



Internship Report on
“Budget preparation & Challenges as an Internal Control Mechanism”
Robi Axiata Limited

Submitted To

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BUS 400

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INTERNSHIP REPORT



Letter of Transmittal:

14th November, 2016

Ms. Asphia Habib

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Subject: Submission of Internship Report on “Budget Preparation & the Internal Control Mechanism” of Robi Axiata Ltd.

Dear Madam,

As per the part of the completion of my Bachelor of Business Administration and BUS 400 course, I would like to explain you that I have completed my internship report on “Budget Preparation & the Internal Control Mechanism” of Robi Axiata Ltd. The report is focusing on the procedure of Budget preparation for a fiscal year and the internal control mechanism.

During the completion of this internship report, I have learned a lot where something was new for me and something was related with my educational knowledge. So it was a great opportunity for me to compare theories with practical life.

I am thankful to you for providing me the excellent topic to work with. I will be highly appreciative if you receive this report and give your valuable judgment. It will be a pleasure if you find it informative and relevant to have an apparent perspective on the issue.

Thank you.

Sincerely Yours,

Mashkura Toa Harun Jui

ID: 12204006

BRAC Business School

BRAC University

Acknowledgement

At first, I would like to express my gratefulness to Almighty to give all the best opportunities to attend the internship period and finish the report properly with strength and dedication. At the same time I would like to thank my parents because without their help and support I might not be that eligible to finish my BBA program and doing internship at a reputed organization.

Then, I would like to show my gratitude for my Academic supervisor, Asphia Habib who leads me to the entire process by selecting the topic, instructing with every part of the report, monitoring and giving valuable feedback. She helped me to shape up the whole internship report with accurate direction.

Moreover, I would like to thank my line manager, Istiaque Uddin Chowdhury who gave me the opportunity to learn different aspect of their work. He showed me the way he works. He supported me to finish my report by giving information about my selected topic of the internship. He discussed the problem they faced during budget preparation.

However, I would like to express my appreciation to my whole team where I worked and assigned to be as an intern. I will be grateful to Zaved Pervez, Suman Paul, S.M. Ziyad Ahmed, Aporajita Roy Chowdhury and Muhtad Ahmed to help me whenever I need help to accomplish my work. They always shaded me with care and respect me without ever made me feel outsider. I must say that I was so fortunate to work with the team.

Finally, my gratuities is for the office of career service and Alumni Association (OCSAR) who gave me the chance to attend Professional Skill Development program (PSDP) and gave me the opportunity to work with Robi Axiata Ltd.

Executive Summary:

Robi Axiata is a leading telecom company that started its journey in 1997 in Bangladesh with the brand name of AKTEL and in 2010 it comes up with the new brand name “Robi Axiata Limited”. It is the 3rd largest telecom operator in Bangladesh and gaining market share rapidly. The report has been prepared with my three month’s experience of internship at Robi Axiata on Budget Preparation & the Challenges as an Internal Control Mechanism. The report starts with the purpose and objectives with the report and proceeds with the industry overview where the real scenario of telecom industry has been shown up. Then, the report covered with organizational and departmental overview where a short description of Robi Axiata and finance division has portraits with the name of different divisions, departments, Organization structure, services, mission, vision, objectives, themes, positions and packages . Moreover, the report reflected my internship activities and the main part of Budget preparation with the objective of preparing it, elements of the budget, steps of the approvals & meetings, challenges, importance of Budgetary control as internal control Mechanism and topic findings. Finally the report has provided with some recommendation and a brief conclusion according to my observation and experience as an individual.

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Chapter 1: Introduction

1.1 Origin of the Report:

After passing four years of theoretical knowledge acquiring phase, it is a requirement to get introduced with practical job field to know the real scenario of corporate culture. So, BRAC University makes internship program compulsory as the accomplishment of BBA (Bachelor of Business Administration) program. So, being part of internship in Robi Axiata Ltd in finance division at Integrated Planning (IPF) was required with the submission of an Internship Report based on the learning. This report “Budget Preparation & Challenges as an Internal Control Mechanism” is the outcome of three month’s acquired knowledge of Robi Axiata Ltd.

1.2 Purpose:

The purpose of the internship program is to get organized and detail knowledge of job responsibility, experience the real business world, relate bookish knowledge with actual corporate world, compare the difference of theory based education with actual working environment and become skilled and experienced for entering into career. I have prepared this report as the fulfillment of the Bachelor of Business Administration (BBA) program under the supervision of Asphia Habib. This report has finished properly by the guideline of my reporting Line Manager Istiaque Uddin Chowdhury and supervisor Aporajita Roy Chowdhury.

1.3 Objectives:

The objective is to show a view of annual budgetary preparation of CAPEX and the challenges of making it as an internal control mechanism of Robi Axiata Ltd to understand the budget factors in concern. Then, the limitation faced by the employees and the overcoming solution is to be known. Finally, sharing an idea of three month’s working experience with readers.

1.4 Scope:

Since I have been assigned to work in Integrated Planning Finance (IPF) for three months, so the knowledge acquiring is limited not vast. Then, I collected information by asking my supervisor and line managers in between their working as they are busy, the information I got, might not be specific rather core essence of the topic. Moreover, this department is mainly work with CAPEX, so my learning is up to capital expenditures, Budgetary Approval and Business cases.

1.5 Limitations:

As an intern in Robi Axiata Ltd, I am not permitted to access their files and folders. The shared server was restricted for me. Moreover, they created an email user ID for me but there was almost no software and functions to work with. Then, I can only access to Robi Portal and even internet browsing was not accessible to collect information to help my seniors. Furthermore, the software SAP, they (employees) used was not allowed for me for that reason my line manager and supervisor could not assign me proper work that they intend to make me do. On the other hand, so far the information I came across including specific data, internal tools and list of confidential information, I am not allowed to disclose it outside as per confidential agreement that I signed.

1.6 Methodology:

The report has been conducted through the intensive procedure of proper guidelines, observation and help of journals from selecting the topic to the final presentation. The related information has been collected from two sources.

- I. Primary data:** Primary data has been collected from the observation of full three month of internship period and informal discussion of budget preparation with the obstacle of making it. Basically, the day to day desk work and casual conversation is the primary source of information.
- II. Secondary data:** Secondary data has been collected from different websites, articles, journals, annual reports, newspaper, magazine and related reports with proper citation to get quantitative and qualitative data. . Then, the internal website known as Robi portal was the source of collecting overview of the organization, information of departments and divisions of primary data.

Chapter 2: Industry Overview

The telecommunication industry has been emerged with dynamic characters that make the industry growing all over the world. In 1996, the government lead by Prime Minister Sheikh Hasina created monopolistic environment in this sector to make the cellular technologies reasonable to common people. A lot of rapid changes in Telecommunication sector took part in Bangladesh. The mobile coverage has been reaching 97% of the population that extends into areas outside the fixed-lines network.

Now there are six leading mobile operators successfully running their business by serving inside and outside the country. These are –

1. Grameen phone : Joint venture ownership 62% Telenor and 38% Grameen Telecom
2. Banglalink: Joint venture with Orascom Telecom Co. originated from Egypt.
3. Robi: Joint venture between Axiata Group Berhad, Malaysia and NTT DOCOMO INC, Japan.
4. Airtel : Bharti Group, India.
5. Teletalk: Public limited company but 100% share has been owned by the government of Bangladesh.
6. Citycell: Joint venture with SingTel Asia pacific investment Pvt. limited.

In spite of being progressive regulatory system, the country was deliberately progress from voice to data with 3G (3rd generation mobile services). At the end of May 2015, the total number of mobile subscribers has increased to 125.971 million which is an 8.372% increase from the previous year's 116.239 million at the end of May 2014.

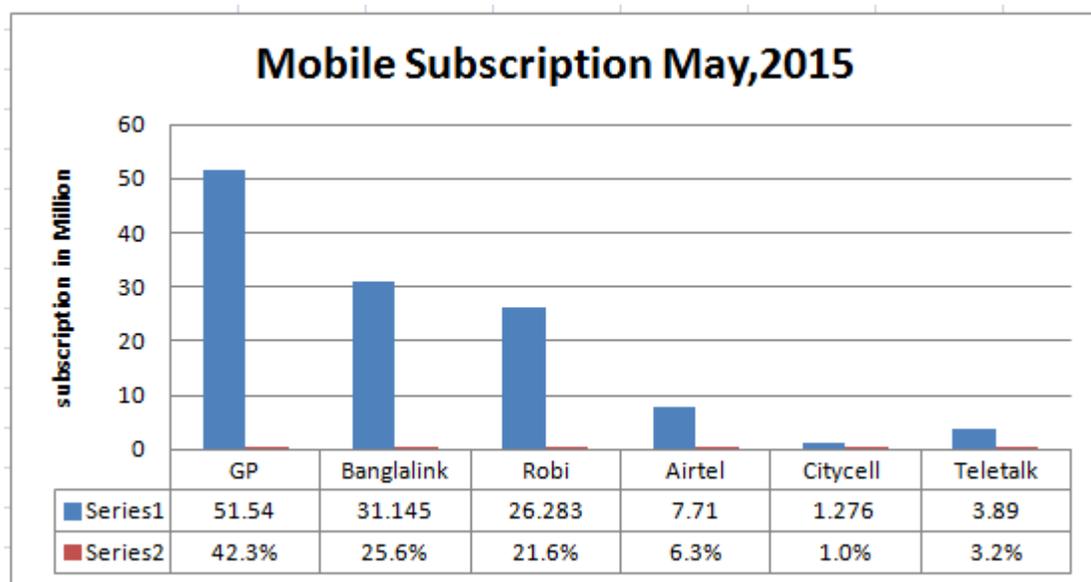


Figure 2.1: Mobile Subscription on 2015.

Telecommunication opened the door for Medical advice, E-education - access to educational information, E-Governance, E-payment, E-banking and Agricultural-services. It has great impact on national GDP and creates huge employment nationwide.

Chapter 3: Organizational Overview

Robi Axiata Limited is fast growing and countrywide leading mobile telecommunication operator in Bangladesh. It is the third biggest mobile operator with more than 20 million subscribers. It has been started its journey from 1997 as ‘Telekom Malaysia International (Bangladesh)’ with the brand name ‘Aktel’. In 2010, the company was rebranded to ‘Robi’ and the company changed its name to ‘Robi Axiata Limited’ (Company Profile).” It is a joint venture company between Axiata Group Berhad of Malaysia and NTT DoCoMo Inc. of Japan. “Its subsidiaries and associates, have approximately 120 million Mobile subscribers in Asia, and are listed on Malaysia’s stock exchange (Bursa Malaysia).”

Axiata is an emerging leader in Asian telecommunications with significant presence of subsidiaries of –

- Malaysia 
- Cambodia 
- Sri Lanka 
- Indonesia 
- Bangladesh 

Axiata is an emerging leader in Asian telecommunications with significant presence of associates of –

- India 
- Singapore 

“Robi draws from international expertise of Axiata and NTT DOCOMO INC. Services support 2G and 3.5G voices, CAMEL (Categorized Applications for Mobile Enhanced Logic) Phase II & III and 3.5G Data/GPRS (General Packet Radio Service)/EDGE (Enhanced Data for GSM Evolution) service with high-speed Internet connectivity. The company has the widest international Roaming coverage in Bangladesh connecting 600 operators across more than 200 countries.

With its strengths and competencies developed over the years, Robi aims to provide the best quality service experience in terms of coverage and connectivity to its customers all over Bangladesh. Together with its unique ability to develop local insights, Robi creates distinct services with local flavor to remain close to the hearts of its customer.

3.1 Vision, Mission and Theme:

- **Vision:** “To be a leader service provider in Telecommunication sector in Bangladesh.”
- **Mission:** “We are there for you, where you want and in the way you want, in order to help you develop, grow and make the most of your lives through our services.”
- **Theme:** “ROBI extends its services to its customers and subscribers with the theme of spreading its power to every individual and empowering them with their own strength”

3.2 Principles & Purpose of Robi: The principle and purpose of Robi Axiata are “uncompromising Integrity”, “customer at centre” and “I Can, I will”.



➤ **Uncompromising Integrity-**

- We will be legally, ethically and morally correct.
- Our conduct will be fair and honest.
- We will listen, seek understanding and encourage open dialogue.
- We will be passionate in pursuing our beliefs
- We will treat others with dignity, valuing and benefiting from diversity.
- We will be accountable for our actions and behaviors on fellow employees, customers, Shareholders and the communities in which we operate.
- We will be courageous in sharing our work and bold to learn and improve from our mistakes.
- We will adhere to our Code of Conduct, protect and uphold it.

➤ **Customer at the Centre -**

- We will be customer centric delivering their needs in terms of value, quality and satisfaction.
- Our customer focus will be unrelenting in creating positive experience, at every point of interface, sale, and post-sale
- Simplicity will be the key for the customer to learn about us, buy from us and get support from us whenever, wherever.
- We will strive for continuous innovative solutions in every sphere of our work.
- We will engage with the customers to know their demands and design our actions to care for them better than our competitors can.
- We will not be distracted from creating and providing value for our customers.

(Principles and Purpose)

➤ **I Can, I Will –**

- Ensure our efforts produce desired results.
- Seize opportunities at the right time and execute them on time.
- Go beyond our scope, strive for and achieve excellence.

- Do what it takes to ensure delivery of results not waiting for delegation.
- Go that extra mile, setting ambitious goals to ensure our efforts bring success.
- Have the courage to say and do what it takes in order to ensure success. (Principles and Purpose)

3.3 Shareholders:

RobiAxiata Limited is a joint venture company between Axiata Group Berhad (70%) and NTT DOCOMO INC. (30%)

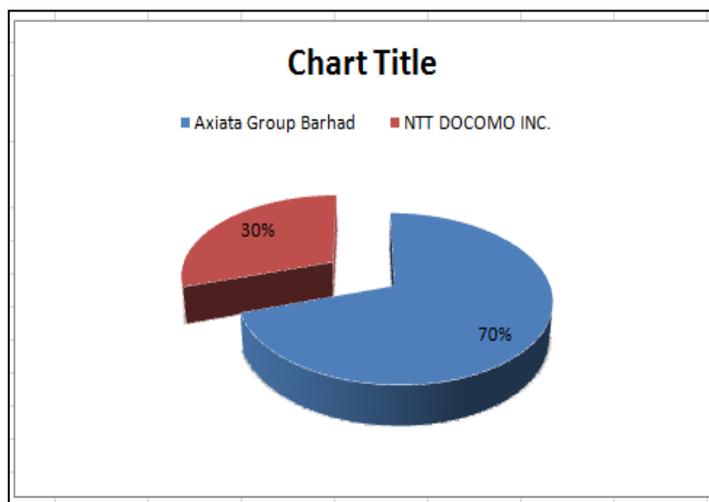


Figure 3.1: Share of ownership

3.4 Divisions and Departments:

Robi follows a large but flat hierarchy. In the hierarchy, there are 8 different departments which are headed by the CEO. Every department there is several divisions. These department and divisions plays an important part of success of the company.

Divisions-

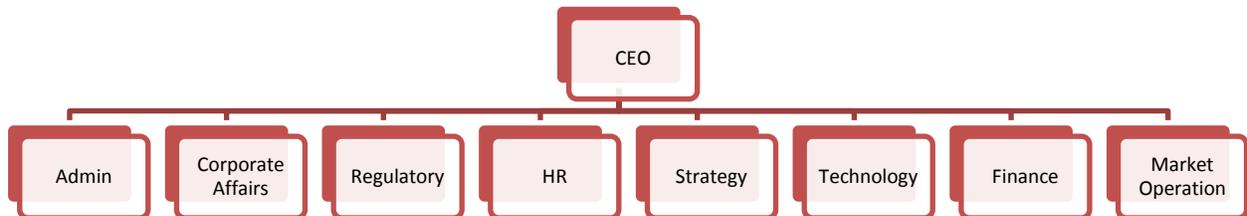
- Finance Division
- Market operation Division
- Technology Division
- Enterprise program management Office
- Corporate Strategy Division

- Digital services
- Ethics office
- People and corporate
- Infrastructure Division
- Internal Audit Division

Departments-

- Administration Department
- Coordination Department
- Corporate Affairs Department
- Credit Control Department

3.5 Organizational Structure:



3.6 Brand Elements of Robi:

- Logo -



- **Slogan –**

আপনার শক্তি আপনার সাথে
জ্বলে উঠুন আপন শক্তিতে

- **Brand Alpona -**



- **Operator Number -**

018

3.7 Product Portfolio of Robi Axiata Limited:



- Robi Corporate** - Robi Corporate is founded on a strong network employing cutting-edge technology providing the ultimate solutions in terms of voice clarity, a continuously expanding nationwide network coverage, abundant international roaming global partners, popular value added services (VAS), quality easy-access corporate customer care, competitive and tailored tariff plans and specific billing.
- Pre-Paid** – Robi offer affordable pre-paid packages to its customer that they can get mobile experience with minimum prices. The pre-paid packages of Robi are given below:
 - Tarunno

- Annona
- Muhurto
- Hut Hat Chomok
- Robi Club
- Goti
- Nobanno
- Shasroyee
- Shorol

c) **Post-Paid** - Robi offers three attractive packages. These are:

- Uddoy
- Package 1
- Package 2

d) **International Roaming:** Robi international roaming services allow its customer to make and receive calls while visiting outside Bangladesh. For providing these services Robi has agreement with foreign operator. The offered Roaming services are:

- Use of the existing Robi number for roaming in all partner networks abroad
- Global network coverage with over 573 operators and 207 countries.
- Spanning over six continents.
- No additional monthly charge for availing the service
- Sending and Receiving SMS to and from Robi
- Internet access and web surfing through GPRS Roaming services
- Itemized bill without additional charge
- International Roaming Tariff information through SMS

e) **Value Added services:** The value added services of Robi is given below:

Circle	Music	Entertainment	Downloads	Internet	Data Services
Messaging	Information Service	Life Style	Life Style	Call Management	Balance Transfer
Mobile Advance services	Mobile Assistance	Education & Career	Finance	Robi Locator	Community & Chat

Chapter 4: Divisional overview

Finance: The finance department is the most important division of Robi-Axiata. The division is divided into eight sub departments where 141 employees work which is 8.7% of total employees. This Division is accountable for financing various proposals, business partnering, new product development, financial accounting, preparation of salary sheets for employees, maintaining compliances and so on. The division is divided into Corporate Finance, Financial Accounting and Management Reporting, Financial Compliance & Insurance Process Improvement, Supply Chain Management, Integrated Planning, Business Partnering, Media Buying, comprises the main departments of the Finance Division.

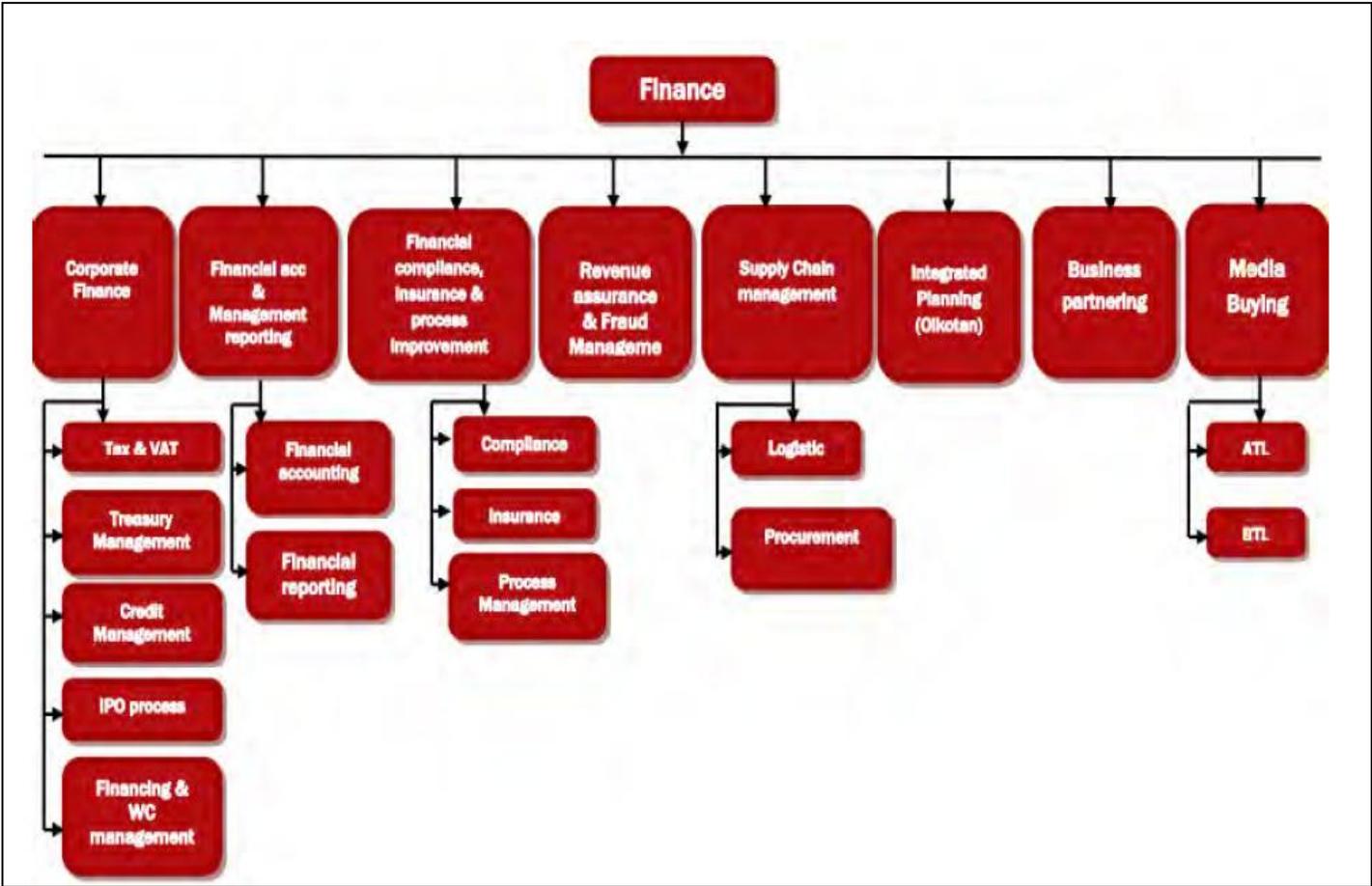


Figure 4.1: Divisional Structure

4.1 Corporate Finance:

The main activities of this department are given below –

- To provide the management with financial planning, management and control in order to ensure effective and efficient financial management of the Company.
- To build up relationship with various regulatory and other financial institutions in order to achieve necessary accomplishments.
- To ensure the smooth import process that enable the company implementing expansion program in time.
- To ensure smooth taxation management through efficient financial strategy and policy.
- To ensure Inter-operator revenue recognitions and payment settlement in time that facilitates the revenue growth.
- To ensure that the vendor payment is done effectively and efficiently.

4.2 Financial Accounting & Management Reporting (FAMR):

This department facilitates with accounting and financial management support services to the Robi. It provides account structures, cost centers, fund control, general ledger and accounting transaction/variance analysis, cost transfers and corrections, cost allocations, interagency transactions, regulatory and management of financial accounts and reports etc.

4.3 Financial compliances, Insurance & Process Improvement (FCIP):

This department usually misunderstands all aspects including: assessing inherent risks and conflicts of interests. Then, developing and implementing transactional, periodic, and forensic testing programs to assess the adequacy of Robi policies and procedures. By performing compliance testing, assisting with the development of compliance training programs etc.

4.4 Revenue Assessment & Fraud Management:

This department works with a series of actions that are applied to ensure that the business processes, the organizational structure, controls and the information systems related to revenue cycle work together in effect to defend revenues and increase the margin.

4.5 Supply Chain Management (SCM):

This department's work is to observe data management to keep accurate product, contract, pricing and invoicing information. Then, work closely with suppliers and customers to improve

operations and reduce costs. Moreover, negotiating contracts to reduce costs and achieve maximum efficiency with providing accurate routing information to ensure that delivery times and locations are coordinated. Finally, calculating total supply chain costs in relation to proposed new projects accurately etc.

4.6 Integrated Planning Finance (IPF):

This department is responsible for ensuring asset-based and operations-based planning systems and processes are in place. It involves integration of all resourcing, scheduling, technical, and logistical, manpower, contracting, adherence to regulation, risk assessment, and development of financial information from all departments and projects with the collaboration and teaming skills with various departments to expand and continue the company's policies and processes. It is mainly work with CAPEX (Capital Expenditure).

4.7 Business Partnering:

This department usually works for maintaining and doing partnership with third party. By maintaining liaison, networking, good communication and business relationship, this department ensures partnership.

4.8 Media Buying:

This department involves with Robi Media Buying operations and media related outdoor/event activities to help build up and keep up an effective media buying process for Robi. It's responsible for monitoring media budget allocation and recognize budget. Partnering, maintaining liaison, negotiation with different Media partners to produce profit is also done here.

Chapter 5: Internship at Robi Axiata

I was offered internship for the Project of “**MergCo Integration Project**” for a period of three months under Finance division, from 23th august, 2016 to 22th November, 2016. I had to report my line manager, **Istiaque Uddin Chowdhury** to whom I had learnt a lot and he guided me to work properly. He made me teach things more than once when I failed to accomplish the work.

From the early days of my internship, I used to seat idle because my intern Login ID has not been created that my line manager could give me some work to do. I only observed their divisional and departmental culture to known with how they work. Sometime I felt bored to seat from typically 9am to 5.30 pm. But eventually I got my email ID and my line manager assigned my supervisor to whom I will learn and will complete some of their tasks.

5.1 My job Responsibilities:

Aporajita Roy Chowdhury, my supervisor made me learns how to identify budget head from a Business case to upload it on their internal tool “Oikotan” by considering six criteria. I used to collect all the Business Case done by Suman Paul, S. M. Ziyad Ahmed, Istiaque Uddin Chowdhury and Aporajita Roy Chowdhury and maintain an Excel log book to classify the Broad Business head from where the business case has been approved and allocated along with the dates, amount in USD and Remarks. Then, I used to login in their internal tool “Oikotan” to select the approved Budget Head from where the business case allocated money with to maintain accountability toward Audit Committee. Finally, I used to upload those Business cases in their internal tool with the PDF form of the documents, Approval documents, Extracts and Go Ahead Email Approval.

Then, after one and half month, I was assigned to my another Supervisor, **Muhtad Ahmed** to whom I had to learn how to extract CAPEX (capital Expenditure) from GR(Gross Receipts) report to know the month’s GR of CAPEX . I used to work on those report and create Pivot table to know the day to day GR of CAPX and the USD amount. Then, I made the summary Report and write those amounts on hanging board of my department that my line manager and others can have a bird’s eye view of it to know when to control internally.

Moreover, I got the opportunity to learn from **S. M. Ziyad Ahmed** and **Suman Paul**. I have learnt to edit and make changes on “Oikotan” and allocate budget on the budget head by the help

of Ziyad Ahmed. Then, I learnt how to show the numbers on the boards that can be visibly understood by others when I am using the amount in K or USD.

Finally, **Zaved Pervez**, the head of IPF, was a friendly and encouraging person I have ever met to whom I learnt so many things that will help me in my personal and career life in the future. The way he encouraged his coworkers is really good for creating self-motivation within employees.

5.2 Challenges:

I found some difficulties while working with Microsoft Excel because the formulas usually I learnt were not enough for doing the work at Robi. I faced an obstacle understanding the formulas when learning. Sometimes, I did mistakes over and over again understanding the entire procedure of assigned work because of my being less skilled.

Chapter 6:

Budget Preparation & the challenges as an Internal Control Mechanism

Budgeting is a method by which an organization or individual creates and manages the financial plan of a company. It is an essential tool regularly used by business for the purpose of planning and control. The objective of making it is to establish specific target performance of the company in a given period. Budget is also used for meeting desired target along with comparing of actual result with desired result by considering execution of strategic and operational action plans.

6.1 Budget:

A financial statement prepared for a particular period of time to execute on the purpose of attaining a given point. It's a numeric estimation of revenue and expenditures for a time period with proposals for financing.

6.2 Objective:

The objective of preparing budget through several steps is to maintain internal control over expenditure. The process of budget making and internal control mechanism is a continuous action which starts with setting up of yearly Business Plan (BP) considering by execution of plans and regular monitoring. Some general objectives are given below –

- Provide an end to end guiding document for budget preparation, allocation of budget execution and monitoring of plans for control purpose
- Flow down the relevant plans and targets to all responsible department and people
- Provide a basis for the comparison of actual performance with predetermined plans or targets
- Ensure the best use of available resources
- Provide a basis for revision of current and future operation
- Support the long term plans of the company.

6.3 Budget Elements:

The budget is mainly divided between two broad perspective named as **CAPEX** and **OPEX**. Under CAPEX and OPEX, there are several Budget Head where budget allocated through the entire Budget Preparation. Budget preparation process are given below –

6.4 Preparation of Budgets:

- Robi starts doing its Business Plan activities from middle of each year and ends around January of next year.
- Finance Business Partner sends divisional template to the individual divisions to confine the divisional budget requirement at the middle of the each year. Then, the business partner distributed with input data model that contains all divisional revenues, CAPEX and OPEX cost requirement and potential liabilities. At the same time, Finance division also discuss about the upcoming provision in the Business Plan with all the divisions and departments.
- After receiving the input templates, the division gives their respective needed budget to Business partner. The budget preparation is based on their planned activities that they are intend to do. It cannot be in reference of their past expenditure. Business Partner receives the divisional inputs and undertakes a challenge session with the respective division regarding the budget requirement. Then, Business partner core team, Integrated Planning Finance (IPF), Operating Committee and Budget committee review the division wise budget.
- When, the review session is complete, Business partner accumulate and fill the feedback into company financials and divisional financials on the basis of major GL (General Ledger) code. Business partner shares the first draft, budgeted financial with respective CXO.
- After having the discussion with CXOs, Business partners receive their feedback and update the budget financial accordingly.

- Furthermore, Business partners present the updated financials to Management council (MC) and get their comments. Then, with the help of users, Business partner update all the feedback of MC.
- Before starting of the process, Axiata Business partner team issues Group Business Direction (GBD) and briefs the GDB to Robi business partner team.
- Robi Business Partner then presents the updated point to MC (Management Council) considering the GBD (Group Business Direction).
- Moreover, Axiata Business Partner team performs assessment of budgeted financials and shares the feedback. At the same time Robi Business Partner team accordingly prepares Group pack for submission.
- Then, Robi Business partner team submit 1st cut Business Plan (BP) to Axiata Group Business partner team.
- Robi business partner teams perform internal review with Axiata Business partner team to perform ‘high level’ 1st cut Budget review. In case of any required revision, the financials are updated accordingly and resubmitted to Axiata Group.
- Axiata SLT (Senior Leadership Team), Axiata Business team, MC (Management council) Members and Robi Persons attend a BP (Business Plan) forum with Axiata Group chairman to include his view.
- Then, Robi Business Partner team revises the business plan as per BP (Business plan) forum feedback and submits BP (Business Plan) point.
- Axiata team submits 1st cut budget to Axiata BOD (Board of Directors).

- Furthermore, BOD (Board of Director) conduct drawback with the collaboration of Axiata BP (Business Plan) team and SLT (Senior Leadership Team). Robi business partner team keeps the drawback.
- Robi Business Partner team prepares and submits revised 20XXF (11+1) – BP20XX+3 Consol pack or through Axiata Financial Model (AFM).
- Then, Robi Business Partner team submits first quarter (Q1) Preliminary OPEX budget for approval to Axiata team in advance. Axiata Team takes it and issues it accordingly after approval. As the yearly Business Plan (BP) gets approved in-between January and February, that’s why Q1 OPEX approval is required. If it is possible to get the Business Plan (BP) approved within December of the same year then this activity might not be required.
- On the other hand, the practice is not similar for CAPEX budget. In Robi, procurement cycle time for CAPEX is 06 to 09 months. So, the request for CAPEX budget approval starts considering the procurement cycle time for actual CAPEX implementation. For example, if the CAPEX that is planned for first quarter of next year, the budget for that CAPEX will be approved before 06 to 09 months from that timeline.
- Axiata team prepares Group Consol Pack and submits Axiata Board of Directors (BOD) deck or through Axiata Financial Model (AFM).
- Finally, Axiata & Robi Business Partner team and Axiata SLT (Senior Leadership Team) submits BOARD paper for Robi Board meeting for the approval of BP 20XX around the month of January to February each year. Then, Robi BOD (Board of Director) meeting takes place and approves the Business Plan.

6.5 Budget Format:

Robi Axiata use “Input Templates” to receive divisional inputs. They have their own format to getting all the data and information related to CAPEX and OPEX.

On the other hand, Robi use the software “SAP” which is only for the use of their internal employees. This software is rarely used in Bangladesh because very few organizations imply it. The usage of SAP is given below –

6.6 SAP:

SAP Stands for System, Application and Product. The software is user friendly and the feature includes –

- SAP software manages management tasks in modules that work together in one system by sharing information.
- Promoted consistent practice across an entire division.
- No duplicate data.
- Automate project monitoring, multi dimensional and flexible reporting.
- Standardization of business process.
- Make planning, scheduling, tracking and management easier leaving more time for value added work.
- Ability to provide clear cut job roles with authorization.
- Enabling integration with E-commerce.

6.7 Challenges:

During the Budget preparation period, Robi and Axiata Business partner faced some challenges before finalize it. These are given below –

- The users of the projects demand for large number of project accumulation.
- Matching the allocated Budget with Actual Budget allocation.
- Prioritizing the Budget from proposing Budgets.

- Justify the amount of a particular project.
- Monitor the approved projects with the completion of actual Project.
- The Business partners need to bargain with other divisions and department to reduce their proposed budget.
- During the meeting for Budget preparation, related parties challenge each other over mismatch data, unrealistic rate of return and error with proper rate of calculation.
- Negotiation with different division and departments for minimize the expenditure during budget preparation is common.
- Exception handing is also a challenge because based on Group direction or MC or CEO instruction, the process and timeline mentioned in the procedure may change.
- In-case any conflict between Robi Policies, LOA and this procedure, then Robi Policy LOA will stand.

6.8 Budgetary control as Internal Control Mechanism:

Budgetary control is an organized control of an organization's operation through targets and continuous comparison with actual result to give a base for future adjustment.

6.9 Importance of Budgetary Control:

Budget and Budgetary Control is highly important in this dynamic business environment. The usage of budgetary control system leads to accomplish activities into a professional manner. The importance of budgetary control is also having an impact on internal control mechanism. These are given below:

- It provides a benchmark for measuring and evaluating the performance of individual and the department.
- It reveals the deviations by comparing with budgeted figure to actual figure to management.
- It helps in the assessment of current trends and framing the future strategy

- It helps the principal of management by exception.
- It helps in effective utilization of resources like, men, assets and money
- It influences the feeling of cost consciousness among employees

6.10 Findings:

After knowing the full procedure of preparing any fiscal year's budget, I found it lengthy but effective. In every step, there is the need of approval and correction from top level to midlevel employees. Moreover, the bargaining session, challenging session and negotiation is also considering as healthy conflicts where both parties dissolve their problems with mutual understanding. The meetings they called during budget preparation are intending to make related parties aware about all the agendas of Budget including internal return, exceptions and changes. Therefore it is easy for everyone to clearly interpret the entire Budget. I found the only problem they discussed that sometime employees invited to attend the meeting, do not come. Others need to call them to come. So, I think it's actually delay the entire procedure and waste of time. If they are conscious about the importance of their presence then the meetings will be more fruitful with their participation.

Chapter 7: Recommendation

Robi is well organized and reputed telecom organization in Bangladesh, so it is very difficult to find pitfall to give any recommendation. After completing my three months of internship program at Robi, I found some area to **recommend** that can help a bit to sustain its progress.

These are given below –

- The employee's promotion continuation is very slow. Some employees complain that their current post is not upgrading over period of time because of internal issues. So, if the HR properly monitor and update the Replacement chart and Succession plan then their employees would be more satisfied.
- Robi provide transportation facilities to their permanent employees as they consider them the internal part of the organization but the contractual job holders and interns are also working for their betterment. So the contractual job holders and interns should be treated cordially and respectfully. If the both internal and external employees work with love toward the organization, then the organization will sustain.
- Robi should concentrate more on their quality improvement of network more than branding because if the core quality of product increase, the sales will increase.

Chapter 8: Conclusion

Robi Axiata is well recognized and renowned organization in telecommunication industry with leading share and profit margin. The success of Robi depends more on Finance division than any other division because this division ensure all success rate and important aspects on monetary term. Integrated planning finance (IPF) plays a vital role by making Budget, Budgetary Approval, Business case approval, Procurement approval and monitoring lease line activities. The Annual budget is started to prepare before the year start with almost twenty one steps. Several meetings called on every step of the procedure before the final approval of Business plan. Moreover, higher level and midlevel managements approach suggestion, opinion, challenges and correction during the meetings which add value to make the Budget more logical and effective. Then, the Budget is preparing through SAP that offered module system to share information for working altogether without duplication of data. With the use of this software, automatic monitoring, multi-dimensional and flexible reporting is way easy than any other tool. On the other hand, some challenges also faced by the Robi Business partner with the users including bargaining, prioritizing, selecting and increasing internal rate of return. Finally post Budget monitoring is another concern of IPF (Integrated planning Finance) that ensure accountability and sustainability.

Chapter 9: References

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Chapter 10: Appendix

List of Abbreviation:

- BOD - Board of Directors
- BP - Business Plan
- MC - Management Council
- CFO - Chief Financial Officer
- LOA-Limits of Authority
- AFM - Axiata Financial Model
- GBD - Group Business Direction
- IPF - Integrated Planning, Finance
- CRL - Corporate, Regulatory and Legal
- EPMO - Enterprise Program Management Office
- IA - Internal Audit
- MO - Market Operation
- PR - Purchase Requisition
- PO - Purchase Order
- QOP - Quarterly Operational Plan
- PM - Plant Maintained
- GR - Goods Reaccept
- OBI - Open Box Inspection
- PS - Project System
- GL - General Ledger
- SLT - Senior Leadership Team
- Group - Axiata Group
- ESLT - Extended Senior Leadership Team
- IRR - Internal Rate of Return
- LOA - Limits of Authority
- MC - Management Committee
- MOB - Market Operations Buying
- NPV - Net Present Value
- OPCOM - Operating Committee
- OPEX - Operating Expenditure
- PEC - Procurement Evaluation Committee