



United International University

Internship Report

On

Evaluation of the Performance of Dhaka Bank Ltd. and its

Operation of Card Division

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**Letter of Transmittal**

August 30, 2021

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**Subject: Submitting Internship Report on “Evaluation of the Performance of Dhaka Bank Ltd. and its Operation of Card Division”**

Dear Sir:

This is to inform you that, I have completed the internship report on “Evaluation of the Performance of Dhaka Bank Ltd. and its Operation of Card Division” as per the requirement of the completion of BBA program. I have followed the instructions that you have given me. I hope that you would approve my report and grant it to be unique.

I would sincerely appreciate if you accept my report and consider my work as good and unique.

Thank you,

Sincerely Yours,

-----

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## **Acknowledgement**

All praises go to all mighty Allah, the most gracious and the most merciful without whose blessing I could not have completed this report. The accomplishment and completion of this report would not have been viable without the contribution of some accommodative people, who gave their valuable time from their busy schedule to guide us in doing our project work.

I would like to extend my heartiest gratitude to all those who directly or indirectly contributed to the completion of the report.

At the beginning, I would like to convey my gratitude to my respective supervisor, Khandoker Mahmudur Rahman, Ph.D., Associate professor, BBA Program, School of Business and Economics, United International University, for his guidance, valuable & thoughtful comments, and suggestion.

Then we convey my gratitude and appreciation to Mrs Humaira Zaman, Senior Assistant Vice President, Dhanmondi Model Branch, Dhaka Bank Ltd. He has provided me some necessary information that is required to complete my analysis.

## **Executive Summary**

Dhaka Bank is a well-organized banking service provider, with a plethora of modern banking opportunities and a strong connection to its people and culture. A group of imaginative businessman buddies, led by a progressive leadership, embarked on a remarkable organizational journey that reflected the speed of innovation on Bangladesh's deepest desires. Dhaka Bank was established as a public limited company under the Companies Act of 1994 on April 6, 1995. On July 5, 1995, the company began banking activities.

The report primarily focuses on its card operations. DBL credit card is functioning in the market at the time of this business summary, and it has various pros and downsides. When several significant aspects are taken into account, the efficiency of the DBL Credit Card is not sufficient. Though they're contesting in the market, they're focusing on different elements.

All possible attempts were made to focus internship efforts on a single area of study that tries to quantify credit cardholder satisfaction in a descriptive manner using good financial tools and procedures. The study data is being gathered to the greatest degree feasible from the branch time frame. It is hoped that the report will contribute immensely to the future researchers and students as well.

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# **Chapter – 1**

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## **Introduction**

## 1.1 Introduction

A credit card is sometimes known as "plastic money," and it was first introduced to the people in underdeveloped countries like Bangladesh in 1995. Standard Chartered Bangladesh was the first global banking commercial bank to launch the operation, followed by National Bank as the first local private banking financial institution to do so. Credit cards were not extensively utilized or appreciated among its potential customers since they were seen as an unnecessary expense to living rather than a short-term financial requirement or a fashion accessory. Gradually, individuals, primarily the intelligent and rich, began to use it, but now, as a consequence of the rise in living and lifestyle costs caused by external shocks, individuals of all classes, incomes, education, and social standing are making extensive use of it. Some users regard it as a tool for financial independence, while others regard it as a high-end fashion item. A person with a monthly net income of BDT 50000 nowadays agrees to have and keep a credit card on aggregate. In terms of age, gender, educational degree, and career, the rate of using card has also grown. Many private and international banks operate in the market, providing credit cards with a variety of characteristics, creating opportunities for customers to transfer banks. Because the demand for credit cards is smaller than the supply and options, the market is practically saturated. DBL credit card is functioning in the market at the time of this business summary, and it has various pros and downsides. When several significant aspects are taken into account, the efficiency of the DBL Credit Card is not sufficient. Though they're contesting in the market, they're focusing on different elements.

Each product or service has a service quality that is difficult to quantify because it is a psychometric and market summary topic. People's perception of satisfaction is a separate and independent variable that is not always sufficient to measure contentment.

## 1.2 Origin of The Report

The report is an important element of my internship semester, and its timely submission to the nominated supervisor will satisfy the certificate requirement of my BBA degree. I have done my best to collect all explicit and implicit data on a given issue, as well as a general overview. I have made every attempt to focus my efforts on a single area of study that tries to quantify credit cardholder satisfaction in a descriptive manner using good financial tools and procedures. For three months, I worked at Dhaka Bank Limited, Dhanmondi branch. I've seen



and learnt about most banking products and services, with a particular concentration on credit cards. The study data is being gathered to the greatest degree feasible from the branch time frame. With the support of my on-site manager, I attempted to compile the most up-to-date information on credit cards and their consumers. I can compare my knowledge from credit cardholder bills by interviewing with them. The review report or recommendations from my academic supervisor was quite beneficial.

### 1.3 Objectives of the report

The report has two objectives; which are broad objectives and specific objectives.

1. **Broad Objective**: The report's main or broad goal is to present the performance of Dhaka Bank Ltd. and to show the debit and credit card operation of DBL Card Division.
  
2. **Specific Objectives**: besides broad objectives, there are some specific objective of the report. These are...
  - a. To discuss the banking division of Dhaka Bank Ltd.
  - b. To show some financial performance of Dhaka Bank Ltd.
  - c. To show SWOT Analysis of DBL
  - d. To describe the operation of card division of DBL
  - e. To show different types of credit that DBL offers
  - f. To describe the term and procedures of DBL credit cards
  - g. To show fees and charges of DBL cards that are applicable

### 1.4 Scope of The Report

The explicit and implicit qualities of credit cards, as well as additional elements linked with them, were explored in the report, both of which are critical for understanding consumer perceptions, preference, and, ultimately, satisfaction levels of credit cardholders. The general arrangement of the report results is supported by a detailed analysis and description of credit cards in the next chapter for the greatest comprehension of the reader or reporting authority,

ensuring that the study topic within this chapter receives the most attention. The scope of the report is not restricted to overall pleasure; it also includes a detailed assessment of financial data to analyses the financial performance at a glance. I attempted to show the effects of some primary demographics with supporting illustrations by using SWOT analysis and shows the overall circumstance with associated explanation. The report findings and recommendations might be used to enhance or customize credit cards and related services, but the goal is to explain the performance of overall card division of DBL. However, the administration can utilize the results if they wish based on my findings and recommendations.

## **1.5 Methodology of The Report**

Different forms of information about current credit card regulations, processes, and techniques of card operation are needed for the study. This study was created using both primary and secondary data sources.

### **Sources of Data**

#### **A. Primary Sources:**

- Practical banking work.
- Personal meeting with officers and executives from Dhaka Bank Limited's card division.
- Some clients had an over-the-phone interaction.

#### **B. Secondary Sources:**

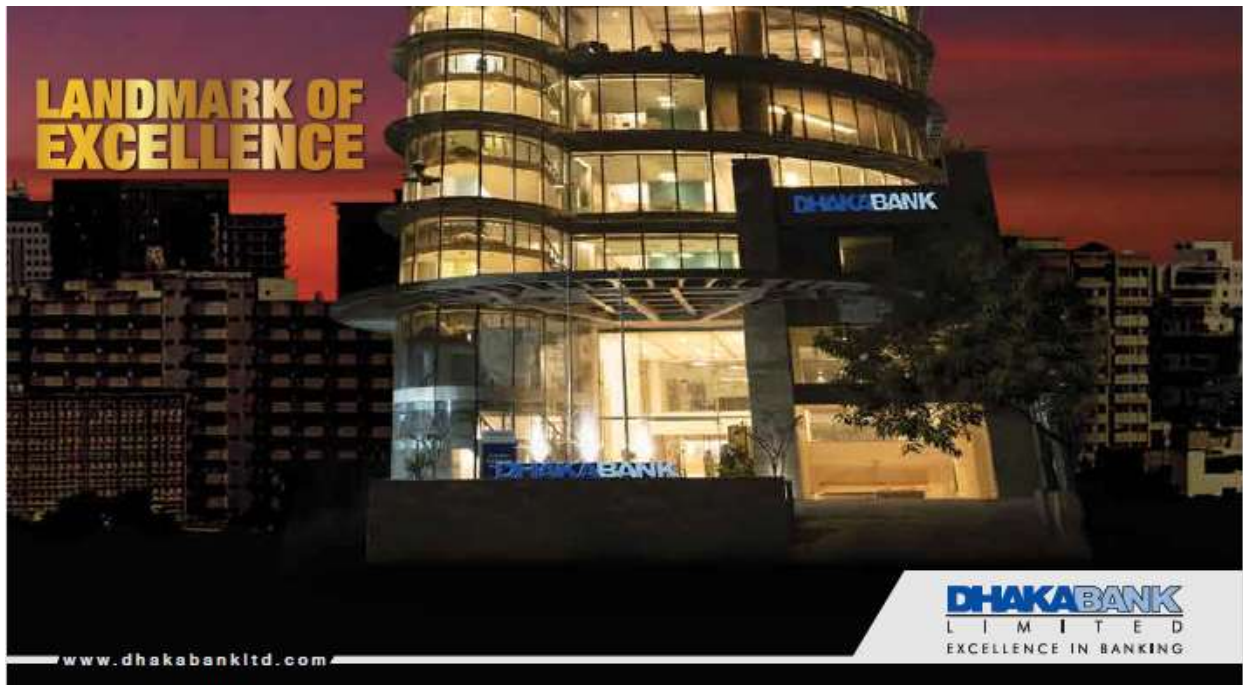
- Annual Report of DBL
- Website of DBL
- Various publication on card division operation
- Different publications of DBL banking operation
- Some theatrical information is collected from different books and publications.

### **Data Interpretation**

There are some financial tools used to interpret the data to show the actual sceneries of Dhaka Bank Limited and its performance of card division. This tools are based on the available of the data and the requirement to show the actual sceneries of card division of DBL.

## 1.6 Limitations of The Report

- One of the study's major flaws was that it only conducted a small size of data.
- The report work was not completed over a large area. It just divides cards into a small space. As a result, the overall picture of Dhaka Bank Ltd.'s credit card performance is overlooked in this study.
- There is a scarcity of related books and periodicals.
- Another key restriction is the amount of time available to do the report. As a result, the results and analyses may be incorrect in light of the bank's long-term operational strategy and ramifications. Furthermore, the advice may not be beneficial enough for both the researcher and the users.



## **Chapter – 2**

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# **Dhaka Bank Limited: Flourishing for Success**

## **2.1 About Dhaka Bank Limited**

The country was only midway through its life cycle; a respect for history and culture, as well as a desire for a rapid pace, combined to create a tremendous movement for good in the corporate sector. In the clouds of the financial revolution of the 1990s, many blooming hopes arose as a choice of the new generation. Dhaka Bank is a fantasy, with a plethora of modern banking opportunities and a strong connection to its people and culture. A group of imaginative businessman buddies, led by a progressive leadership, embarked on a remarkable organizational journey that reflected the speed of innovation on Bangladesh's deepest desires. Dhaka Bank was established as a public limited company under the Companies Act of 1994 on April 6, 1995. On July 5, 1995, the company began banking activities.

## **2.2 From The Initial Year of Its Remarkable Adventure**

Dhaka Bank has preserved and bringing to light Dhaka's and Bangladesh's legacy and culture, from Imperial colony to modern city. The Bank's devotion to this connection can be seen in much of its presentations, articles, business activities, distribution methods, schedules, and economic expressions. The Bank is well-known today for its outstanding service, accessibility, closeness, and trying to cut delivery methods.

The bank has distinguished itself for its cash flow and technical processes, establishing itself as a viable market participant in all of the nation's conventional banking sectors. In the year 2000, it was listed on the DSE and CSE. Dhaka Bank has a nationwide outreach via a bigger branch network, ATMs, ADMs, SME channels, and SMS banking, in addition to a long-standing relationship with the business world. Dhaka Bank has 105 branches around the nation as of December 2020, comprising 2 Islamic Banking Branches, 3 SME Distribution Centers, 64 ATMs, 20 ADMs, 1 Customer Service Center, and 2 Unique Blend Facilities. The bank has launched a subordinate firm called Dhaka Bank Securities Limited, which has six branches around the nation to meet the demands of the capital market.

We intend to emerge from Bangladesh's heartland as a more dominant figure in the markets we operate. As we develop and evolve into a banking expert, we are devoted to our aim of creating greater shareholder's wealth in our pursuit of perfection.

## 2.3 Vision of Dhaka Bank

The eccentric orbits are our source of motivation at Dhaka Bank. Our goal is to establish a standard that enables each banking activity enjoyable. Our goal is to provide you with superior service via precision, dependability, speedy service, cutting-edge innovation, and customized solutions for your company requirements, as well as an international presence in industry and business and a good return on your investment.

Our people, products, and procedures are all linked to suit our discriminating customers' needs. Our goal is to develop a strange impression of anticipation. Our primary goal is to provide a level of service that reflects our vision of excellence in banking.

## 2.4 Dhaka Bank's Mission

To become the nation's leading commercial bank, having maximum services and products underpinned by cutting-edge innovation and a team of experts motivated employees to provide Banking Excellence.

## 2.5 Dhaka Bank's Corporate Values

- **Customer Focus:**  
Hold a consistent client focus and cultivate relationships founded on trust, superior banking service, and mutually beneficial.
- **Integrity:**  
Possess a high degree of ethics, honesty, and clarity in your interactions.
- **Quality:**  
Maintaining the highest level of service and serving the customer by achieving excellence in banking operations.
- **Teamwork:**  
Create a collaborative environment in which customers' interests and happiness are prioritized, and personalized financial services and products are delivered efficiently.
- **Respect for Individuals:**  
Employees are valued and respected, and choices are taken on ability.
- **Responsible Citizenship:**  
Committed to environmental protection and going green.

## 2.6 DBL's Strategies and achievements

Without a strategic marketing focus, it would be almost impossible to flourish in the market, particularly in service sector and credit cards operations (Ismail et al., 2014). Strategic marketing specifically talks for quality which would be an inevitable part of the total marketing strategy (Rahman, 2016). Our key strategy objective is client service quality. The final goal is to maximize the wealth of shareholders by conducting task in an effective and responsible manner. To preserve the interests of shareholders, the Bank is always pursuing plans for long-term development and business convergence. Corporate Banking, SME Banking, Agriculture, Consumer Banking, and Islamic Banking are among the core banking. Additional activities like Business Processes, IT, R&D, Marketing, HR, Procurement & Logistics, Risk Management, Compliance, Internal Audit, Financial Management, and so on support the business. Furthermore, the Bank company has two subsidiaries: Dhaka Bank Securities Limited, which is responsible for capital market and brokerage services, and Dhaka Bank Investment Limited, which is responsible for merchant banking (this firm has still yet to begin operations). The Bank's success comes from its large customer base, skilled employees, superior technical foundation and procedure, and a shared management style. Customized goods and services enabled by actual internet transactions are becoming the best method for any Customer requirement. The Bank continues to expand its channels by improving the supply chain, centralize and automated, and the method of payment, among other things, to make our care more affordable and easy for our clients. Our clients can transact to/from any branch, any bank that is representative of the people, thanks to the Bank's recent implementation of Real Time Gross Settlement (RTGS). We create designs to be as user-friendly as possible in order to save up time for customers, which improves the quality of our association. Our improved risk management system, compliance culture, and anti-money laundering system keep us safe from the dangers of mismanagement.

With 103 branches, 3 SME Service Centers, 2 Off-shore Banking Units, 2 Sub-Branches, 62 ATMs, and 20 ADMs, we have expanded our presence in 2020. DBL's net worth are estimated to be at Tk. 285,009 million, or USD 3,357 million, as of the end of 2020. Dhaka Bank, with a total of 540,493 customer accounts, Tk. 204,530 million in deposits, and Tk. 195,634 million in advances, has proven to be a transformational leader in Bangladesh's remarkable progress in the economy.

## **2.7 DBL's Economic Capital and Capital Adequacy**

Since January 2015, the Bank has been following the Basel-III compliance framework as an increased regulation for capital and liquidity stability. The Bank is collaborating with Basel III to better place itself within the post-crisis world's economic risk and regulation environment (Slovik & Cournède, 2011). The Bank issued Non-Convertible Subordinated Bonds to improve the capital base in accordance with the recently founded Capital Adequacy guiding lines according to the BASEL-III Accord, in order to maintain capital adequacy as required by Basel-III. As a consequence, DBL's Regulatory capital as of December 31, 2020 was Tk. 31,171 million, while the Capital to Risk Weighted Assets Ratio (CRAR) following Basel-III was 16.12 percent, compared to the Central Bank's requirement of 12.50 percent.

Economic capital was developed as a safety net for the Bank, particularly in the aftermath of the worldwide financial meltdown. The impact of unexpected currency depreciation from liquidity risk, as well as the level of market instability, continued to be felt in 2020. In such a sector, managing the banking business within a risk-sensitive capital adequacy structure becomes essential. As a result, we're carefully evaluating the possibility of possible losses and, as a result, we're dragging up the theory of financial capital, which is connected with each particular task, in order to reduce the Balance Sheet's risks and protect stakeholders' interests.

## **2.8 DBL environment and people**

DBL is dedicated to improving community through volunteering and contributing in a variety of areas, including education, health, disaster relief, sports, and other areas of national importance. Extensive CSR activity, combined with our financial integration over a 25-year period, reflects our genuine concern for people. On the other hand, DBL have implemented sustainability concepts into the Bank's day-to-day operations. The Green Banking Cell was established with the goal of formulating policies, services, and strategy as well as managing the bank's overall green finance efforts. Green banking takes into account both social and environmental factors, and also financial concerns, with the goal of protecting the environment while also fostering more environmentally friendly wealth creation. Furthermore, our policy integrates green banking efforts into in-house supervision as well as participation in environmental protection efforts.



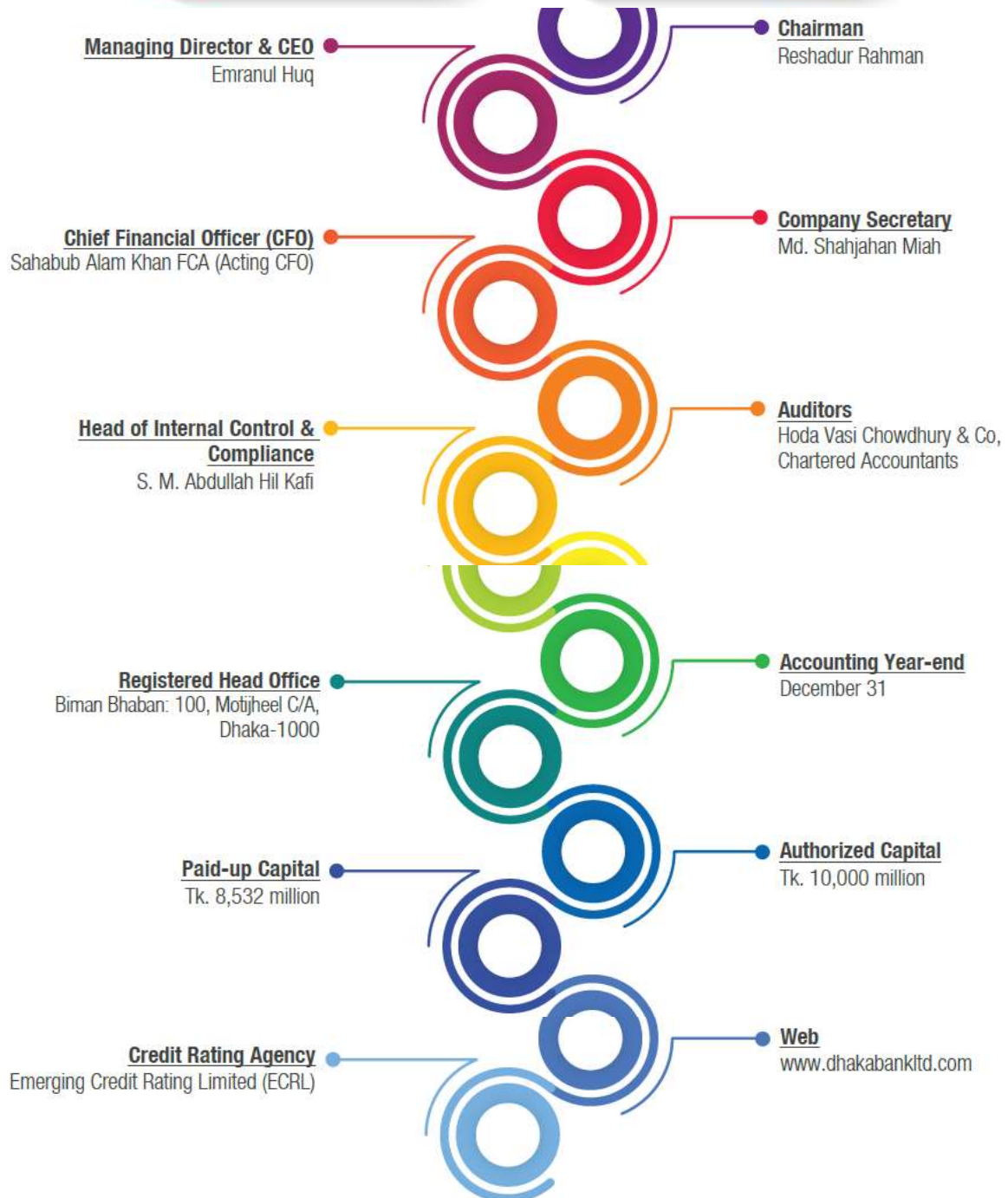
## 2.9 DBL Commitments towards Wider Financial Inclusion

Every day, a new account joins our Short story, accelerating our journey across the sector. It's as though a new era in the realm of riches has started. Because of the manner the internet world has unleashed the limitless possibilities of every living person, simply having connection to the Banking domain might open the floodgates of financial gain. For instance, a student using a card at our ATM may mature into the expertise of a financial adviser in the future. A housewife's monthly savings reveals the financial aspects of home labor. Gathering farmers with our help offers the country's agricultural growth a safe image. DBL's female entrepreneur, who can now afford to support her kids to a better school, is an example of social fairness. We continue to weave the vision per each active citizen with our dedication to greater financial inclusion. As a result, we, along with the business, are happy to have been a part of the country's incredible economic success over the last year.

## 2.10 Strategic Objectives of DBL

- ✚ DBL's goals are to run a fair and rising firm based on current mechanisms while adhering to the political and regulatory context outlined in DBL's mission and vision.
- ✚ DBL's top priority is to serve our clients with consistently efficient, creative, and greater products delivered in a timely manner.
- ✚ DBL's mission is to generate financial gain through quality business as just a long-term, ever-expanding organization while providing fair stakeholder value.
- ✚ As a core value, DBL is dedicated to our society, and as part of our corporate social responsibility, we contribute to the country's advancement.
- ✚ DBL's employees are the foundation of our company. We encourage their happiness by offering a competitive salary increase and encouraging employee productivity through professional development, advancement, and job placement.
- ✚ DBL seeks to achieve our obligations to the public sector by reimbursing all taxes and duties due and adhering to all other regulations.
- ✚ DBL is concerned about the environment and global warming, and we are working hard to make our motherland a cleaner and greener place to live.

**2.11  
Dhaka  
Bank at a  
glance**



## **2.12 Dhaka Bank: Flourishing for Success**

DBL began its journey with the goal of achieving greatness in the finance industry and providing cutting-edge financial services.

On April 6, 1995, the Bank was established as a Public Limited Company under the Companies Act of 1994. On July 5, 1995, it opened a branch in Motijheel, Dhaka, and began banking services. In July of 2003, the Islamic Banking gateway was launched. In the year 2000, DBL was listed on the DSE and CSE. Following that, we began providing Capital Market operations, which resulted in the formation of a subsidiary, Dhaka Bank Securities Limited, in 2011. By establishing an Off-Shore Banking Unit in 2006, DBL provided new opportunities for international investment in the nation.

DBL is largely viewed as a prospective commercial entity in all main sectors of banking in the country due to its great service, accessibility, closeness, and chopping execution and administrative artistry. We gained a successor with a greater network of Branches, ATMs, ADMs, SME channels, and SMS Banking, in addition to an enduring relationship with the business sector. We have 103 branches around the nation as of December 31, 2020, comprising 2 Islamic Banking Branches, 3 SME Service Centers, 2 Sub-Branches, 62 ATMs, 20 ADMs, and 2 Off-Shore Banking Units.

As of December 31, 2020, our capital structure had a total value of Tk. 285,009 million, with deposits of Tk. 204,530 million, advances of Tk. 195,635 million, and an operating profit of Tk. 6,098 million. Our Board of Directors and employees are working together to have a significant beneficial influence on Bangladesh's economy by providing high-quality banking services.

### **2.12.1 Corporate Banking Division**

The Corporate Banking Division manages commercial client relationships, which helps the branch produce financial rewards. This division is now in charge of a total portfolio of Tk. 55,180.00 million. In 2019-2020, total limit usage in this portfolio climbed from 55 percent to 65 percent, resulting in a 6.24 percent YoY rise in non-funded transactions and a 37 percent rise in gross income.

- Cash Management Unit

Since its inception in 2017, our Cash Management Unit [CMU] has done an outstanding job in the industry by delivering additional products. At the end of 2020, 50 clients have signed up for Cash Management Services, with an annual average money preservation of Tk. 103.00 crore.

- Syndication and Structured Finance Unit

The Syndications & Structured Finance Unit of the Bank had a strong year in 2020. Since its founding in 2004, the Unit has been serving clients' corporate banking requirements by offers a broad variety of products and services, including term loans in both local and foreign currency, ECA-backed capital device funding, IPFF financing for construction projects, Working Capital financing, and financing in financial instruments such as Commercial Paper, Preference Shares, and Project Bonds.

### **2.12.2 Retail Banking Division**

The Retail Banking Division of Dhaka Bank began operations in 2002. Since that day, the bank has grown its retail customer base to over 350,000 by the end of PE2019, and authorized overall sales loans worth around Tk. 1,470 crore. The Bank's enthusiasm in recruiting new retail clients and developing retail business in the areas of bank accounts, cards, and retail loans has maintained throughout 2019. Considerable measures are being done in the digital domain to respond to the requirements of tech-savvy retail customers, similar to the previous year. The debut of Inter Bank Fund Transfer (IBFT), which allows its clients to rapidly transfer funds and settle credit card debts to 23 other banks using our mobile app Dhaka Bank GO, is one of the most important characteristics. Furthermore, the bank's electronic service was boosted with the re-launch of Online Financial Services Plus (online banking) with a fresh design aesthetic, allowing customers to make real-time operations worth up to Tk. 5 lac.

In comparison to the previous year, the Bank extended 10% more retail loans in 2020. Only 13% of trade financing was issued as unsecured loans, with secured loans such as car, home, and collateral backed loans accounting for 87 percent. The emphasis was always on obtaining loans from the credit-safe employed sector. In FY2020, the Bank had a 5 percent increase in retail deposit growth, with 36,000 emerging store CASA accounts. Retail deposits currently account for 48 percent of the bank's total customer deposits, thanks to this expansion.

### 2.12.3 CRM Division

- Large Loan Portfolio Analysis: DBL has begun a thorough examination of the credit portfolio across several sectors in order to detect any prospective threats. Bank Loans are authorized in such a way that development may be sustained while maintaining the highest possible capital structure and without jeopardizing the Bank's level of performance.
- Industry Analysis: A detailed examination of the key sectors in which the loan's portfolio is focused; Major 14 sectors have previously been studied and updated frequently, comprising power, edible oil, telecommunications, pharmaceuticals, ceramics, beverage, LPG, and cable.
- Development of an Imported Product Price Certification Database: A database has been created where the value of an import product is entered, which will aid in the confirmation of imported pricing strategy using other methods.
- CRM Department has organized multiple Training Sessions [including Internal Credit Risk Rating System] and Seminars for Credit Officers from various Branches and Head Office in 2020 to ensure ongoing knowledge and professional improvement and understanding of Credit Rules and Values.

### 2.12.4 Human Resource Division

In 2020, we've placed a greater emphasis on Human resources than ever before, bolstering our training activities. We started an e-learning campaign with training sessions on AML-CFT, Credit & Trade, in addition to HRD using outside trainings and providing greater IT & DBTI support. Help to prove learning for assessors, an OMEGA Performance Certification License for credit training course, and manager development on communication, corporate sales, and skilled client service, among other topics, were all organized with workshops led by the country's best workshop presenters. Furthermore, for those personnel who had successfully transitioned from cash to GB, we implemented Refresher Training. HRD has also launched a number of employee retention initiatives, such as commemorating Pahela Boishakh, Eid, and Women's Day, among others. There were additional Public Awareness Programs with well-known physicians. In 2020, the Accelerated Leadership Program for Future Leaders will commence.

Employees are proclaimed to be the most precious resource in businesses all around the world. Dhaka Bank shares this viewpoint. Human Capital in the banking business is defined

as a collection of competencies, diversification, participation, employee values, and expertise. Human capital has the ability to increase efficiency and productivity, aid conformity, secure banks' existence, achieve long-term prosperity, and improve corporate profitability.

### **2.12.5 International Division**

The International Division is responsible for guaranteeing the safe flow of overseas trade, foreign exchange transactions, and the remittance of wage employees. The Financial Institutions (FI) Unit and the Remittance Unit are the two primary divisions within this department.

For DBL's 18 Authorized Dealer (AD) branches, 2 Central Processing Centers (CPCs) with 2 Service Hubs, and 2 Offshore Banking Units (OBU), the Financial Institutions Unit organizes existing financial network, lines of credit, and other services.

The FI Unit of the International Division's International Division worked to enhance its customer relationships in 2020 to help the Bank's trade financing operations. In 2020, Dhaka Bank routed 29,310 LCs for a total of USD 1.79 billion through its correspondent banks. In 2020, Dhaka Bank cleared a total of 40,081 export invoices for a total of USD 1.54 billion. Customers were given a variety of alternatives for routing their LCs, including verification and discounted, with no substantial obstacles. Furthermore, our geographical location with correspondent banks is constantly expanding, guaranteeing that our import clients receive prompt LC issuance.

### **2.13 SWOT Analysis of Dhaka Bank Ltd.**

For a firm, SWOT analysis aims to detect its overall strengths, weaknesses, threats and opportunities that can assess the organization's competitive potential (Kotler & Keller, 2006). The SWOT Analysis allows a firm to understand its market status and thus to implement strategies. Here Dhaka Bank's SWOT analysis is done to better understand the bank's positioning.

## **Strengths**

### **Strong business identity:**

DBL is the world's top financial services identity supplier, according to its clients. It has positioned itself better in customers' thoughts with its strong corporate image and brand. This picture has helped DBL quickly capture Bangladesh's personal banking sector.

### **Strong bonds and properties for employees:**

One of the company's main resources is workers of DBL. The DBL's personnel have a great sense of organization and are also proud and attached to DBL. The major reason for its strength is the excellent organizational culture of DBL.

### **Young enthusiastic employs:**

The selection and recruiting of DBL stresses that talented graduates have little or no experience in the field of employment. DBL aims to avoid the 'wreck in & waste out' dilemma. The rationale behind it. And this sort of new and youthful staff inspires DBL's whole working atmosphere.

### **Workforce empowered:**

DBL is a well-conceived and well-managed human resource. The senior management thought that from the very beginning they empowered people, where they refused to put their fingers on every portion of the pie. DBL is a better place for professionals in this powerful atmosphere.

## **Weaknesses**

### **L/C high loads:**

For all import types L/C, DBL now charges the same cost. However, DBL should lower the fee of L/C for imports from export-oriented industries. This will help exporters and increase foreign exchange profits for the government. Often, the commission is also up to 30%.

### **Small entrepreneur's discouragement:**

DBL supplies most of its solvent customers with clean import loans. However, they do not generally wish to support small businesspeople whose financial status is not clean.

#### Lack of significant commercialization:

DBL does not yet have substantial marketing operations via mainstream media such as television. In raising awareness, TV commercials play an important role. DBL doesn't have such a campaign for television ads. They perform nevertheless many CSR initiatives in comparison with other banks.

#### Insufficient innovative goods:

DBL should develop fresh, appealing and innovative goods in order to be more competitive in the market. This is one of the shortcomings of DBL, but intends to get rid of by 2010.

#### Diversification:

In growing its present business line, DBL might follow a diversification approach. Management might take into account alternatives for launching commercial banks or diversifies them into leases and insurance. Because DBL is a major financial services company, it can offer such services in Bangladesh as well.

#### High account maintenance costs:

DBL has rather high accounts maintenance costs. This is typically emphasized by other banks. This might prove to be a negative problem for DBL in the long run.

### **Opportunities**

#### Different techniques for operation:

The repayment ability evaluated by the customer's DBL helps to select how much to borrow. Since entire loan procedure is based on the repayment capability of a customer, the DBL recovery rate is about 100%. This allows DBL to maintain financial stability and to prepare DBL for the long term.



### Network country wide:

DBL's ultimate aim is to extend its activities throughout Bangladesh as a whole. Enhancing this sort of vision and goal will enhance not only DBL's income, but will also ensure its existence in the lengthy run.

### Managers with experience:

DBL's efficient managers are one of the major opportunities. To support its functioning, DBL has recruited experienced management. These managements have already led to the company becoming new to DBL.

### Enormous people:

In order to meet the demands of the vast population, Bangladesh is a growing country that requires a considerable amount of investment. On the other side it made it desirable for foreigners to invest in our nation, creating EPZ zones and various government measures facilitating foreign investments in our country. Therefore, DBL has a great chance.

## **Threats**

### Next Banks / Industries:

The forthcoming private, local, and global banks pose major risks to the current DBL banking network: additional commercial banks are likely to develop over the next years. If that happens, competition will continue to grow and banks will need to adopt policies to compete and win the struggle between banks.

### Other banks provide similar offers:

Different international and private banks nowadays also provide goods of a similar kind with an almost identical margin of profit. Therefore, the inevitable outcome is a decline in profit when all rivals compete with the same weapons.

### loans defaults:

There is extremely little or insignificant problem of non-performing loans or default loans. This problem can, however, increase in the future. DBL must stay attentive in addressing this problem, in order to use proactive methods to reduce this.

Downturn of industry:

The economy and politics of Bangladesh is fragile. Flooding, drought, cyclone, fresh terrorist attacks have become our country's identity. Unemployment generates widespread recession in the business, along with inflation. This has brought downward pressure on investment capital demand.



## **Chapter – 3**

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# **Performance of Dhaka Bank Limited**

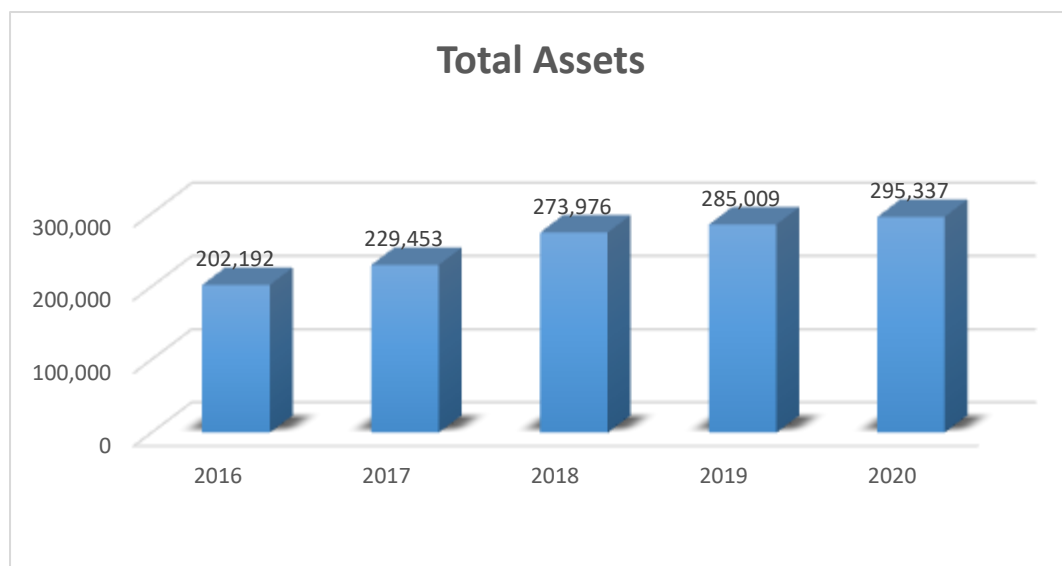
### 3.1 DBL Economic Impact Report

EVA (Economic Value Added) is a measure of a firm's genuine increased benefit. EVA is a calculation of how much profits surpass or stop flat of the needed expected return for Shareholders under similar risks. Shareholders and equity investors are constantly concerned about their return on investment. As a commercial bank, we are extremely concerned about providing wealth to all of our shareholders and equity sources.

The distinction between the market capitalization and the book value of the outstanding shares is known as market value added (MVA). A high MVA suggests that the corporation has made significant profits for its shareholders.

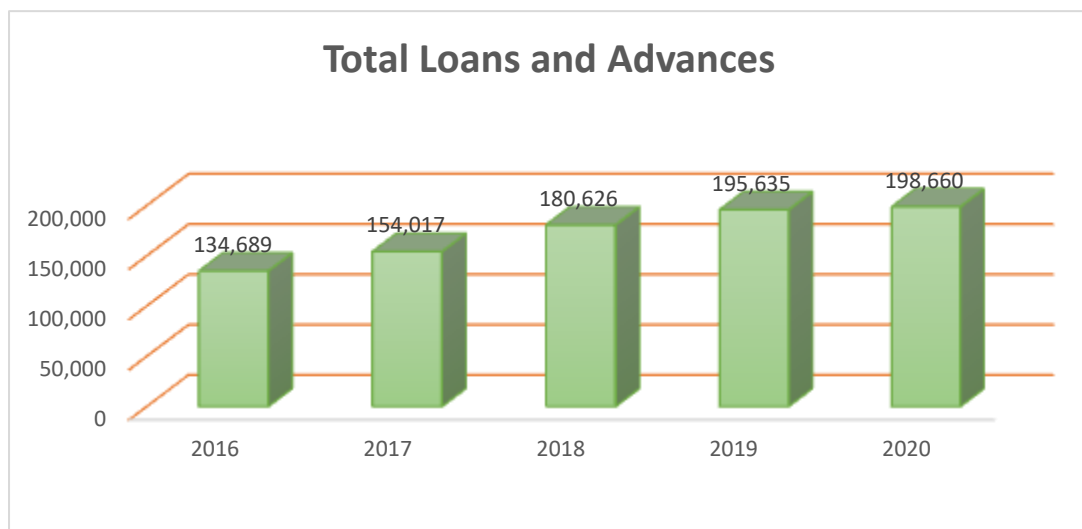
### 3.2 Total Assets

Year on year, the balance sheet has shown steady growth, with a 4 percent increase at the end of the year. Cash, stocks, loans, and plant and equipment that enable the bank to function are examples of assets that generate revenue. An asset is a valuable item that is possessed and may be utilized to create anything.



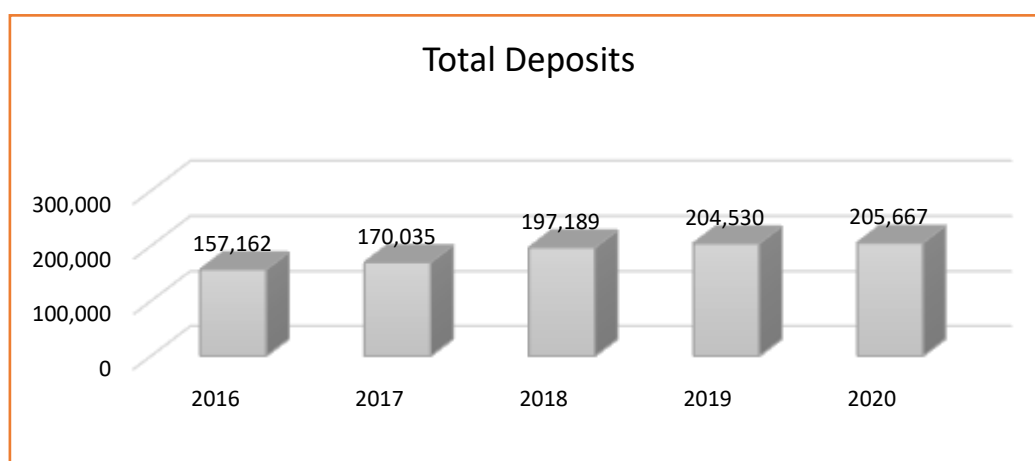
### 3.3 Total Loans and Advances

Loans and advances grew by 2% year over year, highlighting the importance of quality and balance sheet expansion. The bank was able to leverage diverse types of clients during the year and boost its loans and advances by focusing on the three main categories of loans: short term, medium term, and long term loans; however, certain sub categories of loans are changing. With the bank's expansion, the ratio of lending has progressively climbed.



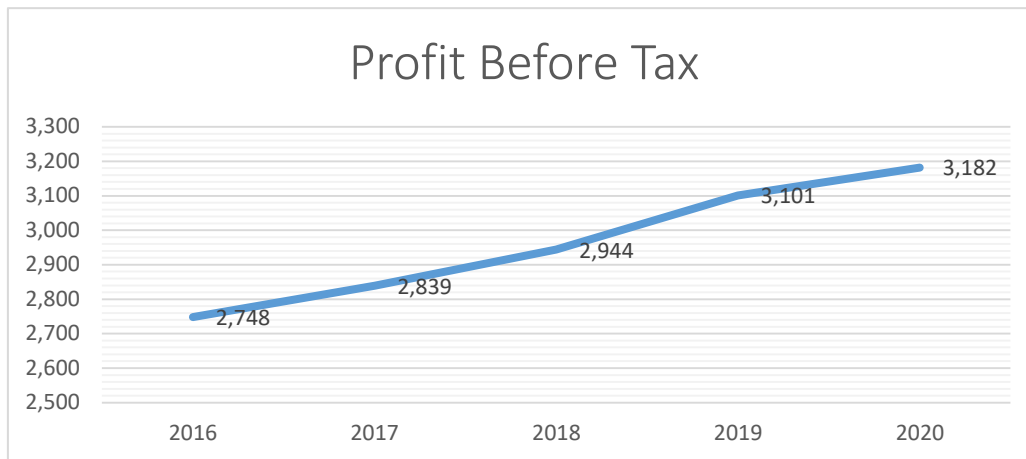
### 3.4 Total Deposits

Deposit growth is a strong supporter of balance sheet expansion, indicating trust in the bank and ensuring shareholder cooperation. Deposits are an important and low-cost source of capital for banks, which generate money by lending to their clients at greater rates than their cost of capital. The goal is to maintain “deposit costs” low while yet collecting sufficient deposits to lend out.



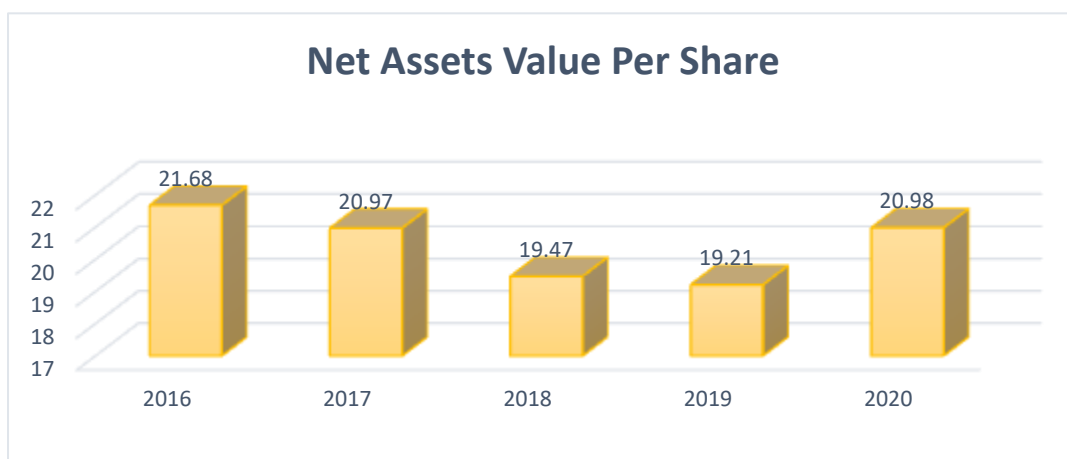
### 3.5 Profit Before Tax

Despite a bigger loan arrangement, Bank produced a better profit after taxes. Internal management and external consumers of financial information appreciate profit before tax (PBT) when it comes to understanding a company's operational performance. PBT (profit before taxes) is a measure of a company's profitability that looks at earnings before taxes are paid.



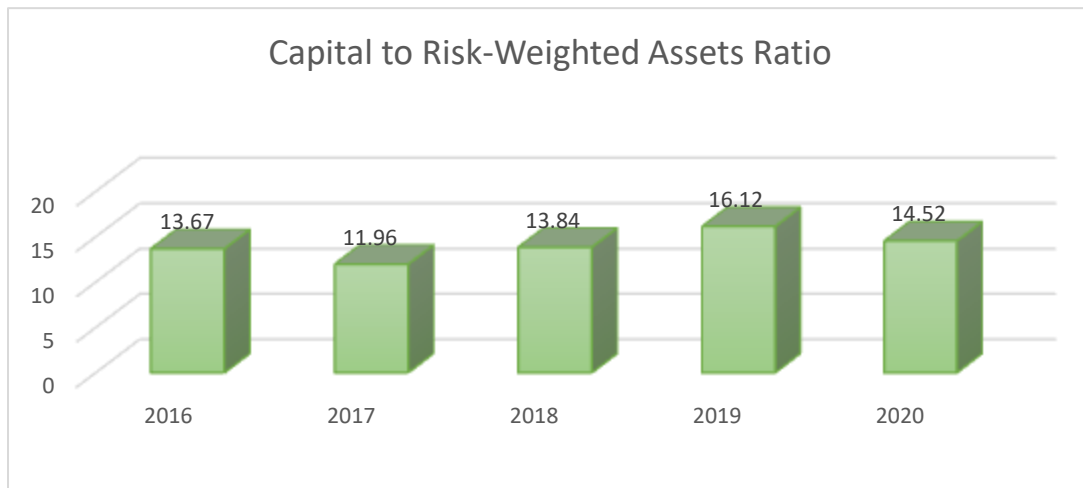
### 3.6 Net Assets Value Per Share

In 2020, expect higher operating outcomes and more effective balance sheet maintenance. The term "net asset value" is widely used to describe the worth of a company's assets. The term NAV has become prominent in the context of investment assessment and pricing, and it is calculated by dividing the difference between assets and liabilities by the number of shares/units held by investors.



### 3.7 Capital to Risk-Weighted Assets Ratio

To enable expansion, well-managed money is required. The higher the bank's capital adequacy ratio, the better the depositors' assets are protected. A bank with a strong capital adequacy ratio is thought to be safe and likely to comply with this requirement. Minimum Capital to Risk-weighted Asset Ratios (CRAR) are important because they ensure that banks have adequate capital to withstand an acceptable level of loss.



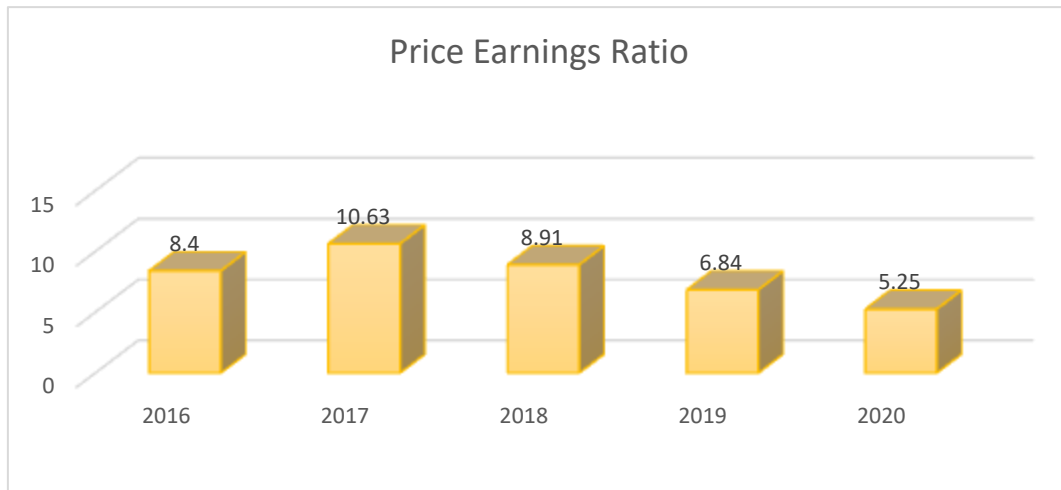
### 3.8 Market Capitalization

The positive closing market prices as at the end of 2020 are the cause of a greater market capitalization. The stock market determines how much a firm is valued, which is referred to as market capitalization. The entire market value of all shares outstanding is what it's called. Because firm size is a common terminal of numerous qualities in which investors are engaged, particularly risk, using market capitalization to illustrate the size of a firm is crucial.



### 3.9 Price Earnings Ratio

The P/E ratio decreases due to adverse market prices and Lower EPS and less revenue & profit increase. The Bass Price The ratio of earnings may show how the firm does Very good compared to its patterns from the past. The value for money It can also be viewed as a way to standardize one taka's worth Across the stock market, profits.



### 3.10 Earnings Per Share

Appropriate distribution of loans in 2020 brought better profits. In order to determine a share price, the profit per share statistic is among the most essential elements. By dividing the share price of a firm by income per share, an investor may assess how much the marketplace is ready to pay for each income.





### 3.11 Cost to Income Ratio

The cost/income ratio was reasonable as operational revenues increased while operational expenses were kept under control. This ratio shows the efficiency with which the bank operates — the lower the ratio, the more lucrative the bank is. If the ratio increases from one year to the next, costs increase at a rate higher than revenues. The cost-to-income ratio and the profitability of the bank have an inverse connection.





## **Chapter – 4**

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# **Card Operation of Dhaka Bank Limited**

#### **4.1 What is Credit Card**

Credit card is a new phenomenon inside enterprise and the transactional arena that has already gained millions throughout the country and has established its feet in this part of the planet with its magical power. In the development of IT and globalization, customers do not have to bother about their wealth, all they have to do is to purchase desired and a credit card anywhere they choose. Global access to credit cards, acceptance and attractiveness have grown to such a degree that the notion of old hard-cash currency holding in the wider feeling of vulnerability over the globe. The advancement of plastic money, the other name of the credit card is so fast that the entire idea of the monetary system needs to be reviewed immediately, as the paper money itself is in issue. A credit card is available using, and paid out later at comfort, an established rotating credit limit that can be used for cash or buying. It permits full or partial payment. You may use Credit Card for in-store or online purchasing and ATM cash withdrawal. You can transfer funds from any branch of the Dhaka Bank using the branch of the POS machine by means of a credit card.

#### **4.2 Importance of Credit Card**

A credit card is a terrific instrument for finance. It might be easier to use and transport than cash and it offers essential consumer safety and security. Paper money is unsafe and transporting onerous. You can lose or stolen dollars, pounds, or Taka, but such card anxiety is not there. The holder of the card is notified a secret code number known as the PIN, without which the card is not available at sales and services. Only the card owner has the right to use this card. In the event that the card has been stolen or lost, a new card will be issued. In the last four decades, the payment of individuals and enterprises worldwide for the goods and services they require has changed significantly. Economic expansion has continued to overcome borders and has benefited every part of the world via a development in the electronic payments sector. Credit Card has made significant improvements worldwide in fostering this development, from the first days of credit cards to less and cellular methods of payment. It makes transactions the core of business easier, faster, more frictionless, more meaningful, secure and worthwhile for everybody concerned and provides an insight into the billing.

### 4.3 What is Debit Card

A debit card is a 'plastic card' that, when a consumer's bank account is utilized, deducts cash quickly. They may also be used for buying products and services, or to collect cash in an automatic distributor or a merchant who may add an additional amount to your transaction, termed "check cards," or "bank cards." Typically, a debit card is a square plastic piece, similar to any credit card. It is connected to a bank or credit organization's savings account of the clients. The money you can spend is dependent on the size of the account (the volume of money in the account).

Debit cards function between ATM cards and credit cards, in some ways. In others. You may use it, like with the former one, to obtain cash from the automatic counters of a bank, or you may buy it, like the later one. In truth, many banking institutions have their simple plain ATM cards replaced with debit cards supplied by leading card payment companies, such as Visa and MasterCard.

### 4.4 Importance of Debit Card

- Debit cards do not require currency and physical controls in order to make transactions, and may also be utilized for withdrawal of cash via ATMs.
- Debit cards normally have daily buying restrictions, thus a very big purchase using a debit-card may not be allowed.
- Transactions with or without a personal identification number may generally be made (PIN).
- If you're using your Debit cards to collect cash from an ATM not linked with your issuing card bank, you may pay an ATM service charge.
- Certain debit cards provide incentive programs, like loyalty programs for credit card, including a 1% refund on all shopping.

### 4.5 Overview of Dhaka Bank Credit Card

Everybody wants to buy but nobody loves to worry about it! We provide the easiest and convenient option for you to spend for your purchases from home and abroad using our double-currency credit card at Dhaka Bank. It can be easier for credit cards to buy something. If your firm does not want to bring you significant quantities of money or does not take cash shopping, you have the great possibility of having a credit card. In summary, credit cards are increasingly crucial in our lives since in emergencies they may be quite handy.

The income needed to benefit from this Dhaka Bank service is BDT 25,000 a month. In addition, you will get the services such as additional cards, cash advancement facilities up to 50 percent of the e-commerce card limitation capacity, free credit facility totally and fast Lost/Stolen card replacement. Customers may also enjoy great perks, such as free of charge credit of up to 45 days and automatic credit card renewal before expiration. This great discount is invited to be enjoyed by employees, businesses and professionals.



#### 4.6 Core Features of DBL Credit Card





- 1st year Gold Card alone annual fee waiver.
- Waiver of renewal fees applicable to 18 transactions annually.
- Up to 48 days' free period of interest.
- At 2% p.m. The rate of interest.
- Every Taka you spend attractive Mileage Points.
- Awesome discounts on a large number of traders.
- "Buy Now Later Pay" from our partner SWIPE IT.
- All branded ATMs and merchants POS "VISA" have been accepted.
- 2 Free additional cards.

- Up to 50% of the existing Card Limit Cash Advance facility.
- Facility for e-commerce.
- Instant replacement of Lost/Stolen Card.
- Free e-statement.
- Transaction Alarms SMS and E-Mail.
- 24/7 contact center. Contact center.

#### **4.7 Facilities of Dhaka Bank Credit Card**

- DBL provides cash advance facilities up to 50% of the cards limits facility, services like supplemental cards.
- DBL supports internet e-commerce usage capability.
- Use of Dhaka Bank card to enjoy high maximum loan limits.

#### **4.8 Types of Dhaka Bank Credit Card**

-  Visa Gold
-  Visa Platinum
-  Visa Signature
-  MasterCard Titanium

#### **4.9 DBL Cards Management System**

System for managing DBL cards TranzWare is a system certified by Compass Plus, Russia and PA DSS. It contains all the elements and the most networks such as VISA, MasterCard etc. It accepts them. EMVCO Chip and Contactless Card functionality are supported as well. The Access Control Server (ACS) solution for e-commerce 2FA transactions is provided for Tranzware system.

Dhaka Bank has a completely committed cards management system which currently provides debit, prepayment and credit cards such as Visa & MasterCard and it has a total national transaction switch visibility in Bangladesh domestically (NPSB). All types of transactions including ATM, POS and E-commerce are supported. The bank has adopted 2FA (Dual Factor Authorization) for e-commerce transactions in recent years because of the security in question. The bank has developed Green PIN for its clients to produce its own Card PIN on the phone, in the framework of innovation and the Green motto.

#### 4.9.1 Who can apply for DBL Credit Card

- A salaried individual whose monthly salary is minimum of 25,000 Taka.
- A professional person whose monthly income is minimum of 25,000 Taka.
- A business person whose monthly transaction is minimum of 30,000 Taka.

#### 4.9.2 Age limit

- Minimum age of applicant is 18 years
- Maximum age of applicant is 65 years

#### 4.9.3 Card limit

- Minimum limit: BDT 10,000.00 (and/or equivalent US Dollars)
- Maximum limit: BDT 10,00,000.00 (and/or equivalent US Dollars)

#### 4.10 Fees and other aspects of DBL's Credit Card

| Nature of Fees           | Visa                                                                |                                                                                                             |                                                                                          | MasterCard                                                                                                   |
|--------------------------|---------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|
|                          | Gold                                                                | Platinum                                                                                                    | Signature                                                                                | Titanium                                                                                                     |
| Credit Limit             | Less than Tk. 1.50 Lac (Unsecured)<br>Up to Tk. 25.00 Lac (Secured) | Tk. 1.50 Lac to less than Tk. 5.00 Lac (Unsecured) and<br>Tk. 1.50 Lac to less than Tk. 25.00 Lac (Secured) | Tk. 5.00 Lac to Tk. 10.00 Lac (Unsecured) and<br>Tk. 5.00 Lac to Tk. 25.00 Lac (Secured) | Tk. 1.50 Lac to less than Tk. 10.00 Lac (Unsecured) and<br>Tk. 1.50 Lac to less than Tk. 25.00 Lac (Secured) |
| Annual Fee/Insurance Fee | Free                                                                | Tk. 5,000                                                                                                   | Tk. 7,000                                                                                | Tk. 5,000                                                                                                    |
| Renewal Fee              | Tk. 3,000                                                           | Tk. 5,000                                                                                                   | Tk. 7,000                                                                                | Tk. 5,000                                                                                                    |
| 1 <sup>st</sup> Year Fee | 1 <sup>st</sup> Year Free                                           | 50% of Renewal fee (i.e. Tk. 2,500)                                                                         | Tk. 7,000                                                                                | 50% of Renewal fee (i.e. Tk. 2,500)                                                                          |

|                                           |                                                                                       |                                                                                       |                                                                                       |                                                                                       |
|-------------------------------------------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| Plastic Fee (During card plastic renewal) | Tk. 400                                                                               | Tk. 500                                                                               | Tk. 600                                                                               | Tk. 500                                                                               |
| Transaction Alert Fee (All Type of Cards) | Tk. 100 per year                                                                      |                                                                                       |                                                                                       |                                                                                       |
| Limit Enhancement Fee (All Type of Cards) | Tk. 200 per Instance                                                                  |                                                                                       |                                                                                       |                                                                                       |
| Annual Fee Supplementary                  | Free                                                                                  | Free                                                                                  | Free                                                                                  | Free                                                                                  |
| Renewal Fee Supplementary                 | Free up to 2 cards and from 3 <sup>rd</sup> supplementary card-regular fee will apply | Free up to 2 cards and from 3 <sup>rd</sup> supplementary card-regular fee will apply | Free up to 3 cards and from 4 <sup>th</sup> supplementary card-regular fee will apply | Free up to 2 cards and from 3 <sup>rd</sup> supplementary card-regular fee will apply |
| Annual Interest Rate                      | 24%                                                                                   |                                                                                       |                                                                                       |                                                                                       |
| Cash Advance Fee (Local Tk.)              | 2.5% or Min Tk. 150                                                                   | 2.5% or Min Tk. 250                                                                   |                                                                                       |                                                                                       |
| Cash Advance Fee (USD \$)                 | 2.5% or Min USD \$3                                                                   | 2.5% or Min USD \$5                                                                   |                                                                                       |                                                                                       |
| Late Payment Fee (Local Tk.)              | Tk. 500                                                                               | Tk. 750                                                                               | Tk. 1000                                                                              | Tk. 750                                                                               |
| Late Payment Fee (USD \$)                 | \$10                                                                                  | \$12                                                                                  | \$15                                                                                  | \$12                                                                                  |
| Excess Limit Fee (Local Tk.)              | Tk. 500                                                                               | Tk. 750                                                                               | Tk. 1000                                                                              | Tk. 750                                                                               |
| Excess Limit Fee (USD \$)                 | \$10                                                                                  | \$12                                                                                  | \$15                                                                                  | \$12                                                                                  |
| Card Replacement fee (Local/USD)          | Tk. 400                                                                               | Tk. 500                                                                               | Tk. 600                                                                               | Tk. 500                                                                               |
| PIN Replacement fee (Local/USD)           | Tk. 400                                                                               | Tk. 500                                                                               | Tk. 600                                                                               | Tk. 500                                                                               |



|                                                                 |                                      |         |          |         |
|-----------------------------------------------------------------|--------------------------------------|---------|----------|---------|
| Statement Reprint Fee<br>(Local/USD)                            | TK. 300                              | TK. 400 | TK. 500  | TK. 400 |
| E-Statement                                                     | Free                                 |         |          |         |
| NID Verification Fee                                            | Tk. 10 or at actual                  |         |          |         |
| CIB Fee                                                         | Tk. 100 or at actual                 |         |          |         |
| Card to wallet/account                                          | 15% or Tk. 150 whichever is higher   |         |          |         |
| InslaLoan early<br>settlement Fee                               | 1% of Settlement Amount              |         |          |         |
| Sales slip Retrieval Fee<br>(Local Tk.)                         | TK. 250                              | TK. 400 | TK. 500  | TK. 400 |
| Sales slip Retrieval Fee<br>(USD \$)                            | \$5                                  | \$7     | \$10     | \$7     |
| Outstation Cheque<br>Collection Fee (Local<br>Tk.)              | TK. 100                              | TK. 400 | TK. 500  | TK. 400 |
| Outstation Cheque<br>Collection Fee (USD<br>\$)                 | \$10                                 | \$12    | \$15     | \$12    |
| Return Cheque Fee<br>(Local Tk.)                                | Tk. 500                              | Tk. 750 | Tk. 1000 | Tk. 750 |
| Return Cheque Fee<br>(USD \$)                                   | \$5                                  | \$7     | \$10     | \$7     |
| 1 <sup>ST</sup> Card Cheque Bok<br>(10 Leaves)                  | Tk. 100                              |         |          |         |
| 2 <sup>nd</sup> Card Cheque Book<br>Onwards                     | Tk. 100                              |         |          |         |
| Card Cheque<br>Processing Fee                                   | 1.50% or Tk. 150 whichever is higher |         |          |         |
| Cheque dishonor due<br>to insufficient fund                     | Tk. 500                              |         |          |         |
| Stop payment after the<br>cheque has been placed<br>for payment | Tk. 200                              |         |          |         |

|                       |                                                                           |
|-----------------------|---------------------------------------------------------------------------|
| Credit Shield Premium | Nominal monthly premium of 35 paisa for every Tk. 100 of outstanding dues |
|-----------------------|---------------------------------------------------------------------------|

#### 4.11 DBL's Credit Card Facilities at International Airport

##### A. Balaka Lounge Access

###### Visa Gold

- ✚ There is no facility is offered by DBL Visa Gold at Balaka Lounge
- ✚ There is no LoungeKey Facility.

###### Visa Platinum

- ✚ 4 visits free for the cardholder in a year primary and supplementary card number all together
- ✚ Any guest the cardholder takes into the lounge will be charged at Tk. 2000 per visit.
- ✚ The primary and/or supplementary cardholder will be charged at USD \$32 per person with their LoungeKey.
- ✚ Any guest that the cardholder take into lounge will be charged at USD \$32 per person per visit.

###### Visa Signature

- ✚ 4 visits free for the cardholder in a year with 3 guest (spouse plus 2 children under 12 of age) primary and supplementary member card all together.
- ✚ However, children above 12 years and for any additional guest the cardholder takes into the lounge, Tk. 2000 will be charged per visitor.
- ✚ The primary/supplementary cardholder are entitled to a total of 4 lounge visit with their LoungeKey per year.
- ✚ Any additional visit that a cardholder take into the lounge with their LoungeKey will be charged at USD \$32 per visit.

###### MasterCard Titanium

- ✚ 4 visits free for the cardholder in a year primary and supplementary card number all together
- ✚ Any guest the cardholder takes into the lounge will be charged at Tk. 2000 per visit.
- ✚ The primary and/or supplementary cardholder will be charged at USD \$32 per person with their LoungeKey.
- ✚ Any guest that the cardholder take into lounge will be charged at USD \$32 per person per visit.

## **4.12 Dhaka Bank Credit Reward Program**

### **Earning Reward Points**

Only for local purchasing activities is incentive accrual applied. This does not apply for deposit to bKash or any other mobile wallet or account and payments with InstaLoan/Card Cheque.

### **Terms and Conditions:**

- Dhaka Bank Credit cardholder may earn up to 1 Reward Point in POS & Electronic transactions for expenditure of up to 75 Tk. on Gold/Platinum/Titanium and TK.50 on POS and E-com purchases with credit card signature.
- The redeeming value of 1 point of reward is Tk. 0.40.
- Credit card earned recompense points can be reimbursed for retail transactions at approved dealers.
- The card account should have at least 2000 kilometers (as per the previous statement balance) for processing this transaction. For the purpose of redeeming the mileage points provided in the last declaration.
- Bonus points are also gained on (if any) other card purchases, but only primary cardholders can settle rewards points.
- For below listed purchases, cardholders are not eligible to receive reward points:
  - Removal of cash
  - EMI facilities card check
  - All Wallet/Account Transfer top-ups
  - USD transactions InstaLoan

- The card holders can verify it on the monthly declaration of the credit card or by calling the Contact Center at 16474 to track Reward points simply.
- Reward Points are not limited or capable.
- You cannot pay the fee points when the card or account is closed or banned.
- Bank will have to execute Rewards Application and transmit the Rewards Redemption Voucher to cardholders for at least ten working days.
- Dhaka Bank may, at any time, stop or cancel the Reward Program if required and retains the right, on or even without prior notice, to alter or modify these Terms and Conditions at any time.
- If awards of a few retailers are acquired and purchases are not in the form of the retail purchase, the cumulative reward points may no longer be accepted.
- All other Dhaka Bank Credit Card regulatory terms and conditions shall apply to the process.

#### **4.13 Dhaka Bank Credit Cards Renewal Fee Claim Program**

##### **Cards issued till Jun 30, 2020**

Subsequent renewal fees can be waived based on retail purchase transactions within one-year period:

- a. Gold / Platinum / Titanium – 18 transactions with aggregate value of Tk. 50,000
- b. Signature Credit Card – 18 transactions with aggregate value of Tk. 100,000

##### **All types of cards issued from July 01, 2020**

Subsequent renewal fees can be waived based on retail purchase transactions within one-year period:

- a. Gold – Transactions with aggregate value of Tk. 100,000
- b. Platinum / Titanium – Transactions with aggregate value of Tk. 200,000
- c. Signature Credit Card – Transactions with aggregate value of Tk. 250,000

Other admissible terms:

##### **1. Issuance fees:**

- Issuing fee is fully waived for new Visa Gold Credit Cards

- 50 percent of the issuing cost will be waived for new Visa Platinum Credit Cards
- Visa signature credit card charges are not exempt from exemption
- The new MasterCard Titanium Credit Cards shall waive 50 percent of the issue charge

## **2. Renewal Fee Claim:**

- If the cardholder transacts with an overall minimum value of Tk.100,000 per year, the renewal charge for Visa Gold Card shall be waived.
  - The Renewals charge will be waived if the cardholder transacts at an annual aggregate minimum value of \$200,000 for Platinum Credit Card & Mastercard Titanium Credit Card in a year.
  - If the cardholder transacts with an aggregate minimum value of TK. 300,000 in one year, the renewal charge shall be waived for Visa Signature Credit Card.
3. 15 percent VAT will be charged as applicable
  4. The monthly credit card declaration of cardholders will include extra visits (where applicable) from a Visa Signature / Platinum & MasterCard Titanium cardholder at Balaka Lounge priced at Tk.2000 (VAT included).
  5. A cardholder will immediately receive a Credit Shield advantage and can receive free coverage for a 2-month period under the age of 18 to 64 when the cardholder is registered and the cardholder is well healthy.

### **4.14 Dhaka Bank Credit Shield Program**

Dhaka Bank's credit card members' credit shield program is a Quintuple Benefit insurance scheme. Under this arrangement, the cardholder can benefit from a beneficial monthly nominal premium of 35 Paisa every Tk. 100 outstanding card dues. If a cardholder dies or has an overall permanent impairment, the cardholder's complete duties shall be waived and the following compensation shall also be paid to the cardholder or his successor:

- Accidental death: 100% of the cards not payable are reimbursed; the successors will also be supplied 3 times the outstanding death.
- Death due to disease: 100% of the card owing is resolved; the successors are also paid 100% of the remaining due amount.
- Critical disease: if any of the 13 critical diseases\* is diagnosed, the cardholder will get a compensation of 50 percent of the outstanding amount last month.
- The value of the whole benefit is not greater than Tk.40,00,000 (forty lac).

- The monthly premium is paid to the account of the cardholder and appears as a sign of premium payment for the coverage on the monthly declaration of that account.

#### **4.15 Dhaka Bank Balaka Lounge Key at HSIA**

Dhaka Bank Mastercard Titanium Card members will have access to more than 1000 airport lounges when traveling overseas with the Lounge Key, Associate Plus.

##### Features:

Instead of needing to carry an extra Priority Pass card, cardholders may easily visit the lounge by revealing their Mastercard Titanium card simply:

- No other card is needed in your wallet
- At retail/spa & dining establishments at the airport cardholders can take advantage of discount advantages.
- A Titanium Credit Cardholder may see their latest airport lounge access status via the Lounge Key App.

#### **4.16 DBL Insta Loan**

It is a type of loan approved against the credit card limit of the cardholder.

##### Eligibility:

Any existing Credit Cardholders of the Bank

##### Features:

- 90% credit card loan or Tk.500,000 is available
- Only the standard cardholder on its BDT Credit Limit Validity of installment loans is eligible for the Insta loan opportunity 12 months, 18 months, and 24 months
- Interest rate - 12.99%.
- processing charge - 1% processing fee on loan amount sought
- No early fixing fee

##### How to apply?

Customers may also apply to their local branch by obtaining the form from the Web site of Dhaka Bank. When the funds are executed, Dhaka Bank Limited, or a customer's own bank account, is credited to the customer's own account (via BETN).

Payment details:

- The EMI amount reflects the customer's monthly statement of credit card
- The payment is made on a monthly statement for the credit card (if any)
- Within 20 days of the monthly invoice date payment is due
- Only after three EMIs have been paid is pre-settlement allowed
- Partial payment is not permitted
- With the minimum payment the minimum amount owing will be added (if any) to the InstaLoan EMI.

**4.17 Personalized Customer Services for DBL Credit Cardholders**

A competent staff of contact center employees is committed to helping the cardholder, who may be reached locally or by mobile device at 16474 or +8809678016474 internationally 24/7 to handle the customer requests of Mastercard Titanium credit card holders. Include the following:

- Availability of BDT/USD Credit Limit for the cardholders
- Information about last billed amount
- Date and amount of the last payment by the card
- Overdue amount (if any)
- Notification about next payment due date
- Transactions inquiries (if required)
- Inquiries of foreign exchange rates
- Information about current interest charges
- Change of personal information
- Opening and closing of USD limit
- Confirming Meet and Assist Service

**4.18 DBL OTP/2FA for E-commerce Transactions**

An internet shopping card holder will be forwarded a password (i.e. OTP) to the bank's mobile phone number or e-mail Address, each time the Mastercard titanium credit card is being shopped on a website/mobile app supporting the OTP service. Online transactions of the cardholder will only succeed when the right OTP is provided. Dhaka Bank Cards are now allowed and further safeguarded across internet area for internet banking.

Dhaka Bank Cards are easy to do online transactions:

Step 1: Visit every Mastercard Cards for purchases on the Web site or mobile app. The Mastercard Logo and/or Mastercard Logo may be shown

Step 2: Check-out procedure and enter in your debit, credit or prepaid card data of Dhaka Bank (card number, name, expiry, CVV) as necessary.

Step 3: A page will appear (which has the Dhaka Bank logo) requesting you to pick your mobile address or mobile address to give a single password (OTP). Specify the OTP you got through SMS or email and click "Send." You successfully carry out a secure OTP online transaction.



## **Chapter – 5**

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# **Conclusions and Observations and Recommendations**

## 5.1 Conclusion

The above study represents that DBL is largely viewed as a prospective commercial entity in all main sectors of banking in the country due to its great service, accessibility, closeness, and chopping execution and administrative artistry. We gained a successor with a greater network of Branches, ATMs, ADMs, SME channels, and SMS Banking, in addition to an enduring relationship with the business sector. We have 103 branches around the nation as of December 31, 2020, comprising 2 Islamic Banking Branches, 3 SME Service Centers, 2 Sub-Branches, 62 ATMs, 20 ADMs, and 2 Off-Shore Banking Units.

As a consequence of the challenging conditions of the market, DBL reported profit after tax of 2030 million tons in 2020 compared to 1571 million tons in 2019. The success of the bank was largely achieved by loan loss reduction, core banking, consolidating the business mix and extending small and medium-sized enterprise, effective cost management and suitable policy choices.

The above study also says that Dhaka Bank has a completely committed cards management system which currently provides debit, prepayment and credit cards such as Visa & MasterCard and it has a total national transaction switch visibility in Bangladesh domestically (NPSB). All types of transactions including ATM, POS and E-commerce are supported. The bank has adopted 2FA (Dual Factor Authorization) for e-commerce transactions in recent years because of the security in question. The bank has developed Green PIN for its clients to produce its own Card PIN on the phone, in the framework of innovation and the Green motto.

Through the overall study I tried to represent the actual sceneries of performance of Dhaka Bank Ltd and its operation of card division. I have related and gathered my knowledge with the practical experience during my 3-month internship program.

## 5.2 Observations and Recommendations

DBL is one of the banking sector's prospective banks. The suggestions for improving the card division of DBL are as follows:

- Give the employee enough training: A trained staff of an organization or institution must give the client with a superior service. Therefore, the bank should hire fresher, brighter and more active sellers who can collect more client credit cards.
- Period of Card Delivery: The delivery time for cards must only be one week. However, not less than 5 days should be allowed. Because then there would be a very significant chance of an improper appraisal of the candidate's credit value.
- For the bank, ATM facility offers its cardholders ATM facility. The number of DBL's ATM booths should be increased.
- It is possible to follow the bonus point system more quickly. The exemption from interest charges and/or renovation costs will be brought to the attention of the cardholders and urged to carry out more and more card transactions.
- Card applications, limited enhancements and international services are stringent, long and time-consuming procedures to keep card holders comfortable when using the card everywhere, across the country and beyond.
- More dealers must be agreed to provide the card users better selections. The majority of DBL credit card customers say that due to the availability of the retailers, they can't use their DBL credit cards too often. No POS machines are presently available to DBL. So you have a POS machine of your own.
- ATM Booth – DBL has limited number of ATM booths around the country, and most are not maintained. ATM booths are the main concern. People come every day to complain about ATM booths. It is therefore highly necessary to maintain frequent ATM booths and at least to keep ATM in each DBL branch. This is also crucial for setting up ATM stands in key areas such as retail malls and the region where people frequent more. DBL may also improve its popularity and profit by doing this.

Finally, major marketing and advertising efforts should be carried out in order to make the product attractive and make the service known to consumers.

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