buyer) sign a sales contract or agreement outlining the terms and conditions of the export.
- Obtaining a Letter of Credit (L/C): For payment security, the exporter asks the buyer to open a Letter of Credit in their favor through a bank. The L/C is then advised to the exporter through Social Islami Bank Limited .
- Production or Procurement of Goods: Once the L/C is received, the exporter arranges for the production or procurement of the ordered goods.
- Pre-Shipment Inspection: Depending on the nature of the goods and the requirements of the buyer's country, a pre-shipment inspection by a recognized agency might be necessary.

- Shipment of Goods: The exporter arranges for the shipment of goods through a shipping line or air cargo. Necessary shipping documents are obtained, such as the Bill of Lading or Airway Bill.
- Submission of Export Documents to the Bank: After shipping the goods, the exporter submits the relevant export documents to Social Islami Bank Limited. These documents typically include the Bill of Lading, Commercial Invoice, Packing List, Certificate of Origin, and any other required documents.
- Realization of Export Proceeds: Social Islami Bank Limited then forwards these documents to the importer's bank for payment. The payment is realized in the agreed currency and terms.
- Reporting to Bangladesh Bank: Upon realization of the export proceeds, Social Islami Bank Limited reports the transaction to Bangladesh Bank (the central bank of Bangladesh) for regulatory and record purposes.

4.5.2 Necessary Documents for ERC

For obtaining export registration certificate form CCI & E, the following documents are required.

- Application form
- National certificate
- Joint venture deeds
- Memorandum
- Certificate from the bank
- Useable trade license

4.5.3 Export Documents Checking

4.5.3.1 General verification:

- Letter of Credit restricted or not.
- Failure of documents
- Exporter submitted documents before expiry date of the credit.
- Particular verification:
- Each and every document should be verified with the Letter of Credit.

4.5.3.2 Cross verification:

- Verified the entire Document once again.

After proper checking of a related Export document banker may find following Discrepancies:

4.5.3.3 General

- Late presentation L/C expired
- Letter of Credit over-drawn
- Late shipment
- Partial shipment beyond L/C terms.

4.5.3.4 Bill of exchange (B/E):

- Amount of bill of exchange differ with Invoice.
- Not drawn on letter of credit issuing Bank
- Not signed
- Tenor of bill of exchange not identical with letter of credit.
- Full set not submitted.

4.5.3.5 Commercial Invoice (C/I)

- Not signed by the Beneficiary.
- Not issued by the Beneficiary.
- Not made out in the name of the Applicant
- Description, quantity, Price, sales terms of the goods not agree to the Credit.
- Not checked one lap as Original.
- Shipping Mark differs with bill of lading & packing list.

4.5.3.6 Packing List

- Not signed by the Beneficiary.
- Gross Wt., Net Wt. & Measurement, Number of Cartoons/Packages differs with Bill of Lading.
- Shipping marks differ with Bill of Lading.
- Not market one lap as Original.

4.5.3.7 Air Way Bill or Bill of Lading (Transport Documents)

- Full set of Bill of Lading not submitted.
- Bill of Lading is not endorsed to the Order of SIBL
- "Shipped on Board", "Freight Prepaid" or "Freight Collect" etc. Notations are not marked on the Bill of Lading.
- Shipped on Board Notation not showing port of loading and vessel name.
- Shipped on Board Notation not showing name of intended vessel.
- Short Form Bill of Lading
- Charter party Bill of Lading
- Description of goods in Bill of Lading not agrees with that of Invoice.

Others

- N.N. Documents not onwards to buyers or onwards beyond letter of credit terms.
- Short shipment Certificate not submitted.
- Insufficient number of Invoice, Packing List, and B/L & Others submitted.
- While checking the export documents following things must be taken in consideration.

4.5.4 Mode of payment of export bill under Letter of Credit

- Sight payment
- Deferred payment
- Acceptance credit
- Negotiation credit

4.5.4.1 Sight Payment Credit:

Sight Payment Credit means that, the bank pays the stipulated amount immediately against the exporter's presentation of the documents.

4.5.4.2 Deferred payment Credit:

Deferred payment means that, the bank agrees to pay on a specified future date or event, after offering of the export documents. No bill of exchange is involved. In SIBL payment is given to the party at the rate of D.A 60-90-120-180 as the case may be.

4.5.4.3 Acceptance credit:

Acceptance credit means that, the exporter presents a bill of exchange payable to him and drawn at the agreed slender on the bank that is to accept it. The bank indication its acceptance on the bill and returns it to the exporter. Then the exporter can represent it for payment on maturity. Alternatively he can discount it in order to make immediate payment.

4.5.4.4 Negotiation Credit:

Negotiation credit means that, the exporter has to present a bill of exchange payable to him in collection to other documents that the bank negotiates.

4.5.5 Back-To-Back L/C

It is simply issued to the clients against an import LC. Back-to-Back mechanism involves two separate L/C. One is master Export L/C and another is Back-to-Back L/C. On the strength of Master Export L/C bank issues back to back L/C. Back-to-Back L/C is commonly known as Buying L/C. On the contrary, Master Export L/C is known as Selling L/C.

Features of Back to Back L/C

- An Import L/C to procure goods/raw materials for further processing.
- It is opened based on Export L/C,
- It is a kind of Export Finance
- Export L/C is at Sight but back to Back L/C is at usage
- No margin is required to open Back to back L/C
- Application is registered with CCI&E
- Applicant has bonded warehouse license.
- L/C value shall not exceed the admissible percentage of net FOB value of relative Master L/C.
- Usage period will be up to 180 days.
- The import L/C is opened for 75% of the value of Export L/C
- Here L/C issued against the lien of export L/C
- Arrangements are such that export L/C matures first then out of this export profit, import L/C is paid out.

4.5.6 Documents Required for Opening a Back-to-back L/C

In Social Islami Bank Ltd. Principal Branch, following papers/ documents are required for opening a back-to-back L/C-

I. Master L/C
II. Valid Import Registration Certificate (IRC) and Export Registration Certificate (ERC)
III. L/C Application and LCAF duly filled in and signed
IV. Proforma Invoice or Indent
V. Insurance Cover Note with money receipt
VI. IMP Form duly signed

In addition to the above documents, the followings are also required to export oriented garment industries while requesting for opening a back-to-back L/C-

I. Textile Permission
II. Valid Bonded Warehouse License
III. Quota Allocation Letter issued by the Export Promotion Bureau (EPB) in favor of the applicant for quota items

4.6 Import

Import means purchasing products from other countries for further process or to sell in local market. Import business of the bank has grown by 26% with an amount of BDT 1,18,210 million in 2022 compared to that of 2021 which was BDT 93,546 million. The growth can be attributed to the increased demand for industrial raw materials as the business operation of industries got back to their full scale after successful handling of the first wave of the pandemic with timely policy supports from the government. With the expected growth in import business our branches have been able to altogether achieve 88% of the total target set in 2022. However, SIBL still holds only 1% of the total import business of the banking industry.

Restricted items of imported goods

i. All of item name and quantity must be specified, if the product is second hand that should be mentioned.

ii. Reconditioned office equipment, photocopier, typewriter, telex, phone, computer, and fax

iii. Order should be specified.

iv. Goods bearing any obscene picture, writing inscription or Visible representation.

4.6.1 Import Procedure

An importer is necessary to have the following to import through Social Islami Bank Limited:

- Applicant has to apply for opening letter of credit by a formal form.
- Applicant has to submit the Letter of Pro-forma Invoice or letter of indent.

Letter of Indent: Many sellers have their agent in seller's country. If the contract of buying is made between the agent of the sellers and the buyer then Letter of indent is required.

Letter of Pro-forma Invoice: If the contract is made directly between the sellers and the buyer then Letter of Pro-forma Invoice is needed.

- Applicant has to submit Letter of Credit Authorization Form (LCAF).
- Applicant has to submit insurance document.
- Applicant has to prepare FORM-IMP
- Applicant has to submit Indenters Registration Certificate (IRC). This certificate being renewed every year. This certificate is necessary if the contract is made between the agents of the sellers and the buyer.
- Then after accurate scrutiny bank will open a Letter of Credit.
- They have been made a provision to give a certificate named Tax Payers Identification Number (TIN). Taxation department issues this certificate.

While opening letter of credit, importer must keep certain percentage of the document value in the bank as margin.

4.6.2 Import Registration Certificate (IRC)

The first thing one need to carry on a business of import is called Import Registration Certificate, but registration is not required for import goods, which do not involved remittance of foreign exchange like medicine, reading materials etc. Can be imported without registration by the users within monetary limit. Documents to be required for Import Registration Certificate are as follows-

- Income Registration Certificate
- Nationality Certificate
- Certificate from Chambers of Commerce and Industry Registered Trade
- Association

- Bank Solvency Certificate
- Copy of Trade License
- Requisite fees

4.6.3 Payment Procedure of Import Documents

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

- **Date of Payment**

  Usually payment is made within seven days after the documents have been received. If the payment is become deferred, the negotiating bank may claim interest for making delay.

- **Preparing sale memo**

  A sale memo is made at B.C rate to the customer. As the T.T & O.D rate is paid to the ID, the difference between these two rates is exchange trading. Finally, an Inter Branch Exchange Trading Credit Advice is sent to ID.

- **Requisition for the Foreign Currency**

  For arranging necessary fund for payment a requisition is sent to the International Department.

- **Transmission of Message**

  Message is transmitted to the correspondent bank ensuring that payment is being made.

4.7 Remittance

Remittance refers to the transfer of money from one individual or entity to another, often across borders. SIBL's Foreign Remittance service caters the customer needs for fast, secure & easy money transfers to an extensive range of destinations. Social Islami Bank Limited established its Centralized Remittance Processing unit on March 2008. The main purpose to establish this specialized unit was to encourage wage earner's remittance through banking channel and to facilitate the distribution of such remittance to the ultimate beneficiary throughout the country within shortest possible time. In the year 2022, SIBL procured Wage Earner Foreign Remittances worth 4147 Crore BDT. Achieving 138% of its target for the year. The growth from the previous year is 101%. Bangladesh recorded an all-time high

inflow of wage earner's remittance in 2022. However, with new cash Incentive plan of 2.5%, remittance through legal channel is likely to again flourish in 2022.

4.7.1 Foreign Currency (FC) Accounts

Foreign Currency Account (FCA) is a transactional account denominated in a currency other than the home currency and can be maintained by a bank in the home country or a bank in another country. Now the operation of foreign currency account has been more liberalized. Funds from these Accounts are freely remittable to any country according to the needs of Accounts holder SIBL provides the service of foreign remittance through foreign currency accounts to the clients.

Types of Account are:

1. FC Account

2 Citizen or resident Foreign Currency Deposit Account

3. Non-Citizen or Non-resident Foreign Currency Deposit Account.

Currency in which FC A/Cs can be opened Foreign Currency Accounts can be opened either in

i. US dollar

ii. Pound

iii. Euro

iv. Japanese Yen

Papers and Documents required for opening Foreign Currency Account

4.7.1.1 For Bangladesh wage Earners

I. Photocopy of first seven pages of valid passport and visa page.

II. Photocopy of appointment letter/employment contract/ work permit.

III. Two copies of passport size recent photograph of each account holder and nominee properly attested.

4.7.1.2 For foreign National/Company/ Firm

I. Two copies of recent photograph of account holder for individual operations of other account holder.

II. Photocopy of relevant pages of passport for individual and operators of other account holder.

III. Photocopy of work permit, service contract if any for individual.
IV. Photocopy of registration in Bangladesh with Board of investment/Bangladesh Bank for foreign.
V. Photocopy of the memorandum and articles of Association/Laws/Bye Laws etc

4.7.2 Procedures of FC account

All local and foreign banks in Bangladesh, who are authorized by Bangladesh bank to deal in foreign exchange, may maintain FC (Foreign Currency) accounts in the name of Bangladesh nationals or persons of Bangladesh origin working and earning abroad including self-employed Bangladeshi migrants.

I. Account is opened on bank prescribed form by person going abroad with attested photocopy of first 7 pages of valid passport and valid visa. Wage earners living abroad may open accounts by sending the account opening form duly filled in and attested by the Bangladesh mission abroad.
II. Photocopy of work permit.
III. Accounts can be opened in US dollar. Pound sterling or Euro at the option of the prospective account holder desires.
IV. Accounts can be operated by the account holder or any other person in Bangladesh nominated in writing by the account holder to the bank.
V. Where account is operated by nominee, letter of authority for operation by nominee is to be furnished by account holder along with three passport size photographs and specimen signature on signature card of nominee duly attested by account holder.

Chapter-5

Findings

5.1 Findings

Major findings of the study are as follows:

- Islamic Banks in Bangladesh have a bright future as general Muslims have great respect for the Islamic banking system.
- Islamic Banks in Bangladesh successfully achieved the trust of the general people and SIBL is one of them.
- The bank tries to adopt all the latest conveniences to boost their business, Social Islami Bank Limited has already brought software called Ababil particular for famous core banking software, which is now being realized to all of its branches but in terms of foreign exchange operation this software is not enough supple.
- In LC opening, SIBL. provides huge facilities to their past clients which are not available for newcomers.
- Banks sometimes reject the application of LC from the small and new business which is not good for banks profit and new entrepreneurs.
- For the effectiveness of the foreign exchange department. Social Islami Bank Limited has Divided the whole department into three major parts, which are Export Import, and Remittance.
- The bank sometimes face exchange rate fluctuation problem.
- Bank is maintaining hand written register book for the export import operation & L/C maintenance is very complex & time consuming & also backdated. There is no computerized system for this purpose.
- Payment making and receiving process of foreign exchange operation is courier based which is not so authentic. Lots of risk is involved in this process.
- Lack of ATM booth of SIBL.
- In Demra Branch there is no separate IT division so that if there is any problem in computer system they have to send it to head office IT division.

Chapter-6

Recommendations & Conclusion

6.1 Recommendations

The following steps may be taken for the betterment of SIBL:

- SIBL should locate their branches in the important places of the rural area so that most people will know about the Foreign Remittance Service of SIBL. Government should remove barriers on foreign exchange businesses.
- The Bank should create such situation so that people put confidence on private bank for huge money transaction. SIBL should sponsor seminar and symposium for the purpose increase awareness about the services of SIBL.
- Social Islami Bank Limited should always monitor the performance of its competition in the field of Foreign exchange business.
- Small LC applicants should get the chances and encouragement from the bank.
- A customer is asked to pay the bank security percentage of the total LC value in advance beforehand opening LC, which is termed LC margin. If Social Islami Bank Ltd. Ltd decreases the rate of margin then perhaps they can attract more customers.
- Charges include SWIFT charges; Document handling charges, stamps charges. Social Islami Bank Limited will be able to fascinate more customers if the bank reduces these charges.
- Register of the export import operation should be computerized.
- If Demra Branch of Social Islami Bank Limited open separate IT division in branches, it will be able to minimize the time of hamper.
- SIBL should provide an information desk for foreign exchange business.
- Attractive incentive packages for the exporter will help to increase the export and accordingly it will diminish the balance of payment gap of Social Islami Bank Limited.

6.2 Conclusion

Though Bangladesh is a small country in nature but its import and export activities in the world is considerable. Every year Bangladesh exports a large volume of jute, tea, woven Garments, Knitwear, Frozen fish, Leather etc. and import raw materials for readymade garments, manure, accessories and different apparels. In Bangladesh many banks are providing foreign exchange services in terms of letter of credit and foreign remittance and among them Social Islami Bank Limited is one of the successful bank. SIBL as being an Islamic bank doing an excellent job in their banking activities. As an Intern, this was my experience of doing a corporate kind of job. Though I have spent most of my time in the foreign exchange department. I have a basic understanding of how banks work. The credit of my understanding goes to my internship program and supervisor. I also got the idea for my future career from this program. I have communicated with bank employees during the program and learned a lot.

This report is mainly founded on Foreign exchange activities of Social Islami Bank Limited The mechanism of foreign exchange doesn't explain in a single word, it's a vast procedure. Govt. is taking necessary steps to enhance its export sector through the help of market mechanism as well as different financial and influential incentives to exporters. Along with upholding standard level of service Social Islami Bank Limi is playing a foremost role in economic development of the country I think Social Islami Bank Limited is contributing greatly to the economy of Bangladesh along with high level of corporate social responsibility. Working and get involved in such a reputed bank is really a great pleasure for me. This internship program is obviously helpful for me further career planning.

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