

Foreign Exchange Activities
Of
Southeast Bank Limited

Letter of transmittal

I submit herewith with a report entitled — **Foreign Exchange Behaviors of South East Bank Ltd**, which is accomplished according to course requirements. I would like to show my intense thankfulness to my supervisor **Fahim Tasneema Azad**, Assistant Professor, Department of BBA in order to provide her valuable directions, appropriate ideas and improvements. During my internship, I met all the employees of Shyamoli Branch and found everyone very helpful. I hope you will find the report to be organized and dependable.

I, therefore, pray and hope that you would like to take this prospect to thank you for all the encouragement and advices that you have provided which I hope to continue getting in the future.

Yours obediently,

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Acknowledgement

In the beginning, my heartiest thankfulness is for The Almighty in order to provide me the courage as well as the capability for finishing the job. Then I would like to confess my sincere thankfulness and cordial thanks to some particular persons who assisted me to organize this report and for their caring view, proposals, guidelines and encouragement for this.

Moreover, I precise my deep gratefulness to my supervisor **Fahim Tasneema Azad**, Assistant Professor, Faculty of Business, United International University, Bangladesh for offering her significant advices, appropriate recommendations and modifications for improvement. Her valuable advices helped me a lot to make this report, I am extremely grateful for the support she has provided throughout my work.

Lastly, this report would not have been achievable exclusive of the enthusiasm and involvement of all my friends who have assisted me to complete the report. I express my sincerer thankfulness to all of them.

Thank you.

Executive Summary

Southeast Bank Limited is a secluded bank offering financial facilities to the clients. Under Companies Act, 1994 (March 12, 1995), the Southeast Bank leads its process as a commercial bank. It is offering wide-ranging as well as modest banking facilities to its customers with its 133 branches network throughout the nation.

The headquarter is continuing its task as the preliminary of Southeast bank. General Banking, Foreign, and Advances Exchange are the three central departments with all possible banking facility towards clients. The SEBL is rising very remarkably and achieving revenues which are developing regularly and also making the desires of clients come true from the viewpoint of transferring perceptions to reality. Bank's outcome collection contains expected type of creative commodities in accordance with the essentials and predilections of the clients, which are offering profits to clients as well as enhancing revenues to the bank. Southeast Bank has a certain amount of services which includes Merchant Banking, Islamic Banking, Real-Time Online Any Branch Banking, Visa Travel Card, ATMs, Education Loan Scheme, Dual Currency Visa Credit Card etc. in addition to Southeast Bank has old-fashioned credit furthermore overseas trade connected goods and facilities.

Throughout my study, I have mostly endeavored to critical assessment of the Foreign Exchange Activities of Southeast Bank Ltd. Shyamoli Branch. The first section holds the Background, goals, Logical; boundaries etc. of the study & second section explained the Organizational summary of Southeast Bank. In contrast, the 3rd chapter holds the analysis part of foreign exchange activities of SEBL, the 4th chapter deals with Findings of the study, at last, 5th chapter contains recommendation and conclusion.

Finally, this report contains distinct facet about Southeast Bank Limited, which is very supportive of each and every reader.

Abbreviation

SEBL = Southeast Bank Limited

IRC = Import Registration Certificate

R&D = Research and Development

LCA = Letter of credit Authorization Form

TT = Telegraph Transfer

DD = Demand Draft

CD = Current Draft



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Chapter
1
Introduction

Southeast Bank Limited
a bank with vision

1.1 Introduction

The key activity of **Bank** is to give financial support as a government-licensed organization and numerous commercial activities were allowed over time.

The main purpose of bank is to provide loans to export and import companies as well as to influence politics and economics for decades. In order to buy inventory and recollect funds with interest, banks give financial support for making corporate industries. For decades, all banking industries main purpose is to deal with businesses except the consumers.

Banks today are remain in great pressure to perform towards accomplishing the objectives of their shareholders, teams, investors and borrowing customers, while somehow keeping administration controllers satisfied that the bank strategies, advances and investment are rigorous. But the major purpose banks are commissioned by the centralized influencers is to make mortgages to their consumers. As banking officialdoms have grown in contemporary years in Bangladesh, many of them have been compulsory to turn to the money and capital markets to increase funds by marketing stocks and promises. Banks entry into the exposed market to raise resources means that their financial statements are progressively being inspected by stockholders and by the general public. This expansion has placed management under great stress to set and meet bank routine goals.

At the same moment, rivalry for banks traditional loan and deposit consumers has increased melodramatically. Bankers are dealing with risk especially the risk of loss due to changing interest charges. Nowadays banks are highly multifaceted organizations. Bankers have been called upon to repeatedly reexamine their loan and deposits strategies, review their tactics for expansion and evolution, assess their returns and risk in the light of this new modest atmosphere. Thus the active management tools can be arranged in a coordinated fashion to handle many of the dangers banks face.

In BBA program, everything we have learnt is decently hypothetical. It was essential to produce some real-world effort for better elucidation. Owing to my excessive curiosity on Foreign Exchange technique of bank, Southeast Bank Limited, Shyamoli branch was picked.

1.2 Rationale of the study:

Through the fast growing rivalry among state-owned, overseas and remote profitable banks as to how the banks activates its banking and how customer service can be made more eye-catching, the opportunities of the customers have enormously improved. Retorting the mawkishness, commercial/private banks are trying to evaluate their old-style banking service to an improved standard. Under the above condition, it has attentive its attention towards the development of the customer facility. That's why it is quite defensible to make development. The revision may help expressing policy regarding the ideas connecting to the sensation of the clients and banks. Additionally, Southeast Bank Limited actually implements the policies assumed by the top organization will have a chance to interconnect their feelings and will have the reaction about their transactions with the consumers.

1.3 Purposes of the Study:

The overall purposes of the study is to get an on-the-job experience to real-world business world and a prospect for translation of hypothetical concept into real life condition. Though the exact purposes of the study are as surveys:

- To present hypothetical features of Southeast Bank's Foreign Exchange mechanism.
- To attain Practical idea about all-purpose actions of Bank regarding Foreign Exchange, Credit Dept. and General Banking.
- To study the Foreign Exchange appliance of Southeast Bank Ltd.
- To make clear with real-world job environment.
- To perceive banker-customer bonding.
- To find out some difficulties and boundaries of Southeast Bank and its Foreign Exchange appliance.
- To suggest some possible educative dealings to overwhelmed the difficulties of Foreign Exchange Division.
- To have an acquaintance on the financial organizations like banking environment of Bangladesh.
- To relate the philosophies of banking with the real world in banking.

1.4 Methodology:

To sort the statement more expressive and personable, only subordinate data was used as the source of collecting information. So, only subordinate data was used to produce the report.

Secondary Sources/ External Sources:

- Web site of Southeast Bank Limited and other bank's web site.
- Official papers of (SEBL) Southeast Bank Limited.
- Various journals of various Banks.
- Various Internship reports of various Banks.
- Various leaflet of Southeast Bank Ltd.
- The archive of the Southeast Bank Limited
- Bangladesh Bank Report. Newspaper, magazines

1.5 Some boundaries of Study: -

The boundaries of this study are:

- All the time of making my report I strained to gather every particulars of procedure but the major restriction is lack of ample information.
- Lack of chance to visit more than one branch.
- Adequate records, journals were not available as per my prerequisite.
- Time constriction.
- Though bankers have strained their best to help me, their countryside of work is such that gives them slight time to deliberate.

Chapter

2

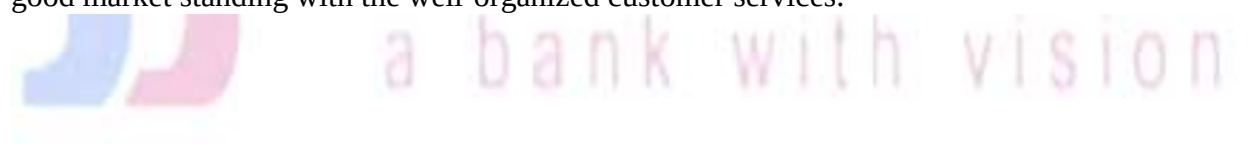
Overview of Southeast Bank Limited

2.1 Bank Profile

SEBL is arranged profitable bank in isolated sector well known below realm of Bank Company (Act, 1991) and it is combined as a Public Limited Company underneath Companies (Act, 1994 on March 12, 1995). During the petite distance of time, the Bank is successfully placing itself as the liberal and lively financial organization in the country. The bank has been extensively commended by the business communal, from small entrepreneurs to large dealers and industrial multinationals, with top-rated corporate debtors for its onward – observing business viewpoint and groundbreaking financial explanations. Therefore inside this very short retro of time it has been able to make an image and earn important reputation in the country’s investment sector as Bank with dream.

In the isolated area, Government of Bangladesh has approved SEBL as Programmed Commercial Bank. It is undertaking of the policy of liberalization of banking and monetary facilities and amenities in Bangladesh. In according to the Bank inside a period of 14 years and its operation is achieved an extraordinary achievement and met principal adequacy prerequisite of Bangladesh Bank. As a cohort bank it must has been rising fast in the private sector in admiration of commercial and cost-effectiveness as it is obvious from the commercial reports for the preceding 14 ages.

SEBL has 56 branches through Bangladesh. Its purpose is to be first and foremost bank in the country’s major marketplaces and it absorbed on the actions in its zone of attention is attained good market standing with the well-organized customer services.





Southeast Bank Limited

2.2 Organization at a glance:

Overview of Southeast Bank-

Name of the Company: Southeast Bank Limited

Chairman: Alamgir Kabir, FCA

Managing Director: Mahbubul Alam

Vice Chairman: Ragib Ali

Company Secretary: Muhammad Shahjahan

Date of Incorporation: March 12, 1995

Legal Status: Public Limited Company

Registered Office: Eunoos Trade Centre, 52-53, Dilkusha C/A, Dhaka-1000

Line of Business: Banking

Number of Branches: 133

Year of Initial Public Offer: 1999

Stock Exchange Listing: April 10, 2000 (DSE) & April 24, 2000 (CSE)

Phone: 9571115, 7160866, 7173793 & 9550081

Fax: 9550086, 9550093, 9563102

SWIFT: SEBDBDDHXXX

Email: info@southeastbank.com.bd

Website: <http://www.southeastbank.com.bd/>

2.3 Vision of SEBL:

The rudimentary idea is taken by the significant manager and directors of any association in order to agree about the firm struggle, which attained in the long run. A strong perspective is measured to deliver groundwork for mounting a comprehensive mission. So the vision statement is important. It is used to gain their longstanding objectives. Their idea is to stand as an innovator banking organization and contribute in national budget.

2.4 Mission of SEBL:

SEBL is very much anxiety about their assignment as different opinions between directors can only be exposed furthermore determined through the assignment statement.

2.5 Fundamental principles of Southeast Bank:

SEBL has well-known their aims to attain their planned besides economical objectives to consume strong modest benefit in their banking segment. Their essential values and ideologies are given below:

- 
1. Integrity
 2. Harmony
 3. courtesy
 4. Fairness
 5. Commitment
 6. Insight and Spirit
 7. Business Ethics

2.6 SEBL Services:

Services of Foreign Exchange Business:

*Letter of credit *Parties to Letter of Credit

*Operations of Documentary Letters of Credit *L/C Application

*Scrutiny of Documents *Scrutiny of L/C Application

Investment Services:

- * Investment Scheme for Doctors , *Small Business Investment Scheme
- * Housing Investment Scheme, *Small Transport Scheme, *Car Loan Scheme
- * Transport Investment scheme & *Agriculture Implements Investment Scheme Rural Development Scheme

General Banking Services:

- * Accounts Opening, *Account maintaining, *Account closing, *Issuing Pay order, *Bank draft.
- * Demand draft, *Opening of Fixed Deposit & *Clearing of Bank cheque.

Other Consumer Savings Schemes:

- * Pension Savings Scheme (PSS), *Education Savings scheme (ESS) &
- *Marriage Savings Scheme (MSS)

2.7 Technology:

Nowadays, all banking dealings of Southeast Bank are fully automatic. Furthermore, all actions of occupation and processes are being complete through computers and other automation tackles like ATM, SWIFT. The bank is the member of the communal ATM Network offered by Electronic Transaction Network ltd. (ETN). Currently 68 ATM booths are accessible all over Dhaka city. So as to deliver continuous and precise evidence on the bank to the business common all over the world, the bank has a web page which can be retrieved below the domain name: www.southeastbank-bangladesh.com. Bank has made a contract with Square Informatics Ltd to have real time accessible transaction aptitude. The bank assists its clients to withdrawal, draw or dispatch funds from their books from one branch to another by providing on-line banking amenities.

2.8 Management of SEBL:

Some features of management practice of SEBL are given below:

- **Planning**
- **Organizing**
- **Directing**
- **Staffing**
- **Controlling:** SEBL doesn't trust in the old-style banking. It tries to upsurge and uphold its market share in the secluded banking sector over two types of control methods:
 - Feed forward control
 - Feedback control

2.8.1 Operation Strategy:

Currently the bank uses bank **Ultimus**. The branch banking which is lead by C CORPORATION uses a moderate on Sequential language on windows platform software. The following software is for book keeping, automatic interest calculation, daily transaction listing and audit trails, monthly income and expenditure position, auto addition of customers ledger position including balance of subsidiaries, auto maturity and auto renewal of FDRs etc.

Along with eight other member banks, it has shared the ATM Network Bangladesh offered by ETN. Dhaka, Sylhet and Chittagong currently have these facilities.

2.8.2 Top-Down Management Strategy:

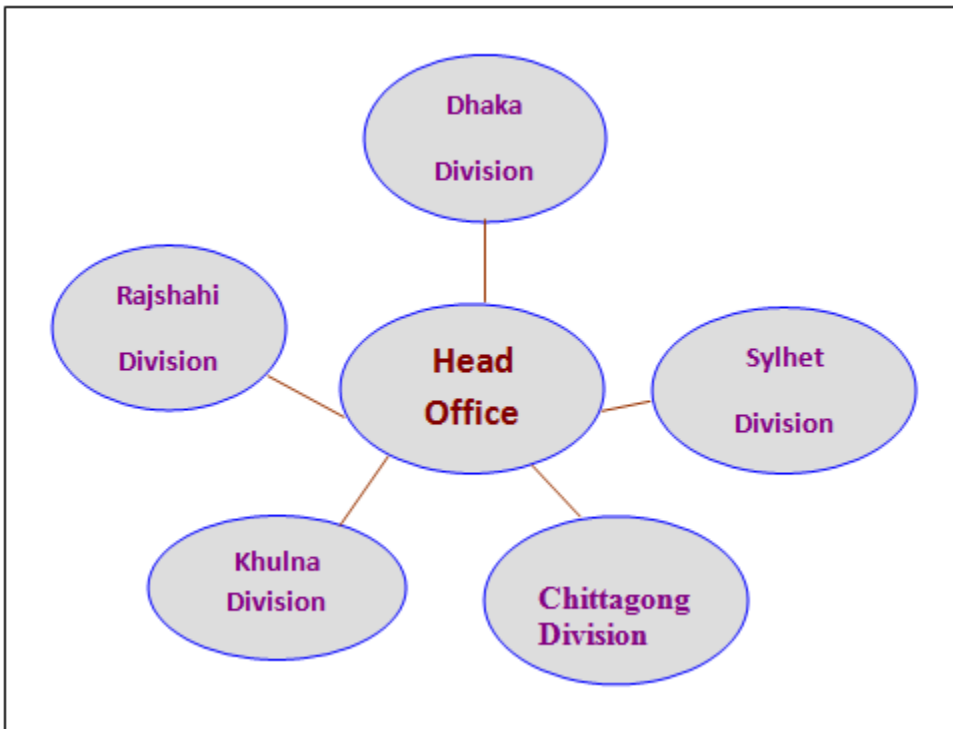
The facet of the organization structure of Southeast Bank is centralization. In this dimension, the decision-making authority exists in at the top of the organization char. Different works being given under strict control and monitoring to the junior level employees.

Deputy Managing Director
Senior Executive Vice President
Executive Vice President
Senior Vice President
Vice President
First Vice President
Senior Asst. Vice President
Asst. Vice President
Senior Principal Officer
Principal Officer
Executive Officer
Senior Officer
Officer
Junior Officer
Trainee Junior Officer

Figure 1. Hierarchy of Southeast Bank Ltd

2.8.3 Network of the Branches:

Southeast Bank has 133 existing branches and some other wished-for another branches all over Bangladesh to provide better services to their respected customers. The impartial of SEBL is to grow profit along with keeping the social commitment and also ensures collaboration to the persons of all levels. Actually, the grid of this bank is compact.



2.8.4 Human Resource Department of the Bank:

The Human resource department of Southeast Bank accomplishes many different roles and accountabilities. They take complete accountability for human actions like employment are employing, training and progress, employee services, employee and community bonds, personnel histories, rewarding employees etc. The HR officers of this bank are very much worry to design and deliver well-organized and in effect HRM system, process and practices. They devote a lot of time to guarantee employee's satisfaction. They work on result creative ways to confirm a positive and inspiring work environment.

2.8.5 Enrolment Policy:

The goal of an organizational enrolment program is to guarantee that the association has a number of realistically qualified applicants to choose from when a vacancy occurs. As Southeast Bank is concern to bring about their long- term objectives so that they achieve the enrolling process cautiously. The process for the employment of Management Trainee and Provision Officer is:

- Circular / Advertisements placed in notice boards of different educational institutions and news dailies.
- Written test
- Checking the test scripts.
- Call for interview
- On the job training
- Outside training (e.g., foundation training at BIBM)
- Confirmation

Whole process takes extreme of one to two months. The occupants are respected who have practical experience and information in the relevant fields.

2.8.6 Training:

South East bank is very much conscious about the training of their employees to make them expert in knowledge, skill and actions in their day-to-day doings. Generally, the Bank United assembles training for junior level officers at BIBM, Mirpur, Dhaka to improve their skill and efficiency. Executive officers are also obligatory for training attending seminars in abroad to mature their managerial and operational proficiency.

2.8.7 Job Evaluation:

Job evaluation is identically necessary to measure inner job worth of an organization SEBL follows a performance evaluation strategy to assess their employees as well as to make them more effective and efficient in their duties.

The branch managers observe their employees to give performance feedback to the Head Office. They complete a “Performance Appraisal Form” to rate their employees. Generally it is accompanied at the end of each year. SEBL inspires the active employees by giving promotion or bonus to make them more creative and productive.

2.8.8 Rating is mainly done on following factors:

Professional knowledge: Knowledge of allocated, current trends and growths in functional area.

Planning: Capability to plan activities in advance to accomplish by setting priorities.

Analytical Ability: Ability to analyze, conform present facts clearly and briefly.

Judgment: Ability to take judgments and the value of the decisions taken.

Attitude: How does he/she look upon his/her job and his/her acquaintances?

Innovation: Extent of imagination and the viability of the ideas as relevant to the job.

Leadership: Capability to encourage subordinates and to progress them.

Interpersonal relationship: Ability to get superiors, equivalents, subordinates and customers.

Resourcefulness: Response towards problems and the ambition and initiative is displayed to overcome them.

Pension Policy: The employees are providing the following benefits throughout their pension:

- Insurance
- Gratuity
- Provident fund

2.8.9 Other Facilities:

SEBL also offers the following facilities to their employees:

- House building
- 14 days of sick leave
- Marriage leave
- Maternity leave
- Festival bonus
- 10 days as core leave
- 24 days as privileged leave
- Special approved leave-without-pay.

2.9 SWOT Analysis:

SWAT analysis their existing line of performance and predict the future to recover their performance. Regarding this the association can also study their current situation.

- **Strengths:** SEBL has recognized a favorable reputation in the banking industry with its significant business growth already. Within 13-15 years, SEBL has already well-known in the banking area having incredible growth in the profits and deposits.

SEBL is displaying upward trend in profitability, which can specify the fact that, the bank is rising to its potential year by year and reaching business growth steadily. SEBL has recognized fin-n footing comers in the banking industry of Bangladesh. They have already reached a high growth rate accompanied by remarkable profit growth rate in 2009.

- **Opportunities:** SEBL can chase a modification scheme in growing its existing route of the business. Management reflects selections of preliminary client service in commercial division. Here are numerous chances for SEBL to enlarge its product line.

• **Threats:**

Multinational Banks: The appearance of the multinational banks and their prompt growth poses a potential risk to the new PCB's. Due to the thriving energy sector, more foreign banks are predictable to arrive in Bangladesh. Furthermore, the already present foreign banks such as Standard Chartered are now hunting a destructive branch development plan. These banks are instituting more branches nationwide and are estimated to get into for process soon. Since the foreign banks have marvelous financial power, it will posture a danger to local banks to a certain amount in terms of clutching the well-paid clients.

Upcoming Banks: The future private local banks can also posture a threat to the current PCB'S. It is predictable that in the next few years more native private banks may appear. If that occurs the strength of rivalry will rise additional and banks will have to grow plans to complete in contradiction of an on massacre of foreign banks.

Mergers and acquisitions: The universal trend of fusions and attainment in monetary institutions is causing attentiveness in power in the manufacturing and participants are cumulative in power in their individual areas.

Contemporary Banks: The modern banks of SEBL like Dhaka Bank, Prime Bank Eastern Bank and Dutch-Bangla Bank are its major opponents. Prime Bank and others are carrying out aggressive campaign to appeal well-paid corporate clients as well as big time investors. SEBL should remain attentive about the steps taken by these banks as these will in turn touch SEBL tactics.

2.10 SEBL views social responsibilities from the angles of:

- ***Rights of Shareholders:*** The bank received a total profit before tax of Tk. 402.23 million in the year 2001 and offered 30% cash dividend.
- ***Responsibilities to the Employees:*** The bank continuously tries to ensure performing its farm duties to its employees in terms of payment of competitive wages, providing the best working conditions, proper system of promotion, recognition, appreciation, and encouragement of special assistances etc.
- ***Responsibilities to the Customers:*** The bank attempts to ensure maximum fulfilment of its clients.
- ***Responsibilities to the Community:*** SEBL completes its duty to the community by providing special scheme such as Education Credit Scheme, Marriage Credit Scheme, and Encouraging local industry.

2.11 Future Prospects and Plans of the organization:

The regular processes and dealings of Southeast Bank Limited are completely computerized and computerization tools such as ATM and SWIFT are doing all the actions of trade and operations. The bank is now economizing the applications of Telex and switching that to SWIFT for more efficient interaction. The bank is having more than 20 ATM booths are existing throughout the country provided by Electronic Transaction Network Limited (ETN).

Though a great number of commercial banks are already in the market to obtain business, Southeast bank nevertheless secured its situation in the overall financial area with differentiated opportunities but with general competition. For modern banking and investment results the bank is eager to make considerable investments through branch and business expansion with added capacity of capitals.

2.12 Products & Services of Southeast Bank Ltd:

Products:

*Deposit Schemes, *Saving Benefit, *Current Deposit (CD), *Fixed Deposit* Customer Friendly Deposit Schemes, *Education Savings Scheme (E.S.S.)*Savers Benefit Deposit Scheme (SBDS) *Bearer Certificate of Deposits (3,6,12) months, *Marriage Savings Scheme (M.S.S.)& *Pension Savings Scheme (P.S.S.)

Services:

- ✓ 0 ATM Service
- ✓ 0 Locker Service

2.13 Foreign Exchange Operation of Southeast Bank Ltd:

All nations have positive biological benefits and drawbacks in manufacturing definite supplies however they have some usual drawbacks too in further zones. Consequently we discover that certain nations requirement to importation definite supplies however others requirement to spread their surpluses.

A term - 'Foreign Exchange' has 3 major meanings.

Firstly, a term used for denoting to currencies of another countries in terms of several particular currency. Like-Taka, Dollar, Pounds etc. are foreign exchanges

Secondly, a term foreign exchange is also relatively referred the balance in overseas currencies believed by a country

Thirdly, the term usually refers some instruments, which used in worldwide trade like Bills of Exchange, explorers cheque, draft and other means of global payment.

2.13.1 Foreign Exchange Department Functions:

Export:

*Pre – Shipment advances, *Purchase of foreign bills. *Negotiating of foreign bills, *Export guarantees, *Advising/ confirming letters – letter of credit, *Advance for deferred payment exports & *Advance against bills for collection.

Import:

*Opening of letter of credit (L/C), *Advance bills, *Bills for collection & *Import loan and guarantees.

Remittances:

*Issue of DD, MT, TT, *Payment of DD, MT, TT etc, *Issue and enhancement of traveler's cheque, *Sale and enhancement foreign currency note & *Non-resident accounts.

Dealings:

*Rate computation, *Maintenance of foreign currency account, *Forward contracts & *Exchange position and cover operations.

Statistics:

*Submission of returns & *Collection of credit information.

2.13.2 Valid Import Export Customer of Southeast Bank:***Name of the Importer:***

- Tung Hai Knitting & Dyeing Ltd
- Tung Hai Sweaters Ltd
- Knit Luster Ltd
- April Fashions Ltd
- Shonest Apparels Ltd
- Apparels Village Ltd.
- Delicate Garments Ltd.
- Design and Fashion Ltd.

Name of the Exporter:

- Tung Hai Knitting & Dyeing Ltd
- Tung Hai Sweaters Ltd
- Knit Luster Ltd
- April Fashions Ltd
- New Wave Style Ltd
- New Wave Bottoms Ltd
- Shonest Apparels Ltd
- Apparels Village Ltd.
- Delicate Garments Ltd.
- Design and Fashion Ltd.

Imported Item:

- Sewing threads
- Buttons
- Label
- Bar Coat
- Beach Board
- Neck Board
- Polly Bag
- Zipper
- Raw Materials For Garments-
 - Yarn
 - Fabrics

Exported Item:

- Shirt
- Pant
- T-Shirt
- Sports Wear

2.13.3 Foreign Exchange Accounts:

- ***Nostro Account***
- ***Vostro Account***
- ***Loro Account***

2.13.4 Foreign Exchange Buying Rates:

Buying rates is known at which the banks are keen to obtain foreign currencies. The different types of buying rates are:

1) T. T. (Clean): The T. T. clean buying rate is the rudimentary rate of exchange from which other types of buying rates are calculated, since in case of T. T.s fund are paid over at the other end on the same day connecting no loss of interest, but may fascinate only small charges for Telex. The differences in other types of buying rates mentioned from the basic T. T. buying rate are primarily

reliant on upon the nature of instruments to be bought which indicate the range of possible loss of attention, extra costs of collection or enlarged danger of capital loss.

2) T.T. (Documentary): This rate is applicable in which the control of document is tangled. Bank recovers supervision charges on the deal.

3) OD (Sight): This rate is smeared for transaction resulting in the acquisition or conveying of export bills. OD sight (export) buying rates differ from T.T. buying rates to the scope of loss of interest for the period the bank leftovers out of funds i.e. from the time the bank pays out cash comfortable

Basically the Foreign Exchange department deals with the L/C operation. The foreign exchange is indicating by the 3 categories of transactions. Those are:

2.14 Export/ Shipment:

Export/ shipment is the procedure of marketing product/goods and facilities to the another countries. By increasing manufacture in the distribute segment we may recover service level of such a vastly tenanted country such as Bangladesh. Their exports a huge number of goods and facilities to the foreign families. Expedient textile garments Jute, Jute-made products, frozen shrimps, tea are the main goods that Bangladeshi exporters transfer to foreign countries. Garments sector is the principal sector that exports the lion share of the country's spread. Bangladesh exports most of its expedient garments goods to U.S.A and European Community (EC) countries. Bangladesh spreads about 40% of its expedient garments products to U.S.A. Most of the exporters who export through SEBL are expedient garments exporters.

Export L/C operation is just inverse of the import L/C procedure. For exporting goods by the local exporter, bank may act as advising banks and accumulating bank (negotiable bank) for the exporter.

2.14.1 Export Policy:

Export strategies articulated by the Ministry of Commerce, GOB transport the general advice and temptations for elevation of exports in Bangladesh. Export strategies also set out commodity-wise annual target.

It is categorical to formulate those strategies to protect a five-year period to build them concurrent with 5 years plan and afford the policy management.

The export-oriented private sector, across their illustrative bodies & activities are consulted in the preparation of export policies and signified in the different export preferment bodies, which can set up by the government.

2.14.2 Export Processes:

Import & export employment in Bangladesh is controlled by Export & Import (Act, 1950). In Foreign Exchange Regulation (Act, 1947), nobody can export by post and else by post any properties either straight or meanderingly to any place outside Bangladesh, unless a statement is equipped by the exporter to the gatherer of customs or to such other being as the Bangladesh Bank may stipulate in this behalf that foreign exchange on behalf of the full export value of the properties has been or will be willing of in a means and within a period stated by Bangladesh Bank. Payment for properties distributed from Bangladesh should be established through an Authorized Dealer in spontaneously convertible foreign currency or in Bangladeshi Taka from a Non-Resident Account. The Export segment deals with two types of Letter of credit that are as follows-

*Export Letter of Credit *Back-to-Back Letter of Credit

2.14.3 Services against Export L/C

**Advising of Export L/C *Add Confirmation of Export L/C*

**Negotiation of Export Bill *Acceptance of Export Bill*

**Formalities for Export Letter of Credit *Export Registration Certificate (ERC)*

2.14.4 Back-to-Back L/C:

Back-to-Back L/C is a subordinate L/C that is opened by the seller's bank and based on the master L/C to acquisition raw materials and the fixtures for industrial of export merchandise compulsory by sellers.

Expedient garment businesses and dedicated Textile units have been allowable the aptitude of introducing fabrics and additional material/accessories wanted for industrial garments textile, free of duty underneath bonded warehouse system in contradiction of back-to-back L/C arrangement, deprived of connecting cash foreign exchange from Bangladesh Bank. The Bangladesh Bank has consequently allowed the approved dealer to open Back-to-Back Letter of Credits for import of raw materials by the expedient garment industries/ Specialized textile unit to carry out their export instructions in contradiction of export L/C.

2.14.4.1 Opening of Back-to-Back L/C:

Moreover normal bureaucracies and necessities for L/C opening the points are as follows.

a) No Back-to-Back L/C on explanation of Garment businesses should be released deprived of prior endorsement from main Office. There are some Branches, which are obligatory to attain prior endorsement from main Office Division/ Credit Committee for introductory all Back-to-Back L/Cs.

b) Although introductory of Back-to-Back L/C subsequent teaching should be surveyed-

- 1) L/C inaugural directive and custodies are to be understood typically.
- 2) Distinct L/C number should be recycled for Back-to-Back L/C and are to be documented in distinct Register.
- 3) The subsequent depending responsibility voucher is approved during inaugural the L/C.

Customer accountability for Back-to-Back L/C.....Debit

Banker's liability for Back-to-Back L/C.....Credit

2.14.4.2 Documents Required for Opening a Back-to-Back L/C:

In SEBL, branch of Shyamoli, subsequent papers are compulsory for introducing a Back-to-Back L/C-

- I. Master L/C
- II. L/C Application and LCAF duly filled and signed.
- III. Indemnity or undertaking
- IV. Performa Invoice
- V. No objection from previous bank (if any)
- VI. Factory Inspection Certificate
- VII. IMP form duly signed.
- VIII. VAT Registration
- IX. Insurance cover note with money receipt.

2.14.4.3 Payment of Back-to-Back L/C:

Garment industry operating under attached warehouse system as the payment of import bills against Back-to-Back made from comparative export proceeds. As a result, the bank maintains a part by covering to Back-to-Back liabilities. The amount is retained DAD A/C and in Retention Account. After understanding the export proceedings, the payment for import bills are made by DAD A/C. This flow process is maintained in DAD A/C ledger.

2.14.4.4 Registration of Exporters:

For finding (ERC) Export registration Certificate, Bangladeshi exporters are essential to apply to the Joint Controller/Assistant Controller of Imports and Exports, Dhaka/ Chittagong/ Sylhet / Barisal/ Bogra/ Rangpur/ Mymensingh/ Rajshahi/ Dinajpur in the recommended procedure beside with these following forms:

- Memorandum & Article of Association and Certificate of Incorporation in case of Limited Company,
- Nationality and Assets Certificate,
- Certificate of Bank;
- (ITC) Income Tax Certificate;
- Trade License Certificate

2.14.5 Securing the Order:

After getting the ERC the exporters can continue to protect the export's order.

In this purpose the exporters may get help from:

*Buyer's Local Agent, *License Officer, *Chamber of Commerce (local & foreign)

*Export Promoting Organization, *Bangladesh Mission Abroad,

2.14.6 Signing the Contract:

Afterward collaborating buyer, for exporting items in Bangladesh the exporters needs to contract by verbally or by writing like detailing product, amount, expense, consignment, insurance and marks, assessment etc.

2.14.7 Receiving Letter of Credit:

By stating rapports and circumstances of exportation plus circumstances the exporter need to request for L/C clearly, after receiving the agreement for sale.

According to Documentary Credit the following are the principal point needs to maintain in order to take care for collecting exports:

- (1) The L/C terms are in toeing the line with those of the agreement;
- (2) The irrevocable L/C, preferably established by the counseling bank;
- (3) Sufficient time provided by the L/C for consignment and concession.

In case of other method of payment, the terms and circumstances should need to be stated clearly into the contract:

- CIA (Cash in advance),
- OA (Open account),
- CB (Collection basis)

2.14.8 Documents of shipment:

- ERC.
- EXP form.
- CD Certificate.
- L/C copy.
- SI.
- TD.
- ID.
- Invoice.
- CO.
- I Certificate.
- QC Certificate.
- G.S.P. Certificate.

2.14.9 Final Step:

For compromising one have to submit the documents to the bank.

2.14.10 Export Financing:

Put money into exports inaugurates an imperative portion of a bank's actions. Exporters need economic services at four diverse phases of their distribute process.

- Pre-shipment credit
- Post-shipment credit

2.14.11 Pre-shipment credit:

The real shipment of the properties for export is given by the economics with the action of an exporter as the same name as Pre-shipment credit. It is given for the succeeding drives:

- Local payment attaining and meeting connected expenditures.
- Properties of acquiring and handling for export.
- Products are being packed and carried for distributing.
- Insurance Payment first-class.
- Scrutiny payments.
- Merchandise custodies etc.

2.14.12 Post Shipment Credit:

The exporters post shipment credit extending by the bank in our country:

1. L/C maintains the conciliation of documents
2. FDBP (Foreign Documentary Bill Purchase)
3. Fees in contradiction of Export Bills submitted for assortment.

2.14.13 Negotiation of documents under L/C:

After the consignment of the goods, the exporter offerings the relative documents to the assigning bank. So, the negotiating bank must be careful, prompt, systematic and indifferent while scrutinizing the documents relating to the export.

2.14.14 FDBP (Foreign Documentary Bill Purchase):

Overseas exchange menace is well defined as the prospective alteration in incomes rising in marketplace expenses. The market straight shakes each country's connection, impartialities, secluded property, built-up, and all possessions that are available to extraneous depositors. Foreign exchange amount also play a vigorous role in responsible who assets government discrepancies, which buys impartialities in corporations and accurately affects and impacts the economic situation.

2.15 Import:

Products or services are purchased from overseas mean import. So, import is stated as the flow of properties and facilities obtained by living in the country from financial manager living abroad.

2.15.1 Regulation of Import:

Import of properties into Bangladesh is controlled by the Ministry of Commerce in expressions of the IEA, 1950 with IPO delivered every so often and PN allotted regularly by the office of the CCI&E. Nowadays; it is organized by the IP of 1997-2002, which has arisen into outcome on 14th June, 1998.

2.15.2 Classification of Importer:

Import Trade Control Authority, are authorized the importers and they are CCI&E for import of properties vital for ingesting or for manufacture determinations.

Importers are mainly three types as follows:

1. **Commercial Importer:**
2. It means an importer listed under the importers, exporter's registration **order 1981** who import goods for sale.
3. **Industrial Importers:**
4. When delivered to an industrial consumer, gives the items of import as raw materials and packing materials and spare parts, the value of privilege and ITC classification.
5. **Importers under (WES):**
6. It means recorded importers who import only under the WES. WES importers can be importing all allowable items as declared by the import policy and notification. Moreover all registered commercial and industrial importer also can import under WES.

2.15.3 Import Technique Monitored by SEBL:

Southeast Bank of Shyamoli Branch, an authorized seller, is continuously dedicated to simplifying import of different goods between Bangladesh and overseas countries.

1. First and foremost, the importer must attain IRC from the CCI&E surrender to the following paper:

- Upgrade Trade License.
- Asset License and Nationality .
- IT Certificate.
- M&A of Association and COI
- BS Certificate etc.
- Registration fee.

2. To get the Proforma Invoice the exporter needs to contract with the exporter outside the country.

2.15.4 other resources are:

- Trade fair.
- COC.
- FM in Bangladesh.
- Journals.

2.16 L/C (Letter of credit):

The method used to make the imbursement in aid between the vendor and importer by a Commercial Bank is Letter of Credit. Instead by neglecting under some circumstances a decided amount is placed by the purchaser bank.

A credit in foreign currency in courtesy of the exporter at a bank in the letters state is opened by importer in a country desires his/her bank. Payment of the quantity by the importer or agreeable security contradict by the letter of credit is allotted. A draft under its rapports and sell to an exact bank in his/her country and the letter of credit sanctioned the exporter to attract. The exporter has to deliver such other papers as may be decided upon flanked by the exporter and importer, the bill of exchange and shipping leaflets.

2.16.1 Application of L/C:

Letter of credit Application is a fairly preparation in the middle of client and the bank and it delivers a L/C to the importer which is a written form. The form is attested by a distinct attested stamp which is 150 taka and at that time the stamp is negated. Typically, to open a L/C reciting the quantity of margin in proportion which is the importer couriers wish. The importer has the following rigidities-

*Full name and address of the Beneficiary, *Full name and address of the Applicant, *Draft amount (both in figure and word), *Whether the credit is available by payment, acceptance or negotiation, *The form of credit whether Revocable or Irrevocable, *On which party the draft are to be drawn and the tenure of such draft, *Whether the freight is to be prepaid or not, *A brief description of goods, including details of quantity and unit price, *The country of origin, *Partial shipment is allowed or not, *The date and place of ending of the credit & *Negotiation period.

2.16.2 Letter of Credit Application Scrutiny:

Letter of Credit Application by deliverying, the branch bureaucrats inspect the same very prudently giving importance to the following.

- The rappers and circumstances of the **Letter of credit** must be satisfied with UCPDC 500 and EC&ITR.
- L/C application is printed as it is an assurance of payment.
- All the information stated in different columns has been well-appointed.
- Suitability of the belongings to be imported.
- If **Letter of credit** is released in contradiction of indentation, Bangladesh Bank's authorization, legal record keeping, specialist to dispute indentation by indenter are to be patterned.
- HS code of the goods.
- The L/C essential not released in support of the importer or his agent.
- IMP form duly occupied and contracted.
- Validity of IRC.
- Radioactivity report in case of food items.
- Insurance cover note with date of shipment.

2.16.3 Documents Scrutiny:

First of all it must be safeguarded that full set of documents as stated in the L/C has been acknowledged. The division will continue prudently appearance into some key facts of each of the brochures observance in view the terms of **Letter of credit**. Roughly important squared opinions for the brochures are as surveys-

- Certificate of Origin
- Commercial Invoice
- Other Documents
- Bill of Exchange
- Bill of lading

Additional documents called for in the credit such as packing list, weight list, inspection certificate etc. to be tested whether drawn and allotted in agreement with the terms of the credit.

2.16.4 Forms of L/C:

L/C is fundamentally classified in two forms:

1) **Revocable L/C:** If some L/C can be improvement or altered of any article or irrecoverable by consensus of the distributors and wholesaler, it is stated as Revocable L/C.

In case of seller (beneficiary), revocable credit involves hazard, as the credit may be revised or annulled while the goods are in transit and beforehand the documents are presented, or even though presented before payments has been made. The vender would then face the difficult procurement payment on the other hand revocable credit gives the purchaser maximum liveness, as it can be amended or cancelled without preceding notice to the seller up to the instant of payment buy the dispensing bank at which the issuing bank has made the credit obtainable. In the modern banking the use of revocable credit is not extensive.

2) **Irrevocable Letter of Credit:** If any Letter of Credit cannot be alteration or transformed of any clause without the agreement of all concern parties is known as Irrevocable Letter of Credit which are Importer (applicant), exporter (beneficiary), Issuing Bank, and Confirming Bank (in case of confirmed L/C).

An Irrevocable Letter of Credit organizes a firm responsibility by the distributing bank to make imbursement.

2.16.5 Types of Letter of credit:

Letter of credit is categorized into various types agreeing to the method of settlement engaged.

i) **Sight Payment Credit:** The most usually used credits are demonstration payment credits. These assemble for payment to be made to the recipient hostily after presentation of the compulsory brochures on the condition that the terms of the credit have been adapted properly. The banks are acceptable reasonable time to perceive the document.

ii) **Differed Payment Credit:** Under a behind payment credit the recipient does not acquire when he/she largesse the documents but at a later date recognized in the credit term. On offering the obligatory documents, he/she achieves the sanctioned banks written activity to make payment of maturity.

iii) **Acceptance/Recognition Credit:** Payment is made with recognition credit and within the procedure of a term bill of exchange which is haggard on the buyer by the dispensing bank. Once the importer satisfied the credit obligation, the payee can demand that the bill of exchange be acknowledged. Thus the acknowledged bill receipts the dwelling of cash imbursement.

iv) **Negotiation Credit:** It means other merchantable tools or the acquisition and sale of bill of alteration. The communication is generally transported to the address by a communicator bank.

A negotiation credit is profitable L/C released by the allotting bank in the bills of its own country and talked in a straight line to the receiver.

v) **Transferable Credit:** Transferable credit is one under which the exporter has transcribed to make the credit obtainable to one or more subsequent recipients. When the credit is exchangeable, it is articulated sated as such by the allotting bank on the face of L/C. The credit is to be conveyed only under the terms and circumstances stated in the original L/C.

2.16.6 Operations of Documentary Letters of Credit:

The subsequent 5 main ladders are tangled in the operation of a textual l/c:

1. **Issuing a Letter of Credit:** As per prerequisite of the seller, the buyer then teaches the bank the allotting bank-to dispute a credit in favor of the seller (beneficiary). Beforehand allotting/issuing a L/C, the seller and the buyer positioned in different accomplishes a 'sales contract' on condition that for payment by documentary credit. the purchaser (importer) in the allotting bank's standard form which is tutoring/Application for allotting a credit should be made.
2. **Advising a Letter of Credit:** A bank is a seeming genuineness of the credit to the seller is counseling through a bank. The procedure of counseling a credit consists of advancing the original credit to the beneficiary to whom it is talked. Before advancing, the counseling bank has to verify the signature (s) of the officer (s) of the inaugural bank and guarantee that the terms and conditions of the credit are not in defilement of the prevailing exchange control guidelines and other guidelines relating to export. In such act of advising, the recommending bank does not assume any liability.
3. **Amendment of Credit:** Parties involved in a L/C, predominantly the seller and the buyer, cannot always gratify the terms and conditions in full as anticipated due to some noticeable and genuine explanations. The allotting bank at any instant and without prior notice to the recipient but it can be corrected or canceled or irrecoverable in case of revocable credit. The allotting bank, the approving bank (if any) and the recipient can neither be edited nor canceled without the arrangement in case of irreversible credit.
4. **Presentation of Documents:** The vendor being content with the rapports and circumstances of the acclaim profits to notice the buyer and after that, has to present the brochures verifying dispatching of goods to the selling bank on or before the postulated expiry date of the credit. They are originate as per credit necessities, either.
 - a) Reimburses in the pre-agreed manner
 - b) Effects payment, or
5. **Settlement:** Full filling the promises of delivering bank in regard to effecting imbursement subject to satisfying the credit terms completely is known as Settlement. As instruct in the credit, this settlement may be done underneath three separate preparations. Which are:
 - a) **Settlement by Payment:** The bank then inspects the documents which documents the seller provide to the disbursing bank. If the issuing bank is pleased with the necessities, the compensating bank from the issuing bank gains payment. If satisfied, the paying bank makes imbursement to the recipient and in case this bank is other than the allotting bank, then sends the brochures to the issuing bank.

b) Settlement by Acceptance: The draft drawn on the bank (where credit is available) at the quantified tenor under the preparation, the seller succumbs the documents evidencing the consignment to the accepting bank escorted. By pleasing with the documents the bank accept documents and the draft drawn on the bank (where credit is available) at the quantified tenor.

c) Settlement by Negotiation: A draft drawn or the purchaser or any other draw, at sight or at a mood, as specified in the credit, this payment procedure starts with the proposal of documents by the vender to the negotiating bank escorted. After inspecting that the documents meet the credit necessities, the bank may assign the draft. This bank sends the brochures and the draft to the allotting bank as if other than the allotting bank. As usual, the accepted manner will be obtained in compensation.

2.16.7 Parties Involved in Operation of Letter of Credit:

The importer has tapered to acquisitions some commodity/merchandises by a bank at the request of an importer in courtesy of an exporter where a letter of credit is allotted. The exporter, the importer and the allotting bank are the revelries to the letter of credit.

- a) **The Buyer (Importer) & The Beneficiary (Exporter):** The importer at whose appeal a letter of credit is allotted, known as the buyer. The distributors in whose errand the praise is released and too whom the l/c is talked is known as the beneficiary. As the seller of properties the exporter is authorized to the obtain payment which he/she does by representation bills underneath the letter of credit.
- b) **The Issuing Bank (Opening Bank):** The opening bank is one that subjects the letter of credit at the appeal of the buyer. By allotting a letter of credit it takes upon itself the responsibility to pay the bills drawn beneath the credit.
- c) **The Advising Bank:** The letter of credit is diffused to the beneficiary over and done with a bank in the letters country. The bank branch of the opening bank. The credit is onetime counseled to this bank by cable and then conveyed by it to the recipient on own its specified form.
- d) **The Negotiating Bank:** This the bank that privileged the documents obtainable as per letter of credit. The transferring bank has to be careful in inspect that the drawn from the tap and the brochures enclosed there to are in conventionality with the circumstance refreshed down in the letter of credit.
- e) **The Reimbursing Bank:** The bank in the Allotting Bank upholds a Nostro account and this bank will make the imbursement to the beneficiary.

2.16.8 Documents Used in operation of L/C:

- **Indent or Performa Invoice:** Indent or Performa Invoice is the sale contract in the middle of vendor and purchaser in export - import business. There is unimportant modification in the middle of indent and Performa invoice. The sales contract, which is direct communication in the middle of importer and exporter, is called Performa invoice. There is no transitional between them.
- **Import Registration Certificate (IRC):** The importer gathers from the C.C.I.& E office by submitting obligatory documents and payment of desires fees.
- **Bill of exchange:** It is an unqualified order or writing, talked by the buyer to vender by which the seller can achieve payment from the buyer for the debited value of the goods.
- **Bill of lading:** It is the list of goods being transported which the captain gives to the being sending the goods to demonstration that the goods have been overloaded.
- **Airway Bill/Railway receipt:** Sometimes properties are transported over and done with small bulk or those are perishable in nature then the mode of transport other that shipping may be resorted to far bearing of the goods, Airway bill/Railway receipt take place of loading contingent on the nature of the transporter.
- **Insurance Policy:** In the worldwide trade assurance procedure is a necessity to cover the danger of damage on shipments. The policy is requirement.
- **Certificate of origin:** This is the documentation allotted by a recognized consultant. In the distributing country confirming the country of foundation of the properties. It is generally by the Chamber of Commerce.
- **Packing List:** The exporter formulates a precise stuffing list presentation accordingly. The contented of the shipment to allow the mouthpiece of the shipment to check the substances of the properties and symbols of the correspondences, amount, encumbrance etc of the goods shipped.
- **Bill of Entry:** It is a document, which comprehends the particulars of the smuggled goods as well as the quantity of customer duty unsettled.
- **Clean Report of Findings:** This certificate is delivered by the Pre Shipment Inspection (PSI) Concerns. The entire world has been transported beneath the three administration of the three pre-shipment going-over concerns based on altered territory. These are as follows
 - a. Intertek Testing Service
 - b. Introspects Griffith Ltd.
 - c. Bureau Veritas

2.16.9 Procedure of opening the Letter of Credit (L/C):

The importer after getting the preform invoices from the exporter, by applying for the issue of documentary credit, the importer wishes his/her bank to make a promise of payment to the supplier. Obviously, the bank will only approve to this request if it can rely on settlement by the applicant. As a law established as the sole security for the credit particularly if they are not the shorts of commodity that can be dealt on an organized market, such an agreement would involve the bank in extreme danger outside its specialized field.

2.17 Letter of Credit Application Form (L/CAF):

Letter of Credit Application Form is a sort of a contract in the middle of client and bank on the basis of which letter of credit is undone. SEBL, Shyamoli branch provides a printed form for opening of L/C to the importer while opening, the stamps are cancelled. Usually the importer expresses his decision to open the L/C mentioning the amount of margin in percentage.

2.17.1 Letter of Credit Authorization Form (L/CAF):

The LCAF is the form for authorizing of opening in contradiction of import and used in lieu of L/C import license. The official traders are sanctioned to dispute LCA Forms to the distributors as per beginning of licensing of the IPO in strength to allow import into Bangladesh. If foreign exchange is intended to be bought from the Bangladesh Bank against an LCAF, it has to be registered with Bangladesh Bank's Registration Unit located in the concerned area office of the CCI&E.

2.17.2 Forwarding Documentary Credit by Advising or Confirming Bank:

There are usually two banks involved in a documentary credit operation. The supplying bank and the 2nd bank, the advising bank, is usually a bank in the vendor's country. The allotting bank requests another bank to recommends the credit.

2.17.3 SN Documents by Distributers to the Negotiating Bank:

Once the seller/exporter acquires the praise and is mollified that he coincidental its rapports and circumstances, he is in a situation to load the properties and report them.

2.17.4 The Documents Sent To The Issuing Bank Through The Negotiating Bank:

The selling bank carefully checks the documents so long as by the exporter in contradiction of the credit, and if the brochures meet all the prerequisite of the credit, the bank will pay, accept, or convey in accordance with the terms and circumstances of the credit. Then the bank sends the documents to the L/C initial bank.

2.17.5 Making the Payment of Foreign Bill through the Reimbursing Bank:

The L/C delivering bank getting the documents checks proximately and if they are in order and encounter the credit necessities; it will arrange to make imbursement against L/C concluded compensation bank and will send the trader the document entrance notice.

2.17.6 Lodgment & Retirement of shipping documents:

Afterward inspecting the introduction exchanging brochure, if no inconsistency is originate and it is preserved to acknowledge after the completion of seven banking day subsequent the day of reception of the paper underneath “Article 1(b) of UCPDC –500”.

2.17.7 Maintenance of Register:

The sanction must be recorded in the following register:

- Document execution register. All the charge documents must be recorded in this
- Register.
- Limit register
- Liability ledger.

Their import and export L/C are recorded in separated register books. Bangladesh Bank check these register books when they visit the bank for audit.

2.18 Outward remittance:

The Remittance of Foreign Currency those are affected from our nation to overseas is called Outward Remittance. Form remitter's opinion is called external Remittance and from payee's point of view is called Inward Remittance.

Demand Draft:

1. The D.D must be in original and creative
2. The name of bank, name of Branch, Date, name of A/C number of the payee, amount in word and figures must be mentioned there.
3. The D.D must be prescribed format or specimen copy supplied earlier.
4. The amount is shielding graphed.
5. Payment is not be stopped.
6. Draft is not reported lost.
7. Verification of drawer's signature.
8. Telex confirmation from the issuing Bank (if the amount exceeds the limit as per agreement made earlier.)

Telegraphic Transfer:

1. The message must be in original/valid
2. It must be authenticated under test, Test must be decoded and found correct.
3. T.T. must cover the name of Bank, name of Branch, name and A/C number of the beneficiary.

If the above points are perfect, payment made to the beneficiary as soon as possible.

1. Capital Area 24 hours.
2. Major Cities 48 hours.
3. Other Towns 72 hours
4. Remote Areas 120 hours.



CHAPTER 3

Analysis of Foreign Exchange Business of SEBL

3.1 Import Business Analysis:

Year	2015	2014	2013	2012	2011	Average
Import Business	155,812.58	155,691.00	131,644.82	111,537.50	99,509.01	130838.98
Growth Rate	0.07%	15.44%	15.27%	10.78%		

3.2 Export Business Analysis:

Year	2015	2014	2013	2012	2011	Average
Export Business	126,423.89	112,137.60	95,220.40	84,464.20	75,982.06	98845.63
Growth Rate	11.30%	15.08%	11.29%	10.04%		

3.3 Comparison of Import & Export:

It is discovered that the disseminate progress amount of SEBL is greater than the importation progress degree of SEBL in place of schema. So, we can effortlessly remark that disseminate place of SEBL is healthier than importation place of SEBL and progressive rising propensity in together subdivisions.

3.4 Acceptance of Letters of credit:

Acceptances and endorsements	2016 (taka)	2015 (taka)
Acceptance below L/C - Import	267,075,882	654,937,680
Acceptance below L/C - Export	582,818,289	535,214,480
Total	849,894,171	1,190,152,160

3.5 Recent Foreign Exchange records of Southeast Bank Ltd.

Particular	2016	2015
Foreign Currency Deposit	975,352,673	889,386,816
Cash In Hand (Foreign Currencies)	46,601,867	52,739,448
Bills for collection (Foreign)	9,204,033,000	6,956,639,068
Letters of guarantee (Foreign)	3,003,598,053	3,128,810,166
Irrevocable Letter of Credit		
Back to back L/C	328,505,407	375,225,832
Others	398,576,429	299,137,908
Expansions less losses rising from dispensing in overseas currencies	1,131,546,418	1,010,846,578
Interest on foreign currency balances	41,032,156	15,215,538
Exchange gain from trade of foreign currency	1,084,482,265	979,255,985

Chapter - 4

Findings

4.1 Findings

The investigation demonstrates that L/C Processing in Southeast Bank Ltd. Isn't in a planned form. The appearance of statistics can be shortened as of the subsequent conclusions:

- Developing an operational L/C advertising tactic is currently being measured significant by Southeast bank.
- Usually no pretest is used to market commercial product.
- Customer database are kept up by Southeast Bank. 100% of sample upholds the database and they use it for advertising and Customer Relationship Management (CRM).
- SEBL has Relationship Manager. The job description of RMs is well organized, as they should. The branch officer usually accomplishes the job of RM.
- SEBL banks have their own websites, which acts as an information center and publicity tool for the banks.
 - Financing in the global trade is very vital for the frugality in addition to it is hazardous. Occasionally the administration executes constraint to import and export certain yields. Consequently the rate of opening Letter of Credit becomes decreases.
- SEBL foreign exchange is accomplishing a great role for the import and export business of Bangladesh. More prominently they are assisting to bring the remittances more effortlessly.
- They put up with every rules of Bangladesh Bank. Though it becomes hard to uphold every rules when the parties of import or export do not want submit the systematic rules of Bangladesh Bank.

Chapter 5

Recommendations & Conclusions

5.1 Recommendation:

Southeast Bank, one of the most prosperous Banks of Bangladesh, has wide evolution opportunities of the industry. Through this analysis I myself expanded some real-world familiarity about Import & Export commercial in Bangladesh added connected substance. I want to put some proposal here which I think if shadowed would unquestionably help Southeast Bank Ltd. to encourage its import and export business and there-by its influence in the whole economy.

Suggestions are-

1. To draw more clients SEBL should require original advertising tactic, which will upsurge the total export and import business
2. Introduction of various inducements to upsurge remittance.
3. The administrators of foreign exchange have essential effective training.
4. In Bangladesh, the SEBL is very much traditional to post shipment finance although there are excessive limitations to foreign trade. But if the Bank took a bit generous place the exporter could easily come out from financial limitation.
5. Bank can deliver overseas market information and will assist the exporter to appraise the claim for their product in overseas nations.
6. Foreign trade section will not create any supplementary credit in any account beyond the extent transported to them by the credit section.
7. SEBL may start online banking system for well-organized Transactions.
8. SEBL can chase a diversification tactic going up its current line of business.
9. By increasing business portfolio, SEBL can diminish its business risk.

5.2 Conclusion:

In the recent sphere of corporate starved of bank's co-operation and it is nearly unbearable to run any occupational or manufacture business unit. Exports and import essential investment in numerous phases of their actions. Southeast Bank Limited is playing a vigorous role in financing import and exports of the country and assisting the businesses by providing funds to run.

In Bangladesh, tons of native and overseas banks opposing in banking diligence, the potentiality of the SEBL for 14 years in guardianship very magnificently. Southeast Bank has to compete in this modest marketplace; there also have public banks as well as commercial banks and other financial organizations. In near future, I think bank and mobile companies will come together to raise the banking service and make it accessible to people's hand.

Before the internship, I had the impression about banking but that was only academic. Now after completing my internship period and preparing the term paper on it I got the real-world aspect of banking. It will unquestionably help me to see the things from banking viewpoint also.



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