

Internship Report

On

THE CREDIT PROCEDURE OF LOAN AND ADVANCE OF SONALI BANK LIMITED, PHULBARI
BRANCH, DINAJPUR.

SUBMITTED BY

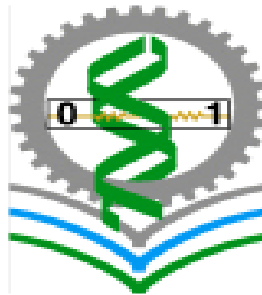
NIRANJAN KUMER ROY

Student ID: E130502059

MBA (Evening)

Major in Finance

Department of Finance and Banking



Department of Finance and Banking

Hajee Mohammad Danesh Science and Technology University

Dinajpur.

April, 2016

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SUBMITTED TO

Md. Abdur Rouf

Supervisor

Lecturer

Department of Marketing



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Approved as the style and content by

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Md. Abdur Rouf

Supervisor

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Department of Finance and Banking

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Md. Mostafizur Rahman

Co-Supervisor

Assistant Professor

Department of Management.

Hajee Mohammad Danesh Science and Technology University

Dinajpur.

April, 2016

**Dedicated to My
Beloved Parents**

Abstract

Credit procedure of loan and advance has become an import topic for financial institutes, especially since the business sector of financial; service is related to conditions of uncertainty. The goal of credit procedure of loan advance is to maximize a bank's risk- adjusted rate of return by maintaining credit risk exposure within acceptable parameters. This report objective was formulated in order to gain a better understanding of credit risk management and to get knowledge about the effectiveness of loan and sanction procedure that is conducted on the evaluation of credit risk. Credit risk has always been a vicinity of concern not only to bankers but to all in the business world because the risks of trading partner not fulfilling his obligations in full on due date can serious jeopardize the affairs of the other partner. The axle of this study is to have a clearer picture of how banks manage their credit risk. This study showed that banks credit risk assessment process for loans provides the bank with the necessary tools, procedures and observable data to use for assessing credit risk, accounting for impairment of loans and for determining regulatory capital requirements. The study finds, credit risk is mitigated by appropriate credit appraisal systems before lending and proper collateral or guarantees are taken to hedge the risk. The leads the researcher to conclude that banks with good credit procedure policies have a lower loan default rate and relatively higher return on asset.

Acknowledgements

For the very first of all I would like to express my gratefulness and harmony to Allah, the supreme authority of the Universe, without whom we would be nothing. Next I would like to express my kindness to my beloved parents whose continuous inspiration and blessings enrages me to make a right move in my life.

Then of all I would like to thank my Supervisor of the report Jesmin Ara, Lecturer Department of Finance and Banking without whose help, suggestion and co-operation the total report would be valueless.

My sincere gratitude is due Co-supervisor Abul Kalam, Assistant Professor, Department of Marketing, who was kind enough to provide her valuable feedback and guidance. Her continuous support provides a substantial basis for this report.

I would also like to express my hearties gratitude to Mr. Soheb Ahmed, SPO and Manager (C.C) of Dhaka Bank Limited, Dinajpur Branch. I have got tremendous help from him.

Finally, I would like to thank all officer and workers of DBL, Dinajpur Branch for their co-operation, support and love. They always provide me the required materials and helped me to clarify the banking activities. This report will give me practical knowledge about the banking activities.

I would like to thank from the deed of my heart to those people who are related with making of this report and make it a success.

Finally, I would like to thank HSTU University and its faculty of Postgraduate studies, Department of Finance and Banking for giving me an opportunity to complete my MBA Degree and give me a scope to gather practical experience and enrich my knowledge.

DBL/DPR/2016/

April 24, 2016

To Whom It May Concern

This is to certify that Mr. **Md. Saidur Rahman**, bearing student ID No. E130502010 student of MBA Evening (Major in Finance) of Hajee Mohammad Danesh Science and Technology University, Dinajpur worked as Intern during Thirty eight (38) days internship program from 6th March 2016 to 20th April 2016 in our Branch. His endeavor, interest and performance and highly satisfactory.

We wish him all success in life.

Soheb Ahmed

SPO & Manager (C.C)

Student's Declaration

I hereby declare that the report of internship namely "**The Credit Procedure Of Loan And Advance Of Sonali Bank Limited, Phulbari Branch, Dinajpur**" by me after completing of forty five (45) days of internship with Sonali Bank Limited at Phulbari Branch, Dinajpur and a comprehensive study of the existing activities of Sonali Bank Limited and its implementation.

I also declare that this paper is original and prepared for academic purpose which is a part of MBA (Evening).

.....

Niranjan Kumer Roy

Student ID : E 130502059

MBA (Evening)

Major in Finance

Department of Finance and Banking

HSTU, Dinajpur.



**Hajee Mohammad Danesh Science & Technology University
Dinajpur, Bangladesh.**

Dinajpur, Bangladesh.

Declaration of Supervisor

This is to certify that **Niranjan Kumer Roy**, Student ID No.E130502059, a student of Master of Business Administration (MBA) (Evening) Major in Finance under the faculty of Business Studies of Hajee Mohammad Danesh Science and Technology University, Dinajpur. He has successfully completed comprehensive internship program which is approved and suitable in eminence. During the period of his internship in Sonali Bank Limited, Phulbari Branch, Dinajpur, he acquired practical knowledge as well as showing satisfactory overall performance to study and work on the title “The Credit Procedure Of Loan And Advance Of Sonali Bank Limited, Phulbari Branch, Dinajpur”.

I wish his all success in life.

.....

Md. Abdur Rouf

Lecturer

Department of Marketing

Faculty of Business Studies

HSTU, Dinajpur-5200.



Hajee Mohammad Danesh Science & Technology University
Dinajpur, Bangladesh.

Co- Supervisor's Declaration

I hereby declare that **Niranjn Kumer Roy**, Student ID No.E130502059, a student of Master of Business Administration (MBA) (Evening) Major in Finance have his internship report entitled “**The Credit Procedure Of Loan And Advance Of Sonali Bank Limited, Phulbari Branch, Dinajpur**” after completing his internship program under my co-supervision. This report has been submitted in partial fulfillment of the requirement for the degree of Master of Business Administration (MBA), Evening at Hajee Mohammad Danesh Science and Technology University, Dinajpur-5200.

.....

Md. Mostafizur Rahman

Assistant Professor,

Department of Management

Faculty of Business Studies

HSTU, Dinajpur-5200.

Preface

To improve skills of manpower education is must. But without having practical training it is not possible to acquire complete knowledge in any field. So practical knowledge is emphasized.

Now-a-days glob has become competitive and knowledge oriented. For this reason pragmatic knowledge is very important. An internship program have arranged for this purpose. To gather practical knowledge, I have conducted study on “Credit Procedure of Loan and Asdvance of Sonali Bank Limited, Phulbari Branch”. To complete my internship program I have used various information of Phulbari Branch. After completion of my study I have found some important problems of Sonali Bank Limited and solution of those problems which will help to achieve target of the Sonali Bank Limited, Phulbari Branch, Dinajpur.

Acknowledgement

Firstly I pray to almighty God who has given me opportunity to complete my internship program in Sonali Bank Limited, Phulbari Branch, Dinajpur. My heartiest thanks are due to my honorable supervisor Lecturer Md. Abdur Rouf, Department of Marketing.

My special thanks are due to Hari Chandra Das, manager of Phulbari Branch, and Subrato Das, Senior officer IT, Md. Tosaddeque Hosen, Senior Officer Cash of Sonali Bank Limited, Phulbari Branch, Dinajpur. I am also grateful to all officers and staffs of Sonali Bank Limited, Phulbari Branch, Dinajpur.

Lastly, I express my gratefulness to all the honorable teacher of my Department, my parent's, well-wishers, who has given me moral support during my internship program.

Niranjana Kumer Roy
MBA Evening
2nd Batch
Roll No. E130502059



Sonali Bank Limited
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No.Din/Phul/023
28/04/2016

TO WHOM IT MAY CONCERN

This is to certify that **Niranjana Kumer Roy** student of MBA (Evening), Major in Finance, Department of Finance & Banking, Student ID No. E130502059, Faculty of Business Studies, Hajee Mohammad Danesh Science and Technology University, Dinajpur, has successfully completed his internship for the period 45 days from 06th March, 2016 to 20th April at “**Credit Prosedure of Loan and Advance of Sonali Bank Limited, Phulbari Branch, Dinajpur.**” He has assigned with a project work titled “**Credit Prosedure of Loan and Advance of Sonali Bank Limited, Phulbari Branch, Dinajpur**” as a part of fulfillment for an award of MBA(Evening) degree of Hajee Mohammad Danesh Science and Technology University, Dinajpur.

During his internship period we found him hard working, polite and sincere to his assigned duties.

We wish him every success in life.

Hari Chandra Das,
Manager & Principal Officer,
Sonali Bank Limited,
Phulbari Branch, Dinajpur.

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| <p>Internship Report On THE CREDIT PROCEDURE OF LOAN AND ADVANCE OF SONALI BANK LIMITED, PHULBARI BRANCH, DINAJPUR.</p> <p>SUBMITTED BY <i>NIRANJAN KUMER ROY</i></p> <p>Student ID: E130502059 MBA (Evening), Major in Finance Hajee Mohammad Danesh Science and Technology University, Dinajpur.</p> |
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