

# Internship Report on

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SWOT Analysis of Modhumoti Bank Ltd.



# Internship Report On “SWOT Analysis of Modhumoti Bank Ltd.”



United International University

## Submitted to:

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## Letter of Transmittal

Date: August 16, 2020

Khandoker Mahmudur Rahman, Ph.D.  
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Subject: Submission of Internship Report

Dear Sir,

With due respect and humble submission that, it a pleasure and great opportunity for me to present this report on “SWOT Analysis of Modhumoti Bank Ltd”. I would like to thank you for assisting me and helped when I need. It was challenging for me to prepare this report within the deadline. To prepare this report, I tried my best and gave full effort.

So, it would be very grateful if you accept my report.

Sincerely yours,

---

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## **Executive Summary**

Presently the financial procedure is getting quicker, simpler and more extensive all through the world. Simultaneously banking part is modernizing and extending its region in various sectors. In late years banks have differentiated their administrations by their various services and administrations and furthermore new auxiliaries are made so they play out extra administrations to the client or by converging with different sorts of money related establishments. They are performing very well. Days by day's investment are increasing. People are taking more loans from the bank. The economic conditions are development increasing every year.

Modhumoti Bank limited was established in early 2013. Their vision is providing best service to their customers and providing better options compares to other banks. They provide less interest rate compares to other commercial banks in Bangladesh. Their clients are increasing every year. Most of their clients are from rural area. Because they provide small size enterprise loans, So that rural peoples are got more interested.

This report is all about to represent the current scenario of Modhumoti Bank. What types of services they are providing. Tried to find out, their strength, weakness, opportunity and threats in our country and we will discuss briefly about all in this report

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# Chapter 1

## Introduction

## 1.1 Introduction

After 1971, Bangladesh starts its banking industry which excursion with six nationalized popularized banks, 3 state possessed specialized banks and 9 foreign banks. In the 1980's financial industry accomplished big extension with passage way of private banks. Presently, there are two kinds of banks essentially. They are :

### Non-Scheduled:

The bank which is created for special purpose, they cannot perform all the things that can do scheduled bank

### Scheduled:

The bank controlled under Bangladesh bank.

There are sixty scheduled banks in Bangladesh. They are all controlled and regulated by Bangladesh bank. They are classified into few ways:

- Commercial bank that owned by state
- Specialized bank
- Commercial bank owned privately
- Conventional bank
- Islamic sharia based bank
- Commercial bank owned by foreign bank

There are total five non-scheduled banks

- Grameen Bank
- Karmoshangsthan Bank
- PalliSanchay Bank
- Ansar VDP bank
- Jubilee Bank



## **1.2 Commercial bank**

There are 54 commercial banks in our country. 9 of them operating from foreign and rest are local bank. All bank must need to followed all rules and regulation by the Bangladesh bank. Bank must need to be followed strict rules and regulation set by government.

## **1.3 Background of the report**

The main purpose of the report is after completing BBA, its mandatory for every student to do internship and submit report. I got opportunity to do internship on Modhumoti Bank. I was placed in Gulshan Branch. I got the opportunity to learn how Corporate banking System works.

## **1.4 Objective of the study**

The main objective of the report is, I tried to explain their corporate banking System. Find out their strength and weakness.

## **1.5 Methodology**

For this report I collected data from two sources. Those are

Primary source

- Conversation with clients
- Take interview of managers

Secondary Sources

- Collect data from their website
- Personally collect information from newspaper, journal and annual report.
- Collecting information from their customers and employees.

## 1.6 Limitations

- There are not much information on internet
- It's hard to know about an organization within three month, but I tried my best
- Their employees are not interested to give interview, because they do have lots of work pressures.

# Chapter 2

## Organization Profile

## 2.0 Organization Profile

### 2.1 Organization Overview

Modhumoti Bank Limited Is known as a 4<sup>th</sup> Generation Private bank which category is commercial bank. Modhumoti Bank Limited Started its operation on September 19,2013. This bank giving highest level of banking service in Bangladesh to its clients. The service of the bank is full of transparency and high quality. They call it as “Your Access to Success”! The vision of the bank is to lead as a new generation of local commercial bank which giving priority service to corporate clients as well as individual clients as well. The bank excelling in Customer delivery through insight, proper empower employees, using smart technologies in banking procedures and system and full of high quality service with special offers to the customers. While the bank started its journey it not only focus on its product and services in the banking sector but also it makes itself an integral part of the community with helping other to make positive changes in their lives. We want to provide the highest level of services that you deserve. Thus, we welcome any propositions, ideas or advice from you regarding the improvement of our service quality, which we would implement into practice with the best of our abilities.

Modhumoti Bank Limited have 43 Branches in all around the Bangladesh. A Branch recently opened in Pragati Sharani Gulshan in 26<sup>th</sup> February. The head Office is recently shifted to Khandoker Tower,98GulshanAvenue,Dhaka.

The Bank Atm Booth location is around 32 places all over the Bangladesh.

Services Of Modhumoti Bank Limited

1. Agri and Rural Banking
2. SME Banking
3. Retail Banking
4. Corporate Banking
5. Women Entrepreneurs
6. Mobile and E-Banking
7. Treasury Banking
8. School Banking
9. Green Banking

## 2.2 Organogram Of Modhumoti Bank Limited



As in the graph we can see that there is branch manager in every bank. Then under him there is a senior principle officer. Under them they have Investment, foreign exchange, general banking department. Under those department, one executive officer, one officer, junior officer, assistant officer and finally a trainee assistant officer.

# Chapter 3

## Literature Review

### 3.1 Literature Review

After 1971, Bangladesh starts its banking industry which excursion with six nationalized popularized banks, 3 state possessed specialized banks and 9 foreign banks. Also in the 1980's financial industry accomplished big extension with passage way of private banks (Assignment Point, 2020).

Presently, there are two kinds of banks essentially. As a developing country, here in Bangladesh banking sector plays a vital role and leading the economy from the frontline. Banks play a vital role to take responsibility of public money as we as they are the one who responsible and maintain the financial condition for Bangladesh. From the pre independent period there are twelve banks which were nationalized by the government of that time to start the banking service in Bangladesh (Assignment Point, 2020).

They were established because to control downgrading economy, also to compete the international market and make transaction to reduce the capital shortage situation as well as they can increase the investment on the markets of Bangladesh. It aims to get a well maintained wealth management in Bangladesh. But after a while the nationalized banks can't fulfill the desired requirements and cannot oblige the rules and policies which Bangladesh Govt. give them to do. For this reason the nationalized banks are failed to get the goal for which they have established to do. For this reason Bangladesh government de-nationalized those banks in early 1980's. Later on the private sector investment market increasing day by day and for this sector private banks are capable to maintain the market by investing behalf of local investors. Also become the third-eye of local investors.

Commercial banks are providing many services within the country, also they are providing loans to individuals and corporate sector/business, take money as deposit with a condition of interest, also providing financial services and products like certification of bank solvency, making letter of credit, give guarantee to foreign investors, collect import bills, paying export bills on behalf of corporate clients as we as individual. Commercial banks are also ensures economic stability and stable upgrading growth of Bangladesh economy. (CFI Education Inc., 2020)

Commercial Banks are also ensures economic stability and stable upgrading Growth of Bangladesh Economy. There is a list of Banking Services which Banks in Bangladesh providing to their Customers. These Services are based on corporate clients basically. They Are :

## **Taking Deposits**

Basic financial service which has been provided the by the commercial banks is accepting deposits from customers or people who give them the money themselves and make the banks a custodian of peoples deposited money. Early stage of banking, Banks are supposed to charge a fee to keep the customers money. But the changes in banking industry makes a new edge on this service. Now Banks give a small portion of interest on the deposited money. Also for providing this financial service Banks are supposed to charge an account charge which have to be maintained by the desire account holder or for whom who is deposited the money to the bank.

There another type of deposit is called Current Account deposit where a person have to pay the account charge but bank have to pay the money whenever the claim from the customer happened. Typically, Banks are not paying any interest on this service of deposit.

The last deposit service is Fixed deposit. Banks are kept the money from their customers and paid a high number of interests to the account holder. Bank kept the money for a long period of time and for which the interest rate is high.

## **Credit Facilities**

Banks are providing a major financial service which is called credit facilities. Here, Banks are giving loans to Individuals/ Corporate Clients for a high rate of interest. This service generates a high range of revenue for the Bank.

Also there is a service called credit creation where the Bank gives loan on an interest but don't pay it on cash. They created an account and debited the account with the loan amount. The customers or clients can withdraw the money by cheque or other medium from the desired account.



## Functions As An Agency

Commercial Banks always works as an agent for their customers or people who take their services. It is a primary service a bank provided. Here, Banks are working as an agent by doing works as collecting and clearing cheques, Paying Bills of various sector, Take demand draft, Bill of exchange, Dividends, Premiums of insurances and many other primary works. Also Trade stock shares and securities.

Also besides Corporate banking, Commercial Banks are also doing retails banking which mainly focused on and stands for Individual clients. Providing Credit Card, Debit card facilities, Car Loan, Home Loan, Mortgage, Foreign currency exchanging and also remittance service.

There are many Banks providing Corporate Banking Service To The clients and Modhumoti Bank Limited is one of them. It's a 4<sup>th</sup> Generation bank in Bangladesh.

Modhumoti Bank (MMBL) began its activity in Bangladesh on 10<sup>th</sup> September 2013 in the wake of getting permit from Bangladesh bank, the national bank of Bangladesh with a solid capital base of BDT 1370 million contributed by some transcendent financial specialists who incorporate legal counselors, industrialists and representatives in differing fields of the nation (MMBL Department of ICT, 2020). The Bank Is trying to become a leading 4<sup>th</sup> Generation bank and also a leading banking service provider on Corporate Focused Banking in Bangladesh.

MMBL presented business banking, purchaser banking and money the board, treasury and administrations to its clients. It has been solid people, corporate, government associations, little and medium ventures and through its system of workplaces in the Various areas of the nation and Capable of human administrations and using Data Innovations the Bank (Wikimedia Foundation, Inc., 2020).

It started to activate the two stores and advances as the nation's political circumstance started to improve what's more, financial exercises started to improve and monetary exercises started to get. The administration of the bank extended business in gradual way during the year. Toward the year's end, the bank's absolute stores remained at BDT 9,838 million, which is an expansion of 485.71 percent from BDT 1,679.70 million as on December 2013.

## Mission of Modhumoti Bank

- Provide best services to the clients
- Follow proper rules and regulations
- Maintain proper growth
- Offer best quality service to the customers, using latest technology
- Provide better shareholder equity
- Maintain CSR

## The vision of Modhumoti Bank

- Is to steer the new generation of native business banks by excelling in client delivery through insight
  - empowered staff
  - updated with new technology
  - Full vary of highest quality product and services.

Modhumoti Bank Limited is doing Corporate Banking In Bangladesh. It is Important To review the corporate banking system within the organization. By Reviewing this, How Modhumoti Bank Limited is doing the corporate banking and how they manage the system will find out. Also finding the outcomes it will be easier to differentiate their service with other banks can be easier.

Modhumoti Bank Limited have many corporate clients. They are providing them many Financial product services as like credit creation. Fund and capital raising, also manages risk management, working as an agent for corporate clients. For this reason It is important to review their corporate service. The importance of reviewing the Corporate service of Modhumoti Bank Limited are :

- To Know the strategy Modhumoti Bank is following to manage new Corporate Clients. The strategy Will Reflect how dedicated they are and how well experienced they are in corporate Banking Sector. By Reviewing The sector outcome is that the Bank is using Pricing Deals and special offer to new clients based on their industry type. Its every effective strategy to attract new customers and convince them to become a client.
- Corporate clients needs various accounts for business purposes. Many financial accounts are needed to run an industry. Here, it will give an idea how Modhumoti bank Is Managing all the accounts of a single corporate clients and what is the process they use to maintain all those account.
- Corporate Banking Sector of a bank generates the largest revenue for the organization. For purpose of reviewing its corporate banking to know how they are generating profit by giving this service to corporate clients. Outcome is that they generate more profit from Corporate Banking because corporate transactions are big and the charging amount is much bigger than an individual client. Also they have many big corporate clients Like Meghna Group, Cross line and other business organization who have huge number of transection in a year.
- Modhumoti Bank Limited is providing various services in corporate banking Like bank solvency certificate, Export import billing etc.
- Modhumoti bank Limited have a wide range of corporate financing which comes after reviewing their Corporate Banking service. They are providing Long term and short term loans, real estate financing and also syndication and trade service financing as well.

## 3.2 Why SWOT analysis is important?

SWOT examination is an incredible procedure for testing out thoughts. So we can embrace a precise assessment to decide if you have thought of a solid and beneficial thought and whether it suits your task, industry or business condition (Al-Rousan & Qawasmeh, 2009). Appropriate segmentation and right positioning is the key to market competitiveness (Rahman, 2016).

During cutting edge SWOT investigation, we can increase the value of each factor we have distinguished, assisting with separating between major or minor qualities, shortcomings, openings and dangers.

This battles a typical test with SWOT investigation by recognizing the effect of each factor. The effect is determined by the significance, the probability of event, and whether it is a significant or minor factor.

Undertaking propelled SWOT investigation improves exactness, helping us to frame the best vital course for your business (Al-Rousan & Qawasmeh, 2009).

SWOT investigation can help us:

- Take safety measures on the off chance that dangers develop
- Advance rapidly and gain by circumstances
- Sustain and create interior qualities
- Work on improving the shortcomings

### **3.2.1 Resource Allocation**

SWOT examination permits to assign assets fittingly and viably in light of the fact that we know the territories that need work. This is made much simpler by the weighting instrument in Mind Doodle, which produces 3D information perception indicating which variables could have the greatest effect.

### **3.2.2 Competitive positioning in market**

Another incredible utilization of SWOT is for contender investigation. We can see new lacking in the market and position our association fittingly, giving your business an upper hand. Right segmentation and positioning is required on appropriate dimensions to create market competitiveness

Utilizing SWOT examination, you can keep your affairs in order by monitoring your inside business condition, watch out for a superior lack by checking outer chances and avoid the recognizing outside dangers to our business.

If any new company want to start business in a new country, or existing country. First they need to do SWOT analysis. This will help them to know what exactly happening in the market. What outcome they can get. What are they competitors doing in market. Is they can sort out those issues. They can easily cope up with the new environment which is important for any existing or new organization. Every moment they need to cope up with new adjustment in the market. They need to provide proper information and need to be up to date with the market.

## **3.3 Corporate Banking System and Offerings of Modhumoti Bank Limited**

Corporate banking is specially known as business banking. Here, Commercial banks are interested in corporate or business clients. Where the amount of funds and loans as well as profit is higher than from any individual clients. Also Opportunities are much higher in corporate Banking.

Modhumoti Bank Limited is also doing corporate Banking in a wide sector. It is working with 7 different corporate banking offering in Bangladesh.

Corporate Banking:

1. Short Term Finance
2. Long Term Finance
3. Real Estate Finance
4. Work Order Financing/Supply Order Financing(SOD)
5. Syndication and Structured Finance
6. Project Finance
7. Trade Services

### **3.3.1 Short Term Finance**

**Corporate Banking:**

Modhumoti Bank Limited provides the credit facilities to finance current assets and loans to finance fixed assets in the form of Working Capital Finance, Capital Machinery Finance, and Real Estate Finance, Work order Financing/Construction Business, Import and Trade Finance.

### **Short Term Finance:**

Short-term loans are used to finance Inventory, Account Receivables or other Current Assets i.e. to finance the working capital requirement. Forms of short-term loan are given below:

#### **1. Cash Credit [Hypothecation]**

Cash Credit account is like a current account with a limit up to which one can withdraw from the bank. It is revolving in nature. Cash Credit is usually sanctioned for a period of one year where a regular limit is sanctioned to purchase and maintain Stock for trading.

#### **2. Overdraft [General]**

Under this, a regular limit, revolving in nature, is sanctioned to meet day to day expenses of business. This form of credit is given to the business where maintenance of stock on a regular basis is not possible. The account is adjusted by the sale proceeds or from own source of the customer.

#### **3. Short Term Loan**

This type of loan is sanctioned for a specific purpose to meet urgent business requirement having validity within one year and repayable by either by installment or in lump sum within validity.

**4. Secured Overdraft** It's an overdraft facility allowed against lien of FDR or other financial instruments in the name of Secured Overdraft (SOD). SOD facility to the borrower may be allowed generally in the following ways:

Overdraft-against FDR in the name of borrower

Overdraft- against FDR in the name of 3rd party

Overdraft- against wage Earners Dev. Bond

Overdraft- against DPS

### **3.3.2 Long Term Finance**

#### **Long Term Finance**

Long-term loans are used to finance Equipment, Real Estate and other Fixed Assets having validity of more than one year. The forms of long-term loan are given below:

#### **1. Hire Purchase**

This is given to procure machinery/equipment/vehicle. Ownership of the assets to be purchased under the Hire-Purchase agreement covering comprehensive risks belongs to both the Banker and the customer. Hire-Purchase facility is repayable by depositing equal monthly/quarterly installments (including principal and interest amount).

#### **2. Lease Financing**

Under lease financing Modhumoti Bank covers Machinery/equipment/vehicle financing. It is a term financing repayable through lease rental in the form of equal monthly/quarterly installments. Ownership of the leased out assets i.e. Machinery/equipment/vehicle under the lease agreement covering comprehensive risks belongs to the Bank.

#### **3. Loan General/Term Loan**

This facility is used to meet the expenditure of civil construction and other infrastructure related cost, local procurement, etc. Loan (Gen) facility is repayable by depositing equal monthly installments.

#### **4. Term Loan for NBFIs**

Term Loan for NBFIs is provided to enable their financing activities to others. It is given as per instruction of Bangladesh Bank circulars and at a lower interest rate based on some grading of the NBFIs.

### **3.3.3 Real Estate Finance**

#### **Real Estate Finance**

##### **House Building Loan(Commercial)**



The form of credit facilities are allowed to groups/individuals for construction of building and completion of commercial purposes which are finishing works to be used..

#### **Load for House Buildings (Residential)**

All type of credit facilities is allowed to groups/individuals for construction of building and completion of finishing works to be used for residential and other purposes.

### **3.3.4 Work Order Financing/Supply Order Financing(SOD)**

#### **Supply of order Financing/Work of order Financing :**

Work order financing is what that includes a set of financing method which allows for to include themselves in tender of different authorities and to execute their desired works. This types of works falls under this category.

#### **Earnest Money- SOD**

ON this, Bank Guarantee or undertaking is issued by the Bank in the form of PO on behalf of customers (mostly contractors) to enable to submit bid in a tender invited by different Semi Govt./ Government organization, Autonomous Bodies or another organizations acceptable to the Bank.

#### **Guarantee Of Bid-Bond**

Under this, Bank issued guarantee or undertaking on behalf of its customers (Specially contractors) to enable to submit bid in a tender organized by many semi govt./ Government Organizations, autonomous bodies or another organizations acceptable to the Bank.

#### **Performance Guarantee (PG)**

After the tender placed, A performance guarantee is issued or have to give to a particular customer is accepted by the authority. It is a Guarantee which is the Bank gives an undertaking to the authority that the customer will complete the job as per terms of the tender or to pay damage up to the Guarantee amount.

### **Advance Payment Guarantee (APG)**

This facility is a kind of Bank Guarantee or undertaking issued by the Bank on behalf of customers (mostly contractors) to enable to receive payment in advance against the work awarded by different Government/ Semi-Govt. Organizations, Autonomous Bodies or other organizations accepted to the Bank. This sort of Guarantee is needed, when the work involves initial cost like Advance Rent Payment regarding rental of machinery and procurement cost of raw materials etc.

### **OD [Supply Order/ Work Order]**

This is a funded credit facility sanctioned to meet working capital requirement enabling the contractor for execution of work orders/supply orders awarded by different Semi Govt./Government Organizations, Autonomous Bodies or other organizations accepted to the Bank. The amount of loan is disbursed up to a certain percentage of work Supply/ order value.

### **Money Guarantee Retention**

Bank guarantee issued by the bank called Retention Money on behalf of the contractors offering the customer to release money retained from the work rewarding authority which was deducted by work rewarding party from the bills during work in the execution period.

### **3.3.5 Syndication and Structured Finance**

Syndicated Finance is one that is given by a group of lenders and is arranged, structured and administered by a Bank as Arranger and Agent Bank. The Syndication Finance Unit of Modhumoti Bank Limited provides customized financial solutions to the corporate clients as Term Loan and working capital, which creates values and contributes towards the growth of the country's economy. We have dedicated Structured Finance team run by well experienced human resources. As a 4th generation Scheduled Bank we have already starts out journey in Syndication and Structured finance Market. We are part of Public Private Partnership (PPP) project such as First Dhaka Elevated.

#### **Expressway and some other environmental friendly projects.**

- Bond, short term loan, long term loan, term loan, working capital financing and preference loan
- Finance Corporate expansion “BMRE” (Balancing, Modernization, Rehabilitation and Expansion)
- Refinance to existing clients' for their financial requirements
- PPP of Finance
- Finance on Bridge
- Commercial Paper Investment
- Providing Agency Services
- Giving Advisory Services

#### **Why Need Syndication?**

- To implement with Central Bank's instructions towards providing large finance to corporate bodies through arrangement of syndication Finance in order to diversify the risks;
- One Stop Service for the Customer;
- Flexibility in structure and pricing. Lenders have wide range Of options for shaping their syndicated loan, including multicurrency options, risk management techniques , and prepayment rights without Having Penalty.
- Exchange Expertise/ Knowledge among the participating lenders;

- Ensures the successful operation of the project which result in smooth re-payment;
- By Syndication, a large amount of fund could be arranged which is needed for a project;
- It is providing new and innovative end to end problem solution to its corporate clients, by ensuring quality service.

### **3.3.6 Project Finance**

#### **Project Finance**

Project finance is the long term financing of infrastructure and industrial projects based upon the projected cash flows of the project rather than the balance sheets of the project sponsors.

Financing has done where the required criteria and verifications have done in proper way for the bank security purpose

Here , Modhumoti Bank , Project Finance team does the due diligence covering viability of the project in respect of its Marketing aspect, financial aspect, technical aspect and economic aspect. The department is run by knowledgeable and experienced persons. Project Financing team has the expertise also. Some of which are as follows:

- Power
- Telecommunication
- Auto Brisk
- Paper and Pulp
- Printing Dyeing Finishing
- Refinery
- Telecommunication
- Pulp and Paper
- Aviation
- Pharmaceutical
- Ship Breaking
- Garments of accessories
- Poultry trade
- Ceramic Sector

- Float Glass
- Basic Chemical
- Salt
- Jute sector
- Cement
- Food Processing
- Spinning
- Healthcare

### 1 Trade Services

2 Facilitating International Trade through Import and Export financing is one of the key activities of the Bank. The situation of banking and trade services in Bangladesh is increasing day by day. Here, corporate clients are in huge Number and Modhumoti Bank is trying to give a proper service to them. In trade services there are many non-financial and financial risks are involved. That's why they needed a backup party to handle it. There is a good guideline provided by the Government to regulate this service which is provided by the banks. Modhumoti Bank have the ability to cope up with the changing and challenging situation and also the environment.

### 3 Regular Trade Services Products:

- LC(Letter Of Credit)
- Taking Back To back LC
- Shipping guarantee
- Packing on cash Credit service
- Export LC (Advising & Transfer)
- Letter of Guarantee
- Import Bill Managing
- Export Bill collection
- Import Loans Collection
- Letter of Trust Receipt (LTR)
- Time Loan

- Import Paper Verification

## **Trade Services New**

- Import Report
- Export Report
- Operation of swift
- IMP, EXP Bill Matching and reporting
- Reporting to Bangladesh Bank By Web

# Chapter 4

## SWOT Analysis

## 4.1 SWOT Analysis



### 4.1.1 Strengths of Modhumoti Bank Limited

1. Skillful And Well Experienced Employees
2. Strong And well Mannered Top Management
3. Corporate branches in places where corporate clients available
4. Friendly and Well communicated Working Environment
5. Strong HRM dept. to regulate the Performance

### 4.1.2 Weakness of Modhumoti Bank Limited

1. Lack of manpower And Insufficient Numbers of Employees
2. Not Having Good Technological support
3. Lack of knowledge about Individual Clients



4. Promotional activities are not Good
5. Limited numbers of branches

### **4.1.3 Opportunities of Modhumoti Bank Limited**

1. Open Branches in rural area and can reach the rural areas Customer
2. Can provide better quality service and engage more customers
3. Hiring more employees to improve better quality service

### **4.1.4 Threats Of Modhumoti Bank Limited**

1. Technological limitations
2. Political Influences
3. New rules and regulations issued by Government Of Bangladesh
4. Competitors around the banking sector providing same services

## **Strengths Of Modhumoti Bank Limited**

1. Skillful And Well Experienced Employees :Modhumoti bank have a wide number of skillful and well experienced employees from top to bottom of their structure. There are 3 to 5 number of employees have working here for more than 5 years in each branches. Also the managers and in charge of each department as like general banking, Credit and foreign trade have work experience from past in many well-known organization as well as banking sector.
2. Strong And well Mannered Top Management :Modhumoti Bank Limited recruited well experienced Top managers from various organizations. They have more than 5 years of experience in their current field as branch manager, HR head, Director. Also they have their own skills and leading power to maintain the management system of the whole structure of their Organization.

3. Corporate branches in places where corporate clients available :Modhumoti Bank Limited have more than 40 branches in Bangladesh where they opened new branches also. Most of the branches are situated in Business and Commercial areas where there are many corporate clients. Modhumoti Bank Limited have also Many Corporate clients as Meghna Group Of Industries ,cross line and many others. They are giving their corporate clients the banking service as credit and foreign trade. The commercial area as mothejheel, Gulshan, Banglamotor and many other areas. These areas are the main places where many corporate clients are available and clients are being managed easily and The Banking services providing procedure becomes so much easier for the bank.
4. Friendly and Well communicated Working Environment : Most of the employees of each branch have a good understanding between them on working related conditions. Most Of them are working in a same branch for a very long period. That's why it's getting easier to get a relatable and well understanding working environment within a branch easily. It makes the efficiency level better. Also they can interact between the by using their official mailing system as well as intercom connected by intercom service.
5. Strong HRM dept. to regulate the Performance : The HR dept. of Modhumoti Bank Limited is so well mannered and conservative on employee performance. They regularly monitor and giving attention on employees performance of each branch. Also they have an audit department by which they measure the works of each department in a branch and take action on the basis of the audit result. Most of the employees and also the head of HR dept. of Modhumoti Bank Limited has very much experience in his career.

## Weakness of Modhumoti Bank Limited

1. Lack of manpower And Insufficient Numbers of Employees :Most of the branches have lack of employees. Some times for this they failed to give effective service to the customers. Some services they can't provide instant to the customer. Working from another area have to come across to serve the specific service to the customers. It may harm the service quality also loss of customers.
2. Not Having Good Technological support : In some areas Modhumoti Bank Limited have lack of technological support or weakness. Most of the branches has not digital meters, customer coupon machines and also less automated in most of the branches. It makes a major lack of technological benefits.
3. Lack of knowledge about Individual Clients :Modhumoti Bank Limited have wide range of corporate clients, Accounts like fixed deposit, current accounts. But not enough individual clients. They are focused on corporate clients because of the profit margin is high. But making more individual clients makes the organization more popular.
4. Promotional activities are not Good :Modhumoti Bank Limited don't do any promotional activities which needs to do more and more for promoting themselves and reach out to more people. They have do very less amount of promotional activities like TV advertisement and local campaigns. So that's the reason most of the local customers don't aware about this bank.
5. Limited numbers of branches :Modhumoti Bank Limited Have only 44 branches all over Bangladesh and majority of branches are in Dhaka. They have limited branches so that they can't reach more people and for that it will be harder to get more customers and gain profit. Targeted customers are every area but they don't have branches for that they can't serve their service to the targeted people and for this they are losing profit.

## Opportunities of Modhumoti Bank Limited

1. Open Branches in rural area and can reach the rural areas Customer :Modhumoti Bank Limited have limited number of braches all over the country. Most of or majority of them are in metropolitan areas and cities. They can open new branches in sub-urban areas as well as rural areas to serve targeted customers very easily. If they started new branches in sub-urban area, they can reach the rural areas also. By this way Modhumoti Bank can increase their customer base and become a market leader as a fourth generation bank in Bangladesh.
2. Can provide better quality service and engage more customers : Betterment of digital based service in every branch as well as proper use of every dept. employee's efficiency can make the better quality service output by which they can satisfy their customers and can get more customers through existing customers. They can engage much more by this opportunity of giving much more better service to the customers.
3. Hiring more employees to improve better quality service :Modhumoti Bank Limited have a good opportunity to give a good quality service to their customers by hiring more skilled and experienced employees. By this the working efficiency will get much better and they can give service to customers in a limited number of times. Faster service is much more demanded this era. So that more employees can make more production of service. This Bank already recruiting employee as trainee officers and assistant officers as well to fill up the lack of employee problem.

## Threats Of Modhumoti Bank Limited

1. Technological limitations :Online security is the biggest challenge for the banking industries. Modhumoti bank can face many problems like data breach, Address verification Process, End to end encryption, Authentication Problems. These problems are raising day by day after the technology has been developed. In online Address verification They may facing problems to find out the suspicious fraud accounts to remain the system clean. Also recent biometric authentication have major problems. Sometime the data is missing or it takes a lengthy process to verify in this way o authentication. Also these days an antiquated application is much needed to give online service to the customers. But it has big online data security problems. Also the application might failed to serve the quality online service for online application errors or server down or administrative related problems. Modhumoti bank have and big threat also because they don't focus on continuous innovation in technological field. If they can't find more innovative ways of service they can't compete in the market.
2. Political Influences :Political influences on govt. owned banks are emerging the market. These banks are increasing their lending in election years greater than private banks. State owned Banks have smaller number of interest. Also political decision on private banks regulate the whole system.
3. New rules and regulations issued by Government Of Bangladesh : Bangladesh Bank often issues new rules and regulations on Banking Sector. It has a major impact on transaction on Modumoti Bank. The recent Interest rule published by the govt. has a major impact. The interest of Fixed Deposit scheme and savings schemes have been changed by which the customer are less motivated to open this type of accounts and Modhumoti Bank losses the account opening rate down. Also The rule by which if bank will be bankrupt, The government will pay only 1 lakh Taka only and will not see how much they have deposited or may get from the bank. For this rule customers are now stop

opening accounts of fixed deposit and saving account much less. It is a big threat for upcoming days for Modhumoti Bank Limited.

4. Competitors around the banking sector providing same services :There are many fourth generation banks are in the banking sector proving same service as Modhumoti bank Limited do. Competitive treats are biggest Treat in this banking sector. Modhumoti Bank Have to make sure their quality of service and more public concern about their service to compete in the market. Otherwise they will failed to get their targeted profit as well as lose of customers.

# Chapter 5

## Findings and Recommendations

## 5.0 Findings and Recommendations

### 5.1 Findings

There are few findings I have found regarding corporate banking sector in Bangladesh. Those are important for better services. Policy maker in this sector can be helpful by see this-

- In Bangladesh corporate banking sector getting developed day by day. But their online transaction system is too poor. Their server is not that much strong. So it's easy for any hacker.
- The employees are not well trained. They need to provide proper training.
- Competition increasing every year, because there are many banks starts their services every year. So, corruption increasing day by day.
- Because of the cultural changes, many government banks are facing problems. Because they are not up to date with the flow. Peoples are ignoring them because of old fashioned banking system. Government banks are suffered most.
- There are few regulatory factors that are creating problems in this sector. commercial banks are suffered most. They need to pay high taxes.
- Today customers are smarter, they always want more. Their expectation is higher. There are too many banks in country. That helps them to choose best one
- There is a huge problem in security, over few years security breach is a huge challenge for commercial banks
- Banks are increasing, but their services in not. So the low income group didn't get the facilities in affordable cost.

At the time of my internship period, I have discovered some data and some significant perspectives with respect to Agent banking which incorporate distinctive news and data, and meetings from the clients, workers and official officials from MMBL. The all findings I got-

- Modhumoti Bank constrained as of late has presented Agent counts on their second commemoration this September by acquiring permit from Bangladesh Bank.
- Executive officials of MMBL proposed having a physical structure of Bank (office) close to operator banking inclusion region.



- They focused on zones need to cover progressively country zones and its people groups for the most extreme assistance.
- Executive officials of MMBL feel that individuals need more thought of specialist banking exercises.
- Corporate Banking is a well-known service now a day.
- New client, exchanges are expanding step by step through specialist banking.

## 5.2 Recommendations

Recommendations for commercial bank in Bangladesh-

- Bangladesh Bank needs to more concerned on providing fund.
- Every bank needs to open their own training and development department. So that employees can get training. This will helps them to be more efficient.
- Government needs to concerned more on this sector, government need to make new policy. So that less corruption happened.
- Public commercial banks need to be updated. So that peoples can get same services like other private commercial banks.
- All commercial bank needs to concerned more on security
- Commercial banks need to be up to date with technology; they also need to be more concerned in cyber security system.
- Commercial bank needs to be more customer oriented, they need to concern more about the lower income peoples.
- Government need to impose less tax in this sector for small amount of loan. So that both bank and lower income peoples will be benefitted.

There are few recommendations for Modhumoti bank-

- Modhumoti bank employees need to be more organized, because they are not well organized.
- For new and existing employee, bank should provide training program. So that they can easily cope up with the environment.
- Modhumoti banks need to concerned more on proper advertising. Because too many peoples don't know about their offerings.
- Need to established more agent banking service in rural area, need to open more branch.
- Bangladesh Bank Have to be more concern to give permit to different banks to begin special sector of banking which will be an extraordinary assistance for restricted zone.
- If more specialists banking is built up then the rustic territory individuals can get familiar with the financial items and administrations which will be useful for the nation.
- Proper financial administrations and items ought to be accessible on operator banking.

- They need to concern more about their online security system. Their server is not that much strong.
- All the banking services need to provide in agent banking. So that customer can get proper banking services.
- They need to start mobile banking.
- More peoples need to recruit for rural area and agent banking services.
- Need to gain more customers trust, by providing better services they can gain more trust. If once trust is build, it will be helpful to gain more.

# Conclusion

## Conclusion

Banking sector called the heart of the economy. After the liberation war, banking sector helps our economy moving forward. Bangladesh is mainly cashed based society. But days are changed. Peoples are getting more used to with bank. For Getting a change the new generations corporate Banking shaped much better. The Banks are focused on Corporate Banking because of more profit and give a better economy Services. Here Modhumoti Bank have a wide range of Corporate clients and also they are providing an extreme good service to their clients. There are some changing situation on corporate banking where clients have also started using other services from the same bank beside their corporate transactions. Because of the more profit and easy way of today's communication and trade services Modhumoti Bank Limited focused on corporate Banking. They are savings their fund, taking loans etc. Bank is essential for every country. They provide loans, gives security to our savings. People took loans from them, and start business. Commercial banking sector is developing day by day, but their service is not. Customers now a day are more smart. They always try to find out the better one. So need to offer best service at affordable cost. That's why government needs to impose regulation. So that every banks can came under one umbrella. Their services need to be more mid-level and lower income level peoples. So that they can get easily loans and services. Our country banking system is lack of skilled peoples. There is no proper training for bankers. This needs to be changed. The rural peoples are depriving from all of the facilities. Rural peoples are suffering most. Modhumoti Bank is working for them. They are providing loans the rural peoples. Peoples are stating new business and many more things. So they are economically developing day by day. However clients are increasing day by day. So that bank needs to open more branches in rural area. Agriculture and Commerce Bank and Modhumoti Bank. I hope peoples will be more benefited through new services. They will open more braches soon. In findings we found out that they need to be more concerned for training program. If they trained their employee well, they will be benefited.

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