



United International University
QUEST FOR EXCELLENCE

Internship Report
On
Loan Management of the City Bank Limited

Submitted To

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Submitted By

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Acknowledgement

As a matter of first importance, I might want to express my thankfulness to Allah for giving us quality to survive. A warm felicitation goes for me to recognize the general population, who hold the allure for empowering, applauding, helping and also trusting me in setting up this provide details regarding Loan Management of CBL on what I have worked through my internship period. I might want to accept the open door to express gratitude toward Mohammad Tariq Hasan, Assistant Professor, United International University who gave me rules, helped in setting up my report. He has upheld me with source.

The report titled as "Loan Management of the City Bank Limited" has been set up to satisfy the necessities of Internship at end of BBA program. I am especially lucky that I have gotten earnest direction, supervision and co-task from different regarded individuals while setting up this report. I might want to accept the open door to express gratitude toward Shibly Sadik, RM, and Md. Amin Uddin, RM, The City Bank restricted (Urdu Road Branch) for being my on location director and giving personal time to time data, recommendation and in addition methods to work with my subject.

Letter of Transmittal

16th September, 2018

Mohammad Tariq Hasan
Assistant Professor
School of Business & Economics
United International University

Subject: Submission of Internship Report.

Dear Sir,

With awesome delight, here I present my internship report about Loan Management of CBL. This report depends on the information and encounters I have picked up amid my internship period at the CBL. Subsequently, I would be greatly charmed and respected in the event that you acknowledge my Internship Report and perceive diligent work and assurance I have assembled in the planning and finish of this report. I have attempted my best to draw out the first situation of the Loan Management with brimming with viability and productivity. I might want to thank you for your help, rules and perception of my works which made it simple for me and in addition gave information of learning in pragmatic.

I, therefore, Pray and hope that you will consider my report and accept it.

Yours Faithfully,

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Declaration

I am Umma Tasmia Usha, and this is to tell that this report "Loan Management of CBL" has been set up as a piece of my entry level position. It is a compulsory piece of our BBA program to present a internship report. I was motivated and upheld by my supervisor Mohammad Tariq Hasan, Assistant Professor, School of Business & Economics, United International University.

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Executive Summary

The report is begun with my internship program which I have done as a prerequisite of BBA program .This report is finished in light of my three months entry level position in The City Bank Limited. This is an introduction report that contains the genuine everyday working knowledge of various errands in CBL, Urdu Road Branch.

The goal of this investigation is to break down the loan administration and credit strategy of CBL, money related execution in regards to credit and so on. To set up this report both essential and optional wellsprings of information have been utilized.

At first, we have the initial part, which have outline about credit administration and CBL. Than we have the data and experience that I got from my 3 months as an intern. Also, toward the end we have the Findings, Analysis, Recommendation and Conclusion.

CBL is one of the main private banks in Bangladesh. To serve the country CBL plays out a few exercises for their customers like general keeping money, advance and propel capital market activity and so on. Bank gathers money from account deposit and gives it to different business or individual as loan. Bank pays interest to store holder and take interest from borrowers. CBL measure all hazard segments before endorsing a credit. At the point when every one of the customs finished then individual officer disburse the credit. After disbursement the credit it is obligation of bank to recuperate the disbursed loan. This report depends on genuine data and working system rehearsed in CBL. The general loan administration of CBL has examined to give a spotless thought regarding the credit item, the strategy of CBL and usage of that approach by different component and process.

List of Acronyms

CBL	The City Bank Limited
BB	Bangladesh Bank
L/C	Letter of Credit
TIN	Tax Identification Number
ETIN	Electronic Tax Identification Number
SME	Small and Medium-sized Enterprises
ATM	Automated Teller Machine
FDR	Fixed Deposit Receipt
NBFIs	Non Banking Financial Institution
NID	National Identity card
A/C	Account
IT	Information Technology
RJSC	Registrar of Joint Stock Companies
RM	Relationship Manager
CEO	Chief Executive Officer
GAD	General Administration Department
PWC	Price Waterhouse Coopers
IRC	Import Registration Certificate
ADC	Alternative Delivery Channel
IFC	International Finance Corporation
SCBs	Scheduled Commercial Banks
B2B	Business to business
BPR	Business Process Reengineering
CPM	Credit Policy Manual
TK	Taka, Bangladeshi Currency
US \$	Dollar, United States Currency



CHAPTER 1

INTRODUCTION

1.1 Introduction of Loan Management

A most grounded keeping money industry is critical in each nation and can have a noteworthy effect in supporting monetary advancement through proficient budgetary administrations. Managing an account division assume an essential part in development and advancement of Bangladesh's economy. Also, in bank credit is a vital part, since it is the fundamental wellspring of benefit. Along these lines, credit administration is important for bank to make more benefit.

Credit Risk is the hazard that has negative effect on the budgetary outcomes. Hazard is constantly connected with banks and going out on a limb is vital piece of saving money activity. The point of the credit chance administration is to keep up credit hazard presentation. For this, banks need to deal with the whole portfolio.

Credit risk displaying is essential for banks since it causes them to enhance their business and in the meantime serve clients better. Credit risk alludes to the likelihood of a borrower to reimburse advances and deciding the probability of the individual to fizzle an installment, in which case the bank brings about a misfortune. Assume a man needs to acquire cash from a bank. The bank will break down the monetary history of the individual and think of a factual number, called credit score, which decides whether the individual is qualified for the advance or not.

Inferable from the worldwide monetary emergency and credit crunch, banks need to lessen their advance misfortunes, and henceforth credit hazard administration has turned into the focal point of center in managing an account exercises. As a cash related foundation, Banks are exceedingly secure all things considered. In our step by step dealing with a record practices association people are set out to give each kind of security matter from specialist to customer dependability. There are such a noteworthy number of

security textures from Bangladesh Bank under the exhibit of money related foundation and general dealing with a record. In each and every activities of business Banks Bangladesh Bank has drive distinctive administer and checked those consistence purposely by the audit board watching.

1.2 The City Bank Limited

The City Bank Limited is one of the notable and extensive banks in Bangladesh. It is a standout amongst the most settled private Commercial Banks working in Bangladesh. It is a best bank among the most prepared five Commercial Banks in the country which started their undertakings in 1983. The Bank started its experience on 27th March 1983 through opening its first branch at B. B. Street Branch in the capital, Dhaka city. It was the visionary venture of around 13 neighborhood specialists who vanquished the enormous vulnerabilities and perils with courage and vitality that made the establishment and forward stroll of the bank possible. Those help boss began the outing with just Taka 3.4 crore worth of Capital, which by and by is a respectable Taka 2311.78 crore as capital and spare.

City Bank is among the particular couple of close-by banks which don't take after the customary, decentralized, topographically supervised, branch based business or profit model. Instead the bank manages its business and action vertically from the head office through 5 specific Units particularly

- a) Business Unit
- b) Branch Banking
- c) Risk Unit
- d) Operations Unit
- e) Support

Under a continuous online dealing with a record organize, these 5 specific Units are supported at the back by a solid organization transport or operational setup and moreover

a splendid IT Backbone. Such brought together business divide based business and working model certification particular treatment and organizations to the bank's assorted customer areas.

The bank by and by has mean 120 branches which joins 99 online branches, 1 verifiable Islamic Banking branch, 1 SME advantage center and 11 SME/Agri branches spread over the length and breadth of the country. Other than these customary movement centers, the bank is moreover to a great degree dynamic in the elective transport zone. It right presently has 311 ATMs of its own; and ATM giving strategy to assistant banks that has more than 1150 ATMs set up; SMS Banking; Internet Banking and so forth. It starting at now started its Customer Call Center action.

1.3 Objectives of the Study

As an intern of CBL and doing entry level position it's extremely awesome experience, I picked this theme on the grounds that here I drew in with this sort of work and what I am seeing here is really extraordinary. In this way my reset is growing up to set up a task on it. And furthermore illuminating to others that when a man enters in the premises and leave from that premises how he or she been observed each minute. Furthermore, my goal likewise is to discover the data given underneath:

- a) To comprehend the loaning method of CBL. To know the different interest rate for various classes of loan as well as what sorts of securities are taken against various size of advances.
- b) To know the terms and states of credit administration of CBL.
- c) To uncovered the situation of CBL credit Division in the brain of their standard customers.
- d) To break down the work procedure and observing arrangement of credit office.
- e) To make a few suggestions for the effective Credit Operations of CBL.

1.4 Rational of the Study

Credit risk is a standout amongst the most imperative dangers for any commercial bank. Credit chance rises up out of non execution by a borrower. It may rise up out of either a disappointment or an unwillingness to perform in the pre-obligation contracted way. The credit threat of a bank is also affect the book estimation of a bank. The more credit of a particular is in possibility, the more prominent probability of a bank to be wiped out. In this way, the status of investor in the bank is in danger and likelihood of bringing about misfortune from their kept esteem. That is the reason; I am intrigued to set up the give an account of the premise of Credit Risk Management Practices of the Commercial Banks in Bangladesh.

1.5 Scope of the Study

The study would center on the accompanying zones of CBL Credit administration arrangement of CBL, Procedure for various credit facilities, and Portfolio (Loan or advances) administration of CBL, Organization structures and obligations of administration. But my scope was the information I get from RM officers in the branch.

1.6 Limitations of the Study

In time of study I need to confront some confinement likewise if there should arise an occurrence of gathering information. Those constraints are given beneath:

- a) Anything, which will antagonistically influence the picture of the bank, couldn't be uncovered.
- b) CBL is a private bank and they are traditionalist about their database an outcome it was impractical for the answer to get every one of the information required.
- c) Sometimes the authorities had been not able give data on account of their enormous routine work.

CHAPTER 2

METHODOLOGY OF THE STUDY

Approach of the study considers, theoretical examination of the procedures associated with a field of any examination. It contains the speculative examination of the gathering of methodologies and principles related with a branch of data. Typically, it incorporates thoughts, for instance, perspective, theoretical model, stages and quantitative or emotional procedures. Here system is associated full effectively.

2.1 Research Type:

This is a Descriptive Research, which briefly uncovers the general exercises of CBL and furthermore fundamentally examines the "Loan Management" of this bank. To set up this report all the fundamental data gathered from both essential and auxiliary wellsprings of information.

2.2 Primary Data Collection:

- = Interviews with RM Officer.
- = Observation.
- = On the job trainings.
- = Practical working experiences.

2.3 Secondary Data Collection:

- = Annual Report of the City Bank Limited.
- = News articles of Security issues.
- = Website of The City Bank Limited.
- = Different website information
- = Related news articles

2.4 Data Analysis and Reporting:

Both the qualitative analysis (interview) and quantitative analysis (annual report)have been utilized to gather and dissect the assembled information.

CHAPTER 3

ORGANIZATIONAL BACKGROUND AND INDUSTRY PERSPECTIVE

3.1 Industry Scenario of Bangladesh

The Bangladesh Bank began receiving measures for putting saving money foundations on right track. Yet the dominance of open segment administration of banks left some negative impacts. In the currency advertise specifically and the economy when all is said in done. The deftness among the borrowers controls the managing an account part all in all. Essentially, a default culture, among different impacts, showed up on the scene.

There are 48 (forty eight) banks in Bangladesh. The opening of private and remote members to the managing an account area was intended to acquire alluring outcomes from saving money. The approval of private banks was intended to make rivalry among the banks and rivalry as proficiency inside and the profitability. In undertakings financed by banks. Lamentably, for the general population, everywhere, keeping money segment is yet to get the kudos for proficiency, believability and development.

The shrewd, among the client of keeping money administrations, have influenced the administration of banks, for acquiring here and now and long haul credits. They here and there indicated expanded value to get cash for investment in organizations and industry. Hardly any redirected their credit cash to purposes not the same as the advance proposition, and invested in non productive units have neglected to reimburse their advances to the banks. Hence new business visionaries are not getting capital while defaulting business visionaries have begun acquiring either alleviation in the type of rescheduling of the reimbursement program or extra inescapable cash for enhanced units.

Be that as it may, now, the circumstance is changing step by step, Bangladesh Bank is taking more activity for diminishing the terrible credit. The banks' are likewise taking savvy strategies and choice to lessen the awful advance and investing in more anchored

put. This is useful for the banks as well as useful for Bangladesh economy, since Investors are attempting to enhance their business choice and innovating more productive strategy for success.

3.2 Organization Background

City Bank is a champion among the most settled private Commercial Banks working in Bangladesh. It is a best bank among the most settled five Commercial Banks in the country which began their assignments in 1983. As per this CBL General Admin Division gave all the help to the concern department and all the CBL branches not just in Bangladesh likewise everywhere throughout the world. CBL is completely mechanized and centralized bank, subsequently head office needs to work 24 hours in multi day and 30 days in multi month. For checking all the security issues and offering help here in CBL a unique control room completely operational 24 hours of every multi day with 4 security directors and 12 securities individual. Behind the scene there are parts of mechanized programming additionally in task for smooth and quick help. From the control room CBL organization can checked every last branch from Syedpur, Nilfapmarti to Cox Bazar, Chittagong alongside 5 diverse back workplaces incorporate the CBL downtown area and furthermore 300+ ATM corners. This collected by CBL IT which is real concern of security of CBL, and the second need is ADC (Alternative Delivery Channel), ADC is had some expertise in different keeping money exercises for the whole heating help that's why we call it saving money spine, so for the most part it's vital security issue for GAD. Also, the third need is the Card Division

3.2.1 Historical Background of CBL

CBL set up in 1983, as a unique private business banks in this country and is the best bank doing all things considered as to regard getting by and large recommended techniques away with age-old standard decentralized dealing with a record illustrate. Ahead of time it used to take after standard and customary setting aside extra cash procedures in any case the bank has experienced tremendous redoing in 2007 and has

acknowledged joined course of action of movement with the new organization group tolerating control under the association of its new CEO Mr. Mahmood Sattar, serving distinctive customers through 4 particular business divisions to be specific Corporate and Investment Banking, Retail Banking (Incorporates Cards), SME Banking and Treasury and Market Risks. The point of convergence of the "change" undertaking was in like way on enhancing the general thought of favorable circumstances; re-pushing the brand over once more; utilizing the advancement potential; redesigning the possibility of thing commitments and putting extensively higher benchmarks for client association. He drove a few innovative activities to change the bank into a forefront budgetary store utilizing the most recent progressions. City Bank is an advancing on the web bank having 90 online branches, 11 SME/agribusiness branches, more than 150 ATM and 12 money store machines spread the nation over that joins a verifiable Islamic Banking branch under the brand name 'City Manarah'. In 2009, as a gathering with American Express, it has moved the eminent American Express Credit Card in Bangladesh and is the sole director of the brand sitting over every single neighborhood action.

City Bank is moreover the essential business bank in Bangladesh to have issued Dual Currency Credit Card, holding an imperative enlistment of VISA and Master Card foundations. Starting late CBL has been named as 'Best Bank in Bangladesh for 2012' by Finance Asia for grasping overall endorsed strategies by disposing of age-old traditional decentralized dealing with a record model and culture. This is the essential year of Finance Asia's extending the respect into close-by bank arrangement in Bangladesh. Other than winning this famous respect, CBL in like manner got "The Strongest Bank in Bangladesh give" in 2010 from The Asian Banker, "American Express Marketing Award" for Outstanding New Card dispatch in 2010 from American Express, "Cash Gram International's Best Corridor Collaboration – South Asia in 2011" in affirmation of its inner settlement improvement and the ISO 9001:2008 accreditation from Moody International, for its entire back end and advancement exercises.

Starting late the Bank transformed into an IFC (International Finance Corporation) client, the fourth such bank in the entire business in the country, in the wake of encountering

asking for checks and due diligence grasped by IFC. CBL stamp is starting at now apparent as the "most supposed changing association in the country" and now it is shaped to wind up the "Most Reputed Financial Institution Brand" soon. The Bank have dispatch Priority Banking organizations for high aggregate resources individuals in 2013. This year will see the dispatches of Mobile Banking for non-dealing with a record people, Platinum Amex card for the best end of the market, the country's first Business-to-Business (B2B) card and so on. At present an expansive business process reengineering (BPR) is moreover in advance under the consultancy of PWC, India, which is likely going to result in a whole overhaul of the Bank's operational methodology and practices.

3.2.2 Vision

The vision of CBL is given below

Table 3.1

Vision of CBL

The Financial Supermarket with a Winning Culture Offering Enjoyable Experiences

3.2.3 Mission

There are several missions in CBL. Those missions are given below

Table 3.2

Mission of CBL

- | |
|---|
| <ul style="list-style-type: none">• Offer a wide array of products and services that differentiate and excite all customer segments• Be the “Employer of choice” by offering an environment where people excel and leadership are created• Continuously challenge processes and platforms to enhance effectiveness and efficiency• Promote innovation and automation with a view to guaranteeing and enhancing excellence in service |
|---|

- Ensure respect for community, good governance and compliance in everything we do

3.3 Operation Activities and Products and Services

As CBL is a Bank the items are installed with every one of the administrations,

a) Credit Cards

- **American Express:** From 2010 CBL has establishment the AMEX into the Bangladesh through 3 classifications and furthermore accessible in double cash mode.

I. Silver II. Gold III. Platinum

- **VISA:** A worldwide and it issues in both Local Currency (Taka) and Foreign Currency (US Dollar) in 2 classifications and furthermore accessible in double cash mode.

I. Silver II. Gold

b) Debit Cards or ATM Cards

- **Master Card:** CBL issued the master card as default card for any account holder, so there for it has no particular classes as contrast with charge cards.
- **VISA Electron:** This is likewise others plastic money issued by the CBL with some uncommon benefits. As of late this VISA electron limited by CBL.

c) Special Cards

- **City Maxx American Express Card:** It's an absolutely a particular card which can be use as American Express yet as debt card framework.

d) Retail Banking Service

- All the general managing an account administrations, similar to Bank Accounts, Student Accounts and so on.

- Various sorts of Schemes are additionally offered by retail preparing, similar to Deposits, Savings, RMG Accounts and so on.
- Various sort of Loans, similar to Consumer credit, Education advance, Health Loan and so forth.

e) SME Banking Service

CBL have extensive variety of SME saving money benefits through 3 singular wings

- Medium Segment SME Service.
- Small Segment SME Service.
- Agro SME Service.

f) Wholesale Banking Service

CBL additionally offered extensive variety of administrations under the discount keeping money benefit, those are characterize as,

- Long term Finance
- Midterm Finance
- Structured Finance
- Cash Management
- Project Management

Despite every one of those administrations there are part of administrations likewise offered by CBL which can be recorded as beneath,

- Priority Banking Service
- Corporate Banking Service

- City Touch (Advance Internet Banking)
- Trade Services (Foreign and Local)

g) CBL Subsidiaries

The City Bank restricted have endowments two distinctive individual business associations, those are

1. City Capital Resource
2. City Brokerage

3.4 Credit Management System of CBL

3.4.1 Credit management or Loan management of CBL

Review Credit hazard emerges from all exchanges where real, unexpected or potential cases against any counterparty, borrower, obligor or guarantor, which are alluded to by and large as "counterparties" exist, including those cases that they intend to convey. These exchanges are normally a piece of their customary non-exchanging loaning exercises, for example, credits and unexpected liabilities. They measure, oversee/alleviate and report/screen our credit hazard utilizing the accompanying standards:

- Their credit risk administration work is autonomous of their business divisions and in every one of their divisions, credit choice norms, procedures and standards are reliably connected.

- A key guideline of credit chance administration is customer's credit due perseverance. Their customer choice is accomplished in a joint effort with our business division partners who remain as a first line of guard.
- Every new credit office and each augmentation or material difference in a current acknowledge office, (for example, its tenor, insurance structure or significant contracts) to any counter gathering requires credit endorsement by the fitting expert level. We allocate credit endorsement experts to people as per their capabilities, experience and preparing and we survey these occasionally.
- We measure and combine all our credit exposures to each obligor over our solidified Group on a worldwide premise in accordance with administrative prerequisites.
- We have methodology set up proposed to recognize beginning time credit exposures for which there might be an expanded danger of misfortune. The goal of this early cautioning framework is to address potential issues while satisfactory alternatives for activity are as yet accessible. This early hazard discovery is a precept of our credit culture and is expected to guarantee that more noteworthy consideration is paid to such exposures.
- We facilitate with Credit Administration and Legal Division to address documentation inadequacies and in evaluating potential dangers that may endanger the Bank's advantages.

3.4.2 Credit policy of CBL

The Credit Policy Manual (CPM) is an imperative instrument for execution of credit chance administration in the Bank. The main role of the CPM is to characterize the bank's credit arrangement and in this way fill in as a kind of perspective hotspot for credit related issues. It guarantees that the bank's loaning rehearses are sound, judicious and versatile to the changing loaning situation of an economy and in accordance with BB's

rules on various techniques of the Bank. CBL at first executed CPM properly following all principles and directions of Bangladesh Bank and different partners in its 346th Board Meeting vide Board Memo no. BD-9386/2008 dated 25 Feb, 2008. In this manner the CPM was updated by fusing a few changes in the year 2013 vide Board Memo no. 12940/2013 dated December 22, 2013.

Bangladesh Bank (BB) has prescribed changed rules on Credit Risk Management dated on March 08, 2016 to enhance the hazard administration culture in banks, to set guidelines for isolation of obligations and duties of different gatherings included and to help upgrades in the Banking part. In light with above scenery, the Management of the City Bank Limited has prescribed the subject updated CPM in accordance with most recent CRM Guideline of Bangladesh Bank which has predominantly stressed on:

- Risk Appetite;
- Credit and Collateral Concentration;
- Credit Risk Mitigation Strategies;
- Roles of Board of Directors, Executive Committee, Credit Risk Management Committee, Senior Managements, and Relation Managements;
- Management of Problem Loans;
- Risk Based Loan Pricing and Credit Administration.

Presently we ask for the Board to survey the reconsidered "CPM" and accord endorsement.

3.4.3 Loan Proceeding

Advances incorporate the most fundamental asset and the basic wellspring of obtaining for the setting aside extra cash budgetary associations. Of course, this (credit) is also the genuine wellspring of peril for the bank organization. A sensible bank organization should reliably endeavor to make an appropriate agreement between its entry and danger required with the credit portfolio.

Cash loaning is one of the primary elements of a business bank. In the loaning procedure, choice of borrower is the most vital and crucial occupation for an investor. Before a client appreciates credit offices it is vital that the candidate ought to fit the bill for five Cs. The five Cs are:

- Character – Intention to pay back the progress
- Capacity – Borrower's wellness in regards to utilizing the save gainfully and make pay
- Capital – Financial quality to Lending spread the risk
- Conditions – General business condition between two social occasions
- Collateral – Implies additional securities

Banks gathers store for loaning and venture, this capacity is performed by Loans and Advance Department Sanctioning of advance proposition beginning from party's ask for a credit accumulation of fundamental papers, data and money related explanation, examining of those data, planning of advance proposition, security investigation and valuation, review, loaning hazard examination, setting terms and conditions have additionally known to us. CBL takes after a methodology for authorizing advances. They are given beneath:

Stage 1: A customer who has willed to assume acknowledgment from bank needs to make an application close by the reports, for instance, Two duplicate of photographs, Valid exchange permit must be put away by the part. There must be depiction of assurance in the application. The security must not be the home state touch base out of common or void land, Physical evaluation of protection must be done and publicize a motivator from the region must be settled. It must be done by B.Ss Engineer, Confidential report from various banks is moreover required, announcement and pay articulation is required.

Stage 2: Proposal must be sent to the Head Office by the branch close by the letter of hypothecation and other various sorts of confirmation as indicated by round

Stage 3: Head Office certifies the support with a couple of terms and conditions and if the social event agrees with this, he signs on the duplicate copy.

Stage 4: To legitimize the protection board lawful counselor will complete the documentation and will give letter of satisfaction.

Stage 5: After denoting the charges reports the credit is made and the limit is set up for installment by giving the social affair a check book.

Stage 6: After installment stock must be displayed by the social occasion on month to month commences. For this circumstance sudden evaluation is essential. In each 45 days the progress need to be adjusted.

3.4.4 Types of Loan

There are two types of loans CBL provide. One is Retail loan and another is SME loan. Various types of Retail and SME loan products and their features, requirements are given below:

3.4.4.1 Retail loan

A Retail loan is a loan that lends money to individuals or retail customers. CBL also give retail loan to its customers.

Table 3.3

Required Documents for Retail loan

Customers Documents

1. Photo 2 copy + NID + TIN Certificate
2. Bank Statement 1 year's / Passport copy
3. Loan sanction letter & A/C Statement of 6 months
4. Trade license 2 years before (Businessman)
5. Salary certificate (Service holder)

6. Pay slip 6 months (Service holder) 7. Utility Bill photocopy 8. Visiting Card / Business Card / Office ID 9. Company RJSC Certificate / Partnership deed 10. Passport copy / Provide E-mail address 11. Two Reference Name, Address, Telephone and Mobile No. 12. Info: Spouse Name, Education, Credit Card, Asset and Liability, No. of children and school, Residence, Ownership, Car usage, Club membership
Guarantor / Amex Supplementary 1. Photo 2 copy & NID photocopy / Passport copy 2. Spouse Name and Spouse Father Name 3. Visiting card / Present & Permanent Address and other information
Amount of Loan Approve process 1. At First find the yearly income of customer 2. Then according to loan it multiply with approximate risk rate 3. Than divide it half yearly 4. At last it multiply by the rate according to occupation (For Business 8%, for Service 12% and for their employee 15%)

Various types of Retail loan that CBL offer to its customer are given now.

a. Credit card

It is a revolving loan. The expression "Credit card" by and large means a plastic card issued by Scheduled Commercial Banks (SCBs) appointed to a Cardholder, with a credit constrain, that can be utilized to buy merchandise and ventures using a credit card or get loans. For issuing Credit Card earlier endorsement of BB isn't essential. With the endorsement of their Board of Directors banks can issue credit cards.

Table 3.4

Credit Card Information

Product Features	Fee	Interest
<p>a) Loan amount range Tk. 50000 to Tk. 500000</p> <p>b) Upto 90% against security</p> <p>c) Upto 15% discount in purchase with the card</p>	<p>a) Yearly Tk.2000 for silver card</p> <p>b) Yearly Tk. 5000 for gold card</p> <p>c) Yearly Tk.25000 for platinum card</p>	<p>After 1 month of use money there will be 2% interest per day</p>

b. Auto loan

Owning an auto is never again an extravagance. Profit our Auto Loan, a customized vehicle advance item from City Bank for people.

Table 3.5

Auto loan Information

<p>Product Features</p> <p>a) Loan sum extending from Tk. 3 lac to Tk. 40 lac</p> <p>b) Financing up to half of reconditioned or new vehicle cost</p> <p>c) Up to 100% financing for credit against money security</p> <p>d) Loan tenor 12 to 60 months</p> <p>e) No concealed charges</p> <p>f) Competitive financing cost</p>	<p>Eligibility</p> <p>a) Age Limit: 22 to 60 years</p> <p>b) Experience:</p> <p>= Salaried Executive: Minimum 1 year encounter incorporating a half year with current boss</p> <p>= Professionals: 1 year experience of training</p> <p>= Businessman: Minimum 2 years association in a similar business</p> <p>c) Income Criteria: Minimum Tk. 30,000</p>
<p>Processing Fee</p> <p>1% of the loan amount</p>	<p>Interest rate</p> <p>12.50%</p>

c. Personal loan

Whatever the event or prerequisite might be, Personal Loan from City Bank - is there to tackle all your necessity and to satisfy everything you could ever hope for.

Table 3.6

Personal loan Information

<p>Product Features</p> <p>a) Loan sum extending from Tk. 50 thousand to Tk. 20 lac</p> <p>b) Loan tenor 12 to 60 months</p> <p>c) No shrouded charges</p> <p>d) Competitive loan cost</p>	<p>Eligibility</p> <p>a) Age Limit: 22 to 60 years</p> <p>b) Experience:</p> <p>= Salaried Executive: Minimum 1 year encounter incorporating a half year with current boss</p> <p>= Professionals: 1 year experience of training</p> <p>= Businessman: Minimum 2 years contribution in a similar business</p> <p>c) Income Criteria:</p> <p>= Salaried Executive: Tk. 15,000 (A/C pay)</p> <p>= Professional: Tk. 30,000</p> <p>= Business Person: Tk. 30,000</p>
<p>Processing Fee</p> <p>2% handling charge on any advance sum</p>	<p>Interest rate</p> <p>a) Salaried person - 12.50%</p> <p>b) Business person - 13.50%</p>

d. City scholar

City scholar is a special training advance offered to support higher examinations in Bangladesh as well as abroad. It presents to you 90% settled store an incentive as understudy advance or up to tk.10 lac on simply security free premise. Right now is an ideal opportunity to exceed expectations and surpass your companions. You also can be a city scholar.

Table 3.7

City scholar Information

Eligibility	Features
This instruction credit is intended to meet any sort of instructive money related need of an understudy. Any reliable individual can benefit this credit office for his/her posterity or for himself/herself.	<ul style="list-style-type: none"> a) Secured overdraft facility : value can be up to 90% of the security deposit. b) Unsecured facility : loan amount up to Tk. 10 Lac c) Equal Monthly Installments Facility d) Quick processing time e) Competitive Interest Rate f) Student file service facility

e. Home loan

Your fantasy to possess your own particular house is just a matter of decision. What's more, when you do choose, we will enable you to influence your fantasy to work out.

Table 3.8










Home loan Information

Product Features	Eligibility
<ul style="list-style-type: none"> a) Loan sum going from BDT 5 lac to BDT 1.2 center b) Repayment tenor 1 year to 25 years c) Maximum 5 stage dispensing is permitted d) Financing up to 70% of property estimation e) Early settlement office f) Loan against property g) No shrouded cost 	<ul style="list-style-type: none"> a) Age Limit: 22 years to 65 years b) Experience: <ul style="list-style-type: none"> = Salaried Executive: Minimum 2 years encounter incorporating a half year with current boss = Professionals: 2 years experience of training = Businessman: Minimum 3 years contribution in a similar business c) Income Criteria: <ul style="list-style-type: none"> = Salaried Executive/Professional: Minimum Tk. 40,000

	= A/C Paid Salaried: Minimum Tk. 35,000
Processing Fee a) 1% handling charge on any advance sum b) No preparing expense on Takeover and improvement offices	Interest rates : a) New flat purchase - 11.00% b) Renovation - 11.50%

Figure 3.1

CBL Home Loan Partner

 ANWAR LANDMARK <small>creating addresses</small>	 ASSURANCE DEVELOPMENTS <small>WE CARE...</small>	 DHL DOMINANT HOMES LTD.
Free 2 ton whirlpool AC or Conion deep fridge 210 liter or Whirlpool 10.5 kg washing machine .	0.50% off loan amount token money for kitchen cabinet.	Kitchen Cabinet solution or one 2 Ton Master bed AC at free of cost and a special discounted price for the apartment purchaser from Dominant Homes Ltd.
 FinlaY <small>Properties Limited</small>	 PARTEX BUILDERS LIMITED <small>Stands For Excellence</small>	 RICHMOND DEVELOPERS LIMITED
Special discount offer for flat rate.	Free total kitchen solution for flat purchaser & 15% discount on Partex furniture for next 5 years.	2 lac discount from total price
 SILICON HOUSING LIMITED	 STARPATH HOLDINGS LTD	 UNION DEVELOPMENT <small>a friend in need</small>
kitchen cabinet & special discount for cbl employee & clients	2 ton AC free of cost & special discount for CBL employee only.	Free 2 ton AC or kitchen cabinet, car parking free for CBL employee.

3.4.4.2 SME loan

SME loan is the loan for small and medium sized organization. It is a large sector to earn interest. CBL also give SME loans.

Table 3.9

Required Documents for SME loan

Business Documents: 1. Up to date Trade License 2. Old Trade Licenses
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3. NID/Passport of Proprietor
4. Up to date TIN (Tax) Certificate of Proprietor
5. Photo of Proprietor- 2 Copy
6. All Bank Statement- Last 2 years (As per tenure of financial statement) separately
7. All Shop Deed
8. All Go-Down deed
9. Financial Statements (Income Statement and Balance Sheet)
10. Loan Sanction Letter (If Applicable)
11. Loan Statement of last 1 year (If Applicable)
12. IRC certificate (If Applicable)
13. LC performance---Last 03 years (If Applicable)
14. Fire certificate (If Applicable)
15. Environment certificate (If Applicable)
16. BSTI certificate (If Applicable)
17. Trade mark (If Applicable)
18. Appointment Letter of Distributorship/Dealership (If Applicable)

Spouse:

1. Photo Passport Size- 02 Copy
2. NID/Passport
3. TIN (If Applicable)

Land Owners/Mortgagor:

1. NID/Passport
2. Up to date TIN (Tax) Certificate
3. Photo- 2 copies

Land Documents:

1. Title Deed
2. Mutation Khatian with DCR
3. City Jorip Khatian
4. Up to date Rent Receipt (Khajna)
5. CS, SA, RS Khatian
6. Bia Deeds

7. Municipality holding tax
8. Building plan with approval letter
9. Other land related documents

Various types of SME loan offer by CBL are now given.

a. Secured facilities

Secured Loan is a completely anchored advance office for any genuine reason. The security for the credit ought to be in a perfect world CBL securities (FDR, Deposit plot, WEDB). Bank would fund against customers CBL FDR or different banks/NBFIs securities. Secured Overdraft is a completely anchored and spinning office for any genuine reason. Bank would back against customers CBL FDR or other bank FDR/NBFIs securities. Secured Loan-Bullet Payment is a completely anchored and settled term (quarterly intrigue Based) advance office for any genuine reason.

Table 3.10

Secured loan Information

<p>Product Features</p> <p>a) Minimum credit sum Tk. 50,000 and Maximum 90% of relevant securities</p> <p>b) Quick preparing</p> <p>c) Minimum documentation</p>	<p>Loan tenor</p> <p>a) Secured Loan: 12 to 60 months</p> <p>b) Secured Overdraft: 1 year</p> <p>c) Secured Bullet Payment: 1 year or 2 years</p> <p>d) No concealed charges</p>
<p>Processing Fees</p> <p>a) Up to Tk. 5 lac: BDT 2,0008</p> <p>b) Above Tk. 5 lac to Tk. 10 lac: BDT 3,000</p> <p>c) Above Tk. 10 lac: BDT 4,000</p>	<p>Eligibility</p> <p>a) Minimum age: Above 18 years</p> <p>b) Minimum Income: Tk. 15,000 for all calling</p>

b. Partial secured facilities

Partial Secured Loan is a novel credit office, where your settled store with City Bank or with some other banks/budgetary foundations will now enable you to benefit two advances in the meantime from us one as overdraft (up to 90% of qualified securities) and different as an EMI advance (up to Tk. 10 lac).

Table 3.11

Partial secured facility loan Information

Product Features a) Fully anchored credit will be up to 90% of qualified securities b) Unsecured credit will be dependent upon Tk. 10 lac (payable in Equal Monthly Installments) c) Tenor running from 12 to 60 months d) Competitive loan cost	Eligibility a) Age Limit: 22 to 60 years b) Experience: = Salaried Executive: Minimum a half year business history = Professionals: 1 year experience of training = Businessman: Minimum 2 years inclusion in a similar business
Processing fee 2% handling charge on any advance sum	Minimum monthly income: a) Salaried Executive: Tk. 15,000 b) Self Employed proficient: Tk. 25,000 c) Business Person: Tk. 30,000

c. Letter of Credit (L/C)

This is a pre-import back which is made as duty for the benefit of the customer to pay a concurred whole of cash to the recipient of the L/C endless supply of terms and states of the credit. Hence at this stage bank does not straightforwardly expect any obligation, in that capacity the same is named as unexpected risk. In this bank collect the required documents (Trade license, TIN Certificate, IRC registration certificate, Performa Invoice,

Insurance paper etc) as BB wanted. And process that with exporter's bank. If everything goes well than good will be import. Exporter gives the legal paper to bank, then bank will give 90 days time to pay and until than hold the paper. After payment, bank gives the paper to importer. For such procedure bank take commission. Basically, CBL take 14% commission but if bank gives full margin than take 15% commission.

3.4.5 Default loan precision

Although so mush precision, sometime bank fail to recover the loan from customer after given the loan. In that situation CBL fellow some steps to recover it. Those steps sre given below:

Step 1: Observe customer every month. If customer's business or financial situation is not good than this is an early alarm for bank. Bank report that is customer has possibility to get defaulted.

Step 2: If any customer gets defaulted than officer than BM will have meeting with customer and try to convince him or her to make the payment in time

Step 3: If still the customer don't pay than office and BM report it to Head office. Than head office will call him for a meeting and try to convince him.

Step 4: If still the customer don't pay than SAU (Special Assessment Unit) will handle the matter by convincing the customer.

Step 5: If still customer doesn't pay than bank start legal action. Bank fill case under "Artho Rin Adalot" . And after judgment, if the judgment is in favor of bank than bank take the mortgage asset under their control. And arrange an oction , sell the asset and recover the loss as much possible.

3.5 SOWT Analysis

Table 3.12

SOWT Analysis

<p>Strength</p> <ul style="list-style-type: none"> a) Long banking experience b) Strong corporate identity c) Enthusiastic and empowered workforce d) Strong financial position e) Efficient performance f) Advance ATM machine, Walk through ATM system first in Bangladesh g) Most secure AMEX protocol. AMEX standard service 	<p>Weakness</p> <ul style="list-style-type: none"> a) Too much corporate complexity to impose any new policy b) Increasing of work load every day but resource is limited c)discouraging small entrepreneurs d)High cost for maintaining an Account
<p>Opportunity</p> <ul style="list-style-type: none"> a) Country wide network b) Increasing service quality that also helps to increase client c) Experienced managers d) Usage of efficient software e) City Touch, first time in Bangladesh with whole banking facility 	<p>Threat</p> <ul style="list-style-type: none"> a) increasing number of private banks b) Similar products are offered by other banks c) Industrial downward trend d) Everyday new type of security issue arise e) Vulnerable condition of low and other f) Unstable government security support

CHAPTER 4

FINDINGS AND ANALYSIS OF THE STUDY

4.1 Findings of the Study

Amid the time of internship I have accomplished tremendous encounters that improve my learning of managing an account broadly. Here I have endeavored to display my encounters and learning so as to give a superior judgment. CBL is one of the fastest developing and submitted private business bank in the nation. It conducts business exercises effectively around the nation to accomplish its destinations, and objectives and steadily sending towards its central goal and vision. The bank have been accomplishing constant development rate in all extras of managing an account activity since its foundation. The greater parts of its offices are working inflexible for better client administrations. Side by side these; I additionally have discovered the accompanying quintessence through watchful examination.

a) At exhibit CBL has huge number of credit card and debit cards in the market all powerful features. Most of the clients of charge card are male.

b) Accordingly expansive number of clients are utilizing store item at the present time.

c) The Bank is exorbitantly joined. For each and every move, branch office needs to go for assent from the Head Office. The Head Office immovably controls each and every branch office. This sort of dependence on Head Office backs off the activities of branch office.

d) The current framework is tedious both for the financiers and additionally the customers. For occurrence; as far as investors, the officers need to experience a ton of records in looking the subtle elements of a specific exchange, on the off chance that it is originated before. As far as customers, they need to hold up in a long line keeping in mind the end goal to give the officer a chance to discover the right record.

e) Conversely with customers the place for delaying/sitting domains are not sufficient, therefore, customers need to hold up by standing.

f) Sometimes, clients don't get proper consideration amid occupied hour. Without a doubt regardless of the way that these customers are not a/c holders of the bank, the liberality and negative verbal trade of the bank and its general picture of significant worth advantage are disappointed.

For an organization business that is in action for whole deal, these effects will unfavorably impacts the unselfishness as time goes on, which is apparently risky.

4.2 Analysis of the Study

During this period from anglicizing the data and observation there are some thing get clear about CBL. Those are given below:

a) CBL Urdu road branch is a mainly a depository branch.

b) In this branch total deposit in a year is approximately Taka. 140 crore But the amount of loan given in a year is approximately Taka. 32 crore which is 22.86%

c) CBL is very effective in terms of loan recovery. The rate of default averagely is 11% and in Urdu road branch it is 8.5% averagely.

CHAPTER 5

CONCLUSION AND RECOMMENDATION

5.1 Recommendations

CBL should begin wanting to expand the foundations and furthermore critical builds expected to help its expansive client base. Along these lines, thinking about the administration segment of Bangladesh, CBL ought to be more cognizant to manage its clients as the clients have now more decision to save money with and there are organizations that are increasing rivalry by concentrating more on brilliant client benefit. To distinguish these bank needs appropriate data framework is required gravely. Client input can make an incentive to build right administrations and relations to the correct clients what's more, increment exact duty, devotion, trust and fulfillment to end up with gigantic great relationship. CBL has a few administrations hole to bona fide of obliging the customer conduct and their potential mentality, which made them inadequate in current banks. CBL needs to limit their administration hole however solid investigation on client complaint, desire, observation and basic inner advertising viewpoints. Steps ought to be taken to execute the new procedure keeping in mind the end goal to guarantee a smooth administration as guaranteed to clients.

a) Account opening strategy is excessively basic yet it ought to be less demanding generally individuals will hesitant to open a record with CBL.

b) Customer administration ought to be more brilliant and quick. CBL should build more Buyer Banking action. Their Consumer keeping money action is very agreeable yet it will be better in the event that they can put consideration on person client.

c) Card division ought to be more dedicated to convey item on time.

d) Representatives are required to give attractive getting ready to work and handle clients under strain. For this circumstance both the branch specialists and higher authorities can prompt each other to set up the delegates.

e) Should grow more key arranging as to contend with its opponent banks.

f) Increase the ATM booth.

g) Problems in regards to IT and web connection should consider important.

h) Employees ought to get legitimate information on items and offices to convey the client with respect to ideal time, right offices according to their prerequisites.

i) According to client reaction, CBL is setting aside long opportunity to process and dispensed the credit. All the more simple way should discover to limit the length for credit process.

5.2 Conclusion

As an association, City Bank has earned the notoriety of best managing an account activity in Bangladesh. The association is substantially more organized contrasted with some other bank working neighborhood or outside in Bangladesh. It is tireless in quest for business advancement and change. It has a notoriety for being an accomplice of shopper development. With a heft of qualified and experienced human asset, City Bank can abuse any opportunity in the keeping money part. It is pioneer in presenting numerous new items like American Express Credit Card, Special financial balance and administrations in the saving money segment of our nation.

This errand concentrated on the Loan administration of the Urdu Road branch and perceived some essential information that could make the advantages all the more appealing and besides overhaul the banks reputation among the customers. With the present execution of the Bank and with little change all finished will certainly impact City to bank a champion among other Private Bank in Bangladesh in the nearby future.

CHAPTER 6

APPENDIX

6.1 Reference

Website

- www.thecitybanklimited.com (Accessed 20 June, 2018 and 3 August, 2018)
- <https://groups.google.com/forum/m/#!topic/understandingmoney/qcDDdaSGRqI> (Accessed 19 June, 2018)
- <https://www.dhakatribune.com/business/banks/2017/10/06/defaulted-loans-amount-12-gdp> (Accessed 1 August, 2018)
- [dspace.bracu.ac.bd>bitstream>handle](http://dspace.bracu.ac.bd/bitstream/handle/) (Accessed 20 June, 2018)
- <http://www.assignmentpoint.com/business/finance/credit-risk-management-system-of-city-bank.html> (Accessed 19 June, 2018)

Book / Magazines

- Annual Report 2016
- Annual Report 2017
- The City Bank Limited Credit Policy Manual

Questionnaire / Interview

- Shibly Sadik , RM, CBL
- Md. Amin Uddin , Rm, CBL

1. Type of loan providing ?
2. Basic processing to pass a loan ?
3. Interest rate for different type of loan ?
4. How to determine the amount of loan according to customer profile (different types) ?
5. How to determine the eligibility of a customer for a loan (different types) ?
6. What papers customers need to submit to get a loan (different types) ?
7. What kind of security taken against loan (different types) ?
8. If bad debt happen or customer fail to pay back the loan what initial take to recover it ?
9. Current position of loan sector ?
10. What kind of loan customer prefer more or taking more ?
11. Percentage of default loan customer ?
12. Amount & ratio of disbursement and recovery
13. Amount & ratio of total deposit and total credit
14. Credit policy
15. Functions of Credit Division