Internship Report

On

"UPGRADE OF PAYMENT STRUCTURE"

BUS 400
Internship Report on
"Upgrade of Payment Structure" of
Robi Axiata Limited

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Letter of Transmittal

September 1, 2016

Riyashad Ahmed

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Subject: **Submission of Internship Report.**

Dear Sir,

With due respect and honor I would like to inform you that I have successfully completed my internship program, BUS 400 course in requirement of BBA program of BRAC Business School, BRAC University.

I have prepared my internship report on "Up-Grade of Payment Structure" of Robi Axiata Limited. I have tried my best to prepare a constructive, informative and educative report with all the available data and materials and put a great effort to follow all the required guidelines while preparing the paper.

I therefore hope that the report I am submitting would fulfill your expectations and requirements. I also would like to express my deep gratitude for your constant guidance and help.

Sincerely Yours,

Nafisa Nawal Hossain

Student ID: 12104253

BRAC Business School

BRAC University

Acknowledgement

Successfully completing the internship and writing a report on that has not been an effortless task. It would never been possible without the help and supports of few individuals and an organization. I would like to convey my sincere gratitude to all of them. At the very first I would like to thank Almighty ALLAH for giving me the diligence and to my beloved Parents for their constant love, supports and care. Without their help I could never complete the task. Also I would like express my deepest appreciation to my university internship supervisor and an honorable Mr. Riyashad Ahmed (Assistant Professor, BRAC Business School, BRAC University, who continually guided and supported. I would like to thank him for being so helpful and cooperative all the time.

I would like to express my special gratitude and thanks to my onsite supervisor Mr. Md. Mahabub Ali Sikder (Manager, Finance Division, Robi Axiata Limited), and Mr. Neaz Nasir Chowdhry (Specialist, Treasury – Corporate Finance, Finance Division, Robi Axiata Limited) who despite being busy with their duties took the time to help me, guide me. Their immense cooperation made it possible for me to complete my internship. I would also like to pay my gratefulness to my onsite line manager Mr. Mohammad Moin Uddin Riad ACA (General Manager, Treasury – Corporate Finance, Finance Division, Robi Axiata Limited) and Mr. Ala Uddin FCA (Vise President, Head of Corporate Finance, Finance Division, Robi Axiata Limited) for their precious and careful guidance which were extremely valuable for my study both theoretically and practically. Furthermore I would like to thank Ms. Sreyaa Hossain (Management Trainee, Treasury – Corporate Finance, Finance Division, Robi Axiata Limited) for always being there whenever I needed any help. Additionally I am highly indebted to Robi Axiata Limited for giving me this wonderful opportunity to work with its "Treasury Team of Corporate Finance Department – Finish Division)." For me it was indeed a great chance for learning and professional development. Lastly my thanks and deepest appreciation goes to BRAC Business School, BRAC University because of which I am successfully completing my bachelor's degree, Bachelor of Business Administration.

Table of Contents

Figures and Tables

List of Abbreviations:

SAP	Systems, Applications, Products
BOQ	Bill of Quantity
RACI	Responsible, Accountable, Consulted, Informed
PAT	Pre Acceptance Testing
UAT	User Acceptance Testing
KPI	Key Performance Indicator
GL	General Ledger
PS	Project System
PM	Plant Maintenance
MM	Materials Management
WM	Warehouse Management
IM	Investment Management
ERP	Enterprise Resource Planning
EP	Enterprise Portal
GRC	Governance, Risk, and Compliance
PI	Process Integration
IDOC	Intermediate Document
DOA	Delegation of Authority
T-Code	Transaction Code
VAT	Value Added Tax
LOC	Letter of Credit
SCB	Standard Charted Bank
HSBC	Hong Kong and Shanghai Banking Corporation
EBL	Letter of Credit
PR	Product Requisition
SCM	Supply Chain Management

PO	Purchase Order
BOQ	Bill of Quantity
OSS	One Stop Service
WCC	Work Completion Certificate
CFO	Chief Financial Officer
CTO	Chief Technology Officer
COO	Chief Operating Officer
CHRO	Chief Human Resource Officer
CCPO	Chief Corporate and People Officer
CMO	Chief Marketing Officer
EVP	Executive Vice President
BOD	Board of Directors
VAS	Value Added Service
VAT	Value Added Tax
GM	General Manage

Executive Summary

As a subsidiary of Axiata Berhad Malaysia, Robi provides top edge telecommunication service in Bangladesh while covering almost 100% of the county population, Robi is committed to provide best data, best voice quality and best customer care service across the entire country ensuring that its customers are able to enjoy the best experience through leading edge technology and innovative products and services. I am privileged to get the opportunity to work with the Treasury Team of Corporate Finance Department – Finance Division of Robi Axiata Limited. This internship report includes a brief over view of the organization Robi Axiata Limited, my learnings and on-site job responsibilities and most importantly a discussion about the "up-grade of payment structure" which is the fundamental topic of this report. As the payment structure of Robi Axiata Limited is supported by SAP software system, a large part of this report is covered by the discussion about SAP, its technical requirements for up-gradation, how it is now and how it will be after the up-gradation, comparison of these two etc. It is to be noted that the software system or the payment structure has not been upgraded yet. It is expected that within a short amount of time Robi would be using upgraded payment structure. Finally this report ends with few suggestions which could help the Treasury Unit of Robi Axiata.

Origin of the Report

This report is a requirement of BBA curriculum of BRAC Business School, BRAC University. This internship report is prepared after the successful completion of BUS 400 course which has been a three month long internship program in Robi Axiata Limited. In Robi Axiata Limited I worked with the Treasury Team of Corporate Finance Department and prepared the report on "Upgrade of Payment Structure". The whole internship program has been an amazing opportunity for me which helped me to gain experience, develop skill and get to know corporate environment. The internship report has also helped me to learn about a completely new aspect of financial activities. This report contains different facets of SAP system, while researching those I came to learn how a software system can make financial activities more effective, more efficient and can be a competitive advantage for an organization.

Chapter 01

Organization Part

1.1 Overview of Company

Robi Axiata Limited is one of the most dominant telecom operators in Bangladesh. It is the most dynamic and rapidly-growing telecommunications company in the country. Robi Axiata is continually developing its services to meet increasing customer needs - ranging from voice and high speed Internet services to tailor-made telecommunications solutions. Robi is a joint venture company between Axiata Group Berhad of Malaysia and NTT DOCOMO, INC. of Japan. It commenced operation in 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.

Robi draws from the international expertise of Axiata and NTT DOCOMO, INC. Services support 2G and 3.5G voice, CAMEL Phase II & III and 3.5G Data/GPRS/EDGE service with high speed internet connectivity. Its GSM service is based on a robust network architecture and cutting edge technology. The company has the widest International Roaming coverage in Bangladesh connecting 600 operators across more than 200 countries. Robi's customer centric solution includes value added services (VAS), quality customer care, digital network security and flexible tariffs.

(Company Profile of, 2016)

Figure 1: Axiata and NTT Docomo Logos

1.2 History

Robi Axiata Limited started as a joint venture company between Telekom Malaysia and AK Khan and Company. It was formerly known as Telekom Malaysia International (Bangladesh) which commenced operations in Bangladesh in 1997 with the brand name Aktel. In 2008, AK Khan and Company exited the business by selling its 30% stake to Japan's NTT Docomo for US$350 million. On March 28, 2010, the service name was rebranded as Robi which means Sun in Bengali. It also took the logo of parent company Axiata Group which itself also went through a major rebranding in 2009. In 2013, after five years of presence, Docomo reduced its ownership to 8% for Axiata to take 92%. On 28 January 2016, it was announced that Robi Axiata and Airtel Bangladesh would merge within 2016. The combined entity will be called Robi, to serve about 40 million subscribers combined by both networks. Axiata Group will own 68.3% share, while Bharti Group will own 25%. The remaining shares will be owned by NTT Docomo.

(Wikipedia, Robi)

Figure 2: AKTEL became ROBI

1.3 Shareholdings

Robi Axiata Limited is a Joint Venture company between Axiata Group Berhad which holds 91.59% of the total share and NTT DOCOMO holds 8.41% of total share.
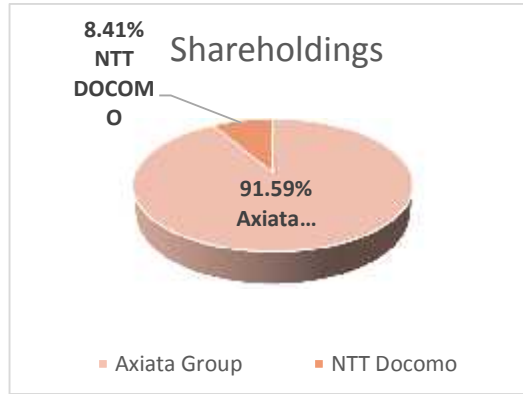
Figure 3: Percentage of Shareholders

1.4 Vision

To be a leader as a Telecommunication service provider in Bangladesh.

1.5 Mission

Robi aims to provide its vision through being number 'one' not only in terms of market share, but also by being an employer of choice with up-to-date knowledge and products geared to address the ever changing needs of our budding nation.

(Scribd, Robi Axiata Ltd.)

1.6 Principles and Purpose

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 engagement 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.

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

(Company Profie of Robi, 2016)

1.7 How Robi Presents itself to the Customers

- **Logo**

- **Slogan**

- **Alpona**

- **Operating Number**

1.8 Divisions and Departments:

The different divisions of Robi Axiata Limited include:

- Finance Division
- Market Operation
- Corporate Strategy Division
- Corporate and Regulatory Affairs
- EPMO – Enterprise Project Management Office
- Digital Services
- Internal Audit
- Human Resource Division

- Information Technology Division
- Technological Division etc.

Within these divisions there are many more departments.

1.9 Organizational Structure and Hierarchy

CEO (Chief Executive Officer) is at the top of Robi Axiata Limited's organizational structure. Then comes the management committee which includes CFO (Chief Financial Officer), CTO (Chief Technology Officer), COO (Chief Operating Officer), CHRO (Chief Human Resource Officer), CCPO (Chief Corporate and People Officer), CMO (Chief Marketing Officer) etc. After that senior level manament comes into the hierarchy who are the EVPs (Executive Vice President) of different departments. After that the hierarchy contains General Manager, Specialists etc. positions. The overall organogram of Robi Axiata are given below.
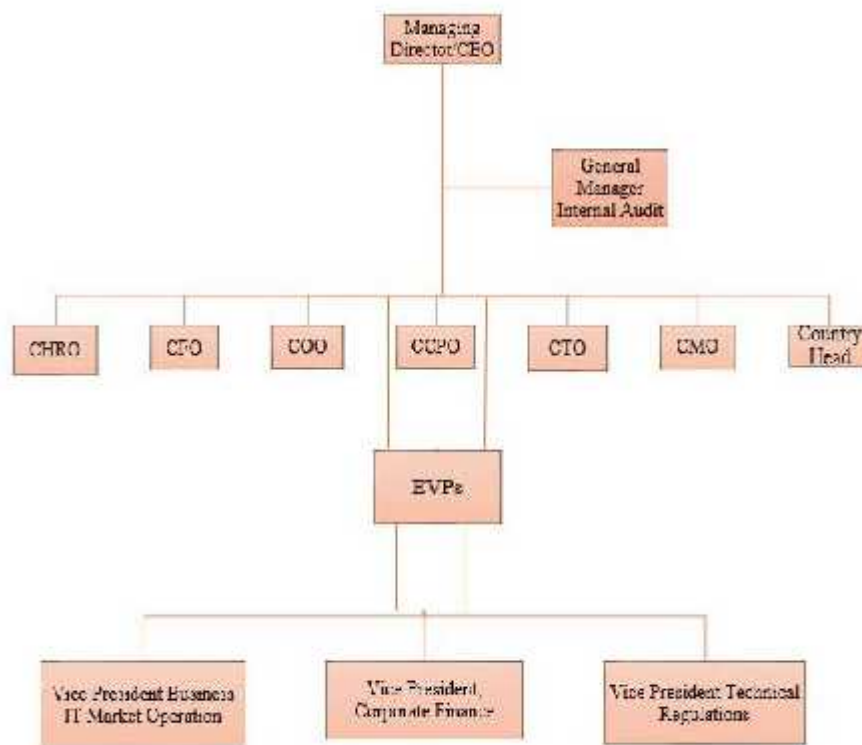

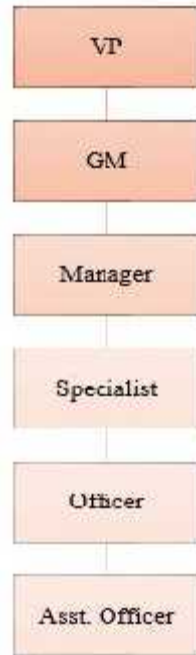**Figure 4: Top Management of Robi Axiata Limited**
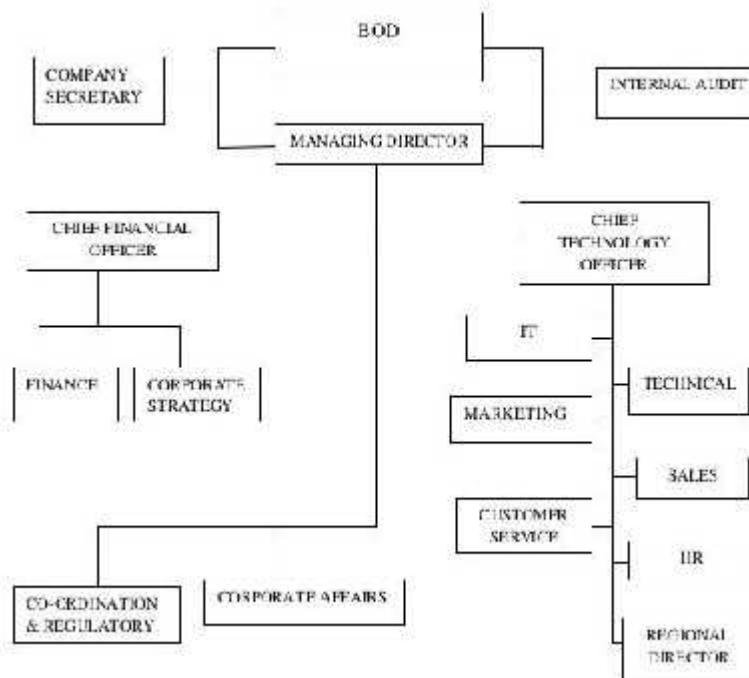
Figure 5: General Hierarchy of a Department

Figure 6: Organizational Chart of Robi Axiata Limited

1.10 Product and Service Offerings

The product and service offerings of Robi includes:

> **I.   SMS and Messaging:**

Robi to Robi, Robi to other local operator and Robi to international operator

> **II.   Calling & Mobile Management**

Robi iMOVED Service, Balance Transfer, Call Block, Call Conference, Call Waiting / Forward / Divert / Holding, Missed Call Alert and Easy Menu.

> **III.   Social and Chat**

Voice Chat, Robi Kothabarta, Locator

> **IV.   Music**

Robi GoonGoon, Gaanchill Radio 46367, Radio Shampan, Gaaner Bhubon, Robi Icche Raat, Amar GoonGoon, Radio-G, Musica, Radio 2008, Sponsored Album, Robi Music Karaoke, Dhamaka Express, RadioG Streaming, Voice Tube, Night Radio, Robi Radio, Robi Desher Gaan and Local Express.

> **V.   Local Express**

BIMA Mobile Insurance and Job Alert.

> **VI.   Information Services**

Robi Travel Line Service, Robi m-Farmer (SMS based service), Robi Krishibarta, D-Guard, Robi Sports Portal, Robi Mobile Education Service, Mobile Classified Services, Train Tracker, Robi Shobjanta, Haat-bazar, Emergency Helpline and Projukti Jiggasha O SMS Tips.SMS Tips

> **VII.   Robi News Services**

News Bite Service, Banglanews24.com IVR Service, Banglanews24.com News Service, The Daily Star News Service, bdnews24.com News Service and News of Different Channels.

VIII. Islamic Services

Islamic Portal, 786 Islamic IVR Service, Islamer Alo Portal, Islamic Kotha, Religious Portal, Ebaadat Service, Robi Islamic tottho sheba and Shanti Dhara 16346.

IX. Lifestyle and Education

Robir Gyan, Board Result Information Service, Robi Tips & Tricks, Robi Shassthosheba, Labaid Discount privilege under Robi Health Tips service, Robi Shikkharthi Service, Matrimony, Health Tips and Women Zone.

X. Loyalty Program

Robi Islamic Kotha Loyalty offer, Robi Mobile Education Loyalty offer.

XI. Entertainment

SATV Entertainment Service, Robi Comedy Express, Soccer Portal, Background Music Service, Soccer Portal, Magic Voice Service, Robi Golpo Bola, Robi Audio Movie service, Non-branded Infotainment VAS, Funny Status, Star Buzz, Media Fun Voice Portal, Robi Tunes, Entertainment World, Robi Online Radio, Cricket World, Fun Portal, Fun Portal, Love Portal, Robi Kids Zone, Rashifol Service, Aynabaji Movie, Entertainment and Media Gossip, wapZone and Funny Status WAP.

XII. Multimedia

Robi Zone, Mobile TV, Mobile Games, Content Portals, Fun365 Portal, Boighor, Mobile Drama Portal, eTunes nonstop music WAP portal, Eskimi: News Updates Service,, ClubZ, Game Factory, Rabbitholebd, e-Tunes, Robi Cricket 360, Games Arcade Store, Hollywood Store, BdComics, Game Zone, ZAP Streaming Portal, Content Mela, Girl's Zone, Sticker Zone, WOW Games, Robi Jana Ojana, Food Factory: The best recipe WAP Portal, Content Bazar, Music Club, Cinema Hall, Download Zone, Sony Music World, Sports World Zone, Universal Music Beats, Box Office, Gameloft Games Club, WWE BD, IBADAT APP (Islamic Portal), Buzz Club, Bongo Daily WAP Subscription, eStories, Funtoosh, Robi Apps Club, eDiet, eGamer, Proyojon Portal, Natok Zone, Robi Game hub, News 24 /7, wap.jibondhara.com, Spice Club24, Comedy Club, Nazara Games and Amar Tube.

(Vas - Robi, 2016)

1.11 Corporate Responsibility

Robi goes beyond short-term profits, to enrich people's lives by enabling them to ignite their power within. Corporate Responsibility in this regard works as the strategic tool for the company to facilitate sustainable development of the community we operate in, which in turn helps in the creation of the platform for sustainable business environment. Few of their project name of CSR (Corporate Social Responsibility) activities have been mentioned below.

- Gori Nijer Bhobishhot
- Gori Nijer Bhobishhot
- Internet4U
- 10 Minute School
- Water for Life
- Robir Alo
- Robi supports children with special needs
- Standing by people during natural disasters

(Company Profie of Robi, 2016)

Chapter 02

Project Part

2.1 Introduction of the Project

With time business environment is changing rapidly. Changes in businesses are occurring not only in respect of its environment but also in forms of its size and transactions. With these changes comes a problem of drowning under a mountain of data. To gather, sort out and use these information companies are now taking help of modern technology. With the help of this technology and advance computer system companies have been able to make use of the data and communicate more effectively. Along with many other sectors of business arena in financial sector changes and technological advances have also taken place. It has become a great challenge for business organizations to deal with the enormous amounts of data, transactions and payments all at once. Employees require solutions through which they can manage, use and analyze data more precisely and effectively. In any organization finance department is responsible for making the payments to the relevant parties. Thus advancement of payment structure of a business is very crucial. To fuel the use of modern technology and fasten the business transaction and payment process professionals have explored diversified computer soft wares and SAP is one of them.

SAP software which stands for "System Applications and Products" offers finance sector of an organization the capability to manage financials, cost accounting, assets, archived financial documents etc. It is an important area to explore because this kind of software and its advancement is very important for the proper use and management of data.

(Graham, 2012)

2.2 Problem Statement

This report contains the detail study of the advancement of Robi Axiata Limited's payment structure. It focuses on the procedures of payment automation, which is a function of Corporate Finance Department of Robi Axiata Limited.

The best performance of a software is achieved with regular and planned upgrades. Robi use SAP system from 2006. This software SAP is an important information and management package which helps Robi Axiata Limited to operate variety of business processes within a solo integrated system. In Robi Axiata Limited as I have worked in Treasury Unit of Corporate Finance

Department the whole study of the SAP has been discussed from its use in the payment structure of Robi Axiata Limited. Here in Treasury Unit of Corporate Finance Department, payment system is captured under module of SAP F1 through which payment is made to vendors.

As the business nature has been changed in course of time, transaction and payment volume has been increased significantly. Due to this, Treasury Team of Robi Axiata Limited is facing with some difficulties during day to day operation for instance, manual check printing, reconciliation, delay in approval etc. Nevertheless all the difficulties can be fixed through this SAP software. In Robi Axiata Limited the overall procedure and structure of making payments to vendors is conducted through SAP. Hence the upgrade of payment structure refers to the upgrade of SAP. The upgrade of SAP system will enhance automation of payment system in Treasury Management, resulting operational efficiency, saving time and better control over the overall system.

In Robi Axiata Limited, the entire finance division get different sorts of benefits and services from SAP. The issues that are currently solved by SAP and could be solved more efficiently by upgrading the SAP meaning the automated payment system include:

- Financial planning processing
- Month end balance closing
- Consolidating financial data and accounting data
- Financial close processes
- Treasury management
- Risk management
- Financial operational activities
- Budgeting
- Making payments to vendors
- Strategic planning
- Budgeting
- Internal order processing
- Payment collection process
- Forecasting
- Financial Analysis

- Enterprise performance management
- Track and control costs
- Align financial operations with business strategy
- Automate treasury operations
- Ensure adequate liquidity
- Improve financial risk
- Ensure compliance with accounting principles and regulations
- Achieve efficiency for accounts receivables and payables
- Invoice management
- Monitor budget
- Control costs
- Create statements and disclosures that comply with financial reporting standards

As this internship report focuses on the upgrade of payment structure of Treasury Team of Robi Axiata Limited, it is important to mention in this report the specific reasons that were provided by the intended users of SAP why they require the upgrade of the payment structure or SAP. These specific reasons have been discussed below:

- To process advance and partial payments
- To make it flexible to choose from available signatories
- To implement auto bank reconciliation within the current framework
- To make routine treasury activities more efficient upgrade is necessary
- To maintain work confidentiality
- To add summary of payments
- To approve the summary report.
- To prepare the payment document
- To book advance payment
- To book partial payment in invoice

Thus these above mentioned issues require the upgrade of payment structure in Robi Axiata Limited, which is the major focus of this internship report.

2.3 Purpose of the Project

The overall purposes or objectives of this entire report can be classified into two sets which include,

Primary Objective:

The main purpose of preparing this report is the requirement of the completion of my internship, which is a crucial part of my BBA program from BRAC Business School, BRAC University.

Subsidiary Objectives:

This part includes the other accumulated purposes that are essential for the fulfillment of the primary objective. These facets are comprised of,

- To get to know how the automated payment structure (SAP Software System) of Robi Axiata Limited would be upgraded
- To know how SAP serves the Treasury Team of Robo Axiata Limited
- To know how the upgrade or advancement of SAP Software System would be beneficial for the Treasury Team of Robi Axiata Limited

So based on these objectives the entire report has been prepared and the necessary data have been gathered.

2.4 Timeline

Mine was a 3 month internship program and after the completion of my internship I took 13 days which is approximately 2 weeks considering my submission deadline to prepare the entire report and the presentation on it. The time period was sufficient to complete the entire report. The approximate time schedule of my work has been provided below,

- ✓ Last 1 Month of internship program: Collecting information from office – Treasury Team of Robi Axiata Limited
- ✓ 3 days: Organization Part
- ✓ 3 days: Project Part
- ✓ 3 days: Supplementary Part

✓ 1 day: Prefatory Part

✓ 1 day: To add changes (if any is required)

✓ 2 days: Preparation of presentation
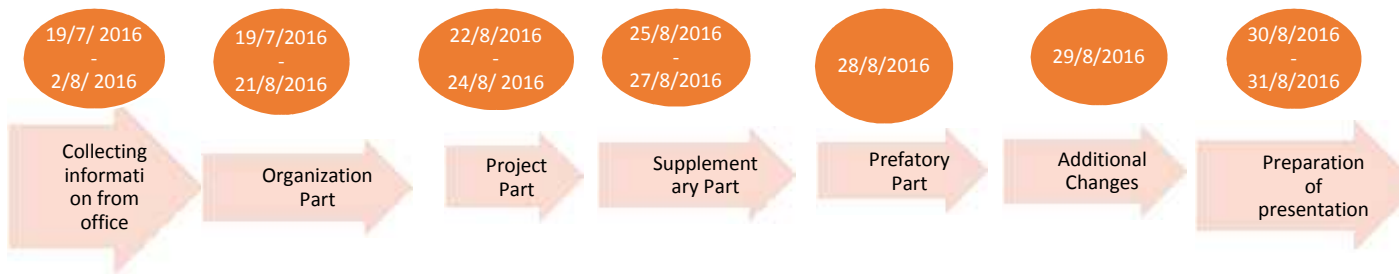
Figure 7: Timeline of Preparing the Report

2.5 Limitations

While preparing the internship report there were few restraints that I had to surpass in order to get to finish my report. These limitations have been discussed below:

🔸 As my internship is on a software system (SAP – Automated Payment Structure) and using this software is completely new to me, it was difficult for me to understand few aspects of it and write about it. Moreover, although I could not understand few technical terms in detail that are mentioned in the report, especially in the finding part, I had to write about those in requirement of the report title.

🔸 Gathering all the necessary information on site was a difficult task. As this report is entirely about Robi's payment system, a software, finding out required information about that particular topic from a pile of data was time consuming.

🔸 During attending office due to work pressure and limited time it was hard to grasp the understanding of the information on site.

🔸 The more information an internship report contains about the key topic the better report it is. Sufficient detail information about the overall up-gradation process was not available. If further detail information were given, the report could be more resourceful.

Although there were a few limitations, overcoming those was easy with the help and support of my on-site supervisor and work mates.

2.6 Methodology

The report topic is – Upgrade of Payment Structure/System and this report is expressive or descriptive in nature as it presents the findings and analyzed data that is applicable to that given topic. The information that it is supposed to contain includes reasons, criteria, techniques, functions etc. of the payment system and its up-gradation. Therefore this entire report has been prepared on the basis of information collection. For preparing this report I have identified the data which this report requires, then collected, analyzed and presented all the accumulated in an organized manner in this report.

While accumulating the necessary information I came to use the two following sorts of data,

🔸 **Primary Data:**

I gathered the primary data from my job area that is Robi Axiata Limited, Corporate Finance Department – Treasury Team. Within my team I interviewed three of my teammates including my supervisor and got to know detail and necessary information of Robi's payment system.

🔸 **Secondary Data:**

The secondary that I have collected include two core sources, which have conferred below,

➢ **Internal Sources:**

From my workplace I received few written documents (word documents and PDF files) about SAP, the payment system of Robi. These documents helped me to write the report.

➢ **External Source:**

Websites of Robi and some other different websites of related subjects of the report were very beneficial and helpful while writing this paper.

2.7 Findings

I have divided the overall findings of payment up-gradation process into few parts so that one could get a better understanding of the report. As the payment system of Robi Axiata Limited is all about SAP software system, the finding part of the report contains different aspects of the SAP up – gradation process as well as a little about the payment procedure of Robi Axiata.

2.7.1 Payment Process

As this entire report is about the up-gradation of Robi Axiata Limited's payment structure that is the SAP system used by the Treasury Team, it should contain at least a small part that tells about how the overall payment process work in here. Below this process has been summarized.

- ✓ Firstly, the intended user department of particular goods or service issues PR (Product Requisition).
- ✓ Then the PR is forwarded to the concerned division that is the SCM (Supply Chain Management unit)
- ✓ After that vendor is selected according to proper research and choice.
- ✓ PO (Purchase Order) is issued stating every necessary detail of the goods or service, for example its quantity, model name and number etc.
- ✓ Goods received as per PO (Purchase Order).
- ✓ At the time of delivery vendor submits BOQ (Bill of Quantity) to OSS (One Stop Service) of Robi Axiata for verification and certification for final bill for payment processing
- ✓ Official of OSS receives and checks the BOQ and final bill according to the standard checklist. Correct documents are recorded by OSS with the information like PO number, received date, vendor name and invoice reference etc. on the other hand incorrect or incomplete are returned to vendor and the vendors have to submit it after correction.
- ✓ Next OSS sends the BOQ and other relevant documents like Challan to user departments and final bill to the Accounts Payable unit.
- ✓ After receiving BOQ and relevant documents user department goes for physical verification and check the documents. In case of any correction needed vendors are informed and the

documents are returned to OSS. If everything is appropriate then entries of GR (Goods Receipt) WCC (Work Completion Certificate) are made through SAP.

✓ Later receiving the final bill Accounts Payable unit collects, checks and verifies the final bill and other relevant documents for example WCC (Work Completion Certificate).

✓ Then the documents are parked in SAP and posted for payment.

✓ Finally the Treasury Team examines all the documents and prepare batches for entering further inputs like text inputs for each vendor's items. Then the invoices or bills are organized with checks and are released for approval by signatories. Then the checks are paid to the vendors and check disbursement list is prepared.

✓ Last step is the reconciliation of bank statement and SAP figures.

When it comes to signatories different amounts of check in a sequence from least amount to highest amount are forwarded to different group of signatories maintaining the sequence according to the hierarchy to get signed.

Respective Groups	Signatories
1st Group (Board of Directors)	▪ Chief Executive Officer & Managing Director
2nd Group (Management Committee)	▪ Chief Financial Officer ▪ Chief Operating Officer ▪ Chief Technology Officer ▪ Chief Human Resource Officer
3rd Group (Senior Management)	▪ Head of Corporate Finance ▪ Vice President, Financial Compliance and Process Improvement ▪ Vice President, Financial Accounting and Management Reporting
4th Group (Mid-Level Management)	▪ General Manager, Financial Accounting and Management Reporting ▪ General Manager, Treasury

Table 1: Authorized Signatories

2.7.2 Overview of SAP

SAP is one of the largest enterprise software company. It is a German multinational company which is renowned for making ERP (Enterprise Resource Planning). SAP offers large number of modules for financial management, enterprise resource management, supply chain management, human capital management, and product life cycle management as well as different business analytical applications. They also provide customization and offering for its particular market. (Rouse, 2013)

As this report is prepared on the basis of Treasury Team's activities of Robi Axiata Limited and the system's up-gradation, SAP's contribution and functions of payment process in Robi Axiata would be discussed here. Here the SAP system has not been upgraded yet as a lot of formalities, processes and a lot of time consuming actions is involved here, but it is expected that very soon Robi Axiata's Treasury Team would be able to use this upgraded system, may be just within a very few years.

In the Treasury Team of Robi Axiata SAP as an Automatic Payment Program, serves the purpose of posting vendor payment based on vendor invoices automatically. Here the steps for configuring APP have been given:

1. Firstly setup payment method per country

2. Secondly setup payment method according to per company code

3. Thirdly setup all company codes

4. Then setup paying company code

5. In the fifth stage fix bank determination

6. Lastly assign payment method to vendor account

(Balaji, 2011)

2.7.3 Technical Specifications of Automation of Payment System:

Specifications of the SAP system that the Treasury Management Team requires to be provided by suppliers include:

- High level and low level design requirements of all the services that SAP will provide
- Project management requirements of the services
- Infrastructure BOQ (Bill of Quantity) and Solution Software BOQ for Automated Payment System
- Security Information checklist
- Responsibility assignment matrix and project RACI (Responsible, Accountable, Consulted, Informed) matrix
- Resource management requirements
- Different sorts of documents for each phase of SAP system
- Appropriate warranty period provided by the suppliers
- Training Requirements of Treasury Management Team for existing and upgraded version of SAP system
- Most importantly, acceptance procedure, test cases and stress test: PAT (Pre Acceptance Testing) /UAT (User Acceptance Testing) for all the features of the system will be performed. Stress test will be performed by activating all features and loading in full capacity. If result meets the agreed/benchmark KPI (Key Performance Indicator), then stress test result will be accepted. The acceptance criteria, test cases and stress test requirements will be modified according to the desired service requirements of Treasury Team.

Up-Gradation of Automated Payment System (SAP)

2.7.4 Technical Requirements and Acceptance Criteria for Up-Gradation of Automated Payment System ((SAP)

Like any other software upgraded SAP must have some benchmarks and criteria that are necessary to fulfill the requirements of the Treasury Team of Robi Axiata Limited. The upgraded SAP system is expected to have some standards and criteria to yield the desired outcome of the Treasury Team. These must have criteria and the technical requirements have been summarized below:

Summary of payment for approving and option for multiple approving:
  - There would be an option for approver to view the summary of payments. Currently this approving is done through running T-Code.
  - Advance payment, partial payment, final payment would fall under this approving
  - Approver would be able to accept and reject through summary report.
  - Current functionality for example, approving by entering into each line item through SAP inbox would be in place as usual.

Flexibility in selecting two signatories up to 80 lac:

Signatories will be selected at the time of run the document through T-Code based on physical availability of personnel in office premises.

Reconciliation automation through SAP and bank statement:

Reconciliation of SAP and Bank statement would be done automatically. Document number which is common in both bank and Robi SAP would be transferred to Bank system just after approving of approval through SAP PI (Process Integration) module. This document number is generated in SAP and the bank statement figure and the figure within Robi SAP under the same document number would be matched automatically. So in sequence the requirements are:

- ➢ Reconcile SAP and Bank statement automatically
- ➢ Reconciliation would be happened with Document Number generated in SAP during payment.
- ➢ Bank Statement would be auto generated (Bank Side)
- ➢ GL (General Ledger) transaction (T-Code - FBL3N) would be auto generated.
- ➢ Bank statement & GL (General Ledger) figure would be auto calculated.

Payment through SAP T-Code - F110

Advance payment: In current practice Advance payment is first booked in F-47 transaction. Payment is made through T-code - FBZ5 which require manual signature in check after print out in Robi premises. In the upgraded system it is required that for this payment request T-code - F110 would be used which would have option of approving as well as auto check printing with signature in bank premises. It is to be notified that only approving arrangement through F110 for Final Payment is already exist in current system.

Partial payment: In current practice partial payment is first booked in invoice through T-Code -FV60 (parking invoice) and same invoice number is used for payment in F-53 (posting parked invoice) which require manual sign in check in Robi premises. In the upgraded system it is required to use this payment request using T-Code - F110 transaction which would have option of approving as well as auto check printing with signature in bank premises. It is to be notified that only approving arrangement through F110 for Final Payment is already exist in current system.

General Requirements for Vendors:

- ➢ Vendor would use any other SAP modules if required. These modules include,
  - ▪ PS (Project System)
  - ▪ PM (Plant Maintenance)
  - ▪ MM (Materials Management)
  - ▪ WM (Warehouse Management)

- IM (Investment Management) etc.

➢ Vendor will use ABAP (Advanced Business Application Programming) if required.

➢ Vendor must perform all integration and interfacing with any other existing SAP system if required for example, SAP ERP (Enterprise Resource Planning), SAP EP (Enterprise Portal), GRC (Governance, Risk, and Compliance). For related activities such as patching upgrade, installing add on, applying notes, coding, development, customization, etc. for the proposed solutions. Integration middle ware would be SAP PI (Process Integration) and all the existing functionalities should not be hampered.

➢ Complete audit trail and authorization object must be maintained for custom development.

2.7.5 Current Payment System:

- Payment summary cannot be viewed at a glance at the time of approving the document and specific document cannot be rejected
- After running through Z Pay IDOC (Intermediate Document) the document moves to applicable signatories in SAP according to preset priority.
- Then the moves to alternate signatory if Delegation of Authority is set in SAP.
- Data converts from SAP and collect bank statement from bank and reconcile manually.
- Advance entry through F-48 and manual print of check by Fbz5
- Partial payment through F-58 and manually print.

2.7.6 Payment System To-Be after Up-gradation:

- Signatories would be able to view the summary of payment easily at the time of approving and can reject specific doc.

- Signatories will be selected at the time of run the document through Z Pay IDOC (Intermediate Document)
- There would be another DOA (Delegation of Authority) for the approver applicable when he/she is in leave that currently in place would not be affected.
- Automated bank reconciliation. (reconcile SAP and bank statement)
- Advance payment through F-110 would be possible
- Payment through F-110 for automated check would be possible

How the payment process would work after the up – gradation has been showed in detail in few diagrams that are available in the appendix.

2.7.7 Comparison between the Existing Payment System and the Upgraded Payment System:

The criteria of the upgraded version of SAP system set the differences between the current and to-be payment structure of Robi Axiata Limited's Treasury Team. It is to notify that the system has not been upgraded yet and based on the specifications for the upgraded system the differences have been found. The comparison between the existing and upgraded SAP system have been discussed below.

Current Payment System/ SAP System	Upgraded Payment System/ SAP System
1. Payment summary cannot be viewed at the time of approving	1. A payment summary should be viewed with the vendor name, tax percentage and amount, vat percentage and amount, net amount etc.

2. The approver cannot reject specific document	2. The approver would be able to accept or reject the specific document from the summary
3. There is not enough flexibility to select signatories for the amounts up to 80 lacs. In the system the document move to applicable signatories in SAP according to preset priority	3. There would be flexibility in selecting two signatories up to 80 lac. Signatories will be selected by the concern person who would be running Z pay IDOC.
4. Reconciliation of SAP amounts and bank statements is done manually.	4. Bank statement and GL (General ledger) figures will be auto calculated and reconciliation will be done automatically.
5. Advance payment is done through F-110	5. Advance payment would be first booked through F-47 and would be paid through F110.
6. Partial payment is done through F-58 and is printed manually.	6. Partial payment would be first booked in invoice FB60 and would be paid through F110.

Table 2: Comparison between current and up-graded system

2.7.8 Phases after Up-Gradation of the System:

After the payment system that is the SAP software system is upgraded there would be changes and improvement over the current version. The whole process is not finished only with the up-gradation, there are also few steps involves to make the upgraded version a regular one. These steps enhance the overall performance of the upgraded system include:

- Implementation
- User Acceptance Testing
- Documentations and
- Training

2.7.9 Benefits of Using SAP and Upgraded SAP as Payment System for Treasury Management

The corporate treasury environment is changing fast as a result organizations need to standardize and optimize treasury activities across the enterprise. So an exact treasury management software like SAP if implemented, upgraded and maintained well it would be able to do its job more effectively and efficiently. SAP system is the heart of the entire treasury activities of Robi Axiata Limited. Upgrading SAP system would result in more functions and existing functions operating more effectively. The benefits of using SAP and upgraded SAP as payment system for treasury management in Robi Axiata has been described below.

- SAP makes vendor data management easier. Vendor information can be upgraded, maintained and evaluated frequently.
- Processing payment terms is easier and time saving
- All the necessary data for financial planning and preparing report is available in the system so the user of Treasury Team does not have to accumulate data from different sources

- Through SAP system treasury team of Robi Axiata can automatically update their necessary data, for instance information about vendor payment details, tax and vat percentage and amounts, advance and partial payment system, bank interest etc.

- It helps Treasury team to comply with accounting and financial regulation, tax and vat percentage etc.

- SAP improves financial risk management for treasury team and also optimize cash forecasting.

- The controlling and monitoring of financial process is improved and would be further improved through upgraded SAP system.

- Upgraded SAP would help manage cash flows, payments, liquidity and risk with treasury and cash management more efficiently.

- SAP makes data access easy and transparent

- It also provides prominent visibility into working capital and exchange rate.

- As SAP results in fully automated payment process cost of billing is reduced in a large scale

Chapter 03

My Department, Job Responsibilities & Learnings

3.1 My Department

It was a great opportunity for me to work with the Treasury Team which falls under the Corporate Finance Department of Robi Axiata Limited. There are few major sections within this department and these are:

- **Treasury Team:**

The banks that Treasury Unit of Robi Axiata deals with most are- SCB (Standard Charted Bank), HSBC (Hong Kong and Shanghai Banking Corporation) and EBL (Eastern Bank Limited). The functions of Treasury Team also include vendor payments, issuing LOC (Letter of Credit), fund sourcing, fund allocations etc.

- **Tax and VAT:**

 Income tax, corporate tax, VAT, Regulatory Duty, Exercise Duty etc. are handled there.

- **Insurance:**

All the assets of Robi Axiata Ltd are insured to a few number of insurance companies who continually supervise the assets of Robi Axiata. Reliance Insurance Company is one of the biggest insurance company that Robi Axiata deals with.

- **Financing:**

Robi concentrates both on taking loan from local and International banks.

- **Credit Control:**

Reducing the risk of bad debts is a major concern here.

3.2 My Job Responsibilities

Now comes to my job responsibility and experience in Robi Axiata Limited. It was indeed a very fruitful three month long internship program for me, where I had the chance to be a part of different spheres of treasury activities of Robi Axiata Limited. My job responsibilities include:

- Preparing Check Disbursement List:

After payments are made to the vendors through checks, the detail information of those checks are supposed to be entered in to an excel file. These accumulated entries of checks make a check disbursement list. It is done on a daily basis. Everyday morning my first task was to prepare the disbursement list with the checks of the previous day.

SL No.	Tracking No.	Vendor Name	Check No.	Amount	Date
		Disbursement on 06/06/2016			
1	10xxxxxxxx	ABC Logistics	21xxxxx	39,563,100.00	06/06/2016
2	20xxxxxxxx	XYZ Technologies Ltd.	20xxxxx	60,120,000.00	06/06/2017
3	N1xxxxxxxx	EFG Company Ltd.	21xxxxx	1,653,962.00	06/06/2018

Table 3: Disbursement List

- Processing Invoices for Payment:

In SAP system entries for the invoices of which the vendor payment would be paid have to be made. Each and every invoice or bill of each and every vendor has specific subjects. I had to enter these subjects as text input into the SAP system according to the document number using specific transaction codes. Also I had to remove payment blocks by entering specific code into the system.
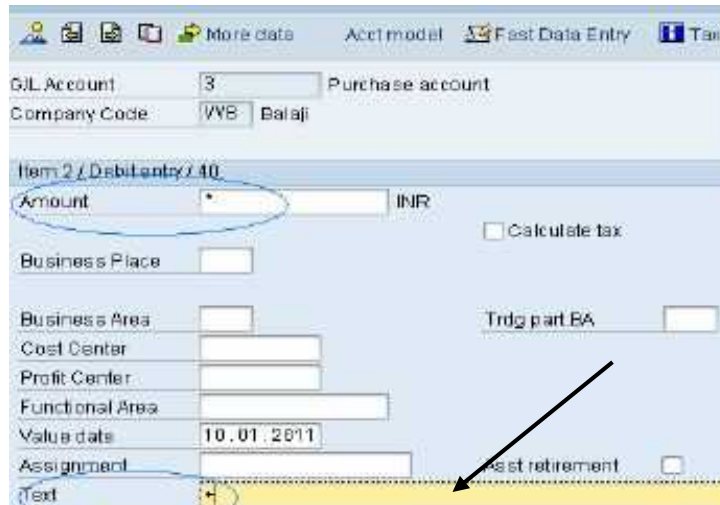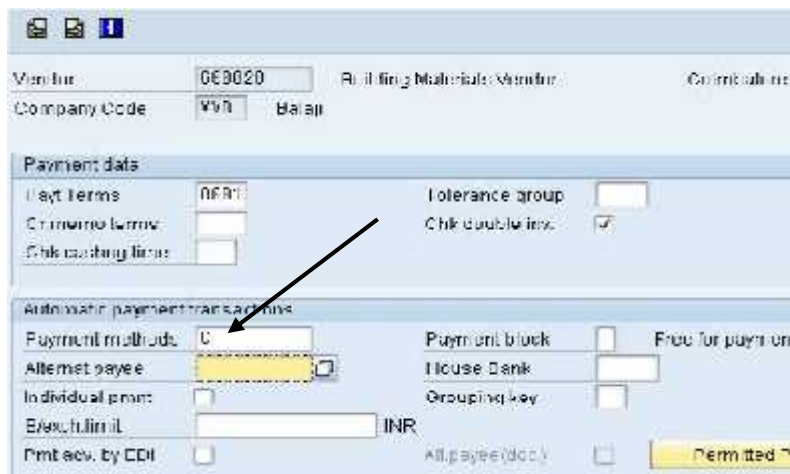
Figure 8: Text Input in SAP

Figure 9: Removing Payment Block in SAP

Tax and Vat Correction in SAP:

SAP system contains the detail of each invoice information which includes the tax and vat percentage. The tax vat amounts are often missed or have to be corrected for the next stage of data processing. So my job was to enter those missing tax and vat amount, correct the incorrect data and enter the correct code for tax and vat according to the document number.

⯈ Filing for Payment Up-Gradation Process:

In order to prepare my internship report I had to gather information about payment up-gradation Process. Although due to the regular job responsibilities and work pressure it was hard to get understanding knowledge of all the terms and detail information of the whole process.

⯈ Other Responsibilities:

Besides the routine activities there were few different tasks that I got to do in irregular basis. For example sometimes I had to organize the invoices according to their disbursement date, sometimes I had to work with Microsoft excel to prepare different kinds of statement and occasionally I had to work with different input of SAP.

3.3 My Learnings from the Internship Program

Some of the valuable lessons that I have acquired throughout my 3 month long internship program in the the Treausry Unit of Robi Axiata Limited, have been discussed below.

- ✓ The internship program helped to get practical knowledge of the facts those were taught us in our academic zone.
- ✓ Workplace grooming is a very important lesson for every individual who is career oriented. While working in Robi Axiata I got work with corporate people which certainly enhanced my interpersonal and communication skill.
- ✓ Get to know and get used to of corporate environment is another great experience for me.
- ✓ Get used to of multi-tasking and working under pressure, dealing with these two challenges are supposed to be very valuable learning for my future career, I reckon.
- ✓ While performing my job there I got to understand in my near future what sort of work or job area I would like to choose for myself.

Chapter 04

Recommendations

&

Conclusion

4.1 Recommendation

Robi Axiata Limited provides a great working environment, operational facilities and it ensures that employees get to work in the most effective and efficient way possible. But as nothing is perfect and to improve is to change, I would like to mentions few areas in treasury unit where Robi Axiata Limited can bring changes:

- As SAP is a huge part of Treasury Unit, all the employees of there should be provided with the manuals and proper training regarding SAP and this employees should include interns of Treasury Unit as well. Even though interns are not permanent employees of the company as they would be working there for a while with SAP they should be provided with the manuals of SAP system as it is supposed to entirely a new system to them. There are different T-Codes that users have to use while working on SAP so it would be best if they, the interns know which T-code means what and what their function is.

- In SAP system tax and vat entries have to be made at the same tab so it is easier to make a mistake there, for example one could make the entry of tax where it was supposed to contain the entry of vat. So some changes can be brought in order to avoid these kind of mistakes.

- Making the list of disbursed check is a huge time consuming process as one has to manually make the whole list in excel. If any timesaver concept can be added into any software system or in the SAP system itself if possible then the whole disbursement list making process would be very efficient. For example the user would only enter the check number into the system and the system would assemble all the other necessary information of that check for instance, the tracking number, vendor name, net amount etc. and that check's detail information would be added into the list automatically.

- The last and most important recommendation I would like to make is about the internship program as a whole. Although Treasury Unit of Robi Axiata Limited is a very helpful and supporting team and also is a perfect place for workaholic people and the people who wants learn (people including the interns of course), it would be better if interns of this unit get the chance to be involved in multi-dimensional works. From my personal experience I would like to share that I got to work a lot while working with this amazing team but it would have been better if I got to do many more different sort of works besides my regular tasks. It could help me to learn more.

4.2 Conclusion

Robi Axiata Limited is one of the top telecommunications operator in Bangladesh. It is empowering twenty for million people all over the country. Robi has always been satisfying its customers by its remarkable customer care service and variety of offers and services. Robi keeps constant interaction with its customers and tries to bring up changes according to its customer preferences. Robi gives its best not only to its customer care service or its product offerings but also to its office management and corporate environment.

Finance department is crucial department for any organization role to run the business and plays a huge role to keep it going because finance department is where the money is. Besides treasury Management team is the heart of finance division. It pays vendors, covers bills, monitor working capital and lots more. Robi Axiata operates these functions in the most possible efficient and effective way through SAP system. Use of SAP in the payment Structure of Robi Axiata Limited has integrated multiple information and process and has reduced costs and saved time. Robi is on its way to upgrade this payment structure that is the up-gradation of SAP system. Up-grading of SAP is a gradual process as there are lot of changes, suppliers' offerings, training and guidance of employees involved. Once it is done this payment structure would make the treasury team more effective and more efficient.
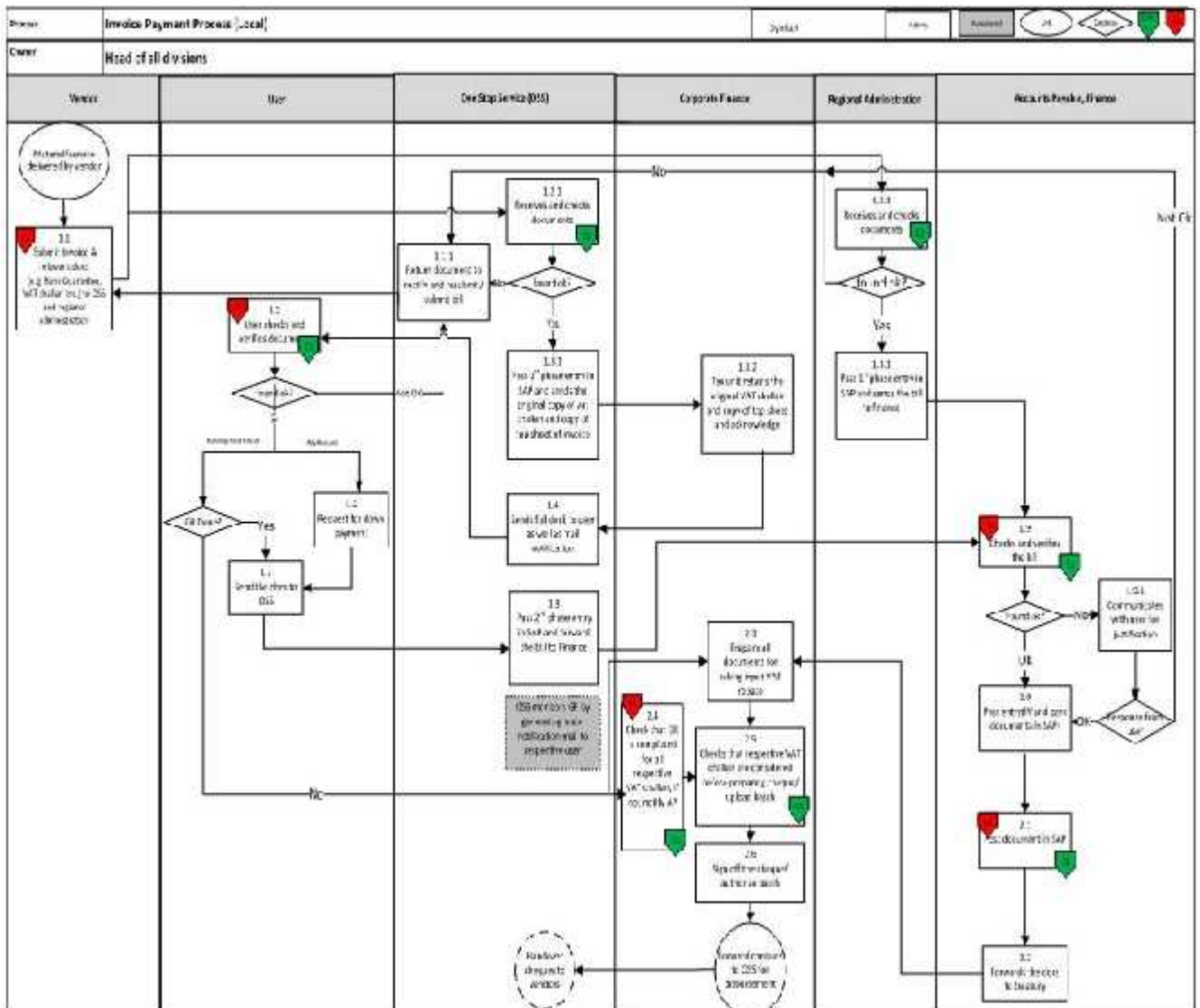
Chapter 05

Appendix
&
References

Appendix

5.1 Invoice Payment Process (After Up-Gradation)
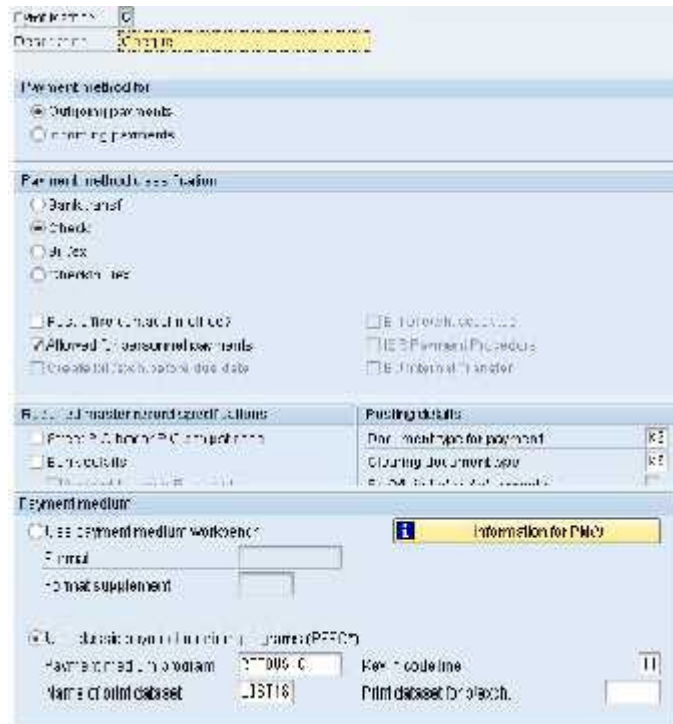
1. [Figure 10]

2. [Figure 11]

3. [Figure 12]

5.2 Revised Bank Reconciliation (After Up-Gradation)

1. [Figure 13]

2. [Figure 14]

Journal Entries

Activity No	Activity	Journal Entries
8.0	Adjust bank and vendor ac with unclaimed cheque amount	Bank A/C Dr Vendor A/C(spgl x) Cr
13.0	Writing off unclaimed cheque as other income	Unclaimed Cheque Dr Other Income Cr

5.3 Vendor Payment Format

Vendor Payment Format

Vendor Name	Gross Amount	Tax Amount	Vat Amount	Net Amount
a	10000	200	300	9500
b	5000	500	200	4300
c	4000	700	400	2900
d	3000	500	400	2100
e	6000	600	400	5000
f	12000	500	600	10900
g	7000	100	200	6700

Table 4

5.4 SAP Configuration Process

Step – 1 [Figure 15]

Step – 2 [Figure 16]

Step – 3 [Figure 17]

Step – 4 [Figure 18]

Step – 5 [Figure - 19]

Step – 6 [Figure 20]
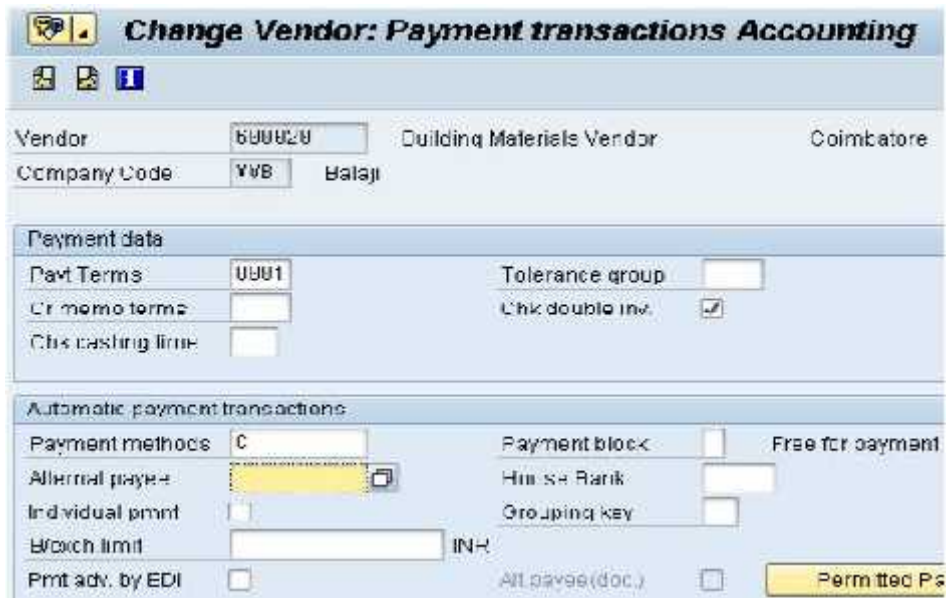
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