

Report on  
**Project Finance & Operation Procedures of E&G Tech Limited.**

By  
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An internship report submitted to the Brac Business School in partial Fulfillment  
of the requirements for the degree of Master of business Administration

Master of Business Administration

BRAC University

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## **Declaration**

It is hereby declared that

1. The internship report submitted is my original work while completing degree at Brac University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I have acknowledged all main sources of help.

### **Students Full Name & Signature:**

Akter Shahriar

Student ID: 1736404

### **Supervisors Full Name & Signature:**

Dr. Suman Paul Chowdhury

Joint Registrar

Brac Business School

## Letter of Transmittal

Dr. Suman Paul Chowdhury  
Joint Registrar  
Brac Business School  
Brac University  
66 Mohakhali, Dhaka

Subject: Submission of Internship Report

Dear Sir,

With humble honor and respect, it is a great pleasure to submit the internship report on 'Project Finance & Operation Procedures of E&G Tech Limited.

As an integral part of academic program in completion of MBA, it has been joyful and enlightening experience for me to work in **EGTL** and prepare this internship report. Obviously, this has been a great source of learning for me to conduct this type of studies in future.

In completion of the report I have put my best effort to prepare a complete internship report.

Therefore, it is a humble request to you to accept the report for your judicious evaluation.

Sincerely Yours,

Akter Shahriar

17364044

Brac Business School

Brac University

Date:

## **Plagiarism Declaration**

I know that plagiarism means taking and using the ideas, writings, works or inventions of another as if they were one's own. I know that plagiarism not only includes verbatim copying, but also the extensive use of another person's ideas without proper acknowledgement (which includes the proper use of quotation marks). I know that plagiarism covers this sort of use of material found in textual sources and from the Internet.

I acknowledge and understand that plagiarism is wrong.

I understand that my research must be accurately referenced.

This assignment is my own work. I acknowledge that copying someone else's assignment, or part of it, is wrong, and that submitting identical work to others constitutes a form of plagiarism.

I have not allowed, nor will I in the future allow, anyone to copy my work with the intention of passing it off as their own work

Name: Akter Shahriar

Student ID: 17364044

MBA

## **Acknowledgement**

At First, I would like to thank The Almighty Allah for giving me mental strength to complete my internship. I am glad to complete the report successfully. “BRAC University” and “E&G Tech Limited” Both provided enormous support and guidance for my Internship program.

It was a great experience while going through the intern period and preparation of this report. I am very much grateful to my Internship Supervisor, Dr. Suman Paul Chowdhury for his guidance and support during the preparation of the report.

This was really a good way of learning and I really appreciate here for giving me the proper line of directions.

I would like to thank specially for giving a wonderful opportunity to make my report.

- Mr. Abdul Awal – Director Finance, EGTL
- Mr. Kamrul Hossain – CEO, EGTL
- Mr. Nasrul Huq – Director, EGTL

## **Executive Summary**

E&G Tech Limited is a private Limited company started its operation back in 2013. We deals in diesel generators & its spare parts along with substation, solar power system & maintenance service as well. We also working with Bangladesh power development board, Bangladesh Rural electrification Board & Power Grid Company of Bangladesh also. I am working here as a deputy Manager of Finance & Accounts since May 2016. In this internship report we have tried to figure out how EGTL start & finish a project under Bangladesh power Development Board. Most of the tenders that we participate are international tenders & most of the times we need to work on joint venture with some other foreign manufacturing company. In this report I have described the steps of particular tender in detail from floating of a tender schedule till the final payment

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## **List of Acronyms**

MBA = Master of Business Administration

EGTL = E&G Tech Limited

BPDB= Bangladesh Power Development Board

BREB = Bangladesh Rural Electrification Board

DG = Diesel Generator

NOA = Notification of Award

APP = Annual Procurement Plan

PSI = Pre Shipment Inspection

PLI = Post Landing Inspection

R&I = Receipt & Inspection



## **Chapter One:**

### **Over View of the Internship**

#### **1.1 Interns Detail:**

Name: Akter Shahriar  
Designation: Deputy Manager  
Department: Finance & Accounts  
Email: [shahriar@egtechltd.com](mailto:shahriar@egtechltd.com)  
Company Name: E&G Tech Limited

I have been working for EGTL since May, 2016. As my MBA Program requires a 90 days internship for the fulfillment of the degree. I am using the experience of my current employment here in EGTL as internship

#### **1.2 Employed Organization's Details :**

E&G Tech Limited  
289/3/A East Nakhalpara  
Tejgaon, Dhaka  
[www.egtechltd.com](http://www.egtechltd.com)

#### **1.3 On Site Supervisors Details :**

Name: Abdul Awal  
Designation: Director  
Department: Finance  
Email: [awal@egtechltd.com](mailto:awal@egtechltd.com)

#### **1.4 Objective of the Report**

To find out how EGTL's project division deals with their each & every project while maintaining standardize procedure within a stipulated time frame. Also how the theoretical knowledge of business blend with the actual competitive business race.

## **1.5 Job Description & Responsibilities**

As the Deputy Manager of Finance & Accounts Department I am assigned to perform the following responsibilities

- Implementing Budget
- Preparing Budget Variance Report
- Analyze the financial feasibility of projects
- Ensuring all the logistical support in completion of a project
- Ensuring up to date credit recovery
- Ensuring the updating of company's legal documents of the company
- Implementation of Accounting Principles in company's financial recording system
- Preparing MIS Reports
- Ensuring effective internal control
- Coordinate among Business Development & Operation Department to achieve the turnover goal
- Assisting in Preparing Company's financial Reports

## Chapter: Two

### Over View of the Organization

#### 2.1 About E&G Tech Ltd.

E&G Tech Ltd. Has started its journey on 2013. Our management team have an enormous experience of more than fifteen years in power & electrical service sector. We counted to be trusted top houses for brand new diesel/gas generators along with spare parts & service, Substation, Solar, Turnkey Solution provider of EPC & Related services. We also a proud contractor of Bangladesh Power Development Board, Bangladesh Rural Electrification Board & Public Works Department.

#### 2.2 Our Vision

To be the most admired and responsible energy company, leader in value creation, innovation & sustainability.

#### 2.3 Our Values

- We always put safety first—for our people, customers and communities.
- We listen to our customers and answer in a simple & clear manner and we have respect for our clients.
- Integrity is at the base of everything we do. We do what we say we will do.
- We strive to earn the trust of our customers.
- We strive to win in everything we do.
- We believe in team work and help each other across our business lines.
- We are committed to growing our people, professionally and personally

#### 2.4 Our Products

##### 2.4.1 Diesel Generators

We used to provide the following brands diesel generator set

Brand	KVA Rating
Perkins	9 KVA – 1250 KVA
Cummins	35 KVA – 2750 KVA
Deutz	11 KVA – 550 KVA
Mitshubishi	650 KVA – 4500 KVA
MTU	375 KVA – 3000 KVA
Volvo	85 KVA – 630 KVA

## 2.4.2 Sub Station

We used to provide the Following

- Complete Sub-Station Solution
- Transformer
- LT & HT Switchgear Equipment
- PFI Panel
- Electrical Distribution Boards
- Circuit Breakers
- Auto & Manual Changeover Switches

All products and electrical systems are designed by our specialized engineers by considering all required safety to complying IEC 62271, IEC 60076, IEC 60056, IEC 60947.2, IEC 61439.1, and IEC 61439.2 and so on

## 2.4.3 Solar Power System

We have been working on the following systems

- Solar Off-grid system
- Solar On-grid system
- Solar hybrid System
- Solar Home System
- Mini-grid Solar Power plant
- Solar Irrigation System
- Solar Street Light

## 2.4.4 Heavy Equipment

EGTL used provide following **ZOOMLION & XGMA** branded heavy equipment with official warranty

- Forklift
- Bulldozer
- Excavator
- Wheel Loader

#### 2.4.5 Engineering Fabrication

EGTL Used to Build

- Customized Fuel Tank
- Process Piping Installation & Fabrication

#### 2.4.6 Control System

We used to design, supply & Install complete control system for multi-set operations.

#### 2.4.7 Spare Parts

We used to supply all the spare parts of following brands from our ready stock

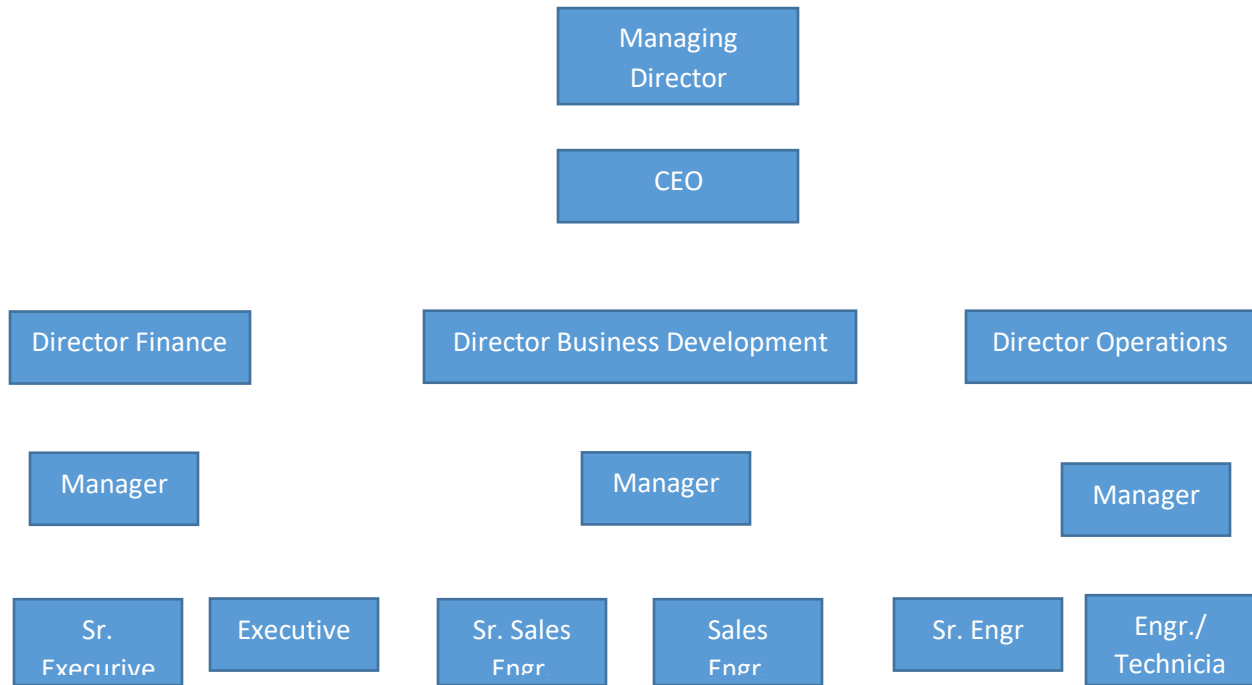
- Perkins
- FG Wilson
- Caterpillar
- Cummins
- Deutz
- Mitsubishi
- Volvo
- Interstate Mcbee

#### 2.5 Our Services

We used to satisfy our customers through the following services

- Major Overhauling
- Periodic Maintenance
- EST Support
- Grid Synchronization
- Workshop Support For All kinds of auxiliaries servicing
- Training

## 2.6 Organogram of EGTL



## **Chapter Three:**

### **Project Finance & Operations Procedure of E&G Tech Ltd.**

#### **3.1 Introduction**

We EGTL doing business with Bangladesh Power Development Board since 2017. Since then we have supplied various spare parts of for the power plants of BPDB across the country. We also have completed several Turnkey projects as well. We used to work with them as Open Tender Method. The procedure we have gone through for completing the projects are describing in this report.

#### **3.2 Tender Invitation**

Tenderers being invited to participate in the tender by BPDB and all most every tenders are international tender which means any entity from any part of the world can participate directly or even through their subsidiaries too. These tender notice published in BPDB's website & the national dailies as well.

#### **3.3 Feasibility Study**

After a Tender being floated we first check our technical ability whether we are technically fit to carry the project. Once the technical feasibility being checked we then search for the Annual procurement plan of that particular end user of BPDB. According to the financial plan of that particular project we check the financial feasibility of the project.

#### **3.4 Preparation of Tender Proposal**

The operations Department prepares all the technical proposal complying all the requirements as per the tender schedule provided by BPDB. After the technical proposal being getting done the finance department with the business development team negotiate with the principal and add other overhead cost & margin thereby set the lowest possible financial proposal so that we can win the tender.

#### **3.5 Submission of Bid Security**

BPDB requires a bid security in the form of bank guarantee for 148 days for each tender proposal. We need to submit the bid bond in the form of bank guarantee with the tender proposal. Basically we have credit facility passed from three different banks that's why we can easily avail those bank guarantees

### **3.6 Notification of Award**

If our technical proposal is alright & our price is the lowest then eventually we own the tender & BPDB issue us a Notification of Award. After the issuance of NOA we need to accept the NOA within seven days of issuance.

### **3.7 Submission of Performance Guarantee**

We need to submit a performance guarantee in the form of bank guarantee which will last along with the warranty period of the particular project. The amount of PG is basically 10% of the whole contract value.

### **3.8 Contract Signing**

After the submission of the performance guarantee we need sign a contract agreement with BPDB regarding the project. Where all the terms like payment terms, Delivery, detailed drawings & others necessary terms also being settled.

### **3.9 L/C Opening**

After getting the L/C from BPDB we need to open an import L/C in favor of our principal. In the import L/C we must include the Bin number of BPDB & details of master L/C and the contract as well. Because the goods will be released by the C&M section of BPDB as the import duties will charge to BPDBs Bin. We need to include the contract details in the PI as well.

### **3.10 Pre shipment Inspection**

As per contract after the manufacture of the product we need send a PSI team including officials from BPDB to inspect whether all the goods produced according to the PI & Drawing. The PSI also include the technical know-how of the goods manufactured. After the satisfactory inspection the goods are cleared for shipment.

### **3.11 Delivery of Goods**

Once the goods cleared by the C&M department we by ourselves deliver the goods to the end user with due diligence.



### **3.12 First Partial Payment Receive**

As per the contract we get the 60-80% of the contract value as first partial payment at sight.

### **3.13 Post Landing Inspection**

A PLI Committee being declared including top managers of BPDB & they all open sealed boxes of delivered goods & check whether all the goods are as per the requirement of the contract thereby issue a Post landing inspection report.

### **3.14 Receipt & Installation, Acceptance Certificate**

After The approval of the PLI Report the plant authority get the permission to use the delivered goods. After the successful installation of the supplied goods the plant authority issue a complete receipt & Installation report along with an acceptance Certificate.

### **3.15 Final Payment**

Once we get the final acceptance of the project we send an application to BPDB for fund approval eventually after all the approval regarding Liquidity deduction & standardized procedure we get the rest 30-40% payment as final payment.

## **Chapter Four: Findings, Recommendations & Conclusion**

### **4.1 Findings**

As an employee of EGTL I found the following stylized facts in our project operation

- BPDB follows a very standardize procedure for the procurement
- EGTL always prefer to participate in turnkey projects rather than supply only.
- Suppliers must have to include the name of BPDB as consignee
- Each and every projects are completely different and there are no links among them
- We need supply the customized spares as per drawing of BPDB

### **4.2 Recommendations**

As an employee of E&G Tech Ltd. I would like to recommend the followings

- EGTL should have a huge amount credit facility so that we can easily get the non-funded credit facilities
- EGTL should have more joint ventures with foreign manufacturers
- EGTL should have a more précised contract with the shipping agents
- EGTL should build a stronger connections with end users so that the documentation gets more faster.

### **4.3 Conclusion:**

It's not that easy to run business here in Bangladesh comparing with some giant organizations like energypac, Weber, Microtech, Saif Powertech etc. But EGTL is doing a great job for last couple of years. We have completed more than 10 projects during this course of time. We are also planning to license from the branded manufacturers so that we can manufacture here in Bangladesh which will allow us to supply more customized queries & win more contracts. While financing a project we always consider our own capability of ensuring the supply within the specified time schedule which is also a determinant of our quality supply record. We are working very hard to make our project financing procedure more accurate & systematic so that we can save more on financing.

## References

- [http://www.bpdb.gov.bd/bpdb\\_new/](http://www.bpdb.gov.bd/bpdb_new/)
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- The Public Procurement Rules, 2018