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An Appraisal of Eastern Bank Limited

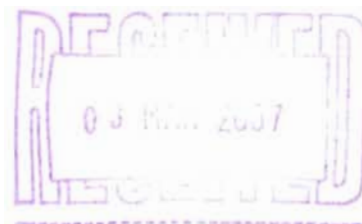
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Prepared by:

Name : Mashiyat Mahbub
ID # 1999-3-10-036
Date of Submission: 4th December 2004

Prepared for:

Dr. Tanbir Ahmed Chowdhury
Associate Professor
Department of Business Administration
East West University.



Date: 04-12-2004

Dr. Tanbir Ahmed Chowdhury
Associate Professor
Department of Business Administration
East West University

Sub: Request for submission of project report.

Dear Sir,

As a student of Business Administration I have to submit a project report for the fulfillment of my graduation. I have tried my best to fulfill the requirement of the course.

Doing project in the EBL for 3 month helped me to fulfill the requirement of writing the project report and subsequent of this report is a very valuable experience for me as it helps to combine practical & theoretical knowledge.

I am very grateful to you because of your consideration regarding my report, which provided me the opportunity to do this project report.

I shall be pleased to answer any query you necessary as and when needed.

Sincerely yours

Mashiyat Mahbub

(Mashiyat Mahbub)

ID # 99-3-10-036

ACKNOWLEDGEMENT

It is inconceivable that I would get sufficient support from various respected persons while completing this report. But it gives me much pleasure that to be grateful to large number of individuals for their hearty cooperation and incitement who have contributed directly or indirectly in preparing this report.

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I would also like to thank Md. Arifur Rahman Majumder, First Assistant Vice President & sales & service manager, EBL of Uttara Branch and other executives of that branch for providing me some of the necessary data and information required in completion of this report and assisting me to have the exposure of a job.

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Chapter One

Introduction

1.1 Introduction :

The EBL started their operation on 16th August 1992. They gained success from the very beginning of their operation and were capable enough to hold the success year after year. They gained success very early because they have a very strong backup to provide them financial support. This bank is very much popular within the community.

1.2 Objective of this study.

This report is aimed providing me with valuable knowledge on a particular topic. I have assign on a topic to gain practical knowledge on overall banking system of a reputed organization. The primary objective of the paper is to fulfill the partial requirement of the BBA program. The other objectives are :-

1. Introduction
- 2.To present and overview of EBL.
- 3.To appraise the principle activities of EBL.
- 4.To appraise the financial performance of EBL.
- 5.To identify the problems of EBL.
- 6.To suggest remedial measures for the development of EBL.

Apart from the above mentioned objective, this paper will also meet the personal interest on a resentful field acting as one of the most important aid to decision making process for selecting why people will invest in EBL.

1.3 Scope and methodology of the report

The report largely involved accumulation of information from the published materials from annual report and from the website of EBL in order to evaluate the financial performance last few years. In this report we have analyzed the financial information of EBL from 1997-2002.

The relevant and required data have been collected basically from two sources:

- Primary
- Secondary
- Primary sources : mainly data from the analysis had been collected through taking interviews from the EBL personnel.
- Secondary Sources :-
- EBL's website
- Annual report provided by the bank
- Different report of EBL

1.4 Limitation of the study

Few limitations I had to come through while preparing this report. The major one being-time constraints because only 3 months is given to complete the project, in depth analysis is not possible.

Chapter Two

An overview of EBL

2.1 Definition of Bank

Bank is a financial institution and intermediary, which collect deposits through its different deposit mechanism and provide loans and advance among the loan makers with the view to earn profit. Thus a bank is a financial intermediary, a dealer in loans and debts. In financial concept banking means safe custody of money and at the same time an institution for money transaction.

To regulate the banking business there following some financial laws of the Government the old one is British stamp laws in 1981 and English Exchange Bill in 1982. Other laws are the English Financial Act of 1915; the Indian Company's Act of 1936 and Indian Banking Regulation Act of 1949 are worth mentioning.

2.2 Concept of Bank:

The concept of banking is as old as civilization itself. Banking activities in its earliest crude form of lending and exchange prevailed during the ancient period. The Legend of huge treasure of the Great King Solomon, the man of great wisdom, Son of David and the activities of taxation and banking during his reign in 1005 B.C.

The Indus valley civilization, the Roman civilization, the Greek civilization, the Muslim civilization played important roles in giving birth to and flourishing of bank.

2.3 Origin of Bank

The trace of banking has been discovered in Saudi Arabia in ancient period eight thousand years ago. In middle age in Italian Republics some Jews dealt in money exchanging activities sitting on 'bonca' (Italian word), banque (France word), meaning a long bench, which now converted to English as Bank meaning a financial institution.

2.4 Role of Bangladesh Bank :

After the partition of India, the State bank of Pakistan was created in 1948, but the banking actually become popular in 1960s, when the State bank tried to expand the schedule banks. After the independence of Bangladesh all the schedule the Presidential order no. 27 in 1972 nationalized banks. Then the central bank was as the Bangladesh Bank under which there were 13/14 branches of schedule banks all over the country.

The nationalization becomes a means, thus in 1980s banks were denationalized and reform were made for bringing discipline in banking sector. Some restrictions on commercial bank were imposed in 1997.

2.5. Historical background of EBL

The Eastern Bank Limited was formed as a public limited company incorporated in Bangladesh with primary objective to carry on all kinds of banking business in and outside Bangladesh. Eastern bank limited has also taken over the business assets, liabilities and losses of erstwhile Bank of credit & Commerce International (Overseas) Limited, hereinafter called BCCI, branches in Bangladesh with effect from 16th August 1992 as they stood after relation or adjustments in accordance with the provisions of the Bank of credit & commerce International(Overseas) Limited (reconstruction) Scheme, 1992 hereinafter called the scheme.

2.6 An overview of EBL

Name of the Company : Eastern Bank Ltd.

Legal Form : Banking Company.

Date of Commencement : 16th August 1992

Registered Office : 10 Dilkusha C/A, Dhaka.

Telephone : 9556360

Telex : 642951, 642482, EBL, DBT.

Telefax : 880-2-9562364, 9554610

Swift : EBL BD DDH

E-mail: info@ebl-bd.com.

Cable : Eastern Bank

Web: www.ebl-bd.com

Number of branches(31/12/2002): 22

Number of employees(31/12/2002):484

Authorized capital:1000

Deposit(31/12/2002): 13661

Source : Annual Report 2002.

Chapter Three

Principle Activities of EBL

3.1 Capital Structure of EBL :

Table 1: Distribution of capital

Year	1997	1998	1999	2000	2001	2002
Authorized Capital	1000	1000	1000	1000	1000	1000
Paid up Capital	600	600	600	600	720	720
Reserve	1699	1774	1856	2260	2322	2448

Authorized capital of EBL is 1000cr. During 1997 to 2000 paid up capital was 600. In 2001 EBL has increased its paid up capital to 720cr.

3.2 No. of Employees .

EBL believes that the driving force behind them has always been their employee. They are proud to have a dedicated bond of people to whom the commitment to provide excellence in banking is imbued in the way of their life.

Table 3.2 : No of employees from 1997 to 2002.

Year	No. of employees
1997	548
1998	625
1999	629
2000	652
2001	492
2002	484

3.3 Share Range analysis

Range from	To	No. of Share	As a% of Issued capital	No. Of Shareholder	As a % of talcap.
1	499	39740	.55	501	59.28%
500	5000	420,440	5.84	225	26.62%
5001	10000	292,860	4.07	43	5.08%
10001	20000	448,400	6.23	32	3.78%
20001	30000	293060	4.07	12	1.42%
30001	40000	137080	1.90	4	0.47%
40001	50000	49760	0.69	1	0.11%
50001	100001	614700	8.54	8	0.94%
100001	1000000	4903906	68.11	19	2.24%
72000000				845	

From the above table we can see that the no. of share holder holding less then 500 shares is highest, that is 59.28% and 26.62% shareholder holds less than 5000 shares. There fore we can say that the shares of EBL are widely held.

3.4 Trends of Branch expansion of EBL:

EBL was operating through a network of 22 branches within the country. Last one was Shantinagar branch opened on 20 February 2001. EBL management firmly believed in the concept of examining the merits and demerits before opening any new branch justifiably.

Table 3.4 : No. of branches from 1997 to 2002.

Year	No. of branches
1997	21
1998	21
1999	21
2000	21
2001	22
2002	22

Source : Annual Report 2002.

3.5 Personal Banking

3.5.1 EBL Monthly Deposit Plan

What is EBL

EBL Monthly Deposit Plan is a saving plan which helps to turn your small monthly savings into a large amount over a period of 5 years. It is a convenient savings mode which helps your money to grow.

How it works ?

To open a Monthly Deposit Plan all you need to do is choose any of the six monthly deposit amount options. You may open more than one Monthly Deposit Plan.

Monthly deposit amount & amount receivable after 5 years:

Monthly Deposit	Receivable amount
Tk. 500	Tk. 36,975
Tk. 1,000	Tk. 73,950
Tk. 2,000	Tk. 147,900
Tk. 3,000	Tk. 221,850
Tk. 4,000	Tk. 295,800
Tk. 5,000	Tk. 369,750

How do you gain?

By opening an EBL Monthly Deposit Plan you can turn your small monthly savings into a large sum of money. You don't have to turn up to the branch for monthly deposit payment. The monthly deposit will be automatically deposited from your linked CD/SB/HP account by standing instruction.

What is the minimum & maximum monthly deposit amount?

Under the Monthly Deposit Plan you can choose between a minimum monthly deposit amount of Tk. 500/-and a maximum amount of Tk. 5,000/-

What is the term of EBL Monthly Deposit Plan ?

You need to open a Monthly Deposit Plan for 5 (Five) years / 60 equal monthly deposits.

What is the eligibility ?

To open a Monthly Deposit Plan all you need is to be over 18 years of age, a Bangladeshi citizen and an account holder of EBL. It's that simple!

How do you open the Monthly Deposit Plan?

If you have an account with EBL you can open a Monthly Deposit Plan any day by filling up a simple account opening form.

What are the flexibilities?

- Easy procedure to open MDP
- Automatic monthly deposit deduction from linked account
- Upto 80% loan facility against MDP deposit after two years
- Account access from any EBL branch.

3.5.2 EBL Fast Cash

What is EBL fast Cash?

EBL Fast Cash is revolving credit facility from Eastern Bank Limited. There you can draw upto a predetermined amount of credit from your Current account and will only be charged interest for the amount you have drawn. The Minimum limit for EBL Fast Cash is Tk. 50,000.00

What you gain ?

When you have a Fixed Deposit or Government Bond with you and you need immediate cash, you can obtain an EBL Fast Cash against your fixed deposit or bonds. The bank will only charge interest for the amount you have used. Through EBL Fast Cash, you can meet your urgent cash requirements without closing or selling fixed deposit or bonds.

What you gain ?

Just drop in or call any of the EBL Sales & Services centres across the country. Tell us your credit need. And we will decide on the credit amount for you on the basis of security you will provide us. Some of these securities can be Fixed Deposit Receipt, Savings Certificates, ICB Unit Certificates or any other security we think fit to serve your purpose.

3.5.3 EBL High performance Account

How

You keep a minimum balance of Tk 20,000.00 under this account.

We offer very competitive rates of interest on your deposits. Our interest rates are tiered into two sales for deposits up to Tk 10 Lacs and above Tk 10 Lacs.

The interest on your account is calculated on a daily basis and added to your deposit half yearly.

If your deposit goes below the Tk. 20,000.00 limit on any day then you lose interest for that day.

What you gain

As the EBL High Performance Account is a hybrid account that conjoins the security and growth of a Savings Account with the convenience of a current account you get more out of your money while you enjoy the convenience of unlimited cash withdrawal.

You get highest interest rate on your deposit compared to other similar accounts on offer in the market.

EBL High Performance Account is available at all the EBL branches in every major city.

Eligibility

To open an EBL High Performance Account all you have to be is over 18 years of age and a citizen of Bangladesh, Its that simple!

3.5.4 EBL Monthly Income Plan

What is EBL Monthly Income Plan ?

EBL Monthly Income Plan is an income plan which helps you to earn a monthly fixed amount on your deposits kept with EBL for a period of 3 years.

How does EBL Monthly Income Plan work?

All you need to do is keep Tk. 50,000/- of multiples of it for a period of 3 years. You will earn a monthly fixed amount corresponding to your MIP deposit.

How do you gain ?

You can earn money on your fixed deposits. Your monthly fixed interests will be automatically created to your linked CD/SB/HP account on due date.

What is the minimum & maximum deposit amount?

The minimum deposit amount is Tk. 50,000.00 or multiples of it. There is no maximum deposit limit.

What is the term of EBL Monthly Income Plan ?

You need to open a Monthly Income Plan for 3 (three) years and earn 36 equal monthly interests.

What is the eligibility ?

If you are over 18 years of age, a Bangladeshi citizen and an account holder of EBL, you can open an EBL Monthly Income Plan anything you want. It's that Simple!

What are the flexibilities?

- Easy procedure to open MDP
- Automatic interest transfer to linked account
- Upto 80% loan facility against MIP deposit
- Account access from any EBL branch.

3.5.5 EBL Visa Electronic debit Card

EBL VISA Electronic Debit Card combines the benefits of an ATM card with that of a VISA banded Debit card, adding convenience to your everyday cash needs and management.

Using your Visa Debit Card is Quicker than making a trip to the bank, more convenient than writing cheques and suffer than carrying cash. This also lets you keep your wallet nice and slim.

Unique Features:

- 24 hour cash withdrawal facility from both Q-cash and Visa ATMs. Currently more than 40. Details overleaf.
- Fast, convenient and safe way to pay for your purchases, EBL Visa Electron is accepted at both Q-cash and Visa merchants at different shopping malls.
- Visa Electron is linked to your EBL Current or Savings Account, so it is you, who set your own spending limit
- Multiple accounts linking facilities
- Sweep In facility
- No hassle of monthly bill payment therefore no late payment fee
- No interest or finance charges
- Displays your photo & signature for enhanced security
- Every transaction is electronically authorized, hence safer than any other card
- No documentation required

Additional Feature of ATM:

- Account balance checking
- PIN change
- Cheque book request
- Mini statement inquiry
- Account statement request.

Eligibility :

Savings or Current Account with EBL Self/Joint Account (Either or Survivor) If you are an EBL accountholder, just drop by at any of our Sales & Services We will post your card within 7 working days. Its that simple!

3.5 Types of Deposit

Deposit intense competition, deposits increased by 2.89% from Taka 13,277 million of 2001 to taka 13,661 million in 2002. The bank as policy discouraged high-cost term deposits and focused on reducing cost of funds by increasing low-cost deposits. Rates of interest were revised from time to time in response to internal as well as external market conditions.

Types of deposit :-

- i) Fixed deposit
- ii) Short term deposit
- iii) Mid term deposit
- iv) Term deposit
- v) Current deposit
- vi) Sundry deposit.

3.7. Foreign Exchange & Foreign Trade :

In the year 2002, foreign exchange & Foreign trade operations continued to play significant roles in the overall business of the bank. The bank established a strong network of foreign correspondents covering most of the important business centers around the world.

During the year the bank handled total foreign exchange business of taka 17,113 million to finance import (Tk. 12,642 million), export (Tk. 4,358 million) and remittance (Tk.113million)

Major export items were readymade shrimps, tea jute goods leather goods and non traditional items. Import remained confined mainly to consumer goods, old vessels for garments industries etc.

Chapter Four

Financial Performance of EBL

Table – 4.1
Deposit of EBL

Year	Deposits	Growth
1997	9,568	-
1998	8,879	-7.2%
1999	11,231	26.48%
2000	12,375	10.18%
2001	13,277	7.28%
2002	13,661	2.89%

Source : Annual Report 2002

It is observed from the table that during 1998 to 2002 deposit mobilization of the bank has increased in every year. The highest deposit growth was in 1999. But in 1998 the deposit growth rate was negative.

Table: 4.2
Loans and Advances

Year	Loans & Advances	Growth %
1997	5,258	-
1998	5,744	9.24%
1999	7,902	37.56%
2000	8,141	3.02%
2001	9,946	22.17%
2002	10,891	9.50%

From the above table we observed that loans and advances was highest in 1999. After 1999 loans and advances were decreased. But it was again increase in 2001. After that it was decreased in 2002. So, it is fluctuating.

Table – 4.3
Export operation

Year	Export	Growth%
1997	3,426	-
1998	4,822	40.74%
1999	5,729	18.80%
2000	7,281	27.09%
2001	5,402	- 25.80%
2002	4,358	- 19.32%

Source : Annual Report 2002

From the above table we observed that the export operation was highest in 1998. After 1998 the export operation were decreased during the entire period. EBL also earn a negative export operation in 2001 & 2002. Decreasing of export operation is a bad sign for the org. So the Bank have try to overcome the situation.

Table - 4.4
Import operation

Year	Import	Growth %
1997	7,015	-
1998	9,965	42.05%
1999	11,818	18.59%
2000	12,533	6.05%
2001	11, 415	- 8.92%
2002	12,642	10.74%

Source : Annual Report 2002

From the above table we observed that in 1998 the import operation was highest. After that it was decreased in 1999, 2000 and 2002. EBL also earn a negative import operation in 2001. Decreasing of import operation is a bad sign for the org.

Table – 4.5

Guarantee business

Year	Guarantee business	Growth %
1997	708	-
1998	742	4.80%
1999	1,257	69.40%
2000	1,789	42.32%
2001	1,054	-41.08%
2002	1,183	12.23%

Source : Annual Report 2002

From the above table we observed that in 1998 the guarantee business is highest. But it was negative in 2001. Decreasing of guarantee business is a bad sign for the organization.

Table- 4.6

Operating Income

Year	Operation Income	Growth %
1997	985	-
1998	1,199	21.72
1999	1,611	34.36%
2000	1,916	18.93%
2001	2,022	5.53%
2002	1,986	-1.78%

From the above table we observed that the operating income was highest in 1999. After 1999 every year operating income was decreased. EBL also earn a negative operating income in 2002. Decreasing of operating income is bad sign for the org. So the bank have to try to overcome the situation.

Table - 4.7

Operating Expense

Year	Operating Expense	Growth %
1997	629	-
1998	796	26.55%
1999	1,030	29.39%
2000	1,242	20.58%
2001	1,319	6.19%
2002	1,255	- 4.85%

Source : Annual Report 2002

From the above table we observed that during 1998 to 2001 operating expense of the Bank has increased. But in 2002 the operating expense growth rate was negative.

Table – 4.8

Operating Profit

Year	Operating Profit	Growth %
1997	356	-
1998	403	13.2%
1999	581	44.16%
2000	674	16.00%
2001	703	4.30%
2002	731	3.98%

Source : Annual Report 2002

From the above table we observed that operating profit is highest in 1999. After 1999 it was executed every year. In 1998 the operating profit rate was also decreased.

Table – 4.9

Net Profit after tax

Year	Net profit after Tax	Growth
1997	343	-
1998	373	8.74%
1999	409	9.65%
2000	475	16.13%
2001	553	16.42%
2002	631	14.10%

Source : Annual Report 2002

It is observed from table 4.9 that during 1998 to 2002 net profit before tax of the bank has increased in every year. The highest net profit before tax was in 2001.

Table – 4.10

Total Assets

Year	Total Asset	Growth %
1997	10,186	-
1998	10,973	7.72%
1999	14,394	31.17%
2000	16,880	17.27%
2001	18,284	8.31%
2002	18,133	-0.82%

Source : Annual Report 2002

It is observed from table 4.10 that during 1998 to 2001 total asset of the bank has increased in every year. The highest total asset was in 1999. But in 2002 the total asset growth rate was negative.

Table – 4.11

Earning per share

Year	Earning per share	Growth %
1997	36.37	-
1998	38.48	5.80%
1999	37.26	- 3.17%
2000	40.91	9.79%
2001	44.86	9.65%
2002	51.49	14.77%

Source : Annual Report 2002

From the above table we observed that the earning per share was highest in 2002. But it was negative in 1999. It is a bad sign for the organization.

Table – 4.12

Dividend per share

Year	Dividend per share	Growth %
1997	10.00	-
1998	10.00	0
1999	20.00	100%
2000	30.00	50%
2001	30.00	0
2002	35.00	16.66%

Source : Annual Report 2002

Dividend per share depends on profit. If the profit is high dividend per share will be high, if the profit is low dividend per share will be low.

Table – 4.13

Return on equity (Average)

Year	Return on equity	Growth %
1997	40.36%	-
1998	29.75%	-26.28%
1999	19.39%	-34.82%
2000	15.38%	-20.68%
2001	16.93%	10.07%
2002	17.44%	3.07%

Source : Annual Report 2002

From the above table we observed that return on equity has increased in 2001 and 2002. But it was negative in 1998,1999 and 2000. Decreasing of return on equity is a bad sign for the organization.

Table – 4.14

Return on Asset

Year	Return of Asset	Growth %
1997	2.40%	-
1998	2.18%	- 9.16%
1999	1.76%	- 19.26%
2000	1.57%	- 10.79%
2001	1.84%	17.19%
2002	2.04%	10.86%

Source : Annual Report 2002

It is Observed from table 4.14 that return on asset has increased in 2001 and 2002. But it was negative in 1998, 1999 & 2000. Decreasing of return on asset is a bad sign for the organization.

Table – 4.15

Classified Loan

Year	Loan	Growth %
1997	6.96%	-
1998	6.85%	- 1.58%
1999	8.77%	28.02%
2000	8.21%	- 6.38%
2001	11.52%	40.31%
2002	13.46%	16.84%

Source : Annual Report 2002

From the above table we observe that % of classified loan was highest in 2002. During 1997 to 2002 every year percentage of classified loan was increased except 2001. The bank may try to minimize classified loan.

Table – 4.16

Capital adequacy ratio

Year	C.A.R	Growth %
1997	12.37%	-
1998	16.37%	29.50%
1999	14.65%	22.65
2000	24.17%	23.00
2001	22.49%	- 6.95
2002	22.02%	- 2.08

Source : Annual Report 2002

It is observed from the table 3.16 that capital adequacy ratio has increased in 1998, 1999 and 2000. But it was negative in 2001 and 2002. It was not good for the organization.

Table – 4.17

Cost Income Ratio

Year	Income Ratio	Growth %
1997	29.98%	-
1998	30.85%	2.901
1999	29.47%	- 4.47
2000	28.74%	- 2.47
2001	29.30%	1.94
2002	27.91%	- 4.74

Source : Annual Report 2002

From the above table we observed that cost income ratio is highest in 1998. It was also positive in 2001. But it was negative in 1999, 2000 & 2002.

Chapter Five

Problems of EBL

5.1. Problem of EBL

When I went to Eastern Bank Limited of their Branches I found some problems of the bank in segment. The major problem I observed that the executive works in cash counter are not active. For receiving deposit or payment till on line operation is on services. The executive should be efficient and well mannered.

There is no administrative department in a sense to carry out the banking operation properly. Employees are getting de motivated day by day as a result the performance is getting low and employees are loosing co-operation between each other. The EBL practicing very consumer credit scheme.

There is a rule to deposit at least an amount of money in case of opening an account. However, it is not strictly followed. Some times more money is asked from a new customer that who discourages him to open an account in the Bank.

Problem of cash management :

- i) Low deposit interest rate
- ii) Hidden charges
- iii) Lower service quality
- iv) Poor advisory services
- v) Maximum number of current account
- vi) Discourage fixed deposit

Problems of Lending Area in corporate Banking

- i) Prompt actions
- ii) Difficulties in opening an account

Problems relating to customer service

- i) Standing in a big queue
- ii) Waiting for long time
- iii) Not enough arrangement to sit
- iv) Lower number service provider
- v) Referring to others

Problems faced by service providers

- i) A big number of customers come together with queries
- ii) Verities of queries

There are some other problems of EBL:

- i) Deposit of EBL was decreased. It is bad sign for the organization.
- ii) Loans and advances of EBL was fluctuating.
- iii) Export operation of EBL has also decreased.
- iv) Operating income and operating profit of EBL was decreased. It is bad for the organization.

Chapter Six

Suggestion for EBL

6.1. Suggestion of EBL :

The EBL is in a position that I believe they can be able to be the market leader but need to follow some step.

1. Recruit highly qualified & computer skilled workforce to carry out the operation.

2. Create good customer-banker relationship.

3. Create an administrative department to look after the benefits of the employees and encourage operating in this country.

4. Introduce attractive service for the customer to compete with the other private & foreign banks operating in this country.

5. The online operation should be prompt.

6. In case of account opening, Letter of thanks is not sent to the introducer though it is a formality to be maintained by the bank. I think if a letter of thanks is sent to an introducer, he is encouraged to send more depositors to the bank that will be helpful for the bank to increase its deposits.

7. There is a rule to deposit at least an amount of money in case of opening an account. However it is not strictly followed. Sometimes more money is asked from a new customer that who discourages him to open an account in the bank. I think the amount should be fixed at a level that is not altered from customer to customer.

8. EBL should avoid taking prompt actions.

EBL should be avoided its nature of taking prompt actions in order to give more changes to its customer that would reduce the problem of customers to switch over the Bank.

9. Increase the number of alternate channels :-

It can deliver its services through alternate channels like increase number of ATM's, introduce transaction module in internet banking for customer.

10. EBL should higher its deposit interest rate :

EBL should higher its deposit interest rate, as it is lower than other private commercial Banks.

11. It should emphasize more on fixed deposit :

EBL generally discourage fixed deposit and in worst case scenario they try to put the deposit in STD account. It should encourage customer more on FDR.

12. Preserving to regain customer goodwill:

When customers have been disappointed, one of the biggest challenges is to restore their confidence and preserve the relationship for the future. This may require perseverance to convince them the actions are being taken to recurrence of the problem.

6.2 Conclusion :

The Eastern bank Ltd. is a very famous bank in the banking business area. It starts its operation from 16th August 1992 within this time the bank already get the popularity among the people. When this bank starts its operation, their first target customer was the famous person. But due to demand of general people, the bank is also doing business with the general people. the bank is spreading its operation through all over the Bangladesh. Recently this bank has 22 branches in all over the Bangladesh. So very recent it will increase their branches to meet up the people demand. We hope that this bank will complete with the leading bank of Bangladesh very soon.

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