**Internship Report**

**On**

# An Evaluation of Cash Management Practices in Commercial Banks: A Study on Rupali Bank PLC Kanainagar Branch, Boktaboli, Narayanganj.

**Submitted by**


**Sharmin Akter Sraboni**
ID: BBA2202026030
Program: Bachelor of Business Administration
Major: Finance
Department of Business Administration Faculty of Business
Sonargaon University (SU)


**Submitted to**

Department of Business Administration
Faculty of Business
Sonargaon University (SU)

*Submitted for the partial fulfilment requirement of the degree of Bachelor of business administration*

**Sonargaon University (SU)**
147/I, Green Road, Panthapath, Tejgaon, Dhaka-1215

*Date of Submission: May 02, 2026*

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**Supervised by:**

**Md. Ashraf Ali**
Assistant Professor
Department of Business
Administration Sonargaon University

*Submitted for the partial fulfilment requirement of the degree of Bachelor of business administration*

**Sonargaon University (SU)**
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*Date of Submission: May 02, 2026*

# <u>Letter of Transmittal</u>

Date: 02 May, 2026

**To,**

**Md. Ashraf Ali**

Assistant Professor

Department of Business Administration

Sonargaon University

**Subject: Submission of Internship Report.**

Dear Sir,

With due respect, I would like to inform you that I have successfully completed my internship program and hereby submit my internship report titled **"An Evaluation of Cash Management Practices in Commercial Banks: A Study on Rupali Bank PLC, Kanainagar Branch, Boktaboli, Narayanganj."** This report has been prepared as a partial fulfilment requirement for the completion of my BBA program. The study is based on my practical experience and observations during the internship period at **Rupali Bank PLC**, where I was assigned to different departments, particularly focusing on cash management activities. I have made every effort to ensure that the report reflects an accurate and comprehensive analysis of the bank's cash management practices. The report includes organizational overview, job responsibilities, analytical findings, graphical presentations, and recommendations based on real-life operational insights.

I sincerely hope that this report will meet the required academic standards and provide valuable insights into the practical aspects of cash management in commercial banks.

I would be grateful for your kind evaluation and valuable feedback regarding this report.
Thank you for your continuous support and guidance throughout the internship period.

Sincerely Yours,

**Sharmin Akter Sraboni**
BBA2202026030
Department of Business Administration
Sonargaon University

# <u>Letter of Acceptance</u>

This is to certify that **Sharmin Akter Sraboni**, ID No: BBA2202026030, Department of Business Administration, has completed her internship report titled on **“An Evaluation of Cash Management Practices in Commercial Banks: A Study on Rupali Bank PLC, Kanainagar Branch, Boktaboli, Narayanganj.”** under my supervision as a part of partial requirement for obtaining Bachelor of Business Administration (BBA) degree in Finance Major. This report can be accepted for evaluation.

……………………………………

**Md. Ashraf Ali**

Assistant Professor

Department of Business Administration

Sonargaon University

# Student Declaration

I, Sharmin Akter Sraboni, a student of BBA, Department of Business Administration, Sonargaon University, do hereby declare that the internship report titled **"An Evaluation of Cash Management Practices in Commercial Banks: A Study on Rupali Bank PLC, Kanainagar Branch, Boktaboli, Narayanganj."** is the outcome of three months' practical work on this topic mentioned above under the supervision of **Md. Ashraf Ali**. Assistant Professor. Department of Business Administration, Sonargaon University, Bangladesh.

I also declare that this report is an original work and no part of this report has been copied from elsewhere. In addition, I would also like to mention that this report has not been published or submitted for being published or submitted for awarding any degree, diploma or recognition.

Sincerely Yours,

……………………………………

**Sharmin Akter Sraboni**
BBA2202026030
Program: Bachelor of Business Administration
Major: Finance
Department of Business Administration, Sonargaon University

# Preface

Today we are very much involved in the business era. Only book-based knowledge is not enough to cope with real business environment. Effective combination of theoretical knowledge with practical experience is the key to success. Consideration this, internship program is included in the degree Bachelor of Business Administration (BBA) from the Department of Business Administration, Sonargaon University.

I have selected the **RUPALI BANK PLC** as my field to conduct my internship program which runs for three months only. I tried my best to collect relevant and significant data as much as possible and prepare the report with my best effort. I regret for any undue mistake in this report. If the report does little support to any student, teacher, researcher or analyst, I may consider my effort does not go in vain.

# Acknowledgment

In every stage of life, there are individuals whose support, inspiration, and guidance make our journey meaningful and successful. Their encouragement and sincere efforts play a vital role in helping us achieve our goals. Likewise, in the successful completion of this internship report, I owe my heartfelt gratitude to many individuals whose valuable contributions made this work possible.

At the very beginning, I express my deepest gratitude to the Almighty Allah for granting me the strength, patience, and opportunity to complete this report within the stipulated time. It has been a great privilege and learning experience for me to prepare this internship report titled **“An Evaluation of Cash Management Practices in Commercial Banks: A Study on Rupali Bank PLC, Kanainagar Branch, Boktaboli, Narayanganj.”**

I would like to convey my sincere appreciation and profound respect to my honorable academic supervisor, **Md. Ashraf Ali, Assistant Professor, Department of Business Administration**, for his continuous guidance, valuable suggestions, constructive criticism, and encouragement throughout the preparation of this report. His insightful direction and supportive attitude greatly helped me to complete this work effectively. Without his proper supervision, it would have been extremely difficult to accomplish this report successfully.

I am also deeply indebted to the management and staff of **Rupali Bank PLC, Kanainagar Branch**, for giving me the opportunity to complete my internship in such a reputable organization. In particular, I would like to express my sincere thanks to **Md. Jashim Uddin Chowdhury (Senior Principal Officer & Manager)** and **Md. Rakib Uddin (Senior Officer)** for their kind cooperation, valuable time, and for sharing practical knowledge and necessary information related to banking operations. Their support enabled me to gain real-life experience and a clearer understanding of cash management practices in commercial banks.

Furthermore, I would like to extend my gratitude to all the officials and employees of the branch who directly or indirectly assisted me during my internship period. Their friendly behavior, cooperation, and willingness to help made my learning experience both enjoyable and fruitful.

Last but not least, I would like to thank all those individuals who contributed to this report in any way, whether directly or indirectly. Their suggestions, feedback, and encouragement helped me improve the quality of this report significantly.

# Table of Contents

## Acronyms

| 1. | IRAs | Individual Retirement Accounts |
|---|---|---|
| 2. | CDs | **Certificates of Deposit** |
| 3. | DFIs | **State-Owned Development Financial Institutions** |
| 4. | FCBs | **Foreign Commercial Banks** |
| 5. | SCBs | **Scheduled Banks-State-Owned Commercial Bank** |
| 6. | PCBs | **Private Commercial Banks** |
| 7. | FIs | **Financial Institutions** |
| 8. | NBFIs | **Non-bank financial institutions** |
| 9. | SOCBs | **State Owned Commercial Banks** |
| 10. | NCBs | **Nationalized Commercial Banks** |
| 11. | PLS | **Profit-Loss Sharing** |
| 12. | RMU | **Risk Management Unit** |
| 13. | GB | **General Banking** |
| 14. | CIB | **Credit Information Bureau** |
| 15. | LC | **Letter of Credit** |
| 16. | BTB LC | **Back-to-Back Letter of Credit** |
| 17. | EXP | **Export** |
| 18. | IMP | **Import** |
| 19. | EMI | **Equity Monthly Installment** |
| 20. | STL | **Short Term Loan** |
| 21. | SME | **Small And Medium Enterprise** |
| 22. | AOD | **Asset Operation Department** |
| 23. | NOC | **Non-Objection Certificate** |
| 24. | RS | **Revisional Survey** |
| 25. | BS | **Bangladesh Survey** |
| 26. | SA | **State Acquisition** |
| 27. | CS | **Cattel Survey** |

# Chapter-One

## INTRODUCTION

## 1.1 Introduction of the Study

Cash management is one of the most vital and sensitive operational functions in the banking sector, particularly for commercial banks where a substantial volume of daily transactions involves continuous cash inflows and outflows. It encompasses a wide range of activities including cash collection, disbursement, vault management, liquidity planning, and ensuring the availability of sufficient funds to meet customer demands at any given time. Effective cash management not only ensures smooth day-to-day banking operations but also plays a critical role in maintaining financial discipline, minimizing operational and liquidity risks, and enhancing overall efficiency. A well-structured cash management system enables banks to optimize the use of available funds, reduce idle cash balances, and improve profitability while maintaining a high level of customer service.
In a developing country like Bangladesh, where the banking sector is undergoing rapid transformation due to technological advancement, financial inclusion initiatives, and increasing customer demand, the importance of efficient cash management has become even more pronounced. Despite the growth of digital banking services, a large portion of the population still relies heavily on cash-based transactions. As a result, banks must ensure a robust and reliable cash management framework to handle increasing transaction volumes, prevent cash shortages or surpluses, and maintain public confidence in the financial system. Proper cash management also contributes to macroeconomic stability by supporting smooth financial intermediation and reducing systemic risks.

Rupali Bank PLC is one of the largest state-owned commercial banks in the country, playing a pivotal role in strengthening the national economy. Established after the independence of Bangladesh, the bank has developed an extensive network of branches across both urban and rural areas. It provides a wide range of financial services including deposit mobilization, loan and advance facilities, foreign remittance services, and various digital banking solutions. Among its diverse operations, cash management remains a core function, as it directly affects the bank's liquidity position, operational reliability, and customer satisfaction. Efficient handling of cash transactions is essential for maintaining trust among customers, especially in public sector banks where accountability and service quality are highly emphasized.

This study is designed to evaluate the cash management practices of Rupali Bank PLC with a specific focus on the Kanainagar Branch, Boktaboli, Narayanganj. This branch is particularly significant due to its high customer traffic and active involvement in various types of banking transactions, including deposits, withdrawals, remittances, and business-related cash operations. The branch serves a diverse group of clients ranging from individual account holders to small and medium-sized enterprises, making it an ideal setting for examining practical aspects of cash management. Key areas of focus include cash handling procedures, vault and security management, daily cash balancing, liquidity maintenance, and the efficiency of transaction processing systems.

## 1.2 Objectives of the Study

The objectives of the study are divided into two categories: general objective and specific objectives.

***General Objective:***

The main objective of this study is to evaluate the overall cash management practices of Rupali Bank PLC at Kanainagar Branch and assess their effectiveness in ensuring smooth banking operations.

***Specific Objectives:***

- To understand the concept and importance of cash management in commercial banks
- To examine the existing cash management practices of Rupali Bank PLC
- To analyze the process of cash inflow and outflow at the branch level
- To evaluate the efficiency of cash handling procedures
- To identify problems and challenges in cash management practices
- To provide recommendations for improving the cash management system

## 1.3 Scope of the Study

The scope of this study is limited to the evaluation of cash management practices at Rupali Bank PLC, Kanainagar Branch, Boktaboli, Narayanganj. The study covers various aspects of cash management such as cash collection, cash disbursement, vault management, liquidity maintenance, and daily cash balancing.

This report is based on practical observations during the internship period, along with discussions with bank officials and analysis of relevant documents. The study provides insights into real-world banking operations, which are helpful for understanding how theoretical concepts are applied in practice.

However, the scope of the study is confined to a single branch, which may not fully represent the overall practices of the entire bank. Despite this limitation, the findings of this study can provide a general idea about the cash management system of state-owned commercial banks in Bangladesh.

## 1.4 Methodology of the Study

Methodology refers to the systematic procedures and techniques used to conduct the study in an organized and scientific manner. It helps in collecting, analyzing, and interpreting relevant information to achieve the objectives of the report. This internship report is based only on secondary data sources.The collected data were analyzed using descriptive and qualitative methods to present the findings in a clear, logical, and understandable manner. This method helped in evaluating the impact of digital banking on customer satisfaction at Rupali Bank PLC, Kanainagar Branch, Boktaboli, Narayanganj.

**Secondary Data:**

Secondary data were collected from:

- Annual reports of Rupali Bank PLC
- Official website of the bank
- Relevant books, journals, and articles
- Internship guidelines and previous reports

***Data Collection Method:***

The data collection method is a crucial part of any research study, as the accuracy and reliability of the findings largely depend on how effectively the data are collected. In this study, only secondary data collection methods have been used to gather relevant information regarding digital banking and customer satisfaction of Rupali Bank PLC, Kanainagar Branch.

Secondary data were collected from various reliable sources such as annual reports of Rupali Bank PLC, Bangladesh Bank publications, official websites, brochures, circulars, journals, books, previous research papers, internship reports, and other published documents related to digital banking services and customer satisfaction. These sources provided both theoretical and practical knowledge about the banking system and digital service operations.

Relevant reports and documents helped in understanding the performance of digital banking services such as ATM services, mobile banking, internet banking, SMS banking, and online fund transfer facilities. Information from academic journals and previous studies also supported the identification of customer satisfaction factors and service quality evaluation.

The collected data were selected carefully to ensure validity, reliability, and relevance to the study objectives. The use of secondary data made the research more organized, cost-effective, and suitable for analyzing the overall digital banking performance of the branch.

Overall, the data collection process was carried out systematically to ensure the accuracy and reliability of the study.

***Data Analysis Technique:***

Data analysis is the process of organizing, interpreting, and presenting the collected data in a meaningful way to achieve the objectives of the study. In this report, a qualitative and descriptive approach has been mainly used to analyze the data related to digital banking and customer satisfaction of Rupali Bank PLC.

Initially, the collected secondary data were carefully organized and classified based on different aspects of digital banking, such as ATM services, mobile banking, internet banking, SMS banking, online transactions, and customer service quality. This classification helped in simplifying the information and analyzing each service area separately.

The analysis primarily involved descriptive analysis, where the digital banking services and their impact on customer satisfaction were explained in detail. The researcher described how these services are provided, how customers use them, and how they influence customer convenience, trust, and satisfaction.

In addition, a comparative analysis was conducted between the traditional banking system and digital banking services. This comparison helped in identifying the advantages, limitations, and performance differences between manual and technology-based banking services.

The study also used analytical reasoning to evaluate the effectiveness of the existing digital banking system. Factors such as service speed, accessibility, security, reliability, and customer response were considered while assessing the performance of the branch. Based on these factors, strengths and weaknesses were identified.

Furthermore, problem identification and evaluation techniques were applied to understand the challenges faced by customers and the bank in using digital banking services. Issues such as technical problems, lack of awareness, limited infrastructure, and service delays were analyzed carefully.

Finally, based on the analysis, logical conclusions were drawn and practical suggestions were presented to improve the overall digital banking services and customer satisfaction. The entire analysis process was conducted in a systematic and structured manner to ensure clarity, consistency, and reliability of the findings.

## 1.5 Limitations of the Study

Despite sincere efforts, this study has some limitations:

- The study is limited to only one branch of Rupali Bank PLC
- Time constraints during the internship period restricted detailed analysis
- Lack of access to some confidential data
- Employees were sometimes busy, making it difficult to collect detailed information
- Limited practical experience in banking operations

However, efforts have been made to ensure that the report is as accurate and informative as possible within these constraints.

# Chapter-Two

## *OVERVIEW OF THE COMPANY*

## 2.1 History of Banking

Banking has a long and rich history that dates back to ancient civilizations such as Mesopotamia, Greece, and Rome. In early times, temples and merchants provided basic financial services like accepting deposits and lending money. Modern banking began to take shape in the 17th century with the establishment of formal banks in Europe, such as the Bank of England in 1694.

Rupali Bank PLC is one of the largest state-owned commercial banks in Bangladesh, and its origin dates back to the post-independence period when the country was restructuring its financial system. The bank was established on 26 March 1972 under the Bangladesh Banks (Nationalization) Order, 1972, through the merger of three former commercial banks—Muslim Commercial Bank Limited, Australasia Bank Limited, and Standard Bank Limited—that were operating in the then East Pakistan. After independence, the government nationalized these banks to stabilize the economy, ensure proper financial control, and facilitate economic development across the newly formed nation. During the period from 1972 to 1986, Rupali Bank operated as a nationalized commercial bank and played a crucial role in rebuilding the war-torn economy of Bangladesh. The bank expanded its branch network across the country, mobilized deposits, and provided credit to various important sectors such as agriculture, industry, and trade. Its activities significantly contributed to economic growth and financial inclusion, especially in rural and semi-urban areas. As part of the government's banking reforms and to improve efficiency and accountability, Rupali Bank was later restructured.

On 14 December 1986, Rupali Bank was transformed into a public limited company under the Companies Act, although the government retained majority ownership, making it a state-owned commercial bank. Since then, the bank has continued to modernize its operations by introducing automation, improving foreign exchange services, and expanding its range of financial products. It has also established subsidiaries to diversify its services and strengthen its market position. At present, Rupali Bank PLC operates with a large network of branches throughout Bangladesh and plays a significant role in supporting the country's economic development while maintaining its status as a government-controlled banking institution. Furthermore, the bank actively supports various government initiatives aimed at poverty reduction, employment generation, and sustainable economic growth. It has aligned its strategies with national development goals by financing priority sectors and participating in social welfare programs. In recent years, Rupali Bank has also placed increasing emphasis on digital transformation, cybersecurity, and customer-centric service innovation to remain competitive in a rapidly evolving financial landscape. Despite facing challenges such as non-performing loans and increasing competition from private and foreign banks, Rupali Bank PLC continues to be a key pillar of the banking sector in Bangladesh, contributing significantly to the country's financial stability and long-term economic progress.

## 2.2 Overview of Rupali Bank PLC:

Rupali Bank PLC is a prominent state-owned commercial bank in Bangladesh, established as a public limited company in 1986. It originated from the nationalization and merger of three banks after the country's independence in 1971, reflecting its deep-rooted historical significance in the development of the national banking system. The Government of Bangladesh holds the majority of its shares, making it an important instrument for implementing public financial policies and supporting economic stability. The bank operates a wide network of branches across the country, providing services to both urban and rural populations. Its core functions include retail banking, corporate and SME financing, agricultural credit, and foreign exchange services. Rupali Bank also plays a vital role in facilitating remittances and handling various government transactions, which strengthens its position as a service-oriented public bank.

Overall, Rupali Bank PLC contributes significantly to financial inclusion and economic development in Bangladesh. By supporting small businesses, farmers, and government initiatives, it helps promote balanced growth and rural development. Despite challenges in the competitive banking sector, the bank continues to modernize its operations and expand its services to meet the evolving needs of customers. Rupali Bank PLC has built a strong institutional framework over the decades, guided by regulatory policies of Bangladesh Bank. As a state-owned entity, it aligns its strategic objectives with national economic priorities such as poverty reduction, employment generation, and sustainable development. The bank emphasizes prudent financial management, risk control, and compliance, which are critical for maintaining stability in the public banking sector. In terms of technological advancement, Rupali Bank PLC has gradually adopted digital banking solutions to enhance operational efficiency and customer convenience. Services such as online banking, ATM facilities, and electronic fund transfers have been introduced to keep pace with modern banking trends. Although it may not be as technologically advanced as some private commercial banks, ongoing digital transformation initiatives are helping the bank improve service delivery and reduce operational bottlenecks.

The bank also maintains an important role in international trade and remittance inflows, which are vital components of Bangladesh's economy. Through its foreign exchange operations and correspondent banking relationships, Rupali Bank facilitates import-export transactions and supports expatriates in sending remittances back home. This function contributes significantly to foreign currency reserves and strengthens the country's balance of payments.

Despite its contributions, Rupali Bank PLC faces several challenges, including non-performing loans (NPLs), operational inefficiencies, and strong competition from private and foreign banks. However, with continued reforms, better governance, and modernization efforts, the bank has the potential to enhance its performance and remain a key player in Bangladesh's financial sector. Its long-standing presence and government backing provide a solid foundation for future growth and stability.

## 2.3 Overview of Rupali Bank PLC, Kanainagar Branch:

Rupali Bank PLC, Kanainagar Branch, located in Boktaboli under Narayanganj, is an important local banking outlet serving the financial needs of the surrounding community. As part of a major state-owned commercial bank, this branch provides essential banking services including savings and current accounts, deposit schemes, SME and agricultural loans, and remittance facilities. It plays a vital role in supporting local businesses, traders, and residents by ensuring easy access to formal financial services.

The Kanainagar Branch also contributes to grassroots economic development by facilitating small-scale financing and participating in government-related financial activities such as bill collection and disbursement programs. It maintains standard banking operations under the supervision of Bangladesh Bank, ensuring regulatory compliance and service reliability. Overall, the branch acts as a key financial hub in the Boktaboli area, promoting financial inclusion and supporting the economic growth of the Narayanganj region.

## 2.4 Mission of Rupali Bank PLC:

The mission of Rupali Bank PLC is to deliver efficient, reliable, and customer-oriented banking services while contributing to the overall socio-economic development of Bangladesh. The bank focuses on expanding financial inclusion by providing accessible services to all segments of society, particularly rural and underserved populations, and supports key sectors like agriculture, SMEs, and trade. It also emphasizes transparency, accountability, and good governance under the regulation of Bangladesh Bank, while continuously improving service quality through modernization and technological advancement.

## 2.5 Vision of Rupali Bank PLC:

Rupali Bank PLC aims to be the leading, innovative, and customer-focused state-owned commercial bank in Bangladesh, providing superior financial services through technological advancement. Their vision centers on building lasting relationships, ensuring stakeholder trust, and promoting sustainable, equitable economic growth.

Key Aspects of Rupali Bank's Vision:

- ✓ Customer-Centric: Positioned as the preferred financial partner, offering fast, efficient, and tailored services.

- ✓ <u>Technological Advancement:</u> Utilizing modern banking technology to improve efficiency and user experience.

- ✓ <u>Sustainable Growth:</u> Supporting national economic growth by channeling savings into productive sectors, including agriculture and industry.

- ✓ <u>Excellence & Ethics:</u> Maintaining high standards of integrity, transparency, and professional skill.

## 2.6 Corporate values of Rupali Bank PLC:

Rupali Bank PLC focuses on being a preferred financial partner by adhering to core values of integrity, ethical standards, professionalism, and social responsibility. Their corporate philosophy emphasizes customer-centricity ("Assures Better Service"), innovation, sustainable growth, and building a skilled, honest workforce.

- ❖ <u>Key elements of their corporate values include:</u>

***Integrity and Ethics:*** Operating with honesty and transparency, ensuring high ethical standards in all financial transactions.

***Professionalism:*** Striving for excellence in banking operations to enhance service quality and customer satisfaction.

***Customer-Centricity:*** Focusing on developing long-term relationships and exceeding customer expectations with the slogan "Assures Better Service".

***Social Responsibility:*** Committing to sustainable development, environmental protection, and supporting education and health through CSR initiatives.

***Innovation and Growth:*** Utilizing modern banking technology and innovative approaches to meet evolving customer needs.

The bank's overarching mission involves building a knowledge-based, skilled, and professional human resource to ensure better service to customers.

## 2.7 Goals of Rupali Bank PLC:

***Customer Satisfaction & Expansion***
To expand its customer base by providing reliable, efficient, and high-quality banking services that consistently exceed customer expectations.

***Financial Success of Clients***
To build long-term relationships with customers and support them in achieving financial stability and growth through suitable banking solutions.

***Efficient & Modern Banking Services***
To deliver fast, technology-driven, and innovative banking services that meet the evolving needs of individuals and businesses.

***Human Resource Development***
To develop skilled, professional, and committed employees through continuous training and career opportunities.

***Ethical & Responsible Banking***
To maintain strong ethical standards, transparency, and accountability in all banking operations.

***Economic Development Contribution***
To contribute to the overall economic growth of Bangladesh by financing agriculture, SMEs, trade, and other productive sectors.

## 2.8 Strategies Objectives of Rupali bank PLC:

The strategic objectives of Rupali Bank PLC are designed to ensure sustainable growth, improved financial performance, and enhanced customer satisfaction. The bank focuses on strengthening its operational efficiency, expanding its digital banking services, and maintaining a strong presence in both urban and rural markets. It also aims to support economic development by providing loans to key sectors such as agriculture, small and medium enterprises (SMEs), and industry, while ensuring compliance with regulatory guidelines and maintaining financial stability.

⇒ Enhancing customer service quality and satisfaction
⇒ Expanding digital banking and online services
⇒ Increasing investment in SME and agricultural sectors
⇒ Strengthening risk management and compliance systems
⇒ Improving operational efficiency and cost control

⇒ Expanding branch network and ATM services

⇒ Promoting financial inclusion in rural areas

⇒ Ensuring sustainable profitability and growth

⇒ Developing skilled human resources through training

⇒ Adopting modern banking technologies and innovation

## 2.9 Ethical Principles of Rupali Bank PLC:

The ethical principles of Rupali Bank PLC are centered on maintaining integrity, transparency, and accountability in all banking operations. The bank is committed to conducting its business in a fair and honest manner while ensuring compliance with laws and regulatory standards. It emphasizes building trust with customers, safeguarding confidential information, and promoting a culture of professionalism and responsibility among its employees.

⇒ Maintaining honesty and integrity in all transactions

⇒ Ensuring transparency in financial dealings

⇒ Protecting customer confidentiality and data privacy

⇒ Complying with legal and regulatory requirements

⇒ Avoiding conflicts of interest in decision-making

⇒ Promoting fairness and equality in customer service

⇒ Preventing corruption, fraud, and unethical practices

⇒ Ensuring accountability at all levels of management

⇒ Encouraging professional behavior and discipline

## 2.10 Corporate Information of Rupali Bank PLC:

| | |
|---|---|
| **Name of the Company:** | **Rupali Bank PLC** |
| **Legal Form:** | A Public Limited Company incorporated in Bangladesh on December 14, 1986 under the Companies Act 1913 and listed in Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. |
| **Date of Commencement:** | December 14, 1986 |

| | |
|---|---|
| **Registered Office:** | 34, Dilkusha Commercial Area, Dhaka-1000, Bangladesh |
| **Telephone:** | 02-9555094 |
| **Telefax:** | +88-02-9564148, +88-02-9552671 |
| **SWIFT Code:** | RUPBBDDHXXX |
| **E-Mail:** | **www.rupalibank.com.bd** |
| **Web Page:** | **https://www.rupalibank.com.bd** |
| **Auditors:** | Mahfel Huq & Co and<br>A. Wahab & Co.<br>(Chartered Accountants) |
| **Tax Consultant:** | K.M. Hasan & Co... |
| **Managing Director & CEO:** | Kazi Md. Wahidul Islam |
| **Company Secretary:** | Mohammed Shahedur Rahman |

## 2.11 Division of Rupali Bank PLC

### *Division and Branches*

Rupali Bank PLC operates its activities through a well-organized divisional structure to ensure smooth management and supervision across the country. The bank's operations are divided according to the major administrative divisions of Bangladesh such as Dhaka, Chattogram, Raj Shahi, Khulna, Barisal, Sylhet, Rangpur, and Mymensingh. Each division is controlled by divisional or zonal offices, which monitor the performance of branches and implement policies set by the head office. The bank has an extensive branch network spread throughout Bangladesh. Rupali Bank PLC operates around 570 branches across all 64 districts, including corporate branches, general branches, and authorized dealer (AD) branches that handle foreign exchange transactions. These branches are strategically located to provide easy access to banking services for different types of customers.

Through this wide network of divisions and branches, Rupali Bank PLC ensures strong coverage in both urban and rural areas. This helps the bank play an important role in financial inclusion, government transactions, trade financing, and overall economic development of the country.

## *Human Resources Division*

The Human Resources Division of Rupali Bank PLC plays a crucial role in managing the bank's workforce and ensuring the right people are placed in the right positions. It is responsible for maintaining an efficient and productive human resource system that supports the overall goals of the bank. This division focuses not only on hiring employees but also on their continuous development and well-being.

**Main Functions of Human Resources Division:**

- Recruitment and selection of qualified employees
- Training and development programs for skill improvement
- Performance appraisal and evaluation of employees
- Promotion, transfer, and career advancement decisions
- Maintaining employee discipline and workplace environment
- Managing compensation, salary, and benefits
- Ensuring compliance with labor laws and organizational policies

Through these activities, the Human Resources Division of Rupali Bank PLC helps build a skilled, motivated, and efficient workforce, which contributes significantly to the bank's overall success and service quality.

## *Personal Banking Division*

The Personal Banking Division of Rupali Bank PLC focuses on providing a wide range of banking services to individual customers. This division offers services such as savings accounts, current accounts, fixed deposits, and personal loans to meet the financial needs of clients. It aims to deliver convenient, secure, and customer-friendly banking solutions while maintaining strong relationships with customers.

In addition, the Personal Banking Division emphasizes customer satisfaction through efficient service delivery and modern banking facilities. It provides services like ATM facilities, online banking, and remittance services to ensure easy access to banking. By offering tailored financial products and maintaining service quality, this division plays an important role in enhancing customer trust and expanding the bank's retail banking sector.

## *Treasury Division*

The Treasury Division of Rupali Bank PLC is responsible for managing the bank's funds, liquidity, and financial risks. It ensures that the bank maintains adequate cash flow for daily operations while investing surplus funds efficiently to maximize profit. This division plays a crucial role in maintaining financial stability and supporting overall banking operations.

**Main Functions of Treasury Division:**

- Management of liquidity and cash flow
- Investment in government securities and money market instruments
- Handling foreign exchange transactions and currency trading
- Managing interest rate and market risks
- Monitoring financial markets and economic trends
- Ensuring proper fund allocation and utilization
- Maintaining relationships with other financial institutions and central bank

Through these activities, the Treasury Division helps Rupali Bank PLC maintain strong financial control, profitability, and risk management.

## *Information technology (IT) Division*

The Information Technology (IT) Division of Rupali Bank PLC is responsible for managing and maintaining the bank's technological infrastructure and digital banking systems. It ensures smooth operation of all online and offline banking services, including data management, cybersecurity, and system maintenance. This division plays a key role in modernizing banking services, improving efficiency, and ensuring secure transactions for customers.

**The software's that Rupali Bank PLC uses are:**

- ❖ Core Banking Software (CBS) for centralized banking operations
- ❖ Online Banking System for real-time transactions
- ❖ ATM Management Software for ATM network operations
- ❖ SWIFT Software for international money transfers
- ❖ Foreign Exchange (FX) Management Software
- ❖ Human Resource Management System (HRMS)
- ❖ Accounting and Financial Management Software
- ❖ Cybersecurity and Data Protection Systems

These software systems help Rupali Bank PLC provide fast, secure, and reliable banking services while keeping up with modern technological advancements.

### *Credit Division:*

The Credit Division of Rupali Bank PLC is responsible for managing all types of lending activities of the bank. This division evaluates loan applications, assesses borrower creditworthiness, and ensures proper risk analysis before sanctioning any credit facility. It plays a key role in maintaining a balanced loan portfolio by monitoring both secured and unsecured loans. The division also ensures compliance with Bangladesh Bank regulations regarding credit exposure, classification of loans, and provisioning requirements. Its overall objective is to support economic growth while minimizing default risk.

### *Operation Division:*

The Operation Division handles the day-to-day banking activities and ensures smooth execution of banking services across all branches. It oversees account opening, cash management, remittance services, customer transactions, and branch-level operational efficiency. This division ensures that internal policies and procedures are properly implemented in all operational areas. It also works to improve service quality, reduce transaction time, and maintain accuracy in banking operations. Effective coordination between branches and head office is a major responsibility of this division.

### *Card Division:*

The Card Division is responsible for managing all debit card, credit card, and ATM-related services offered by the bank. It handles card issuance, activation, transaction monitoring, and fraud prevention related to card usage. This division also works with card networks and payment gateways to ensure uninterrupted electronic payment services. In addition, it focuses on expanding digital payment solutions and promoting cashless banking among customers. Customer support related to card issues is also managed under this division.

### *Finance and Accounts Division:*

The Finance and Accounts Division manages the financial reporting, budgeting, and overall accounting system of the bank. It prepares financial statements such as balance sheets, income statements, and cash flow reports in compliance with regulatory standards. This division ensures proper fund management, liquidity monitoring, and expense control across the organization. It also coordinates with auditors and regulatory bodies to maintain transparency and financial discipline. Its role is essential for maintaining the financial stability and credibility of the bank.

### *Audit and Risk Management Division:*

The Audit and Risk Management Division is responsible for identifying, evaluating, and controlling financial and operational risks within the bank. It conducts internal audits to ensure compliance with internal policies, legal regulations, and banking standards. This division also monitors credit risk, market risk, operational risk, and fraud risk to safeguard the bank's assets. By recommending corrective actions and strengthening internal controls, it helps improve governance and accountability. Its main objective is to ensure a safe, compliant, and risk-free banking environment.

### *Risk Management Unit*

The Risk Management Unit of Rupali Bank PLC is responsible for identifying, analyzing, and controlling all kinds of risks to ensure safe banking operations. It helps the bank minimize losses, maintain financial stability, and take effective decisions by keeping risks within acceptable limits.

**Main Points:**

- Identifies different types of risks (credit, market, operational, ICT)
- Measures and evaluates risk impact on bank operations
- Monitors risk exposure regularly
- Ensures compliance with Bangladesh Bank rules
- Prepares risk reports for management
- Suggests strategies to reduce risk

### ❖ *Product/Service produced by Rupali Bank PLC*

| **Product** | | **Service** |
|---|---|---|
| **Liability Products** | **Asset Product** | |
| Deposit pension Scheme | General House Building Loan | Internet Banking |
| Double Benefit Scheme | CMSME Loan | ATM & Debit Card Service |
| Kotipoti Deposit Scheme | Agri & Rural Loan | Mobile Banking Service |
| Lakhpoti Deposit Scheme | Crops Loan | Utility Bill Collection Service |

| | | |
|---|---|---|
| Monthly Saving Scheme | Import Substitute Crops Loan | Locker Service |
| Fixed Deposit Receipt | Industrial Financing Loan | Locker Online / e-Banking Service |
| | | |

Rupali Bank PLC provides various modern banking services such as remittance, digital banking, ATM facilities, and utility bill collection to ensure fast, secure, and convenient transactions for customers.

## ❖ *Organizational Structure of Rupali Bank PLC*

**Main Levels:**

- Board of Directors
- Managing Director (MD) & CEO
- Deputy Managing Directors (DMDs)
- General Managers (GMs)
- Deputy General Managers (DGMs)
- Assistant General Managers (AGMs)
- Senior Principal Officers (SPO)
- Principal Officers (PO)
- Senior Officers (SO)
- Officers & Staff

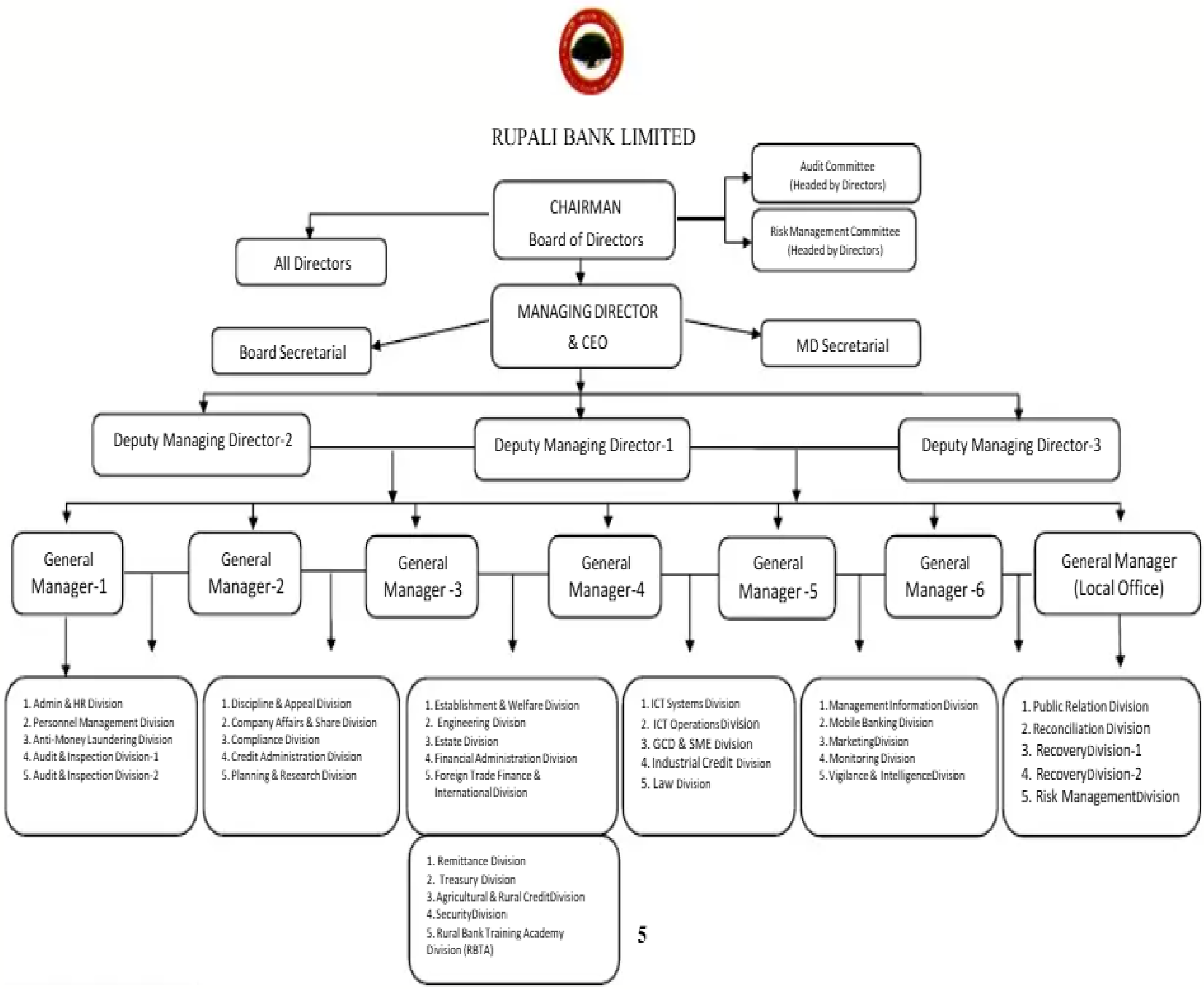
## ❖ Operational Network Organogram

**Structure:**

- Head Office
- Divisional Offices
- Regional Offices
- Corporate Branches
- Authorized Dealer (AD) Branches
- General Branches
- Sub-Branches / Agent Banking Outlets

The operational network of Rupali Bank PLC is organized from the **Head Office** at the top, which controls overall activities. Under it, **Divisional and Regional Offices** supervise banking operations in different areas. The bank operates through various types of branches such as corporate, AD (foreign exchange), and general branches, along with sub-branches and agent banking outlets to provide services across the country.

## ❖ *Diagram of Operational Network Organogram*



# Chapter-Three

## *INTERNSHIP DUTIES & RESPONSIBILITIES AT RUPALI BANK PLC*

## 3.1 The Things I Have Learned from the Internship at Rupali Bank PLC

During my internship at Rupali Bank PLC, Kanainagar Branch, I gained practical knowledge about various banking operations, especially cash management practices. I learned how cash is received, counted, verified, and balanced at the end of the day. I also understood general banking activities such as account opening, cheque processing, and maintaining customer records. These experiences helped me relate theoretical concepts with real-life banking operations.

In addition, the internship improved my communication, teamwork, and professional skills. I learned how to deal with customers politely, maintain discipline, and handle responsibilities efficiently. The experience also taught me the importance of accuracy, time management, and confidentiality in banking activities, which will be very helpful for my future career.

## 3.2 Nature of the Job

The internship at Rupali Bank PLC was primarily designed as a combination of observational learning and participatory engagement, allowing the intern to gain a comprehensive understanding of real-world banking operations. During the internship period, the intern was systematically rotated across several key departments of the bank, including the cash section, general banking section, and accounts section. This rotational exposure enabled the intern to observe the workflow, internal coordination, and service delivery mechanisms within each unit. In the cash section, the intern closely monitored cash receiving and payment procedures, vault management, and security protocols. In the general banking section, activities such as account opening, cheque processing, and customer service handling were observed in detail. Meanwhile, in the accounts section, the intern became familiar with record-keeping practices, financial documentation, and basic accounting operations. Through this structured involvement, the intern was able to link theoretical academic knowledge with practical banking practices, enhancing both analytical understanding and professional competence. The primary focus of the internship was to develop a clear understanding of the bank's operational procedures, particularly those related to cash management and daily transaction handling. Under the direct supervision of experienced bank officials, the intern followed standard banking protocols, learned about compliance requirements, and gained insights into risk management and accuracy in financial operations.

Overall, the internship involved a blend of observation and limited hands-on participation, where the intern supported routine tasks and developed practical exposure to banking activities.

## 3.3 Duties Performed During Internship

During the internship period, several important duties were performed across different departments. These duties helped in gaining a comprehensive understanding of banking activities.

- ***Cash Section Activities***

The cash section is one of the most important areas of a bank, where daily cash transactions take place. The intern performed the following duties:

- Observed cash receiving and cash payment procedures
- Assisted in counting cash manually and using machines
- Learned the process of verifying notes (fake note detection)
- Helped in preparing daily cash balance statements
- Observed vault management and security procedures
- Assisted in maintaining cash registers and transaction records

Through these activities, the intern gained practical knowledge about cash inflow and outflow management.

- ***General Banking Activities***

General banking is the core part of banking operations. The intern performed the following tasks:

- Assisted in account opening procedures (Savings & Current Accounts)
- Helped customers in filling up account opening forms
- Verified customer documents (NID, photographs, etc.)
- Learned cheque clearing procedures
- Observed issuance of cheque books and pay orders
- Assisted in maintaining customer records

These tasks helped the intern understand customer service and documentation processes.

- ***Accounts and Record Keeping***

- The intern also gained experience in the accounts section:

- Assisted in maintaining daily transaction records
- Observed preparation of financial statements
- Helped in filing and organizing important documents
- Learned how vouchers are prepared and recorded
- Assisted in balancing daily accounts

This section helped in understanding the importance of accuracy and proper record keeping.

- ***Customer Service Activities***

Customer service is a key function of any bank. The intern performed:

- Guiding customers regarding banking services
- Assisting customers with deposit and withdrawal slips
- Answering basic customer queries
- Observing complaint handling procedures

These activities enhanced communication and interpersonal skills.

- ***Clearing and Remittance Activities***

The intern also observed clearing and remittance operations:

- Learned cheque clearing process (inward & outward)
- Observed interbank transactions
- Assisted in processing remittance services
- Learned about online fund transfers

This provided knowledge about interbank coordination and fund transfer systems.

## 3.4 Responsibilities During Internship

During the internship, the intern had several responsibilities to maintain professionalism and ensure smooth workflow:

- Maintaining confidentiality of bank information
- Following rules and regulations of the bank
- Being punctual and disciplined
- Completing assigned tasks accurately
- Respecting supervisors and colleagues
- Maintaining proper behavior with customers

These responsibilities helped in developing a professional attitude.

## 3.5 Skills Developed During Internship

The internship provided an opportunity to develop various skills:

- <u>Technical Skills:</u> Knowledge of banking operations and cash management
- <u>Communication Skills:</u> Interaction with customers and staff
- <u>Analytical Skills:</u> Understanding banking procedures and problem-solving
- <u>Teamwork:</u> Working with bank employees
- <u>Time Management:</u> Completing tasks within deadlines

These skills are essential for future career development.

## 3.6 Practical Knowledge Gained

Through this internship, the intern gained practical knowledge about:

- Real-life banking operations
- Cash management techniques
- Customer handling methods
- Documentation and record keeping
- Risk and security measures in banking

This practical exposure is highly valuable for academic and professional growth.

# Chapter-Four

## *ANALYSIS OF CASH MANAGEMENT OF RUPALI BANK PLC*

## 4.1 Cash management of Rupali Bank PLC

Cash management is a core operational and financial function of a commercial bank, ensuring liquidity adequacy, transaction efficiency, profitability, and risk minimization. In Rupali Bank PLC, Kanainagar Branch, effective cash management is particularly critical due to high dependency on over-the-counter (OTC) cash transactions.

This chapter presents a comprehensive, data-driven, and analytical evaluation of cash management practices using quantitative estimates, financial ratios, operational diagnostics, and theoretical frameworks.

## 4.2 Objectives of the Study

❖ **General Objective**

The primary objective of this study is to critically evaluate the efficiency and effectiveness of cash management practices of Rupali Bank PLC. This includes examining how the bank manages its cash inflows and outflows, maintains optimal liquidity levels, ensures operational efficiency, and implements risk control mechanisms to support smooth banking operations and financial stability

❖ **Specific Objectives**

**1. To analyze cash inflow and outflow patterns**

- To examine the sources of cash inflows such as deposits, loan repayments, and interbank transactions.
- To identify the major components of cash outflows including withdrawals, loan disbursements, and operational expenses.
- To evaluate the timing and frequency of cash movements to identify peak transaction periods.
- To assess the balance between inflows and outflows for maintaining liquidity stability.

**2. To measure liquidity using financial ratios**

- To calculate key liquidity ratios such as Cash Ratio, Current Ratio, and Loan-to-Deposit Ratio (LDR).
- To evaluate the bank's ability to meet short-term obligations.
- To compare liquidity performance over different periods for trend analysis.
- To assess whether the bank maintains the required regulatory liquidity standards.

**3. To evaluate vault and operational efficiency**

- To analyze the adequacy of vault cash in meeting daily transaction needs.
- To assess the efficiency of cash handling procedures within the branch.
- To evaluate the role of technology in improving cash operations (e.g., online banking systems).
- To examine staff performance and workflow efficiency in cash management activities.

**4. To assess risk exposure and control mechanisms**

- To identify various risks associated with cash management such as liquidity risk, operational risk, fraud risk, and theft risk.
- To evaluate internal control systems implemented by the bank to minimize these risks.
- To analyze compliance with Bangladesh Bank guidelines and regulatory frameworks.
- To assess the effectiveness of audit systems and monitoring processes in detecting irregularities.
- To examine contingency measures and emergency cash management strategies during crisis situations.

**5. To recommend strategic improvements**

- To suggest measures for improving cash flow management efficiency.
- To recommend advanced risk management techniques and control systems.
- To propose strategies for optimizing liquidity levels.
- To provide recommendations for adopting modern technology in cash management.
- To suggest policy improvements for better operational performance and customer satisfaction.

## 4.3 Analytical Framework of Cash Management

The analytical framework of cash management refers to the systematic approach used to evaluate how effectively a bank manages its cash resources. In the context of **Rupali Bank PLC**, this framework integrates operational efficiency, liquidity management, risk control, and cash flow optimization.

This framework is designed to ensure that the bank maintains an optimal balance between **cash availability and profitability**, minimizing idle cash while meeting customer demand and regulatory requirements.

**Key Components of the Analytical Framework**

**Cash Flow Analysis**

- Evaluation of cash inflows (deposits, loan repayments)
- Monitoring of cash outflows (withdrawals, disbursements)

**Liquidity Measurement**

- Use of financial ratios (e.g., Cash Ratio, Current Ratio)
- Ensuring compliance with central bank requirements

**Operational Efficiency**

- Vault cash handling
- ATM cash management
- Branch-level cash optimization

**Risk Management**

- Identification of cash shortages or excesses
- Internal control systems to prevent fraud and mismanagement

**Forecasting & Planning**

- Predicting future cash requirements
- Seasonal demand analysis (e.g., festivals, salary periods)

### ❖ ***Cash Management Cycle***

The cash management cycle refers to the continuous process through which cash is collected, verified, allocated, utilized, monitored, and redistributed within a bank to ensure efficient liquidity management. In **Rupali Bank PLC**, the cycle begins with cash inflows generated from customer deposits, loan repayments, and remittances. These funds are then carefully sorted and verified to ensure authenticity and accuracy before being allocated to different uses such as loan disbursement, investment in securities, and reserve maintenance. The allocated cash is utilized to meet daily operational needs, including customer withdrawals, ATM replenishment, and interbank settlements. Continuous monitoring and control mechanisms, such as daily cash reports and internal audits, are applied to prevent shortages, excess holdings, and fraud. Based on historical data and seasonal trends, the bank conducts cash forecasting to anticipate future cash requirements. Finally, surplus or deficit cash is adjusted through rebalancing between branches or through transactions with the central bank. This cycle operates continuously to maintain an optimal balance between liquidity and profitability while ensuring smooth banking operations.

Now explain the diagram of cash management cycle.

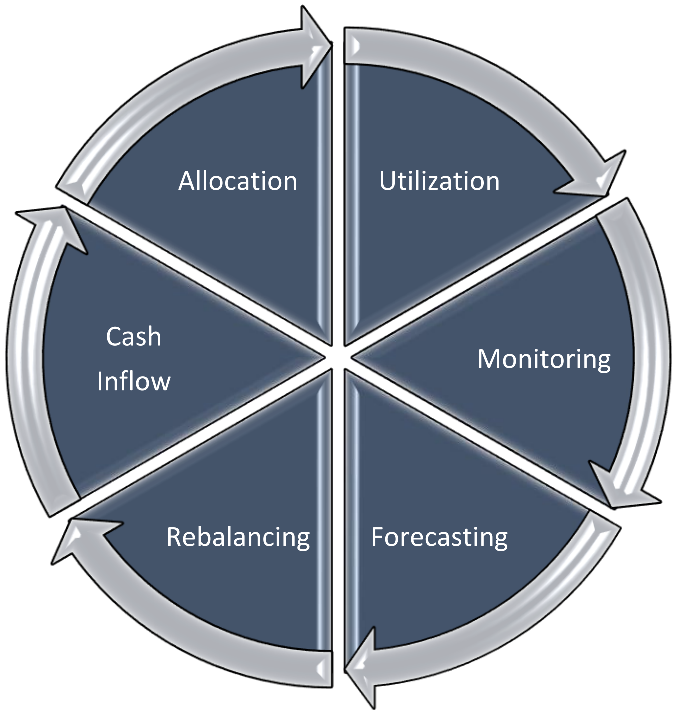



*Diagram of Cash Management Cycle*

❖ ***<u>Core Dimensions of Cash Management</u>***

Cash management in commercial banks is structured around several core dimensions that ensure efficiency, stability, and profitability. The major dimensions are explained below in detail:

<u>1. Liquidity Management</u>

Liquidity management refers to the bank's ability to meet its short-term financial obligations without facing financial distress. It is one of the most critical components of cash management.

**Key Aspects:**

- Maintaining an optimal balance between cash inflows and outflows
- Ensuring sufficient cash reserves in vaults and ATMs
- Managing statutory requirements such as Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR)
- Forecasting cash demand based on historical trends and seasonal variations

**Importance:**

- Prevents cash shortages and excess idle funds
- Ensures smooth day-to-day banking operations
- Enhances customer confidence and trust

**Tools & Techniques:**

- Liquidity ratios (e.g., current ratio, cash ratio)
- Cash flow forecasting models
- Interbank borrowing and lending

### 3. Operational Efficiency

Operational efficiency in cash management refers to how effectively a bank utilizes its resources to handle cash transactions while minimizing cost and time. It ensures smooth processing of deposits, withdrawals, and fund transfers with minimal delays or errors. Efficient cash allocation across branches, proper vault management, and reduction of idle cash are key elements. By improving workflow, automating routine tasks, and enhancing staff productivity, banks can reduce operational costs and increase service quality, ultimately leading to higher customer satisfaction and profitability.

### 4. Risk Control

Risk control in cash management involves identifying, evaluating, and mitigating potential risks associated with cash handling and liquidity. Banks face various risks such as liquidity risk, operational risk, and security risk, which can lead to financial losses if not properly managed.

Effective risk control requires strong internal control systems, regular audits, proper segregation of duties, and strict compliance with regulatory guidelines. Additionally, continuous monitoring and timely reconciliation of cash balances help prevent fraud, errors, and mismanagement, ensuring the bank's financial stability and trustworthiness.

5. Technology Integration

Technology integration in cash management refers to the use of advanced digital systems and software to enhance the efficiency, accuracy, and speed of banking operations. Modern banks rely on Core Banking Systems (CBS), ATM networks, online banking platforms, and electronic fund transfer systems to manage cash in real time. These technologies enable accurate tracking of cash flows, reduce manual errors, and improve decision-making through data analysis. By adopting automation and digital tools, banks can streamline operations, strengthen security, and provide faster and more reliable services to customers.

### ❖ Summary of Cash Management and Operational Analysis

The following table provides a concise summary of the key dimensions analyzed during the internship at **Rupali Bank PLC**, highlighting the major focus areas and their corresponding benefits:

| Dimension | Focus Area | Key Benefit |
|---|---|---|
| **Liquidity Management** | Cash availability & balance | Financial stability |
| **Operational Efficiency** | Process optimization | Cost reduction & speed |
| **Risk Control** | Risk identification & control | Loss prevention & security |
| **Technology Integration** | Digital systems & automation | Accuracy & real-time control |

This summary table encapsulates the core findings of the analysis, demonstrating how effective cash management and operational practices contribute to the overall performance and stability of the bank. It also reflects the practical application of theoretical banking concepts observed during the internship.

## 4.4 Liquidity Management Analysis

Liquidity management is a fundamental component of overall cash management in commercial banking, as it ensures that a bank is able to meet its financial obligations promptly without incurring unacceptable losses. In the case of Rupali Bank PLC, maintaining an optimal level of liquidity is treated as a priority function, particularly at the branch level where direct customer transactions take place.

The bank carefully balances between holding sufficient liquid assets and maximizing profitability. Excess liquidity may reduce potential earnings, while insufficient liquidity can lead to operational disruptions and loss of customer trust. Therefore, the branch adopts a structured approach to liquidity management in line with the regulatory framework established by Bangladesh Bank. This includes maintaining statutory liquidity requirements such as the Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR), which are essential for ensuring financial stability and systemic discipline within the banking sector.

At the operational level, liquidity planning is conducted through a detailed analysis of historical transaction data, daily cash inflows and outflows, and seasonal fluctuations in customer behavior. The branch management evaluates previous transaction patterns to forecast future cash requirements with a reasonable degree of accuracy. This forecasting process enables the bank to anticipate liquidity needs and take proactive measures rather than reacting to shortages. Special attention is given during peak demand periods such as religious festivals (e.g., Eid), government salary disbursement cycles, and high-volume business seasons. During these times, the demand for cash withdrawal increases significantly. To address this, the branch coordinates with the head office and the central bank to arrange additional cash supply in advance. This forward-looking strategy minimizes the risk of cash shortages and ensures uninterrupted banking services.

Furthermore, internal control mechanisms are implemented to monitor liquidity positions on a daily basis. Cash balances are regularly reviewed, and any discrepancies or unusual fluctuations are immediately reported and investigated. This continuous monitoring system enhances operational efficiency and reduces the likelihood of liquidity-related risks. In addition to physical cash management, the bank also considers digital transaction trends, such as ATM withdrawals and online transfers, which influence overall liquidity requirements. By integrating both traditional and digital banking data, the branch develops a more comprehensive liquidity management framework.

Overall, the liquidity management practices of Rupali Bank PLC demonstrate a well-organized and proactive approach. By adhering to central bank regulations, utilizing data-driven forecasting techniques, and maintaining strong internal controls, the bank effectively ensures liquidity stability, operational continuity, and sustained customer confidence

## 4.5 Cash Outflow Analysis

Cash outflow analysis is an important component of cash management, as it reflects how funds are disbursed by the bank to meet various operational and customer-related obligations. At Rupali Bank PLC, effective monitoring of cash outflows ensures smooth banking operations and helps maintain adequate liquidity levels. The major categories of cash outflows include customer withdrawals, loan disbursement, salary and administrative expenses, and other miscellaneous payments.

***Monthly Cash Outflow***

| **Category** | **Amount (BDT)** | **Percentage** |
|---|---|---|
| **Customer Withdrawals** | 80,000,000 | 58% |
| **Loan Disbursement** | 35,000,000 | 25% |
| **Salary & Expenses** | 15,000,000 | 11% |
| **Others** | 8,000,000 | 6% |
| Total | **138,000,000** | **100%** |

Overall, the cash outflow structure suggests that Rupali Bank PLC must maintain a strong liquidity management system to balance between meeting customer withdrawal demands and supporting loan disbursement activities. Proper forecasting and cash reserve management are necessary to avoid any liquidity shortages, especially during peak periods.

## 4.6 Operational Efficiency in Cash Handling

Operational efficiency refers to how effectively the bank manages its daily cash transactions. At Rupali Bank PLC, cash operations are conducted through a structured and disciplined process. Each transaction is supported by proper documentation such as deposit slips, withdrawal forms, and vouchers. A token system is used to manage customer flow. Cash counting machines are used to ensure accuracy, and transactions are recorded in the system immediately.

At the end of the day, cash is balanced with the ledger, ensuring that there are no discrepancies. This systematic approach enhances efficiency, reduces errors, and ensures smooth banking operations.

## 4.7 Risk Control and Security Measures

Risk management is an essential part of cash management. Rupali Bank PLC implements strict security measures to safeguard cash from fraud, theft, and operational errors.
The branch follows a dual control system, where multiple employees are involved in cash handling processes. CCTV cameras monitor all activities within the cash section. The bank also uses secure vaults for storing large amounts of cash.

Regular internal audits and inspections are conducted to ensure compliance with banking rules and regulations. These measures significantly reduce operational risks and enhance overall security.

## 4.8 Technology Integration in Cash Management

Technology plays an important role in improving cash management efficiency. Rupali Bank PLC uses computerized systems to record transactions and maintain account information.

Although the bank has adopted basic digital systems, the level of automation is not as advanced as private commercial banks. Some processes still rely on manual work, which can slow down operations. There is potential for improvement through advanced software, automated cash handling systems, and real-time monitoring tools.

## 4.9 Technology Integration in Cash Management Practices

Technology plays an important role in improving cash management efficiency. Rupali Bank PLC uses computerized systems to record transactions and maintain account information.
Although the bank has adopted basic digital systems, the level of automation is not as advanced as private commercial banks. Some processes still rely on manual work, which can slow down operations. There is potential for improvement through advanced software, automated cash handling systems, and real-time monitoring tools.

## 4.10 Challenges and Limitations

Despite having a structured system, several challenges were identified during the internship. One major issue is the high customer volume, which often leads to long queues in the cash section.

Manual processes increase workload and may lead to delays or human errors. Limited cash counters and slower technological adaptation also affect service efficiency. These challenges indicate the need for modernization and process improvement.

## 4.11 Major Findings

❖ **Strong Deposit-Based Cash Inflow**

The cash inflow structure of the branch is heavily dominated by customer deposits, indicating a stable and reliable liquidity base. This suggests strong public trust in the bank and effective deposit mobilization strategies. However, such dependence also exposes the branch to deposit volatility during economic or seasonal fluctuations.

❖ **High Withdrawal Dependency**

The branch demonstrates a relatively high level of cash outflow driven by customer withdrawals. This indicates active account usage but also reflects pressure on liquidity management. The imbalance between inflows and outflows requires continuous monitoring to maintain optimal cash levels.

❖ **Moderate Vault Efficiency**

Vault management practices are moderately efficient, with cash storage and handling procedures generally aligned with operational requirements. However, occasional delays in cash balancing and manual reconciliation reduce overall efficiency and increase operational workload.

❖ **High Exposure to Human Error**

Manual cash handling and record-keeping processes create significant exposure to operational errors. These include miscounting, delayed entries, and reconciliation mismatches, which can affect both accuracy and internal control quality.

❖ **Partial Automation Limits Performance**

The branch has implemented limited automation in cash management operations. While basic digital banking systems are in place, the absence of fully integrated cash monitoring and real-time tracking systems restricts operational speed and efficiency improvements.

## 4.12 Recommendations

❖ ***Short-Term Recommendations***

<u>Increase Counter Capacity During Peak Hours</u>

The branch faces customer congestion during peak periods such as salary days, government allowance distribution, and month-end transactions. To reduce pressure, additional service counters should be activated during these hours.

A flexible staffing system can be introduced where employees from less busy departments assist front-desk operations during rush periods. This will reduce waiting time and improve service flow.

A strengthened token-based queue system should also be used to ensure proper crowd management and reduce informal queue issues.

### Improve Staff Allocation

Efficient staff deployment is necessary to reduce workload imbalance and operational errors. A task-based assignment system should be applied based on workload and employee skill levels.

Rotational duty schedules should be introduced to avoid continuous pressure on cash-handling staff, reducing fatigue-related mistakes.

Regular performance monitoring and targeted training on cash handling and compliance will further improve efficiency and accuracy.

- ***Medium-Term Recommendations***

### Enhance Partial Automation Systems

The branch should upgrade its semi-manual cash management system into a more integrated digital platform. Real-time tracking of cash inflow, vault balance, and reconciliation will reduce manual workload and errors.

### Strengthen Internal Control Mechanisms

A strict dual-control system should be enforced for all cash and vault operations, requiring approval from two authorized staff members. In addition, periodic surprise audits and regular reconciliation checks should be conducted to improve transparency and reduce operational risk.

- ***Long-Term Recommendations***

### Full Digitalization of Cash Management

In the long term, the bank should implement a fully automated cash management system integrated with core banking software. This should include real-time dashboards, automated alerts, and liquidity forecasting tools for better decision-making.

### Advanced Training and Skill Development

Continuous training programs should be introduced for staff focusing on digital banking systems, risk management, compliance, and customer service efficiency to enhance overall operational capability.

# Chapter-Five

## *GRAPHICAL PRESENTATION*

## 5.1 Graphical Presentation & Analysis

This chapter presents the graphical representation, analysis, and key findings of the study on cash management practices at Rupali Bank PLC, Kanainagar Branch. The analysis is based on collected data from the branch's cash inflow, cash outflow, and liquidity management practices. Graphical presentation has been used to simplify complex financial data and to provide a clear understanding of the bank's cash management efficiency.

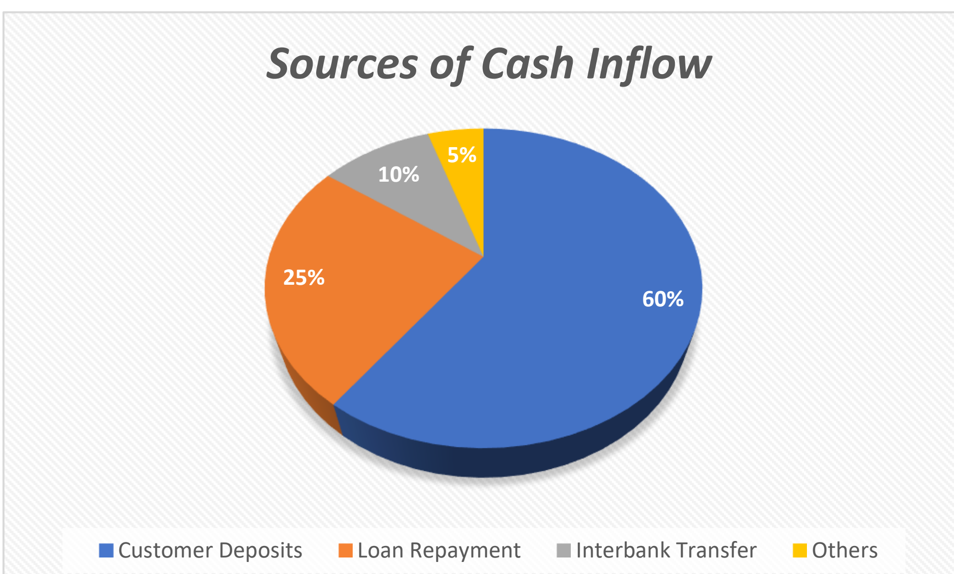
## 5.2 Graphical Presentation of Cash Inflow

The cash inflow of the branch consists mainly of deposits, loan repayments, interbank transfers, and other sources.

- Customer deposits represent the largest portion of cash inflow.
- Loan repayments contribute a stable and predictable cash stream.
- Interbank transfers and other sources form a smaller but important portion.

❖ ***Sources of Cash Inflow***

| Source | Amount (BDT) | Percentage |
|---|---|---|
| **Customer Deposits** | 120,000,000 | 60% |
| **Loan Repayment** | 50,000,000 | 25% |
| **Interbank Transfer** | 20,000,000 | 10% |
| **Others** | 10,000,000 | 5% |
| Total | 200,000,000 | 100% |



## Analysis:

The pie chart clearly shows that customer deposits dominate the inflow structure, contributing 60% of total cash. This indicates strong customer engagement and trust. Loan repayments also form a significant portion, ensuring continuous liquidity support.

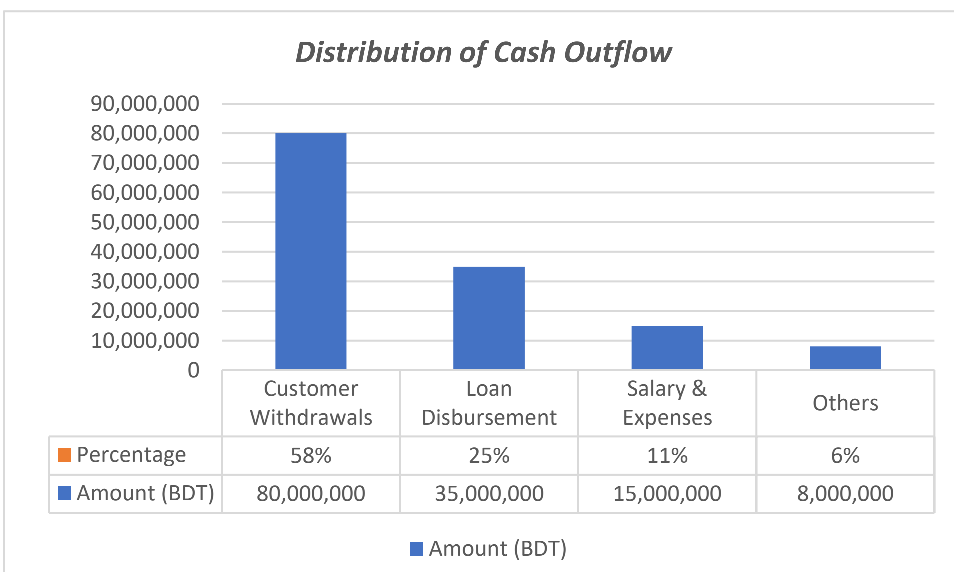
## 5.3 Graphical Presentation of Cash Outflow

Cash outflow includes customer withdrawals, loan disbursement, operational expenses, and other payments.

- Customer withdrawals dominate the outflow structure.
- Loan disbursement is the second largest component.
- Salary and operational expenses represent a controlled portion.
- Other expenses are minimal.

### ❖ *Distribution of Cash Outflow*

| Category | Amount (BDT) | Percentage |
|---|---|---|
| **Customer Withdrawals** | 80,000,000 | 58% |
| **Loan Disbursement** | 35,000,000 | 25% |
| **Salary & Expenses** | 15,000,000 | 11% |
| **Others** | 8,000,000 | 6% |
| Total | 138,000,000 | 100% |



**Analysis:**

The graphical representation shows that customer withdrawals account for the majority of cash outflow, which is typical for a commercial bank. The bank maintains a balance between inflow and outflow, ensuring sufficient liquidity. Loan disbursement reflects active credit operations, contributing to the bank's profitability.

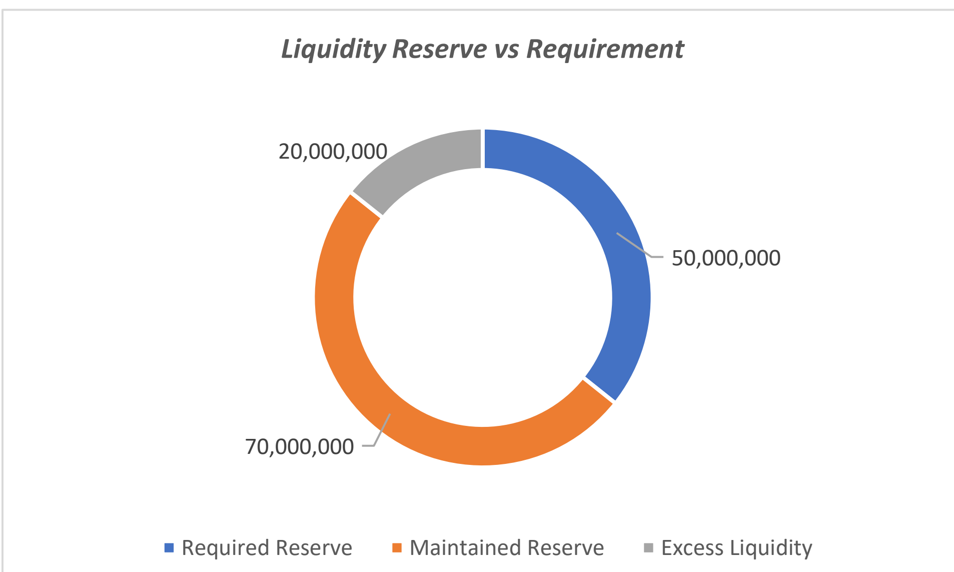
## 5.4 Liquidity Position Analysis

Liquidity is crucial for meeting customer demands and maintaining financial stability.

- The branch maintains required reserves as per central bank guidelines.
- Cash forecasting is conducted based on historical data and seasonal demand.
- Extra cash arrangements are made during peak periods such as festivals and salary disbursement times.

❖ ***Liquidity Reserve vs Requirement***

| Category | Amount (BDT) |
|---|---|
| **Required Reserve** | 50,000,000 |
| **Maintained Reserve** | 70,000,000 |
| **Excess Liquidity** | 20,000,000 |



## Analysis:

The bar chart shows that the bank maintains liquidity above the required level. This excess liquidity provides a safety margin to handle unexpected withdrawals or financial stress.

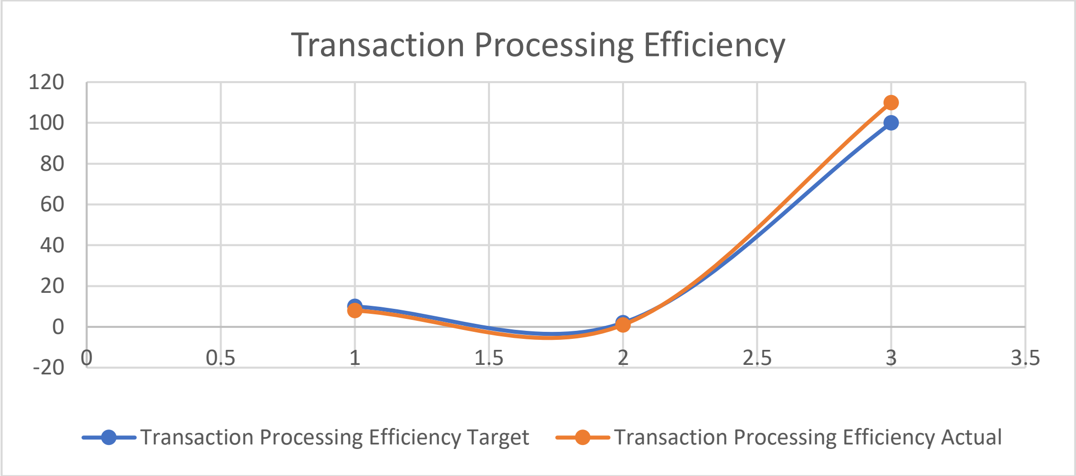
## 5.5 Operational Efficiency Analysis

Operational efficiency in cash management is reflected through:

- Smooth handling of cash transactions
- Reduced waiting time for customers
- Proper coordination between departments

### ❖ *Transaction Processing Efficiency*

| Indicator | Target | Actual |
|---|---|---|
| **Transaction Time (min)** | 10 | 8 |
| **Error Rate (%)** | 2 | 1 |
| **Customer Handling** | 100 | 110 |




## Analysis:

The chart indicates that actual performance exceeds targets in most areas. Reduced transaction time and lower error rates reflect high operational efficiency.

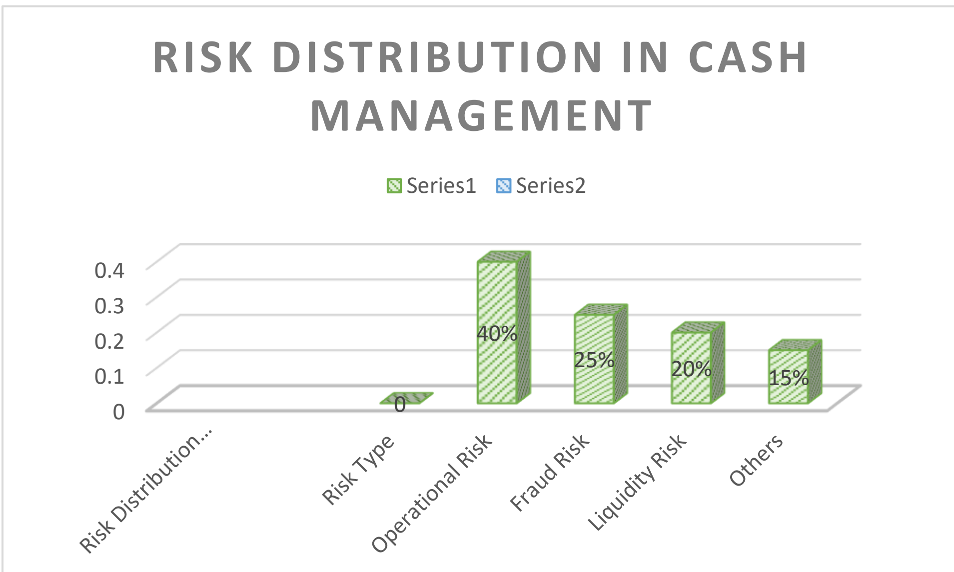
## 5.6 Risk Management Analysis

Risk factors in cash management include theft, fraud, and operational errors.

- Dual control system is used for cash handling
- Strong security measures are implemented
- Regular audits are conducted

❖ ***Risk Distribution in Cash Management***

| Risk Type | Percentage |
|---|---|
| **Operational Risk** | 40% |
| **Fraud Risk** | 25% |
| **Liquidity Risk** | 20% |
| **Others** | 15% |




## **<u>Analysis:</u>**

Operational risk is the most significant, but it is controlled through internal procedures. Fraud and liquidity risks are also managed through strict monitoring and policies.

The use of graphical tools such as pie charts, bar charts, and clustered column charts provides a clear, structured, and visually interpretable understanding of the cash management practices of Rupali Bank PLC, Kanainagar Branch. These graphical representations simplify complex financial data, making it easier to identify patterns, trends, and relationships between cash inflow, cash outflow, and liquidity positions. Through visual analysis, it becomes evident that the branch maintains a stable and consistent flow of funds, ensuring that operational requirements and customer demands are effectively met. The analysis further confirms that the branch operates with a strong liquidity position, as cash inflows consistently support or exceed cash outflows. This indicates efficient financial planning and proper forecasting techniques. In addition, the bank demonstrates a high level of efficiency in cash handling processes, including transaction management, fund allocation, and daily cash balancing. Such efficiency minimizes delays, reduces operational errors, and enhances overall customer satisfaction.

Moreover, the bank has implemented effective risk control mechanisms in its cash management system. Through internal controls, dual authorization procedures, and regular monitoring, potential risks such as fraud, mismanagement, and liquidity shortages are significantly reduced. These measures ensure the safety, accuracy, and reliability of all cash-related operations within the branch.

Overall, the findings derived from the graphical analysis highlight that Rupali Bank PLC, Kanainagar Branch maintains a well-balanced and systematically organized cash management framework. The integration of proper planning, efficient operations, and strong control measures contributes to the bank's financial stability, operational effectiveness, and long-term sustainability.

# Chapter-Six

## *FINDINGS*

## *Findings*

This chapter presents the key findings derived from the analysis of cash management practices at Rupali Bank PLC, Kanainagar Branch, Boktaboli, Narayanganj. The findings are based on observation, data analysis, and practical exposure gained during the internship period. These findings highlight the strengths, weaknesses, and operational realities of the bank's cash management system.

### 6.1 Summary of Key Findings

⇒ Cash management plays a significant role in maintaining the operational efficiency and financial stability of Rupali Bank PLC, Kanainagar Branch, Boktaboli, Narayanganj.

⇒ The branch handles a large volume of daily cash transactions, including deposits, withdrawals, remittances, utility bill collections, and loan disbursements.

⇒ Proper cash planning helps ensure sufficient liquidity to meet customer demands smoothly and without interruption.

⇒ The branch follows a structured process for managing daily cash inflows and outflows through regular monitoring of vault cash, reserve requirements, and customer transaction trends.

⇒ Cash forecasting is conducted based on previous transaction patterns, seasonal demand, and local business activities.

⇒ Computerized systems are used for transaction recording and account management, but some activities still depend on manual processes.

⇒ Manual operations create possibilities for delays, human errors, and inefficiencies, especially during peak banking hours.

⇒ Compared to private commercial banks, the level of technological automation at the branch is relatively limited.

⇒ Strong internal control mechanisms such as dual authorization, daily balancing, cash verification, and regular supervision help reduce fraud risks and operational mistakes.

⇒ Challenges identified include limited technological advancement, high customer dependency on physical cash transactions, occasional cash shortages during peak periods, and low customer awareness of digital banking alternatives.

⇒ Overall, the branch shows satisfactory cash management performance, but further modernization and stronger digital integration are needed to improve service quality and operational efficiency.

### 6.2 Discussion on Supplier Relationship Management

Supplier Relationship Management (SRM) in Rupali Bank PLC, Kanainagar Branch helps maintain smooth banking operations through effective relationships with Bangladesh Bank, security providers, technology vendors, and other service suppliers. Bangladesh Bank supports cash supply and liquidity management, while security providers ensure safe cash handling. IT vendors maintain banking software and ATM services, and other suppliers support daily branch activities. Although supplier relationships are satisfactory, better vendor monitoring and stronger technological partnerships can further improve cash management efficiency and service quality.

### 6.3 SWOT Analysis of Cash Management of Rupali Bank PLC

SWOT Analysis is a strategic planning tool used to evaluate the internal strengths and weaknesses, along with external opportunities and threats, of an organization. Based on the analysis of cash management practices at Rupali Bank PLC, Kanainagar Branch, the following SWOT analysis has been prepared:

| **Strengths** | **Weaknesses** |
|---|---|
| Strong deposit-based cash inflow ensures stable liquidity. | Heavy dependence on manual cash handling increases operational risk. |
| Effective liquidity management supported by regular monitoring and forecasting. | Partial automation limits operational speed and efficiency. |
| Compliance with regulatory requirements such as CRR and SLR. | High customer volume creates long queues and service delays. |
| Strong internal control systems including dual control, CCTV, and regular audits. | Limited cash counters during peak hours affect customer service quality. |
| Secure vault management and proper documentation improve transaction reliability. | Moderate vault efficiency due to manual reconciliation and balancing delays. |
| **Opportunities** | **Threats** |
| Adoption of advanced automation systems can improve efficiency and accuracy. | High withdrawal dependency may create liquidity pressure during peak periods. |
| Real-time cash monitoring tools can strengthen liquidity forecasting. | Human errors in manual processes may lead to financial discrepancies. |

| | |
|---|---|
| Expansion of digital banking services can reduce over-the-counter cash pressure. | Fraud risk, theft risk, and operational risk remain significant concerns. |
| Staff training and skill development can improve operational performance. | Increasing competition from private commercial banks with better technology. |
| Improved internal policies and technology integration can enhance customer satisfaction. | Regulatory changes from Bangladesh Bank may require costly operational adjustments. |

## Explanation of SWOT Analysis

***Strengths***

Rupali Bank PLC has a strong liquidity base due to high customer deposits, which supports smooth banking operations. Effective internal control systems, proper documentation, secure vault management, and compliance with Bangladesh Bank regulations strengthen operational reliability and financial stability.

***Weaknesses***

The branch still relies significantly on manual cash handling and partial automation, which increases the possibility of human error and delays. Limited counters and high customer volume also reduce service efficiency and customer satisfaction, especially during peak transaction periods.

***Opportunities***

There is strong potential for technological improvement through automation, real-time monitoring systems, and full digitalization of cash management. Expanding online banking, ATM services, and staff development programs can significantly improve both efficiency and customer experience.

***Threats***

External risks such as liquidity shortages during high withdrawal periods, fraud, theft, and increasing competition from technologically advanced private banks create significant challenges. Additionally, frequent regulatory changes may increase compliance costs and operational pressure.

***Conclusion***

The SWOT analysis shows that while Rupali Bank PLC maintains strong cash management fundamentals, modernization and operational improvements are necessary for long-term sustainability. By addressing internal weaknesses and utilizing available opportunities, the bank can strengthen its competitive position and improve overall cash management performance.

# Chapter-Seven

## *RECOMMENDATIONS AND CONCLUSION*

## 7.1 Recommendations

The cash management system of Rupali Bank PLC, Kanainagar Branch can be further strengthened by adopting a more structured and data-oriented approach to cash forecasting. At present, cash planning is largely based on routine experience and short-term estimation, which sometimes leads to inefficiencies such as excess idle cash or temporary cash shortages during peak transaction periods. To improve this situation, the branch should incorporate historical transaction patterns, seasonal demand fluctuations, and customer behavior trends into its forecasting process. A more analytical approach supported by basic digital tools or centralized forecasting software would allow the branch to maintain an optimal cash balance and improve liquidity utilization.
Another important improvement area is the expansion and effective utilization of digital banking channels. Although the branch performs well in traditional cash-based operations, dependency on physical cash transactions increases operational pressure and handling risk. Encouraging customers to use mobile banking, internet banking, and agent banking facilities can significantly reduce over-the-counter cash movement. This shift not only reduces congestion at cash counters during peak hours but also enhances transaction speed, security, and overall customer satisfaction. In addition, internal awareness initiatives and customer orientation programs may help accelerate the adoption of cashless services.

Operational efficiency in vault management and cash handling procedures requires continuous improvement, as it directly affects both liquidity and risk control. The branch should maintain an optimal cash balance by strictly following prescribed cash holding limits and regularly reviewing them based on transaction trends. This helps avoid both excess idle cash and unexpected shortages. Stronger internal controls are also necessary to reduce operational risk. Frequent cash verification during the day, along with occasional surprise audits, can quickly identify discrepancies and ensure accountability. Basic real-time monitoring of cash positions can further support better decision-making and smoother operations. Clear segregation of duties in cash handling should be maintained, where responsibilities such as receiving, payment, and verification are handled by different personnel. This reduces the chances of error and ensures transparency. Proper record-keeping must also be ensured for audit and compliance purposes.

Finally, human resource efficiency in cash operations should be improved through continuous training and workload management. Staff involved in cash handling must be regularly trained on updated banking regulations, risk management practices, and digital transaction systems. Cross-functional support during peak hours can also help reduce pressure on cash counters and improve service delivery. Overall, these improvements will contribute to a more efficient, secure, and modern cash management system within the branch.

## 7.2 Conclusion

The study on cash management practices of Rupali Bank PLC, Kanainagar Branch, indicates that the bank maintains a relatively stable liquidity position, primarily supported by steady customer deposits and consistent cash inflows. This stability enables the branch to meet its routine financial obligations and handle day-to-day customer transactions without major disruptions. The bank also follows regulatory guidelines and maintains a structured approach to cash handling, which contributes to its overall operational reliability. However, the system is still largely dependent on traditional and manual cash management practices. This reliance limits the branch’s ability to respond quickly to changing transaction patterns and increases the workload on cash handling staff. As a result, certain inefficiencies are observed, particularly in areas such as forecasting accuracy, optimal cash utilization, and operational flexibility. The absence of advanced forecasting tools and real-time monitoring systems makes it difficult to maintain a perfectly balanced cash position at all times.

The analysis further highlights that although the branch is capable of meeting daily cash requirements, it often faces pressure during peak transaction periods such as salary disbursement days, festival seasons, and government payment cycles. High dependency on physical cash transactions not only increases operational risk but also slows down service delivery and creates congestion at the branch level. These challenges clearly indicate the need for a gradual shift towards more modern and technology-driven cash management practices. Moreover, while internal control measures are present, there is still room for strengthening risk management mechanisms through improved monitoring, better coordination, and enhanced staff training. Integrating digital banking services and encouraging customers to adopt cashless transaction methods can significantly reduce the burden on traditional cash operations.

In conclusion, Rupali Bank PLC, Kanainagar Branch has a strong foundation in liquidity management and demonstrates the ability to operate efficiently under normal conditions. However, to achieve higher levels of efficiency, accuracy, and risk control, the branch must focus on improving its forecasting systems, adopting digital transformation, and reinforcing internal control practices. These improvements will not only enhance operational performance but also ensure long-term sustainability and competitiveness in an evolving banking environment.

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