

00175  
BBA

# **Internship Report,**

## **A Research On SCB's Cash Management Products and Services**

**Prepared For:  
East West University**

**Prepared By:  
Sylvia Musharraf  
ID # 1999-2-10-027**

131

Golam Ahmed Faruqui  
Assistant Professor  
Department of BBA  
East West University



Subject: Letter of Transmittal.

Dear Sir,

I submit the report of my project, which is about the cash management services and requirement of the course BUS 499. According to the instructions I have tried to follow all the logical steps suitable for the project. Though facing several problems I have exerted great effort to present a potentially exceptional report. This report has been prepared as per instructions. I tried to make it as informative and as comprehensive as possible. The report has thoroughly augmented my knowledge on preparing a professional report.

Since I am a newcomer in this field, error will not be very unusual. Therefore, if there are any suggestions or any additional information is needed, please do inform me and I would be glad to furnish with any kind of clarification required.

I would like to thank you and also my university for giving me the opportunity to do internship and help preparing this report. I sincerely hope that this report will fulfill your expectations.

Thanking You.

Yours Sincerely,

Sylvia Musharraf  
ID # 1999-2-10-027

# ACKNOWLEDGEMENT

---

Before going through this paper, acknowledgement should be given to those, without whose help the effort to write this paper would have been futile. First of all, I would like to thank Mr. Nehal Ahmad for helping me to get internship at Standard Chartered Bank. Without his co-operation it could have been difficult for me to complete my internship procedure.

A humbly acknowledgement should go to Mr. Mirza Aminur Rahman (Head of Cash management & Trade, SCB), who was my supervisor during the internship time. He has given me the right direction to become familiar with the work environment and also provided the necessary assistance to collect the information.

I am very much grateful to consumer service department, account service department, item processing department, PSB & NCS department because these department staffs have given their valuable time and support to enrich my practical knowledge.

Lastly, I would like to give a very special thanks to my parents. I am really very obliged to them because without their love and support I may not be able to maintain my duty and responsibility.

# TABLE OF CONTENTS

Introduction of the Report	1
Statement of the Report	1
Objectives of the Study	2
Main Objectives	2
Specific Objectives	2
Scope of Study	3
Time Frame of the Study	3
Methodology of the Study	3
Sample Information	3
Primary source of Data	4
Observation Method	4
Interview Method	4
Secondary Sources of Data	5
Data Collection	5
Population of the Study	6
Sample Frame of the Study	6
Sampling Size and Method	6
Measuring Instruments	6
Rating Scale	7
Questionnaire	7
Limitations of the study	8
Organizational Overview	9
Chain of Command	10
Consumer Banking Division	11

Finance and Administration Division	12
Human Resources Division	13
Legal and Compliance Division	14
Corporate Affairs	15
Information Technology Division	16
Corporate and Institutional Banking	17
Expansion in Africa and Asia	18
The Impact of war	18
The post war years	19
Standard Chartered Bank in the 1990s	21
Standard Chartered Bank today	21
Global presence of Standard Chartered Bank	21
The Acquisition of Grindlays Standard Chartered Bank	22
Standard Chartered Bank at Bangladesh	23
Principal Legal Entities in Bangladesh	24
Organizational Structure	24
Business Division	25
Support Division	25
Chain of Command	25
Management	26
Personnel Policies	26
Recruiting, Training and Career Progression	27
Products & Services of Different Department	27
Corporate Banking	27
Custodial Service	28
Foreign Exchange	28
Institutional Banking	29

Handling of Trade Finance Business	30
Consumer Banking	30
Resident Foreign Currency Deposit	32
Non-Resident Foreign Currency Deposit	33
Loans Products	33
Cash Line	34
24-hour Money Link Access	34
Automated Services	35
International Remittance	35
Priority Banking	36
Cash Management Products from Standard Chartered Bank	37
Documentation for Account Opening	50
Conclusion	77
Recommendations	79
Appendix One	80
Appendix Two	83
Appendix Three	84

# **INTRODUCTION PART**

## ***Introduction of the report***

---

### **Statement of the Problem**

Standard Chartered Bank (SCB) is one of the leading first generation private sector banks in our country. Such banks have come into operation following the decision that the government of Bangladesh took almost two decades back to allow private banks to operate side by side with the Nationalized Commercial Banks (NBC's).

As a foreign bank, SCB handles importance foreign related issues e.g. remittances. For this reason, different embassies, Non Government Organizations (NGO) and individuals can get their foreign money without any bureaucratic complexity.

However, Cash Management Department of SCB plays a vital role in operating the total banking function. Cash Management Department offers various banking services to its customers.

Now a days, business world is very complex. Within this complex environment, every business organizations try to survive in their own position. In this case, SCB's Cash Management Department assists those organizations properly by providing services, such as-salary transfer, maintaining fixed deposit accounts, easy remittance facilities, etc.



If the idea of Cash Management expands day by day, the total banking efficiency should also increase as days go by, which also helps to improve the bank's total industrial as well as its business sectors.

More over, at the time of this internship program in the Standard Chartered Bank, one has the opportunity to see the works of the Cash Management Department of that bank.

For this reason, Effectiveness of Cash Management Services has been the main theme of the report.

## **Objectives of the study**

### ***Main objectives:***

The prime objective of the report is to know the over all services offered by the Cash Management Department and to identify the effectiveness of these services.

### ***Specific Objectives:***

- To explain the meaning and concept of Cash Management System of Foreign Bank
- To understand the need and objective of Cash Management
- To gather comprehensive knowledge on overall banking functions of Standard Chartered Bank
- Check the effectiveness of SCB's Cash Management services
- Focus on the reliability of Cash Management services of SCB

- Finding out the key issues that work as barriers while providing services to its customers
- Finding out what are the facilities provided by SCB to its clients and how they perceived those
- To identify the problem faced by Standard Chartered Bank

## **Scope of the Study**

The main area of this report covers the Cash Management Services of SCB. As such, the scope is limited only to the Cash Management Department, as this department is responsible for the corporate clients' services. The report also focuses on the historical background of SCB and its entire working departments specially the Cash Management Department.

## **Time Frame of the Study**

This study has been carried out from October 13, 2003 till December 13, 2003.

## **Methodology of the Study**

### **Sample Information**

Samples are collected from the corporate clients of Standard Chartered Bank's Cash Management Department. Here, the samples have had been picked up on a judgmental basis. As for the organization part, information has had been collected from different published articles, journal, brochures and websites.

All the information incorporated in this report has been collected both from the primary sources and as well as from the secondary sources.

### **Primary Source of Data**

When searching in the field directly to collect data is called primary source of data. I collected data from primary source using the following method:

#### ***1. Observation Method:***

Observation method may define as systematic viewing according to concise Oxford Dictionary “accurate watching, nothing of phenomena as they occur in nature with regard to cause and effect and mutual relationship”. I have observed all the activities of Cash Management departments and SCB’s total corporate institutions. Through this method, I have collected some data about Cash Management.

#### ***2. Interview Method:***

The interview which has been taken is face to face where one person- the interviewer, asks the respondent (in this case, the clients), questions designed to obtained answer pertinent to research problems. In order to get the real information and data about the Cash Management’s Services, various customers have had been interview directly.

***Primary sources are:***

- Discussion with officials of SCB
- Face to face conversation with the clients.
- Questionnaire survey
- Discussions with customers over the telephone

**Secondary Sources of Data**

The secondary data has been collected from the MIS of Standard Chartered Bank. To clarify different conceptual matters internet, different articles published in the journals & magazines have been used.

***Secondary Sources are:***

- Relevant books, Newspaper, journals etc.
- Annual reports of SCB
- Published documents and reports.
- Bangladesh Bank Report

**Data Collection**

Both secondary and primary data are used for preparing this report. But the research was mainly based on the clients' survey. Information was collected directly from the customers who are directly dealing with the Standard Chartered Bank through Cash Management. Printed questionnaires and personal interviews are treated as the main instruments for data collection. In many times, the telephonic interview was handy for collecting data.

## **Population of the Study**

The Population of the research survey are the clients who are have accounts and are directly dealing with SCB through Cash Management Department.

## **Sample Frame of the Study**

The populations are the clients of Standard Chartered Bank and they were the sample frame. 60 clients have been selected for the report out of which 40 have been selected on random basis. Their educational qualification ranged from B.A. to Masters Degree.

## **Sampling Method and Size**

The sampling method of this research is random method.

## **Measuring Instruments**

The measuring instruments that have been used are:-

- Questionnaires
- Rating Scale

***Rating scale:***

The rating scale involves qualitative description of a limited number of aspects of a thing or of traits of a person. These ratings may be in such form as “like - dislike”; “above average, average, below average”; or other classifications with more categories such as “like very much – like somewhat – neutral – dislike somewhat – dislike very much”; “excellent – good – average – below average – poor”; “always – often – occasionally – rarely – never”, and so on. There is no specific rule whether to use a two points scale, three points scale, or scale with still more points. In this research, three points scale and five points scale have been used.

***Questionnaire for assessing clients’ Comments:***

The aspect of my questionnaire for assessing “**Effectivity Analysis of Cash Management Services-A Case Study on Standard Chartered Bank Bangladesh**” that can either be structured or unstructured. Structured questionnaires are those questionnaires in which there are definite, concrete and predetermined question. The form of questions may be either closed (i.e., of the type ‘yes’ or ‘no’) or open (i.e., inviting free response) but should be stated in advanced and not constructed during questioning. When these characteristics are not present in a questionnaire, it can be termed as unstructured questionnaire.

## **Limitations of the Study**

The project work is based on interpreting primary data. Secondary data is also be needed for analyzing future plans, but for the purpose of the betterment of the present position of Cash Management, collecting, interpreting and integrating primary data has been utilized

Though a very comprehensive and a well-organized report has been tried to be produced but there are still some limitations present here.

- Since the time allocated for internship program is twelve weeks, it may have a coercive effect on this study lowering the actual value and standard.
- The communication gap among the different personnel because of excessive workload.
- Because of sensitiveness, the department does not want to disclose information about the financial situation which lead to do this marketing report.
- Lack of accessibility to respondents.
- The bank authorities are so busy that they could not give me sufficient time for discussion about Cash Management Operations and its problems.
- Problems for lack of my research work
- Clients are not always interested to spend time for interviews.

## **Organizational Overview**

---

Standard Chartered is a multinational bank and financial service group with an unique international network. Built over for 150 years, it now spans in the developed and the emerging economies of the world. The group operates through more than 600 offices in over 40 countries and has over 25,000 people managing assets of over 47 billion pounds. Standard Chartered Bank focuses its activities mainly in Asia, Africa and the Middle East.

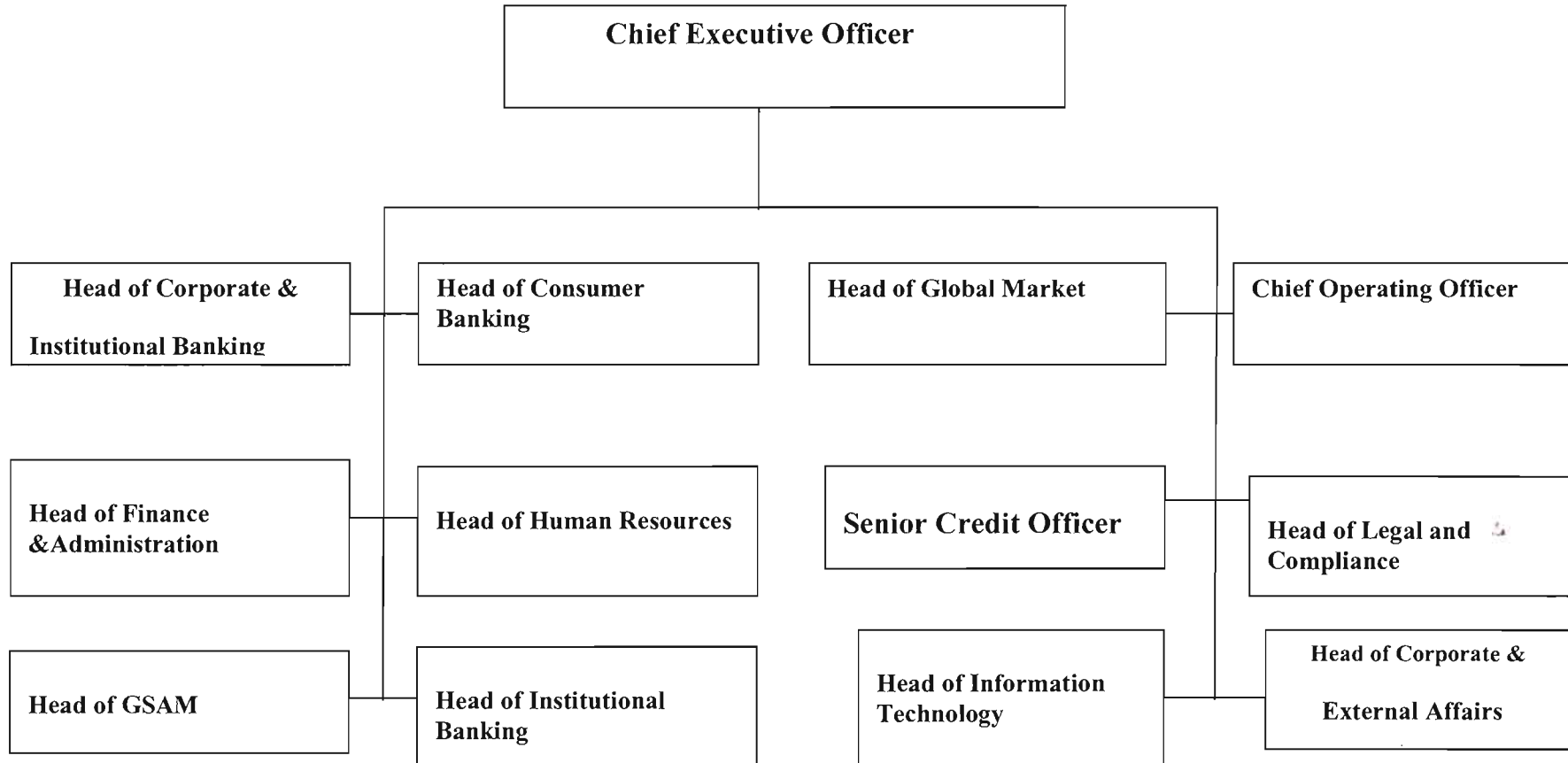
Standard Chartered Bank derives its name after two banks – Standard Bank of British South Africa and the Chartered Bank of India, Australia and China. The merger took place in 1969. Standard Chartered Bank is regulated by the Bank of England and is a clearing bank in the United Kingdom.

The new millennium brought with it two of the largest acquisition in the history of the bank- the acquisition of the Grindlays Bank from the ANZ group for a consideration of \$1.34 billion and acquisition of the Chase Consumer Banking Corporation in the Hong Kong for \$ 1.32 billion. These acquisitions demonstrate Standard Chartered Bank's firm commitment to the emerging markets.

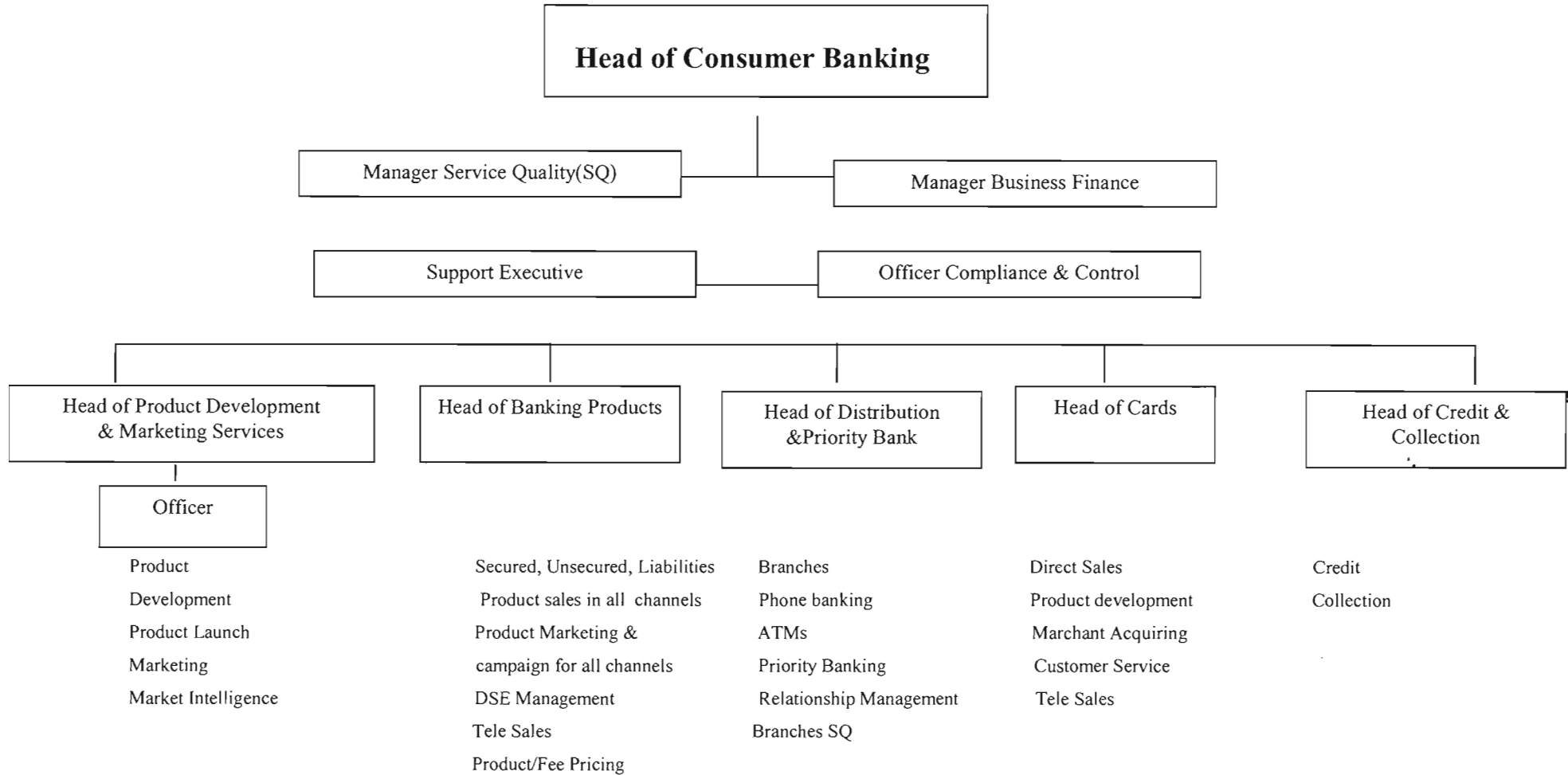
There are two main division of the Standard Chartered Bank's financial products and services: the Consumer Banking and the Wholesale Banking.



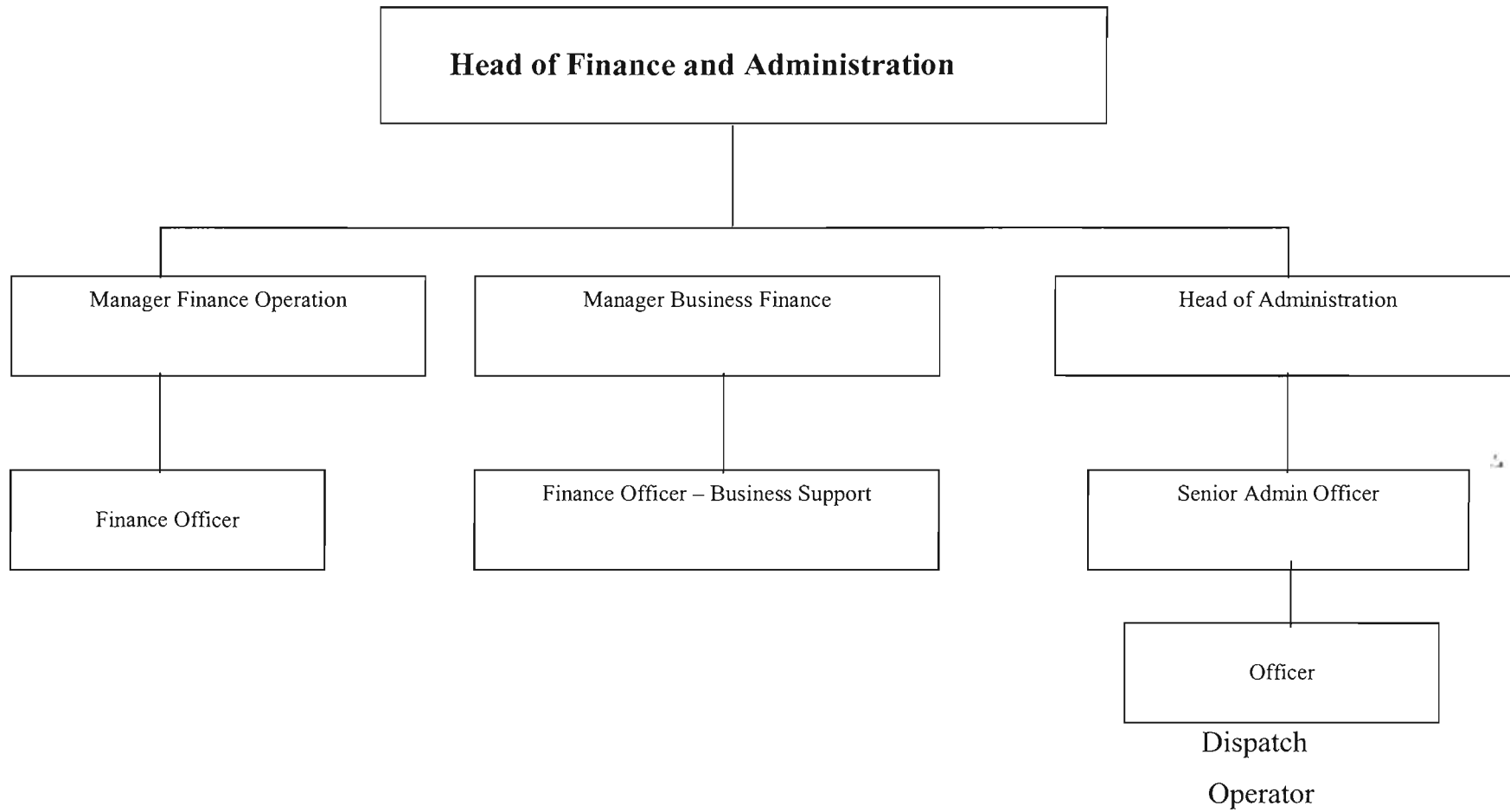
# Chain of Command



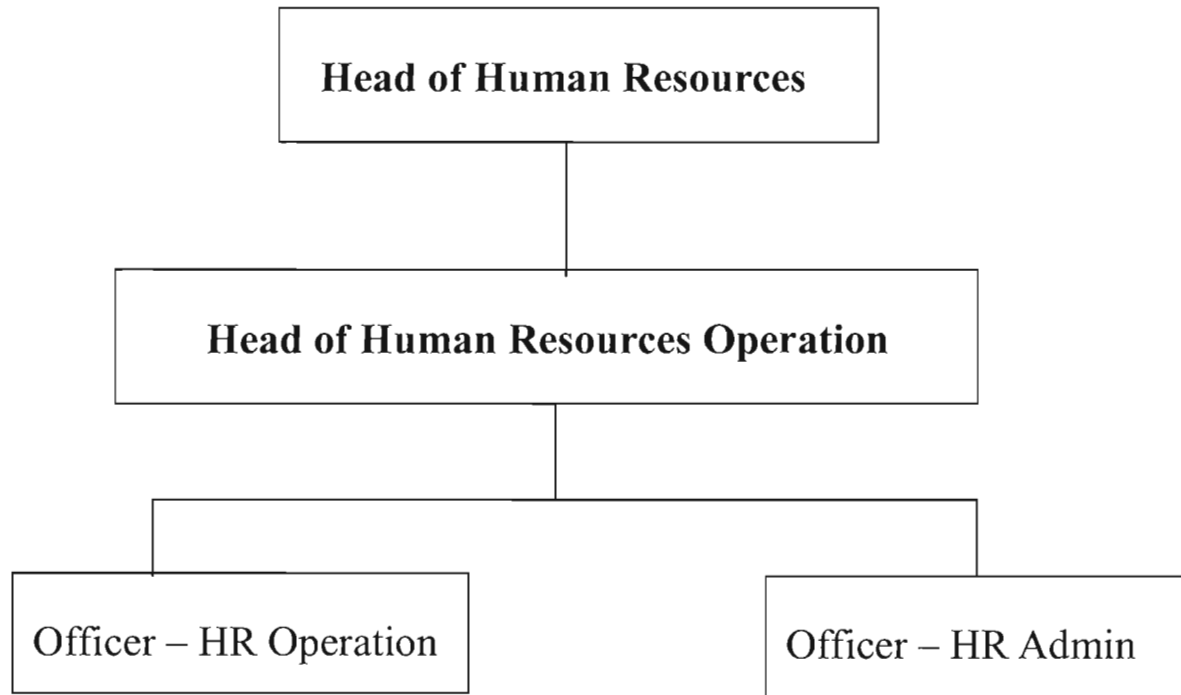
## Consumer Banking Division



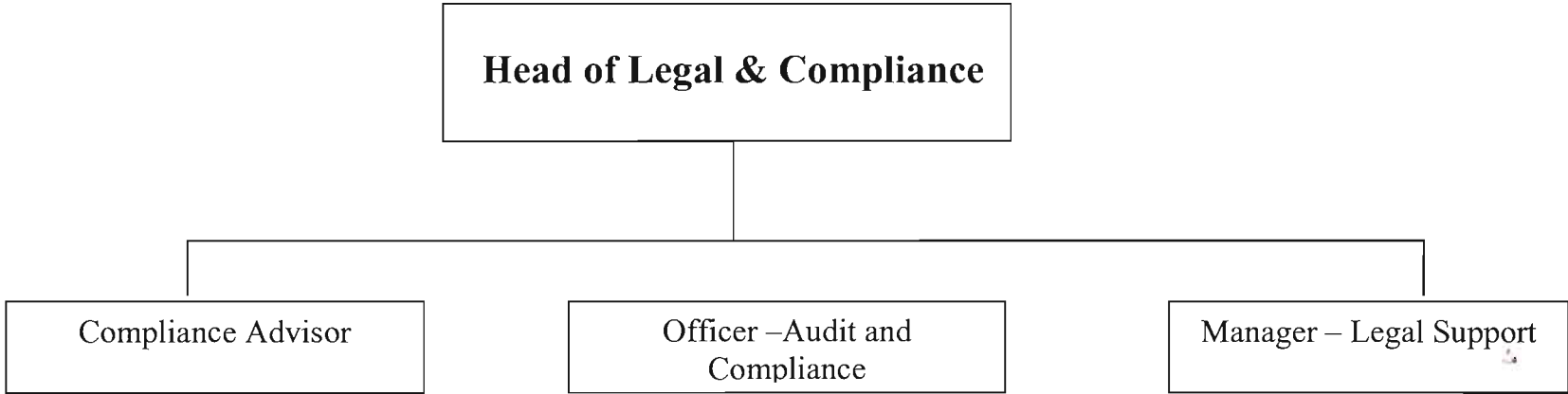
## Finance and Administration Division



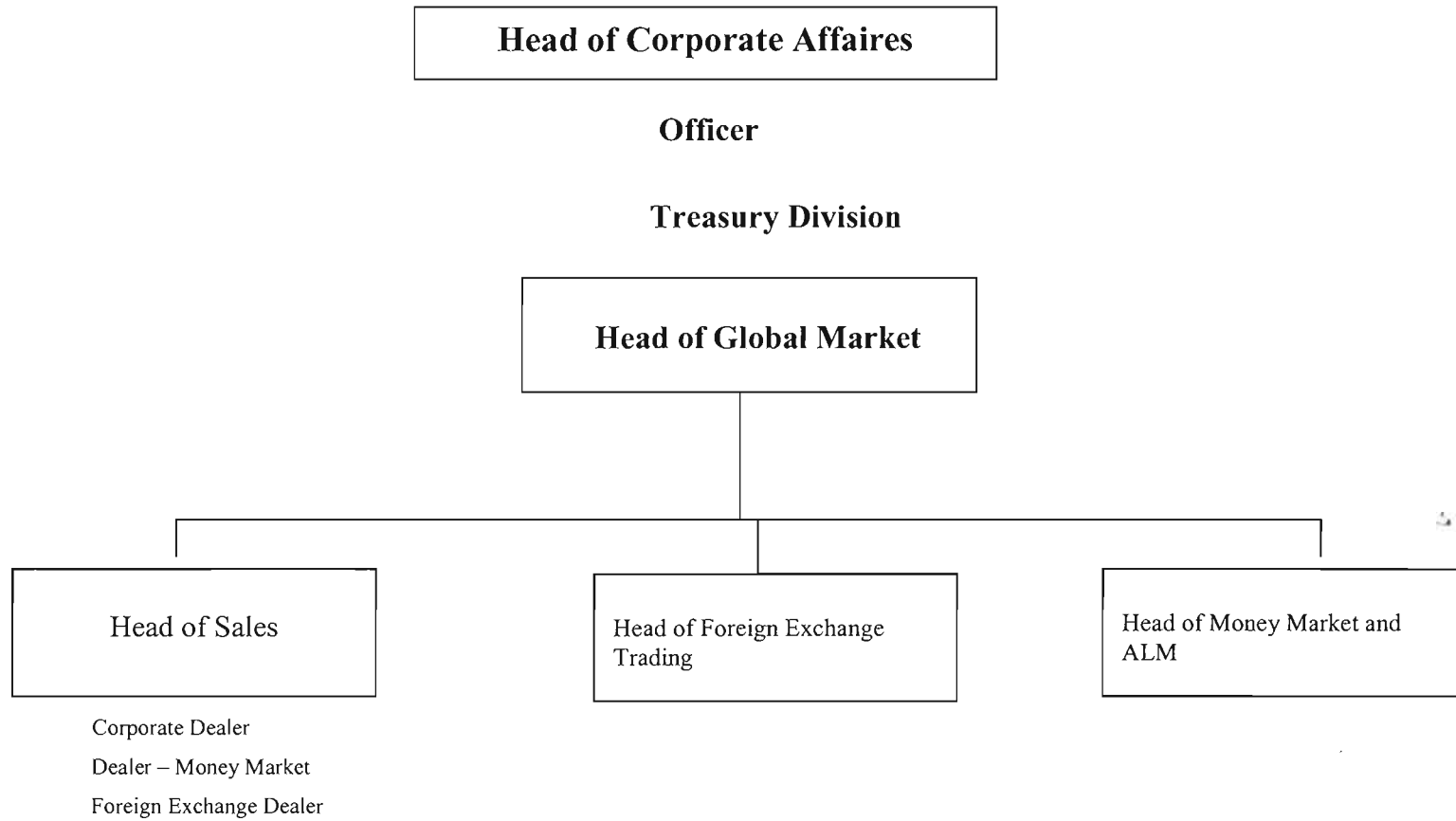
## Human Resources Division



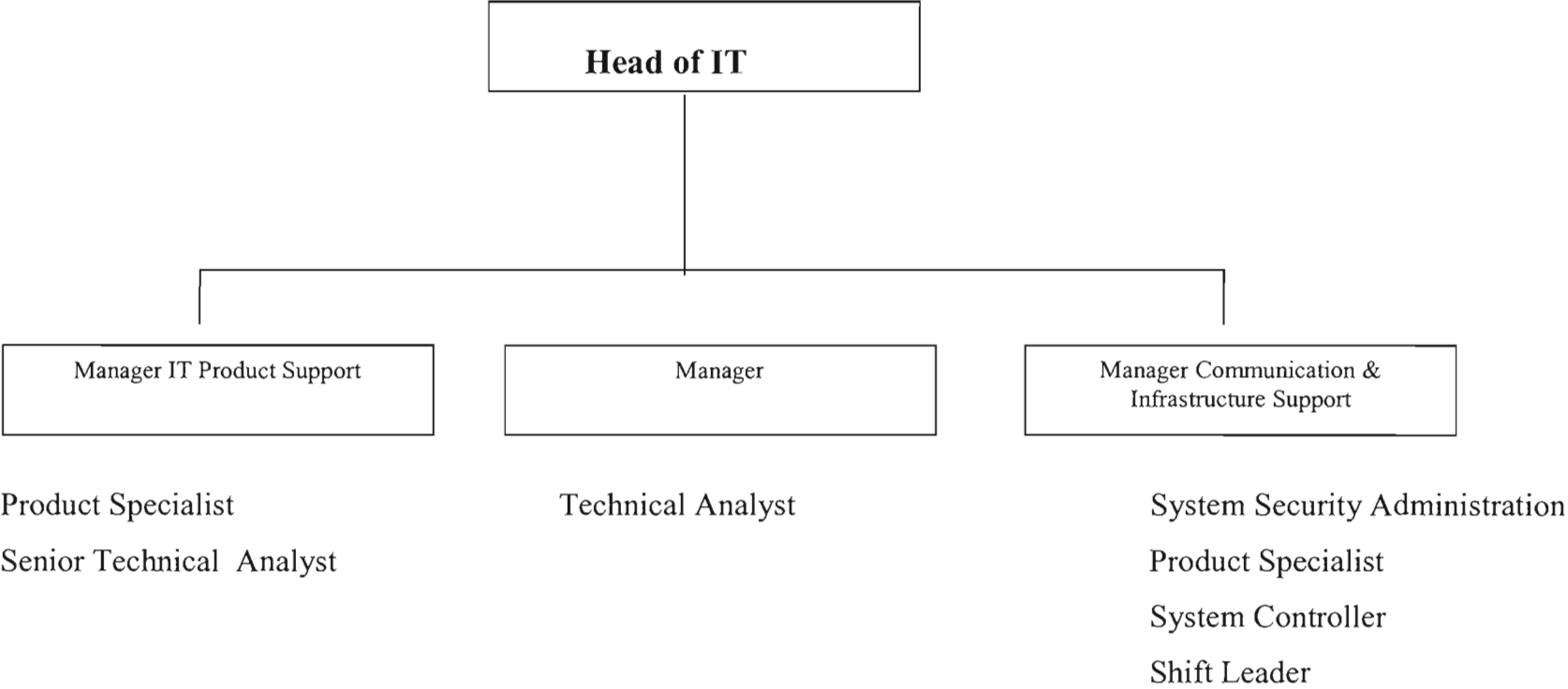
**Legal and Compliance Division**



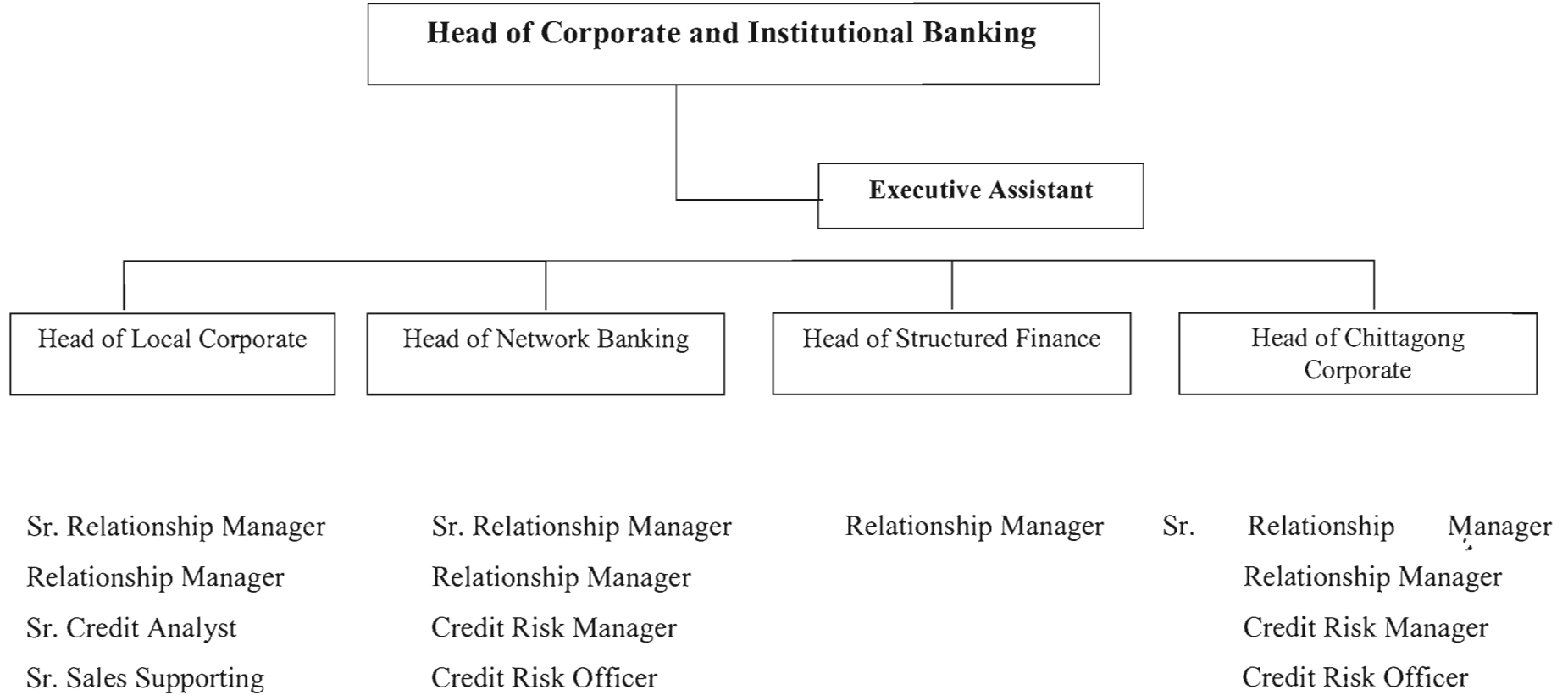
# Corporate Affaires



**Information Technology ( IT )Division**



## Corporate and Institutional Banking





## **Expansion in Africa and Asia**

The Standard Bank opened for business in Port Elizabeth, South Africa, in 1863. It pursued a policy of expansion and soon amalgamated with several other banks including the Commercial Bank of Port Elizabeth, the Colesberg Bank, the British Kaffarian Bank and the Fauresmith Bank. The Standard Bank was prominent in the financing and development of the diamond fields of Kimberly in 1867 and later extended its network further north to the new town of Johannesburg when gold was discovered there in 1885. Over time, half the output of the second largest goldfield in the world passed through the Standard Bank on its way to London. In 1892 the Standard Bank opened for business in Zimbabwe, and expanded into Mozambique in 1894, Botswana in 1897, Malawi in 1901, Zambia in 1906, Kenya, Zanzibar and the Democratic Republic of Congo (D.R.C.), in 1911 and Uganda in 1912. Of these new businesses, Botswana, Zanzibar and the D.R.C. proved the most difficult and the branches soon closed. A branch in Botswana opened again in 1934 but lasted for only a year and it was not until 1950 that the Bank re-opened for business in Botswana. In Asia the Chartered Bank expanded opening offices including Myanmar in 1862, Pakistan and Indonesia in 1863, the Philippines in 1872, Malaysia in 1875, Japan in 1880 and Thailand in 1894. Some 34 years after the Chartered Bank appointed an agent in Sri Lanka it opened a branch in 1892 to take advantage of business from the tea and rubber industries. During 1904 a branch opened in Vietnam. Both the Chartered and the Standard Bank opened offices in New York and Hamburg in the early 1900s. The Chartered Bank gaining the first branch licence to be issued to a foreign bank in New York.

## **The impact of war**

Even the First World War offered opportunities for expansion when the Standard Bank set up a branch in Tanzania shortly after British troops occupied the formerly German administered Dar es Salaam in September 1916. Both banks

survived the inter-war years but the world trade slump led to the closure of operations in the Canary Islands, Liberia, the Netherlands, and Equatorial Guinea. Disaster struck the Chartered Bank's office in Yokohama, Japan, when it was destroyed by an earthquake in 1923 killing a number of staff. The Chartered Bank was particularly effected by the Second World War when numerous Asian countries were occupied by Japan.

### **The post war years**

After the Second World War many countries in Asia and Africa gained their independence. This led to local incorporation in some countries, particularly in Africa. Other operations such as those in Iraq, Angola, Myanmar and Libya were nationalized, while in Indonesia the Jakarta office was destroyed in an attempted coup d'etat. In 1948 the Chartered Bank opened in Bangladesh and during 1957 it acquired the Eastern Bank. The Eastern Bank gave the Chartered Bank a network of branches including Aden, Bahrain, Beirut, Cyprus, Lebanon, Qatar and the United Arab Emirates. The Chartered Bank also entered into a joint venture to form the Irano-British Bank which opened for business in 1959. The bank grew rapidly and had 24 branches when it was nationalised in 1981. By the mid 1950s the Standard Bank had around 600 offices in Southern, Central and Eastern Africa. Its network grew substantially in 1965 when it merged with the former Bank of British West Africa which had some 60 branches in Nigeria, 40 branches in Ghana and eleven branches in Sierra Leone in addition to operations in Cameroon and Gambia. Despite these acquisitions and expansion into new countries such as Mexico, South Korea and Oman (1968), both the Standard and Chartered Bank networks were comparatively small. Both viewed the future with some trepidation as the need to protect themselves from acquisition became ever more apparent. Standard Chartered PLC In 1969 the decision was made by the Standard Bank and the Chartered Bank to undergo a friendly merger thus forming Standard Chartered PLC. It was one year later that the descendants of the "Chartered Bank of India, Australia and China" were finally permitted to open a representative office in Sydney, Australia. Standard Chartered subsequently

acquired the UK based Hodge Group, in which it already had a minority shareholding, and the Wallace Brothers Group. The Hodge Group brought to Standard Chartered an extensive network of UK offices specialising in installment credit and industrial leasing, and after a period of rationalisation its name was changed to Chartered Trust Limited. Standard Chartered's operations in Jersey emerged from the integration of other Hodge Group businesses with those of Wallace Brothers Bank (Jersey), Limited.

Standard Chartered decided, after the merger, to expand the Group outside its traditional markets. In Europe a number of offices were opened including Austria, Belgium, Denmark, Ireland, Spain and Sweden as well as several major cities in the UK. Standard Chartered also opened offices in Argentina, Canada, Colombia, the Falkland Islands, Panama and Nepal. In the USA a number of offices were opened and three banks were acquired. These included the Union Bank of California which gave Standard Chartered a presence in Brazil and Venezuela. The opening of a branch in Istanbul in 1986 was overshadowed by a far more dramatic event when Lloyds Bank of the UK made a hostile take-over bid for Standard Chartered. Standard Chartered won its right to remain independent but entered into a period of considerable change.

By the late 1980s Standard Chartered already had considerable exposure to third world debt. To this was added provisions against loans to corporations and entrepreneurs who could not meet their commitments. Standard Chartered reviewed its operations and decided to focus on its core strengths of Consumer Banking, Corporate & Institutional Banking and Treasury in its well established operations in Asia, Africa and the Middle East. This led to a series of divestments notably in Europe, the United States and Africa. During this time staff numbers were reduced; businesses not considered core were sold or closed; associate holdings disposed of; unprofitable branches closed and back office functions consolidated. In addition expensive buildings were sold with the proceeds reinvested in the business, and the senior management team was radically changed and strengthened.

### **Standard Chartered in the 1990s**

Even within this period of apparent retrenchment Standard Chartered expanded its network, re-opening in Vietnam in 1990, Cambodia and Iran in 1992, Tanzania in 1993 and Myanmar in 1995. With the opening of branches in Macau and Taiwan in 1983 and 1985 plus a representative office in Laos (1996), Standard Chartered now has an office in every country in the Asia Pacific Region with the exception of North Korea. In 1998 Standard Chartered concluded the purchase of a controlling interest in Banco Exterior de Los Andes (Extebandes), an Andean Region bank involved primarily in trade finance. With this purchase Standard Chartered now offers full banking services in Colombia, Peru and Venezuela. In 1999, Standard Chartered acquired the global trade finance business of Union Bank of Switzerland. This acquisition makes Standard Chartered one of the leading clearers of dollar payments in the USA. Standard Chartered also opened a new subsidiary, Standard Chartered Nigeria Limited in Lagos, acquired 75 per cent of the equity of Nakornthon Bank, Thailand; and agreed terms to acquire 89 per cent of the share capital of Metropolitan Bank of the Lebanon.

### **Standard Chartered today**

Today Standard Chartered is the world's leading emerging markets bank employing 30,000 people in over 500 offices in more than 50 countries primarily in countries in the Asia Pacific Region, South Asia, the Middle East, Africa and the Americas.

The new millennium has brought with it two of the largest acquisitions in the history of the bank with the purchase of Grindlays Bank from the ANZ Group and the acquisition of the Chase Consumer Banking operations in Hong Kong in 2000.

These acquisitions demonstrate Standard Chartered firm committed to the emerging markets, where we have a strong and established presence and where we see our future growth.

### **Global presence of Standard Chartered Bank**

In five regions Standard Chartered Bank has its presence in total of 48 countries:

<b>Africa</b>	<b>Asia Pacific</b>	<b>Latin America</b>	<b>Middle East &amp; South Asia</b>	<b>UK &amp; USA</b>
Botswana	Australia	Argentina	Bahrain	Falkland Islands
Cameroon	Brunei Darussalam	Brazil	Bangladesh	Jersey
Gambia	Cambodia	Colombia	India	UK
Ghana	China	Mexico	Iran	USA
Kenya	Hong Kong	Peru	Nepal	
Sierra Leon	Indonesia	Venezuela	Oman	
South Africa	Japan		Pakistan	
Tanzania	Laos		Qatar	
Uganda	Macao		Sri Lanka	
Zambia	Malaysia		UAE	
Zimbabwe	Myanmar			
	Philippines			
	Singapore			
	South Korea			
	Taiwan			
	Thailand			
	Vietnam			

**The Acquisition of Grindlays by Standard Chartered:**

The main idea behind acquisition and merger is making an investment and usually involves more than mere cash. When two separate legal entities merge every organization aspect of both companies are expected to change be it internal or external. Such management decision is taken for a variety of reasons but the ultimate aim is to add up to shareholder's wealth. For banks operating in the consumer and wholesale banking sector, earning depends largely on the

interest margin as well as the service charges. For this increasing customer base is a major concern, for banks operating in foreign countries, increasing customer base is not easy since they have to compete with local banks which in many cases are backed by government. This especially true in Southeast Asia where governments have quite a strict control on the financial market and the institutions.

The government and autonomous banks largely dominate our country's banking sector. Thus competing them in interest figure becomes for both foreign and local and foreign banks. The only way to attract customer is through providing high quality service. Also they have to be very innovative in financial products since they have to compete the government again in highly profitable saving instrument and low-interest loans.

Standard Chartered Bank, the largest and one of the oldest foreign bank in the country has been successfully doing business in corporate and consumer banking sector for years. It has introduced many new financial consumer and corporate products like money builder in the market. Recently the bank attracted a great deal of attention through its acquisition of another foreign bank operating in Bangladesh "ANZ Grindlays" (refer to Appendix) from August 2001, the two competing banks will complete the merger process and operate from the same platform. This is a concept for a country like Bangladesh where merger of two large distinct organizations is still far-fetched. However with its increasing customer base the service quality seems to have declined. One purpose of this report had been to find out the validity of such an assumption.

### **Standard Chartered At Bangladesh**

Standard Chartered Bank started its business in Bangladesh in 1948, opening its first branch in the port city of Chittagong. The bank increasingly invested in people, technology and premises as its business grew in relation to the country's thriving economy. At present the bank has 6 offices in Dhaka Chittagong and

Sylhet, including the country's only offshore banking unit inside the Dhaka Export Processing Zone at Savar. Besides with the acquisition of ANZ Grindlays, the bank will have more branches to serve its huge customer base from August 19, 2001.

Extensive knowledge of the market and essential expertise in a wide range of financial services have helped the bank to build business opportunities for corporate and services have helped the bank to build business opportunities for corporate and institutional clients at home and abroad. Continuous upgrading of technology and control system has enabled the bank of offer new services, which including unique ATMs and Phone banking.

#### **Principal Legal Entities in Bangladesh:**

Standard Chartered Bank has 19 branches and 25 ATM booths in six Districts in Bangladesh:

- |                          |                          |
|--------------------------|--------------------------|
| 1. Bogra (1 Branch)      | 5. Khulna (1 Branch)     |
| 2. Chittagong (4 Branch) | 6. Naraynganj (1 Branch) |
| 3. Dhaka (10 Branch)     | 7. Sylhet (1 Branch)     |
| 4. Dhaka EPZ (1 Branch)  |                          |

#### **Organizational Structure:**

The Standard Chartered Bank in Bangladesh Headquartered at Hadi Mansion, Dilkusha, Dhaka with branches all over the country. While the full range of services are available at the headquarter, other branches offer specific services appropriate for the location. The Branch at Kakrail is the only one which offers the student fil facilities.

Structurally the Bank mainly consist of two divisions:

- Business &

- Support

**Business Division:**

- |                                     |                                 |
|-------------------------------------|---------------------------------|
| 1. Corporate Banking                | 4. Consumer Banking             |
| 2. Treasury                         | 5. Custody and Clearing Service |
| 3. Institutional Banking Management | 6. Group Special Asset          |

Standard Chartered Bank is primarily corporate banking driven. Corporate banking generate 40% of its revenue while others do the rest.

**Support Division:**

- |                                  |                                 |
|----------------------------------|---------------------------------|
| 1. Service Delivery              | 6. Human Resources Department   |
| 2. Operation                     | 7. Legal and Compliance         |
| 3. Finance and Administration    | 8. Corporate & External Affairs |
| 4. Risk Management               | 9. Credit                       |
| 5. Information Technology Center |                                 |

**Chain of Command:**

Standard Chartered Bank in Bangladesh follows a hierarchy pattern of command. The chief Executive Officer (CEO) for the country reports to the Regional Manager, Mesa in Dubai. All other departmental Heads at the headquarters report to the CEO. A manager or Senior Manager reports to the divisional Heads. The respective Branch Managers or Branch Sales and Service Managers (BSSM) are responsible for the performance of their unit. Each branch is organized functionally along line divisions with some support facilities and the manager assigns tasks to his / her subordinate personnel and supervises their performance.

Organograms of different division of the bank is given in the next seven pages separately.



## **Management**

The goal of Standard Chartered Bank is to be the “Bankers of the First Choice” Towards that goal, the overall planning in the organization is done at the Headquarter in Dhaka by a management. Committee (MANCOM), headed by the CEO and consisting of the business heads of different divisions.

They meet once a month or when any special situation arises, to plan the strategic decisions. Th decision making, although apparently a top down approach, leaves rooms for participation down to the level of department heads, which are responsible for carrying out the planning of their department within the broad guidelines set by MANCOM.

Among the broad strategic objectives are:

- Creating a congenial work environment
- Modernization of the management information system to achieve full automation by drastically cutting down the paper work in long term.
- Focusing on service quality and consume needs
- Recuriting and maintaining top grade, efficient employees
- To invest in those technological systems which will upgrade and enhance financial services
- Creating an excellent brand image of the bank.

## **Personnel Policies**

The number of officers exceeds the number of clerk, which is a strait contrast to local banks specially the nationalized commercial banks. Standard Chartered Bank pays great attention to recruiting high quality staff through proper evaluation and improving their skills through structured training. Reward and punishment base on strict performance evaluation and opportunities of promotion both in country and abroad are two important features of the personnel policy of Standard Chartered Bank.

## **Recruiting, Training and Career Progression**

The recruitment process is based on references, advertisements and internships. Entry point screening is done both by the written and oral test. The medical record of the potential employee is very important and those suffering from potentially life threatening and performance deterring diseases are not hired, even if they were otherwise qualified. The placement of the staff is done in two ways. Either the employee undergoes a management trainee program with a probation period of nine months and is categorized as an officer leading to various managerial jobs, or is recruited at a non management level as banking assistance or support officer. There is a structured training framework for all the employees, and a channel for moving people from national to international positions. International graduate recruitment and personal skills development for entry-level employees are a part of the human resources development efforts at Standard Chartered Bank.

## **Products & Services of different Departments**

### **Corporate Banking:**

Standard Chartered provides a full range deposit and loan products to its corporate clients. Rapid decision making is an important feature of Standard Chartered's services to international and domestic companies doing business in Bangladesh. All accounts are assigned to a Relationship Manager to look after client needs. Each relationship manager keeps close contact with the client obtaining in-depth knowledge of the client's business and providing timely advice.

The corporate banking sector offers the following services:

- Working Capital Finance- Overdraft, import and export finance, bills discounting
- Term Loan
- Corporate deposit services

- Negotiate mix credit/loans from donor agencies
- Trade finance- includes overseas short-term funding of imports and country's only offshore Banking Unit (OBU) in Saver EPZ.
- Cash Management- provides the clients with a full range of cash management products, collections, payments and liquidity products. Large range of payment products including "payable at par" cheques and tax based statutory payments.
- Support services- for global/ international client needs in Bangladesh and across the border. The Bank has direct working relationships with offices in over 40 countries.

#### **Custodial Service :**

A custodial service falls under the Corporate-banking group and is looked after by Standard Chartered Equator. The principal client of this are foreign is global custodians and brokers/dealers requiring cross-border information and sub-custodian services in the emerging markets.

In Bangladesh the Custodial services is a part of the Standard Chartered Equator and they offer the following services:

Delivery and receipt of securities

Registration and physical safe custody of securities.

#### **Treasury**

Standard Chartered is one of the world's leading banks in foreign exchange and money market operations with special strengths in exotic currencies. Customer are given access to 24- hour service, 7 days a week, through a network of dealing rooms located in various financial centers of the world.

The Treasury division of the Standard Chartered Bank in Bangladesh has a centralized dealers room in Dhaka and consists of the following two areas:

#### **a) Foreign Exchange**

The Results monitors placed in the Treasury Division give continuous updates on exchange rate movements as well as ready access to market information. Experienced dealers provide advisory services from 8:00 am to late evening 6 days a week (except Saturday) on hedging techniques and risk management so that the customer can obtain better value for their foreign exchange transactions. The Foreign Exchange service includes:

- **Ready Contracts:** Foreign exchange contracts for the same day value, next day value or spot transactions.
- **Forward Contracts:** foreign exchange contracts to hedge exchange risks.
- **Cross Currency Contracts:** the customer can trade a wide range of currencies.
- **Information analysis:** The Treasury division publishes daily and weekly currency newsletter, which provide analyses of currency trends and related issues. Seminars and workshops are conducted for customers from time to time on foreign exchange related topics. Customer can also have access to the bank's information database round the clock through Phone Banking.

***b) Money Markets and Investment:***

Standard Chartered Bank's Treasury division is the local market leader in debt instruments including both short and long-term fund mismatches through the money market and takes front line positions in inter-bank call money rate, government T-bills of various maturities and inter-bank SWAPS.

**Institutional Banking :**

Institutional Banking (IB) is a specialized banking unit of Standard Chartered, providing products and services to the specific needs of other banks and financial institutions. It assists the local banks by taking care of their cross-border business through the worldwide Standard Chartered Bank networking over 40 countries. Following are the variety of financial products offered by this department:

***Vostro Accounts***

IBG, Bangladesh maintains Vostro Accounts of banking and financial institutions worldwide, customer maintaining such account can remit funds throughout the country through the Standard Chartered Bank branch network as well as through Chartered Bank's local correspondent relationships.

***Nostro accounts***

In order to increase and promote the correspondent banking business worldwide, IBG uses Nostro accounts to Bangladeshi banks and financial institutions in almost all encompassing the Standard Chartered Bank global network. Group branches and sides provide full clearing and payment services in the UK, USA, Hong Kong, Malaysia, Singapore and many African countries. Worldwide payments services are facilitated by a network of branches supported by electronic cash management (available in select locations), fund transfer system and membership of SWIFT.

***Handling of Trade Finance Business:***

IBG offers the full range of services available under Trade Finance to its customers. The Standard Chartered Bank network in China, the Far East, the Middle East, the Indian sub-continent, Africa, UK and USA makes SCB the natural choice of correspondents for advising, confirming, and negotiating their letters of credit in these territories.

**Consumer Banking :**

The proposal banking division of Standard Chartered Bank operating at branch level offers the following services :

**Accounts :**

- Personal Current Account

- Personal Savings Account
  - Fixed Deposit Account
  - Personal Call Account
  - Sole Proprietorship Account
  - Limited Liability Company Account
  - Project Account
  - N.G.O account registered locally and abroad
  - Non-resident Foreign Currency Deposit Account
  - Resident Foreign Currency Deposit Account
  - Registered Partnership Account
  - Unregistered Partnership Account
  - Convertible Taka Account
  - Foreign Currency Accounts for Foreign Nationals
  - Foreign Currency Accounts for Bangladeshi Nationals
  - Escrow Account
  - Private non-resident Taka Account
- Different documentation and rules are applicable to different types of accounts. Minimum balance requirement, interest, ledger fees, other charges all depends on management decision and varies from account to account. Personal Financial Consultants present at each branch usually service these accounts.

Details of some of the accounts are given below:

**Current Account:**

Tailored to meet the needs of individual and commercial customers, the current account offers benefits like free cheque book, ATM service, Phone banking, account access from any branch, and instant fund-transfer amongst Standard Chartered branches in the country.

**Fixed Deposit:**

Fixed deposit has the following features:

- Can be opened for a term of 3 months, 6 months or 12 months
- Tiered interest rates, offering higher rates for larger amounts
- Interest payable on maturity
- Automatically renewable (with or without interest)
- Can be as security against personal/commercial loans

**Call Deposit:**

An easy way to turn short-term savings into high-yield assets, blending of the flexibility of a current account with the yield of a Fixed deposit. Other features include:

- Competitive interest rate
- No withdrawal restriction irrespective of frequency or size subject to seven day's notification

**Resident Foreign Currency Deposit (RFCD):**

Specially designed foreign currency account for resident Bangladeshis. Offers wonderful opportunity to build a deposit base in foreign currency. Helps make for overseas commitments and dues like credit card bills, travelling expense etc.

***Main features:***

- \* Offered in USD, GBP and Yen
- \* Competitive Interest on deposit
- \* Can only be opened within 1 month of arrival from abroad
- \* Deposit can be made in foreign currency only (cash, TC or Drafts)
- \* Cash withdrawal in local currency only
- \* Fund Remittance (in both Lcy and Fcy) to any place in and out of the country (without restriction)

**Foreign Currency Current Account**

Applicable to Bangladeshis working abroad, it can be opened in USD, GBP and Yen without restriction on transaction frequency. Can be operated through nominees in absence of the account holder. Fund remains in foreign currency and is freely remittable.

***Main features:***

- \* Deposit can be made in foreign currency only (cash, TC or Drafts or transfer from other Fcy account)
- \* Cash withdrawal from the account is in local currency only.
- \* Fund Remittance (in both Lcy and Fcy) to any place in and out of the country (without restriction)
- \* Fund can be used to make investment in Wage Earners' Development Bond

**Non - resident Foreign Currency Deposit (NFCD):**

- \* A short-term foreign currency deposit account suitable for Bangladeshis living abroad, offering most competitive interest rates available in both local and international markets. Other features include:
  - \* Interest paid in foreign currency
  - \* Can be opened for a term of 1 months, 3 months, 6 months and 12 months
  - \* Interest rates are tiered (based on amount and term)
  - \* Interest payable on maturity
  - \* Automatically renewable (with or without interest)
  - \* Can be used as security against personal/commercial loan
  - Remittance in both Lcy and Fcy to any place in and out of the country

**LOANS PRODUCTS**

**Personal Loan:**

A loan product requiring no cash security and down payments.

**Main features:**



- \* Available for any personal reasons ranging from purchase of consumer durable, educational expenses to medical treatment
- \* 3 different repayment-tenor options - 12, 24 or 36 equal monthly installments.
- \* Can be secured by salary assignment and employer's undertaking or personal guarantee.
- \* Can be repaid in advance, anytime ahead of maturity date.

**Cashline:**

A product allowing ready access to cash without disrupting interest-earnings on fixed investments. It provides ready access to cash against quasi-cash investment paper like Terms deposits (LCY / FCY) Savings Certificates, Wage Earners' Development bonds, ICB units certificates etc.

**Other features:**

- \* Both Revolving & terminating options
- \* High utilizing Limit (based on security value)
- \* Quarterly payment of Interest (only on the outstanding amount)
- \* No commitment fee (on unused limit)

**24-hour Money link Access:**

it allows 24-hour cash access, 365 days a year through Automated Teller Machines (ATMs). It offers attractive discounts to Money link cardholders at designated shops, boutiques, restaurants and clinics. There are 25 ATMs in 6 cities. Additional services include:

- \* Funds Transfer
- \* Cheque Book Request
- \* Statement Request
- \* Deposit Facilities
- \* Change of Personal Identification Number (PIN)
- \* 24-hour Phonelink Access

Phonelink in Bangladesh was inaugurated in March, 1997. It helps to bring banking within the dialing distance of the customers, providing access to account information and details, 24 hours a day from the privacy and comfort of their homes, offices and cars. The Phonelink service includes:

**Automated services:**

- \* Account-related services
- \* Foreign currency related information
- \* Change of Telephone Identifications Number (TIN)

**Through the Phone Bakers:**

- \* Inquiry on the product services
  - \* Change of account address
  - \* Notification to the bank of lost or captured Moneylink ATM Cards
  - \* Stop Cheque instruction
  - \* Pay Order/ Demand Draft preparation (to be collected later by the customer)
- Status inquiry on remittance
- \* Renewal of fixed deposit or opening of new fixed deposit
  - \* Other account opening assistance

The account holders can access transfer funds from any of the branches through centralized computer accounting system.

**International Remittance:**

Standard Chartered Bank's solid international network provides an excellent remittance service anywhere in the world.

**Locker Service:**

Our safe deposit locker service offered from Dhanmondi and Sylhet branch gives a modern facility for safekeeping of precious items, confidential documents and other valuables. Other features:

- \* Personalized service from a dedicated locker officer
- \* Available to any customer (for an annual fee which depends on locker size)

- \* Accessibility anytime during the banking hours
- \* No additional charge for locker visit

**Priority Banking:**

Standard Chartered Bank Bangladesh offers Priority Banking to clients who have huge ideal cash at their savings account. Under this segment an exclusive combination of services are offered to customers who signed up for it. Some of the benefits offered under the program are:

A Priority Card that recognizes your Priority Status at all our local branches and also at our global Priority Centers

Higher withdrawal limit per day from all our ATMs in Dhaka, Chittagong & Sylhet  
Privileges associated with the Priority card in reputed hotels, restaurants and stores locally and globally

Exclusive Priority Center in Dhanmondi & Sylhet with reserved parking space

Dedicated Customer Relationship Personnel at the Priority Centers

And also commission free SCB Visa travelers' cheques against travel quota, swifter transactions, pre-arranged banking services and invitation to special social and cultural events.

# **EXPERIENCE PART**

## **Cash Management Products and Services**

---

“**Cash Management products**” policies and techniques used at present no doubt is comparable to international standards. Management and others related to Standard Chartered Bank are trying to formulate new services and products. They are very quick in giving decisions.

The bank introduces a large range of products to the customers through its cash management department and provides smooth services to them.

### **Cash Management Products from Standard Chartered Bank**

#### ***4.1.1. National Collection Services (NCS)***

National Collection Services (NCS) is a centralized system where clients maintain a single concentration account with Standard Chartered for all their countrywide collections.

This service offers the following benefits to its customers:

- NCS is designed in such a way that funds collected from all your collection locations into your single concentration account maintained with Standard Chartered Bank. There is no need for multiple local accounts with idle balances, and there is no need to handle multiple, time-consuming reconciliation tasks.
- You can deposit Cash/ cheques (or other instruments) at our branches or our Correspondent Bank branches. We have area coverage of more than 200 locations (list enclosed Appendix: I) out of which 19 are our own branches in six major cities: Dhaka, Chittagong, Sylhet, Khulna, Bogra, and Narayanganj.
- NCS ensures increased liquidity for your company by minimizing the transit time of your cheques and other instruments. For locations where local clearing exists, we offer you quick and guaranteed credit of funds; whereas

for non-clearing locations we ensure funds are realized in the shortest possible time.

- Alternatively, for outstation locations we can arrange for our courier representative to collect the cheques and other banking instruments (excluding cash) from your offices at pre-agreed times. We have dedicated support at each of the locations we service and they will maintain close contact with your offices.
- NCS provides different types of reports to aid in your Receivables Information Management.

#### ***4.1.2.Premium Service Banking (PSB):***

This is a Cash Management product that is tailor-made for our high net worth and esteemed corporate customers like IPDC. The product has the following features,

**PSB Courier:** A daily courier service that collects and deposits all routine transactions (except cash) to and from the customer.

**PSB Autofax:** Provides the customer with comprehensive statements of all designated accounts in the customers' desired frequency (daily, weekly, etc.).

**PSB Hotline:** A single point of contact inside the bank for the PSB customers for all their routine transactional queries.

**PSB Inward Remittance Service:** The bank proactively provides a fax report of any incoming SWIFT payment messages even before the funds are credited.

**PSB Express Payments:** For urgent foreign payments, fax messages received against a standard indemnity will be processed.

**PSB FX & Money Market Information:** Provides a Daily Rate Sheet through E'Mail and Weekly Market Report detailing Foreign Exchange rates; key stock, bond, and interest rate indices; highlights from international financial markets; etc.

**PSB Trade Reports:**

At Standard Chartered, authority understand how important it is to stay informed of customers trade commitment at all times. Our innovative information service now enables you to get an up-to-date and easy-to-read summary of customer outstanding position for Import, Export, Shipping Guarantee and Import Finance.

Customers get following benefits from SCB's Trade Reports:

- Monitor your outstanding at a glance
- Take control of your bills status and cash flow
- Optimality utilize your trade credit facilities
- Proactively utilize your trade credit facilities
- Control over the expiry dates for import and export letters of credit

Range of SCB's Trade Reports:

Trade reports puts a customer in control of his/her trade outstandings and gives you need ,to effectively manage your company's trade business.You can choose the level of reporting that best meets your company needs, and you can change this selection as your business grows. We offer six types of report categories:

- **Trade outstandings report** summarizes all your trade finance outstandings in one report.
- **Export Trade Report** includes the following information:
  - Export Letters of Credit Report details unexpired export letters of credit transactions

- Export Drawings/Bills Report details your outstanding export drawings/bills transactions
- **Import Trade Maturity Report** includes the following information:
  - **Import Letters of Credits Report** details your outstanding import letters of credit transactions
  - **Trust Receipts Maturity Report** details your outstanding trust receipts transactions
  - **Acceptance Report details** your outstanding acceptances and their maturities.
- **Guarantee Report** details your outstandings from copy document endorsement for air, sea and road, Bid Bond and performance Bond issuance

#### **4.1.3.CheqWriter:**

We are pleased to offer you Standard Chartered's cheque writing software. This CheqWriter computerizes the preparation, maintenance and inventory management of cheques thereby providing fast, accurate and professional cheque preparation and extensive MIS capabilities as well.

The Bank will supply the cheque printing stationary as and when requested by the customer. This is a pre printed A4- size cheque form with two sections separated by a perforation. The top part is the counter foil of the cheque that can be used as a paper record of the transaction and can also evidence the payees receipt. The bottom part is the cheque that contains all regular input fields of a conventional cheque. ChequeWriter can print an optional "Account Payee Only" marking for crossed cheques on the cheque leaf.

#### **Features of Cheque Write**

- Customisation of cheque leaves with customer logos.
- Data storage for a competitive history of all cheque payments.
- Controls against typing errors.



- Robust overall security
- professional counterfoils, which can be used for recording purposes as well as receipts

*All reports can be delivered by fax, mail or held for collection. They can be delivered on a daily, weekly, fortnightly or monthly basis or on demand.*

### **Hardware requirements for Cheque writer**

Cheque writer can be operated from either a single personal computer or from a network of multiple computers. Hardware requirements for installation of ChequeWriter are:

- 100% IBM compatible personal computer operating under MS Windows and above.
- 486% processor (minimum)
- 16 MB RAM
- 1.44 MB 3.5" Disk Drive
- Hard Disk drive with 25 MB free space.

### **Benifits from Cheque Writer:**

- Allows you to customise your cheques with company details, logo and counterfoil
- Saves time by automating the cheque preparation
- Maintains a history of all cheque payments and can provide a wide range of information capabilities through various reports
- Has the ability to interface with other applications
- provides full audit trail of all transactions
- Provides full audit trail of all transactions

### **Security :**

Access to Cheque Writer can be parameterized through user IDs and passwords. Users can also be assigned with different access levels to avoid unauthorized use of Cheque Writer

#### **4.1.4. Electronic Banking Services for Windows (EBSW):**

Our Electronic Banking Service allows you to initiate transactions and enquire about accounts electronically from anywhere in the world. You can download necessary account information and store in your own PC.

Once you have defined your required reporting data into the system, you can display it on the EBSW work station or print it. the embedded report generator enables you to customise report formats to suit your particular requirements. EBSW also incorporates an "events scheduler" which automatically executes tasks for you whenever you choose. Moreover, EBWS offers Data Export / Import capability to/from other widely used Windows-based software (e.g. MS Word, MS Excel, etc.).

Key features of EBSW:

Cash Reporting:

With EBSW clients not only receive access in their accounts throughout the banks network, you also receive information about movements in your accounts with other banks. This is done via true SWIFT multi-bank reporting capability and all banks who are members of SWIFT can be incorporated. The user friendly design of EBSW enables you to view your account details quickly and easily- account balance details, statements, and history etc. are all available at the touch of a button.

#### **Cash Initiation:**

Clients receive a full range of domestic and cross-border transaction initiation capabilities through EBSW, including electronic funds transfer as well as paper-based payment options such as drafts. EBSW simplifies the cash input initiation process by providing you with features that improve accuracy and efficiency. these include templates for commonly used transactions; "look-up" tables for

frequently used information such as bank, beneficiary and account details; and a “create from previous” capability that allows you to select one of your earlier instructions as a template for your current input.

Trade Initiation:

EBSW provides you with a full range of trade transaction capabilities including L/C application, issue, amendments, funds withdrawals, import collections as a template for your current input.

Security & Control:

When making financial transactions electronically, strict security is of the utmost importance. You need to have the right safeguards in place to prevent unauthorised people from tampering with the system. Standard Chartered’s EBSW includes a series of features such as :

- Users Authorisation
- password protection
- Authentication & Tracking transactions through an Audit Trail

All these ensure data integrity and meet client’s security needs—all in line with industry recognised standards.

#### **4.1.5. Payment plus:**

Payment plus is a user-friendly software which is offered to corporate customers of Standard Chartered to facilitate the payments that they wish to make through its electronic platform, EBSW.

What payment plus essentially does is create a bridge between the customers’ own accounts payable system and Standard Chartered’s Electronic Banking Services for Windows (EBSW). Typically, the customer has to maintain a separate accounts payable database from which payments are periodically made.

For customers who are already used to the convenience of sending instructions electronically through Standard Chartered’s Electronic Banking Services for Windows, typing in the required information into the EBSW templates creates an additional level of work.

This is where Payments plus comes in. By utilising this software the process of typing in all the required information into the EBSW template becomes just a single click of the mouse button. If the accounts payable system is maintained in a simple, pre-determined format (typically an MS-Excel file), then payments plus uploads the information from the file to EBSW.

Thus sending payment instructions to Standard Chartered becomes a one-step process.

**What payments plus means for customers:**

- Outsourcing of domestic account payables to the bank
- Integration of EBSW with account payable systems
- Ability to process bulk transactions
- Supports internal transfers, pay orders and demand drafts drawn on other banks

**Tangible Benefits you get by using Payments Plus:**

- Increased efficiency
- General Control
- Enhanced Security
- Lower all-in-costs.

**4.1.6. Internet Banking:**

Internet Banking can significantly enhance the Bank's service to you and play pivotal role in the future of your business. SCB's Corporate and Institutional Banking website offers you comprehensive information on your accounts and a number of value-added features.

The only thing clients need is an access to the internet and they will be able to use Internet Banking from anywhere in the world. As an Internet Banking

customer, customer will be given a specific user ID and a confidential password. Customer can then view the following information online:

- Cash Account Statement
- Cash Account Balance
- Cash Balance History

Clients can also print all these information as required for your records.

In addition, customers will be able to find a comprehensive range of information about Standard Chartered Bank, its services and worldwide network. A major advantage of Internet Banking is that the user can access this website from any location through an internet connection only.

**Security:**

To ensure that client's organisation's data cannot be accessed by anyone other than the authorised users, all the reporting information has been secured using Verisign and Secure Sockets Layer (SSL)-which are industry standard security solutions for communication and transaction over the internet.

#### **4.1.7. On- line Banking and Standard Chartered's Network:**

##### **What is on-line banking?**

At Standard Chartered, customers don't need multiple accounts spread all around Bangladesh. Customers can run their country-wide banking needs out of one single account through nineteen (19) offices of Standard Chartered and Standard Chartered Grindlays.

Standard Chartered can perform Cash deposits and withdrawals, Cheque Deposits, Fund Transfers, make transactional Queries, give Chequebook requisitions, and ask for Account Statements.

##### **4.1.8. OPSPAY:**

Standard Chartered is proud to present OPSPAY, a service for our Corporate Customers which offers automated bulk transfer (e.g. salary) from their corporate accounts. This will result in errors and an overall improvement in your salary payment processing.

OPSPAY processes your staff salary payment by downloading your payment instructions from an Excel file. This can be in the form of a Floppy Diskette or if you prefer you can even E-mail the Excel file to us. The service ensures that appropriate narration is provided for all individual account credits (i.e. salary for the month of xxxxx) in account statements.

##### **This service has the following benefits:**

**Time-efficient:** SCB can act on clients instructions on the same working day if the Diskette containing the information reaches our concerned department before 11.00 a.m.

##### **Error-Free:**

As the instructions will be downloaded directly from the Floppy Diskette, opsay eliminates manual entries and minimises the possibilities of any errors.

##### **Value-date:**

Funds transferred through this service are immediately available at all our branches and can be withdrawn through cheques.

The transfer instruction in an Exel File that should contain the following information:

<b>Full Account No.</b>	<b>Account Name</b>
<b>Salary Amount</b>	

This diskette should be accompanied by a written authorisation, which will be used to validate the softcopy details.

The combined network of Standard Chartered Bank and Grindlays Bank(19 offices and 25 ATM's in 6 cities) and a hundred –year old heritage in Bangladesh places us in a unique position to support your banking needs.SCB's branch network now covers Dhaaka, Narayanganj, Chittagong, Sylhet, Bogra and Khulna,which are linked through on-line banking services enabling you to operate your account from any of our branches or 24-hours ATM's.

SCB's offer includes a vast range of financial products and services complemented by a designed Relationship Manager to manage customers requirements with personalised care.

#### **4.1.9. Cash pick-up & Delivery Services:**

Through Cash pick-Up & Delivery Service, Standard Chartered Bank collect from and deliver cash directly to customer's company premises. The whole process is supported by a full logistic setup that is in line with international standards. It is yet another initiative to bring the bank closer to you.

SCB's Cash Pick-up & Delivery Services offer to it's customers:

- Security
- Convenience
- Insurance cover
- Flexible pick-up and delivery times

Customers should choose SCB's Cash pick-Up and Delivery Services for the following reasons:

- SCB can arrange for your cash volumes to be picked up from and delivered to your doorstep so you no longer have to worry about sending someone to the bank.
- Your cash will be picked up and delivered in a sealed container while being fully insured within your specified limit during transit.
- The cash Pick-up & Delivery Service will allow you to deposit cash in your chosen concentration account with Standard Chartered, instead of maintaining multiple accounts for each of your locations thus reducing costs and facilitating reconciliation activities.

**Account Services:**

In Bangladesh, Standard Chartered customers have access to a 19-branch, 6-city and 25-ATM banking network. Customers can operate their accounts through any of its 11 fully automated offices in Dhaka, 4 offices in Chittagong, and one each in Sylhet, Bogra, Khulna and Narayanganj. In addition there are 25 ATMs at convenient locations throughout the country offering withdrawal and deposit convenience for personal accounts.

At Standard Chartered, we provide a wide range of account services for its corporate customers. SCB's corporate accounts are managed by dedicated



account Relationship Managers who maintain regular and close contact with Bank's clients in order to understand their requirements and serve them better.

SCB offer the following types of accounts for its corporate clients:

***Current Accounts:***

These are checking Taka accounts through which funds can be freely deposited and withdrawn. Corporates typically use them for most of their transactional requirements, which include collections as well as payments. Collections may be in the form of cash, cheques, pay orders/demand drafts and even inward remittances from abroad. Similarly, payments may be in the form of cash, cheques and other available mechanisms.

***Short Term Deposits (STD):***

These are similar to current accounts in operation except that they do not have checking facilities and they earn interest, which is calculated on a daily balance basis and credited at periodic intervals. The STD account is a useful mechanism to earn interest on idle funds for companies that cannot commit funds for longer periods of time in Fixed/Term Deposits.

***Fixed/Term Deposit Accounts:***

Fixed deposits are of varying tenors. Current offerings range 3 to 12 months and the interest rates also vary correspondingly. Fixed deposit accounts cannot be used for transactional purpose and interest can only be earned upon the maturity of the deposit.

***Savings Accounts:***

These accounts are mainly aimed at the individual and are usually offered to corporate employees. However, Corporate provident Fund accounts, Gratuity Funds, etc. can also use such accounts, provided appropriate statutory approvals are in place.

***Convertible Accounts:***

The Convertible account is a checking current account with balances denominated in taka. Payments or withdrawals from this account can be made in both taka and Foreign currencies; however funds credited or deposited must have a legitimate Foreign Currency source. Convertible account cheques cannot be cleared through the central Bank's Taka Clearinghouse; payments from one convertible account to another convertible account in another bank must be routed through the more time consuming local collection mechanism. Strict Exchange control regulations govern the opening and operation of Convertible accounts and it is advisable to discuss these in detail with the Bank before opening such accounts.

**Foreign Currency Accounts:**

In addition to the various local currency accounts, there are two types of Foreign Currency accounts available:

**4.2. Documentation for Account Opening**

**4.2.1. N.G.O.**

- Completed Account opening Form
- Resolution or Extract of Resolution for opening the Account and Authorisation for its operation should be certified as stated in the Articles of Association or by The Chairperson.
- Certified true copy of the Constitution / By-laws / Trust Deed / Memorandum & Articles of Association
- Certificate of Registration from The Ministry of Social Welfare
- Certificate of Registration from N.G.O Bureau ( in case of NGOs funded by overseas donor Agencies)

- List of members of the Governing Body or Executive Committee with their address
- Certified copy of Form XII ( if registered with R.J.S.C)
- Photographs of Signatories duly attested

**N.G.O. (REGISTERED ABROAD)**

- Completed Account opening Form
- Resolution or Extract of Resolution for opening the Account and Authorization for its operation should be certified as stated in the Articles of Association / bylaws / Constitution or by The Chairperson.
- Certified true copy of the Constitution / By-laws / Trust Deed / Memorandum & Articles of Association  
Copy of 1<sup>st</sup> six pages of passport of the signatories ( in case of foreign nationals)
- Photograph duly attested by the introducer

**4.2.2. Limited Liability Company**

- Completed Account opening Form
- Resolution or Extract of Resolution for opening the Account and Authorization for its operation should be certified as stated in the Articles of Association or by The Chairperson.
- Certified true copy of Memorandum & Articles of Association of the company
- Certificate of Incorporation
- Valid Trade License
- List of Directors with their address
- Certified copy of Form XII
- The Account certified by the Chairperson
- Photographs of signatories duly attested

- Certificate of Commencement of business (in case of Public Limited company)
- Copy of Certificate of Chief Controller of Insurance (only in case of Insurance Companies )

#### **4.2.3. Project account**

- Completed Account opening Form
- Agreement between Bangladesh Government & The Contractor
- Resolution or Extract of Resolution for opening the Account and Authorisation for its operation should be certified as stated in the Articles of Association or by The Chairperson.
- Certified true copy of Memorandum & Articles of Association of the company
- Copy of 1<sup>st</sup> six pages of passport of the signatories ( in case of foreign nationals)
- Photograph duly attested by the introducer

#### **4.2.4. NFCD A/C**

(Foreign nationals, Bangladeshi nationals residing abroad or those having dual nationality are eligible to open and maintain NFCD A/C.)

- Completed Account opening Form
- Copy of 1<sup>st</sup> six pages of passport
- Photograph duly attested by the introducer
- Copy of work permit / service contract / proof of self employment or business / copy of ID card /  
Copy of residence permit.

#### **4.2.5. RFCD A/C**

(Person ordinarily resident in Bangladesh may open and maintain RFCD A/C, even foreign nationals who are residing in Bangladesh for more than six months)

- Completed Account opening Form

- Copy of 1<sup>st</sup> six pages of passport and relevant page with departure & arrival record
- FMJ form ( only in case of amount exceeding USD 5,000 or its equivalent)
- Photograph duly attested by the introducer
- Declaration (prescribed format)

#### **4.2.6. Registered partnership**

- Completed Account opening Form
- Resolution or Extract of Resolution for opening the Account and Authorization for its operation duly certified by The Managing Partner or as stated in the partnership deed.
- Copy of valid trade license
- Certified copy of partnership deed from RJSC
- List of partners with their present & permanent address
- Photographs of signatories duly attested.

#### **4.2.7. Unregistered partnership**

- Completed Account opening Form
- Resolution or Extract of Resolution for opening the Account and Authorization for its  
Operation duly certified by The Managing Partner or as stated in the partnership deed.
- Copy of valid trade license
- Copy of partnership deed certified by the Managing Partner
- List of partners with their present & permanent address
- Photographs of signatories duly attested

#### **4.2.8. Convertible taka account**

(Bank may open Convertible Taka Account in the name of: Diplomatic Missions, UN Organizations International NGOs, Foreign organizations & Consulting firms engaged for specific projects under the Govt. or Semi Govt. agencies & the expatriate employees of the above mentioned missions / organizations who are Resident in Bangladesh.)

**Documentation for Diplomatic missions:**

- Completed Account opening Form
- Account opening & operating authority from The Ministry of foreign affairs of the respective countries
- Copy of 1<sup>st</sup> six pages of passport of the individuals
- Duly attested photographs of signatories
- Form QA-22

**Documentation for UN organizations:**

- Completed Account opening Form
- Account opening & operating authority from there respective Head Quarters
- Copy of 1<sup>st</sup> six pages of passport of the individuals
- Duly attested photographs of signatories
- Form QA-22

**Documentation for NGOs:**

- Completed Account opening Form
- Resolution or Extract of Resolution for opening the Account and Authorization for its operation should be certified as stated in the Articles of Association / by laws / Constitution or by The Chairperson.
- Copy of 1<sup>st</sup> six pages of passport of the individuals
- Duly attested photographs of signatories
- Certified true copy of the Constitution / By-laws / Trust Deed / Memorandum & Articles of Association
- Form QA-22

**Documentation for Foreign organizations & consulting firms:**

- Completed Account opening Form
- Agreement between Bangladesh Government & The Contractor
- Resolution or Extract of Resolution for opening the Account and Authorisation for its operation should be certified as stated in the Articles of Association or by The Chairperson
- Certified true copy of Memorandum & Articles of Association of the company
- Duly attested photographs of signatories
- Copy of 1<sup>st</sup> six pages of passport of the individuals
- Form QA-22

**Documentation for expatriate employees:**

- Completed Account opening Form
- Copy of 1<sup>st</sup> six pages of passport of individual
- Copy of work permit or certificate from the employer
- Photograph duly attested by the introducer
- Form QA-22

**4.2.9. Fc account (foreign nationals)**

- Completed Account opening Form
- Copy of 1<sup>st</sup> six pages of passport and relevant page with more than 6 months visa for staying  
In Bangladesh.
- Photograph duly attested by the introducer
- Form QA-22
- Copy of work permit from Ministry of industries (where applicable)

**4.2.10. Fc account (Bangladeshi nationals)**

- Completed Account opening Form
- Copy of 1<sup>st</sup> six pages of passport

- Copy of work permit / service contract / proof of self employment or business / copy of ID card / Copy of residence permit.
- Photograph duly attested by the introducer

#### **4.2.11. Escrow account**

**(An escrow is an agreement between three parties, where the 1<sup>st</sup> party deposit monies or documents with the 3<sup>rd</sup> party (escrow agent) as custodian for safekeeping. The escrow agent delivers such monies or documents to the 2<sup>nd</sup> party upon the performance or fulfillment of some event. Bank can play role as an escrow agent.)**

- The written agreement between the first and second parties, stipulating inter alia:
  - Who shall open the escrow account
  - Who shall be the escrow agent (if it is someone else other than the Bank)
  - What shall be deposited with the escrow agent and by whom and when
  - What event has to be fulfilled or performed before the escrow agent effects delivery to the concerned party
- It is preferable that the escrow agent too is a party to this agreement. However, where the Escrow agent is the bank, bank's acceptance of the accounting form itself signifies agreement to act as escrow agent. Where the escrow agent is an individual, his signature in the account opening form signifies his agreement to his appointment as escrow agent.
- If the concerned parties are companies, board resolution from each approving / sanctioning the terms upon which the escrow account is opened. Memorandum and Articles of Association should be scrutinized to ensure compliance with the internal regulations of the concerned company.
- Duly filled in account opening form



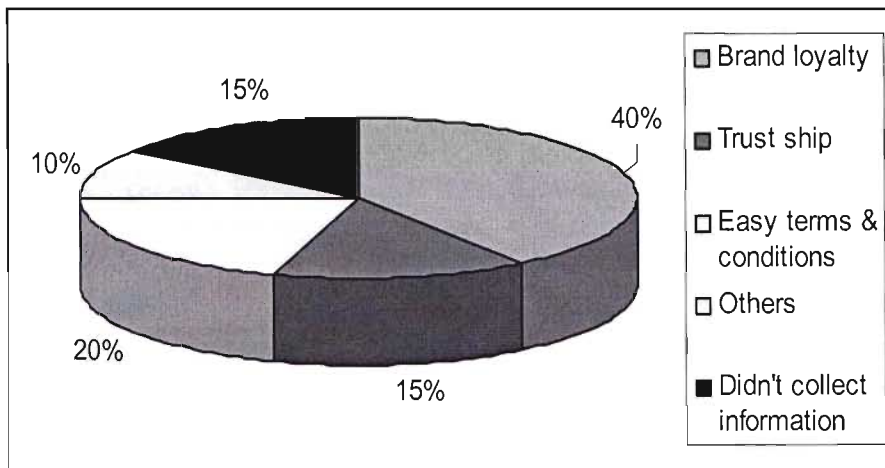
**4.2.12. Private non-resident taka account**

(The account of individuals, firms or companies resident outside Bangladesh are designated as non-resident A/C. United Nations and its organizations are not treated as non-resident)

Documentation is similar to Personal A/C and or Company A/C

**FIGURE-1**  
**Consumer's awareness before choosing SCB.**

This question is based on those respondents who collect information from other banks and then open accounts with SCB. 15% respondents did not collect any information before opening accounts with SCB.



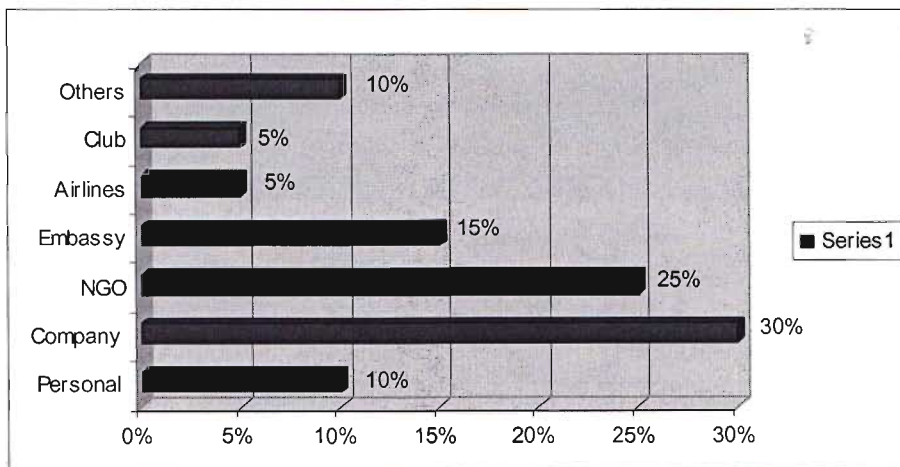
**Interpretation:**

Collecting information before opening accounts with SCB, measures the clients being aware of the competitors offerings. It is apparent that most of respondent, which is 85% search the market for information before opening account with SCB. 40% clients were search about Brand loyalty, 15% were search about trust

ship, 20% were search about terms and Conditions and 10% were search about other reasons,. Which means that, the offerings of SCB have fascinated them enough to purchase the service from SCB.

**FIGURE-2**

**Customer’s classifications according to their nature of accounts, which they maintain with SCB through the help of Cash Management.**

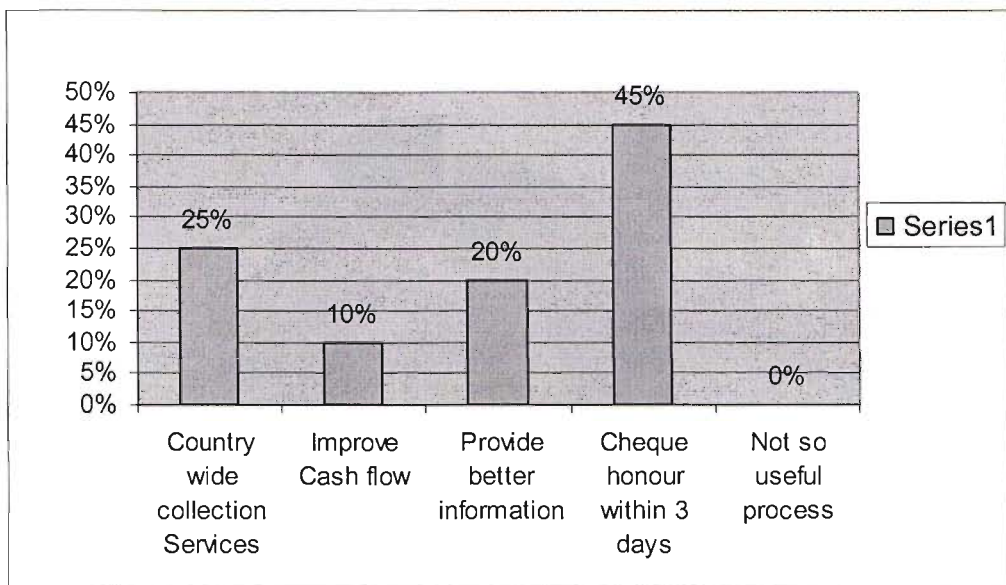


**Interpretation:**

From the above figure, I have seen that about 60 customers, 10% customers are maintained personal accounts, 30% are company accounts, 25% are NGO's accounts, 15% are different Embassy' s accounts, 5% are airlines accounts, Club accounts are also 5% and rest 10% are other accounts.

**FIGURE-3**

**Customer's opinion about the National Collection Services- NCS**

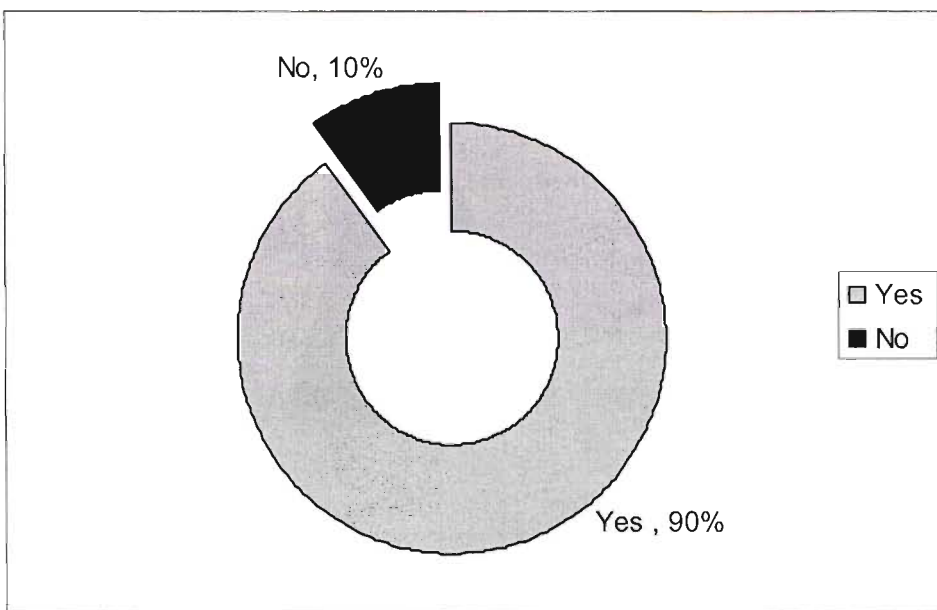


**Interpretation:**

From the sample survey, it has been found that out of 60 customers, 25% customers like Cash Management's NCS facilities for the causes of country wide collections facilities, 10% customers like for the causes of cash flow facilities, 20% like for the causes of better information, 45% customers like this process for its cheque honor related facilities and nobody said NCS is not useful process

**FIGURE-4**

**Consumer's respondents about Cash Management's Premium Service Banking (PSB)**

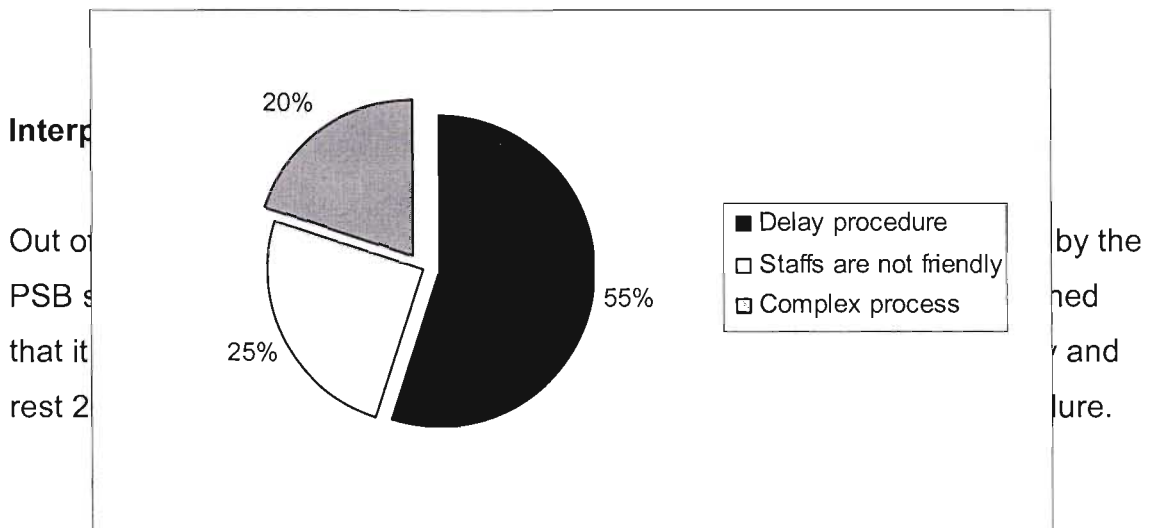


**Interpretation:**

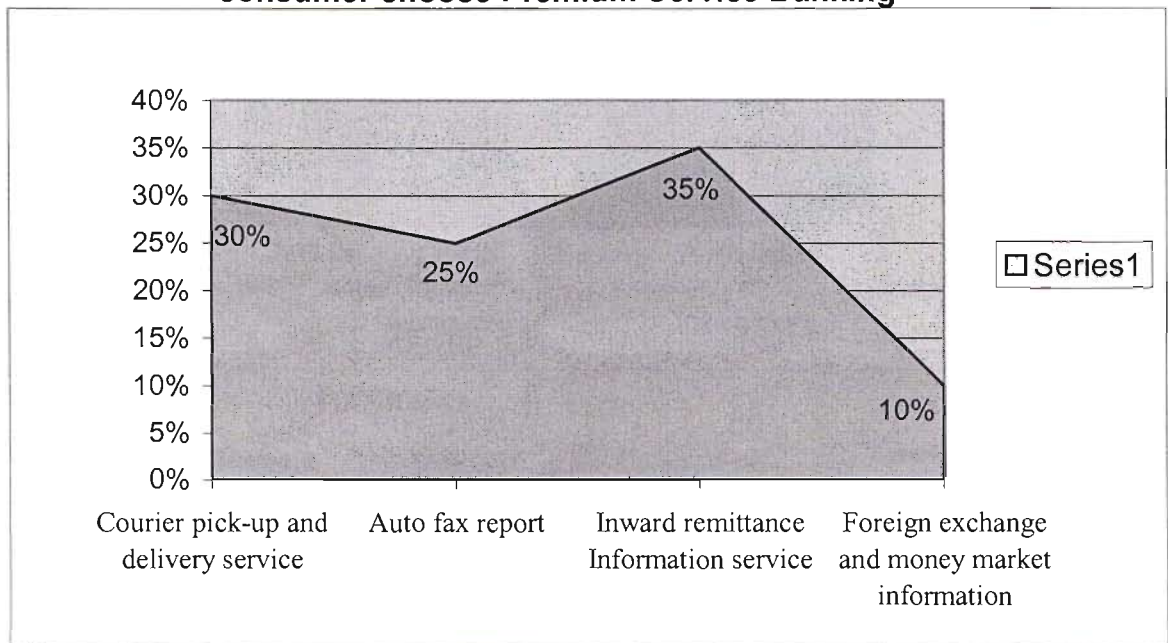
From the above graph, it has been found that 90% clients are satisfied by the PSB- services and 10% clients are not satisfied by the PSB services.

**FIGURE-5**

**Causes of customers negative response about PSB**



**consumer choose Premium Service Banking**

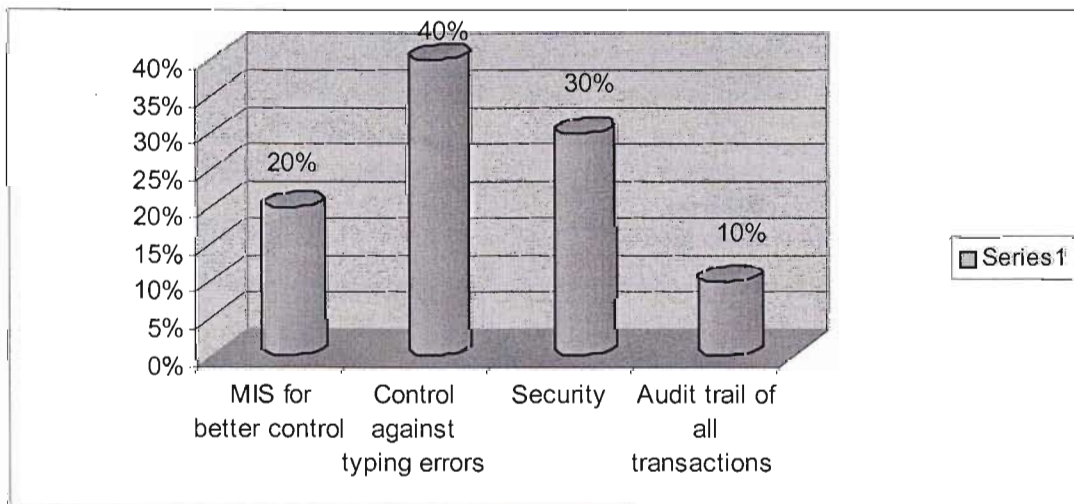


**Interpretation:**

From the field survey, it has found that out of 60 customers 53 customers are satisfied by the services of PSB. Out of 53 customers, 30% responded that they like PSB for the causes of courier pick-up and delivery services, 25% responded that they like PSB for the causes of auto-fax reports, 35% responded that they like PSB for the causes of Inward remittance information services and rest 10% responded that they like PSB for the causes of foreign exchange and money market information.

**FIGURE-7**

**Customers' opinion about the CheqWriter**

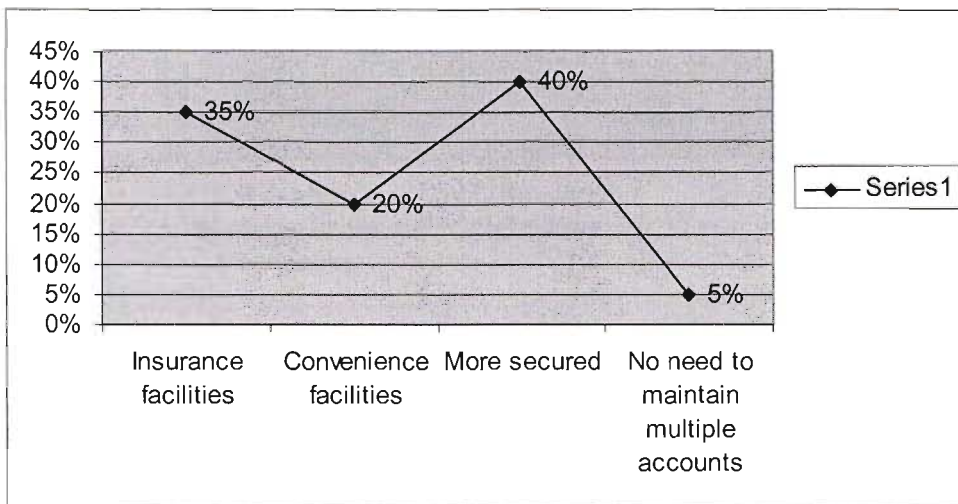


**Interpretation:**

From the above graph it has found that out of 60 customers, 20% responded that they get MIS benefits from CheqWriter, 40% responded about control against typing error, 30% responded about security and rest 12% responded about audit trail of all transactions.

**FIGURE-8**

**Customers' opinion about Cash-pickup & Delivery Services:**



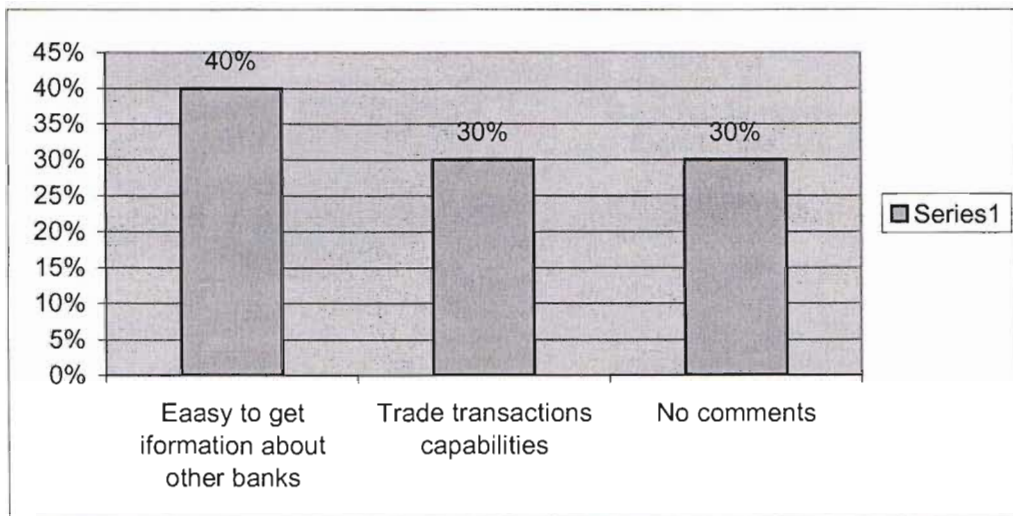
**Interpretation:**

From the above graph, it is clear that, out of 60 customers, 35% choose Cash Management's Cash pick-up and delivery services for the causes of insurance

facilities, 20% choose for the causes of convenience facilities, 40% choose for the causes of security and rest 5% choose for the causes of no need to maintain multiple accounts.

**FIGURE-9**

**Consumers' opinion about Electronic Banking Services for Windows-EBSW:**



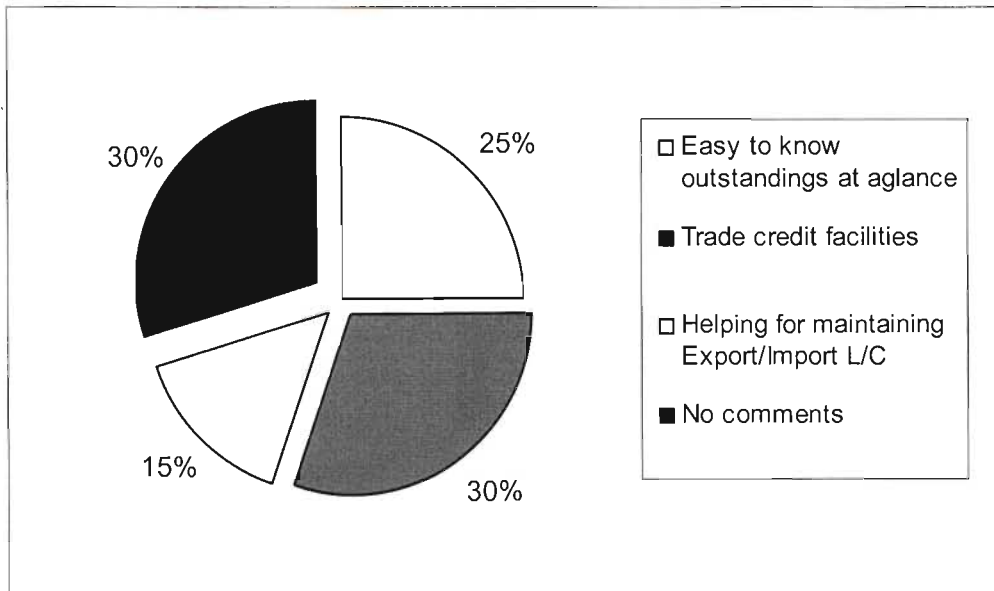
**Interpretation:**

From the field survey, it has found that out of 60 customers , 40% responded that they like EBSW for the causes of availability of banking information, 30% responded that they like EBSW for the causes of trade transaction capabilities and rest 30% responded that they have no comments about EBSW.



**FIGURE-10**

**Consumers' response about PSB Trade Reports:**

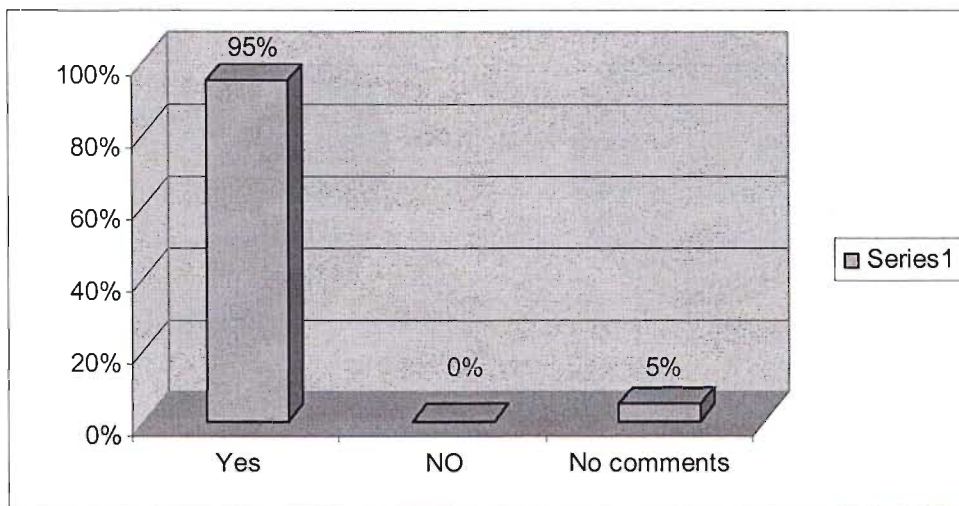


**Interpretation:**

From the above figure, I have seen that about 60 customers, 25% customers were comment that PSB trade report help them to know about outstandings at a glance, 30% are related with PSB trade report for the causes of trade credit facilities, 15% are related for the causes of L/C facilities and rest 30% have no comments.

**FIGURE-11**

**Consumers' response about On-line banking and SCB's Network:**

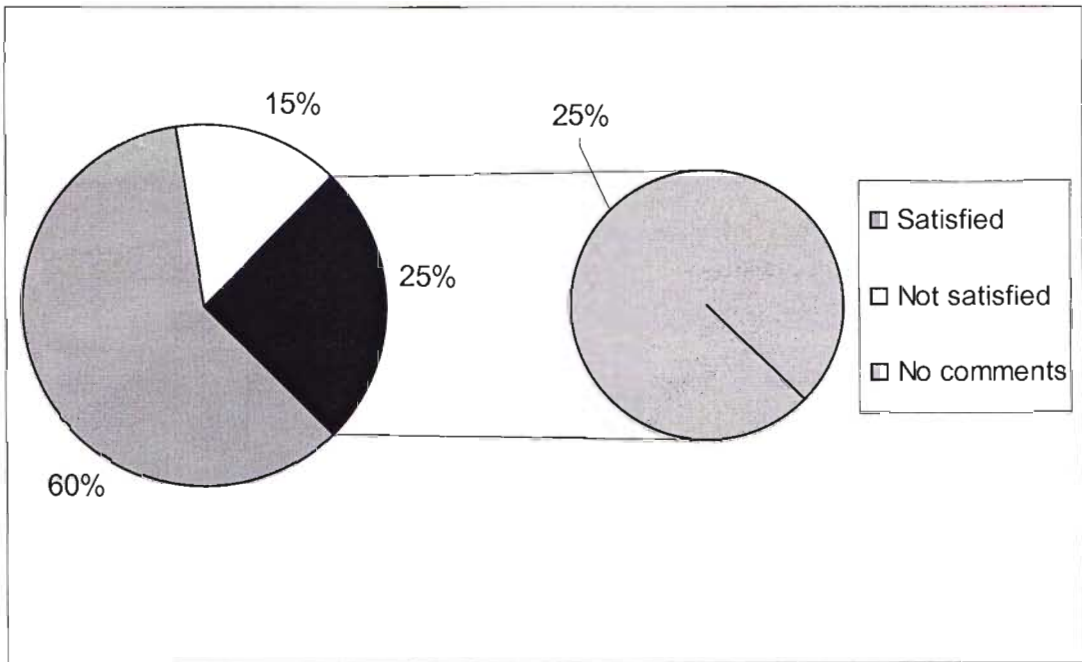


**Interpretation:**

By the above graph, it is found that out of 60 customers 95% percent responded that, they are satisfied by the services of on-line banking and SCB's network, nobody responded negatively and 5% have no comments about on-line banking and SCB's network.

**FIGURE-12**

**Customers' response about – OPSPAY:**

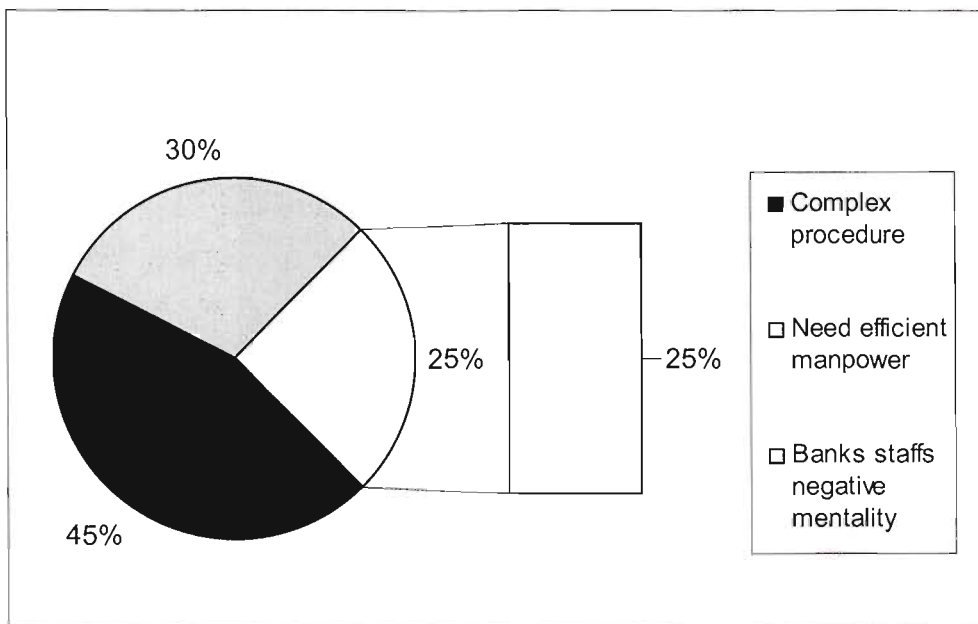


**Interpretation:**

From the above figure, I have seen that about 60 customers, 60% customers were comment that they are satisfied by OPSPY, 15% are not satisfied and rest 15% have no comments.

**FIGURE-13**

**Why Customers response negatively towards OPSPY:**

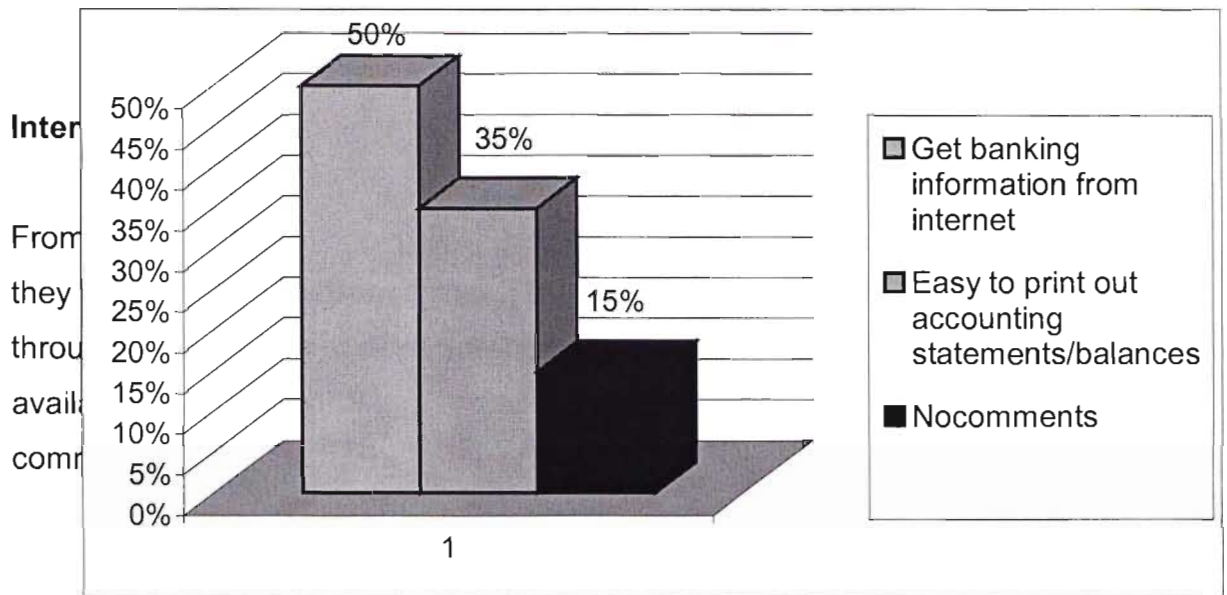


**Interpretation:**

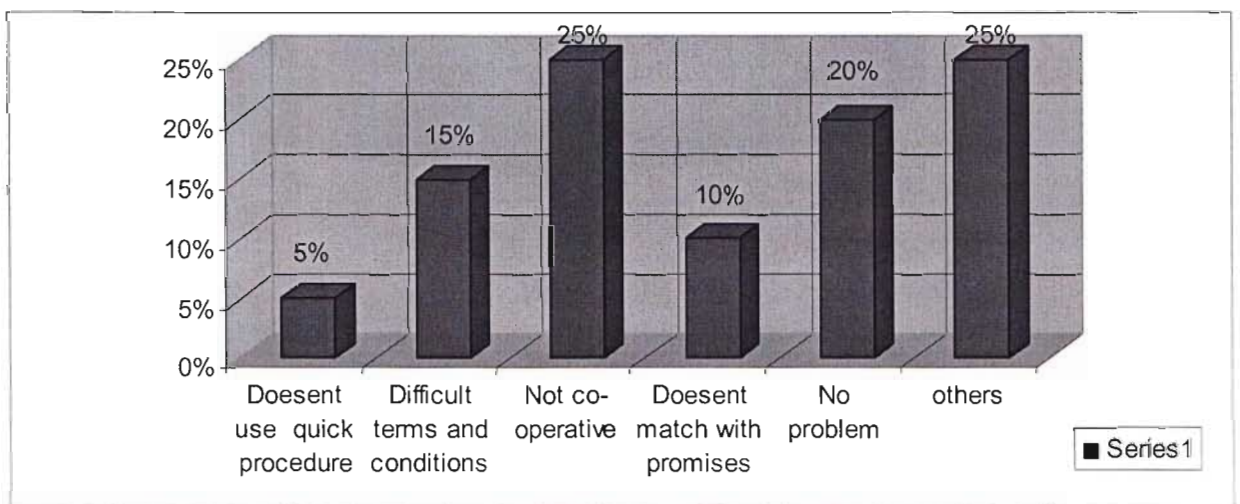
From the sample survey, it has been found that out of 60 customers, 9 customers responded that they are not satisfied by the services of OPSAY. Out of this 9 customers 45% responded that it's a complex procedure, 30% responded that for maintaining and related with OPSPY it needs efficient manpower, 25% responded that bank's staffs are not so helpful in maintaining OPSPY.

FIGURE-14

Consumers' opinion about Internet Banking:



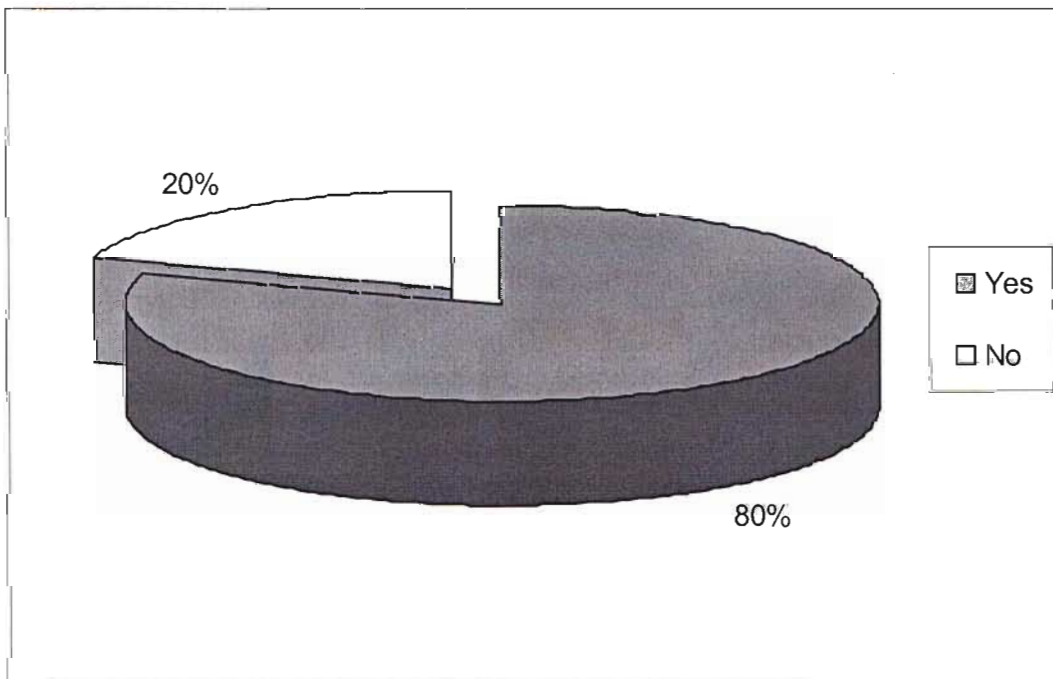
Types of problems faced while maintaining relationship with Cash Management:



really go through. However according to our survey the major problem was in not co-operative, which is 25% of the total sample. Another major problem was the difficult terms and conditions. Customers expect faster, convenient and prompt service from SCB's Cash Management. 5% nitpick that Cash Management doesn't use prompt and convenient procedure. 10% complain that all contract doesn't match with promises. 20% responded that they have no problems, and rest 25% customers have miscellaneous problems.

**FIGURE-16**

**Clients' response about the over all services of Cash Management department of Standard Chartered Bank Bangladesh.**

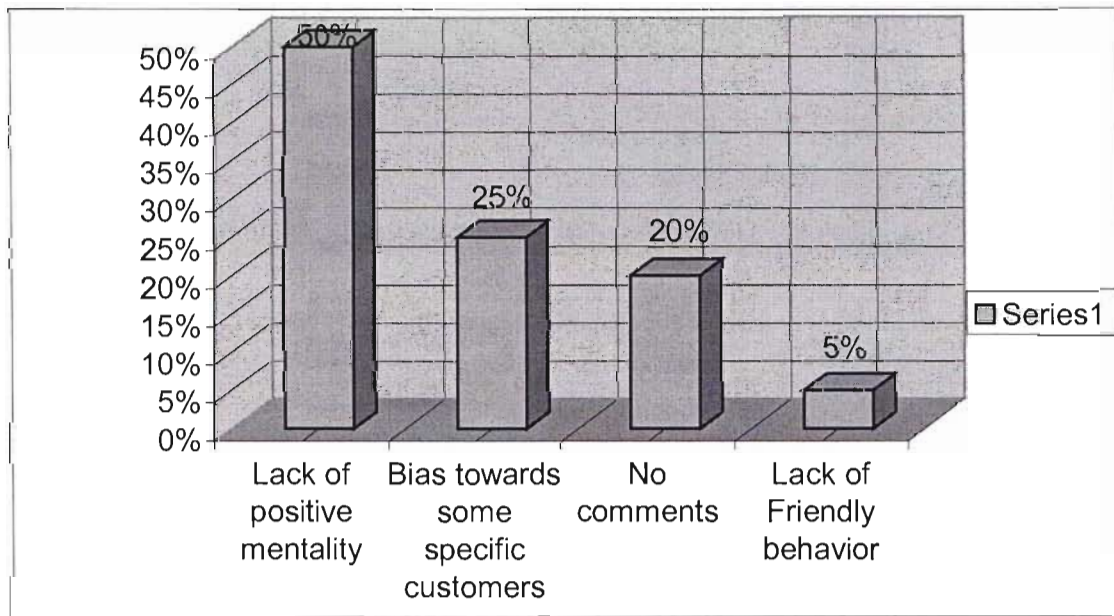


**Interpretation:**

From the above Figure it is found that about the behavior of Cash Management Staffs, 80 percent responded that the staffs behavior with clients are very good and they are satisfied for their behavior, but 20% customers are not satisfied towards the behavior of Cash Management staffs.

**FIGURE-17**

**Reasons for not satisfying with the behavior of Cash Management Staffs**



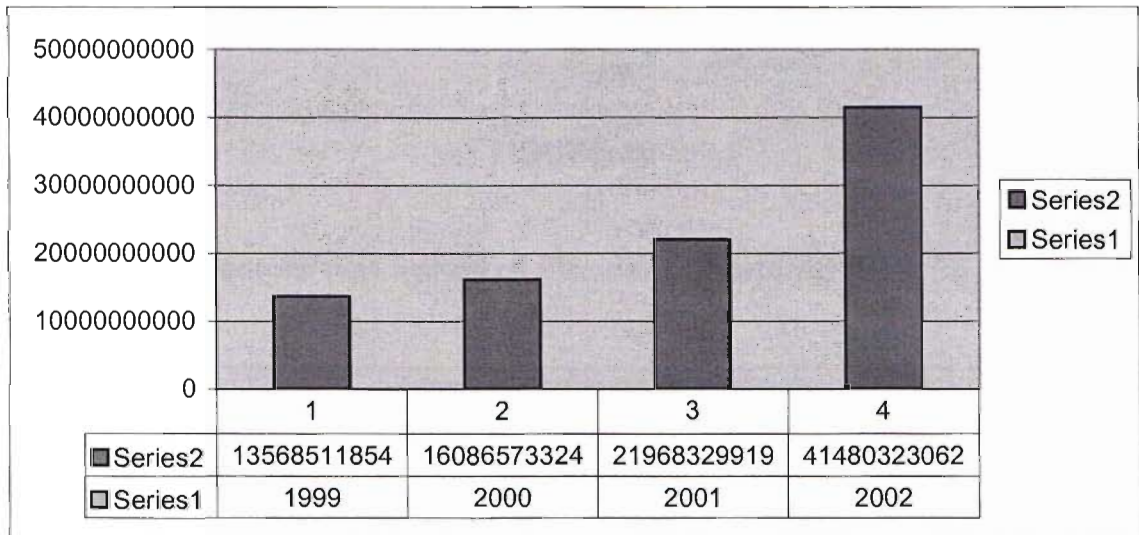
**Interpretation:**

From the field survey, it has found that out of 60 customers 12 customers responded that they are not satisfied with the behavior of cash management

staffs. However about 12 customers 50% customers complained that cash management staffs mentality are not so good, 25% responded that staffs are biased towards some specific customers, 5% responded that staffs are not friendly and rest 5% have no comments.

**FIGURE-18**

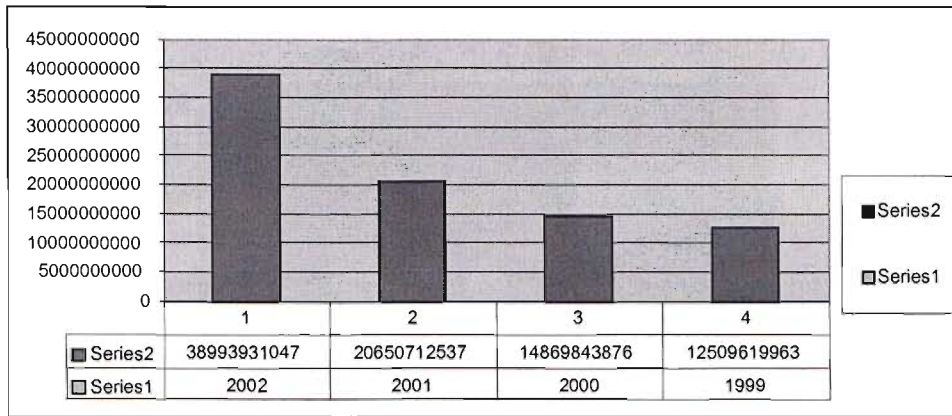
**Year wise Property & Assets of Standard Chartered Bank (in Tk.)**





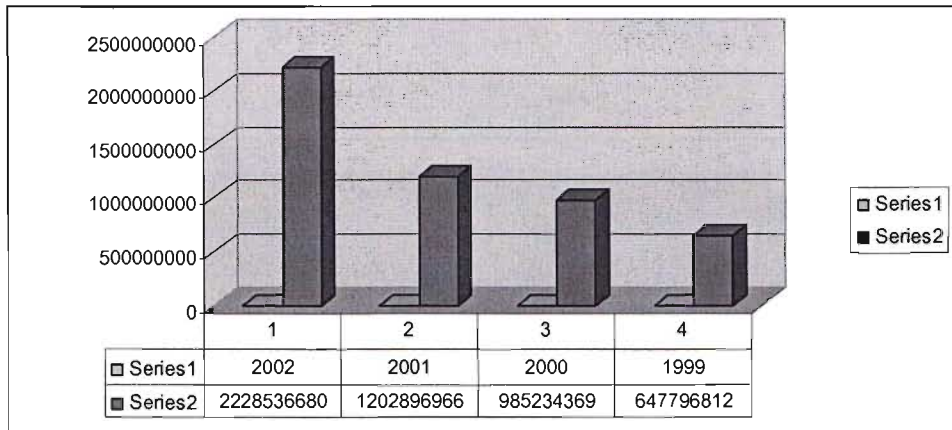
**FIGURE-19**

**Year wise Liabilities of Standard Chartered Bank (in Tk.)**



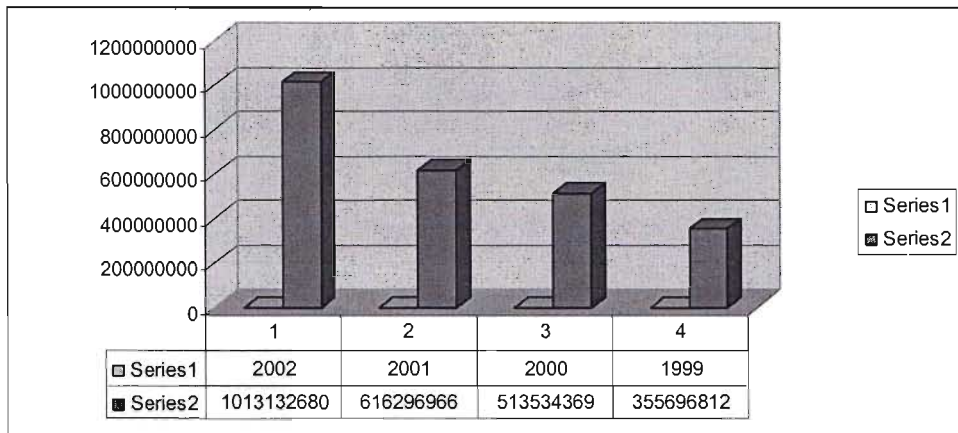
**FIGURE-20**

**Profit (before tax) trends of Standard Chartered Bank (in Tk.)**



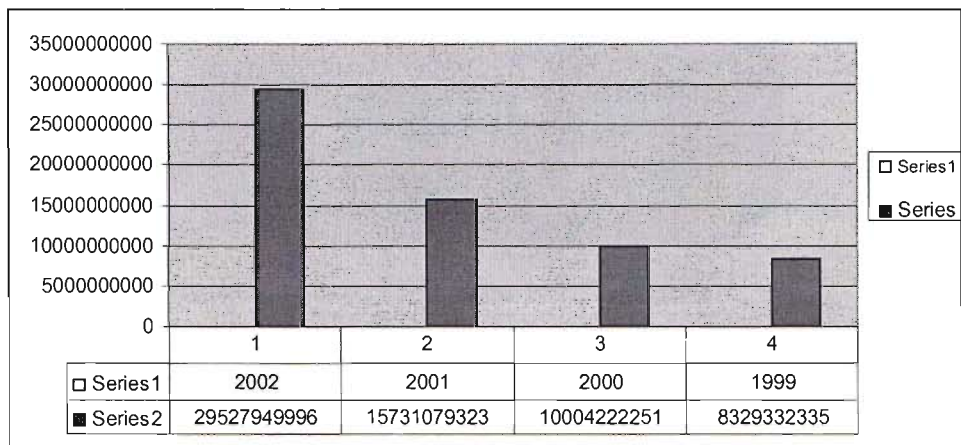
**FIGURE-21**

**Profit (after tax) trends of Standard Chartered Bank (in Tk.)**



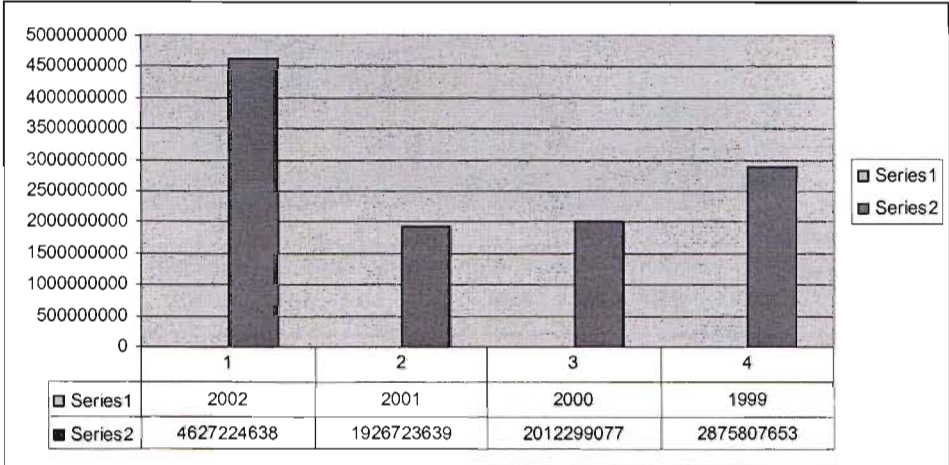
**FIGURE-22**

**Loans and Advances of of SCB (in Tk.)**



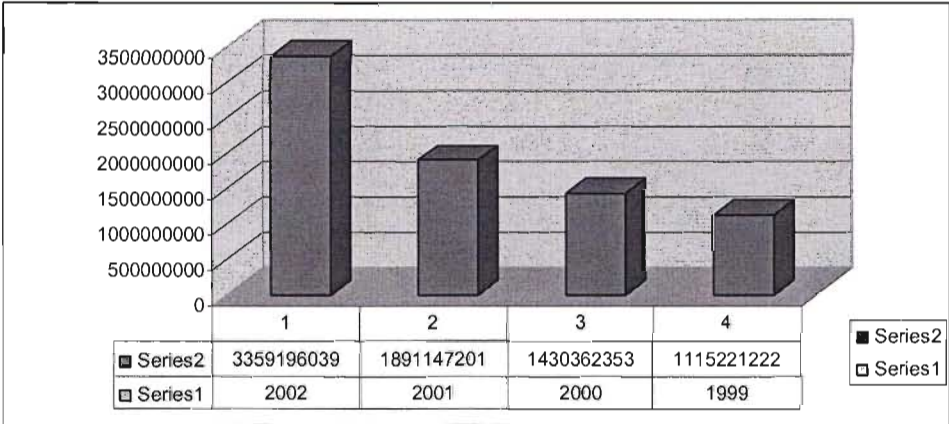
**FIGURE-23**

**Investment of of SCB (in Tk.)**



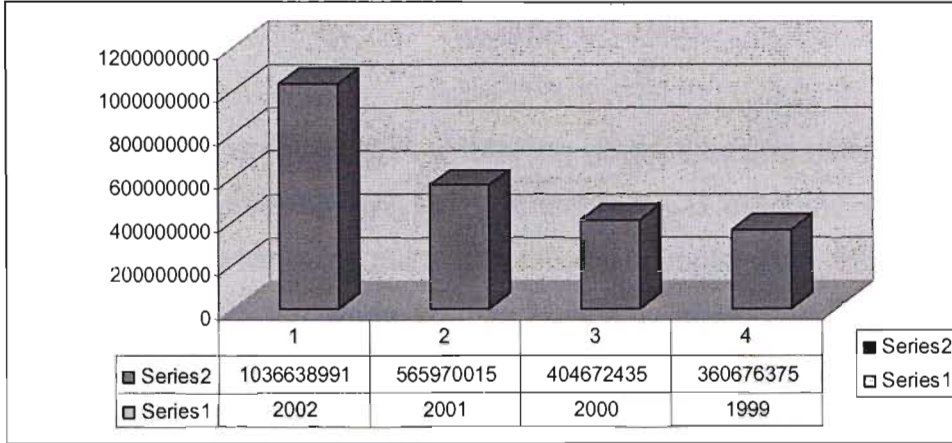
**FIGURE-24**

**Operating income structure of SCB (in Tk.)**



**FIGURE-25**

**Operating Expense structure of SCB (in Tk.)**



## **Conclusion**

---

Standard Chartered is an international banking group focusing activities on Asia, the Middle East and increasingly Latin America. SCB combine their regional expertise with their network of over 500 offices in more than 52 countries to ensure that wherever in the world you do business, customers can expect the same high level of quality service. Standard Chartered's objectives are to provide innovative products supported by quality delivery systems and excellent customer service. SCB's aim to be the leading supplier of Asian cash management services to the world-wide market price and a major player internationally.

Standard Chartered provides both corporate and institutional customers with a comprehensive range of cash management services, including both local and cross border payments, collections, information management, account services and liquidity management. Main functions of cash management is to collect deposit from various sources and to open customers account and to provide different services with the help of it's products.

"Cash Management products" policies and techniques used at present no doubt is comparable to international standards. Management and others related to Standard Chartered Bank are trying to formulate new services and products. They are very quick in giving decisions.

The bank introduces a large range of products to the customers through it's cash management department and provides smooth services to them. So, operation and satisfaction of the customer is now in satisfactory level.

How ever, it is clear from the study that SCB's Cash Management Division provide very good services to it's customers, yet there exists some problems but if the division works with more sincerely then it would be more better for the bank.

Thus by providing these various services through its Cash Management Divisions the Standard Chartered bank is playing a vital role in the banking system as well as the economy of Bangladesh.

**PROBLEMS  
AND  
RECOMMENDATION**

## **Problems**

---

- Insufficient manpower
- Rigid rules and regulation
- Nepotism and favoritism
- Insufficient product innovation

## **Recommendations**

---

- It is necessary to appoint sufficient and efficient manpower
- Cash management section should reduce its complex and rigid rules and regulations
- They should provide more information about their products to the customers
- They should avoid nepotism and favoritism
- They should improve relationship with the clearing house, e.g. with Bangladesh Bank.
- As separate division cash management should improve more innovative products
- The overall activities of cash management should be monitored frequently



# QUESTIONNAIRE

**Appendix-One**

**Questionnaire For the Respondents/Customers**

---

1. Name of the Customer / Organization.

-----

2. Address

-----

3. Why are you maintained accounts with SCB?

- To get better services
- Good trust ship than other banks
- SCB always maintained good liquidity
- None of these

4. Is SCB provide better interest on your deposits?

- Yes
- No

5. How promptly provide services by SCB, s cash Management?

- Without consuming more time
- Without any bureaucratizing complexity

7. What types of benefits are received by you from NCS?

- Cheque honors within very short period of time
- Receive better information
- Improve Cash flow

8. Is NCS always fulfill your Expectations?

- Yes
- No

9. Why are you Choose SCB's Internet Banking?

- To get cash account statements
- To get cash account balances
- World wide net work
- All of these

10. Level of security to ensure your company's confidential data from internet banking?

- Fully secured
- Not fully secured

Totally un-secured

11. Are you get better benefits from "Opspay" product?

Yes

No

12. Why are you interested to invest your idle money at the SCB rather than other banks?

-----

13. How Relationship Manager (RM) of Cash Management help you ?

-----

14. Is it possible by "Opspy" to provide you better services than normal banking activities in case of salary transfer?

Yes

No

15. Is it very necessary for Cash Management to continue payments plus system?

Yes

No

16. If no why?

Costly

Complex procedure

Not realistic procedure

Above all

17. Are you satisfied the premium services banking services?

Yes

No

18. If no why?

Time consuming

Staffs are not co-operative

Both are the reasons

19. Are you satisfied with the services of CheqWriter?

Yes

No

20. If no why?

Not so secured

Need more Knowledge

Both are the reason

21. Do you get extra ordinary facilities from Cash Management's Cash Pick-up & Delivery Services?

- Yes
- No
- No need

22. How would you rate Cash Management products service to you?

- Excellent
- Good
- Satisfied
- Unsatisfied
- poor

23. Are you satisfied with your expectation?

- Yes
- No

24. To whom do you complain?

- Relationship Manager of Cash Management
- Other Departments officials

25. How quickly are your problems / complains against accounts resolved by Cash Management?

- Very frequently
- Within one week
- Within two weeks
- Less frequently

26. Is your expected requirement fulfilled through SCB's Cash Management?

- Yes
- No  
If no, what percentage is fulfilled?

**Appendix-Two**

**ACRONYMS USED IN THIS REPORT**

PCB	Private Commercial Bank
FCB	Foreign Commercial Bank
FSRP	Financial Sector Reform Project
MANCOM	Management Committee
RFCD	Resident Foreign Currency Deposit
NFCD	Non-Resident Foreign Currency Deposit
NCS	National Collection Services
EBSW	Electronic Banking Services for Windpes

**Appendix –Three**

**Bibliography**

1. Annual Report of Financial Year 1999, Standard Chartered Bank
2. Annual Report of Financial Year 2000, Standard Chartered Bank
3. Annual Report of Financial Year 2001, Standard Chartered Bank
4. Annual Report of Financial Year 2002, Standard Chartered Bank
5. Bangladesh Bank Bulletin-2000 & 2001
6. Wilkinson, Joseph W., and Cerullo, Michael J. "Accounting Information System, Essential Concepts And Applications": John Wiley & Sons Incorporation.
7. <http://www.standardchartered.com>
8. <http://www.standardchartered.com/graduates>
9. Cash Management Folder of Standard Chartered Bank
10. Foreign Exchange Manual, Arab Bangladesh Bank Limited.
11. Kothari, C.R., *Quantitative Techniques*, New Delhi, Vikas Publishing House Pvt. Ltd., 1978.
12. Khan, A.R (2000) Bank Management. Rubi Publications, Dhaka.
13. Khan, Md. Asaduzzaman (1994), Foreign Trade of bangladesh; Problems & Prospects. Bank parikrama, BIBM, Dhaka.
14. Choudhury, Dr.Toufiq Ahmed & Masud, Mahmudul Amin, "Foreign Exchange And International Trade For The Offocers Of Arab Bangladesh Bank Limited", Reading materials of the course, BIBM-Dhaka, August 05-23, 2001.
15. Activities of Banks and financial Institutions, Finance and Planning Ministry