### An Internship Report On

CUSTOMER SERVICE OF NEPAL SBI BANK LEINITED

(Thamel, Kathmandu)

# Submitted By:

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Khusibu, Kathmandu, Nepal

**Submitted To:** Faculty of Management Tribhuvan University

Kathmandu

In Partial Fulfillment of the Requirements for the Degree of

# BACHELOR OF BUSINESS ADMINISTRATION(BBA)

Kathmandu April,

2025

# DECLARATION

I hereby declare that the internship report entitled “TITLE OF INTERNSHIP REPORT” submitted to the Faculty of Management, Tribhuvan University, Kathmandu is an original peace of work under the supervision of Mrs SUSHMA MAHARJAN, faculty member, PRIME COLLEGE, KHUSIBUN, KATHMANU, and is submitted in partial fulfillment of the requirements for the award of the degree of Bachelor of Business Administration (BBA). This internship report has not been submitted to any other university or institution for the award of any degree or diploma.

……………..

DRISTI PAL

Date:

**RECOMMENDATION LETTER**

**APPROVAL SHEET**

This is to certify that the internship report

Submitted By:

**DRISTI PAL**

I/We certify that I/We have read this document and, in my opinion, it is satisfactory in scope and quality area as an internship report in partial fulfillment for the undergraduate course, Bachelor of Business Administration (BBA) held at Prime College, Tribhuvan University**.**

Date of Approval

Signature:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

SUPERVISOR**………………………**

**ACKNOWLEDGEMENT**

This Internship report entitled “INTERNSHIP REPORT ON NEPAL SBI BANK” has been prepared to fulfill the partial requirement of the project report of BBA 8 Semester. This report has highly helped me to expand my practical knowledge on banking sectors and other activities related to banking system of Nepal. It gives me tremendous pleasure in acknowledging the valuable assistance extended towards me by various personalities in the successful completion of the report.

Foremost I would like to express my deep gratitude to Nepal SBI bank for providing the exciting opportunity to be one of them and giving me through guidance and opportunity to move ahead with my internship objectives. I would like to extend my gratitude to Mrs. Samiksha Ghimire, (Head of Operation Department), Mr Nain Singh Lama (Credit Officer) for providing guidance and motivation to me. I am also very grateful to Mr. Laxman Kumar Khanal (Branch Manager) and all the staffs for their valuable co-operation, guidance, direction, and continuous support throughout the internship period.

Similarly, I would like to pay my sincere gratitude to my supervisor Mrs. Sushma Maharjan of prime college who guided through report providing valuable suggestions, guidance, and supervision.

I would like to express my profound gratitude to our principal, Bigendra Lal and program coordinator Rupendra Gopali of Prime college for providing me the opportunity to develop this report.

I would also like to thank Tribhuvan University for providing this opportunity to carry out this report, which gave us an opportunity to apply the knowledge gained during the course of four years.

Thank you

Dristi Pal

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**ABBREVIATION AND ACRONYMS**

ABBS = Any Brach Banking Services

ATM = Automated Teller Machine

BBA = Bachelor in Business Administration

BOD = Board of Directors

CSD = Customer Service Department

ECC = Electronic Cheque Clearance

NRP = Nepal Rastra Bank

NRNs = Non-Resident Nepalese

PIN = Personal Identification Number

SBI = State Bank of India

# CHAPTER I

# INRODUCTION

* 1. **Background**

Students at Prime College, which is associated with Tribhuvan University (T.U), must complete a lengthy intense program over the course of eight semesters in order to partially achieve the requirements for the four-year Bachelor in Business Management degree. The eight weeks internship program that all BBA students must complete attempts to preparing pupils for managerial roles, cultivating interpersonal relationships, and by putting them in real-life situations within a company, communication abilities can be improved. After completing their internship, students are required to present a report based on knowledge of the institutions and experiences gained. It was completed in Branch of Nepal SBI Bank in Thamel Branch. The eight weeks period began from 29th December 2024 to 28th February 2025. As an internee, it was a privilege to be placed in various department of Nepal SBI Bank.

The BBA program has incorporated eight weeks internship program with a view to developing student skill in object-oriented business management, capable of understanding and solving real life business related programs. This report is prepared on the basis of careful study and the work done in the bank as an intern referred by college “Prime College”. The report focuses on functioning of branch bank and how the works are carried there. The major function of this branch was deposit, withdraw, account opening, clearance of cheque, remittance, collecting cash on behalf of its client, opening bank draft etc. The entire major operational are performed using the software named FINACLE, which is developed by Infosys Technology Limited India. Thus, the internship has proved to be a wonderful and enlightening experience for me. Not only did intern get the golden opportunity to gain practical, on the job experience but intern also got to utilize my conceptual knowledge and enhance my managerial skill.

Nepal SBI bank was incorporated as Public Limited Company at the Office of the Company Registrar on 28 April 1993 with as Authorized Capital of Rs 120 million and was licensed by Nepal Rastra Bank on 6 July 1993. NSBL commenced operation with effect from 7 July 1993 with one full-fledged office at Durbar Marg, Kathmandu with 18 staff members. The number of staff has since increased to 937 people working in 97 branches 22 extension counters, 7 provincial Offices, 13 branchless banking and a corporate office.

The most important part of the economy today that circulates the services and goods required by society is the banking sectors. Alone with raising the standard of living for the poor and developing the industries for large scale manufacturers, banks also foster the generation of income. The improvement of the financial system and the nation’s economy can be attributed to the development of the financial system and the nation’s economy can be attributed to the development of the banks. It has contributed to the improvement of the people’s economic situation and given the money that the people had access to security.

The customer service department serves both returning and new customers by providing them with general services. Cheque books are issued, transaction statements are made, new accounts are opened, accounts are closed, deposit vouchers are passed, and checks are printed in this department with their inquiries, the customer service department is the primary level of services. The customer service department is crucial to the success of the bank and the satisfaction of its clints. The most crucial duty of this division is client counselling. This department is in charge of providing advice on the goods and services offered in this branch to both new and current clients. The effectiveness of a help desk department or organization depends on how well it provides client counselling.

Where, as Credit Department also plays a significant role in banking sectors because it is responsible for managing and ensuring compliance with various credit related processes. The department oversees credit documentation, including different types of documents and the guidelines and regulations associated with them. Additionally, it handles credit administration activities such as inspection, valuation, revaluation, insurance, and monitoring of assets as well as processes related to hypothecation, pledges, mortgages, and provisioning.

Bank can sufficiently allocate its budget into various purpose such as investment, interest for depositors, pension, insurance, government securities and more. It provides various types of credit facilities such as Home Loan, Education Loan, Hire Purchase Loan, Mortgage Plus Term Loan (MPTL), Mortgage Plus Overdraft Loan (MPOD), Working Capital Loan, Project Financing, etc.

The borrower has to fulfill and summit require document to be eligible for sanction amount. Bank issue a Loan Sanction letter for borrowers by indicating the terms and conditions of the loan as well as basic details such as the borrowers name, the amount of the loan, Interest, period of repayment, fees, commission and charges, security, insurance, security documents, utilization, disbursement and special covenants.

**1.2 Objective of the study**

The general objective of the study is to explore new facts and understand realities how organizations function and gain practical experience in the related field. The main objective however is to evaluate the activities of operation department and credit department of Nepal SBI bank. Besides this, the specific objective are as follows:

* To identify about the different products and services offered by the operation department of Nepal SBI bank.
* To examine about the overall procedure of account opening, account closing, clearing cheque, preparation of cheque, ATM, statement, mobile banking, which are done at operation department.
* To scrutinize the loan facilities at credit department.

### **1.3 Methodology**

This report was created using the 2 months of internship experience at Nepal SBI bank’s operation department and credit department. The primary source of data for the study is interaction with the personnel and operational information acquired. It begins ranging from the organization chosen for the internship to the execution of various activities, positioning in the group, and most recent compilation of numerous main and secondary information used in the report’s production.

### **1.4 Organization Selection**

As the selection of BBA specialization for the final semester was Finance, the selection of good organization was very important. Taking into consideration the numerous options available for the internship, Nepal SBI bank of Nepal was chosen for the unique set of advantages it offered. The bank was approached dropping recommendation letter of collage and Curriculum Vitae. After screening her CV by the authority of Human Resource Department, she was duly selected as intern for its Thamel branch so, intern started working form 29th December 2024 to February 2025.

### **1.5 Placement**

The placement was made in Thamel Branch, Nepal SBI bank. As per the requirement of TU, the internship period was minimal of eight weeks and internee got engaged in various department of the bank.

### **1.6 Duration of Internship**

The duration of internship period as Tribhuvan University is eight weeks for the fulfillment of the degree of bachelor in BBA. Intern worked at Nepal SBI Bank Thamel Branch, from 29th December 2024 at 10:00 AM to 5:00 PM.

**Table 1.1 Placement and Duration**

|  |  |
| --- | --- |
| Name of the Bank | Nepal SBI Bank |
| Branch | Thamel |
| Department |  |
| Position | Intern |
| Working Duration | 8 weeks |
| Name and Designation of Internship  Supervisor |  |

### **1.7 Activities Performed**

During the internship period, internee performed various activities in Customer Service Department and Credit Department under the supervision of respective supervisor. The internee has performed following activities during the entire internship period;

* Providing information to the customer regarding different services and product.
* Receiving calls and solved the queries raised by the customers.
* Proper counseling to the customer with politeness.
* Opening all types of accounts like saving, current, and other queries they have about the operation of bank.
* Distribution of various forms such as M-banking, Debit card, SMS, IPS, balance certificate form, remittance, Fone-pay etc.
* Timely issuance of cheque book.
* Maintaining the proper records of cheque register, statement book, debit card, balance certificate register etc.
* Filling KYC form and others

**1.8 Data Collection**

The phrase describes how data and information are gathered. There are various places where data and information are gathered. Both the major and secondary sources are these. Here, the report’s veracity is ensured by using both of these sources.

1. **Primary Sources:**

* Direct verbal exchanges with managers and staff members who are relevant

Direct verbal exchanges with managers and staff members who are relevant refer to face to face or spoken conversations between individuals who hold managerial positions and the employees who are directly involved or impacted by the subject matter. These exchanges allow for clear communication, immediate feedback, and the opportunity to address concerns or resolve issues in a timely manner, fostering effective collaboration and understanding within the workplace.

* Observation of actions taken

Observation of actions taken refers to the process of closely watching and monitoring the behaviors, decisions, and activities of individuals in a workplace setting. By observing the actions taken by managers and staff members, one can gain valuable insights into their work performance, problem-solving approaches, decision making skills, and overall effectiveness in carrying out their responsibilities. This observational approach can provide a deeper understanding of how tasks are executed, identify areas for improvement, and inform future decision-making processes.

1. **Secondary Sources:**

The article, publication and journal related NRB in different magazine and daily newspapers, annual report, brochure of the bank, Bank’s official website, Nepal Rastra Bank’s official website and periodical.

### **1.9 Limitations of the study**

The bank’s offer of an internship was a noteworthy accomplishment in and of itself. However, it would be difficult for an intern to completely conceal everything in a short period of time. The study has some limitations, which are listed below because they are a natural element of any progressing system.

* The information was mainly obtained from discussion and interaction made with staffs in the bank.
* This report provides only the information regarding the activities carried out in CSD and CD of the Nepal SBI bank.

# CHAPTER II

## INRODUCTION OF THE INDUSTRY

### **2.1 Introduction of Industry**

The banking industry is a crucial sector that plays a fundamental role in the economy by providing various financial services to individuals, businesses, and governments. Banks

serve as intermediaries between those who has surplus funds (depositors) and those who need funds (borrowers). They facilitate the allocation of capital, enable financial transactions, and promote economic growth. Banks offer a wide range of financial services, including deposit accounts, loans, credit cards, investment management, foreign exchange, payment processing, and wealth management. They act as custodians of funds, provide liquidity, and offer risk management tools. The banking industry comprises different types of banks, such as commercial banks, retail banks, investment banks, central banks, and cooperative banks. Commercial banks provide services to individuals and businesses, while investment banks focus on capital markets, mergers and acquisitions, and corporate finance.

Banks operate within a regulatory framework established by government authorities and central banks. These regulations ensure the stability and integrity of the banking system, protect consumers, and maintain financial stability. Regulatory bodies set capital adequacy requirements, conduct inspections, and monitor compliance with anti-money laundering and know your customer regulations. One of the primary functions of banks is financial intermediation. They collect deposits form individuals and businesses and lend those funds to borrowers in the form of loans. This intermediation process facilitates economic activity, as it channels funds form surplus areas to areas with investment opportunities.

The banking industry has witnessed significant technological advancements in recent years. Online banking, mobile banking apps, and digital payment systems have transformed the way customers access and manage their finances. Furthermore, emerging technologies like artificial intelligence, block chain, and improve customer experience. Banks operate internationally, facilitating cross border transactions, trade finance, and foreign currency exchange. Global banks have expanded their presence through branches and subsidiaries in many countries, catering to the financial needs of multi-national corporations, facilitating international investment, and promoting economic integration. Promoting financial inclusion has become a key focus for the banking industry. Efforts are being made to provide access to banking services and products to the unbanked and under-banked populations. This involves leveraging technology, developing innovative solutions, and collaborating with governments and organizations to extend financial services to marginalized communities. Banks are exposed to various risks, including credit risk, market risk, operational risk, and liquidity risk. Risk management practices and regulations aim to mitigate these risks and ensure the stability and resilience of the banking system. Banks employ risk management strategies such as diversification, credit assessment, stress testing, and capital adequacy measures.

The origin of the banking is strictly related to the history of money. As a society became more civilized, the needs for more efficient methods for barter were developed organically. Most origins of the money can be traced back to the building of large structures such as temples or large undertaking by leaders such as wars. The concept of an “I owe you’ preceded the idea of paper cheque by several thousand years. The term bank is derived from the Latin word Bancus Italian word banca which means a bench. The early bankers, the Jews in Lambardy, transacted third business at benches in the marketplace. When they were unable to meet their liabilities, the depositors used to break their benches and the term bankrupted was derived.

As per Nepal Rastra bank act 2002, Bank is a financial institution which provides financial services that may be in the form of accepting deposits, advancing loan, providing necessary technical advices, dealing over foreign currencies, remitting funds etc.

### **2.2 Origin of Banking Industry in Nepal**

In Nepal, modern banking has a long history that began in the early 20th century. With little foreign trade and no international banking, Nepal had a closed economy up until the 1950s. In order to offer banking services to the Nepalese people, the Nepal Bank Limited, the country’s first bank, was founded in 1037

Foreign banks started to establish themselves in Nepal once the country became more open to outside influences in the 1950s. the State Bank of India became the first foreign institution to establish a branch in Nepal in 1956. Other foreign banks, like the Bank of Ceylon and standard chartered bank, came after this.

The Nepal Rastra Bank was founded as the nation’s monetary authority in 1966. The NRB was in charge of overseeing the banking industry and printing money. An important turning point in Nepal’s contemporary banking system’s development was the NRB’s formation.

The majority of the banks in Nepal, including the Nepal Bank limited and the Nepal Industrial Development Corporation, were nationalized by the country’s government in the 1970s. The goal of nationalizing the banks was to encourage economic growth and lessen the impact of foreign banks on the nation.

The banking industry in Nepal, however, remined underdeveloped as a result of the nationalization of the banks, which did not have the anticipated effect in the 1980s, enabling foreign banks to conduct business there.

In 1984, the Nepal Arab Bank became the country’s first private bank. Other private banks, like the Nepal Grindlays Bank and the Himalayan Bank, followed suit. The growth of Nepal’s contemporary banking sector was significantly influenced by these private banks.

The Nepali government implemented economic reforms in the 1990s to encourage economic expansion and prosperity. These changes include opening up the banking industry to international investment, removing barriers to it, and privatizing state-owned business.

More private banks were established in Nepal as a result of the banking industry’s liberalization, including the Nepal Investment Bank and the Nepal Bangladesh Bank. Since then, the banking industry in Nepal has continued to expand and develop, and new banks and financial institutions are now opening up there. The sector is now well-developed, with a number of banks and financial institution providing a wide range of banking services to the Nepalese people. The Nepal Rastra Bank oversees the industry and makes sure that banks run securely and safely. Overall, Nepal’s history of modern banking is evidence of the nation’s economic expansion and prosperity during the previous century.

### 

### **2.3 Challenges and Opportunities of banking Industry in Nepal**

Challenges

1. **Weak corporate governance**

Corporate governance is a set of guidelines, procedures, and practices used to direst and manage the entire business. Corporate governance that helps businesses foster trust and financial stability. Corporate governance is generally absent in Nepalese Banks. Every bank has a board of directors, whose major responsibility is to set policy and assess whether it is being carried out correctly or not. Financial statement manipulation and personnel fraud at the Nepalese bank are results of inadequate top level management oversight and monitoring.

1. **Lack of adequate and skilled manpower**

Banks and other financial organizations are expanding daily in the setting of Nepal. The bank is opening new locations in every nook and cranny of the nation. Because of this, there is a lack of competent labor. Every now and again, vacancies are announced by all banks. For the bank branches, a large number of applicants are chosen. However, not all of the chosen individuals must be skilled. Many of them are unfamiliar with the banking industry and its practices. In order for this labor to function effectively and efficiently, sufficient training is required. But it turns out that the banks are not offering the necessary, adequate training. According to Nepal Rastra Bank, 3% of staff costs should be allocated to employee skill development. However, not all banks adhere to this guideline. Additionally, many banks are struggling with a manpower shortage, which is having an adverse effect on the bank clients.

1. **Difficulty in rural access**

The baking sector in Nepal has a number of common issues. They are all aware that numerous banks are still unable to access Nepal’s rural districts. Infrastructure is lacking in rural places. Because there aren’t as many facilities and services in rural locations, many workers don’t want to work there. Infrastructure issues make monitoring difficult. In a similar vein, nobody in a rural area knows what banking is. They have no idea what banking is, let alone how to deposit money in a bank. They are reluctant to deposit their money in banks as a result. So, one of the main problems facing Nepal’s banking industry is opening a bank in a remote location.

1. **Cyber-threat**

It has evolved into the foundation of every bank in today’s internet driven world. The risk of cyber-attacks is increased as a result. The frequently receive news reports of cyber-attacks on the banking sector. The majority of banks utilize illegal software, which makes hacking them simple. Likewise, Nepal lacks robust cyber security measures and laws. Cyber-attack has grown to be a significant concern for Nepal’s banking industry as a result of all these flaws.

1. **Lack of maintenance and improvement of equipment**

All of the banks in Nepal are in need of improving and maintaining their banking machinery, such as note counters and ATMs. ATMs frequently fail to operate in various

Locations. Additionally, the broken equipment is not promptly maintained. Many banks in Nepal are employing outdated equipment, which is problematic. But they continue to use the same ones rather than replace them. Even the banking software is not timely updated.

Opportunities

1. **Increasing investment potential**

Political parties have also prioritized economic growth, prosperity, and economy. Investment is necessary for economic progress, as is an environment that encourages investment. Financial institutions make up the second group, whereas institutions that invest in the nation make up the first. There is a lot of room for investment in Nepal if the environment for investment is to be guaranteed and economic progress is genuinely wanted. The banking industry is the key driver of the nation’s development as Nepal’s capital market has not done well. There are several opportunities if the demand rises and banks and other financial organizations expand their investment portfolio. The time has arrived for prospects for the banking industry to expand if the government can mobilize the private sector while upholding political stability.

1. **Rural banking**

All around the nation, the government is promoting the idea of rural banking. It is recommended for banks and other financial organizations to open branches in rural regions as well. This idea has been put into practice with the goal of offering banking services and facilities to the people in Nepal’s rural districts. However, the majority of residents of rural areas lack access to banking services and do not have bank accounts. In rural areas, banks assist residents in saving money and effectively mobilizing it.

1. **Technology**

The banks in Nepal have undergone significant technological advancement in recent years. Every department in the bank now relies heavily on technology. For the benefit of their customers, they have developed services including e-banking, mobile banking, mobile apps, etc.

1. **Robust Demand**

The number of working of the population has increased rapidly and it’s still in the growing form. This increase in the working population increases disposable income. To invest their money, or to safely deposit, the customers have increased their interest in banking products. This shows the emerging opportunities of banking sectors in Nepal.

# CHAPTER III

## INRODUCTON OF THE ORGANIZATION

**3.1 Introduction of Organization**

Nepal SBI Bank Ltd. (NSBL) is a subsidiary of State Bank of India (SBI) having 55 percent of ownership. The Local partner viz. Employee Provident Fund holds 15% equity and General Public 30%. In terms of the Technical Services Agreement between SBI and the NSBL, the former provides management support to the bank through its expatriate officers including Managing Director who is also the CEO of the Bank. Central Management Committee, consisting of the Managing Director and CEO, Dy. CEO and Chief Financial Officer, Chief Operating Officer and two Vertical Heads as decided by Managing Director of the Bank, exercises overall control functions with the help of controlling offices, and oversee the overall operations of the Bank.

NSBL was established in July 1993 and has emerged as one of the leading banks of Nepal, with 928 skilled and dedicated Nepalese employees (as Chaitra end 2080) working in a total of 145 outlets that include 98 full-fledged branches, 22 extension counters, 7 Province offices, 17 Branchless Banking Outlets and Corporate Office. With presence in 51 districts in Nepal, the Bank is providing value added services to its customers through its wide network of 121 ATMs, internet banking, mobile wallet, SMS Banking. NSBL is one of the fastest growing. Commercial Banks of Nepal with more than 1.30million satisfied deposit customers and over 1 million ATM/ Debit cardholders. The bank enjoys leading position in the country in terms of penetration of technology products, viz. Mobile Banking, Internet Banking and Card Services. The Bank is moving ahead in the Nepalese Banking Industry with significant growth in Net Profit with very nominal NPA. As of 31st Ashad, 2080, the Bank has deposits of Rs 150.72 billion and advances (including staff loan) of Rs 125.53 billion, besides investment portfolio (including investment on subsidiary) of Rs 34.14 billion.

State Bank of India (SBI), with more than 217 years history, is the largest commercial Bank in India in terms of assets, deposits, profits, branches, customers and employees. The Government of India is the majority stakeholder and has controlling stake in SBI, a “Fortune 500” entity.

Nepal SBI Bank has also established its wholly owned merchant banking subsidiary viz: Nepal SBI Merchant Banking Ltd. in the year 2016.

**Table 3.1 Shareholding Composition**

|  |
| --- |
| **S.N Ownership Percentage** |
| 1 State Bank of India 55% |
| 2 Local Partner 15% |
| 3 General Public 30% |

**3.2 Vision, Mission**

**Vision:**

* Be the most preferable bank for a transforming Nepal

**Mission:**

* To provide high quality, reliable and innovative financial solutions

**3.3 Objectives**

The bank’s over reaching goal is to fulfill the expectations of its shareholders, depositors, customers, and other stakeholders while also making a positive contribution to the development of the nation, The bank will make concerted efforts to achieve its aim by leading the banking industry on every front, including;

* Increasing the bank’s presence both inside and outside of the nation.
* Focusing on underserved or potential services, such as SMEs and retail establishments.
* Modifying and reforming the infrastructure and system of banks.
* Service delivery by competent staff members assisted by automated processes.
* Through risk management and compliance.

### **3.4 Organizational structure of Nepal SBI Bank**

Work is moved through an organization according to its organizational structure, which enables groups to collaborate on tasks within the scope of their specific responsibilities. In response to the degree of unpredictability in the organization’s external environment, management achieves the ideal balance of distinction and integration of the operations through organizational structure. Differentiation is the split of organizational structure into functional or departmental units, each focusing on a particular function. Integration is the process of bringing together diverse organizational units to work towards a common goal. An organizational hierarchy is defined by its organizational structure. An organizational structure denotes the manner in which tasks are assigned, coordinated, and overseen in order to achieve organizational goals. Each job is identified, along with its purpose and organizational reporting structure. This structure is created to define how an organization functions and evaluate how well it is accomplishing its objectives in order to support future growth. The following is Nepal SBI ‘s organizational structure:

**Fig 3.4 Organizational Structure**

### **3.5 Major Product and Services provided by Nepal SBI Bank**

1. **Deposit**

A deposit account is a savings account, current account or any other type of bank account that allows money to be deposited and withdrawn by the account holder. These transactions are recorded on the bank’s books, and the resulting balance is recorded as a liability for the bank and represents the amount owed by the bank to the customer.

1. **Remittance**

As of my latest update, Nepal SBI bank is a commercial bank in Nepal. It offers a variety of banking services, including remittance services, to its customers. Remittance services provided by banks typically involve facilitating the transfer of money from individuals working abroad to their families or recipients in Nepal.

1. **Bank Transfer**

Nepal SBI Bank is a commercial bank based in Nepal. They offer various banking services, including bank transfers. Bank transfers typically refer to the process of moving money from one bank account to another, either within the same bank or between different banks.

1. **Providing ATM and PIN**

ATM is a computerized telecommunication device that provides customers a method of financial transactions without the need of a human clerk or bank teller. The ATM is provided to all account holders but he/she need to fill up the ATM request form/renewal firm. ATM charge is deducted from the bank account automatically. The intern provided the ATM and PIN only after the card number was posted in the ledger and verification on signature of the customer.

1. **Electronic Cheque Clearance (ECC)**

Electronic Cheque Clearance (ECC) is a digital process for swiftly verifying and settling paperless cheques, enhancing the efficiency and speed of financial transactions. It replaces traditional manual cheque processing with electronic methods.

1. **E-banking**

E-baking, or electronic banking, enables customers to conduct various financial transactions and manage their accounts online through secure digital platforms, offering convenience and accessibility to banking services form anywhere. It includes activities like online fund transfers, utility payment, account monitoring and more.

1. **Guarantees**

Bank Guarantee is an agreement between three parties viz. the bank, the beneficiary (party to whom the guarantee is given), and the applicant (party who seek the guarantee form the bank). Bank guarantee are an important banking arrangement and play a vital role in promoting international and domestic trade.

1. **Safe Deposit locker**

Nepal SBI Bank provides safe deposit locker service to its customer with varying of charges as per the size of goods kept in locker.

1. **Other services**

The bank provides the facilities for the customer like consumer finance, cash management, internet banking, micro-finance services etc.

### **3.6 SWOT Analysis of Nepal SBI Bank**

SWOT analysis is a strategic planning technique that provides assessment tools. Identifying core Strength, Weaknesses, Opportunities, and Threats leads to fact-based analysis, fresh perspectives, and new ideas. A SWOT analysis pulls information internal sources (strength of weaknesses of the specific company) as well as external forces that may have uncontrollable impacts to decisions (opportunities and threats). SWOT analysis works best when diverse groups or voices within an organization are free to provide realistic data points rather than prescribed messaging. Findings of a SWOT analysis are often synthesized to support a single objective or decision that a company is facing. Strength is the term for the favorable internal traits that an organization can use to forward its objectives. The internal traits known as “weakness” may limit or obstruct an organization’s performance. The basic situation is that there is an opportunity. Environment that, when correctly exploited, aids a business in achieving its intended objectives. A hazard is a circumstance in the environment generally that could prevent the company’s initiatives to fulfill its objective. The internal environment is supportive. While the surrounding environment has opportunities and risks, to the business. Consequently, the company makes advantage of its power to seize chances and minimize vulnerabilities and threats.

These are shows in following.

**SWOT Analysis of Nepal SBI Bank**

**Strengths**

* Provides better convenience and better efficiency
* Skilled and motivated workforce
* Proper quality services
* High security
* Improved customer experience

**Weakness**

* Commission and fees are high
* Insufficient hedging and risk management instrument
* Accessibility
* Complaints in technical error
* Increasing cyber security threats

**Opportunities**

* Digital banking and mobile apps
* Innovation
* Cross selling opportunity
* Personalized offers and discounts
* Wealth management and advisory services

**Threats**

* Regulatory fines and legal challenges
* Increasing interest rate volatility
* Fraudulent activity
* Monopolization
* Tough competition

# CHAPTER IV

## ANALYSIS OF ACTIVITIES DONE AND PROBLEM SOLVED

### **4.1 Background**

Under the supervision of the operation lead, the internship was carried out in the bank’s customer’s service department. Being placed in diverse areas gave employees exposure to and an understanding of the bank’s various services, practices, and relationships with consumers. This chapter explains every skill and experience picked up over the eight-week internship.

### **4.2 Customer Service Department**

Any organization’s front desk is customer service. It gives customers all the information they require. More than any other department in the bank, the main and most crucial department of every organization must deal with customers. It is one of the busiest divisions in the bank and the spot where customers get their first impression. The efficient operation of this department is crucial to the bank’s reputation and images. It is the first location where clients receive services. As various tasks are carried out, including opening new customer accounts, cancelling existing ones, issuing cheque books, conducting balance inquiries, delivering statement, issuing debit cards, etc.

It is crucial to understand that a highly satisfied consumer develops a sense of loyalty, purchases the company’s new items, pays less attention to the rival branch, and is less responsive to pricing. Only when a company’s customer service department operates effectively can it attract a sizable number of clients of this type. Saying that this department is essential to the success of any organization would then be appropriate.

### **4.3 Activities done in customer service department**

This department is responsible for carrying various activities starting from the opening of an account to the value additional process as a part of after sales service. The different activities done in CSD throughout the internship period are:

#### **4.3.1 Dealing with customer**

Customer service in the banking industry hinges on being effective and timely. The most crucial task of the banking operations is providing customer service. Service that is prompt and effective will improve reputations, lower complaints, and boost sales. Engaging with people who use or are interested in a product or service is part of dealing with customers. It requires paying attention to their questions, worries, or feedback and thoughtfully and competently answering. In order to develop great interactions that foster trust, loyalty, and happiness with customers, it is important to offer them the answers, help, or information they need. Customer counseling is most important functions of customer service department. It is the responsibility of internee to provide the information regarding the bank and its various products and services. For dealing customers in CSD, the staff should have adequate knowledge about the various products and the services of the bank and should have good communication skill to communicate correctly, precisely and politely.

#### **4.3.2 Account opening**

In accounting terms, the bank creates (open) an account in the name of the depositor or a name directed by the depositor in which the amount received by it is recorded as a transaction. The deposit account is a liability of the bank and an asset of the depositor (the account holder). Account opening in a bank refers to the process by which individuals or businesses establish a formal relationship with the bank to hold and manage their finances. It typically involves submitting required identification and documentation, such as proof of identity, address, and financial information. The bank then reviews and verifies these documents to ensure compliance the regulations. Once approved, the customer is provided with account details, enabling them to deposit, withdraw, and manage funds, access banking services, and potentially apply for additional services like debit cards, checks, or online banking.

**The account opening procedures is explained as follows**:

* When a customer initially visits a bank, they are required to complete an account opening form and a signature card, both of which contain their personal information.
* The CSD staff then confirms all the information in the documents, including the signature, and enters it into FINACLE along with the specific account type and introducer’s name
* The system automatically generates the account number, which is a digit code where the first 5 digits represent the branch code.
* Following that, the consumer is asked to deposit the required minimum balance (or more) of the relevant deposit type into their account, and an account number is later supplied.
* The CSD staff will create the account holder’s customer ID and then send it at the operation manager for verification.
* Operation manager once more returned it to CSD for form scanning after customer verification.
* The CSD personnel will prepare the ATM card and cheque book upon customer request following form scanning.

#### **4.3.3 Account closing**

A closed account is any account that has been deactivated or otherwise terminated, either by the customer, custodian or counterparty. The term is often applied to a checking or savings account, or derivative trading, credit card, auto loan or brokerage account. It can also describe the accounting practice of resetting temporary account balances to zero on the general ledger at the end of each fiscal year (FY). An account is only closed after receiving a written request form the client or account holder, according to the account closing” regulations. The account holder must first complete and submit a “Account Closing Request form to CSD. The client is required to return any unused ATM cards and checks to the bank. The bank reimburses the customer for the entire balance. The form is inspected and signed by the branch manager and operation manager after completion. Thus, the customer’s account is finally closed.

#### **4.3.4 Cheque book issues**

On request by submitting their cheque request, both the now account and the existing account holder will receive a cheque book.

The procedures of cheque book issues are as follows:

* When opening a new account, the consumer must fill out the section asking for a cheque book.
* For an existing account, the customer must complete the slip that is located within the cheque book.
* Following the initial issuance, additional leaves are offered based on customer demand. For new account holders, only 10 leaves of the cheque are issued.
* During the receipt of the cheque book, the account holder or agent whose name is on the demand slip must be present.
* Once the cheque book is prepared, it must be entered in the cheque book register with the following information: the date, the account number, the account name, the receiver’s name, the receiver’s signature, and the staff member’s initial.
* The cheque book needs to be double checked before being delivered to the receiver.
* You should keep the original requisition slip provided for the cheque demand for future use.

#### **4.3.5 ATM card distribution**

The distribution of ATM cards is the responsibility of CSD. With an annual fee of 500 rupees, the consumer can use an ATM card. After the form has been completed, the request for ATM cards is given to the card department, which creates the card and sends it to the appropriate branch office. The issued ATM card is valid for 5 years and customer can withdraw Rs 100000 in one time and 300000 in one day using debit card.

#### **4.3.6 Account statement printing**

The transactions of a bank account over a specific time period, typically monthly, are listed in a bank statement. Deposits, charges, withdrawals, the beginning and ending balances for the period, as well as any interest collected, are all included in the statement. Account holders typically analyze their bank statements once a month to assist them keep track of their track of their spending and expenses and to check for any erroneous or fraudulent charges.

#### **4.3.7 Issuance of balance certificate**

Usually, a balance certificate also includes a statement from the bank mentioning that the account holder has maintained satisfactory level of transactions with the bank, but this is only mentioned in the case of satisfied customers. A balance certificate is a document issued by a bank stating the amount of balance funds maintained by an account holder in its bank. The remaining balance can either be expressed in NPR rate in effect on the specified date. Clients frequently come into the bank to obtain Balance Certificates. Typically, students who are travelling to study abroad do so. The consumer must open first complete the Request for Balance certificate form. After acquiring signatures in the correct register, the CSD staff issues the certificate in the specified denomination.

#### **4.3.8 KYC update**

The term “Know Your Customer” abbreviated as KYC is used to describe the process of identifying a customer. It entails taking reasonable steps to ascertain the true identity a customer. It entails taking reasonable steps to ascertain the true identity and beneficial ownership of accounts, the source of funds, the nature of the customer’s business, etc This aids the KYC regulations is to stop criminal elements from using banks to launder money, whether on purpose or accidentally. KYC consists of two parts: Identity and Address. While the identification does not change, the address can, thus the banks must periodically update their information. As directed by Nepal Rastra Bank, KYC updates have recently been conducted in all commercial banks. So, following the instructions, intern distributed the KYC forms and assisted the customer in filling them out at the Maharajgung Branch of Nepal SBI bank. Interns were instruction to advise both frequent bank customers and those who don’t frequently visit the bank about the KYC update by phone calls.

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### **4.4 Problems identified and solved**

During my eight-week internship, intern also got the opportunity to understand, identify and solve some of the problems faced by the bank. Here are some problems identified and solved which are following:

Table

|  |  |
| --- | --- |
| **Problem Identified** | **Problem Solved** |
| Customers couldn’t complete the forms for opening new accounts. | Interns assist them in filling out all the required information on the applications and also request important documents from them. |
| The account termination processes were unclear. | Customers are guided through all procedures by interns, who also inquire about any necessary supporting documentation. |
| Some clients are having trouble using e-banking and mobile banking. | The interns double checked every aspect of their online and mobile banking accounts and made a quick effort to resolve their issue. |
| Customers were confused about different saving schemes. | Interns help customers understand all products of bank along with its interest rate. |
| KYC of many customers were not update. | Customers were phoned and requested to update both their signature card (if the photo was outdated) and their KYC. |
| Cheques and bank statement were requested by other bank. | They were requested with the customers signatures on the statement request form. |
| They were prompted to sign the statement request form with the client’s signatures. | Intern assisted them in filling out the form and provided them with information on when to return for the subsequent renewal. |

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# CHAPTER V

## CONCLUSION AND LESSON LEARNT

### **5.1 Conclusion**

According to the study shown above, Nepal SBI Bank appears to be one of the hardest working commercial banks, committed to providing excellent service to their esteemed clients. The intern learned lot about SBI Bank in particular over the eight-week internship period about banking operations and activities in the Nepalese market. This report has informed the intern about the numerous client services that Nepal SBI provides. The internship has been beneficial to the intern in many ways. The intern’s knowledge, vision, ability, managerial skill, and confidence have all increased as a result of their internship. It was a fantastic opportunity to learn about the banking industry in practice. The real-world situations are somewhat different from the theoretical ones that we examine. In order to make the workplace happier, nicer, and friendlier, the intern has also learned how to interact with a variety of individuals to deal with senior staff, and to deal with fellow interns. In addition, the supervisors provided excellent guidance regarding our internship strategy.

As an intern at Nepal SBI bank, it was a wonderful experience. The working environment was friendly. The Nepal SBI staff members had solid relationships, robust competition, and good communication. Each and every member of the Nepal SBI staff was completely professional, but there was also a sense of family that made the entire internal working atmosphere enjoyable to be a part of. As an intern, intern had the wonderful opportunity to enhance his conceptual and analytical knowledge of the Nepali banking industry. As a result, the knowledge and experience gained from this study will undoubtedly help the intern’s career and professional life.

Intern also observed throughout internship that the bank does a super job of offering excellent customer service. Customers are constantly looking for convenient, high-quality services. Customers have chosen Nepal SBI bank mostly because of its reputation, branch amenities, and level of customer service. They anticipate that this bank will continue to grow and take the top spot for service quality. The majority of Nepal SBI Bank’s clients are happy with the services they receive, but there are a few problems with the interest rates on deposits and other aspects, as well as areas where the bank can still improve in order to continue to grow and dominate the banking sector in the years to come. In order to maintain client satisfaction levels and propel the bank towards continual growth, improvements must occasionally be made.

### **5.2 Lesson Learnt**

During this internship with Nepal SBI bank, the adage “more you learn, the more you realize how ignorant you were” has seemed to apply. Interaction, observation, and work experience in the organization allowed the intern to gather knowledge about potential career paths. These experiences also helped the intern advance professionally by enhancing his or her interpersonal, managerial, communication, and entrepreneurial skills. The intern has learned about corporate social responsibility and changed their attitude and behavior towards daily spending as result of being exposed to a professional working environment.

The eight-week internship period had given the student the opportunity to discover fresh and specialized information about the organization, especially in the areas of the customer service department and credit department. The skills acquired throughout the internship were based on how the task was carried out, how it was observed, and how each specific skill was used. The intern gained valuable experience thanks to the direct and indirect learning opportunities and work participation in several Nepal SBI bank departments.

The most important lesson learned by intern has been listed as follows:

* Intern gained knowledge of the fundamental tasks carried out by the customer care department.
* Acquired knowledge on how to carry out various customer-related tasks
* Acquired the ability to properly and efficiently file paperwork.
* Possibility to become familiar with some features of the FINACLE system implemented by Nepal SBI Bank.
* Acquired knowledge on how to operate office supplies such a printer, scanner, and photocopy machine.
* Acquired the communication skills necessary for working with both clients and workers.
* Acquire knowledge of the value of time, timeliness, and emotional presentation at work.
* Acquire the ability to deal with customer complaints.

### **5.3 Recommendation**

It is immense pleasure to learn and known about the working of the customer service department. Besides these learning, some feedback for the excellence is the most. It is worthless to make plan it is not implemented. Some of the recommendations of intern for CSD are:

* There Should have adequate number to staffs so that the intern can learn even more information of the bank.
* Interns should be provided with the opportunity of using the software.
* There should be more open space in customer service department where most of the customers are visits. But there is insufficient space for customer as well as for staffs working in that department the internee had to move out of the desk each time any employee had to go to vault.
* Proper maintenance of the ATM machines needs to be done in order to insure less complaint from the clients.
* Since the entire activity of job is dependent upon the computer network, any interruption or failure of networks results in delay and customer dissatisfaction. More time is spent in fixing the network and cable problem that intern gets less time to actually learn the work.

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# APPENDICES

**List of Commercial banks in Nepal**

|  |  |  |  |
| --- | --- | --- | --- |
| Bank Name | Established | Headquarters | Paid-up capital |
| NMB Bank Ltd | 2008 | Babarmahal | Rs 18,36 Arab |
| Siddhartha Bank Ltd | 2002 | Hattisar | Rs 14.08 Arab |
| Kumari Bank Ltd | 2023 | Durbarmarg | Rs 26.22 Arab |
| Machhapuchchhre Bank Ltd | 2012 | lazimpat | Rs 11,62 Arab |
| Everest Bank Ltd | 1994 | Lazimpat | Rs 11,76 Arab |
| Nepal SBI Bank Ltd | 1993 | Kesharmahal | Rs 10,50 Arab |
| Himalayan Bank Ltd | 1993 | Kamaladi | Rs 21,65 Arab |
| Standard Chartered Bank | 1987 | Nayabaneshwor | Rs 9,42 Arab |
| Nabil Bank Ltd | 1984 | Durbharmarg | Rs 27,65 Arab |
| Citizen Bank Int Ltd | 2007 | Narayanhiti | Rs 14,20 Arab |
| Prime Commercial Bank Ltd | 2007 | kamalpokhari | Rs 19,40 Arab |
| Agricultural Dev Bank Ltd | 1968 | Ramshahpath | Rs 13,45 Arab |
| Sanima Bank Ltd | 2012 | Nagpokhari | Rs 13,58 Arab |
| Nepal Bank Ltd | 1937 | Dharmapth | Rs 14,91 Arab |
| Global IME Bank Ltd | 2023 | kamaladi | Rs 36,12 Arab |
| NIC Asia Bank Ltd | 2013 | Thapathali | Rs 14,91 Arab |
| Prabhu Bank Ltd | 2023 | Babarmahal | Rs 23,54 Arab |
| NIMB Ltd | 2023 | Durbarmarg | Rs 34,12 Arab |
| Laxmi Sunrise Bank Ltd | 2023 | Hattisar | Rs 23,18 Arab |