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BBA

INTERN REPORT
ON
PERFORMANCE EVALUATION
OF
BRAC BANK LIMITED.

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DEPARTMENT OF BUSINESS ADMINISTRATION
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Report-156

LETTER OF TRANSMITTAL

30 September 2006

Dr. Tanbir Ahmed Chowdhury
Professor
Department of Business Administration
East West University
Mohakhali, Dhaka-1212

Dear Sir

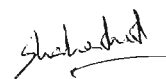
I the undersigned student of Internship (BUS-499) am assigned to submit an internship paper. My paper is on "Performance Evaluation of BRAC Bank Limited."

I considered your remarks and instructions very carefully while preparing this internship paper. I tried my best to follow your schedule, format and discipline.

I tried to visualize all the areas related to this internship paper. I would like to express my heartiest gratitude to you, for your tiresome effort for me, which provided me the opportunity to prepare my report.

Thank you for your consideration.

Sincerely Yours


A.S.M. Shahaduzzaman

ACKNOWLEDGEMENT

I am paying my gratitude to the Almighty Allah because of whom I am being able to prepare this paper.

I would like to express my respect and heartiest gratitude to Dr. Tanbir Ahmed Chowdhury, Professor of Department of Business Administration, East West University, for his great cooperation, which will be always remembered by me, without whom preparing this paper was simply impossible.

I especially like to thank and pay my heartiest gratitude to the Branch Manager of Moghbazar Branch of BRAC Bank Limited Mr. Rezoan Ahmed for his appreciation to me during preparing this paper. I also like to thank all the employees of the branch from whom I learn a lot which help to prepare this paper.

I am paying my heartiest appreciation to all of these great people for their great cooperation, which will always be remembered by me.

EXECUTIVE SUMMARY

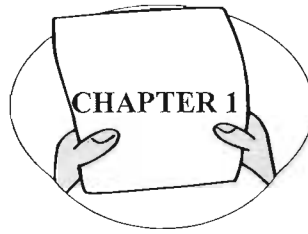
BRAC Bank Limited is the fastest growing bank in Bangladesh from the last two years. BRAC has 63 percent share of this bank and IFC has 19 percent and ShoreCap International has 18 percent share. The brand name "BRAC" is very well known in this country. So the bank gets an advantage from the name, it is also well accepted by people. The Bank offers lucrative services to the market compared to its competitors. Since its inception profit of BRAC Bank Ltd has increased in every year. From the end of 2003 to the end of 2004 the percentage change in net profit was 227.94; it is the highest change in net profit. Every year it earns positive return which has a positive impression on shareholders. So the bank is able to maximize its shareholders equity. In 2004 BRAC Bank's 0.99 percent return on assets is well above the 0.70 percent average for the industry. And in 2003 BRAC Bank's 0.67 percent return on assets is well above than the 0.50 percent average for the industry. In 2004 BRAC Bank's 16.83 percent return on equity is well above the 13 percent average for the industry. And in 2003 BRAC Bank's 7.65 percent return on equity is well above the 9.8 percent average for the industry. So the bank's profitability is above than industry average. The bank maintained Capital Adequacy Ratio 5.97%, 8.81% and 12.53% consecutively in 2005, 2004 and 2003. But in 2005 and 2004 the ratio is bellow 9%. As the risk weighted assets increase, the bank should increase its capital adequately to maintain required requirement. There are some problems with the bank but the overall performance of the bank is excellent.

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1. INTRODUCTION:

1.1 Origin of the report:

The internship program is an integral part of the BBA program that all the students of East West University of Bangladesh have to undergo. The students are sent to various organizations where they are assigned a project. At the end of the program, the intern is required to place the accomplishments and findings of the project through the writing of the internship report covering the relevant topics. During this program, supervisor guides each student- one from the university and the other from the organization.

1.2 Objectives of the study:

This study is aimed at providing me valuable practical knowledge about banking operation system especially Commercial Banking in Bangladesh. It will also help me to develop my concept of commercial banking system and its operations. The objectives are:

- ✓ To know about the previous and present banking system of BRAC Bank Limited.
- ✓ To get idea about the current financial health of the bank.
- ✓ To compare between industry peers.
- ✓ To structure strategies for future strength.
- ✓ To analysis the performance of BRAC Bank Limited.
- ✓ To study strengths and weakness of BRAC Bank in comparisons with the competitors.
- ✓ To present my observation and suggestions to the bank.

1.3 Purpose:

Knowledge and learning become perfect when it is associated with theory and practice. Theoretical knowledge gets its perfection with practical application. As our educational system predominantly text based, inclusion practical orientation program, as an academic component is as exception to the norm as the parties educational institution and the organization substantially benefit from such a program, it seems a “win-win situation”. It establishes contracts and networking contracts. Contracts may help to get a job. That is, students can train and prepare themselves for the job market. A poor country like Bangladesh has an overwhelming number of unemployed educated graduates. As they have no internship experience they have not been able to gain normal professional experience or establish networking system, which is important in getting a job. That’s why practical orientation is a positive development in professional area. Recognizing the importance of practical experience. In such state of affairs the present aiming at analyzing the experience of practical orientation related to an appraisal of BRAC Bank Limited.

1.4 Scope:

This report will be dealing with the operational activities of banking sector of Bangladesh and a comparison of BRAC Bank Limited. Its history and mechanism, policies and performance analysis of BRAC Bank Limited. Most of the data have been collected from secondary sources. The study period covers the last three years.

1.5 Area of study:

My project shows the performance level of BRAC Bank Limited in Bangladesh banking industry.

1.6 Information Probe & Sources:

The sources of data and information have been used widely.

The primary sources are as follows:

- Face to face conversation with the respective officers and staffs of the branch.
- Face to face conversation with clients visited the branch.
- Practical work experience in the different desks of the departments of the branch covered.
- Relevant file study as provided by the officers concerned.

The “secondary sources” of data and information are:

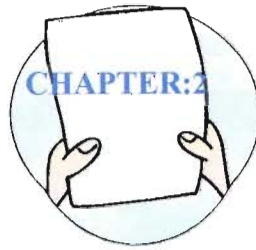
- Website of BRAC Bank Limited
- Various books, articles regarding general banking functions.
- Different ‘Producer Manual’, published by BRAC Bank Limited.
- Different circular sent by Head Office of BRAC Bank Limited.
- Different articles of Bangladesh Bank.

1.7 Methodology:

This report has been prepared on the basis of experienced gathered during the period of internship from 19 June to 18 September of the year 2006. For preparing this report, I have also get information from website of BRAC Bank Limited. I have presented my experience and findings by using different charts and tables, which are presented in the analysis part.

1.8 Limitations:

- ❖ It was very difficult to collect the information from various personnel for their job constraint.
- ❖ Bank’s policy of not disclosing some data and information for obvious reasons.
- ❖ Because of the limitation of information, some assumption was made. So there may be personal mistake in the report.
- ❖ To prepare a quality-full and acceptable report, time is very crucial thing. I did not get enough time for preparing the report. Because it was only three months period and I had to perform as a full time employee in BRAC Bank Ltd.
- ❖ As BRAC Bank Limited is not enlisted with Security and Exchange Commission (SEC), all data are not available to public. So it is very difficult to gather relevant data for the report.



2. An overview of BRAC BANK Ltd.

2.1 Company Profile

BRAC Bank Limited, with institutional shareholdings by BRAC, International Finance Corporation (IFC) and Shorecap International, has been the fastest growing Bank in 2004 and 2005. At the year end of 2005, BRAC Bank had recorded a 103 percent growth in assets, and a 65 percent growth in liabilities, with an operating profit of 84 percent over the previous year 2004.

A fully operational commercial bank, BRAC Bank focuses on pursuing unexplored market niches in the Small and Medium Enterprise Business, which hitherto has remained largely untapped within the country. In the last four years of operation, the Bank has disbursed over BDT 1200 crore in loans to nearly 32,000 small and medium entrepreneurs. The management of the Bank believes that this sector of the economy can contribute the most to the rapid generation of employment in Bangladesh.

BRAC

BRAC, a national, private organization, started as an almost entirely donor funded, small-scale relief and rehabilitation project initiated by Fazle Hasan Abed to help the country overcome the devastation and trauma of the Liberation War and focused on resettling refugees returning from India. Today, BRAC has emerged as an independent, virtually self-financed paradigm in sustainable human development. It is one of the largest Southern development organizations employing 97,192 people, with 61% women, and working with the twin objectives of poverty alleviation and empowerment of the poor.

IFC

The International Finance Corporation (IFC) is a member of the World Bank Group and is headquartered in Washington, DC. Established in 1956, IFC's mission is to promote sustainable private sector investment in developing countries, helping to reduce poverty and improve people's lives.

IFC is the largest multilateral source of loan and equity financing for private sector projects in the developing world. The organization promotes sustainable private sector investment in developing countries that is economically beneficial, financially and commercially sound, and environmentally and socially sustainable; as a way to reduce poverty and improve people's lives.

It is the belief of the organization that sound economic growth is the key to poverty reduction; that it is grounded in the development of entrepreneurship and successful private investment; and that a conducive business environment is needed for the latter to thrive and contribute to improve people's lives.

IFC promotes sustainable private sector development primarily by:

1. Financing private sector projects located in the developing world.
2. Helping private companies in the developing world mobilize financing in international financial markets.
3. Providing advice and technical assistance to businesses and government

ShoreCap International

ShoreCap International Ltd. (SCI) is an international private equity company seeking to invest in small business banks and regulated micro-finance institutions in developing and transitional economies.

ShoreCap was launched by ShoreBank Corporation, America's first and leading community development and environmental Banking Corporation. It invests in small business banks, regulated micro-finance institutions and other regulated non-bank financial service companies striving to profitably meet the credit needs of micro entrepreneurs and small businesses in underserved markets.

ShoreCap builds on ShoreBank's strong history of investing in the renewal of local communities in the U.S. and internationally. ShoreBank's international work began in 1983 by advising Dr. Muhammad Yunus and for 10 years doing the financial feasibility work for the major institutional donors to the Grameen Bank in Bangladesh.

For twenty of its thirty years, ShoreBank has been working to release the dormant entrepreneurial energy of people in developing countries. ShoreCap is the next progression in that work.

ShoreBank is a 9% investor in ShoreCap and runs the management company which oversees investment activities. Joining ShoreBank are twelve other investors, including ABN AMRO Bank, the Asian Development Bank (ADB), BIO, Calvert, CDC, the Evslin Family Foundation, Finnfund, FMO, Ford Foundation, Gatsby Charitable Foundation, the International Finance Corporation (IFC) and the Skoll Foundation.

2.2 Corporate Vision, Mission & Values

Corporate Vision

“Building a profitable and socially responsible financial institution focused on Markets and Business with growth potential, thereby assisting BRAC and stakeholders build a "just, enlightened, healthy, democratic and poverty free Bangladesh".

Corporate Mission

- » Sustained growth in 'small & Medium Enterprise' sector
- » Continuous low cost deposit growth with controlled growth in Retained Assets
- » Corporate Assets to be funded through self-liability mobilization. Growth in Assets through Syndications and Investment in faster growing sectors
- » Continuous endeavor to increase fee based income
- » Keep our Debt Charges at 2% to maintain a steady profitable growth
- » Achieve efficient synergies between the bank's Branches, SME Unit Offices and BRAC field offices for delivery of Remittance and Bank's other products and services
- » Manage various lines of business in a fully controlled environment with no compromise on service quality
- » Keep a diverse, far flung team fully motivated and driven towards materializing the bank's vision into reality

Corporate Values

BRAC Bank Strength emanates from its owner - BRAC. This means, it will hold the following values and will be guided by them as it does its jobs.

- » Value the fact that it is a member of the BRAC family
- » Creating an honest, open and enabling environment
- » Have a strong customer focus and build relationships based on integrity, superior service and mutual benefit

- ▶ Strive for profit & sound growth
- ▶ Work as a team to serve the best interest of its owners
- ▶ Relentless in pursuit of business innovation and improvement
- ▶ Value and respect people and make decisions based on merit
- ▶ Base recognition and reward on performance
- ▶ Responsible, trustworthy and law-abiding in all that we do

2.3 Corporate Social Responsibility

Just as it has a corporate identity it has a social identity too. As a bank it is socially responsible. Fifty percent of its Loan portfolio is diverted to Small and Medium Enterprise banking, and as a financial intermediary it channels funds from the surplus ends to the needy. Country-wide network of SME Units cater to the needs of small entrepreneurs to help them build their asset base. It is market leaders in SME, striving for socio-economic upheaval in Bangladesh.

It does not support any finances that are detrimental to its environment.

A portion of its revenue is channeled to support BRAC schools, where children study for free. 70% of these children are female.

2.4 Corporate Information

2.4.1 Board of Directors

Fazle Hasan Abed
Chairman

Quazi M. Shariful Ala
Director

Faruque A. Choudhury
Director

Paul D. Christensen
Director

Syed Humayun Kabir
Director

Imran Rahman
Managing Director

Md. Aminul Alam
Director

2.4.2 Management Team

Imran Rahman
MD & CEO

Kaiser Tamiz Amin
Chief Operations Officer

Saifuddin M. Naser
Head of Retail Banking

Mohd. Rafat Ullah Khan
Head of Credit

Rais Uddin Ahmad
Head of Risk Management

Naushad Hussain
Head of Secured Remittance Service

Tahniyat Ahmed Karim
Head of Human Resources

Faruk Ahammad
Head of Financial Administration

Farzana Chowdhury
Head of Small & Medium
Enterprise (SME)

Md. Rahmat Pasha
Head of Treasury

Khawja Shahriar
Head of Corporate Banking

Shah Alam Bhuiyan
Head of Asset Operations

Mizanur Rahman Chowdhury
Head of Information Technology
(IT)

2.4.3 Division of BRAC Bank Ltd.

- Human Resources Division (HR)
- Retail Banking Division
- Corporate Banking Division
- Small & Medium Enterprise (SME)
- Loan Administration Division
- Credit Division
- Financial Administration Division (FAD)
- TRS & SRS
- Treasury Front
- Treasury Back
- Sales Division
- Internal Control & Compliances
- CPC & Remittance
- Information Technology Division (IT)
- Trade Finance
- Marketing Division
- Channel Infrastructure Development (CID)
- General Infrastructure Services (GIS)

2.5 General Information

LOGO

The logo of BRAC Bank Ltd. has been made keeping in mind the goal of the organization. The square structure of the logo means solid and strong. The golden color means the “Sonar Bangla”, the rising line means the rising BRAC Bank, and blue is the beautiful sky where sun is shining brightly.

SLOGAN

The slogan of BRAC Bank Ltd. is Astha Obichol. It is the brand promise of the bank. It is a Bengali word that denotes trust on BRAC Bank Ltd.

LEGAL FORM

BRAC Bank Ltd. started its operation in 2001 as a scheduled commercial Bank as per rules and regulations of Bangladesh Bank. At present, the Bank has 21 branches across the country. It renders all types of commercial banking operations to its clients within the purview of Bank Companies Act, 1991 and in line with the directives and policy, guidelines laid down by Bangladesh Bank.

NATURE OF BUSINESS

BRAC Bank Ltd. offers services for all banking needs of the customers, which includes deposit banking, investment, export and import financing, inland and international remittance facilities, online Banking services.

NUMBER OF BRANCH

There are 21 branches of BRAC Bank Ltd.

NUMBER OF EMPLOYEE

Total number of employees working in BRAC Bank Ltd. is 1740 (as on June 2006).

IMAGE AND REPUTATION OF THE BANK

The name “BRAC” has a good brand image in Bangladesh. As a creative organization and for quality services BRAC Bank Ltd. already obtained full satisfaction of the valued customers. In SME sector they earned much reputation for their successful participation as financial institution. Besides achieving great success and honor in domestic land they also built up a strong image outside Bangladesh in international trade for their customers.

BRANCH EXPANSION

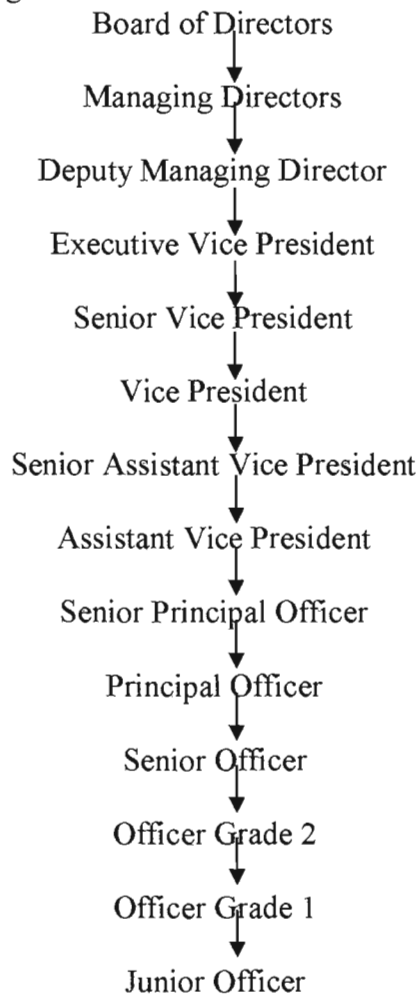
The number of branches as BRAC Bank Ltd. stands now in 21 and steps are being taken to open more branches at commercially important places in Dhaka, Rajshahi, Khulna etc by the year 2006.

TRAINING

Most of the organizations believe that their employees are their most important assets. This is particularly true for a service institution. BRAC Bank Ltd. makes high demand on the skill of their employees. Therefore, BRAC Bank Ltd. conducted training programs in different institutes for the development of skills of their employees.

2.6 Organizational Structure

BRAC Bank Ltd. is a centralized organization and operates in a functional oriented structure. Activities are designed on the basis of traditional banking business, such as credit, international division, administration etc. It is going to introduced modern concept of banking. It has the facilities of on line banking (intra bank). BRAC Bank Ltd. has a formal organizational structure that is highly specialized and centralized. The ranks of employee are given below:



Retail Banking

Loan Products of BRAC Bank Ltd.

Salary Loan

Keep an extra 15 month's salary in your pocket. You can get BRAC Bank Salary loan, Loan against your salary. If you are a salaried individual working in Bangladesh, Please read on. Because Salary Loan from BRAC Bank has been designed with just you in our minds.

Eligibility

- Employed as a regular salaried staff
- Have minimum age of 25 years
- If you earn a gross monthly salary of Tk. 10,000

Maximum Amount

- From maximum of BDT 10 lacs

Features

- Loan upto 15 times of your Salary
- No security required
- Loan processed just within 24 hours
- Flexible repayment Equal Monthly Installments (EMIs) over a period of 12 months to 48 months

Documents required

- Last 3 month's bank statement
- Last salary slip/Letter of introduction
- Proof of identity
- Proof of residence
- Proof of employment of minimum 2 years

NoW Loan

'You choose while we pay'!! Life is good; make it better when you can enjoy BRAC Bank Now Loan. In case you need to purchase home appliances, furniture's, computer or other consumer durables for personal use, we offer you the most appropriate solution with our NoW loan.

Eligibility

- BRAC Bank account holder aged from 25 to 55
- A salaried employee with minimum monthly income of TK 10, 000
- Employed in your current organization for two years

Maximum Amount

- 15 times of gross monthly income

Features

- No Security
- 48 Hour Processing
- Small Monthly Installments

Car Loan

Why toy with your dreams when you can own one', BRAC Bank Car Loan can stop your dreaming and Start driving Whether you want to purchase a brand new car or a reconditioned one, we have the most customer-friendly car loan scheme available for you.

Eligibility

- Both salaried executives and business persons
- Age between 21 at the time of application to 60 at the time of maturity
- Minimum monthly income BDT 25,000
- Length of service/Age of business: Minimum 2 years

Maximum Amount

- 100% of the vehicle price
- Maximum BDT 5 million

Features

- 100% Car value financing
- Loan approved in 48 hours
- Both Brand New/Reconditioned car finance
- Loan term: 12-60 months

Monthly installment schedule for Tk. 1 lac loan					
Months	12	24	36	48	60
Amount	9120.48	4944.23	3565.27	2885.50	2485.26

* This figures are indicative and can change over time

Teachers' Loan

'Honest profession, Honest Service'. BRAC Bank Teachers' Loan provides a wedding or a dream holiday, financing a business or surviving an emergency, Teachers Loan can be yours just within three days of application!

Eligibility

- A teacher of any reputed school or university
- Have a minimum length of service record of at least two years
- Have a minimum net salary of Tk. 5000
- Have a minimum age of 23 years

Maximum Amount

- 10 times of your net monthly salary
- The loan amount stretches from Tk. 50,000 to Tk. 300,000

Features

- No Security
- Fastest Processing Time
- Small Monthly Installments
- Minimum Loan Documentation

Study Loan

'Your gateway to the world' BRAC Bank Study Loan gives your child deserves the best education and you have planned it ahead. But worried about financing? BRAC bank has the perfect solution for your child's future.

Eligibility

- Parent/ financial guarantor of the student pursuing higher education locally and abroad
- Earning TK 25,000 per month
- Aged between 30 to 60 years

Maximum Amount

- 15 times of your gross monthly income

Features

- No security required
- Small Monthly Installments
- Repayment scheme up to maximum of 4 years

- Multipurpose facility to meet living expenses, airfare, personal expenses beside tuition as well

Travel Loan

'It's time to fly', BRAC Bank Travel Loan opens the door for planning to take a trip abroad and worried about financing? Before you start packing your bags for vacation abroad, you have too many things to take care. Leave your money- matters to us while you pack your bags. Our fast and easy loan processing will simply add excitement to your travel plan.

Eligibility

- An individual with minimum monthly income of TK 15,000
- A salaried or a self employed person
- Aged between 25 to 53 years

Maximum Amount

- 8 to 10 times of gross salary

Features

- No security
- Small Monthly Installments
- 50% off on Foreign Currency Endorsement Fees
- For Salaried and self-Employed individuals

What do you need to apply?

- For " For salaried employees, tourist visa of the traveling country, last 3 month's bank statement, last salary slip/ letter of introduction showing salary, proof of ID, proof of residence, business card, photocopy of passport, quotation from travel agency regarding airfare, proof of employment of minimum 2 years, applicant's & employer's name in the address field
- For " For a self- employed person, tourist visa of the traveling country, last six months bank statement, copy of trade license, TIN Certificate, proof of residence, spouse guarantee, business card, photocopy of passport, quotation from travel agency regarding airfare

Credit Card Loan

When you have a credit card sky is your limit with BRAC Bank. Now, a credit card is all you need to get a loan from BRAC Bank. Loan can be used for any reason from buying consumer goods, automobile to vacation expenses. Just decide what to do and start planning for it.

Eligibility

- A one-year-old credit card with any institution
- A minimum of 12 months of satisfactory credit card relationship with any credit card issuer in Bangladesh

Maximum Amount

- 5 times of credit card limit with a maximum of TK 1,000,000

Features

- Any Purpose Loan
- No proof of the income or security required
- Loan in just 24 hours
- Flexible repayable plan in equal monthly installment

What do you need to apply?

- Copy of credit card
- Last 3 month's credit card statements
- Proof of 1 year of credit card history

When you have a credit card sky is your limit with BRAC Bank. Now, a credit card is all you need to get a loan from BRAC Bank. Loan can be used for any reason from buying consumer goods, automobile to vacation expenses. Just decide what to do and start planning for it.

Eligibility

- A one-year-old credit card with any institution
- A minimum of 12 months of satisfactory credit card relationship with any credit card issuer in Bangladesh

Maximum Amount

- 5 times of credit card limit with a maximum of TK 1,000,000

Features

- Any Purpose Loan
- No proof of the income or security required
- Loan in just 24 hours
- Flexible repayable plan in equal monthly installment

What do you need to apply?

- Copy of credit card
- Last 3 month's credit card statements
- Proof of 1 year of credit card history

Top Up Loan

Is your loan track record playing smooth? BRAC Bank top Up Loan is easy loan for good borrower. This unsecured loan is designed to meet various personal needs without mentioning the purpose at all. Just apply according to your requirements

Eligibility

- An existing retail borrower of a reputed financial institution with good repayment history
- A salaried or a self employed individual
- Aged between 30 to 55 years

Maximum Amount

- Taka 10 Lacs

Features

- No cash security required
- No tiring paper work
- Loan in just 48 hours

HighFlyer Loan

Enjoy life to the fullest and take benefit of the varied opportunities it offers you. BRAC Bank's HighFlyer Loan is for airline, GSA & Travel Agency professionals is to makes your long cherished desires an absolute reality.

Eligibility

- Maximum 20 times of your net monthly salary.
- Minimum loan size is BDT 50,000, loan is available up to BDT 500,000.

Maximum Amount

- 15 times of your gross monthly income

Features

- No Security
- Fastest Processing Time
- Loan up to 5 years
- Attractive interest rate

Secured Loan/ OD

A special scheme that allows you to avail cash at nominal interest rates. Your security is kept untouched in the Bank's custody as the value grows.

Eligibility

- All BRAC Bank account holders aged from 21 to 65
- People from all income groups - salaried employees and self-employed business people with security in their possession

Maximum Amount

- Maximum amount can go up to Tk 5 crores. We even allow loans up to even 100% of the value of your securities (conditions apply)

Features

- You repay only interest at quarterly intervals
- You are allowed to choose between the quarterly repayment option and the monthly installment option
- You can avail the facilities in single or in joint names
- Your interest will be calculated using reducing balance method
- A wide range of security is acceptable to the Bank. These are: Fixed Deposits at BRAC Bank and other Banks, ICB unit certificates and Wage Earner Development Bonds (special cases)
- Employer's Guarantee can be the security.

Doctor's Loan

BRAC Bank introducing Doctor's Loan, an exclusive loan facility for the Doctor's fraternity. Now practicing Doctor's can avail this loan very easily to meet their professional needs. So prescribe yourself a dream today. Anti-Headache solution for Doctor's.

Eligibility

- Having M.B.B.S. with 2 years of experience
- A salaried or a self employed Doctor's
- Aged between 25 to 55 years

Maximum Amount

- Taka 15 Lacs

Features

- Loan from BDT 2 Lac to BDT 15 Lac
- No Security Required
- Loan in 48 Hours

Deposit Products of BRAC Bank Ltd.

Fixed Deposit

Opening Requirements

- " A Current Account or Savings Account

General Features

- " A term deposit with a guaranteed monthly return on investment
- " Competitive interest rates
- " Early encashment flexibility
- " Secured Loan and/or Secured Overdraft eligibility

Interest Features

- " Interest Rates (p.a.):

	50K to 999K	1,000K to 4,999K	5,000K to 9,999K	10,000K to 49,000K	50,000K to 99,000K	100,000K and above
1 month	7.75%	8.00%	8.25%	9.00%	10.00%	10.00%
3 months	7.75%	8.00%	8.25%	9.00%	10.00%	10.00%
6 months	8.00%	8.00%	8.25%	8.25%	9.50%	9.50%
12 months	8.00%	8.25%	8.25%	8.25%	8.50%	8.50%
24 months	8.00%	8.25%	8.25%	8.25%	8.25%	8.25%
36 months	8.00%	8.25%	8.25%	8.25%	8.25%	-

- " Interest Calculation: on the basis of term (1 month to 3 year) deposit amount
- " Interest Accrual: upon maturity
- " Interest Payment: upon maturity

Related Conditions and Charges

- " Early Encashment Charge: no penalty charge; interest will be paid at prevailing Savings Account rate if FD is maintained for at least 3 months
- " Secured Loan and/or Secured Overdraft eligibility: up to 95% of Abiram value

Interest First Fixed Deposit

This time you don't have to wait till maturity to receive interest on your Fixed Deposit. BRAC Bank Interest First Fixed Deposit lets you draw the interest instantly at the time of your deposit. Believe it. A deposit scheme where the client receives interest in advance.

Features

- Instant interest on fixed Deposit
- Interest reinvestment opportunity
- Attractive rate of return

Abiram Account

Your hard earned money is paying-off immediately; BRAC Bank 'Abiram' Account is a special type of Fixed Deposit scheme, which offers the flexibility & comfort of having a guaranteed monthly return on your investment. With BRAC Bank 'Abiram' Account, you can ensure a safe & steady return on your investment.

Features

- Monthly interest on your deposit
- Attractive rate of return
- 95% loan against your deposit

DPS

BRAC Bank's Deposit Premium Scheme is a savings plan that adds value to your hard earned money.

Features

- Monthly installments can be as low as Tk. 500 or any multiples of it
- Choose any day as your installment date
- Receive a Savings a/c with a personalized cheque book
- On-line banking facilities
- You don't need to stand in a long queue to deposit your DPS Installments.
You can always deposit more than one installment in your savings account and we'll automatically transfer the installment to your DPS account on due dates

Monthly Installment Amount (BDT.)	Maturity amount after completion of all regular installments payment*			
	4 Years	7 Years	11 Years	14 Years
500.00	28,667.00	58,650.00	116,603.00	179,550.00
1000.00	57,334.00	117,300.00	233,207.00	359,101.00

EZee Account

'Banking That Sets You Free' BRAC Bank offers you EZee Account a non-cheque interest bearing account for small savers who are in frequent need of transaction. You don't need to write a cheque or stand in a long queue to draw your own money from BRAC Bank. You can get an ATM card to operate your account round the clock.

Features

- 24 hour access to ATMs and POS
- Interest on daily balance
- No minimum balance
- No ledger fees

Savings Account

A regular savings account offering you interests on your deposit amount.

Features

- No restriction on the number of withdrawals
- No restriction on the amount or size of a withdrawal
- No forfeiture rules or hidden costs
- No requirement for notices to be given before making a withdrawal
- Use our network of ATMs for easy cash withdrawal
- Get mini balance statements from our ATM whenever you want.

How to open a Savings Account

- Primary Account opening balance - 15,000 BDT
- No minimum balance required
- Photocopy of your valid passport
- 3 copies of your recent photograph
- Valid photocopy of you ID Card/Driving License
- Photocopy of your Trade License
- Nominee's Photograph

Short Term Deposit

A deposit scheme to give returns on your savings.

Features

- Minimum balance required is Tk. 100,000
- Interest paid twice a year but calculated monthly if balance is Tk. 100,000 or above
- Secured returns.

Current Account

BRAC Bank's Current Account is a normal checking account, giving you the option to deposit and withdraw money for your day-to-day needs.

Features

- ATM card for easy cash withdrawal
- Withdraw money from all our ATMS
- Deposit cheques at any of our branches and get the fund transferred to your account immediately
- Use online banking facility for free
- Easy access to our other facilities

Salary Account

BRAC Bank Salary Account is a payroll account for Employers and Employees. As an organization, you can opt for our Salary Account to enable easy disbursements of salary & enjoy numerous other benefits.

Eligibility

The organization needs to have a minimum of 10 employees and a payout of Tk. 1 lac per month and an average salary per employee of Tk. 10,000 per month.

Zero Balance

There is no minimum balance required to open Salary Account. Your employees can open Salary Account with zero balance

Non-Checking Account

Salary Account does not have a cheque book. Hence, your employees don't need to worry about any fraud. It ensures complete peace of mind.

ATM Debit Card

Your employees will be provided with ATM Debit Cards to allow them to access to 24 hour banking. These ATM Debit Cards can also be used for retail purchases at various stores all around the country.

Saving Interest

The account also accrues interest on deposits. No minimum balance is required to earn interest on the account.

All an employer would require to do is to send BRAC Bank an advice (in the form of a cheque/debit instruction etc) for the total salary amount along with the salary details of the designated employees in a soft and hard copy format and we will credit the respective employees' accounts as per your statement of advice.

Step Up Fixed Deposit

BRAC Bank 3-Year Step Up Fixed Deposit GUARENTEES increase of interest rate each year. It is the most attractive investment because the rate automatically increases each year. Step in today to step up your interest.

Features

BRAC Bank 3-year Step Up Fixed Deposit works like normal Fixed Deposit except with one unique feature added to it i.e. the customer will get a guaranteed 0.5% increase in the rate of interest upon completion of each year as per the following schedule:

- 11.00% for the 1st year
- 11.50% for the 2nd year
- 12.00% for the 3rd year

Campus Account

'Study hard, Play cool Bank easy' BRAC Bank helps you to its not easy managing money when you are a student that is why BRAC Bank has come up with this scheme especially for you.

Requirements:

- 18 years old or above
- Enrolled in a full-time higher education programme at degree level or equivalent in a recognized University
- An identity card, library card, passport or driving license has to be provided
- A letter of introduction from the University
- A minimum balance of TK 2000 to initiate the account

Features:

- ATM card for fast and easy cash withdrawal
- Request PINs, replacement cards etc.
- Place cheques at any of our branches and get the fund transferred to your account immediately

- Deposit cash using ATMs and Easy Pay machines (subject to availability)
- Withdraw a maximum of Tk. 20,000 per day from any of our ATMs
- Initiate the account free of minimum balance fee or even ledger fee
- Free online Banking Facility
- Earn quarterly interest on your deposit
- Campus Account ATM card can be used at various marchant outlets
- Pay-up phone bills or your snack bills using the Campus Account ATM card (subject to availability)
- Get balances and mini statements of the account

Other Services of BRAC Bank Ltd.

Locker Services

- Each of the branches has lockers available to protect your valuables
- Safe and convenient
- Best price

FX-Service

Services offered

In the sale and purchase of foreign currency against Taka, we deliver at the same day to eliminate the possible risk due to exchange rate fluctuations.

Products and services available at Treasury

Spot Contracts, a transaction widely used by corporates to cover their receivables and payables. Forward Contracts is a commitment by the client to buy or sell one currency against Taka at a fixed rate for delivery on a specified future date.

Visa Fee Collection (careful, to share information, must be limited and placed carefully)

We collect visa fee for the following embassies

- British High Commission
- Australian High Commission
- Royal Thai Embassy

Student File

For processing payments for tuition and related financials for students studying abroad BRAC Bank receives student files at all of its branches. For students and parents who need frequent and easy transfer of money to pay the tuition and other expenses this hassle free service adds on as a time saver. Payments reach on time, in a more secured way.

Features:

- Easy transfer of tuition fees for studying abroad
- Faster verification of student visa related documents
- Study loan is also available
- Dedicated student service centre

Non-Stop Banking

In the process of services, BRAC Bank has initiated "Non-Stop" banking services for the customers. The service has the two following schedules of two different types of banking service that are convenient for the distinctive customers

- Non stop banking from 9 a.m. to 8 p.m. *
- Online banking facility in all of the sections
- Up to 5 p.m. for the fixed branches

The branches where the service is available:

Gulshan 1 Gulshan Avenue, Gulshan Dhaka-1212	Nowabpur 173 Nowabpur Road (1st floor), Dhaka
Dhanmondi 105 Mirpur Road (1st floor) Dhanmondi, Dhaka-1207	Agrabaad Pragati House, 1070 Shekh Mujib Road Agrabaad, Chittagong Phone: 031 812087
Satmasjid Road 766 Satmasjid Road Dhanmondi A/C, Dhaka	Zindabazar New Goldcity Complex (1st floor) East Zindabazar, Sylhet
Moghbazar Aarong Plaza (ground floor) 211 Outer Circular Road, Moghbazar, Dhaka-1217	

SMS Banking

- » Instant Account Balance & Mini Statement
- » Fixed Deposit Maturity Alarm
- » High Value Transaction Alert

For Account Balance:

Message <input type="checkbox"/>	A	Phone Number 3939	Send
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For Last Few Transactions:

Message <input type="checkbox"/>	T	Phone Number 3939	Send
-------------------------------------	---	----------------------	------

Simple & Convenient

With SMS Banking, you do not have to send your statement through mail or call up our branches. Once you become a member of SMS Banking, you will have 24-hours access to the key financial information of your account.

Push & Pull

Through BRAC Bank SMS Banking, you will be able to access your account's current information like balance, last few transaction and a range of other financial information by typing a pre-defined key letter (Like 'A' for Account Balance and 'T' for last few Transactions).

This Service available for both Grameenphone and AKTEL subscribers.

Easy to Apply

To sign up for SMS Banking, all you need to do is fill-out the enclosed form and send it to your nearest branch or mail it to:

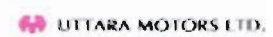
Strategic Alliances



FLORA LIMITED



SIEMENS



Debit Cards of BRAC Bank Ltd.



ATM/Debit Card:

ATM Debit Card Features

ATM Locations

POS Outlet

Lost Card/Card

Replacement

Helpline



Co-Branded Card:

Aarong

ALICO

DIA Gold

ATM Debit Card Features



- Draw money up to BDT 20,000 per day
- Check balance statements of your ATM and POS transactions
- Get a Mini Statement
- Change PIN number
- Get FAST CASH
- Use it in BRAC Bank POS outlets to pay
- 24 hour hotline available to resolve queries and problem
- Suggestion booth to place your opinion

Aarong

What is BRAC Bank Aarong ATM Card?

It's a co-branded ATM Card with special cash back feature.

How is it different from other cards?

Unlike other ATM cards, the holder of this card can enjoy 5% cash back facility while shopping at any Aarong outlet and the discount shall be automatically credited to customer's account with BRAC Bank.



Features

- Save 5 % on every shopping at Aarong
- Get cash back straight into your account and earn interest

Facilities

- 24-hour access to ATM's across Bangladesh
- Access to countrywide designated POS (Point of Sales)

ALICO

What is BRAC Bank ALICO ATM Card?

It's a co-branded ATM Card with Life Insurance coverage.

How is it different from other cards?

Unlike other ATM cards, the holder of this card can enjoy a special life insurance facility.



Features

- Free Life insurance Coverage upto BDT 200,000 with world's leading insurance company ALICO
- No premium payment hassle

Facilities

- 24-hour access to ATM's across Bangladesh
- Access to countrywide designated POS (Point of Sales)

DIA Gold

What is BRAC Bank DIA Gold ATM Card?

It's a co-branded ATM Card with special cash back and cash discount feature.

How is it different from other cards?

Unlike other ATM cards, the holder of this card can enjoy 10% cash back facility while buying diamond products and 8% cash discount on the making charge of purchased gold items at any DIA GOLD outlet.



Features

- Save 10 % on Diamond jewelries
- Save 8% on the making charge of Gold jewelries
- Get cash back straight into your account and earn interest

Facilities

- 24-hour access to ATM's across Bangladesh
- Access to countrywide designated POS (Point of Sales)

Corporate Banking

Corporate Cash Management

Advantages to Employees

Employees automatically become BRAC Bank Salary Account Holders with special benefits and privileges and receive instant salary credit. Here are some of the features of BRAC Bank Salary Account:

24 Hour banking

Our ever expanding ATMs are now available 24 hours a day and seven days a week. Choose your own time to bank and you don't have to stand in a queue.

Online banking

No need to visit the branch where you initially opened your account. Walk into any branch in the country and enjoy the benefits of a fully online banking facility.

Extended Banking Hours

Most of our branches feature non-stop banking till 8:00 p.m. every day except for Thursdays and Fridays. Employers and employees can avail this facility at their convenience and leisure.

PayDay Overdraft

Employees can get an emergency overdraft facility on request, based on their take-home salary. This would be adjusted in their following salary credit.

Salary Loan

Salary Account holders can get BRAC Salary Loan up to a maximum of 15 times of their gross monthly income. Salary Loan can be repaid in equal monthly installments from 12 months to 60 months.

Personal Loan

As a special offering, our Salary Account customers would be provided with personal loans such as:

Car loan

Credit Card Loan

Student Loan

NoW Loan (Life Style Loan)

Travel Loan etc.

Bureau De Change

Your employees can meet all their foreign currency needs, buy foreign currency in cash and internationally valid Travelers' Cheques issued by the world famous American Express Co. Ltd.

When others might dress up their banking with worthless extras to justify a fee, we believe that banking delivered well is what you should expect and what we should deliver. We don't charge a minimum balance fee or cheque book issuing fee; we do hope that if we do our service right you will want to do more business with us.

We can't promise always to have the best interest rates but we can promise to have sustainable good pricing stated clearly and without any hidden "charges".

Who knows what the future might hold? Our approach is to be ready when we have services that might be of interest to you.

Apart from usual transactional and fixed Term Deposit Accounts, take a look at what being part of the fastest growing bank in Bangladesh can provide to your company.

Advantages to Employers

Salary Upload

Salary uploads through a single cheque.

All you have to do is give consolidated cheque of the total salary amount to BRAC Bank and a break-up of the disbursements to the employees in soft and hard copy format.

Multi-Location Salary

Multi-Location Salary Disbursal is possible within BRAC Bank Network:

With BRAC Bank, salaries of all employees located across Bangladesh can be uploaded from a single point upload.

Affordability

Have you ever thought about how much time you spend managing payroll? This equates to time taken away from revenue-producing activities. Outsourcing with the right payroll service provider will save your time and money.

Accuracy

Even with the simplest of payrolls, it's easy to make mistakes. Without current and on-going training in payroll compliance, your company could face unhappy employees to boot.

Privacy

It can be embarrassing and detrimental if the wrong eyes fall on the salary cheques. Confidentiality is much easier to maintain when payroll is outsourced.

MIS

Payroll companies offer a wide array of standard reports along with these invaluable reports which are neat and concise.

Professionalism

What better way to show your employees that your company is professional and secure? Outsourcing your payroll coupled with all benefits of BRAC Bank savings accounts will enhance your successful image and will make employees happy.

Cash Management Services

BRAC Bank's national Collection Services (NCS) is designed to assist corporate with nation wide collection requirements by providing faster funds availability in a cost-effective manner.

National Payment Services:

This service offers bulk transfer from your corporate accounts towards making payment to your suppliers etc. all across the country. This will result in reduced errors and an overall improvement in your vendor payment processing.

Cash Collection Services:

Through our Cash Collection Services we collect cash directly from your offices/business premises. The whole process is arranged with executive logistic services.

Drop Box Facility:

On request, we can install Drop Box at your office which can be used for depositing cheques or any instruction. Our representative will visit your office and clear the box every day.

NCS

BRAC Bank provides Work Order finance facility for its valued clients. Through this arrangement, clients can avail loan facilities against valid Work Orders up to a certain proportion.

NPS

BRAC Bank provides Work Order finance facility for its valued clients. Through this arrangement, clients can avail loan facilities against valid work orders up to a certain proportion.

Corporate Loan Products

Loan Against Trust Receipt (LATR)

This is advancement against a Trust Receipt provided to the client when the documents covering an import shipment are given without payment. Under this system, the client will hold the goods of their sale proceeds in trust for the bank, until the loan allowed against the Trust Receipt is fully paid.

Lease Finance

BRAC Bank provides Work Order finance facility for its valued clients. Through this arrangement, clients can avail loan facilities against valid Work Orders up to a certain proportion.

Medium Enterprise

Medium Enterprise Unit

The products offered under this sort of financing are versatile in nature and each product is tailored according to the need of the borrower, under certain parameters. The range of organizations this sort of financing caters to include proprietorship concerns, private limited companies, educational institutions as well as NGOs.

The purpose of this unit is to serve medium enterprises that have facility requirements that are like those of a large corporate in nature, but smaller in volumes. The facilities may range from a single-funded or non-funded limit to a composite credit facility that includes various corporate products. We believe that the emerging medium enterprises of today are tomorrow's large corporate that will facilitate the true growth of our nation.

Overdraft

This is an on-demand credit facility designed to meet day-to-day operational activities of the business, including purchase of raw materials and expenses.

Term Loan

Short Term Loan/ Revolving Loan:

This scheme is to meet different short-term fund requirements of the client. Payment of duty, Tax, VAT and other expenses related to the release of goods from customs through pay orders in the name of customs authority or Bangladesh Bank cheque is payable through this scheme.

Work Order Finance

BRAC Bank provides Work Order finance facility for its valued clients. Through this arrangement, clients can avail loan facilities against valid Work Orders up to a certain proportion.

Trade Finance

Letter of Credit (LC)/ Letter of Guarantee (LG)

Letter of Credit (LC):

This facility is related to import or local purchase of different items. It is also provided for the import and export of goods (such as raw materials, machinery, equipment, any trading item).

Letter of Guarantee (LG):

To meet different contractual requirement such as participating in Bid, Performance Guarantee and Advance Payment guarantee for different contractual requirements.

SME Banking

SME Banking

Bangladesh is a country with a very valuable natural resource- it is her people. As a nation we have struggled our way through, and the current ongoing struggle is to be economically vibrant growing into multiple dimensions both locally and abroad. Unfortunately financial support is catered to the needs of specific segments of our economy, overlooking a huge class- the missing middle. These are the small, striving entrepreneurs who because lack of fund cannot pursuit there economic objective- that is growth in their business due to lack of fund. BRAC Bank Ltd takes a different stand, a different perspective- it believes in its people. 50 % of our total portfolio usually collected from urban areas, are chanelled to support these entrepreneurs who in future will become the potential strength of our economy. We are the market leaders in giving loans to Small and Medium Entrepreneurs. That is how our journey began...

SME Products:

Anonno Rin

This is a small-scale loan designed to finance small and medium scale trading, manufacturing and service ventures, especially to aid the purchase of fixed assets, and to finance working capital.

Eligibility

- Entrepreneurs aged between 18 to 60 years
- Entrepreneurs with minimum 2 years experience in the same line of business
- A business which must be a going- concern with more than 1 year in operation

Maximum Ammount

- From minimum BDT 2 lacs upto maximum of BDT 8 lacs

Features

- Loan without mortgage
- For excellent borrowers who have paid or are paying in due times, we offer discounted rates
- Quick, quality banking throughout the country
- Potential women entrepreneurs will also get the facilities of this loan
- Loan amount can range anywhere between 3 and 30 lacs
- Repay the loan in the method and time period that suits you the best

Loan Term	Installment (Principal) Repayment	Interest Repayment
3 months-9 months	One single payment at maturity	Monthly
12, 15, 18, 21, 24, 27, 30, 33, 36 months	Monthly installment	Monthly with installment

Apurbo Rin

In order to help our SME borrowers for financing working capital or to purchase fixed assets, BRAC Bank offers APURBO. It caters to the need of entrepreneurs who are operating in trading, manufacturing, service, agriculture, non-farm activities, agro- based industries and other sectors of our economy.

Eligibility

- Entrepreneurs having a minimum of 3 years of some business activities
- A business which must be a going concern for 3 years
- Aged of one entrepreneurs between 25 years to 60 Years

Maximum Amount

- Starting from BDT 8 lacs to maximum of BDT 30 lacs

Features

- Without mortgage for loan below 10 lacs
- Simple loan processing for expanding your business
- Quick disbursement
- Disbursement in one or two installments
- Flexible monthly repayment plan

Arogo Rin

This loan is suitable for private clinics, diagnostics centers and doctors' chambers to purchase fixed assets under equated monthly installments.

Eligibility

- Institutions with atleast 2 years in operation & a profit making concern
- Doctors having 5 years of experience

Maximum Ammount

- Minimum of 2 lacs to maximum of 30 lacs

Features

- Loan without mortgage upto 8 lacs
- Easy loan processing
- Loan repayment schedule is spread upto 3 years
- 1% loan processing fee
- Flexible interest rate based on security

Digoon Rin

Double loan on your deposit. For your business expansion, you do not need to encash your savings rather you can take double amount of loan on your deposit.

Eligibility

- Entrepreneur having minimum 2 years of business activities
- The business which must be a going concern for 2 years
- Aged between 18 years to 55 years

Maximum Ammount

- Minimum of 5 lacs to maximum of 30 lacs BDT

Features

- Double amount of loan on your deposit
- Attractive return against the deposit
- Flexible repayment plan in monthly installment and single installments
- Quick disbursement

Pathshala Rin

This is a loan designed to meet the needs of small and medium sized private educational institutions, such as kindergartens and schools and colleges etc.

Eligibility

- A small & medium educational institution that is in operation for minimum 3 years
- The institution is a sole proprietorship, partnership, Private Limited Company, or a Society
- The educational institute must be a profit making concern

Maximum Amount

- Minimum BDT 2 lacs to maximum BDT 30 lacs

Features

- Without mortgage for loan below 10 lacs
- Loan for fixed assets purchase or civil construction
- Loan repayment can be spread up to 4 years
- Minimum documentation
- Flexible monthly repayment plan
- Quick disbursement
- Flexible interest rate based on security

Supplier Finance

BRAC Banks supplier finance has been designed to meet your short term need for cash flow.

Eligibility

- If you are an enlisted supplier of a corporate house with which BRAC Bank has a corporate tie- up
- Have minimum 3 years of continuous operation
- Have 1 year continuous relationship with the purchasing firm

Maximum Amount

- Minimum BDT 3 lacs upto maximum BDT 30 lacs

Features

- Equal monthly installment and revolving loan facility
- 1% of loan amount as the processing fee

Probashi Banking

Probashi Savings Account

This account provides interest which is paid in June and December of each year. This account comes with a cheque book and ATM Card and is ideal for Probashi Bangladeshies who want to save.*

*** Accounts will be maintained in Taka.**

Probashi Biniyog

Deshei Ani Deshei Gori

- Foreign Currency Term Savings
- Foreign Currency Current Savings
- Wage Earners Development Bond
- US Dollar Investment Bond
- US Dollar Premium Bond

Probashi DPS

To secure your hard-earned money, BRAC Bank introduces the ideal saving scheme for Probashi Citizens.

Features

- Monthly installment from minimum Tk. 500 to any multiples
- A Savings A/C with a personalized cheque book
- Earnings remitted to savings A/C will be automatically transfer on the due dates
- Loans are provided against 90% of your deposited amount

Monthly Installment	Amount after maturity			
	4 years	7 years	11 years	14 years
500	28,667	58,650	116,603	179,550
1000	57,334	117,300	233,207	359,101

Documents required:

- 2 copies of passport size photograph
- Photocopy of passport
- A completed Account Opening Form of BRAC Bank

*** Accounts will be maintained in Taka.**

Probashi Fixed Deposit

A fixed deposit account allows you to deposit your money for a set-period of time, there by earning you a higher rate of interest in return. Fixed Deposits can be made from 3 months to 3 years. Interest is paid on the maturity at a very attractive rate.*

*** Accounts will be maintained in Taka.**

Probashi Abiram

Probashi Abiram is a Fixed Deposit which is ideal for Probashies who want to get a return every month. If you have sufficient funds, this can be made into a fixed deposit from 1 year to 3 years and interest will be paid every month on your Savings Account automatically. This is ideal for customers who want to pay their DPS installments.*

*** Accounts will be maintained in Taka**

Remittance Process Flow

A. Account Opening for Non-existing Customers

Step-1	<ul style="list-style-type: none">» Download the account opening application form (Form no. PSC 001) from the Web OR <ul style="list-style-type: none">» Visit your nearest BRAC Bank Branch in Bangladesh
Step-2	<ul style="list-style-type: none">» Fill up the form» Attach the documents» Paste your photograph(s)» Sign in the spaces provided on the account opening form and attach a cheque payable to you. 'Funding of Account' is optional except in the case where account is being opened at the branch. At the branches, one can open an account only when it is also funded with minimum of Tk.5, 000 or equivalent
Step-3	<ul style="list-style-type: none">» Send us your completed application form to the following address: BRAC Bank Limited Probashi Services Centre 1 Gulshan Avenue (1st Floor) Gulshan – 1, Dhaka – 1212, Bangladesh

Step-4	<ul style="list-style-type: none"> ▶ An e-mail acknowledging the receipt of the application will be sent ▶ The status of the application will also be informed via e-mail ▶ Upon successful application, the Bank shall courier the customer. <p>Welcome Pack contains the following:</p> <ul style="list-style-type: none"> • Welcome Letter • ATM Card • Cheque book (5 pages) • Product & Network brochures • Account related Terms and Conditions <ul style="list-style-type: none"> ▶ For security reasons the following documents will be sent separately: <ul style="list-style-type: none"> • Your PIN (Personal Identification Number) for the ATM Card
Step-5	<ul style="list-style-type: none"> ▶ Once you have received your ATM PIN, you will be required to call BRAC Bank (phone number mentioned in your ATM forwarding letter) to activate your ATM PIN
Step-6	<ul style="list-style-type: none"> ▶ You are all set to fund your account by: <ul style="list-style-type: none"> Direct Post: Send DD / Cheque payable in Bangladesh directly by post to us OR Bank: Visit any bank in your locality and request them to remit funds through Telegraphic Transfer (TT) to your account with BRAC Bank. You will require following information in order to send TT to Bangladesh: <ul style="list-style-type: none"> - Your Account no. with BRAC Bank - Swift Code – BRAKBDDH
<p>(Please note that your account shall be opened with “zero balance”. However, if fund is not received in your account within 3 months from the date of receiving the Welcome Pack, your account will be closed)</p>	

B. Probashi DPS for Existing Customers

Step-1	<ul style="list-style-type: none"> ▶ Download the additional account opening application form (Form no. PSC 003) from the Web OR ▶ Visit your nearest BRAC Bank branch in Bangladesh
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Step-2	<ul style="list-style-type: none"> » Fill up the form » Attach the documents » Paste your photograph(s) » Sign in the spaces provided on the account opening form, and attach the cheque payable to you. 'Funding of Account' is optional except in the case where account is being opened at the branch. At the branches, one can open an account only when it is also being funded with minimum of Tk.5, 000 or equivalent
Step-3	<ul style="list-style-type: none"> » Send us your completed Application Form to the following address: BRAC Bank Limited Probashi Services Centre 1 Gulshan Avenue (2nd Floor) Gulshan – 1, Dhaka – 1212, Bangladesh
Step-4	<ul style="list-style-type: none"> » An e-mail acknowledging the receipt of the application will be sent » The status of the application will be informed via an e-mail » Upon successful application, Bank will courier the Certificates with Forwarding Letter either to you or your designated Branch

C. Authorization of a Mandate holder

The following steps are applicable if you are willing to authorize another person living in Bangladesh to operate your account such as withdrawal of funds etc.:

Step-1	<ul style="list-style-type: none"> » Download the Mandate Form (Form no. PSC 002) from the Web
Step-2	<ul style="list-style-type: none"> » Fill up the form » Attach the documents » Paste the holder's photograph (if available) » Sign the form in the spaces provided on the form.
Step-3	<ul style="list-style-type: none"> » Send your completed form to your authorized holder living in Bangladesh.
Step-4	<ul style="list-style-type: none"> » After receiving the form, the holder will: » Sign the form in the spaces provided on the form » Paste Mandate Holder's photograph (if available)

Step-6	<ul style="list-style-type: none"> » After 10 days, the holder will visit BRAC Bank branch again. Upon proper identification, the following documents will be given: » ATM Card » ATM PIN » Cheque Book
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D. Required Documents to Open Account

Step-1	<ul style="list-style-type: none"> » Photocopy of the first 6 pages of your current valid passport where your name, address, date of birth, date & place of issue, expiry date, photograph, signature & stamp regarding stay outside Bangladesh appear.
Step-2	<ul style="list-style-type: none"> » Photocopy of a valid work permit/ employment visa (in case of expired visas, duly acknowledged petitions made to the Visa Authorities for renewal of visas will be accepted as a valid document.)
Step-3	<p>Photocopy of at least one of the following documents:</p> <ul style="list-style-type: none"> » Work ID » Residence Permit » Utility Bill » Pay Slip » Driving License » Government issued ID card » Credit Card Bills » Rent Receipts » Overseas Bank Statement
Step-4	<ul style="list-style-type: none"> » 3 (three) copies of passport sized photographs with name written on the back » All the above documents must be attached by a third party (Any Non-residential Bangladeshi person).

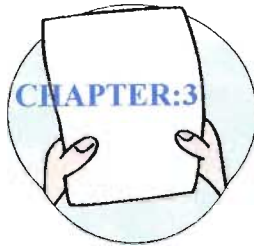
Remittance Partners

Exchange Company

No.	Company Name	Address
1	Federal Exchange Co. WLL, UAE	PO Box: 1038, Dubai, UAE Tel: 00971-42256773/2258421
2	Wall Street Exchange Center, LLC, UAE	PO Box: 3014, Nafi Road, Derai Dubai, UAE Tel: 00971-42269026

3	Lari Exchange Establishment, UAE	Liwa Street, Saif Bin Darwish Building, Abu Dhabi, UAE Tel: 009712-6223225
4	UAE Exchange Centre LLC, UAE	PO Box-HO, Abu Dhabi, UAE Tel: 00971-26322166
5	Alamoudi Exchange. Co. KSA	Gabil Street (Near Mahmal), Balad, Jeddah- 21411, KSA Tel: 00966-26474515
6	Union Exchange Co. WLL, Qatar	Al Mushirib Road, Sarah Kahrba, Doha, Qatar Tel: 00974-4423715
7	Dalil Exchange, Bahrain	Al Noor Building, Near Bab Al Bahrain on Government Avenue Road, Manama, Bahrain, Tel: 00973-17223464, 225997
8	Placid NK Corporation, USA	152 Market Street, Suit 601, Paterson New Jersey 07505, USA, Tel: 001-7187771498
9	Global Financial Exchange LLC, USA	State of Georgia, Atlanta, Georgia 30341, USA
10	Saajan Worldwide Money Transfer, UK	147, Lozells Road, Lozells, Birmingham, B19 2TP, UK Tel: 0121 515 4008
11	ARY Forex Ltd. UK	197, Ealing Road, Wembley, Middlesex HAO 4LU, UK Tel: 00971 4 2990775
12	First Solution Money Transfer Ltd. UK	38-44 White Chaple Road, London E11JX, UK
13	Oman & UAE Exchange Centre & Co. LLC, Oman	PO Box-1116, Postal Code 131, Al Hamriya, Sultanate of Oman Tel: 00968-750830
14	Mustafa Sultan Exchange Company, Oman	PO Box-2131, Ruwi, Muscat, Sultanate of Oman Tel: 00968-24707025, 24709519
15	Kuwait Ho UAE Exchange, Kuwait	UAE exchange Centre, Head Office, Murghab, Kuwait Tel: 009652 459417
16	Ameertec Remittance & Exchange, Singapore	291 Serangoon Road # 03-00 Serangoon Building Singapore 218107, Singapore. Tel: 0065 297 7707
17	Instant Cash Worldwide Ltd, UK	185 Praed Street, Paddington, London W2 1 RH, UK
18	Kuwait Asian Int. Exchange Co. WLL, Kuwait	PO Box 46489, Fahaheel 64015, Kuwait
19	United Traders Limited, UK	162 Cannon Street Road, London E1 2LH, UK
20	Zenj Exchange, Bahrain	PO Box 236, Manama, Kingdom of Bahrain

21	Bahrain Financing Company, Bahrain	8-12 Bab AI Bahrain Building 150, Road 1507 Manama, Kingdom of Bahrain
22	Dollarco Exchange Co. Ltd. Kuwait	Central office Murgab, PO box 26270, Safat- 13123, Kuwait Phone: 009652412767
23	AI Moosa Exchange Company WLL, Kuwait	Mirqab- Shohada'a S1. Ahmed AI-Saleh Building Safat, Kuwait
24	Western Union Money Transfer	Sub-agent all over the world
25	Khan Enterprise Money Transfers Ltd., UK	26 Colchester Avenue, Manor Park, London Contact:00442084705346
26	Choice Money Transfer Limited	34 Churzon Street, Mayfair London, W1J 7TU,UK Tel: 0207 493 0861; Fax: 0207 493 0867



3. An overview of financial performance

3.1 Capital structure

	2005	% of total	2004	% of total	2003	% of total
Paid up capital	500,000,000	63.87	500,000,000	84.72	405,020,000	102.30
Statutory reserve	58,396,570	7.46	19,860,550	3.37	-	
Surplus in profit & loss account	224,490,340	28.67	70,346,259	11.92	(9,095,940)	-2.30
Total shareholders' equity	782,886,910	100	590,206,809	100	395,924,060	100

Table 3.1: Capital structure of BRAC Bank Ltd.

From the above table we can understand that last two years 2004 & 2005 surplus in profit account had a great contribution to increase in capital of this bank.

3.2 Share capital

Shareholders	Number of share	Amount (BDT)	Percent
BRAC	3173900	317,390,000	63%
International Finance Corporation (IFC)	949800	94,980,000	19%
Shore Cap International	875700	87,570,000	18%
Other	600	60,000	.01%
Total	5000000	500,000,000	100%

Table 3.2: Shareholding Structure of BRAC Bank Ltd.

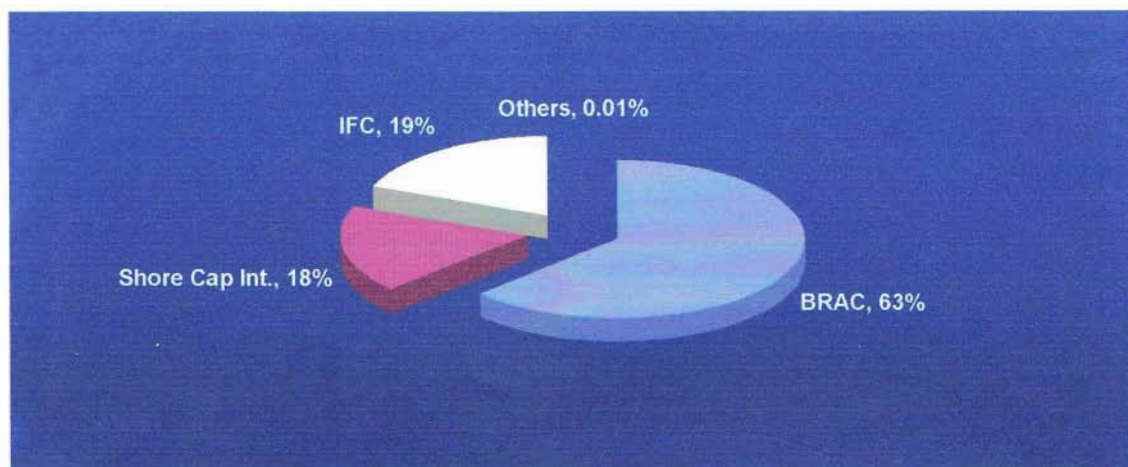


Figure 3.1: Shareholding Structure of BRAC Bank Ltd.

Above table and figure show the Shareholding Structure of BRAC Bank Ltd. BRAC is the major shareholder. IFC and Shore Cap International have also shares of this bank.

3.3 Deposit Measures

Deposit	2005	% of total	2004	% of total	2003	% of total
Current & other A/C	3,288,528,993	24.52	931,965,861	11.41	421,306,403	12.05
Bills payable	122,593,253	0.91	51,615,293	0.63	27,592,808	0.79
Saving deposit	1,863,763,753	13.90	1,082,602,445	13.25	607,001,719	17.36
Fixed deposit	8,051,558,273	60.05	6,044,952,355	74.00	2,415,628,575	69.07
Other deposit	82,566,118	0.62	57,842,912	0.71	25,773,111	0.74
Total	13,409,010,390	100	8,168,978,866	100	3,497,302,616	100

Table 3.3: Different types of deposit of BRAC Bank Ltd.

From the above table and the figures bellow we can understand that the major portion of deposit came from term deposit, fixed deposit. In 2004, 74% of its deposit came from fixed deposit. It is good for the bank's operation because they can use this stable fund in long term loan or in long term investments which increase interest earning. One the other hand fixed deposit has a bad impact on net income of the bank because it is the most costly fund. It increases means cost of fund increase. In 2005, fixed deposit was 60.05% which lower than previous two years and that year net income was also higher.

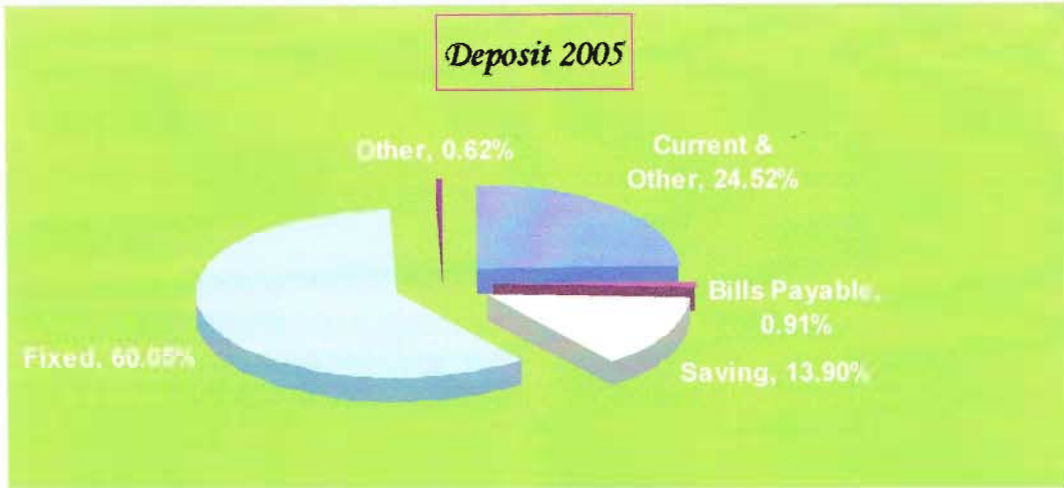


Figure 3.2: Different types of deposit in 2005.

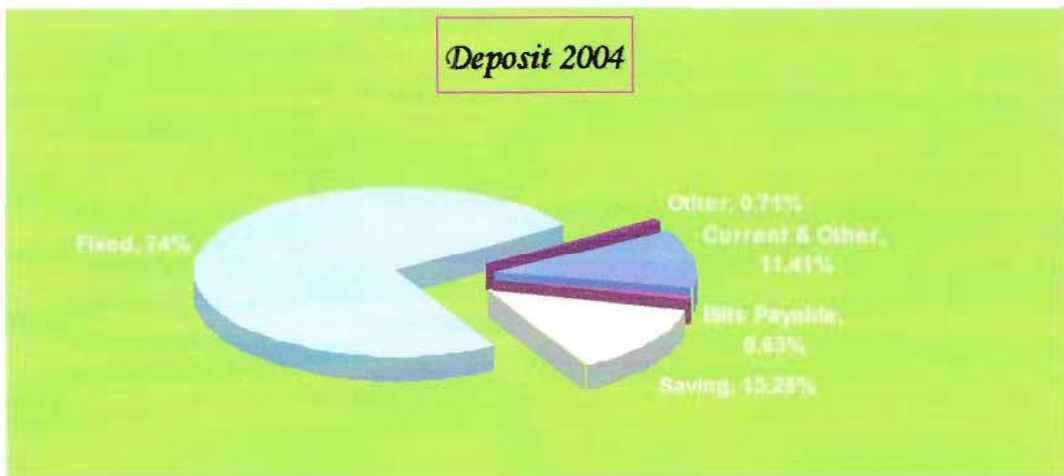


Figure 3.3: Different types of deposit in 2004.

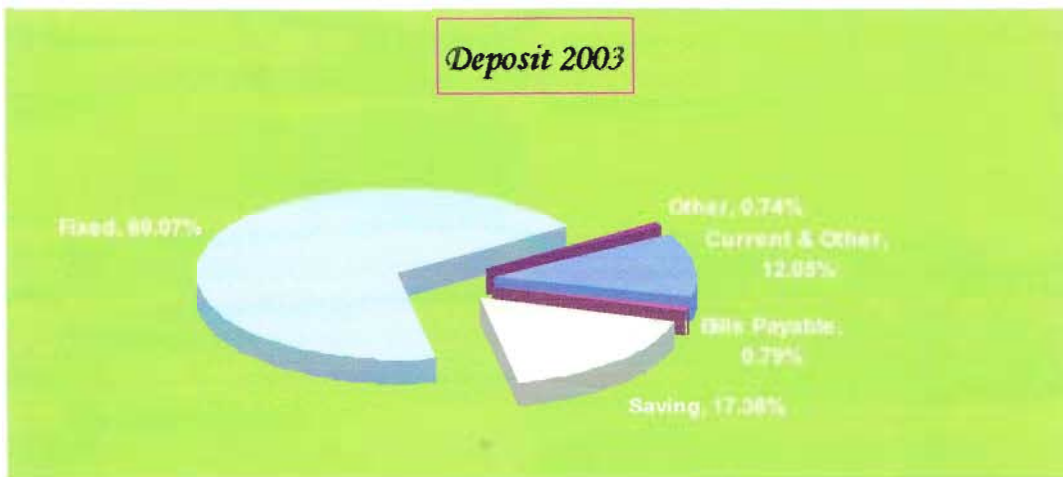


Figure 3.4: Different types of deposit in 2003.

3.4 Growth of net profit

Year	Net Profit	% change in net profit
2005	192,680,101	94.03%
2004	99,302,749	227.94%
2003	30,280,682	-

Table 3.4: Net Profit of BRAC Bank Limited.

The table shows net profit of BRAC Bank Ltd. in different years. Its profit increases gradually. From the end of 2003 to the end of 2004 the percentage change in net profit was 227.94; it is the highest change in net profit.

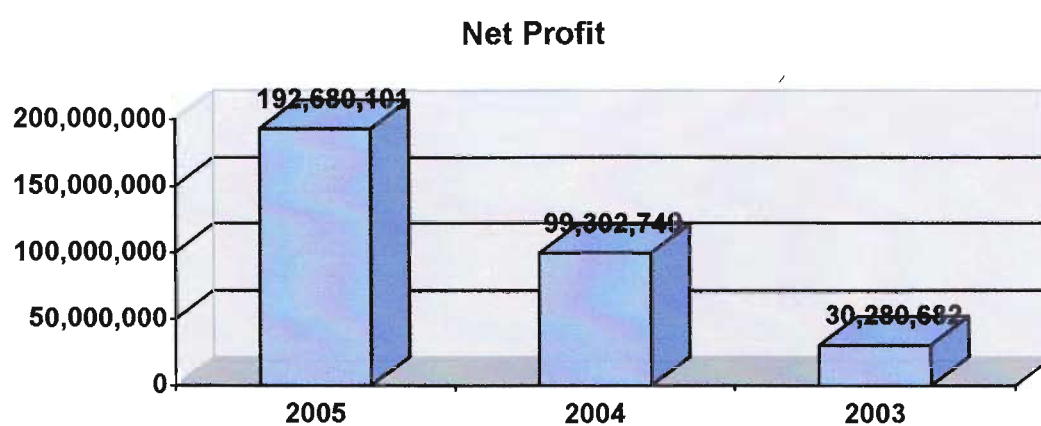


Figure 3.5: Net Profit of BRAC Bank Limited.

The chart also shows net profit of BRAC Bank Ltd. in different years. Its profit increases gradually. Every year it earns positive return which has a positive impression on shareholders. So the bank is able to maximize its shareholder equity. To see the chart it can be said that the performance of BRAC Bank Ltd. is good. Though there are some factors which determine the performance level, initially we can take a decision about performance by seeing net profit.

3.5 Profitability ratio

Now there are 49 scheduled banks operating in Bangladesh market. Among them four are Nationalised Commercial Bank (NCB), five are Specialised Bank, ten are Foreign Commercial Bank (FCB), and thirty are Private Commercial Bank (PCB) including Islamic Banks.

Return on Asset (ROA) the ratio of net income to total assets; it provides an idea of the overall return on investment earned by the firm. Return on Equity (ROE) the ratio of net income to common equity; it measures the rate of return on common stockholders' investment.

Bank Types	Return on Assets (ROA)							
	1997	1998	1999	2000	2001	2002	2003	2004
NCBs	0.0	0.0	0.0	0.1	0.1	0.1	0.1	-0.1
DFIs	-2.1	-2.8	-1.6	-3.7	0.7	0.3	0.0	-0.2
PCBs	1.1	1.2	0.8	0.8	1.1	0.8	0.7	1.2
FCBs	4.8	4.7	3.5	2.7	2.8	2.4	2.6	3.2
Total	0.3	0.3	0.2	0.0	0.7	0.5	0.5	0.7
Bank Types	Return on Equity (ROE)							
	1997	1998	1999	2000	2001	2002	2003	2004
NCBs	1.3	0.3	-1.1	1.7	2.4	4.2	3.0	-5.3
DFIs	-29.1	-36.3	-29.4	-68.0	12.3	5.8	-0.6	-2.1
PCBs	24.4	26.8	15.3	17.0	20.9	13.6	11.4	19.5
FCBs	38.2	40.7	41.8	27.3	32.4	21.5	20.4	22.5
Total	7.0	6.6	5.2	0.3	15.9	11.6	9.8	13.0

Table 3.5: Profitability ratio (%) by type of banks.

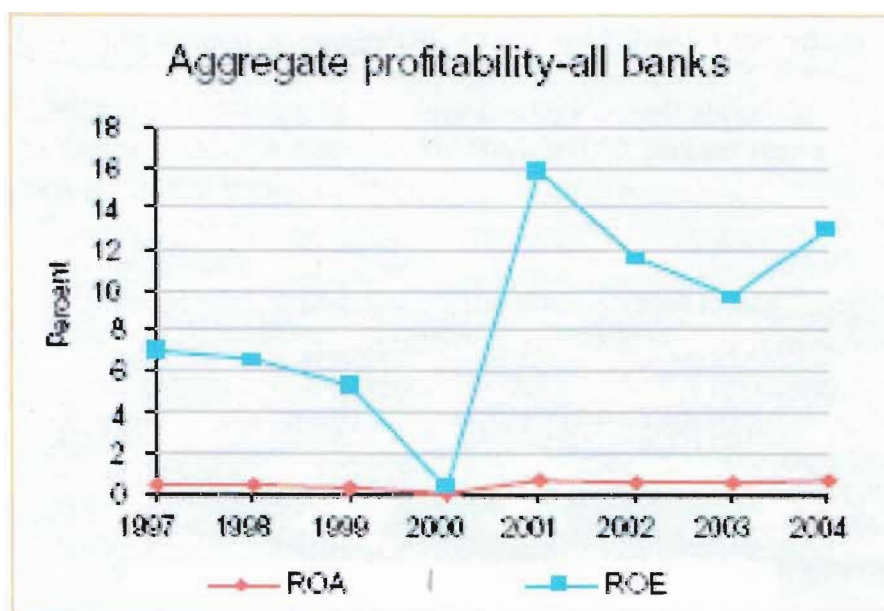


Figure 3.6: Aggregate profitability of all banks.

Above table and figure shows the profitability of overall Banking Industry in Bangladesh. Here it is observed that every year ROA and ROE of Foreign Commercial Banks (FCBs) is higher among all banks. So the overall return on investment and the rate of return on common stockholders' investment of FCBs are higher than other. And after FCBs the position of Private Commercial Banks (PCBs) is strong. PCBs also are in profitability. But Nationalised Commercial Banks (NCBs) and Specialised Banks are in trouble, because they incurring huge loss every years. Let's see what about the BRAC Bank Limited.

<i>Year</i>	<i>ROA (%)</i>	<i>% change in ROA</i>
2005	1.14	13.16
2004	0.99	32.76
2003	0.67	-

Table 3.6: Return on assets (ROA) of BRAC Bank Limited.

In 2004 BRAC Bank’s 0.99 percent return is well above the 0.70 percent average for the industry. And in 2003 BRAC Bank’s 0.67 percent return is well above the 0.50 percent average for the industry.

Year	ROE	% change in ROE
2005	24.61	46.28
2004	16.83	119.99
2003	7.65	-

Table 3.7: Return on equity (ROE) of BRAC Bank Limited.

In 2004 BRAC Bank’s 16.83 percent return is well above the 13 percent average for the industry. And in 2003 BRAC Bank’s 7.65 percent return is well above the 9.8 percent average for the industry.

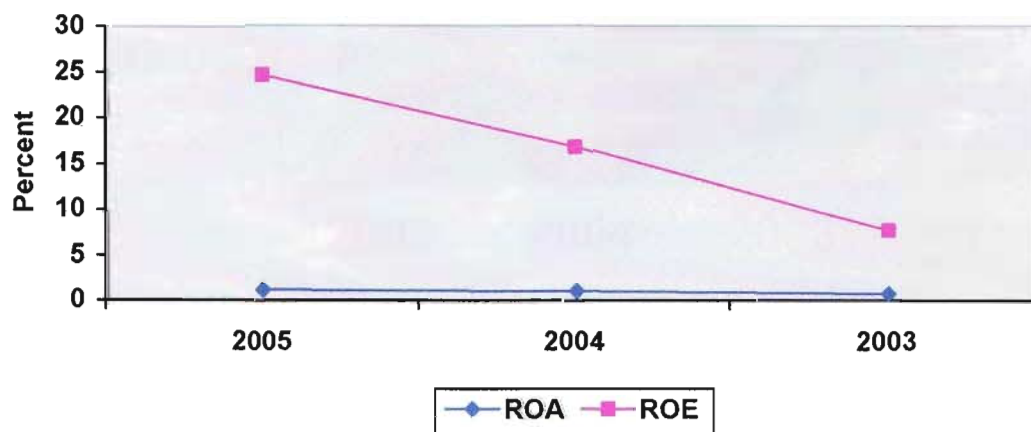


Figure 3.7: Aggregate profitability of BRAC Bank Limited.

In terms of profitability BRAC Bank Ltd. is doing well because its return on assets (investment) and equity are above average industry return. But (for ROA) in 2004 BRAC Bank’s 0.99 percent return is well bellow the 1.20 percent average for the PCBs. And in 2003 BRAC Bank’s 0.67 percent return is well bellow the 0.70 percent average for the PCBs. (For ROE) In 2004 BRAC Bank’s 16.83 percent return is well bellow the 19.50 percent average for the PCBs. And in 2003 BRAC Bank’s 7.65 percent return is well below the 11.40 percent average for the PCBs.

3.6 Assets Expansion

Year	Total Assets (TA)	% change in TA
2005	16,876,009,760	68.49
2004	10,015,935,760	120.52
2003	4,542,043,269	-

Table 3.8: Assets expansion of BRAC Bank Limited.

The assets of BRAC Bank Ltd. are increasing day by day. It is a good sign for the bank. Assets means cash, loan, investment etc. the bank performs well in operation, so its assets increasing gradually. From 2003 to 2004 assets expansion was 120.52% and from 2004 to 2005 assets expansion was 68.49%.

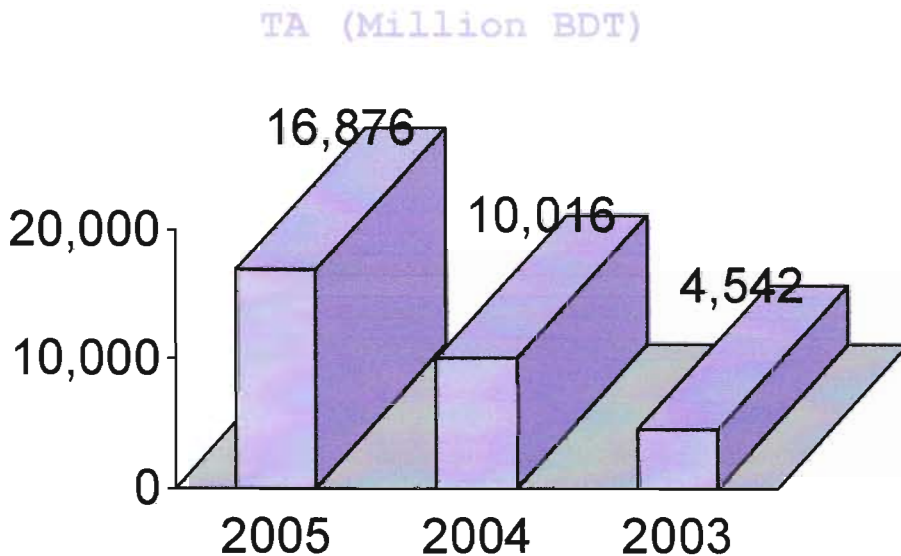


Figure 3.8: Total Assets (TA) of BRAC Bank Limited in different years.

Above figure shows the assets of BRAC Bank Ltd. in different years. We see that assets are increasing rapidly.

3.7 Earning per Share (EPS)

Years	2005	2004	2003
Earning per Share	38.54	23.16	12.09

Table 3.9: Earning per Share (EPS) of BRAC Bank Limited.

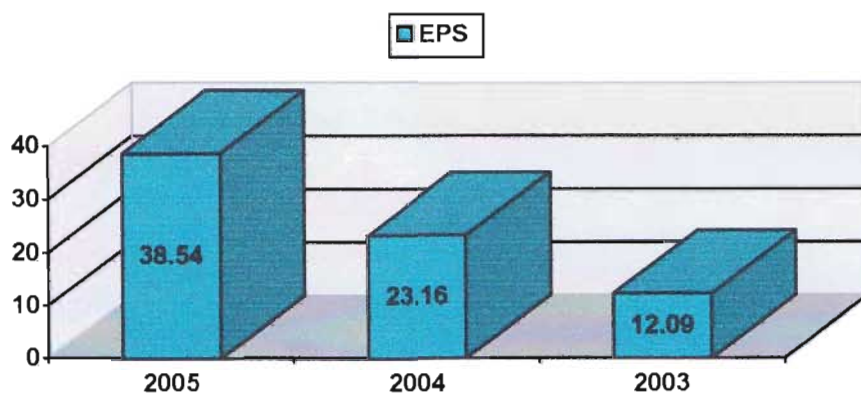


Figure 3.9: Earning per Share (EPS) of BRAC Bank Limited.

Above table and figure show the Earning per Share of BRAC Bank Ltd. in different years. It earned positive returned in every years. So the shareholders of the bank are in profitable position. So we can say that the management team was able to maximize shareholders wealth.

3.8 Capital to Risk Weighted Assets

A bank's capital is used as a cushion against risky assets. Capital was categorized into two tires: Tire 1 i.e. Core Capital comprising the highest quality capital elements and Tire 2 i.e. Supplementary Capital represent other elements, which fall short of some of the characteristics of the core capital but contribute to the overall strength of a bank.

Bank's risky assets are loans and advances, investments etc. Both balance sheet assets and off-balance sheet exposures are to be weighted according to their relative risk. Presently, there are four categories of risk weights-0, 20, 50 and 100 percent. Off-balance sheet transactions are to be converted into balance sheet equivalents for the purpose of assessing the capital adequacy before assigning a risk weight.

In January 1996, Bangladesh Bank (BB) announced a new policy on Capital Adequacy along the lines recommended by the Basel Committee on banking supervision. The Revised policy on capital adequacy requires scheduled banks to maintain at least 9% of off-balance sheet risk and risk in different type's assets as capital.

Bank type	1997	1998	1999	2000	2001	2002	2003	2004
NCBs	6.6	5.2	5.3	4.4	4.2	4.1	4.3	4.1
DFIs	6.0	6.9	5.8	3.2	3.9	6.9	7.7	9.1
PCBs	8.3	9.2	11.0	10.9	9.9	9.7	10.5	10.3
FCBs	16.7	17.1	15.8	18.4	16.8	21.4	22.9	24.2
Total	7.5	7.3	7.4	6.7	6.7	7.5	8.4	8.7

Table 3.10: Capital to risk weighted assets ratio by type of banks.

Table 3.10 shows Capital to risk weighted assets ratio by type of banks in different years. Minimum requirement for the ratio is 9% but industry average is lower than that from 1997 to 2004. Private Commercial Banks (PCBs) maintained required percentage from 1998 to 2004 and Foreign Commercial Banks (FCBs) always maintained over requirement.

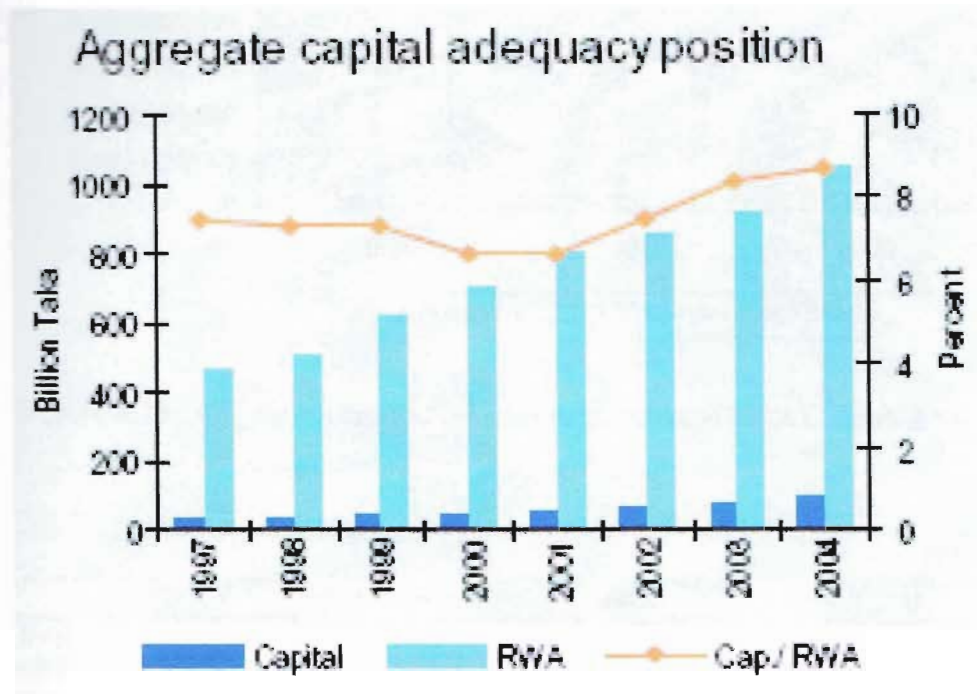


Figure 3.10: Aggregate capital adequacy position of type of banks.

Above figure shows Aggregate capital adequacy position of banking industry in different years.

Year	2005	2004	2003
Tire-1(Capital)	782,886,910	590,206,809	395,924,060
Tire-2(Capital)	0	0	0
RWA	13,120,835,809.80	6,697,448,996.00	3,160,224,240.70
Capital Adequacy Ratio	5.97%	8.81%	12.53%

Table 3.11: Capital to risk weighted assets ratio of BRAC Bank Ltd.

Above table shows Capital Adequacy Ratio of BRAC Bank Ltd. in different years. The bank maintained Capital Adequacy Ratio 5.97%, 8.81% and 12.53% consecutively in 2005, 2004 and 2003. But in 2005 and 2004 the ratio is below 9%. As the risk weighted assets increase, the bank should increase its capital adequately to maintain required requirement.

Capital Adequacy Ratio

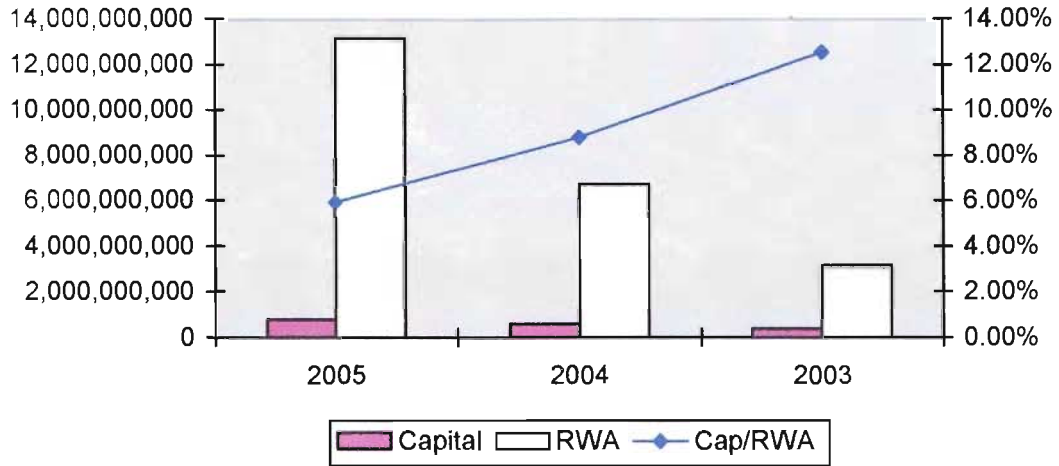


Figure 3.11: Aggregate capital adequacy position of BRAC Bank Ltd.

3.9 Net interest income

	2005	2004	2003
Interest Income	1,463	815	306
Interest Expense	850	440	228
Net Interest Income	612	374	77

Table 3.12: Net Interest Income (Million Taka) of BRAC Bank Ltd.

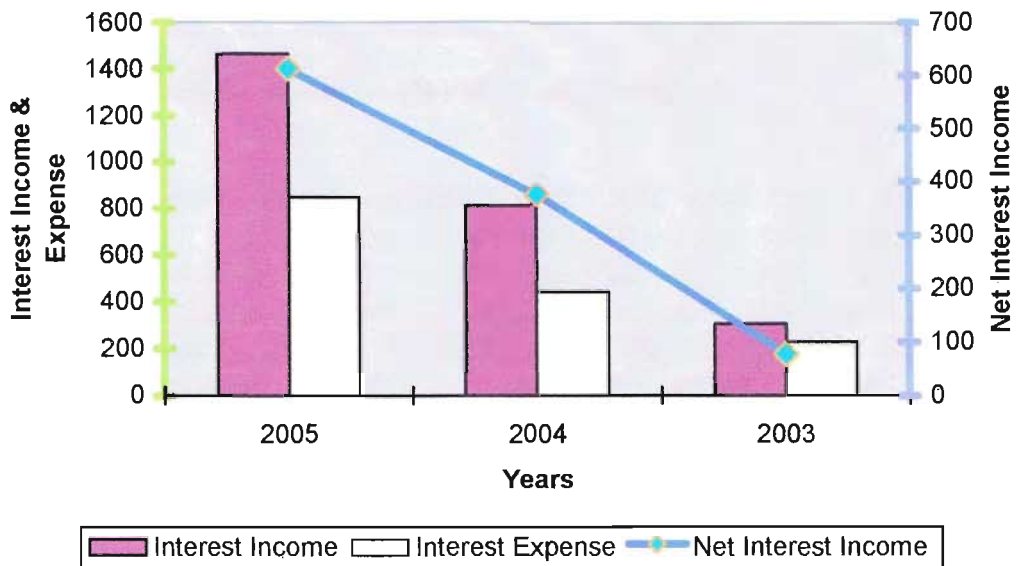


Figure 3.12: Net Interest Income (Million Taka) of BRAC Bank Ltd.

Table 3.12 and figure 3.12 show Net Interest Income (Million Taka) of BRAC Bank Ltd. in different years. It earned positive returns means it earned interest without incurring any losses. So we can assume that the operational performances of the bank is good for which it earned interest by spending low cost.

3.10 Overall Productivity

Bank Type	2004	2003	2002	2001	2000	1999	1998	1997
NCBs	102.3	98.8	98.5	99	99.4	100.5	99.8	99.4
DFIs	104	101.1	95.9	89.1	175.3	145.2	180.4	142.3
PCBs	87.1	93.1	91.9	88.1	90.8	90.4	85.3	85.9
FCBs	76.3	80.3	78.3	75.7	77.7	67.4	60.1	59.7
Total	90.9	93.9	93.3	91.2	99.9	96.6	95.4	95.3

Table 3.13: Expenditure-Income ratio (%) by types of Banks.

Above table shows Expenditure-Income ratio of overall banking industry in different years. In 1997 to raised 100 taka from market a bank needed to spend 95.3 taka and in 2004 to raised 100 taka from market a bank needed to spend 90.9 taka. In 1997 to raised 100 taka from market a Private Commercial Bank (PCB) needed to spend 85.9 taka and in 2004 to raised 100 taka from market a Private Commercial Bank (PCB) needed to spend 87.1 taka.

	2005	2004	2003
Overall Productivity	75.76	52.78	50.30

Table 3.14: Expenditure-Income ratio (%) of BRAC Bank Ltd.

Above table shows Expenditure-Income ratio (%) of BRAC Bank Ltd. in different years. In 2003 to raised 100 taka from market BRAC Bank Ltd. needed to spend 50.30 taka which was well bellow than average industry cost 93.9 taka and in 2004 to raised 100 taka from market BRAC Bank Ltd. needed to spend 52.78 taka which was also well bellow than average industry cost 90.1 taka. In 2005 to raised 100 taka from market BRAC Bank Ltd. needed to spend 75.76 taka. So we can say that BRAC Bank Ltd. doing its business well because it can able to raise money form this hyper competitive market with lower than average industry cost.



4: Problems and Recommendations

4.1 Problems

- ✦ The main problem of BRAC Bank Ltd. is insufficient spaces in branches.
- ✦ There is another problem with the online system. Sometimes the system does not work which creates huge dissatisfaction to the customers.
- ✦ Employees have lack of products knowledge.
- ✦ Employees can not communicate with customers in English.
- ✦ Employees' knowledge about computer is not good enough.
- ✦ Salary structure of employees is not that much attractive.
- ✦ It is centralized, so it takes time to accomplish any critical job.
- ✦ ATM both, branches are not available as customers' expectation.
- ✦ Transaction limit and amount of ATM are not sufficient.
- ✦ The bank has insufficient capital.
- ✦ There are idle fund in bank custody at branch level.
- ✦ There are some problems with delivery the services such delay and so on.

4.2 Recommendations

To overcome these problems some suggestions according to the analysis are recommended are stated bellow:

- ✦ It the time to take initiative to increase space at branch level and to increase branches in different area in Bangladesh and outside.
- ✦ The intra bank software should be up dated regularly to minimize hassle of customers.
- ✦ Needed to conduct employees training to improve their skill on regular basis.
- ✦ Salary structure should be revised and need to offer lucrative package otherwise skilled personnel will leave the bank.
- ✦ Some operational activities should be decentralized to provide faster services to the customers.
- ✦ Number of ATM both and money limit should be increased to attract more customers.
- ✦ Capital of the bank should be increase. It can raise money from capital market through IPO (Initial Public Offering).
- ✦ The excess fund can be use in call money market, invest in money market, invest in government securities and so forth.
- ✦ New way to delivery services should be introduced such time limit should be stated for a particular service.
- ✦ To sustain in this hyper competitive market and to create new customers and to retain existing customers delightful services to be delivered to the customers.
- ✦ It is gathered that the branch level management has been delegated very limited power and authority. If functions are limited to coordination of various activities in order to execute the policies and decision formulated by the head office level management and achieve the targets as fixed by the same management should have direct participant in order to make them more realistic. So the branch level management should give the authority to formulate its own policy regarding various aspects.

4.3 Conclusion

BRAC Bank Limited is becoming a prominent bank in Bangladesh. It is doing well in urban area. The performance level of this bank is excellent and the brand image to the people is at high level this is why it is the fast growing bank for the last two years in Bangladesh. There are some problems with the bank but I believe it will be able to recover those problems very soon.

During the course of my practical orientation I have tried to learn the practical banking activities to realize it with my theoretical knowledge, which I have gathered and going to acquire from various courses of my BBA program.

References

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3. *Bangladesh Regulation & Policy Department (BRPD) Circular No. 10* by Rafiul Alam, General Manager, Bangladesh Bank, Head Office.
4. www.bracbank.com