



INTERNSHIP REPORT

“Challenges and Opportunities of CNG Conversion business of Rahimafrooz Gastech Limited”

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Letter of Transmittal

September 16, 2012

Rahnuma Ahmed

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Subject: Submission of Internship Report.

Dear Madam,

I have prepared an Internship Report on “*Challenges and opportunities of CNG conversion business of Rahimafrooz Gastech Limited*” which I am submitting along with this letter. It was an energizing experience working under your supervision and preparing this report further enhanced my insight about how to prepare and write a report.

I am confident that this report will help you to understand the reason about my selection of the topic. I have tried my best to follow your guidelines in preparing this report. I have presented what I do believe to be most important information to make my report as specific & coherent as possible.

I hope that this report will fulfill your requirements. Thank you for your kind consideration and guidance. I hope my effort would satisfy you.

Sincerely yours

Fatema Tuz Zohora

ID# 08304059

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Acknowledgement

Acknowledgement is made to the courtesy of all who have kindly provided prints and given permission for reproduction of all the sources. Copyright materials are acknowledged at the reference list of the internship report.

My sincere thanks go to my supervisor Rahnuma Ahmed (Lecturer, BRAC Business School, BRAC University) for letting me choose this topic and providing with her guidance and support which bring out an outcome of this report. I appreciate her co-operation and sacrifice of valuable time.

I have many thanks to make. When preparing this paper, my respected supervisor Mr. MM Shahidul Islam Munir (Manager of Sales dept) provided proper guidance and invaluable comments on each of the sections of the report. He greatly improved the readability of the text. I would like to thank Mr. Nazmul Hassan (Former Coordinator of Sales dept.) and Mr. Khaled Shahriar (Senior Sales Officer of Sales dept.) for their unconditional help. I also would like to thank Mr. Reazul Islam (Senior Sales Officer of Navana CNG Ltd.) for his help. Last but not the least, I thank the Almighty for keeping me healthy and fit and enabling me to complete my report on time.

Whilst every effort has been made to trace the owners of copyright materials, in a few cases this has proved impossible and I take this opportunity to offer my apologies to any copyright holders whose rights I may have infringed.

Executive Summary

Rahimafrooz is one of the respected and reputed business houses in Bangladesh. Rahimafrooz was founded by Late A.C Abdur Rahim in the year of 1954. It consists of nine SBU's and several other affiliations. Rahimafrooz Gastech Ltd. (RAGT) is one of the main SBU's among them. RAGT started its activities in 2003 and its mission is to be the most admired and trusted organization, by excelling in everything we do, following ethical business practices and adding value to stakeholders. It offers comprehensive solution for vehicle conversion into CNG, CNG refueling stations, sales of station equipments, operation in oil and gas field industry and de-mineralized water. Now RAGT mainly serves customers through converting their vehicles into CNG system and providing them CNG into Quikfills which provides them an opportunity to use an eco-friendly as well as low-priced option as a fuel. To achieve the aim of RAGT is the mission of sales dept. This sales dept. involves with various activities and of all these activities, I had some specific responsibilities as an intern. My job responsibilities includes preparation of daily sales report, sending it to concerned persons, making booking for conversion, updating commissions, making follow up call, involving in sms campaign, preparing presentation for meetings and some other activities. Through this period, I have observed certain facts which can be considered as criticisms. Some suggestions I would like to provide after observing these facts in the sales dept. Faster work execution, more responsiveness of employees, filling up the recent vacant position to make effective work, more potential corporate visits and some other aspects should be implemented according to my suggestions. As the whole conversion business is facing many obstacles so it is very obvious that RAGT is not out of these obstacles. The major challenges the company faces now a days are – discouragement of Govt., CNG price hike, less supply of gas, car price hike, less opportunities for establishment of new gas stations and other challenges. Though they have challenges but still there are some opportunities. Regarding the challenges and opportunities of the sector, I have compared RAGT with competitor company Navana CNG Ltd. Though both the companies have different opinions, but in most cases they think alike. To revive the sector, I mentioned some of my recommendations in the report and I think the foremost role should be played by Govt. to get back the thriving sector.

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Introduction

Chapter 1

Introduction

1.1 Introduction:

Rahimafrooz, one of the leading companies states its voyage with an aim of ensuring affordable service to entire population of Bangladesh. The journey of rahimafrooz started from a single product (battery), but now it has become a giant company of diverse product manufacturing in 9 different SBU's at different location of Dhaka city. One of the main SBUs that earned Rahimafrooz such great name and business is the gas conversion of vehicles. The Rahimafrooz Gastech Ltd. (RAGT) was formerly known as Rahimafrooz CNG Ltd. In 2012, the company was rebranded as RAGT to widen its scope of serving more customers in the gas segment of Bangladesh. CNG Industry is one of the fastest growing sectors in Bangladesh. With this significant growth there are some areas of concerns for this industry as well as for all the stake holders which includes CNG refueling stations owners, CNG Conversion system Installers, CNG vehicles owners, users, Government and the most important the people working in this sector. Some of the important factors which contributed in the emergence of this thriving sector are international high prices of oil, indigenous resources of natural gas, environmental concerns and several other issues. Rahimafrooz Gastech Ltd as a non-Govt. organization has been contributing in this sector since in the year of 2003.

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1.2 Objective of the Project:

Objective of this report includes two types of objectives. They are broad objective and specific objectives. A broad objective and some specific objectives are included in this report. They are given below-

➤ **Broad Objective:**

The main objective of this report is to find out the challenges and opportunities of CNG conversion business of RAGT.

➤ **Specific Objectives:**

The specific objectives of this report are given below:

- ✓ To describe the information gathered from practical experience of working in Sales Department of RAGT
- ✓ To relate the practical knowledge with theoretical knowledge.
- ✓ To have a clear view of current scenario of CNG conversion business.
- ✓ To identify about the contribution of RAGT in this sector.
- ✓ To find out what kind of major challenges RAGT is facing and to identify their opportunities.
- ✓ To make a comparison about the challenges and opportunities with the competitor company Navana CNG Ltd.
- ✓ To make some suggestion regarding the issue.

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1.3 Methodology:

Methodology describes the manner in which data is collected, analyzed and interpreted. The data that will present in this research paper would collect from primary and secondary data source. The sources are mentioned below:

➤ **Primary Data Source**

In this report, the primary data source would be raw data gathering from own observation. The primary data source that will be used in this report is data obtained through practical involvement with job responsibilities.

➤ **Secondary Data Source**

Secondary data includes reviewing articles and internet for the completion of the organizational part. To give the report a better look, secondary data is also collected from different brochures, newspapers and consultation and some interview sessions.

1.4 Limitations:

For preparing this report some difficulties have been faced. These difficulties can be considered as limitations. The limitations are as following:

- ✓ **Time Limitation:** Due to time limitations many aspect may not be discussed properly in the report.
- ✓ **Unwillingness to Reveal Confidential Data:** The authority provided restriction to use some confidential organizational data. So confidentiality of data is another important barrier that had been faced during preparing the report.
- ✓ **Unavailability of Respective Persons:** Some secondary data have been collected from the managers and officials of the respective fields. They were busy with work or might be outside Dhaka city for official purpose. Therefore, it was difficult to collect information from them.
- ✓ **Stress Factors:** Preparing this report required lots of work. After doing fulltime office, it was tough to do the report. So work pressure posed stress. This would hinder the speed of working. So stress factor is one of the limitations.



Organizational Overview

Chapter 2

Organization Overview

2.1 Introduction:

Rahimafrooz Gastech Limited (RAGT) started its operation in the year 2003 from its inception it is in the business of setting up CNG Stations and establishing CNG Conversion Center and providing technical solutions to every sector relating to CNG. RAGT is leaded by a qualified Engineer Mr.Shahzad Akhtar who has enlarged RAGT with his experience of last 25 years in this industry.

Recently, the company has changed its name to Rahimafrooz Gastech Ltd (RAGT) from Rahimafrooz CNG Ltd. The primary reason of the name change is- the company does not want to confine in only CNG related business, rather they want to expand their business in other sectors. They have some new projects in their hand and they have already started their new segment which involves with Commercial Water from May, 2012. In order to maintain the “Rahimafrooz” tradition the focus is to provide an excellent workmanship with a quality product and service backup.

2.2 Background of Rahimafrooz Group (RA)

Rahimafrooz (RA) was established in 1954 as the exclusive dealers of Lucas Battery in the erstwhile East Pakistan. After the independence of Bangladesh in 1971, Rahimafrooz acquired ‘Lucas Service East-Pakistan Limited’, a manufacturing entity established in 1957 in Dhaka to manufacture lead-acid batteries. In the early 1980’s Rahimafrooz became exclusive dealers of Dunlop tires in Bangladesh, and since then have gradually increased their range of products and services aimed at the automotive market.

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Rahimafrooz is also acknowledged as the pioneer of the retail instant power supply business locally with the introduction of the “Rahimafrooz IPS” in the mid 1990’s. This product has remained the market leader since then.

Over the past five decades of its existence, Rahimafrooz has diversified into many industries, enriching each with its knowledge and expertise of professionalism and structured management with foresight. Rahimafrooz has endured turbulences of the last 50 years and has been able to transform itself from a small trading company into a leading diversified business house. This is, indeed, a milestone, which Rahimafrooz has achieved in past and present with trust, support and dedication of all its stakeholders and customers.

Today, Rahimafrooz has emerged as a respected national company by upholding high ideals and values, solemn integrity, honesty, excellence, service and innovation in all spheres of the company’s activities building on the already established foundation.

2.3 Business Domains:

Rahimafrooz (Bangladesh) Ltd. (RABL)

Rahimafrooz Bangladesh Ltd. (RABL) is the Group Parent Company that supports and guides the Strategic Business Units (SBU) from the Rahimafrooz Corporate Office (RACO). It ensures continuous management innovation, best utilization of technology, new initiatives, corporate governance and adoption of best global practices. The organisation comprises of the Group Board Office, Group Information Technology Centre (GITC), and the functional teams of Finance & Accounting, HR & Administration, Corporate Marketing, Group QMS and Compliance.

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Rahimafrooz Group's businesses are divided into the four broad segments that its companies operate in.

Storage Power:

Rahimafrooz Group is the largest manufacturer and exporter of automotive and industrial batteries in Bangladesh and has the largest battery export plant in South Asia.

➤ **Rahimafrooz Accumulators Ltd. (RAL)**

Rahimafrooz Group started manufacturing industrial batteries in 1991, in collaboration with Electra of Switzerland. Rahimafrooz Accumulators Ltd. (RAL) commenced operation from 2009, as a separate unit to cater to the growing needs of the local as well as international market. RAL produces and markets a wide range of industrial batteries which are used in telecommunication, power station, railways, electric vehicles, forklifts, ships, buoy lighting, UPS, inverter and solar power systems. RAL aspires to be the leading industrial battery manufacturer for traction, stationary, solar and VRLA batteries in the South Asia region.

➤ **Rahimafrooz Batteries Ltd. (RBL)**

Rahimafrooz Batteries Ltd. (RBL) is the largest lead-acid battery manufacturer in Bangladesh. RBL is the market leader at home and export endeavours to more than 44 countries around the world. It manufactures about 200 different varieties of batteries for automotive, motorcycle, IPS and other applications in its factory. Lucas and Spark are the leading names in the local automotive battery market.

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➤ **Rahimafrooz Globatt Ltd (RGL)**

Rahimafrooz Globatt Ltd (RGL) is the global wing of Rahimafrooz group. This state of the art Maintenance Free (MF) and Sealed Maintenance Free (SMF) battery manufacturing plant was established in the year 2009. With 2.5 million unit production capacity per year, RGL is the largest battery export plant in South Asia.

Energy:

Rahimafrooz Group has a significant presence in the energy sector of Bangladesh and offers a wide range of renewable and conventional energy solutions. Companies in this division are as follows:

➤ **Rahimafrooz Renewable Energy Ltd. (RREL)**

Transforming the lives of people and lighting up different corners of the country, Rahimafrooz Renewable Energy Ltd. (RREL) has been providing Solar Energy solutions for households, agriculture, healthcare, education, telecommunication, rural streets and marketplaces, as well as government and private institutions. RREL has lightened up more than 100,000 rural homes in Bangladesh and the Company is endeavoring to do much more in the future. RREL is also the pioneer in providing solar-hybrid solutions for Telecom Operators' BTS towers and solar powered irrigation systems in Bangladesh.

➤ **Rahimafrooz Energy Services Ltd (RESL)**

Rahimafrooz Energy Services Ltd. (RESL) was established in the year 2000 as a standby, captive and distributed power solution provider.. At present the number of RESL installed generators is more than 3000 (20 KVA to 1500 KVA). Its clients comprises of industrial plants, real estates, hospitals, educational institutions, telecoms, supermarkets, corporate houses, NGOs, embassies and various government establishments

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Retail:

Rahimafrooz Group introduced the first retail chain of superstores in Bangladesh and has played a major role in redefining everyday shopping. Companies in this division are as follows:

➤ **Rahimafrooz Superstores Ltd.:**

Rahimafrooz Superstores Ltd. (RSL) launched Agora the first ever retail chain in Bangladesh in 2001. Agora promises a valuable shopping experience that provides quality and fresh products at the right price

Automotive and Electronics:

Rahimafrooz Group markets and distributes various automotive after-market products such as automotive batteries, tyres and lubricant as well as electronics ranging from home appliances, power backup systems, lighting products, and electrical accessories. The Group is also one of the leading complete CNG solution providers in the country. Companies in this division are as follows:

➤ **Rahimafrooz Distribution Ltd. (RDL)**

Rahimafrooz Distribution Ltd. (RDL) is the distribution wing of the Group, having a present nationwide distribution network of 172 Dealers, 263 Retailers and 102 Lubricant Dealers and carrying over ten national and international brands. RDL's portfolio includes international tyre brands Dunlop, Kenda and Apollo while it also carries its own brand RZ Tyre and battery brands Globatt, Lucas and Spark. RDL is the exclusive franchisee of the world's leading lubricant brand Castrol. In addition; it also runs eight automobile service centres in Dhaka and Chittagong.

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➤ **Rahimafrooz Gastech Ltd. (RAGT)**

Rahimafrooz Gastech Ltd. (RAGT) is one of most important SBU of Rahimafrooz group. Involves in setting up CNG stations; facilitates establishing CNG conversion centers; converts automobiles into CNG and provides technical solution and support.

Other Ventures:

- ✓ Metronet
- ✓ RZ Power
- ✓ Core Knowledge Ltd (Core-K)
- ✓ Excel Resources Ltd. (ERL)

2.4 Rahimafrooz Gastech Limited (RAGT)

Rahimafrooz has been operating in Bangladesh for more than 50 years. RAGT is one of the main SBU' is a service industry through adaptation of modern technology and processes with a view to enhancing customer satisfaction. Its excellent customer service let it grab the attention of number of loyal customers. And all it make possible such excellent customer service is its efficient and dedicated employees and other internal stakeholders. In Rahimafrooz Conversion Center they have a team of technicians who are capable of handling skillfully the CNG Conversion of any kind of vehicle. Trained, qualified and experienced engineers monitor closely this team of technicians. In order to maintain the “Rahimafrooz” tradition the focus is to provide an excellent workmanship with a quality product and service backup.

RAGT acts as the agent for lo-gas srl in Bangladesh and supplies their equipment and machineries to prospective clients locally. RAGT is the pioneer in MSIS (Multi Point Sequential Injection System) CNG conversion in the country and the system is developed by this lo-gas srl. It involves in setting up CNG stations, establishing CNG conversion centers, conversion of automobiles into CNG and providing technical solution and

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support to every related sector. Moreover, the company has recently started their new segment- de-mineralized water. The company maintains three conversion centers in the area of Tejgaon, Mirpur and Dhanmondi as well as seven Quikfills in the country.

Values of RAGT:

- Integrity in all our dealings
- Excellence in everything we do
- Total commitment to customer satisfaction
- Thinking ahead and taking new initiative

Mission of RAGT

To be the most admired and trusted organization, by excelling in everything we do, following ethical business practices and adding value to stakeholders.

Vision of RAGT

The vision statement of Rahimafrooz is to be a leading clean fuel Company of Taka 100 crore, using innovative technologies and solutions, ensuring customer delight by self-enthused and empowered team.

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2.5 Products and Services of RAGT:

➤ CNG Conversion and Auto Services:

RAGT provides CNG conversion and auto services for all kinds of vehicles through four Conversions and Services Centers (CSC) in Dhaka and Chittagong. These centers also provide vehicle maintenance and repair services like fuel system servicing, engine maintenance, brake and suspension servicing, electrical work etc. It is the sole technical and commercial representative of *Lo.gas s.r.l.* of Italy. All CNG components are given full warranty with necessary post purchase technical support.

Rahimafrooz CNG has team of skilled and trained people who are capable of handling every type of CNG related issues and problems and of converting any kind of vehicle into CNG. Customers can convert their vehicles into CNG by either doing 1st generation or 5th generation (MSIS) conversion.

➤ CNG Sales:

RAGT manages Quikfill, the first ever chain of branded CNG refueling stations in Bangladesh. Quikfill is presently serving customers of Dhaka, Chittagong, Manikong, Tangail and other parts of Bangladesh. The total number of Quikfills is six.

➤ Station Equipment Sales:

RAGT serves its valued customers with the best quality CNG Station Equipments of European origin.

➤ Oil and Gas Field:

RAGT also operates in oil and gas field industry in collaboration with some internationally renowned manufacturer, supplier and contractor. The major areas of operations are- gas processing plants, strengthening gas pipe lines and gas transportation and distribution.

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➤ De-mineralized Water:

This water is a very new segment of the company. It has mainly launched for usages in lead acid batteries and industrial areas. This water's parameter complies with local as well as international standards which is tested and certified by icddr'b and RBL.

2.6 Departments and their activities

The management of RAGT consists of near about 50 employees who are actively working at different position. The departments and their activities of RAGT are summarized below.

A. Human Resource and Administrative Department:

HR or Administrative department is responsible for the human resource management and administrative works. The department works closely with the managers and managing director to ensure all compliance of all administrative policy matters at all levels and assists in ensuring operational consistency. HR department handles the following responsibilities.

- Execute all HRM matters including recruitment, placement ads, job descriptions, training, evaluation, discipline, dismissal, and promotional matters adhering to the company policy.
- Prepare any needed HRM forms with the management's guidance.
- Manage all the employee files and ensure timely reviews of all employees.
- Become involved in the interviewing of prospective employees.
- Become involved in the training of new employees and create training manuals together with the management.
- Manage and update all company documentation.
- Advise and monitor administrative work and administrative employees at the office prioritizing and organizing tasks.

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- Plan agendas, administer programs, and advice people on RAGT's current affairs through memos and meetings.
- Assist in developing a climate of enthusiasm, teamwork, and cooperation.
- Become familiar with the overall RAGT operation and get involved with the operational activities as required.

B. Sales Department:

- Find out the potential individual and corporate clients for RAGT. Follow up the contacts and negotiate as many corporate customers as possible.
- Manage customer database for RAGT and ensure that all customer inquiries and handled properly.
- Get and handle the queries arise by the customers.
- Identify the customers demand and take appropriate steps to fulfill them.
- Work in order to achieve the annual sales target as and when required.
- When marketing is needed, involve in campaign.

C. Finance & Accounting Department:

- Get involved in the current accounting processes of RAGT.
- Assist in creating a logistics plan for the cash handling at RAGT's conversion workshop.
- Get involved with the opened letters of credits and ensure proper posting of the activities.
- Assist in developing proper accounting system and internal control system of accounts at RAGT.
- Assist in preparation of accounting practices for the Accounts personnel working at RAGT and taking care off the company's accounts.
- Oversee the purchases, check and evaluate the bills and ensure payment to vendors.

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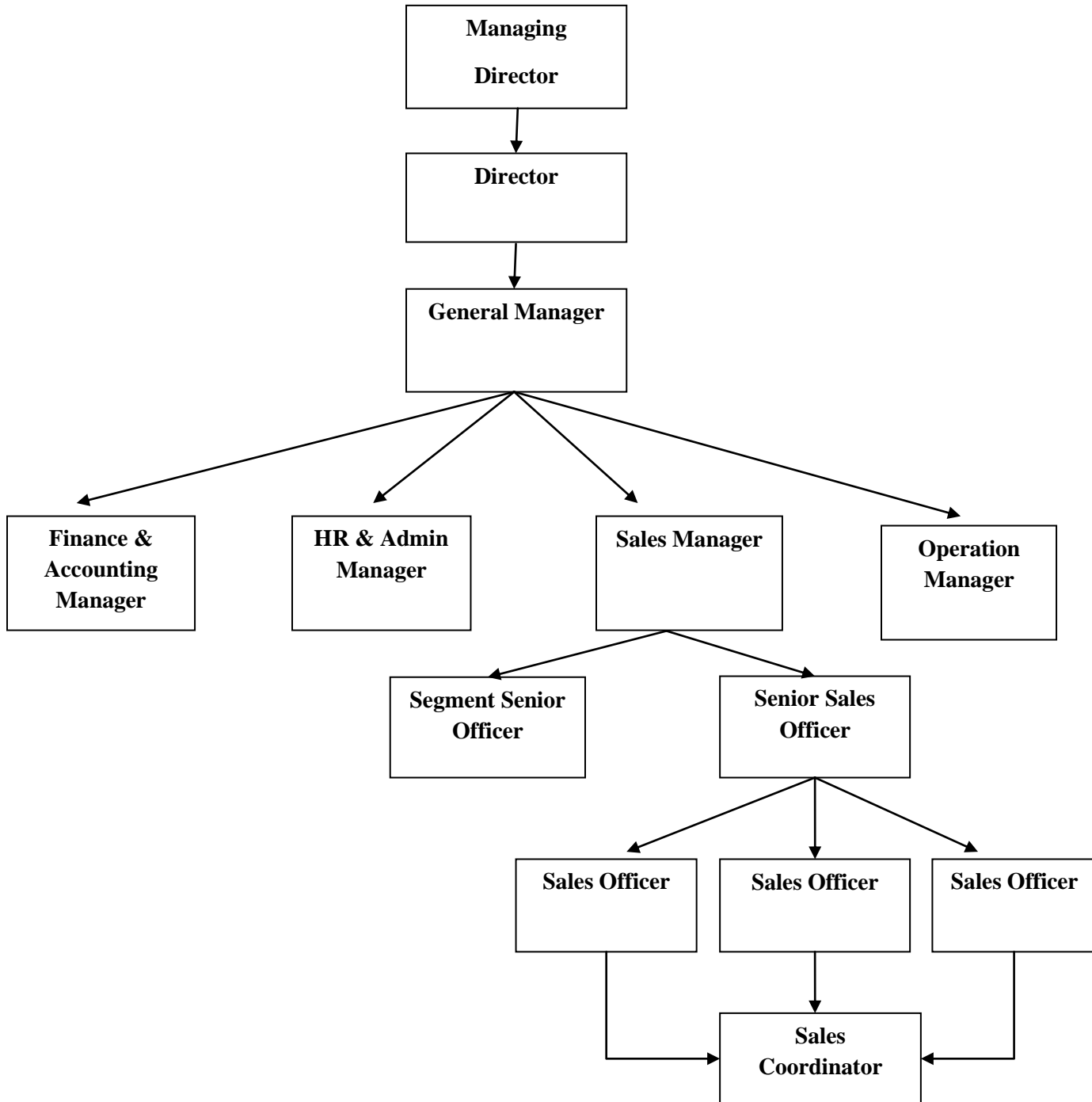
- Prepare daily sales report, monthly budget, profit and loss account, balance sheet and cash and fund flow.
- Handle monthly Bank reconciliation and handle correspondence with all applicable banks and financial institutions for all financial matters.
- Manage the monthly salary sheet preparation and salary disbursement.

D. Operation Department:

The operation department of RAGT is associated with the technicians and people working in the location of conversion workshop. The activities performed by them are discussed below.

- Help the customers with their questions and answer them cordially and satisfactorily.
- Take care off any customer service matter immediately.
- Convert vehicle into CNG system as per the way guided by the company.
- Observe the inventory levels of all products and inform manager about any requirements.

2.7 Operational Network Organogram





Job Description

Chapter 3

Job Description

3.1 Summary

At the end of BBA program students must have to accomplish an integrated course called internship that is relevant to academic purpose. The main objective of internship is to have practical experience of professional job relative to the student's major or minor concentrated area. During this internship period students have to work for any organization. It's like fulltime job. While working with organization students are given the opportunity to learn something about a particular department as well as make a contribution to the company by performing needed tasks. Often internees are paid for the time they work, in some instances, they are not. I did my internship in a leading organization "Rahimafrooz Gastech Ltd". I started my internship on 2nd June, 2012 and on finished the internship period on 1st of September, 2012. It was fulltime internship. I had to work from 9:30 am to 5:30 pm. The office was situated in 11, Mohakhali, Dhaka. As an intern I worked in the Sales Department.

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3.2 Description of the Job:

Making Sales Call:

The job actually begins with proper sales calls. Usually, sales people make calls to individual or corporate customers in order to make them take the CNG conversion service. From different car showrooms, they actually get know about the contacts of new car buyers.

Visiting Potential Customer:

Most of the time sales people visit various corporate offices. By visiting these offices several times, they get company's corporate customers.

Making Database:

Database of individual and corporate clients are created and maintained by sales coordinator of head office.

Updating Booking:

Any customer who wants CNG conversion in his vehicles, have to give booking in the first place. After making sales calls or visiting corporate offices, sales people generally take booking of customers according to their suitable time. There are some other customers who come by their ownelves. They give booking in head office or any conversion centers. In the head office, sales coordinator confirms all the bookings of any customers of any conversion centers.

Keeping Record of Conversion:

There are three CNG conversion centers- tejgaon, dhanmondi and mirpur. On the due date, CNG conversion is done with the supervision. Sales officer take the responsibility of the conversion of their clients. Then, sales coordinator keeps records of these conversions.

Following up:

Sales coordinator follows up by calling to the customers after few days of conversion.

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Approving Sales Commission:

Sales commission are given to the referee such as showroom officer, transport officer and driver who gives the contact information or give company's references to the sales officer. Sales coordinator actually approves these commissions by examining properly.

Updating MSIS:

Those sales officers can make MSIS, a new conversion system in customers' vehicles; they get incentives of Tk 7000. So, this should be tracked by Sales Coordinator.

Marketing:

Marketing or any promotional activities is also done by this sales dept.

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3.3 Specific Responsibilities of the Job:

As per the academic rule I must have to do three months internship. I did my internship in Rahimafrooz Gastech Ltd. During this internship period I used to work in the Sales Department of RAGT. I had some responsibilities related to Sales. The specific responsibilities of mine during this internship period are given below:

Preparation of Daily Sales Reports:

On the daily basis, I had to make report on- total number of conversion of cars including daily sales amount, total numbers of conversions of cars done by separate individual sales people including daily sales amount. I made these reports in the excel sheet.

Sending Reports to the Concerned Person:

After updating reports, I had to report it to Sales Manager and Director. Sometimes I sent reports to Finance officer.

Updating Booking:

I had to update booking in the RACNG booking software. This booking information can be seen by unit head of three conversion centers.

Make Approval of Sales Commission:

I had to use IMAS software to make approval of sales commission for individual sales people. In the software, I had to check the important information-sales amount, conversion date, vehicle number, service package. After checking all these, I had to make report, then get final approval of Sales Manager and finally sent to the Finance officer.

Updating MSIS Commission:

I had to check MSIS information in the IMAS software. After checking this, I had to make report, then got final approval of Sales Manager and finally sent to the Finance officer.

Involvement in Campaign:

For 20 days, I involved in sms campaign. By using software, I had to make message to around 9000 customers.

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Following up with Customers:

After conversion, I had to make calls to customers to know about his/her feedback about the conversion.

Updating Customer Database:

I had to maintain customer database in regular basis.

Preparing Presentation:

In weekly basis, I had to make presentation on CNG conversion of updates in PowerPoint.

Writing Meeting Minutes:

In meeting, I had to write meeting minutes and after completion of meeting, I had to send it to all the sales officer and Manager by e-mail.

Documentation:

In my dept., I kept all the documents properly by creating both hard and soft copy of a particular work papers.

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3.5 Critical Observations:

After completing the internship at Rahimafrooz Gastech Ltd and observing all the core activities of sales of Sales dept. of RAGT, it is a wonderful opportunity for the fresh graduate to have a practical experience. The work environment was very friendly. All the employees and colleges were very helpful. It was a pleasure to work with them. But as an employee of RAGT, I have observed certain facts which can be considered as problems or criticisms. The issues where RAGT faces problem are as follows:

➤ Slower Software Operation:

At present “IMAS” is used in the both Sales and Finance dept. The software contains all sales transaction which is quite confidential but its operation is very slow. It creates slowdown in the recording system and reporting to the other department as a result it affects the whole process of activities.

➤ Vacancy of Employment for Months:

There was a vacancy of employment for months which creates less effective completion of work. In sales dept., after resigning of an employee in the position of sales coordinator, the dept. did not involve in recruitment process. Absence of an expert as well as well-trained employee such him, the work process became slower.

➤ Fewer Corporate Visits:

Sales officers do not visit corporate offices properly. Their fewer visits become a hindrance to get potential clients.

➤ Slow Execution of Decision:

The implementation and complication of decision is very lengthy. If a decision is made, then for the approval it has to be signed by the managers of all department which is a very time consuming process because all the managers are not present in the office at a time and sometimes it take days to get signatures from all the managers. The approved

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copy then sent to the corporate office for further approval. Sometimes it takes months to get their consent on the implication of simple decision.

➤ Lack of Seriousness:

The employees are not as much of serious towards work because of the absence of motivation. The office environment is such that the enthusiasm towards work turned into disgust because the deserving people do not get rewarded or acknowledged and also they had to do those works which is not mentioned in their role definition.

➤ Absenteeism:

The greatest improvement needed in the employees' attendance. As they are less motivated and committed towards work they have a habit of being absent in the office one or two days of a week which cause great a deal of problems for the subordinates as they had to do work of that absent employees as well as theirs and this is also a very big reason behind de-motivation.

➤ Less Marketing:

The company has changed its name to RAGT from RACNG. Though it has been occurred in several months ago but still the logo of the company is still as same as before. Moreover, some problems occur with the name among customers because of less marketing of it.

➤ Career Advancement Opportunity in RAGT:

The employees of RAGT have a good career advancement opportunity since the company is committed in providing necessary facilities to the employees that help them in moving to the personal development. For example, the internal hiring through promotion is to give the opportunity to the best performer who is eager for the career progression, which in turn has a motivational effect also.

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3.5 Recommendations:

➤ Faster Work Execution:

To get proper success in any particular work, faster work execution is needed to a great extent. If the execution gets faster then it will be very profitable for the company.

➤ More Potential Corporate Visit:

Sales officer should visit more corporate offices to get the potential clients.

➤ Increase Response in E-mail:

To expect the work to be done in time and share information among all the employees, quick response towards the mail has to be increased and all the personnel should open the mail link the whole day and has to go through them often.

➤ Following of Company's Written Policy:

All the decision should be made based on the company policy. If that is done and problem occurs in the future then we can always depend on the company policy.

➤ Responsiveness:

If the employees find themselves more serious and focused towards work then it will be more profitable for them as well as for the organization.

➤ Update Software:

If the software is updated, the work can be completed in a faster way.

➤ Filling up Recent Vacancy:

The sales dept. should go for recruitment process for the vacancy position in order to make work effective.

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➤ **Revive The Reward System:**

For motivating and dedicating the employee more towards work the company has to revive its old tradition like declare the “employee of the month” or “employee of the year” which will give them encouragement and dedication towards work.

➤ **Discourage Absenteeism:**

For more business and improvement of the organization, absenteeism has to be strongly discouraged. if that is not seems to be happen then I think its effect should be directly fell into the salary like if they do not come into office without informing or leave early from the office then they will be deprived of salary of that particular day. If it happens, then employees will be aware and they will try to come and stay till the end of the office hour every day.

➤ **More Marketing:**

The company’s name has been changed few months ago, so it is important to do proper marketing. Immediately the company should create a new logo of the company.

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Findings & Analysis

Chapter 4

Findings & Analysis

4.1 Overview of the CNG industry

Compressed Natural gas (CNG) has become very popular in the country's transportation sector. A large number of the private cars have been converted to this fuel and other vehicles are also run by CNG. This trend could be no better in view of the multiple benefits of CNG from playing a role in import substitution of high priced fuel oils to saving of high per cent of the fuel costs of vehicle operators. CNG- operate motor vehicles are also environment-friendly to greater degree than those that run on fuel oils. Thus, this good trend needs to be more and more boosted.

The use of CNG is beneficial in every way. It is only natural and very rational that Bangladesh should make the most of its natural gas reserve. This is particularly significant when the import prices of petroleum products are rising in international markets. The country had to spend an extra half a billion dollars to import high priced fuel oil which is not acceptable.

The use of CNG is linked also to the establishment of infrastructures .CNG filling stations was not enough in number but from few years the stations establishments has been increased. The cars still have to make long queues because of rationing system of stations. A scramble was seen among car owners in Dhaka to take their cars to conversion workshops to use CNG from the year of 2006. CNG conversion workshops were getting ready to invest some 4.0 billion Takas in the CNG sector. But it is thought that the greater part of this amount could be spent on building CNG conversion workshops, not merely on filling stations. However, it was important that both should grow at the same pace to guard against mismatch in the hordes of newly converted transports to CNG not finding adequate number of filling stations to get serviced. CNG industry started its operation in the early 1980s in Bangladesh though it received good amount of exposure in the last

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seven years. The rise in oil prices and unavailability of oil were the major factors influencing the vehicle owner to convert their vehicle into CNG system.

4.1.1 History and Identification of the CNG Sector

In 1982 the Bangladesh Oil, Gas, & Mineral Corporation (“Petro Bangla”) first attempted to use CNG in petrol-run vehicles on 29 vehicles. Although these isolated trials served merely to demonstrate the viability of this energy source, popularity of CNG gained immensely a number of years ago, when the government decided to ban the noxious two-stroke three wheelers. 4 CNG stations were established and 1000 vehicles converted up to 1998. In 1999, four private companies obtained permission to set up about 5 stations each. The government also approved a foreign joint venture with RPGCL to set-up 51 stations wherever piped gas was available in early 2000 and another 6 was established in 2001.

Experts and economists predicted that Bangladesh having enormous potential in flourishing the sector with private sector participation. The potential market for NGV’s in Bangladesh include three-wheelers, private cars, taxicabs and public transport of varying sizes and capacities.

4.1.2 Current Market Scenario

The solid growth of the CNG sector in Bangladesh over the past few years till 2010 is a mere indication of a potential sector of our country because of the vast reserves of untapped natural gas and the country’s dependency on imported petroleum. The industry successfully achieved its target by helping the nation to save Tk.1700 crore from importing petroleum from abroad.

According to the RPGCL, at present the CNG industry of Bangladesh contains 552 CNG filling stations and 180 conversion workshops. Though it was a booming sector for our country but the current scenario has changed a lot. CNG conversion has been decreasing to the great extent. Customers prefer less to convert their vehicle due to some reasons.

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4.2 About CNG

Gas is a natural resource of energy, commonly used in residential, commercial and industrial sector. Compressed Natural Gas (CNG) is produced when the natural gas is compressed into cylinders to be used as a fuel in automobiles. Chemically, CNG is high-pressed methane (CH_4). No chemical changes take place after the natural gas is compressed and turned into CNG. Also it is not liquefied. The natural gas is made as CNG to preserve and carry large quantities of gas in cylinder. The compressed natural gas has been used as an automobile fuel since 1940 and over the years the technology has been modified and refined.

4.2.1 Background

Natural gas is only significant source of commercial energy in Bangladesh. Potential uses for natural gas in Bangladesh are compressed natural gas (CNG) for vehicles. Compressed Natural Gas (CNG) a popular form of high pressured natural gas, used as fuel for vehicles. In view of the present day extent of air pollution in the major cities of Bangladesh, CNG is considered as an ideal environment-friendly fuel, causing minimum pollution and Greenhouse effect compared to other conventional vehicular fuels.

CNG is produced by pressing natural gas at 3,000 psi pressure (conventional cooking gas is supplied at 25 psi pressure at the burner). Natural gas is usually transmitted by pipelines to refueling stations and compressed at a pressure of 3,000 psi with the help of specially installed compressors to enable it to be loaded as gas cylinders for vehicles. Vehicles that are equipped with appropriate fuel conversion kits and tanks (gas cylinder) can comfortably run on CNG. CNG is not a new fuel source and has been used in vehicles since the 1920's. CNG refueling stations are common in Italy where 240 stations are in operation with 300,000 cars running on CNG. In New Zealand about 250,000 cars have been converted to CNG in the last few years and there are about 250 CNG refueling stations in operation. Argentina has established major CNG program during the last few years and now has some 1,459,236 CNG vehicles. Other countries using CNG on a

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smaller scale are Thailand, Indonesia, Pakistan, India, U.S.A., Canada, France, United Kingdom, Netherlands etc.

4.2.2 Advantages of CNG

There are several advantages of using CNG as an alternative vehicle fuel:

1) The Environmentally Clean Advantage:

- ✓ The emissions of solid particles lower than emissions produced by engines.
- ✓ Motors powered by natural gas produce practically no smoke.
- ✓ The use of natural gas reduces other emissions, such as nitrogen oxides (NO_x) and carbon monoxide (CO).
- ✓ Carbon dioxide (greenhouse gas) emissions are reduced by 10-15 %.
- ✓ Fumes produced by natural gas engines contain no sulfur dioxide (SO₂).
- ✓ Natural gas cannot contaminate soil.

2) The Performance Advantage:

- ✓ Natural gas gives the same mileage as gasoline in a converted vehicle.
- ✓ Dedicated CNG engines are superior in performance to gasoline engines.
- ✓ It reduces noise in operation.

3) The Cost Advantage:

- ✓ Operational cost of CNG vehicles is lower than octane.
- ✓ The fuel cannot be stolen.

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4) The Safety Advantage:

- ✓ CNG has a specific gravity of 0.587. This means that it is lighter than air so if it leaks, it just rises up and dissipates into the atmosphere. On the ground other fuels will form a hazardous puddle on should a leak occur.
- ✓ CNG cylinders are designed and built with special materials to the highest safety specifications, which make storage far safer than petrol tanks.

4.2.3 Disadvantages of CNG

There are several disadvantages of using CNG as an alternative vehicle fuel:

1) Higher cost:

- ✓ The conversion of a vehicle to natural gas increases the price by the cost of installation and certification of an additional fuel system.

2) Deterioration of existing comfort

- ✓ The fuel system must be regularly inspected.
- ✓ The trunk or the interior space is reduced by the space necessary for the installation of Cylinder.

3) Operating disadvantages

- ✓ The total weight of a vehicle is increased, reducing the maximum load, due to the installation of the pressure tank holding the natural gas.

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4.3 Industry Players of CNG Conversion Business:

In this sector, there are numerous players involved in CNG conversion business. RAGT, Navana CNG Ltd, Southern, Intraco are the main players in the sector. Along these companies, there are other private and Govt. companies. The market share regarding conversion is given below:

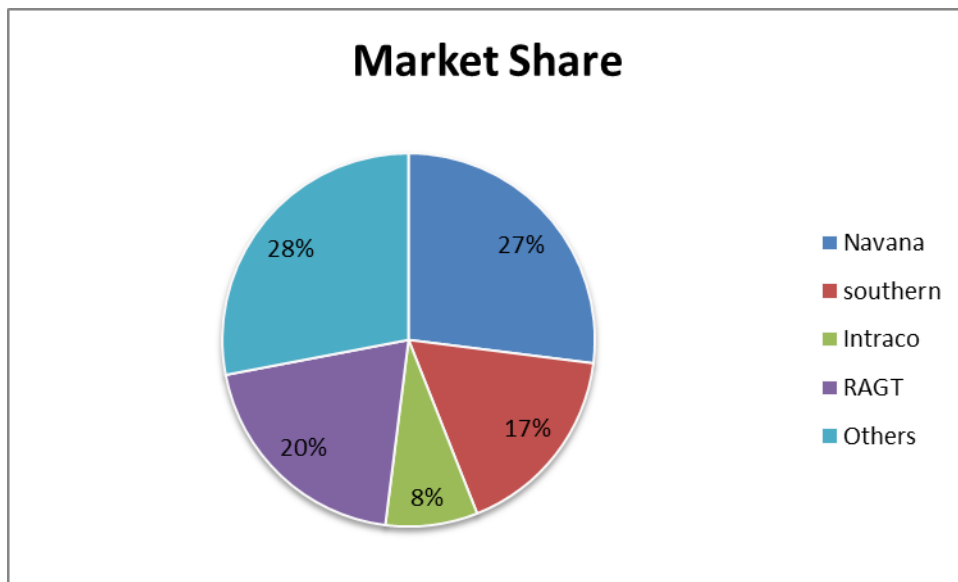


Fig: Market Share

In the chart, it is easily understandable that Navana CNG Ltd is the main player in the CNG conversion business. Then, RAGT plays second important role in the sector. Southern is also one of the key players as the difference of market share between this company and RAGT is very low in the industry. Then, Intraco covers some share of the market. Moreover, other private and Govt. has share in the market.

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4.4 SWOT analysis:

SWOT analysis is a technique used to map out the Strengths, Weaknesses, Opportunities and Threats of a situation. This simple but powerful exercise will help employers to develop a career strategy to build on your strengths and seize opportunities that they may otherwise have overlooked.

The SWOT analysis of RAGT's contribution regarding the CNG conversion business is conducted below:

Strengths	Weakness
<p>➤ Quality and Innovative Products: RAGT is the sole distributor of Lo-gas s.r.l, Italian brand. Italian kits are worldwide famous for its creative design and better performance. The company imports cylinders from Italy, Argentina, Brazil, and UAE, which are of New Zealand (the country is the authorized body to certify CNG cylinder) certified standards. Lo-gas brand produces 1st generation and 5th generation kits which helps smooth driving and less tuning after the vehicle is converted into CNG system. It is to be mentioned that RACNG is the only company that gives such services.</p>	<p>➤ Late Entry in the Market: RAGT entered into CNG market lately than its competitors. Hence it is still behind to attract highest customers.</p> <p>➤ Number of Outlets of Conversion Center: RAGT has only four conversion workshops in total which is located in Dhaka and Chittagong. The growth pattern of the industry shows companies who have more workshops for vehicle conversion are earning lucrative amount of revenues.</p>

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<ul style="list-style-type: none"> ➤ Safe Environment: RAGT ensures a safe environment in its conversion workshop where machineries are assembled properly. The technicians are well trained and dressed against any mishap to occur. ➤ Good Infrastructure: All the technical equipments are brought and set up by the expert engineers, which ensures a developed infrastructure. ➤ High Ethical Standard: RAGT maintains the ethics of conducting the business. It practices all the requirements imposed by government and RPGCL to maintain ethical business. The company pays regular tax to the government from the profit it makes. 	
Opportunities	Threats
<ul style="list-style-type: none"> ➤ Users Awareness: RAGT expects to serve the existing and potential customers of Rahimafrooz Group who has immense trust on the quality of services provided by the group to its valued customers. 	<ul style="list-style-type: none"> ➤ Un-organized Players: The industry has very good amount of un-organized players who are operating business unethically by not using standard kits and cylinders. They are also offering CNG services at a remarkable price reduction compare to the market leaders. Due to such variation the customers are getting

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<ul style="list-style-type: none"> ➤ Several Un-tapped Markets: The Company researched and identified that the demand of CNG services will be increased in the different sector and also regionally throughout the country. The chances of CNG usage will be ensured in the agriculture field, CNG run generator etc. ➤ Less No of Organized Players: Five to six companies are doing business in organized form. Hence RAGT can take the advantages of carrying an efficient team of technicians, structured management, and well-thought plans to capture the market. ➤ Environmental Concerns: The use of CNG in vehicles carries environmental benefits by emitting less quantity of pollutants as compare to any other conventional fuel. This concept can significantly change the people perception of usage of CNG services positively. 	<p>confused to whom to take the CNG services from. Again by providing poor quality of services and closing down business on a short term basis these companies are creating negative effect on the industry.</p> <ul style="list-style-type: none"> ➤ Less awareness on Safety issues related to Industry: The policy makers of CNG industry are not disclosing the safety issues required to follow by the companies doing business in the CNG sector of Bangladesh. Past result shows that few cylinder explosions have occurred due to use of oxygen cylinder instead of CNG cylinder. This type of incident not only created negative image of the industry but also discouraged people to take the CNG services. ➤ Misconceptions: Though CNG industry reached the growth stage still people posses' misconceptions about the type of services provided by the company. Some of the on going issues are loss of economic life of the engine, cylinder explosion, engine damage, power loss etc.
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4.5 Sales Condition of Industry:

As we know the performance of CNG conversion business is not satisfactory. By observing total conversion data from RPGCL, the view will be clearer. According to RPGCL data, in the FY '09-'10, the total conversion amount was 20488 and in the FY '10-'11, the amount decreased as turned into 11680. This decrease rate was also seen in the July '11 to March '12 as the amount had become 4031. The total conversion is given below by using chart-

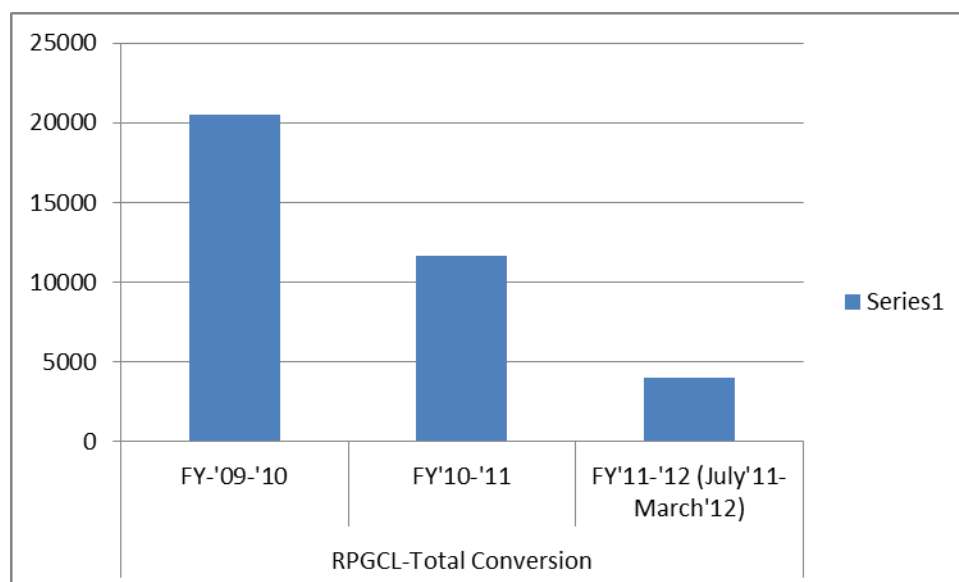


Fig: RPGCL-Total Conversion

From the chart, it is very much clear that the total conversion rate has been decreasing over years. The first fiscal year shows that the rate is around twenty thousand and again the amount becomes lower as the rate is around eleven thousand. The difference between these rates of two years is almost nine thousand. In addition, in the last fiscal year, the rate becomes lowest as it becomes around four thousand. It indicates -43% growths in the first two consecutive years as the conversion is decreasing. Then, the growth becomes -65% which indicates again demotion of this business.

4.5.1 Sales Condition of RAGT:

CNG conversion business was undoubtedly a booming sector of our country, but as time passes, the sector has become threatening. As the whole industry is facing various obstacles, so it certainly affects the regular sales of companies. RAGT is one of the strong players which have contributed from nine years with excellence in this sector. Like other companies, RAGT is also observing demotion in its sales. Conversion sales of six fiscal years of RAGT are given below-

Year Wise Sales (RAGT)	
Year	Conversion
2006-2007	3020
2007-2008	3091
2008-2009	3043
2009-2010	3201
2010-2011	2358
2011-2012	1328

Fig: Year Wise Sales (RAGT) in Table

In this table, it is very much clear that sales have been decreasing in RAGT. In the Fiscal year 2006 to 2010, the conversion rate is upwarding. From the next year, the sales are in a decreasing mode as it becomes 2358 from 3201 and after that it again becomes 1328. So, it can be said that sales growth has been negatively changed in 64% rate.

To understand easily, the chart of year wise conversion of RAGT is given below -



Fig: Year Wise Sales (RAGT) in Chart

From the chart, we can say that in the beginning sales of RAGT were in a very good condition. From FY 2006-07 to 2008-2009, the sales were in an increasing rate which indicates a very good prospect for the business. On the other hand, at a glance we can understand that from the FY 2009-10 to 2011-12, the sales are downwarding.

4.5.2 Comparison of sales with Navana CNG Ltd.:

Though Navana CNG Ltd. is a market leader this company is also experiencing reduction in sales. In the fiscal year of 2010-11, the sales of this company are- 3568 and in 2011-2012, the sales became 2689 whereas the sales of RAGT are 2358 and 1328 respectively. The comparison between two companies regarding the sales of last two years is given below-

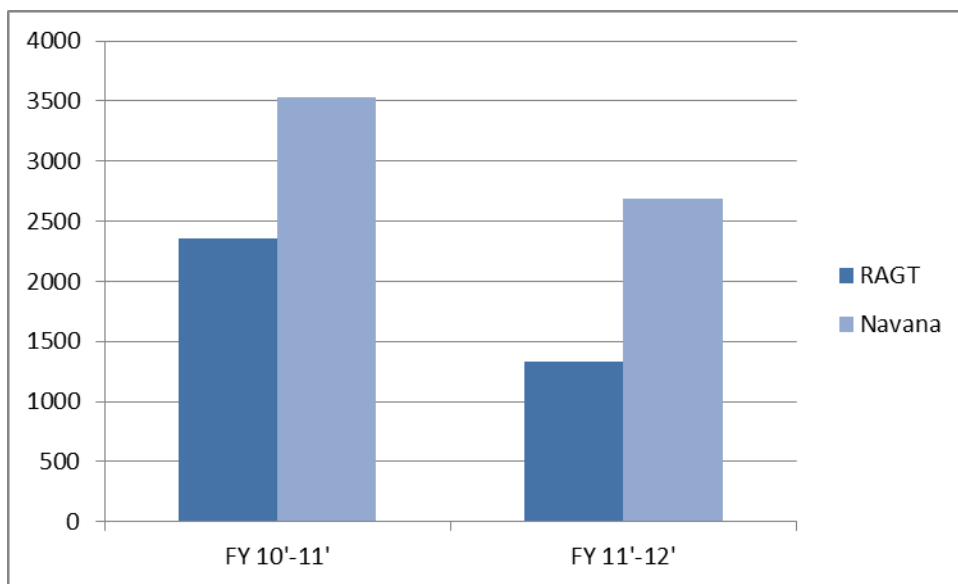


Fig: Comparison of Sales between RAGT & Navana CNG Ltd., FY 10'-11' & FY 11'-12'

From the chart, we can say, Navana CNG Ltd. has the highest sales of conversion in both years. Moreover, in two years, sales are in a decreasing rate in both companies. In addition, in FY 11'-12', the sales of RAGT became half of Navana CNG Ltd.'s sales.

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4.5.3 Sales Growth:

To understand the industry's main company's sales condition, it is very important to know the growth. The growth analysis of different companies which I got from RPGCL are given below-

RPGCL - Growth Analysis								
Months	Navana		Southern		Intraco		RAGT	
	Conv.	Growth	Conv.	Growth	Conv.	Growth	Conv.	Growth
July'10	81	0%	266	0%	170	0%	127	0%
Aug'10	411	407%	264	-1%	142	-16%	109	-14%
Sep'10	351	-15%	183	-31%	88	-38%	28	-74%
Oct.'10	404	15%	218	19%	97	10%	200	614%
Nov.'10	315	-22%	154	-29%	78	-20%	106	-47%
Dec.'10	321	2%	172	12%	96	23%	131	24%
Jan'11	300	-7%	200	16%	131	36%	127	-3%
Feb'11	293	-2%	166	-17%	105	-20%	103	-19%
March'1	249	-15%	156	-6%	102	-3%	172	67%
April'11	323	30%	182	17%	47	-54%	194	13%
May'11	292	-10%	180	-1%	0	-100%	198	2%
June'11	228	-22%	140	-22%	102	#DIV/0!	184	-7%

Fig: RPGCL - Growth Analysis (2010-2011)

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In the table, we can see that every company's sales growth is negatively changed in the year of 2010 to 2011. Here, Navana CNG Ltd. is the highest CNG converter company. It is unfortunate that the sales growth has become very low as they converted 228 vehicles in the last month whereas in the beginning 411 vehicles are converted. Southern has 22% growth which is also negative like Navana CNG Ltd. Then, Intraco started well, but the growth has become lowest. RAGT converted 127 vehicles in the beginning and in the end it turned into 187 which indicate less negative growth.

RPGCL - Growth Analysis								
Months	Navana		Southern		Intraco		RAGT	
	Conv.	Growth	Conv.	Growth	Conv.	Growth	Conv.	Growth
July'11	187	-18%	123	-12%	56	-45%	152	-17%
Aug.'11	166	-11%	121	-2%	78	39%	146	-4%
Sep'11	149	-10%	108	-11%	43	-45%	100	-32%
Oct.'11	223	50%	106	-2%	73	70%	110	10%
Nov.'11	113	-49%	47	-56%	41	-44%	63	-68%
Dec.'11	131	16%	69	47%	55	34%	86	37%
Jan.'12	136	-6%	113	64%	42	-24%	102	19%
Feb.'12	122	-10%	94	-17%	20	-52%	99	-3%

Fig: RPGCL - Growth Analysis (July '11-Jan '12)

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In the table, we can see that sales growth is again negatively changed from July '11 to March '12. Here, Navana CNG Ltd.'s sales growth has become low as they converted vehicles 122 in the end whereas in the beginning 187 vehicles are converted. Southern and Intraco has 17% and 52% growth respectively which is also negative. RAGT converted 152 vehicles in the beginning and in the end it turned into 128 which also indicate negative sales growth.

4.6 Challenges of Conversion Business:

RAGT, one of the leading companies of the industry is facing many challenges to running business. Since the whole industry is facing obstacles, so there are almost same challenges of every company. Here, RAGT's challenges as well as RAGT's comparisons with Navana CNG Ltd. regarding the issue are as follows:

➤ CNG Price Hike:

Rising price of CNG is one of the major challenges in the industry. In 2002, when the natural gas was introduced as an alternative fuel in the country, its price was Tk 7.45 per cubic metre. In 2004, the price became Tk 8.5 and in 2008, the price became doubled as the amount was Tk 16.75. The price rose by Tk 13 in two phases again, taking effect on May and September of last year and currently the price of CNG is Tk 30 per cubic metre from 25. This gradual price hike creates negative effect on consumer's mind that's why they lost their interest to consume CNG. This price hike has become a hindrance for RAGT as their business is affected by this. Other competitors like Navana CNG Ltd. also agree with this point of view of RAGT.

➤ Govt. Discouraging the Sector:

Earlier, Govt. was continuously encouraging the CNG conversion by saying that conversion makes vehicles eco-friendly and it also saves money because of the cheap alternative fuel. Unfortunately the scenario has changed entirely. Now, Govt. discourages the sector to the great extent because of various reasons. Both RAGT and Navana CNG

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Ltd. considers this issue as the greatest challenge of all as it is not possible to revive the sector without the support of a strong power, the Govt. of our country.

➤ Less Opportunity for Establishing New Gas Station:

Presently, it is very difficult to establish new gas stations in the country. As Govt. discourages the sector, so this is obvious that there is less opportunity for the establishment of new gas stations. To run business, RAGT considers it as one of the major obstacles. On the other hand, according to Navana CNG Ltd, it is truly an obstacle but not main one.

➤ Less Price Difference Between of CNG and Diesel:

There were huge difference between diesel and CNG price. It was seen that most of the bus, truck owners chose CNG as a fuel because of its cheap price. It was a saving of a great deal of money for them but now the opportunity has become upside down as the difference has been decreased. RAGT considers this is one of the major challenges of all. Navana CNG Ltd. is having problem because of the issue.

➤ Less Money Savings:

Years ago, there was a great opportunity for saving money in the sector as CNG price was the cheapest fuel choice for all. CNG price was in the range of 8-16tk whereas the other fuels price were of high ranges. At the present, the situation changes because the price difference is decreasing. Both companies consider it as a moderate problem.

➤ Less Supply of Gas:

Less gas supply is one of the major causes for failing of this sector. If there is adequate gas supply, then there will be no problems at all. Both companies consider it as one the main problems in the sector.

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➤ Rise in Car Price:

CNG conversion has been decreased because the price of car is getting higher day by day. People who are going to buy a car, they have to pay double price on car compared to the previous price. As car price has been increased, some class of people can't afford to buy these high price cars. The reason why the price increases is more duty on imported cars. So, the sales of cars have been declined and so does conversion. According to Navana, it creates much problem whereas RAGT does not consider it as very big issue.

➤ Discouraging Car Loan:

Usually middle class people make car purchasing decision when they get themselves involved in car loan. Previously – buyer had to pay 30 % of total car price by themselves while taking loan. So, it was quite easy for them to make purchase decision. On the other hand, the ratio has been changed now. Now buyers have to contribute in the half of the total car price which discourages car buyers.

➤ Gas Rationing System:

It has become another problem for all the CNG users. Most of the time vehicles are in a long queue when they come to take CNG in their vehicle. As CNG is available for few hours only, it is so obvious that cars have to wait in a long queue for hours. Though it is a threat, but according to RAGT and Navana CNG Ltd. it does not create that much negative influence on CNG usage.

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4.6 Opportunities of Conversion Business:

RAGT's opportunities as well as RAGT's comparisons with Navana CNG Ltd. regarding the issue are as follows:

➤ Constant Eco-friendly Fuel System:

CNG vehicles were always an eco-friendly fuel transportation option. If we want to keep our environment pollution free, then it can be a great solution. Therefore, we can say, the demand can be low now, but the demand can't be diminished totally. RAGT strongly believes that the sector will not be diminished because of this aspect. Navana CNG Ltd. considers it in a same way.

➤ Increasing Kits Sales:

Kits sales can be a good prospect in this fragile circumstance. The vehicles which are already CNG converted, it needs continuous maintenance. So, to give maintenance facilities, companies can increase kits sales. According to RAGT and Navana CNG Ltd., more sales of kits can be a good opportunity.

➤ More Gas Wells Exploration:

Gas wells exploration can be an opportunity for the sector. BAPEX discovered two gas fields- Sundalpur in August, 2011 and Srikail July, 2012. In Kailashtila, a new gas layer is also found few months ago.

➤ Govt. Encouraging Gas Exploration:

Though Govt. encourages these gas explorations to some extent, it can be an opportunity for the sector. Govt. encourages foreign companies to support in the exploration. Both the companies consider it as a moderate prospect in the present situation.

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Recommendations & Conclusion

Chapter 5

Recommendations

1. High Involvement of Government:

The foremost role should be played by Govt.in order to revive the CNG conversion business. Without the utmost support of Govt., it is not actually possible to ensure the business more profitable as all the companies in this sector is expecting some encouraging initiatives by Govt.

2. Discontinuing of CNG Price Hike:

Price of CNG should not be increased more as by this time the price has been increased a lot. Due to this increased price, the difference becomes lower between CNG and other fuel which demotivates vehicle users to convert into CNG. Therefore, it will be one of the major footsteps.

3. Making Rational Price of Car:

Car price has been increased due to rise of duty for imported cars. It is very obvious that now consumers have less interest for these high priced cars. For this reason, the duty should be lessened.

4. Ease in Car Loan:

If the car loan can be taken with ease, consumers will afford a great number of cars which will increase the car in the market.

5. Encouraging CNG as a Fuel to Reducing Vehicle Fair:

Public faces problem in giving much vehicle fair than previous years and day by day it is increasing to the great extent. This unfair vehicle fair has been launched due to

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more usages of other high priced fuels. If CNG can be used more as before, then the problem can be solved.

6. Increasing Road Network:

It is said that Govt. discourages the CNG to lessen the traffic jam in the roads. Therefore, if the Govt. constructs more roads and flyovers, then the sector can be flourished with the support of Govt.

7. More Exploration in Gas Wells:

If Govt. gives more attention in the exploration in gas wells, the supply of gas will be increased. Therefore, the sector can be flourished again in the future.

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Conclusion:

RAGT was formed with a primary focus on CNG related products and services. It established itself as one of the top key players in our country by providing excellent CNG conversion facility to the vehicle owners. Though it was a thriving sector years ago, in the present time the industry scenario has been changed a lot. Now a day, like other companies of the industry, RAGT is facing various kinds of challenges or obstacles which need to be solved as soon as possible. The sector can be flourished again with the utmost support of Govt. Therefore, the positive attitude of Govt. is expected by not only RAGT, but also other companies in the industry.

Attachments and References:

I. Website Links:

- ✓ <http://www.Rahimafrooz.com>
- ✓ <http://en.wikipedia.org/wiki/Rahimafrooz>
- ✓ <http://www.naturalgasglobal.com/?p=2521>
- ✓ <http://news.priyo.com/business/2011/08/02/some-57-cng-filling-station-ow-33439.html>
- ✓ http://www.rpgcl.org.bd/exp_act.php?ltype=exp_glance
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II. Book:

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Appendix:

Two questionnaires are prepared by me and the papers are filled up by the Sales Manager of RAGT and Senior Sales Officer. The questionnaires are attached in the next page as an appendix.

Topic: Research on the CNG conversion business

Your responses will be of great help in accomplishing the study. However this information is for academic purposes only. This survey is filled by Rahimafrooz Gastech Ltd. (RAGT).

1. According to you which of the following are major challenges of CNG conversion business? Please choose your answer according to the degree of agreement.					
2. For the following questions, please tick (✓) your answer according to the degree of agreement. [1= Strongly disagree, 2= Moderately disagree, 3= Neutral, 4= Moderately agree, 5= Strongly agree]					
	Strongly disagree	Moderately disagree	Neutral	Moderately agree	Strongly agree
CNG Price Hike	1	2	3	✓4	5
Govt. discouraging the sector	1	2	3	4	✓5
Less opportunity for establishing new gas station	1	2	3	4	✓5
Less difference between the price of CNG and diesel	1	2	3	4	✓5
Less money savings	1	2	3	✓4	5
Less supply of gas	1	2	3	4	✓5
Rise in car price	1	2	3	✓4	5
Discouraging car loan	1	2	3	✓4	5
Gas rationing system	1	2	3	✓4	5
Other challenges (If any)	1	2	3	4	5

Internship Report

1. According to you which of the following are the opportunities of CNG conversion business? Please choose your answer according to the degree of agreement.					
	Strongly disagree	Moderately disagree	Neutral	Moderately agree	Strongly agree
Constant eco-friendly fuel system	1	2	3	4	5 ✓
Increasing kits sales	1	2	3	✓ 4	5
More gas wells exploration	1	2	3	✓ 4	5
Govt. encouraging gas exploration	1	2	3	✓ 4	5
Other opportunities (If any)	1	2	3	4	5

Topic: Research on the CNG conversion business

Your responses will be of great help in accomplishing the study. However this information is for academic purposes only. This survey is filled by Navana CNG Ltd.

1. According to you which of the following are major challenges of CNG conversion business? Please choose your answer according to the degree of agreement.					
2. For the following questions, please tick (✓) your answer according to the degree of agreement. [1= Strongly disagree, 2= Moderately disagree, 3= Neutral, 4= Moderately agree, 5= Strongly agree]					
	Strongly disagree	Moderately disagree	Neutral	Moderately agree	Strongly agree
CNG Price Hike	1	2	3	✓ 4	5
Govt. discouraging the sector	1	2	3	4	✓ 5
Less opportunity for establishing new gas station	1	2	3	✓ 4	5
Less difference between the price of CNG and diesel	1	2	3	4	✓ 5
Less money savings	1	2	3	✓ 4	5
Less supply of gas	1	2	3	4	✓ 5
Rise in car price	1	2	3	4	✓ 5
Discouraging car loan	1	2	3	✓ 4	5
Gas rationing system	1	2	3	✓ 4	5
Other challenges (If any)	1	2	3	4	5

Internship Report

1. According to you which of the following are the opportunities of CNG conversion business? Please choose your answer according to the degree of agreement.					
	Strongly disagree	Moderately disagree	Neutral	Moderately agree	Strongly agree
Constant eco-friendly fuel system	1	2	3	4	5 ✓
Increasing kits sales	1	2	3	✓ 4	5
More gas wells exploration	1	2	3	✓ 4	5
Govt. encouraging gas exploration	1	2	3	✓ 4	5
Other opportunities (If any)	1	2	3	4	5