

Internship Report on
The Role of Debt Financing in Corporate Finance-A Study on
Max Infrastructure Ltd.



Submitted To
Islamic University of Technology
In partial fulfillment of the requirements for the degree of
BBA in Business and Technology Management (BTM)

Submitted By

I understand that my final report will become part of the permanent collection of the Islamic University of Technology's BBA in Business and Technology Management Program. My signature below authorizes the release of my final report to any reader upon request.

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Internship Report on

“The Role of Debt Financing in Corporate Finance-A Study on Max Infrastructure Ltd.”

This internship report is submitted to the Department of Business and Technology Management (BTM) at the Islamic University of Technology (IUT) for the course BTM 4800.

Letter of Transmittal

19th April,2023

Md. Jahangir Alam
Lecturer,
Department of Business & Technology Management
Islamic University of Technology

Subject: Submission of Internship Report

Dear Sir,

I am pleased to submit my internship report on "**The Role of Debt Financing in Corporate Finance-A study on Max Infrastructure Ltd.**" at Max Group. As per the requirements of my academic program, I have completed my internship with Max Group, and it has been a remarkable learning experience for me. It was a great achievement on my part to work under your direct supervision.

During my internship tenure, I had the opportunity to work with the finance team and closely observe their operations. My primary objective was to understand the daily activities in corporate finance, and I must say that my experience has exceeded my expectations. I have tried my best to incorporate all the relevant information and findings into this report. The report outlines the theoretical and practical aspects of debt financing in corporate finance. It also includes recommendations and suggestions for Max Group to improve its debt financing strategy.

I will be highly obliged if you kindly accept this report or provide me with any kind of expert judgment or feedback you may have.

Sincerely yours,

Kazi Nahian Haider Amlan
ID: 180061150
Department of Business & Technology Management
Islamic University of Technology

Declaration

I, Kazi Nahian Haider Amlan, a student of the Department of Business and Technology Management of the Islamic University of Technology, hereby declare that I have prepared my internship report on "The Role of Debt Financing in Corporate Finance-A Study on Max Infrastructure Ltd." at Max Group by myself with the guidance provided by my supervisor, Md. Jahangir Alam, Lecturer, Department of Business & Technology Management. I have not intentionally infringed on any copyrights. To the best of my knowledge, the work is genuine. I further attest that the report was not disclosed to any other person or entity in return for any form of certificate.

Student's Full Name & Signature:

Kazi Nahian Haider Amlan
ID: 180061150
Department of Business & Technology Management
Islamic University of Technology

Acknowledgement

All praise is to the Almighty Allah (SWT), who gave me the ability and chance to finish the internship program and the report on time by giving me the power and resources to do so. Even though writing the internship report has presented some challenges, I have been able to overcome them with the help of my academic and company supervisors, and I am grateful to them for all the support they have given me. I also want to express my appreciation to all the people who helped me along the way in both direct and indirect ways.

I want to start by thanking my academic supervisor, Md. Jahangir Alam, Lecturer, Department of Business & Technology Management, for consistently giving me supportive feedback that has enabled me to easily complete the report. Without his advice and opinions, this report would not have been possible. I have done my best to make this report as error-free as possible.

Furthermore, I would like to thank my assigned company supervisor at Max Group, Mohammad Mahmud Hossain, DGM, Corporate Finance, who took on all of my responsibilities and gave me his valuable time to share his experiences with me.

Last but not least, I am grateful to Md. Fazle Karim, Deputy Manager, Corporate Finance, Max Infrastructure Ltd., for directly supervising and guiding me during my three-month internship. He also provided me with many tips that would help me succeed in my work. As a business student, the skills I learned during the internship program under his supervision have helped me grasp corporate working cultures and organizational standards.

Working with the Max Group was an amazing experience for me, and I am grateful to all of the employees who assisted me and made the experience important for my future.

Executive Summary

The goal of this report is to provide a summary of the internship program's professional and practical experience. This report summarizes my experience working as a corporate finance intern at Max Group.

Max Group is a leading conglomerate in Bangladesh with diversified businesses in various industries such as infrastructure, real estate, manufacturing, and power. The company has developed a reputation in the infrastructure sector for using cutting-edge and environmentally friendly techniques. The company has used cutting-edge materials and technology to construct energy-efficient megaprojects that have a minimal negative impact on the environment.

The Corporate Finance Department at Max Group BD plays a critical role in ensuring the financial performance and success of the company's various business segments. The department is responsible for managing the financial operations of the company, including fund sourcing, budgeting, forecasting, financial analysis, and risk management. The department collaborates closely with other departments and business divisions to find areas for expansion, create financial plans, and make sure that resources are used wisely to meet organizational goals. I had the opportunity to witness the entire process of financial activities while working as a corporate finance intern.

Through this internship, I was able to acquire knowledge and integrate myself into the corporate culture for three months. My knowledge of performing in an office atmosphere has expanded, which aids in both my professional and personal development. Now, my professional ambitions have undoubtedly been significantly impacted by this.

I have provided the company overview and industry analysis at the beginning of the report. After that, I described my duties and responsibilities as an intern. Subsequently, I have provided analyses at the company, market, and professional levels. Lastly, I have added my thoughts and recommendations on the areas that need improvement in Max Group.

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Chapter 1

Introduction

Introduction

This report is a fundamental part of the 8th semester course, Internship 4800. The purpose of this report is to convey the experiences I had while serving as a three-month intern at Max Group. This 9-credit internship course is required as a final semester student in the Business and Technology Management Department. For instance, it played a key role in completing my degree successfully.

The corporate finance department of the company where I work will be the main topic of the report. As an intern, my obligations and my review of the lessons discovered during the internship program helped me in a variety of ways. It introduced me to the business world, which will serve as a basis for my future learning and development. I think this event will always be a stepping stone for me in the business world.

This section will include the report's aim, scope, methodology, and limitations I encountered while creating it.

1.1 Purpose of the Report

The purpose of this report is to provide the Business and Technology Management (BTM) department's fourth-year students with insights into the job market and business world in general, as well as to help them gain professional experience by putting their academic knowledge into practice. It is the finish line of my three-month "Corporate Finance Intern" internship with Max Group. I made my internship report on the topic of **“The Role of Debt Financing in Corporate Finance:A Study on Max Infrastructure Ltd.”** This report includes details on an overview of the business, debt financing, an analysis of the relevant industry, a description of the internship's tasks, an in-depth study of Max Group's environment, and some closing notes.

1.2 Scope of the Report

This report provides an overall organizational overview of Max Group, focusing on the corporate finance department. Readers will be able to figure out the operation of the company as well as its progression from a starting point to success. Additionally, they would be familiar with the corporate culture and working conditions. This report also includes helpful details about the country's financial conditions in the construction industry. Last but not least, it will give the readers a chance to learn about the lessons I learned and the experiences I had during my three-month internship there. The report's conclusion includes some recommendations for determining the areas that still need development.

1.3 Methodology

While writing this internship report, I consulted both primary and secondary sources for information and insights.

Primary sources:

- Face to face conversation with the office employees.
- Direct conversation with the bankers.
- Study of different files from different sections of the bank.
- Practical Deskwork

Information Sources:

1. Official corporate workers,
2. My internship diary, and the notes I took during that time are the sources of information.

Secondary sources:

- Internet
- Company website
- Company's audit report
- Research paper about the construction industry.

1.4 Limitations

The report contains the following limitations:

Confidentiality of data: As Max Group is a private limited company, there are some restrictions to publish any types of information without prior permission. Due to confidentiality, adequate information remains short to prepare this report.

Time: Making an accurate evaluation of an organization as a whole requires more time than three months. If I had stayed a little longer to witness Max Group at work, I could have added additional details and learned more about them.

Subject Concentration: Last but not least, my field of study and topic emphasis were significant contributing factors. I had to work in a workplace full of finance graduates when I was a student of technology management, which was already difficult. Getting used to it took some time. I found it challenging to relate to their line of work in any depth. The process of acquiring information and resources was slowed significantly by this.

Chapter 2

Company Overview

Company Overview

The steady demand for infrastructure development and modernization across the nation has led to growth in Bangladesh's Engineering, Procurement, and Construction (EPC) sector in recent years. Infrastructure, industrial, residential, commercial, energy, and utilities are all segments of the Bangladesh EPC market. The development of different infrastructure projects, including roads, bridges, power plants, water supply systems, and industrial parks, has been financed in large part by the government of Bangladesh, which has been a major factor in the country's EPC market expansion.

Over the next five years, it is anticipated that the Bangladesh EPC market will expand at a compound annual growth rate (CAGR) of about 7.5%. A number of causes, including an increase in urbanization, an expanding population, rising disposable incomes, and government attempts to encourage foreign investment in the nation, are supporting this expansion.

Max Group BD has been a trusted partner of the Government of Bangladesh for over 35 years, providing infrastructure development in various sectors such as railway, bridge, power generation, power transmission, and more.

In this section, I will provide an overview of Max Group BD and address some commonly asked questions about the company.

2.1 Company Background

MAX GROUP has shown remarkable growth and consistent advancement in the industrial sector of Bangladesh since 1983. Initially established as a manufacturer of leaf springs, MAX has now become one of the biggest conglomerates in the country, playing a vital role in the development of industrial, infrastructural, power generation and other sectors of Bangladesh as contributed significantly to the development of Bangladesh's infrastructural sector by executing large-scale engineering, procurement, and construction (EPC) projects such as the Dhaka Elevated Expressway, the Dhaka-Chattagram four-lane highway, and the Padma Bridge Rail Link Project. With its own state-of-the-art equipment division, it is the largest EPC company in Bangladesh. The group has two factories, one located at BSCIC Estate, Begumganj, Noakhali, having 70,000 square feet of working land & 30,000 square feet of covered area and another is located at Jagir, Meghshimul, Manikganj on total land area of 5.0 acres for producing steel sleeper, steel bridge & steel structures etc.

JOURNEY OF
MAX GROUP

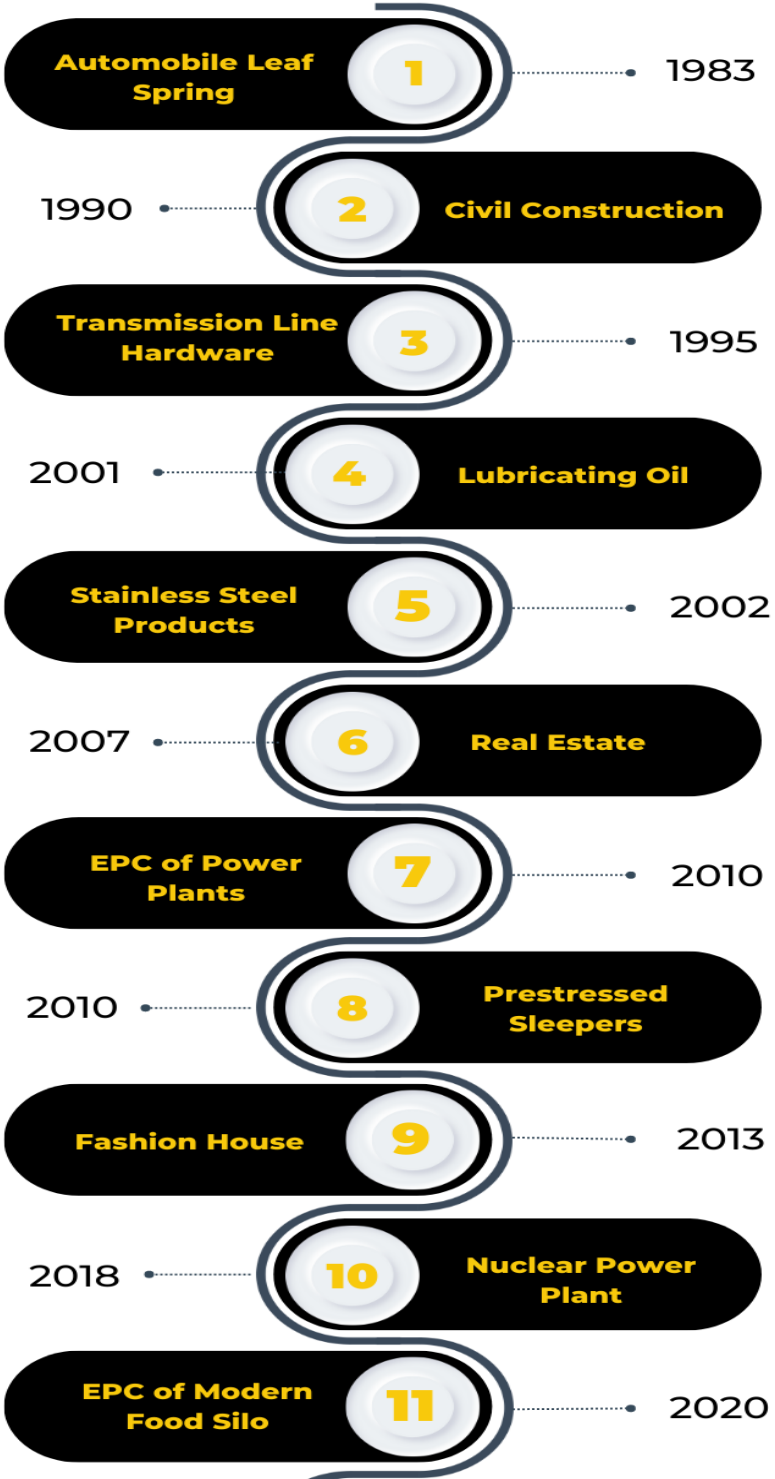


Figure 1 : Journey of Max Group

2.2 Company Profile












-  **Origin :** Bangladesh
-  **Year of Establishment :** 1983
-  **Status :** Private Company Limited
-  **Head Office :** Baitul Hossain Building, 6th floor,
27, Dilkusha C/A, Dhaka - 1000, Bangladesh
-  **Corporate Office :** RAOWA Complex, level-11,
VIP Road Mohakhali, Dhaka- 1206, Bangladesh
-  **Phone :** +88 02 55058345-6, +88 02 223388646
-  **Fax :** +88 02 47110176
-  **Email :** Info@maxgroup-bd.com
-  **Website :** www.maxgroup-bd.com

Figure 2 : Company Profile

Vision

Thriving as the advanced business leader in quality Mega-Project Delivery, reinforced by its innovative strategic project management methodologies, MAX intends to become the EPC Service Provider of FIRST choice in the country. MAX targets to attain in-house EPCM capability by 2021, shall generate high value 15,000 direct employment by 2025.

Mission

MAX is a company that shall not be owned by the owners only, but also to be owned by its employees. MAX values its people as its true stakeholders in achieving its vision, mission, by implementing requisite strategies.

MAX would achieve the above visions through establishment of a group strategic project management office (SPMO) which will lead implementing safety as a pivotal culture to deliver safe projects to generations and to the country. The SPMO will lead materializing end to end project development processes, early project set up planning procedures, project executions plan models, implementing total governance & control and, help acquiring up-to-date EPC/EPCM capabilities. MAX GROUP will continue to enhance its Power and Energy sector EPC experience along with acquiring operational capabilities as deliberate opportunities to strengthen the positive value profile of the group. MAX will thrive vertically in the manufacturing wing, augmenting the strategic supply chain of the mega-projects and boost project and corporate ROI.

Any horizontal expansion of the manufacturing division will be driven by R&D push, added market penetration and business development of consumer goods in engineering products – lines both for domestic and export markets and investing in those that elevates the company's value factors complementing the vision.

The MAX GROUP will be listed in the DSE (Dhaka Stock Exchange) by October 2020. It will engage in the road show to float IPO (Initial Public Offering) to boost financial leverage sharing corporate profit more with the general public and its underwriters. The MAX will maintain its sincere paymaster status and roles with country's banking communities and international development agencies as ADB, KFW, World Bank, JICA etc.

As a socially responsible company, MAX will achieve business growth through a structured organization that is dedicated to attaining the strategic vision pledging to deliver its socio technical obligations. These include “skills and knowledge enhancement initiatives at national level”, sticking to “sustainable development goals (SDG-2030)” and supporting “vision 2041 of the GOB (Government of Bangladesh)” to put the nation at Developed Country Status.

2.3 Organogram of Max Group

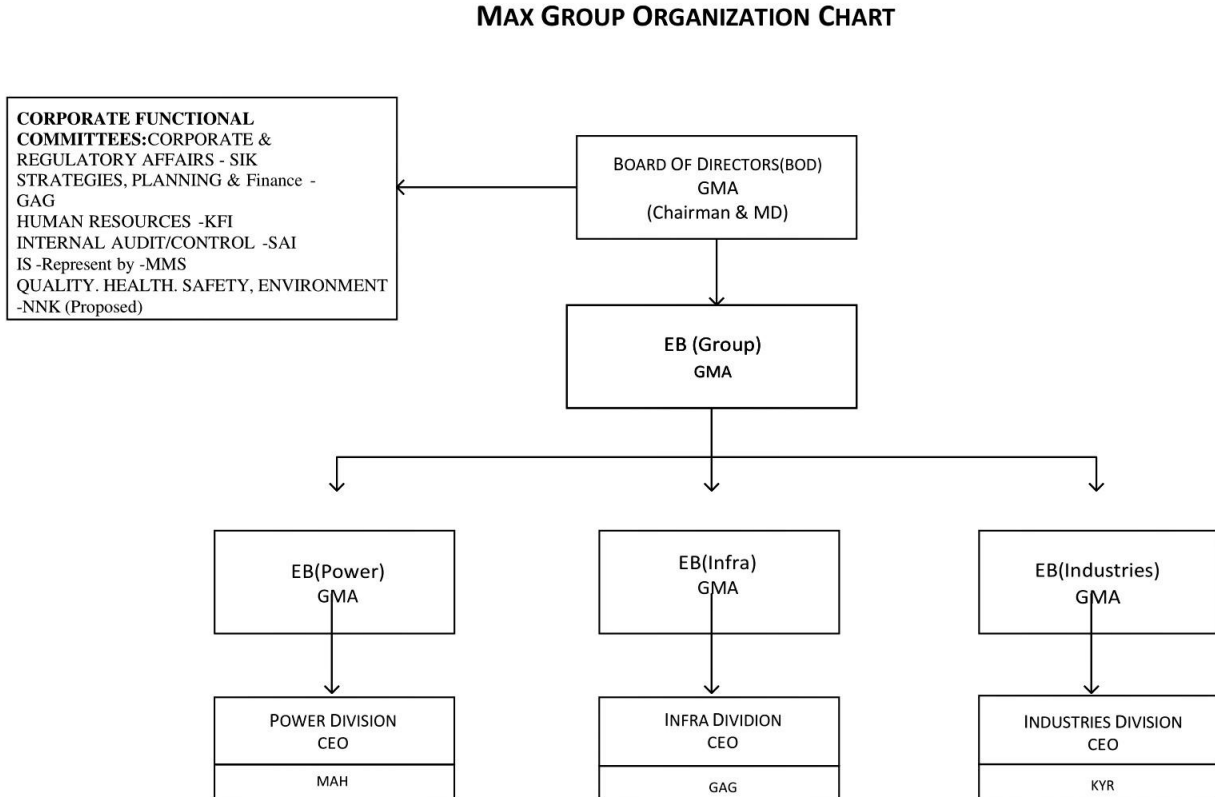


Figure 3: Organizational Chart

2.4 Associated Companies

Max Group consists of 3 business segments: Infrastructure, Power & Manufacturing.

Max Infrastructure Limited: The company is involved in the construction of railway tracks and the maintenance of existing tracks of the Bangladesh Railway by importing the required railway equipment from the principal. Besides, the company also carries out construction work related to bridges, flyovers, elevated expressways, highway roads etc. MIL also manufactures & supplies various types of auxiliary railway products such as fish plate, fish bolt, dog spikes, bearing plate, switch expansion joints, fabrication girders and elastic clips for the Bangladesh Railway.

Max Power Limited: Max Power Limited, a sister concern of Max Group, has extensive experience in power development in Bangladesh. The company is a significant player in the power sector, owning and operating a gas-fired power plant in Ghorashal and a combined cycle power plant in Fenchuganj. MPL has also been awarded six lots for the 2400 MW Nuclear Power Plant Construction Project at Rooppur, for which they are a subcontractor of Atomstroyexport. Additionally, it is constructing a 150±10% MW HFO-based power plant project in Sreepur and successfully completed two 400kV double circuit transmission line projects in Aminbazar-Gopalganj and Anowara-Ananda Bazar sections.

Kushiara Power Company Limited, under BPDB, is another sister concern of Max Group, which is renowned for engineering, procurement, and construction works of a 163 MW combined cycle power plant at the Fenchuganj Substation, Fenchuganj, Sylhet.

Max Industries Limited: Max Industries Limited is one of the fastest growing units of Max Group that is engaged in manufacturing stainless steel, crockery products and S.S pipes. The manufacturing plant is located at Manikganj. MIL has been the market leader in the stainless steel industry of Bangladesh since 2008. MIL has 100% in house productivity capacity also having a team of well qualified designers,skilled workers, professionals, high-mechanized machines and techniques.

Lub House Industries Limited, Max-PreStress Limited, AFA Steel Industries Limited and Maxcrete Limited are part of Max Industries Limited.

2.5 Operations & Clients

Max Group is a Bangladesh-based company that operates in various industries, including manufacturing, trading, and services. The company has a diverse client base, including foreign clients from countries such as China, Russia, Turkey, and India. With a strong focus on delivering high-quality products and services, Max Group has earned a reputation for its professionalism, reliability, and commitment to customer satisfaction. The company's success is a testament to its ability to meet the needs of its clients, both domestic and international, and to adapt to the ever-changing global business environment.

Government organizations include:

- Bangladesh Power Development Board
- Bangladesh Railway
- Local Government Engineering Department
- Chittagong Development Authority
- Bangladesh Army
- Power Grid of Bangladesh

- Bangladesh Water Development Board
- Bangladesh Atomic Energy Commission
- Bangladesh rural Electrification Board
- DESCO
- Dhaka Power Distribution Company Ltd.
- B-R Powergen
- Khulna Wasa
- PWD
- Roads and Highways Department
- Rajuk



Figure 4: Domestic Clients

Foreign partners include:

- China Railway Engineering Corporation
- RANKEN Railway Construction Group Co. Ltd.
- China Civil Engineering Construction Corporation
- SEPCO Electric Power Construction Corporation
- HCC-Hindustan Construction Company
- Triveni Engineering and Industries Ltd.

- ALTUNTAS
- Atomstroyexport ASE JCE



Figure 5: Foreign Partners

2.6 What is Debt?

Debt is money that is owed by one party to another. Many businesses and individuals utilize debt as a way to finance significant expenditures that they would ordinarily be unable to afford. In a debt agreement, the borrowing party receives authorization to borrow money with the requirement that it be repaid at a later time, typically with interest.

2.7 What is Debt Financing?

By taking out loans from lenders or investors, a business can raise money through debt financing. With debt financing, a company agrees to repay the borrowed money with interest over a predetermined time frame. Bonds, loans, and credit lines are a few examples of debt financing. Bonds are financial securities that are offered to buyers in exchange for a certain rate

of interest over a predetermined time frame. Loans are contracts in which a lender lends money to a company in exchange for repayment with interest over a predetermined period of time.

2.8 Debt Financing at Max Infrastructure Ltd.

Debt financing is used by Max Infrastructure Ltd. for a variety of purposes, such as to manage cash flow, buy assets, or finance expansion efforts. Debt finance can be a desirable choice for businesses that require access to capital but desire to retain ownership and management of their enterprise. Also, the corporation may profit financially because the interest on debt financing is frequently tax deductible. It is important for Max Infrastructure Ltd. to carefully consider the risks associated with debt financing before pursuing this option. To support its financial and growth goals, Max Group uses debt finance as a strategic instrument.

2.9 Steps for Getting a Loan

For the purpose of obtaining a loan for projects, Max Group has to go through a number of stages. All steps are described in detail below:

1. Start communicating with the bank.

Prior to applying for a project, Max Group will begin talking to lenders about financing future projects. Pre-contact should begin even when they receive the project; funding will be readily available to get to work right away.

The communication process is simple because Max is a well-known infrastructure development company in Bangladesh. With the support of the company's senior management, the finance department will get in touch with the bank's top management to request a loan. Verbal communication will be used for this, and once the loan or facility limits have been agreed upon, a written procedure will begin.

2. Credit Rating

When companies apply for loans at banks or other financial organizations, those institutions begin the process of approving loans. They begin this process by looking at the company's credit rating.

The practice of evaluating a company's capacity to repay a debt is called credit rating.

The objective of the credit rating procedure is to guarantee that all ratings are founded on the highest levels of objectivity and a company's analytical standing. The rating procedure typically takes three to four weeks, beginning with the initial meeting with management and ending with the assignment of the rating. To fulfill pressing needs, credit rating organizations have, on occasion, made ratings judgments in less time. The issuer submits a rating request, and a rating agreement is signed to begin the rating process.

This credit report will be used by the bank. The ability to repay a bank loan that a bank intends to issue must be known. When the study of the credit rating is favorable, the bank is prepared to repay the loan.

3. Required documents for the loan

When banks or other financial institutions receive favorable credit rating report documents by letter for their documentation or superior analysis, they want something more.

1. Board resolution to avail credit facility from the bank.
2. Company profile with all directors and other businesses of the group.
3. Copy of a valid trade license, a tax clearance certificate for the company, and the names of all directors, VAT registration certificate, IRC, fire protection license from fire service and civil defense, insurance, environmental clearance certificate, etc.
4. Audited balance sheet for the last 3 years or projected 3 years.
5. Personal net worth statements as per the enclosed format with IT10.
6. Receivables and payables status of the company.
7. Present liability position, along with facility type and name of the bank or financial institutions.
8. Bank transaction statement.
9. In-hand work order list, prospective work order.
10. List of work orders already executed in the last 3 years.
11. List of machinery with value.
12. External credit rating report.

4. Received Loans

Banks or other financial organizations determine whether to lend money to the Max Group after examining and analyzing all of the necessary documentation. Max Group uses loans as needed and withdraws them as well.

2.10 Loan Status of Max Infrastructure Ltd.

As it is confidential to inform people about the current loan at different banks or financial institutions. But for educational purposes, some loan outstandings are given below:

Max Infrastructure Ltd. Outstanding as on 31-Dec-2022 (Mill. BDT)

Loan type	Funded/non	Bank	Facilities	Limit	Outstanding
Long Term	Funded	The Premier Bank Ltd.	Term Loans (Rev.)	400	312.5
		Bank Asia Ltd.	Lease Finance I	400	287
		Lanka Bangla Finance Ltd.	Lease Finance I	300	280
		United Commercial Bank	Lease Finance II	400	118.7
		Lanka Bangla Finance Ltd.	Lease Finance III	500	500.1
		Prime Bank Ltd.	Lease Finance I	32.2	32.2
		IDLC Finance Ltd.	Term Loan	300	92.9
		Total Long Term Funded	Term Loan	980.5	420.5
		Total Long Term Funded		3,312.70	2,044.00
Short Term	Funded	Pubali Bank Ltd.	Overdraft (wo)	1,500.00	994.9
		Pubali Bank Ltd.	Overdraft (wo)	1,500.00	686.8
		Pubali Bank Ltd.	Overdraft (wo)	1,000.00	882.8
		Pubali Bank Ltd.	LTR	300	14.6
		The Premier Bank Ltd.	Overdraft (G)	1,000.00	1,022.80

		The Premier Bank Ltd.	LTR	400	53.8
		The Premier Bank Ltd.	Time Loan	500	510.4
		The Premier Bank Ltd.	Stimulus Package	120	63.2
		NRB Bank Ltd.	Overdraft	30	30.6
		NRB Bank Ltd.	LTR Inner of OD	6.9	6.9
		NRB Bank Ltd.	ODWO	850.00	-
		NRB Bank Ltd.	OD	100	99.1
		NRB Bank Ltd.	Time loan	200	211.8
		NRB Bank Ltd.	OD	100	1.3
		NRB Bank Ltd.	Time loan	1,500.00	1,430.20
		NRB Bank Ltd.	OD	800	319
		Bank Asia Ltd	DL	1.500	
		Bank Asia Ltd	Time loan	20.00	20.3
		Bank Asia Ltd	WO	400	311.5
		Bank Asia Ltd	LTR	270	271.6
		Bank Asia Ltd	Overdraft	900	800.5
		Bank Asia Ltd	Demand Loan	1,500.00	29.7
		Bank Asia Ltd	Demand loan -Stimulus	30	30
		Bank Asia Ltd	Demand loan	1, 162.5	785.1
		Brac Bank Ltd	Overdraft	500.00	380.3
		Brac Bank Ltd	Overdraft one off	1,800.00	1,424.90
		Eastern Bank Ltd.	Overdraft	100.00	104.7
		Eastern Bank Ltd.	Time Loan	3,000.00	1,018.30
		Shahjalal Islami Bank Ltd.	WO	2,500.00	982.3
		Shahjalal Islami Bank Ltd.	Bai-Muazzal	100	100

		Shahjalal Islami Bank Ltd.	TL	100	100
		United Commercial Bank	WO	3,000.00	1,018.30
		United Commercial Bank	OD	2,500.00	982.3
		United Commercial Bank	Time Loan	1,091.60	1,091.60
		IPDC Finance Ltd.	Short Term Loan	100.00	102.90
		IPDC Finance Ltd.	Short Term Loan	100	100.9
		IPDC Finance Ltd.	Short Term Loan	50	100.9
		IPDC Finance Ltd.	Short Term Loan	100	100.9
		IPDC Finance Ltd.	Short Term Loan	50	50.5
		IPDC Finance Ltd.	Short Term Loan	135	138.9
		Lankan Alliance Finance	STL	250	100
		Prime Bank Ltd.	Overdraft (G)	100	102.2
		Midland bank Ltd.	OD against WO	500	58.9
		Midland bank Ltd.	Time loan	-400	416.5
		Midland bank Ltd.	LTR*	150	-
		Midland bank Ltd.	Time loan	-100	57.6
		The City Bank Ltd.	Overdraft	30	30.3
		The City Bank Ltd.	OD (Stimulus)	300	199
		The City Bank Ltd.	OD -1	1,300.00	271.4

		The City Bank Ltd.	OD -2	1,500.00	-
		The City Bank Ltd.	LTR** (475)	475	-
		One Bank Ltd.	Overdraft	5	5.1
		NCC Bank Ltd.	Time Loan	65	20.7
		NCC Bank Ltd.	LTR	-25	1.6
		NCC Bank Ltd.	Cash Credit	80	81
		NCC Bank Ltd.	SOD (G)	900	883.5
		NCC Bank Ltd.	SOD (WO) - One off	1,000.00	292.3
		NCC Bank Ltd.	STL	-200	202.3
		NCC Bank Ltd.	LTR	250	-
		Mercantile	Time Loan	500	498.2
		NRBC	Loan Against WO	900	808.3
		NRBC	PIF	12	12.2
		AI-Arafah Islami Bank	Baim. (Agg. WO)	1,330.00	1,159.10
		AI-Arafah Islami Bank	Baim Stimulus	170	59.9
		Community Bank	Overdraft (WO)	250	159
		Community Bank	Overdraft	400	408.7
		Standard Bank Ltd	Bai-Muajjal (WO)	50	5.7
		Standard Bank Ltd	MPI TR	30	-
		Total Short Term Funded		33,163.00	20,208.00

Table 1 : Loan Outstandings

Max Infrastructure Ltd. has a significant amount of debt, with a long-term funded loan outstanding of 2,044 million and a short-term funded loan of 20,208 million. This indicates that the company has borrowed a substantial amount of money to finance its operations and investments.

2.11 Financial Statement of Max Infrastructure Limited

Max Infrastructure Limited Statement of Financial Position As at 30 June 2022			
Particulars	Note	Amount in Taka 30-Jun-22	Amount in Taka 30-Jun-21
Assets			
Non-Current Assets:		6,829,239,627	7,269,112,665
Property, Plant and Equipment	4.00	3,378,068,022	3,839,337,910
Asset Held for Sale	4.01	164,905,777	163,250,777
Right of Use Assets	4.02	27,236,828	15,494,978
Investment In Shares	5.00	3,259,029,000	3,251,029,000
Current Assets:		21,594,943,527	20,763,703,076
Inventories	6.00	112,557,885	190,121,667
Construction Work in Progress	7.00	15,282,407,419	13,943,634,358
Trade & Other Receivables	8.00	989,669,233	1,607,850,992
Advances, Deposits & Prepayments	9.00	1,014,970,651	880,769,449
Retention Money	10.00	2,717,461,918	2,362,414,821
Short-term Investment	11.00	52,193,260	102,332,810
Cash and cash equivalents	12.00	1,425,683,161	1,676,578,979
Total Assets		28,424,183,154	28,032,815,741
Equity & Liabilities			
Equity:		8,745,446,431	7,707,809,187
Share Capital	13.00	400,000,000	400,000,000
Revaluation Surplus	14.00	766,566,925	766,566,925
Retained Earnings	15.00	7,578,879,506	6,541,242,262
Non-Current Liabilities:		2,965,203,958	2,957,135,494
Non Current Loan	16.00	2,590,166,899	2,945,768,212
Redeemable Preference Shares	17.00	350,000,000	-
Lease Liability	18.00	12,549,017	-
Deferred Tax Liability	19.00	12,488,042	11,367,282
Current Liabilities:		16,713,532,765	17,367,871,060
Current Loan	16.00	11,412,713,312	11,434,009,205
Current Portion of Long Term Loan	16.00	4,711,641,266	4,900,289,660
Amount Due to Customer		-	216,263,305
Current Portion of Lease Liability	18.00	20,042,913	18,364,470
Accounts Payable	20.00	133,513,468	261,397,548
Current Account		236,198,031	348,521,304
Provisions & Accruals	21.00	199,423,775	189,025,568
Total Equity & Liabilities		28,424,183,154	28,032,815,741

The accompanying Notes 1-29 form an integral part of these financial statements.


Managing Director


Director

Dhaka, 08 December 2022



N I Chowdhury FCA
Partner, Enrolment No: 0766
Atik Khaled Chowdhury
Chartered Accountants



Figure 6: Financial statement of Max Infrastructure Ltd. as of 2022

I prepared a few debt estimates based on the information available to gain some understanding of the company's leverage condition. But it's important to remember that a more in-depth examination would require a more complete set of financial statements and other pertinent data.

2.12 Debt Ratio Calculations

To analyze Max's debt financing strategy, I need to calculate several debt ratios. This includes the debt-to-equity ratio and the debt-to-asset ratio.

Debt-to-asset ratio: The debt to asset ratio measures the ability of a company to carry the debt and get new debt if needed for its operations. It is calculated by dividing the entire debt of a company by the total assets of the company.

The formula, debt-to-asset ratio = Total liabilities / Total assets

$$\begin{aligned} &= \frac{2,965,203,958 + 16,713,532,765}{28,424,183,154} \\ &= \frac{19,678,736,723}{28,424,183,154} \\ &= 0.7 \end{aligned}$$

Max Infrastructure Ltd. has a debt-to-asset ratio of 0.7, which means that the company has financed 70% of its assets through debt and 30% through equity.

Debt-to-equity ratio: The debt-to-equity ratio, often known as the D/E ratio, assesses a company's financial leverage and determines how well it can pay off its debt. It is calculated by dividing the total liabilities by the shareholder equity of the company.

The Formula, Debt-to-equity ratio = Total liabilities / Total shareholder equity

$$\begin{aligned} &= \frac{16,713,532,765 + 2,965,203,958}{8,745,446,431} \\ &= \frac{16,713,532,765 + 2,965,203,958}{8,745,446,431} \\ &= 2.25 \end{aligned}$$

Max Infrastructure Ltd. has a debt-to-equity ratio of 2.25, which means that the company has financed 2.25 units of debt for every unit of equity financing.

2.13 Marketing Strategy

The aims, target market, competition, budget, and available resources of an infrastructure company in Bangladesh will all affect their marketing strategy. These are some marketing techniques MAX Infrastructure has used to build its brand as a top infrastructure development business in Bangladesh:

Strong Brand Image: Building a powerful brand image that embodies its principles and domain knowledge is a priority for Max Infrastructure. This is accomplished by creating a unified brand identity that is present across all marketing platforms, including social media, websites, and traditional offline advertising.

Digital Marketing : A variety of tools are available for digital marketing that may be used to target and interact with customers. To connect with its target audience and produce leads, Max Group has made use of digital marketing platforms including social media, search engine optimization (SEO), and email marketing.

Promoting Successful Projects: To attract new clients and stakeholders, MAX highlights its noteworthy projects. Presentations of the project and case studies are used to do this. Showing off its successes allows Max Infrastructure to establish credibility with potential clients and prove its knowledge in the industry.

Participating in industry events: To promote its services and build a network with potential clients and business partners, the company takes part in industry events including trade exhibitions and conferences. The visibility of the business can be improved, and leads can be produced.

Collaborations and Coordinations: MAX Group is constantly forming alliances with other businesses in the sector to increase its skills and reach. For instance, it might collaborate with suppliers, engineering companies, and architectural firms to provide its clients with a wide array of services.

Environmental Protection: In the EPC sector, sustainable development is gaining importance. In order to satisfy the needs of its clients and have the least possible negative impact on the environment, MAX Infrastructure and its JV's concentrate on creating sustainable solutions. This could distinguish the business from competitors and draw environmentally aware clients.

2.7 Swot Analysis

SWOT ANALYSIS

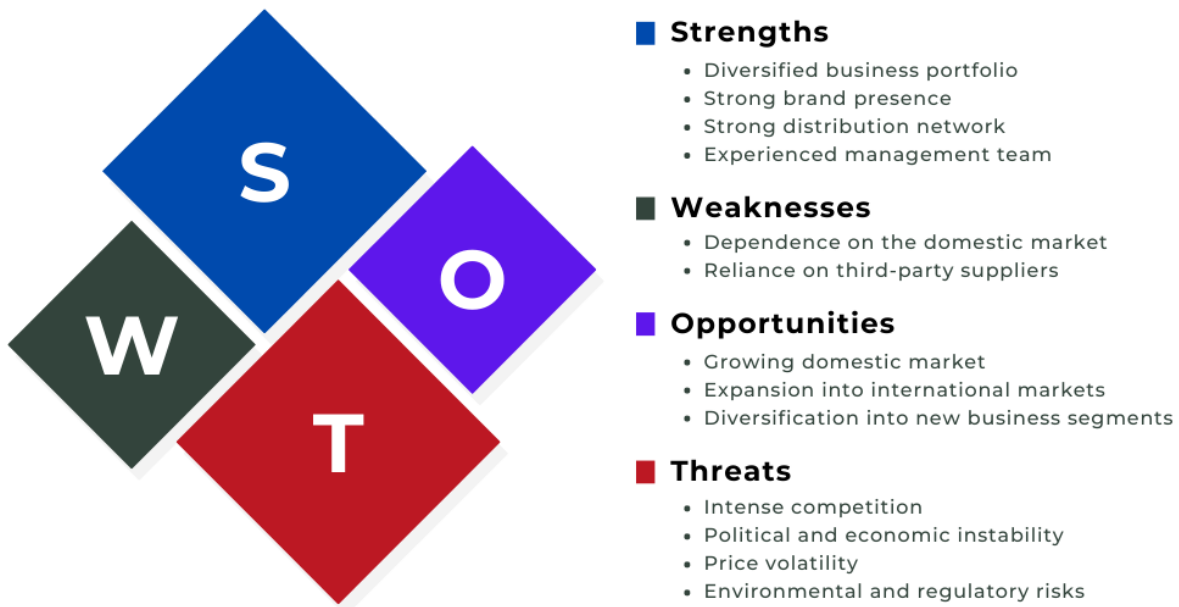


Figure 7: SWOT Analysis

Strength

1. **Diversified business portfolio:** MAX Group has a diversified business portfolio, which includes manufacturing, trading, construction, real estate, power generation, and hospitality. This allows the company to benefit from multiple revenue streams and mitigate risks associated with a single business segment.
2. **Strong brand presence:** MAX Group has established strong brands across several industries, such as MAX Vehicles (automotive), MAX Infrastructure (construction), and MAX Power (power generation). These brands enjoy high brand recognition and customer loyalty, which helps the company to maintain a competitive edge.
3. **Strong distribution network:** MAX Group has a strong distribution network that spans across Bangladesh. This allows the company to efficiently reach its target customers and expand its customer base.

4. **Experienced management team:** The company's management team has significant experience and expertise in managing diverse businesses. This helps to ensure efficient operations and effective decision-making.

Weakness

1. **Dependence on the domestic market:** MAX Group's operations are primarily focused on the domestic market, which makes the company vulnerable to economic and political risks within the country.
2. **Reliance on third-party suppliers:** The company's operations rely on third-party suppliers for raw materials and other inputs. This may expose the company to supply chain disruptions and price volatility.

Opportunities

1. **Growing domestic market:** Bangladesh's economy is growing rapidly, which presents significant opportunities for MAX Group to expand its operations and customer base.
2. **Expansion into international markets:** MAX Group could expand into international markets, particularly in other emerging economies in the region, to diversify its revenue streams and increase its global presence.
3. **Diversification into new business segments:** MAX Group could consider diversifying into new business segments, such as renewable energy or information technology, to take advantage of emerging opportunities in these sectors.

Threats

1. **Intense competition:** MAX Group faces intense competition in each of its business segments from both local and international players, which may limit its market share and profitability.
2. **Political and economic instability:** Bangladesh is prone to political and economic instability, which may impact the company's operations and profitability.
3. **Price volatility:** MAX Group's operations are exposed to price volatility, particularly in the commodity markets, which may impact its margins and profitability.

4. **Environmental and regulatory risks:** The company's operations may be subject to environmental and regulatory risks, such as changes in government policies or regulations, which may impact its operations and profitability.

2.8 Porter's Five Forces

1. **Threat of New Entrants:** Research from the Asian Development Bank claims that there is a high entry barrier for new competitors because the infrastructure industry in Bangladesh requires a sizable capital investment, technical know-how, and strong connections with government organizations. The MAX Group has an advantage over new competitors in this area due to its well-established reputation and experience.
2. **Bargaining Power of Suppliers:** Bangladesh's marketplaces for construction supplies and machinery are fiercely competitive, with many vendors vying for customers. Due to its size and scale, MAX Group has an edge in this regard since it may be able to negotiate advantageous terms with suppliers.
3. **Bargaining Power of Buyers:** Governmental organizations and state-owned businesses are the main consumers in Bangladesh's construction market. Although MAX Group may struggle to maintain positive connections with these organizations, its established reputation and experience may enable it to attract repeat business.
4. **Threat of Substitutes:** It is challenging for replacements to enter the market in Bangladesh since infrastructure projects are sometimes highly customized to the individual needs of the client. By providing unique solutions and utilizing cutting-edge technologies, MAX Group has been able to set itself apart from rivals.
5. **Intensity of Competitive Rivalry:** In Bangladesh, there is strong competition among major domestic and foreign companies for contracts in the infrastructure sector. In order to stay competitive, MAX Group has kept enhancing the quality of its services and bringing new ideas to the market.

Chapter 3

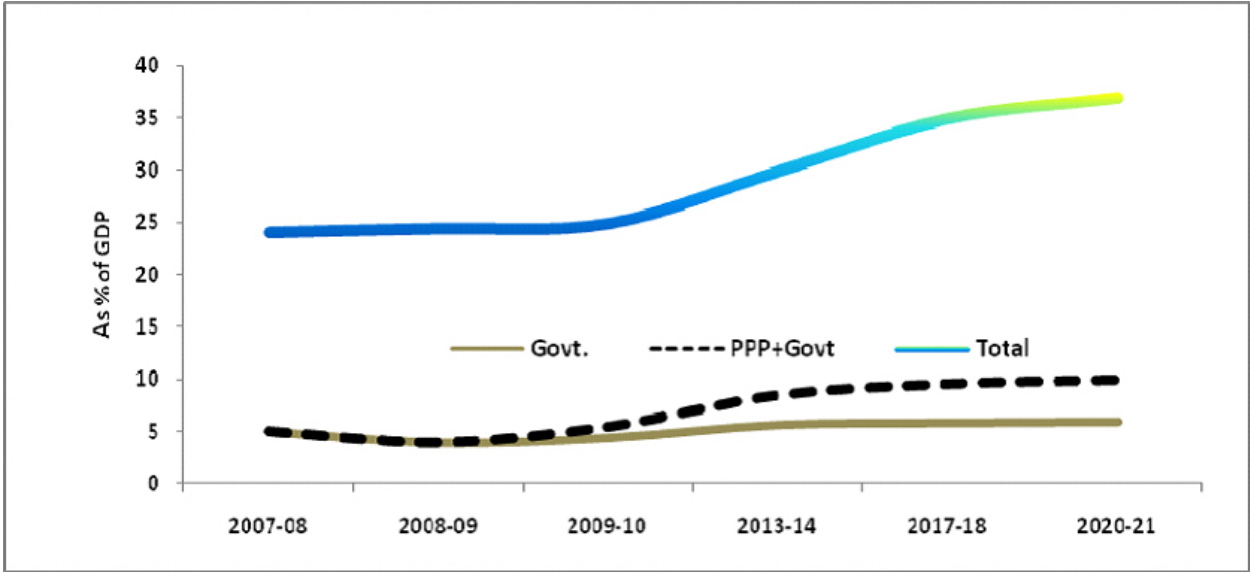
Industry Analysis

This section provides chronological descriptions of the industry's size, growth, maturity, economic factors, technological factors, and others.

3.1 Industry Size and Growth Trends

In 2021, the size of the construction market in Bangladesh was \$84.3 billion. During the years 2023–2026, the market is anticipated to grow at an AAGR of more than 5%. Investment in infrastructure developments for power, transportation, manufacturing, and telecommunications will help the industry's growth. The government intends to increase the total installed electricity generation capacity, the proportion of renewable energy in the overall electricity mix, the total length of the targeted four-lane road, and the length of the targeted new railway network as part of the eighth five-year plan (8FYP), which was approved in December 2021.

Bangladesh is placed 105th out of 141 different countries in the Global Competitiveness Index for 2019. As a whole, Bangladesh had the lowest infrastructure rating among South Asian nations, coming in at number 114. Sri Lanka came in at number 61. Pakistan came in at number 105, India at number 70, and Nepal at number 112.



Source: Ministry of Finance and Sixth Plan Projections. Referred in Sixth Five Year Plan, FY2011-FY2015 – Accelerating Growth and Reducing Poverty, GED, Planning Commission, Ministry of Planning, Bangladesh

Figure 8: Infrastructure and Total Investment in Bangladesh (FY08-FY21)

The infrastructure industry in Bangladesh is quite competitive, with several companies vying for market share. While Max Infrastructure Ltd. is a reputable company that has completed several high-profile infrastructure projects in Bangladesh, it is just one of many players in the market. It's important to note that the infrastructure industry in Bangladesh is still developing, and there is significant room for growth and expansion. As the government continues to invest in

infrastructure development, there are likely to be many opportunities for companies to compete and succeed in the market. Ultimately, the success of any particular company in the infrastructure industry will depend on its ability to deliver high-quality projects on time and within budget, as well as its ability to adapt to changing market conditions and technological innovations.

The company, Max Infrastructure Ltd, is involved in a number of infrastructure projects, including:

- Building roads and bridges: Max Infrastructure Ltd has finished building a number of roads and bridges in Bangladesh, including the Padma Bridge Rail Link, the Dhaka Elevated Expressway, and the Mawa-Munshiganj Bridge.
- Systems for supplying water: The company has finished a number of projects for supplying water and ensuring public health, including the Narayanganj and Dhaka projects.
- Airports and aviation infrastructure: Max Infrastructure Ltd has worked on the development and construction of a number of airports and aviation infrastructure projects in Bangladesh, including the Hazrat Shahjalal International Airport Expansion Project and the building of a new airport in Cox's Bazar.
- Urban infrastructure development: The company has also been involved in the development of urban infrastructure projects, including the construction of the Dhaka Metro Rail Project and the Dhaka Mass Rapid Transit Development Project.

Here is a glimpse of some significant megaprojects that have been successfully completed and some ongoing projects run by Max Infrastructure Ltd.















<h3>Rooppur Nuclear Power Plant Project</h3>  <p>LOT 5 : Construction of the Common Facilities Executing Authority : Bangladesh Atomic Energy Commission (BAEC) Main Contractor : JSC Atomstroyexport (ASE) Funding : RUSSIA & GOB Status : Ongoing</p>	<h3>Overhead Water Tank & Distribution Reservoir</h3>  <p>Project : Construction of Distribution Reservoirs and Overhead Tanks at Khulna Executing Authority : Khulna Water Supply & Sewerage Authority(KWASA) Status : Completed</p>
 <p>LOT 2700 : Unit 2 Turbine Island Executing Authority : Bangladesh Atomic Energy Commission (BAEC) Main Contractor : JSC Atomstroyexport (ASE) Funding : RUSSIA & GOB Status : Ongoing</p>	<h3>Flyover Project</h3>  <p>Project : Chowdhury Akhtaruzzaman Flyover at Muradpur, Chittagong Executing Authority : Chittagong Development Authority (CDA) Funding : GOB Status : Completed</p>
 <p>LOT 28 : Construction of the Training Center Executing Authority : Bangladesh Atomic Energy Commission (BAEC) Main Contractor : JSC Atomstroyexport (ASE) Funding : RUSSIA & GOB Status : Ongoing</p>	<h3>Bridge Project</h3>  <p>Project : 696.75M PC Girder Bridge on Bhairab River, Abhoynagar, Jessore Executing Authority : Local Government Engineering Department (LGED) Funding : GOB Status : Completed</p>
<h3>Power Plant Project</h3>  <p>Project : Kushiara Power Company Limited Executing Authority : Kushiara Power Company Limited under BPDB Funding : GOB Status : Completed</p>	 <p>Project : Dhaleswari - 1 & 2 Bridge Construction Executing Authority : 24 Engineer Construction Brigade, Bangladesh Army Funding : GOB Status : Completed</p>
<h3>Railway & Mass Rapid Transit (MRT) Project</h3>  <p>Project : Track Doubling from Laksam to Chinki Astana Executing Authority : Bangladesh Railway Funding : JICA & GOB Status : Completed</p>	<h3>Water Treatment Plant</h3>  <p>Project : KPCL Water Treatment Plant Executing Authority : Kushiara Power Company Limited under BPDB Funding : GOB Status : Completed</p>
 <p>Project : Buildings, Platforms, Platform Shed, and Track Construction Works at Kaliakoir Executing Authority : Bangladesh Railway Funding : GOB Status : Completed</p>	 <p>LOT 600 : Unit 1 Turbine Island Executing Authority : Bangladesh Atomic Energy Commission (BAEC) Main Contractor : JSC Atomstroyexport (ASE) Funding : RUSSIA & GOB Status : Ongoing</p>
 <p>Project : New Dual Gauge Single Line from Dohazari to Cox's Bazar Via Ramu Executing Authority : Bangladesh Railway Funding : ADB & GOB Status : Ongoing</p>	 <p>LOT 2900 : Unit 2 Main Cooling Water System Executing Authority : Bangladesh Atomic Energy Commission (BAEC) Main Contractor : JSC Atomstroyexport (ASE) Funding : RUSSIA & GOB Status : Ongoing</p>

Figure 8: Some Significant Construction Projects of Max Group

3.2 Maturity of the Industry

The forecast could potentially say that Bangladesh's infrastructure industry is still in the early stages of development. There is still a lot of room for growth and improvement, even though the nation has made considerable strides in recent years in terms of infrastructure development, notably in the sectors of transportation, electricity generation, and telecommunications.

Lack of sufficient money and investment is one of the biggest problems confronting Bangladesh's infrastructure sector, which can restrict the breadth and speed of growth. The implementation of infrastructure projects can also be hampered by concerns about bureaucratic and regulatory red tape.

The financial analysis evaluates the Bangladesh Infrastructure Finance Fund Limited (BIFFL) financial standing in connection to the projected \$50 million Asian Development Bank (ADB) loan to BIFFL, which would be refinanced as loans to private-sector companies to promote infrastructure development. BIFFL is well-capitalized, has solid asset quality, small but reliable positive profits, a healthy liquidity position, and a moderate risk profile, according to the base-case assessment and scenario analysis. BIFFL's portfolio has grown quickly, and this trend is anticipated to continue even though it needs to diversify its funding sources and improve risk management. The study proved that the request for funds from the ADB is legitimate.

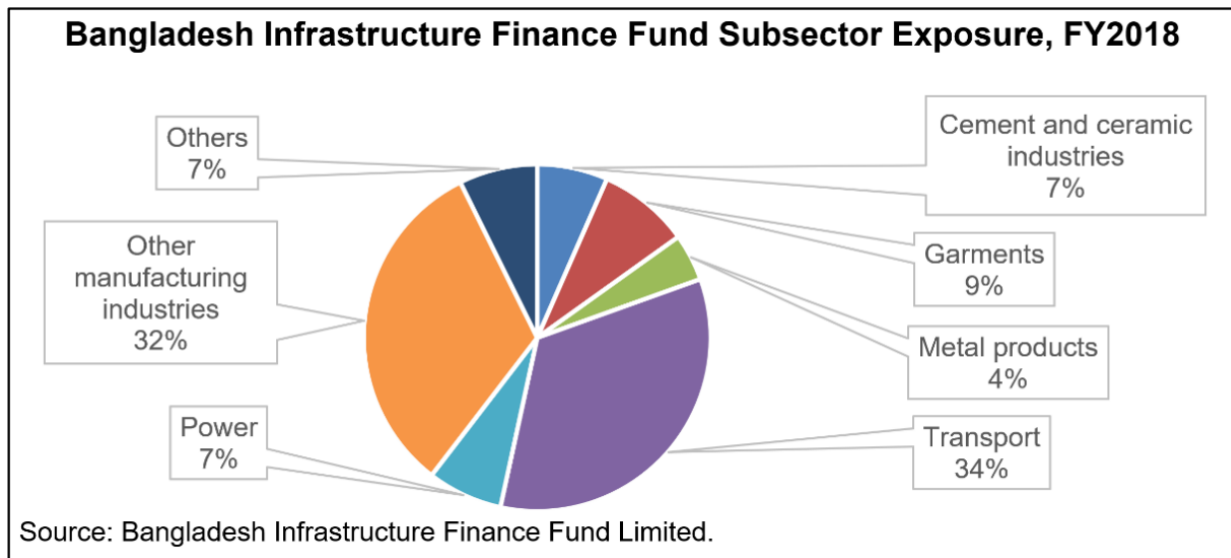


Figure 9: Fundings in the Infrastructure Sector by BIFFL

The government has established challenging goals for infrastructure growth, with an emphasis on enhancing connectivity, increasing access to power, and modernizing urban infrastructure. In addition, there is rising backing for infrastructure projects in Bangladesh from foreign investors and development partners, which may assist to spur growth and boost the sector.

3.3 External economic factors and their effects on the infrastructure industry

The infrastructure sector may be significantly impacted by external economic issues. The following are some of the main economic factors that could potentially have an impact on the infrastructure sector:

1. **Interest rates:** Interest rates have an impact on the cost of borrowing money for infrastructure projects, which has an effect on the profitability of the project. Higher interest rates can raise borrowing costs and make financing infrastructure projects more expensive.
2. **Government expenditure:** Government expenditure on infrastructure projects has the potential to be a significant growth factor for the sector. The quantity of funds available for infrastructure projects are impacted by changes in government priorities, budget allocations, and laws.
3. **Economic growth:** The demand for infrastructure projects is affected by the state of the economy as a whole. A stronger economy may result in higher demand for infrastructure projects, whereas a weaker one may result in lower demand.
4. **Inflation:** The price of supplies and labor required for infrastructure projects is impacted by inflation. Lower inflation might make projects more accessible, while higher inflation can raise expenses and diminish profitability.
5. **Foreign investment:** Many infrastructure projects are funded in part by foreign investment. The accessibility of finances for infrastructure projects is impacted by modifications to foreign investment regulations or changes to global economic conditions.
6. **Environmental laws:** Environmental laws have an influence on infrastructure projects by raising costs or reducing the supply of particular resources. The viability and profitability of infrastructure projects are impacted by changes in environmental laws or regulations.

3.4 Seasonality of the Construction Industry

Max Group is primarily engaged in the development of infrastructure projects in Bangladesh. The monsoon season, which in our country lasts from June to September, often has an impact on infrastructure projects. Heavy rains and flooding can delay building work, interrupt transportation, and create other logistical difficulties during this time. As a result, Bangladesh's infrastructure projects normally grow more slowly during the monsoon season.

On the other hand, because of the generally drier weather and better conditions for building and development operations, the months of October to May are typically regarded as the peak season in Bangladesh for infrastructure projects. Government investment in infrastructure projects has also grown throughout this time period, which may raise demand for companies like Max Infrastructure Limited's services.

Over the past ten years, Bangladesh's infrastructure has seen significant improvement. There are now several large-scale projects in process. Regardless of the conditions, these cost increases have been costly. The project's cost has increased each time we've had a completion date delay.

It is worth noting, however, that the seasonality patterns of Max Infrastructure Limited may also be influenced by other factors, such as the particular projects it works on and the areas in which it operates, which may also have an impact on Max Infrastructure Limited's seasonality patterns.

3.5 Competitive Environment

There are a couple of competitors to Max Group. The company competes with a number of foreign and domestic companies that provide the same services. The main domestic competitors of Max Group in the construction and power industries include :

- Abdul Monem Construction Ltd.
- Mir Akhter Hossain Ltd.,
- Spectra Engineers Limited
- National Development Engineers Ltd. (NDE)
- Confidence Infrastructure Ltd.
- Toma Construction & Co.Ltd.
- North-West Power Generation Company Limited
- Electricity Generation Company of Bangladesh Limited (EGCB).

Foreign competitors in the construction industry include:

- Sichuan Road and Bridgen Group,
- Taisei Corporation, Kajima Corporation,
- Larsen & Toubro Limited.

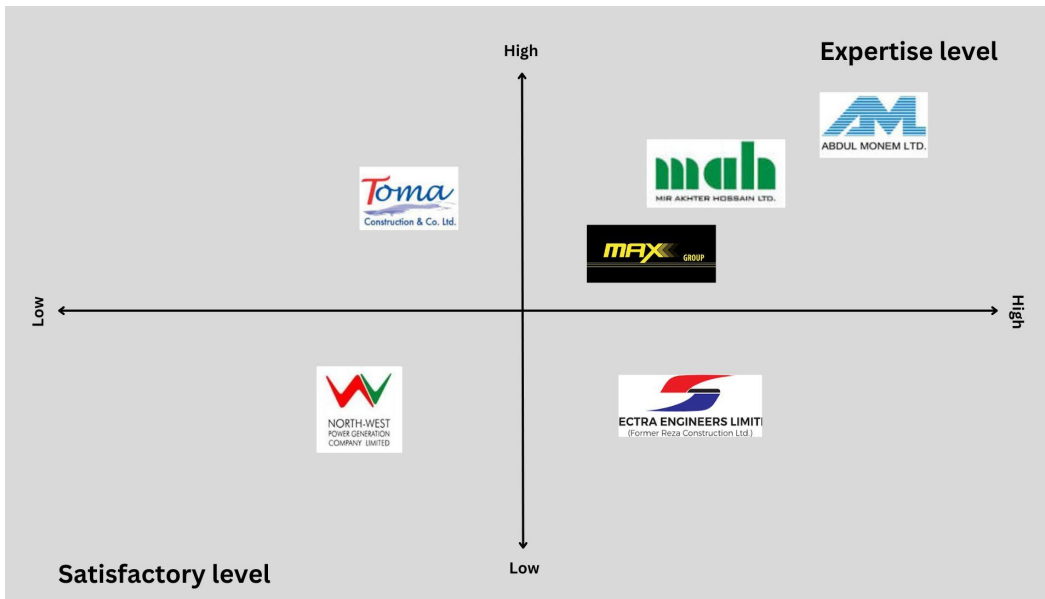


Figure 10: Perceptual Mapping Between Domestic Companies

Chapter 4

Description of Main Duties

4.1 Internship Information

The material in this chapter that is specific to my internship at Max Group is the main topic. Here, I attempted to bring focus to the time frame, business, departmental specifics, interactions with business personnel, duties, and given tasks.

Period, company, department, and address

I was given the opportunity to complete my internship at Max Group. Max Group, one of the top companies in Bangladesh's infrastructure industry, has a proven track record of completing high-quality projects in a variety of industries, including construction, transportation, and energy. The company uses cutting-edge technology and industry best practices, as well as a highly qualified staff of engineers, project managers, and other experts, to complete projects on schedule and under budget.

Here are specifics about the time frame and working conditions:

- My internship has a three-month duration, began on February 1, 2023, and is scheduled to finish on April 30, 2023.
- My working day lasted eight hours, from 10 a.m. in the morning to 6 p.m. in the evening.
- I worked six days a week, with Fridays being my only day off.
- My internship location is in the Max corporate office at Mohakhali, located at Level 11, RAOVA Complex, VIP Rd, Dhaka.

Communicating with the Company's Employees

One of the most crucial aspects of my internship is interacting with other colleagues. I attempt to be as specific as possible when describing the manner of communication, the frequency of contact, and my connection with the employees at Max Group.

- Mr. Mohammad Mahmud Hossain, DGM, Corporate Finance at Max Infrastructure Ltd., is in charge of my internship. His role is to look after finance and take all financial decisions for Max Group. Basically, he plays the role of chief financial officer.
- However, I was mainly supervised by Md. Fazle Karim, Deputy Manager, Corporate Finance at Max Infrastructure Ltd. His main duty is to work on bank sanctions for Max Group.
- My two supervisors were the ones I spoke to the most. I had to work with four other colleagues, and they actively helped me during my internship term.
- I also interact with other members of the HR and Admin, Business Development, and MIS departments.

4.2 Job Roles and Assigned Tasks

During this time, I did a variety of tasks and activities, but there were a few that I had to do on a daily basis. The key activities and components are briefly outlined below.

Reviewing bank sanctions

During my internship, I mostly worked and gained knowledge and skills in reviewing bank sanctions, comparing previous sanctions for the same bank and project, and the process of sanction renewal. I also learned about interest rate calculations and tenor and worked on them. I prepared lists of differences between the previous sanction and the current sanction, which include bond and facility limits, terms and conditions of overdraft facilities, bond and guarantee conditions, terms and conditions of LC, terms and conditions of several types of loans, etc. If there are any terms and conditions that are against the company or interest rates and tenors that are not favorable to the company, I have to mark them out, prepare a sanction review with observations, and send it to a higher authority for their acknowledgement.

After that, I have to complete the task of collecting and verifying the necessary supporting documents for sanction acceptance. Additionally, I have to prepare a comprehensive document checklist to ensure that all required materials are present and accounted for. This careful attention to detail will help to ensure a smooth and efficient sanction acceptance process.

Documentation and Filing

I have diligently completed the task of compiling and organizing all previous and existing bank sanctions and financial documents and have taken the necessary steps to securely store them for future use in audits or other purposes. This comprehensive documentation will serve as a valuable resource in ensuring transparency and accountability in our financial operations.

Prepared list of ongoing projects and progress of railway track construction (RTC)

Max Infrastructure Ltd. is involved in building railway tracks, sleepers, bridges, and pre-stresses. Around 28 projects are handed over to Max Group by the Bangladesh Railway Authority. I have to collect data and prepare a list with work descriptions, work values, contract date, validity, percentage of work completed, and amount of bills received. I need to check it on a regular basis and update it.

Prepared list of FDRs

I developed an extensive list of FDRs for many banks, and I need to include data such as the current interest rate, face value, accrued interest rate, and opening balance. This list

gives us an exhaustive overview of the investments made by different banks and allows us to keep track of the interest earned on each FDR. By entering the relevant information, it helps management make decisions regarding bank finances.

Repayment Forecasting for Max Group

I have successfully prepared a comprehensive repayment forecasting report for the 25 banks and financial institutions that are associated with the Max Group. The report includes vital information such as loan types, approved amounts, disbursed amounts, interest rates, loan status, installment amounts, months, and other relevant details.

This forecast provides a clear snapshot of the outstanding loans and their respective expiration dates, enabling us to make informed decisions and take proactive steps to manage the repayment process effectively. By maintaining an accurate and up-to-date repayment forecasting report, we can ensure that our relationships with these financial institutions remain strong and that we continue to enjoy their support in the future.

Monthly Cost Estimation of Cox's Bazar Hotel

As part of my job, I assisted with establishing the monthly cost estimate for an upcoming project: a brand-new, five-star hotel in Cox's Bazar. The cost estimate includes, but is not limited to, the following sorts of monthly costs that are routinely incurred while running a hotel of this quality:

- Employee benefits and payroll
- Electricity, water, and gas are examples of utilities.
- Property upkeep and repairs
- laundry and housekeeping services
- Cost of food and beverages.
- spending on promotion and advertising
- Office and administrative costs

We can make sure the hotel is run properly and efficiently and provides our visitors with a high-quality experience by thoroughly analyzing these costs.

Completed salary transactions, party payments via RTGS transaction

Using the Real-Time Gross Settlement (RTGS) system, I executed payroll transactions and party payments without incident. I carefully completed the necessary documents and sent them to our renowned director for approval. After receiving his approval, I promptly sent the forms to the bank for processing.

I made sure that the transactions were handled in real-time by utilizing the RTGS system, saving both our company and the recipients of the payments a significant amount of time.

Posted in the ERP system.

In the ERP system, I have successfully submitted the transactions for check payments, RTGS transfers, and FDRs. I have also updated the system with all relevant information on project payments. Now that our data are accurate and current, it is easier to manage our finances and make decisions.

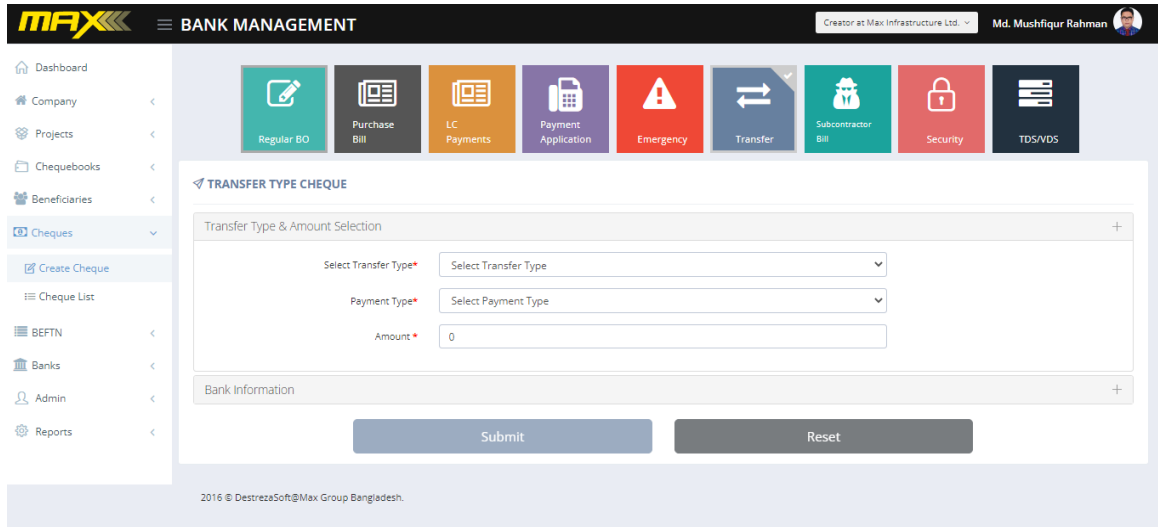


Figure 11 : Sample Posting at ERP

Bank Visit

Based on my experience, I have visited multiple banks in order to comply with bank sanctions, submit and collect financial documents, and perform various transactions, including pay orders and checks. Notably, my interactions have been most frequent with Standard Chartered Bank, Mercantile Bank Ltd., and Premier Bank Ltd. These visits have allowed me to gain valuable insight into the banking industry and the procedures involved in handling financial transactions.

4.3 Difficulties and Challenges

The time I spent as an intern was a fantastic chance to gain experience. It gave me the opportunity to learn more while also introducing me to the business world. The atmosphere at Max Corporate Office is friendly and varied. Everyone I worked with offered me a lot of support and consideration. I could also work under pressure and step beyond my comfort zone, developing my abilities and knowledge.

I had to take some chances and overcome certain obstacles in addition to having the chance to study and better myself.

Knowing the general environment of the company:

After joining as an intern, it took me some time to get to know each employee of the company. I had some questions about how the existing staff would react to my thoughts and to the organization's overall norms and policies. With time, everyone gave me a warm welcome and helped me grasp what my responsibilities as an intern inside the company should be.

Difficulties in understanding instructions:

I occasionally have trouble understanding orders from my boss and coworkers as an intern in the corporate finance industry. This difficulty may occur for a number of reasons, such as dissimilar communication styles, a language barrier or technical jargon, or unclear directions. One of the primary reasons for this difficulty is the complex nature of financial concepts and terminology that are frequently used in the field. These technical terms can be challenging to comprehend, especially for individuals who are new to the industry or who lack a background in finance.

Furthermore, corporate finance sometimes involves intricate financial models and ideas that may be challenging to understand without a strong background in finance or prior work experience. To make sure that the instructions were completely understood and that I could carry them out correctly in such circumstances, it was crucial to communicate effectively with supervisors and coworkers, ask clarifying questions, and seek further help or training when required.

Working with immense data:

Working with large data sets was one of the many duties I was given. Due to the dependence on them in the final reports, all of these data were sensitive and challenging. Retrieving and organizing the required data sets proved difficult.

4.4 Key Working Tools

I generally used Microsoft Word, Excel, and PowerPoint presentations for work-related objectives. I have to work with Adobe Reader to edit and update several documents and for documentation. I used WhatsApp and Outlook email for sharing documents and communicating with co-workers. I have to use the Destrezz ERP system for postings. My boss and I agreed that I could inform him of my work at every stage thanks to this shared authority.

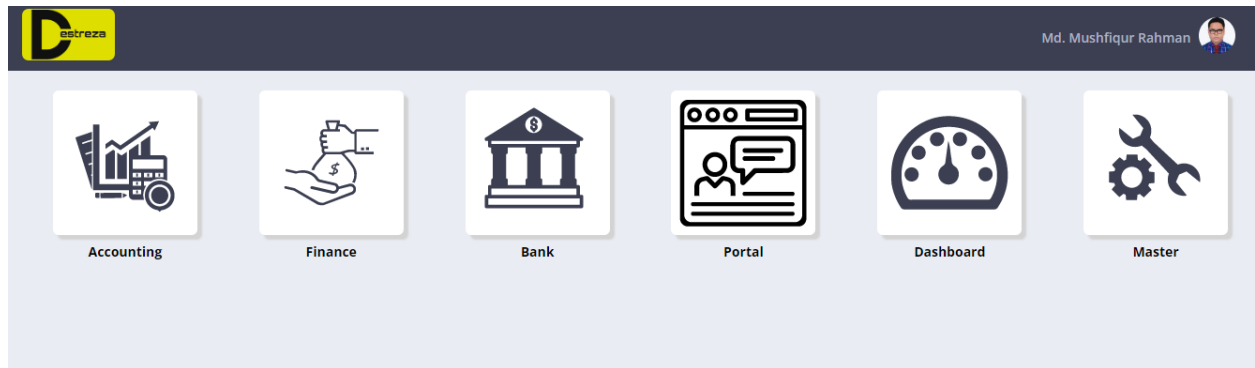


Figure 12: ERP Dashboard

Chapter 5

Analysis

I will break down the analytical portion into three separate levels: Company level analysis, market level analysis, and professional level analysis. I'll concentrate on the ideas I've studied in-depth and make an effort to connect them to the observations I made while working at the workplace.

5.1 Company Level Analysis

Efficient Processes:

Basically, the corporate finance department manages the financial resources of Max Group in order to achieve its strategic goals and objectives. During my internship period, I discovered several really effective procedures that accelerated the pace of my internship. These also played a role in changing how corporate finance was conducted on a daily basis.

- **Budgeting and Forecasting:** Developing a comprehensive budget and forecasting process is essential for managing finances at Max Group. This involves tracking expenses, revenue, and cash flow projections to ensure that financial goals are met.
- **Project Cost Tracking:** Tracking costs associated with various construction projects is critical to ensuring that they are profitable. This involves monitoring expenses and tracking budgets to identify cost overruns and ensure that projects stay on track.
- **Accounts Receivable and Payable:** The department timely manages accounts receivable and payable, which is important for maintaining cash flow in the company. This includes invoicing clients promptly, tracking payment schedules, and monitoring payment delays.
- **Financial Reporting:** Accurate and timely financial reporting is essential for decision-making at Max Group.
- **Disbursement:** Several times I was responsible for disbursing the payments of work orders and salary payments. In this process, I have to go through the balance amounts, tenors, and so on.

Inefficient Processes:

Although the finance department is trying its best to cope with the inefficiencies, there are still some inefficiencies in the process. The inefficiencies mostly revolve around the disbursement processing and communication gap with the suppliers.

5.2 Market Level Analysis

The nature of Max Group's company and the wide range of projects they included in their tender list led to the development of a core competency for their business operations within the infrastructure industry. The popularity has already begun to rise on a global scale. With the following competitive advantages, they can compete in the market:

- **Industry Knowledge and Experience:** Max Group has experience in engineering and construction, having participated in a number of infrastructure development projects in Bangladesh. Over the past 35 years, they have built roads, bridges, culverts, and buildings, gaining experience in the process. The company has also been involved in the development of energy infrastructure projects such as power plants, solar parks, and renewable energy projects. The top management of the business is highly qualified.
- **Public-Private Partnerships (PPP):** The company has experience with PPPs and has worked with the Bangladeshi government on a number of infrastructure development projects. They have expertise in planning, constructing, and running PPP-based infrastructure projects.
- **Technological know-how:** Employees have the technological know-how to design and create the systems necessary to meet such expectations since they are well-aware of the demands of any national or international projects.
- **Networking:** Max Group has a strong and positive relationship with the government of Bangladesh, which has been reflected in the various tender offers they have received for infrastructure development projects. In addition, Max Group has established relationships with several leading construction companies from countries such as the USA, China, Japan, India, and Turkey, which has enabled them to expand their capabilities and expertise in the infrastructure sector. Furthermore, the company has successfully created joint ventures (e.g., CTM Joint Venture, ZZHE Joint Venture, Altuntas Joint Venture) with these international partners, which has facilitated the transfer of knowledge and technology and helped Max Group deliver high-quality infrastructure projects that meet international standards.
- **Assurance of quality:** Max Group has a strong system in place to guarantee that all projects are completed to the highest standards. In order to ensure that work is done in accordance with pertinent rules and standards, the company has a dedicated quality control staff that monitors and inspects work at every stage of the project.
- **Compliance with regulations:** Max Group is dedicated to observing all applicable laws and standards. Before beginning work on any project, the organization makes sure that it

complies with all regulatory standards and has secured all essential licenses and approvals.

- **Focus on sustainability:** The Company places a strong emphasis on sustainability and applies sustainable techniques to all of their projects since they understand how important it is for the growth of infrastructure. The business uses eco-friendly materials and creates infrastructure projects with minimal negative effects.

5.3 Professional Level Analysis

During my three-month internship at Max Group, I learned a lot about my capabilities and was inspired to create a positive career plan. This knowledge will help me in the future of my career as I learn more about my abilities.

My future career ambitions: I've always been interested in learning more about financial analysis and how it can be used to grow and operate businesses. As a corporate finance intern, I had the chance to evaluate the project costs and fund-sourcing processes for various infrastructure and power sectors. Based on my observations and the knowledge I had gained throughout my internship, I was able to come up with innovative ideas for Max Group's project and to gather data and information on finance. I discovered that having a working grasp of Excel, documents, and slide creation greatly helped me to articulate my views and deliver them effectively.

I became interested in financial data as soon as I discovered its importance. As I continued to study more about financial analytics, I made the decision to pursue this field as a career in the future.

Relevance with academic knowledge: My academic knowledge had a significant correlation with the practical implications of my internship tasks in the office. Compared to the other interns at Max Group, it was easy for me to relate to the organization's day-to-day operations while working with them. As a business and technology management student, it is my responsibility to connect corporate operations to evolving advances in technology.

It was satisfying to finally find practical applications for the knowledge that was obtained in academic courses. The fundamental, managerial, and corporate finance courses I completed in my third and fourth years of university helped me better comprehend the finance terminology and equations that I experienced on a daily basis at work.

Accounting courses assisted me in determining debit and credit and improving my bookkeeping skills. The Research Methodology and Operation Research course helped me understand the analysis of financial data. The business communication course helped me communicate with corporations and banks regarding sanctions and financial documents. It helped me understand their perspectives and respect their opinions.

5.4 Challenges and Difficulties

My knowledge of many finance issues was often insufficient due to my specialty in technology management. I occasionally have to take some time to study the terms I hear at work in order to gain a better understanding of what I am dealing with. To actively conduct the company's day-to-day tasks, an in-depth understanding of finance is essential. Due to my lack of sufficient familiarity with finance-related issues, going through the papers filed for several types of loan processing was often difficult to grasp. As a result, I feel that having more finance-related general courses for those who are interested would have been more beneficial.

Chapter 6

Conclusion and Recommendations

6.1 Conclusion

Max Infrastructure Ltd. is a renowned construction company situated in Bangladesh that has gained a reputation for industry excellence. The company has established itself as a market leader in the delivery of innovative and high-quality megaprojects. The company's dedication to satisfying the demands of its clients, as well as its emphasis on completing projects on time and under budget, have earned it a reputation as a reliable partner for a wide range of construction projects. Max's commitment to quality, safety, and sustainability demonstrates its professionalism and experience, and it continues to set the benchmark for Bangladeshi construction companies.

I feel privileged to be able to work at Max Group and complete my internship here. The entire experience was overwhelming, and the assistance I got was invaluable for the duration of my internship. I had an amazing journey and was able to learn a lot and improve my abilities and knowledge. I have done my best to reflect on the activities I have undertaken and the learnings I have gained over my three-month term. The working atmosphere at Max Corporate Office was excellent, with lots of dignity, which allowed me to focus on the duties at hand and finish them efficiently.

Overall, I consider my internship experience to be a significant milestone in my life, both academically and professionally, and it will serve as an important foundation for my future.

6.2 Recommendations

No doubt, Max Group has one of the greatest corporate cultures, and company procedures have been consolidated in such a way that there are no inconsistencies in their functionality. There is so much more than what the eye senses. Staying in that organizational structure for three months provided me with an insider's perspective of the big picture, and I believe I have made some critical observations and can make a few good recommendations that may be useful to the organization.

- I discovered a communication gap between departments, which resulted in delayed responses to work orders and bills to be paid. I feel that eliminating such communication will increase efficiency.
- To generate an accelerated growth possibility for Max Group, the number of employees in the corporate finance department should be boosted by adding professionals in the industry.
- In order to ensure long-term financial stability and sustainability, Max Group should prioritize reducing its dependency on loans. While loans can provide a short-term

solution for financing business operations, relying too heavily on them can lead to a significant amount of debt that can be difficult to manage and repay.

- For a number of projects, Max Group needs to expand or boost its own fund.
- Max Group has six offices in Dhaka city. Sometimes it wastes time as employees have to visit several offices for work purposes. It will be more beneficial if they establish their own building, bring all offices together in one building, and expand their office spaces.
- The HR department should focus on employee refreshments and recreations, and they can arrange annual events, picnics, etc.

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Annexures