

Internship Report On “Activities in Procurement Department of SQUARE Textile Division”

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As a partial prerequisite for the Bachelor of Business Administration degree, this report is presented to United International University's School of Business and Economics.



School of Business and Economics
United International University

**INTERNSHIP REPORT ON “Activities in Procurement Department of
SQUARE Textile Division”**

Submitted To

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Letter of Transmittal

Date: 17th October

Dr. Saad Hasan

Associate Professor

School of Business & Economics

United International University

Subject: Submission of Internship Report On “Activities in Procurement Department of SQUARE Textile Division”

Dear Sir,

It is with great delight that I present the internship report titled "**Activities in the Procurement Department of SQUARE Textile Division**" which was given to me as a partial prerequisite for the completion of Bachelor of Business Administration degree.

It's my glory to work for a well-known company in Bangladesh and have a comprehensive knowledge of the sourcing, procurement, and monitoring processes. I have made every attempt to follow your instructions and incorporate as much information and pertinent issues as I could observe in the report. I did everything I could to make this report as educational as possible.

I want to thank you for all of your aid and cooperative efforts as I worked on this report. If you could review the report and give me a performance rating, I would be very grateful.

Sincerely yours

Mahdin Binte Sarwar

ID: 111 191 029

School of Business and Economics

United International University

Declaration By The Student

I, Mahdin Binte Sarwar, hereby verify that the internship report titled "**Activities in Procurement Department of SQUARE Textile Division**" is solely based on the data and tasks I completed while serving as an intern in the Supply Chain division of SQUARE Textile, a reputable Bangladeshi textile business that exports all of its goods. It is not only Bangladesh's top producer of woven fabrics and RMG, but also of knitting and weaving fibers.

I also vouch for the fact that the paper was created simply to satisfy academic standards. I likewise declare that the report is entirely original and non-plagiarized.

.

Mahdin Binte Sarwar

111 191 029

Supervisor's Certification

To fulfill a requirement for the Bachelor of Business Administration (BBA) degree from the School of Business & Economics at United International University, it is hereby certified that **Mahdin Binte Sarwar**, ID No: **111 191 029**, has prepared the internship report on "**Activities in Procurement Department of SQUARE Textile Division.**" The report can be approved in its current shape and quality, as required by the university administration.

Dr. Saad Hasan

Associate Professor

School of Business and Economics

United International University

Acknowledgment

I'd like to start by expressing my gratitude to Almighty Allah for granting me the stamina, strength, and resolve to successfully complete the internship program and submit the internship report on time in spite of numerous obstacles. It brings me great pleasure to express my gratitude to everyone who helped me create this report, whether personally or through other people.

Then I'd want to thank my honorable academic supervisor, Dr. Saad Hasan, for leading me through the process of writing the report from beginning to end.

I want to express my gratitude to everyone at Square Textile Division (STXL) for providing me with the chance to complete the internship and helping me to conclude the report. I also want to express my gratitude to all of my coworkers for their assistance during my internship. Throughout my internship, they were a valuable resource, offering me a variety of knowledge, mentoring my work, and giving me guidance that enabled me to finish this report.

Then I'd want to express my heartfelt gratitude to my boss, Nazibur Rahman, DGM & Department Head of Procurement. Then I'd want to thank my team leader, Abdullah Al Amin, as well as my coworkers from Square Textile Division Ltd, Md Ashik Chowdhury, Md Khairul Bashir Samir, Md Shfiul Azam, Md Nazim Uddin Ryhan, Sadia Hashem, and Md Saifullah, for giving me what I require in terms of information. They cheerfully accepted my assignments, gave me enough time, and freely imparted their professional wisdom to me. They gave me advice on how to work well with everyone in the company, how to adapt to the work environment, and how to interact with all of my coworkers.

To United International University and everyone at SQUARE Textile, I'd want to convey my sincere gratitude and appreciation for going above and beyond to help me with my studies, finish my internship report, and provide me with the chance to learn so much about the procurement and textile sectors. My paper should provide a thorough picture of Bangladesh's textile sector.

Executive Summary

The internship report "Activities in Procurement Department of SQUARE Textile Division" provides a complete overview of the various tasks and operations inside the SQUARE Textile Division's Procurement Department. The internship intends to shed light on the department's vital role in assuring the effective sourcing of raw materials and supplies, which has an impact on the organization's overall performance.

The paper begins with an overview of SQUARE Textile Division, including information on its history, mission, and vision. It also briefly describes the Procurement Department's importance within the context of the organization.

The report's main section digs into the Procurement Department's actions and duties. This comprises a thorough examination of the procurement process, beginning with supplier selection and appraisal and continuing with order placement and inventory management. The paper also covers the department's difficulties and prospects, such as the need to secure a steady supply of high-quality raw materials while controlling costs and adhering to ethical and sustainability norms.

Throughout the report, numerous procurement methods and approaches such as vendor assessment, negotiation strategies, and procurement software are studied. Furthermore, the need of good internal and external communication and collaboration is emphasized as critical to the department's success.

The report also analyzes the role of technology in modern procurement methods, emphasizing the advantages of digitalization and automation. It also discusses the department's role in maintaining legal and regulatory compliance.

Finally, the internship at SQUARE Textile Division's Procurement Department has given me excellent insight into the complexities and problems of procurement in a dynamic and competitive industry. The department's dedication to excellence, innovation, and sustainability is admirable, and its contribution to the organization's success should not be overlooked. This internship has highlighted the need of successful procurement strategies, as well as the need for ongoing improvement and adaptability in a constantly changing business environment.

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CHAPTER - 1 : INTRODUCTION



Chapter - 1: Introduction

For undergraduates pursuing a Bachelor of Business Administration (BBA) degree, internships serve as a stepping stone. The four-year BBA program's last component is the internship. An internship is a course or program in which a student works for a company to understand and gain knowledge of the corporate world, gain job experience, and develop valuable working skills. They can also use the theoretical information and examples they have acquired throughout their bachelor's degree journey. I decided to complete an internship as part of my BBA undergraduate curriculum. By taking part in an internship, students can develop their business sense, obtain practical work experience, and learn about workplace culture.

On June 04, 2023, I began as an intern at SQUARE Textile LTD to obtain practical experience in order to better understand the work culture and gain on-the-job knowledge and experience. The internship program lasted three months. I was formally chosen to work in the Procurement Department because I am studying Supply Chain Management.

Procurement of Supply Chain is SQUARE Textile Ltd.'s most crucial division. From the file to the customer's table, the entire manufacturing process is the center of this operational function. The procurement process is partly responsible for securing the import of Direct Materials, including RM that the planning and merchandise departments have ordered, as well as for guaranteeing the prompt arrival of Finish Goods. As a result, Raw Materials, which deals with all domestic and foreign raw materials, is a crucial part of procurement.

This report focuses on SQUARE Textiles, a sister concern group of SQUARE, a Bangladesh based renowned conglomerate company. This report was created to present the work life situation at SQUARE Textiles Ltd. It represents import and domestic process and supply chain activities, supporting management, working environment in the context of SQUARE Textile Ltd, and an overview of Bangladesh's textile sector. It also includes the company's background, suggestions, and conclusions derived from participating in the internship program.

1.1 Origin Of The Report

This report is the result of a three-month internship program at SQUARE Textiles Limited, and it is being prepared as part of the BBA program at UIU's Business & Economics School, under the supervision of Dr. Saad Hossain, Associate Professor at United International University.

As a result, I must provide this report based on SQUARE Textiles Limited's "Procurement Activities" The report was written. During the Internship, I learned about the actual execution of Sourcing and Procurement tasks. This study was written to provide an overview of how SQUARE Textiles LTD manages the procurement process for both domestic and imported goods, as well as how they solve problems.

This is extremely bias-free in my context and the result of my unwavering work. It contains both secondary and primary data. The study has taken place between June and August of 2023.

1.2 Purpose Of The Study

Supply chain management is a critical component of any company since it boosts competitiveness and customer satisfaction while allowing businesses to deliver items to end users quickly and at a cheap cost. And procurement is an important component of the supply chain; for an efficient supply chain, procurement is critical; without it, the supply chain cannot be completed.

This report is based on SQUARE Textile Limited's Procurement Practices, thus can gain knowledge more about the company's procurement activities. Through supply chain procurement activities, there are several procedures for imported and domestic RM. As a result, the knowledge gained through this work is supposed to depict the actual reality of the entire import & local procedure in a multinational organization.

I've had the chance to work with knowledgeable corporate staff from SQUARE Textile Limited, who have continuously assisted me by sharing their knowledge and pointing me in the direction of the best learning opportunities.

The main objective of the internship program is to introduce students to the working world. An internship is like a taste of the real world.

1.3 Objective Of The Report

Objective is not simply based on one major purpose; it is essentially a clear report made by multiple secondary objectives. This report was created with two goals in mind:

Primary Objective

The primary goal of this report is to give relevant information on SQUARE Textile Limited's (STXL) Procurement activities and recommendations through the Procurement Department. The main objective of this research is to understand the ordering process of raw materials from suppliers, which involves sourcing, negotiation, pricing, and delivery system, among other things.

Secondary Objective

Other goals of this report are listed below:

- To understand the challenges that the procurement department has while acquiring raw materials and to give recommendations on procurement procedures.
- To discover where and how the organization obtains raw materials.
- SQUARE Textile LTD (STXL) corporate structure and processes
- To learn about SQUARE Textile LTD's (STXL) departmental activities
- SWOT analysis of SQUARE Textile LTD (STXL)
- To gain a working understanding of company strategy.
- To obtain practical workplace knowledge and abilities in areas such as culture, ethics, and time management.

1.4 Scope Of The Study

This report is similar to a real-life case study in that it depicts the actual scenario of the chosen company. As a result, the range of this report is narrowed. The initial goal of this report is to get practical expertise in doing research in business companies. The scope of the study is broad enough to cover several areas of procurement, such as sourcing, negotiation, and supplier selection. It was part of my academic program to learn the procurement methods of SQUARE Textiles LTD in order to understand a real-life business environment.

The report also assists in determining SQUARE Textile Limited's problems, which may assist them in taking corrective steps now and in the future, as well as assisting me in my future career growth.

As a result, this report does not dive into the depths of the selected company's procurement activities; it is beyond the scope of this study to offer specific comments or recommendations other than relating the observed and reaching a conclusion.

1.5 Methodology Of The Report

Methodology is an important aspect of the research. It is designed in such a way that it conforms to the study's objectives. From topic selection to final report production, the study is carried out in a systematic manner. The crucial aspect was identifying and collecting data, which was then sorted, analyzed, evaluated, and presented in a methodical manner to find the key points. The overall methodology used in the study is outlined in further detail.

Process of Data Collection

Data collection refers to the systematic process of gathering and analyzing information on particular variables in order to evaluate results and provide answers to important questions. There are two methods for gathering data for this study. One is from primary school, and the other is from secondary school. All the data needed to complete this report was gathered from procurement department. The entire staff was extremely helpful and provided me with all of the necessary resources, I require information and assistance in order to prepare the report.

Sources Of Data

The information and data for this research were gathered from not only primary source but also from secondary sources. Secondary sources of information include articles, annual reports, websites, and other manuals. For a smooth and precise analysis, I decided to use both primary and secondary sources when writing the term paper.

I used a variety of methods to acquire data from primary and secondary sources. They are as follows:

Sources Of Primary Data

Primary sources are those that provide firsthand accounts of events, activities, or conditions. In general, these are documents made by witnesses or first recorders of these events at the time they happened. These details were gathered from:

- Desk work that is useful. This report is based primarily on daily internship work experience .
- Face-to-face meeting with the police, during which I mostly inquired about the
- SQUARE Textile LTD's procurement activity. When I had the opportunity to communicate with my coworkers or officials, I took careful notes, which aided me greatly in drafting my internship report.
- Direct observations
- Calculation with Confidentiality

Sources of Secondary Data

Secondary sources might provide new perspectives on a previous event or a major source. Secondary sources frequently contain multiple copies that can be acquired from.

This report was created using secondary data. Data was gathered from published sources, like:

- Annual reports of SQUARE Textile Limited
- Internal documentation
- Internet
- Website
- Folders and Files
- The Diary Of SQUARE Textile

I also gathered information through exploring websites and various documents that contained all of the information about raw material , methods & description of SQUARE Textile Ltd.

Processing Of Data

Data acquired from secondary sources was manually processed, and a qualitative technique in general, as well as a quantitative approach in particular circumstances, was used throughout the study.

Data Interpretation & Analysis

The qualitative approach was used for data analysis and interpretation, with the processed data serving as the foundation.

1.6 Limitations Of The Report

I faced numerous problems when writing this report, and it was difficult to overcome them. But, eventually, I was able to handle myself. A lot of problems hampered the investigation. The following are some restrictions:

- Unfortunately, due to the company's restrictions such as business secrecy and confidentiality, the corporation never wishes to expose everything to the outside world. Though my seniors assisted and collaborated with me greatly to make my report more comprehensive, there were some requirements to divulge anything confidential to me because I am not a permanent employee here. As a result, I was unable to gather enough information.
- Personal hurdles, such as my inability to understand some official phrases, office decorum, and so on, caused a few issues for me.
- The most significant impediment to completing this study was time. My assignment lasted only three months. However, this amount of time is insufficient for a thorough and unambiguous investigation. It took some time to detect and observe the true state, functioning methods, and everything else. Gathering a large amount of knowledge while just working for three months was a difficult task. As a result of the lack of knowledge, several assumptions were made.
- Working with SAP without any prior expertise.
- For me, this is a completely new industry and environment.
- As an intern, I am not responsible for all of the company's supply chain activities. Furthermore, I am unable to interact directly with the supplier regarding raw material processing, shipment, and everything else. As a result, it was difficult for me to write about the entire supply chain and procurement activities.
- Internal communication in a new atmosphere.
- There have been insufficient books produced on the topic, as well as a lack of available facts and figures. Because not all data/information is available online or on the website. Furthermore, since the raw material processing facility is not in Dhaka and I am not authorized to go there, it was challenging to get a clear sense of how raw materials are processed. The scope of appropriate analysis was constrained by these constraints. The report would have been more valuable and appealing if these restrictions had not been there.
- All of the relevant information cannot be found in published or other forms.
- A lack of information continuity also put me in a difficult circumstances.
- Because I was an intern, I had limited access. I couldn't access everything on their website or in their documents.

I will not be able to fully describe all of the difficulties I faced while compiling this report because there were countless others. But with the mercy of Almighty Allah and the assistance of my course instructor, I was able to get my internship report done despite all the challenges.

CHAPTER - 2 : SQUARE GROUP OVERVIEW

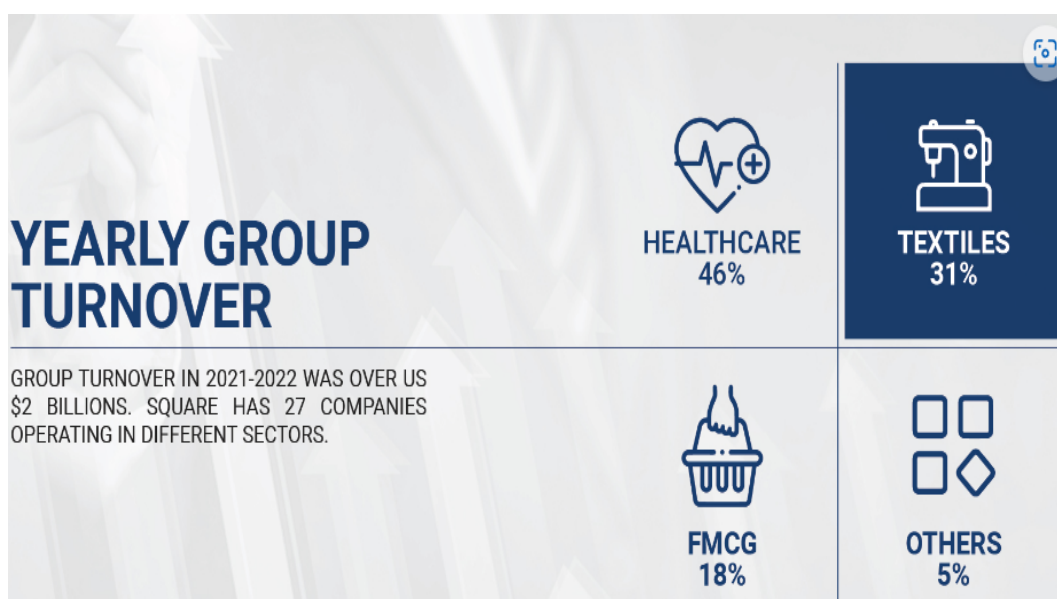


Chapter - 2 : SQUARE Group Overview

2.1 About SQUARE Group

SQUARE now represents a name and a way of thinking. Its path to growth and prosperity, however, has not been without its challenges. Since its founding in 1958, it has grown to become one of Bangladesh's leading companies. Since 1985, Square Pharmaceuticals Ltd., the company's flagship, has held a commanding position in Bangladesh's pharmaceutical market, and it is currently progressing toward becoming a high-performance player on the international stage.

Today, SQUARE is an institute rather than merely a business. Over the course of a 45-year career, it has led the way in the growth of local businesses in a variety of industries, including pharmaceuticals, toiletries, apparel, textiles, information technology, health products, food products, hospitals, etc. With a workforce of over 70000 and an average annual revenue of over US\$ 200 million, the SQUARE Group is a veritable icon of the Bangladeshi business community.



2.2 Background History of SQUARE Group

In 1958 SQUARE group, Samson H. Chowdhury founded a partnership company with three of his friends. Under the leadership of Samson H. Chowdhury, the company grew and stabilized more quickly. SQUARE Group currently exports to over fifty countries and earns over \$1 billion in revenue. The group has grown to include numerous firms in industries like healthcare, textiles, food and drink, cosmetics and toiletries, media, and information technology. It is one of the top business houses in the nation that has emerged as the top employer of a vast and diverse skilled labor force.

Year 1952: Samson H. Chowdhury began working in his father's pharmacy, Hossain Pharmacy, after quitting his position as a postal worker. After four years, he borrowed money from his father and established Icons (Yakub & Sons), a small pharmaceutical business in Ataikula. To make his goal come true, three of his friends—Kazi Harunur Rashid, PK Saha, and Radhabind Roy—worked together. Their total investment at the time was only 20,000 taka.

The company was given the name SQUARE as a result of the four friends' equal investments. In the beginning, the business's factory was established next to his house in Pabna, where SQUARE Pharma alone produced syrups. The variety of products began to expand over time.

Year 1953–1985: The company suffered financial losses for first three years, but starting in the fourth year, they began to turn a profit. The square yearly turnover reaches one million taka in 1958, six years later. Square and Johnson Pharmaceuticals begin into a technical collaboration in 1974. Square becomes Bangladesh's top pharmaceuticals company by 1985, and it subsequently begins exporting finished items.



Year 1988: One of the biggest, most famous, and trustworthy corporate organizations in the country right now is Square. In 1988, Square Toiletries Limited was established. Square Toiletries are manufactured at its three automated facilities. Square Toiletries Limited, one of the largest companies in Bangladesh, produces over 40 products for customers. Square Toiletries Limited was a pioneer in the development of numerous products in Bangladesh.

Year 1994–1997: Square Pharmaceuticals is incorporated as a public limited corporation in 1994, consistently investing in cutting-edge technology, assuring the highest standards of quality with a skilled team, and being led by a dynamic leadership. Square began producing cotton yarn in 1997, breaking into the textile industry.

Year 2001–2002: Square knit Fabrics Limited and Square Fashions Limited were established in the year 2001 and produce things that are distinctive in this region of the world. It had invested more than 18 million dollars in this industry by the year 2002. Currently, Square's textile segment operates under one of the most complex vertical integration structures.

The four businesses that cover every product and service offered in the knit apparel sector are Square Textiles Limited, Square Spinning Limited, Square Knit Fabrics Limited, and Square Fashions Limited. Today, Square serves clients like Max, Spirit, Puma, Hugo boss, Tommy Hilfiger and Marks & Spencer. With Square's expansion into the medical industry, dreams of a better future with improved healthcare services are now a reality. Square Hospitals are multidisciplinary facilities with specialties in pediatrics, cardiology, and oncology that offer one-step, cutting-edge diagnostic services.

2.3 Sister Concern

SQUARE AIR LIMITED

Since 2010, Square Air Ltd has provided helicopter services, together with Square Hospital's air ambulance/Emergency Medical Services (EMS) service, to assure the safety, comfort, and time schedules of senior executives

SQUARE PHARMACEUTICALS LTD.

SQUARE Pharmaceuticals Limited is the biggest pharmaceutical company in Bangladesh and has kept the top place among all domestic and foreign companies since 1985. The business was established in 1958 and converted to a public limited company in 1991. From April 2009 to March 2010, SPL had a market share of around 16.43%, a sales turnover of more than Taka 11.46 billion (\$ 163.71 million), and a growth rate of roughly 16.72%.

SQUARE Pharmaceuticals PLC. has expanded the range of products and services it offers in an effort to tap into the global market. It was a pioneer in the export of medicines from Bangladesh in 1987, and it now exports to more than 42 countries around the world. This growth of activities has successfully illustrated the legitimacy of SQUARE Pharmaceuticals PLC, which is on its way to

becoming a major participant on the global stage. The enterprise has received approval from international regulatory bodies.

SQUARE HOSPITALS LTD.

Since its founding on December 16, 2006, SQUARE Hospitals Ltd., a 500-bed tertiary care hospital, has been the premier supplier of private healthcare services in Bangladesh. The Methodist Healthcare organization in Memphis, Tennessee, the Christian Medical College in Vellore, India, Sing Health, and Raffles institution in Singapore all have affiliations with this institution. This hospital's outpatient department has 120+ consultation rooms and can accommodate up to 2500 patients daily.

SQUARE HERBAL & NUTRACEUTICALS LTD

The first healthcare organization in Bangladesh, Square Herbal & Nutraceutical Ltd., is firmly committed to starting a new era in the medical industry.

SQUARE Toiletries Limited (STL)

SQUARE Toiletries Limited (STL) strives to make customers happy by offering them "look well & live well" products from 50 high-quality personal care items and 20 known household brands. Since the company's founding in 1988, "Quality" & "Care" have been its defining characteristics. SQUARE Toiletries Ltd. began as a standalone branch of SQUARE Pharmaceuticals in 1988 with a single product. SQUARE Toiletries Ltd. converts to a private limited company in 1994. With more than 50 products, STL is currently the nation's top producer of cosmetics and toiletries of an international caliber. At the moment, STL is operating its two automated factories in Rupsi and Pabna. STL has product-specific machinery depending on the types of products, their formulations, and their packaging. STL purchases its basic materials from well-known international vendors including Dragoco and Firmeuich.

Sabazpur Tea Company Ltd.

The Moulvibazar region of Bangladesh's Baralekha is home to Sabazpur Tea Company Ltd, which annually produces about 350 tons of organic green and black tea. This estate has a solid reputation for producing high-quality tea, and LACON GmbH Offenburg in Germany has certified it as complying with USDA organic standards. Tea gardens, rubber plantations, and agar trees have been cultivated on the estate's 2886 acres of land, which is tucked away in a tropical jungle. For the benefit of its employees, the tea plantation has established a village that includes brick homes, solar power, sanitary facilities, affordable healthcare, and recreational activities.

Maasranga Television

Maasranga Television, a subsidiary of SQUARE Group, is the top satellite television station in Bangladesh. Since its debut as a mixed TV station on July 30, 2011, Maasranga Television has provided trustworthy, respectable news from home and abroad in addition to enjoyable and inspiring entertainment for the entire family.

Maasranga Television airs top-notch drama, serials, films, musical productions, educational and entertaining children's programming, programming on women's issues, comedic programs, documentaries, talk shows about current events, business and sports programs, live events, and news that spans the globe. In order to satisfy the needs of men, women, and children in terms of entertainment, information, and education, Maasranga purposefully assigns specific time slots.

The entire production process is supported by contemporary high-definition (HD) television technology, which was first introduced in Bangladesh. Programs are offered in many parts of Asia, Australia, Africa, Europe, and the USA.

Mediacom Ltd

Mediacom Ltd. has been producing thought-provoking material, carrying out ground-breaking advertising campaigns, and engaging in strategy and planning operations for more than 20 years. The prestigious clientele of the company includes some of the most well-known domestic and international corporations doing business in Bangladesh. Additionally, Mediacom Ltd. provides media services for TV, the press, and events as well as original video/digital content.

SQUARE Informatix Ltd.

SQUARE Informatix Ltd. was founded in 2000 with the goal of offering comprehensive ICT solutions. It offers software development, computer networking, internet access, and end-to-end communication via radio, fiber, fixed WIMAX, and VSAT via its own satellite HUB station as well as other solutions. It offers client solutions that cover everything from system design and implementation to requirement analysis.

Aegis Services Limited

One of SQUARE Group's subsidiary companies is Aegis Services Limited. realizing the necessity of a competent security agency for the defense of different companies, factories, projects, and homes. Square Pharmaceuticals Limited undertook the project to establish Aegis Services Limited, a contemporary, skilled, and professional security agency. Aegis is the Greek word for impenetrable defense or shield. Since its founding in 1999, the organization has grown to include 7000+ devoted and skilled individuals who work as a service provider organization.

The unarmed security service, event security management, security survey, risk assessment, security equipment, dog squad (K-9), fire detection and protection, housekeeping service, pest control, facility management services, and disinfectant service are among the services provided by Aegis. All of the Aegis troops are trained at the Dhaka & Pabna training center by devoted, experienced, and former military instructors.

Square Food & Beverage

A notable food business in Bangladesh is SQUARE Food & Beverage Limited. Millions of customers have trusted it since its launch in 2000. The business also has ISO 9001:2000 and ISO 22000 certifications.

The five brands that make up SQUARE Food & Beverage Ltd. are Radhuni, Ruchi, Chashi, Chopstick, and Aaram. SQUARE not only meets local demands but also exports to over 30 nations to meet the growing need for high-quality goods that adhere to international standards.

SQUARE Textiles Division

SQUARE Textiles PLC. began its journey with its cotton yarn manufacturing facilities in 1997. This SQUARE business quickly became the leader in the regional textile sector. With a total capacity of 195 + MT/day, the sector is currently among Bangladesh's largest manufacturers of knitting and weaving yarns.

It developed a 2.6 MW solar power plant, a comprehensive energy saving program, and a recycling facility with this in mind. The recycling facility turns wasted cotton waste into fiber that may be utilized as a raw ingredient in the creation of yarn. Crushed hard trash is used as a raw material for making yarn.

2.4 SQUARE Family Members

Pharmaceuticals	Textiles & RMG	Toiletries & Food and Beverage	Healthcare	Others
Members: 13,200 22%	Members: 26,400 44%	Members: 9,600 16%	Members: 3,000 5%	Members: 7,800 13%

CHAPTER - 3 : OVERVIEW OF SQUARE TEXTILE LTD



Chapter - 3 : Overview Of SQUARE Textile LTD

3.1 Textile Industry in Bangladesh

Bangladesh's top exporter (sector), accounting for more than 80.6% of all exports worth \$19.90 billion, is the textile industry, which includes ready-made garments (RMG), knitwear, and specialist textile products. 77% of Bangladesh's total exports of products were textile, clothing, and ready-made goods (RMG) in 2002. Only China is ahead of Bangladesh in terms of global textile exports.

The Export Promotion Bureau (EPB) reports that between July 2021 and January 2022, Bangladesh's exports of clothing increased by 30.30% to \$23.99 billion. The nation exports a vast variety of clothing products to nations all over the world, including those in North America, Europe, Asia, and other regions. In fiscal 2022, Bangladesh's GDP grew, and the pattern is holding. Bangladesh's apparel industry continues to gain from the stabilization of the world economy, with manufacturing activity rising by 12.3% in fiscal 2022 as a result. The labor market and domestic demand in Bangladesh have profited from the sector's resurgence.

Contracts for the export of western brands are made with European customers in 60% of cases, and American customers in 40% of cases. Only 5% of textile manufacturers are owned by foreign investors, with local business owners in charge of the vast majority of production. The two main categories into which export commodities are typically categorized are woven and knitwear. Exports of knitwear increased by 32.89% to \$13.27 billion. Additionally, exports of woven clothing increased by 27.23% to \$10.71 billion.

Bangladesh is on the right track to gradually growing demand for clothing of mid to better grade brands due to the fiscal war between global economies including the United States, China, and the European Union. The industry has a lot of potential for expansion and could boost your foreign exchange earnings. The government provides crucial monetary and non-monetary aid and incentives to local and strategic investors, as well as rationalizes fiscal and monetary policies.

Bangladesh must overcome a number of challenges in order to sustain its presence and progress in this area. We are all aware that this sector is predicated on plentiful natural gas, low-cost labor, and affordable energy. Despite the fact that authorities are actively creating the necessary reforms to protect this crucial business, this matter has been contentious in recent years. However, Bangladesh remains the world's second largest exporter of RMG.

3.2 Overview Of SQUARE Textile LTD

Square Textiles is a multifaceted business conglomerate in Bangladesh's textile industry. One of Square Group's divisions is Square Textile. In 1994, the corporation was established as a public limited corporation. In 1997, the operation got underway. The career of Square Textiles Limited, a yarn manufacturing company, began in Sardagonj, Gazipur. Square is able to gain the trust of its devoted clients by utilizing up-to-date technology, skilled human resources, and high-quality products during the manufacturing process. As a result, it has increased its market share in the knit, denim, and woven fabric and apparel sectors.

It has grown into one of the most advanced vertically integrated enterprises in the nation for all types of textile products, with over 35000 trained employees and cutting-edge equipment. Square Textiles Ltd. (Unit-01) was founded in 1997. Unit-02, Unit-3, and Unit-05 were all constructed between 1998 and 2005. In 2015, Unit-02 will be enlarged, followed by Unit-03 in 2020 and R&D in 2019. Textile turnover currently accounts for 31% of total 2 billion turnover by Square Group from 2012 to 2022, followed by healthcare turnover at 46%, FMCG turnover at 18%, and others at 5%. For the fiscal year 2021–2022, export sales and net profit totaled BDT 15,624 million and 1,806 million, respectively, with about 4,551 employees both domestically and overseas.

3.3 History Of SQUARE Textiles

Year 1994: Under the seasoned leadership of the late Samson H. Chowdhury, the founder chairman, Square Textiles Ltd., a manufacturer of yarn, was established as a public company limited by shares on October 15, 1994. The company's mission was to maximize production of high-quality goods and services while strictly upholding moral and ethical standards at the lowest cost to society, ensuring the greatest possible benefits for customers, shareholders, and other stakeholders.

Year 1997-2000: To address the demands of the knit yarn market for the export-oriented RMG industry, commercial operations were launched in 1997 with an installed capacity of 30,000 spindles and raised to 60,000 spindles the following year in 1998. More than 195 MT/day can be produced of yarn in total. The project incorporates a ring unit of Chinese origin with an SKF Germany drafting zone capable of generating yarns of exceptional quality, as well as internationally famous cutting-edge technology from Europe at the back process.

2000 had a BDT 210 crore revenue with a BDT 40 crore net profit. In 2000, Square Textile is certified according to Oeko-Tex standard 100 and ISO-9002. Square Textiles Ltd. (Unit-01) was founded in 1997. Unit-02, Unit-3, and Unit-05 were all constructed between 1998 and 2005. Unit-02 will be extended in 2015, R&D in 2019, and Unit-03 in 2020.

Year 2001-2002: Under the Direct Listing Regulation 2001, Square Textile was listed on the Dhaka and Chittagong Stock Exchange of Bangladesh in 2002 and has never missed a dividend payment to its shareholders. The overall installed manufacturing capacity currently stands at 1,29,262 spindles, 5,192 rotor heads, and 3,168 vortex heads.

Year 2021-2022: Export Sales and Net Profit for the fiscal year 2021-2022 were BDT 15,624 million and 1,806 million, respectively, with approximately 4,551 employees across the country and abroad.

3.4 Vision

Our vision of business has evolved from the idea that it can contribute to the prosperity of shareholders, stakeholders, employees, and members of society at large by generating new wealth in the form of goods and services that satisfy everyone's needs while preserving Mother Earth's socio-ecological economic balance and the development of human civilization that leads to the peaceful coexistence of all living things.

3.5 Mission

Our mission, which is the cornerstone of our vision, is to maximize the production of high-quality goods and services while upholding strict moral and ethical principles at the least possible cost to society, so benefiting customers, shareholders, and other stakeholders to the greatest extent feasible.

3.5 Objectives

To put up great effort to maximize profit by carrying out ethical business practices within the legal and social framework without discrimination against anyone based on gender, caste, creed, religion, or location.

- To increase productivity.
- To increase employment while making the smallest possible investment.
- To maximize export revenue while utilizing the least amount of imported inputs possible.
- To be competitive in both internal and external markets.
- To eliminate the pay disparity between the highest and lowest paid employees.
- To encourage CSR (corporate social responsibility) among all stakeholders.

3.6 Values

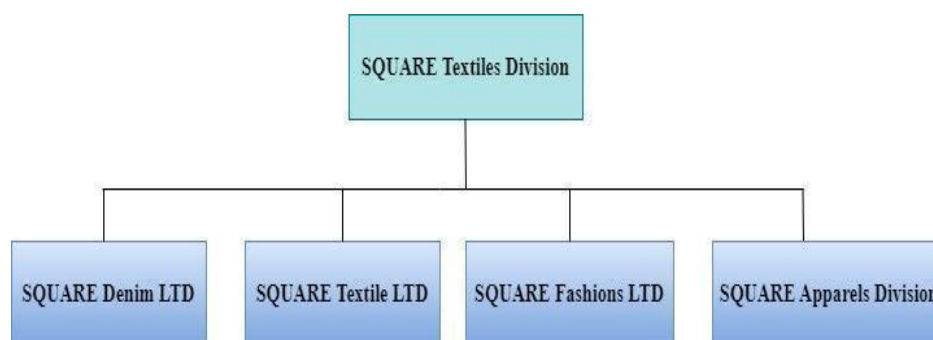
A significant industrial conglomerate with its main office in Bangladesh is a subsidiary of the private limited corporation Square Textile Ltd. It offers a variety of textile products for sale. A reputable textile business in the Asia-Pacific area, Square Textile, has consistently upheld its commitment to providing value to its customers.

We have been providing premium goods to our picky and picky consumers all around the world for the past 14 years. Consequently, they have created an unrivaled product portfolio and have become market leaders.

3.7 Business Strategy

The corporate's strategic goals and objectives are to diligently pursue profit maximization through effective and open corporate operations and to raise its level of competitiveness in both the domestic and international markets.

3.8 Companies Under SQUARE Textiles Division



SQUARE Denims Limited

In 2015, SQUARE Denims Limited launched its venture with cutting-edge equipment and modern amenities. Since then, it has been creating unique and varied denim and jean products. With one of the most advanced vertically integrated setups, SQUARE is able to produce 30000 pieces of denim clothing and 100,000 yards of denim fabric every day. Its most cutting-edge wash treatment facility gives aesthetic creations a creative appearance.

SQUARE Denims is a proponent of sustainability and places the protection of the environment and ecological harmony at the top of its priority list. It has created an extensive energy-saving production method and biological water treatment facility while keeping in mind the 3R principles of REDUCE, REUSE, and RECYCLE. The area near the manufacturing site is well-conserved for nature.

SQUARE Textiles LTD

The year 1997 saw SQUARE Textiles PLC. has begun its journey with its cotton yarn manufacturing facilities. This SQUARE endeavor quickly ascended to the top of the local textile sector by fusing cutting-edge technology with skilled labor under the distinctive and stimulating environment of SQUARE. With a total capacity of 195 + MT/day, the sector is currently among Bangladesh's largest manufacturers of knitting and weaving yarns.

SQUARE is a proponent of ecological balance and sustainable growth, and it places the preservation of the natural world at the top of its priority list. It developed a 2.6 MW solar power plant, a

comprehensive energy saving program, and a recycling facility with this in mind. The recycling facility turns wasted cotton waste into fiber that may be utilized as a raw ingredient in the creation of yarn. Crushed hard trash is used as a raw material for making yarn. No chemical processes are used in our manufacturing process. As a result, no toxic gas emissions cause any harm to the environment.

SQUARE Fashions Ltd

With cutting-edge equipment and technology, SQUARE Fashions Ltd. launched its project in 2001 and quickly established itself as a one-stop shop for the global knit garment market. Presently, it exports 90% of its featured items to the European market and the remaining 10% to the American, Australian, and other markets.

Currently, the fabric unit can produce 40 tons of fabric per day, and the garment units can produce 135,000 pieces per day. It comprises of a lab with international accreditation, a design studio with a lot of creativity (fashion and graphics), and 3D technology for sampling and development. These features assist to enhance product variation in the various market sectors and guarantee the highest levels of customer satisfaction. SQUARE Fashions consistently supports sustainable projects and accords the protection of the environment and ecological balance top attention. It has biological treatment plants to guarantee a clean environment.

SQUARE Apparels Ltd.

In 2014, SQUARE Apparels Ltd. was founded. Since then, it has been weaving fabrics using premium yarns, gorgeous colors, contemporary themes, traditional design elements, and original concepts. It boasts a cutting-edge facility with cutting-edge technology that creates fabrics of the highest caliber. SQUARE Apparels' spinning for diverse yarn, fiber dyeing for mélange, indigo dyeing, and yarn sizing capabilities have strong backward connections. Utilizing each of these, ordinary fabric, fancy fabric, mix fabric, functional fabric, and sustainable fashion fabric are produced with a distinctive finishing range and magical wash touch for high-end perfection.

SQUARE Apparel has a production capability of 100,000 yards of woven fabric per day for both yarn-dyed and solid-dyed fabrics. SQUARE Apparels makes woven, non-denim clothing for upscale customers. The plant can produce 15,000 units each day.

Square Apparel uses recycled cotton, recycled polyester, organic cotton, and sustainable rayon fiber for sustainable/recycled materials because sustainability is a primary priority for the company.

3.9.2 Product Mix

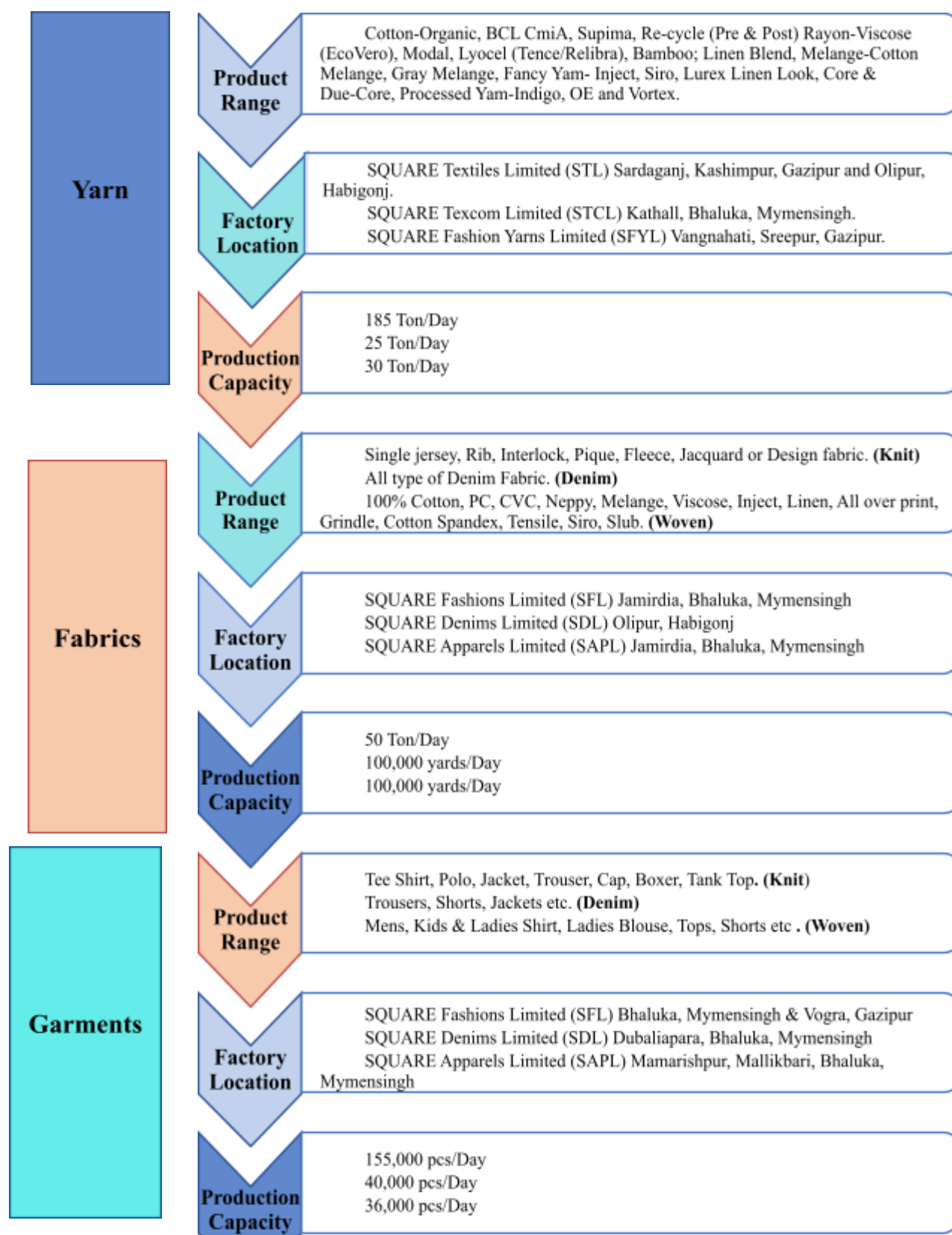




Fig : Yarn



Fig : Fabric



Fig: Garments

3.10 Primary Markets

The primary markets for Square Textile Group include multinational fashion labels, sportswear producers, interior design firms, and consumer goods businesses. The manufacture of goods that are sold in numerous nations heavily relies on the textiles produced by the business. By focusing on exports, the company is able to serve a variety of clientele while making a contribution to the worldwide textile and garment market.

Global Reach: Square Textile's main market is not restricted to any one area of the world. To meet the needs of its diverse global customer base, it expands its presence to several locations throughout the globe.

Hugo Boss, Mustang, and Tommy Hilfiger are just a few of the high-end fashion labels that the company caters to with its premium and performance textiles. As demanded by clients like Puma, it also provides performance-oriented fabrics that satisfy the functional requirements of sportswear.

The primary market for Square Textile is driven by a harmony between fashion and utility.

High-End Fashion Brands: Hugo Boss and Mustang are two examples of high-end fashion companies who depend on Square Textile for materials that complement their brand identities and satisfy the sophisticated tastes of their clientele.

Sportswear Brands: Square Textile provides materials that improve performance, comfort, and style for athletes and active people in order to meet the needs of sportswear brands like Puma.

Companies like Tomy profit from Square Textile's flexible product offers since they use their materials to create a variety of consumer goods brands.

Global Export Partnership

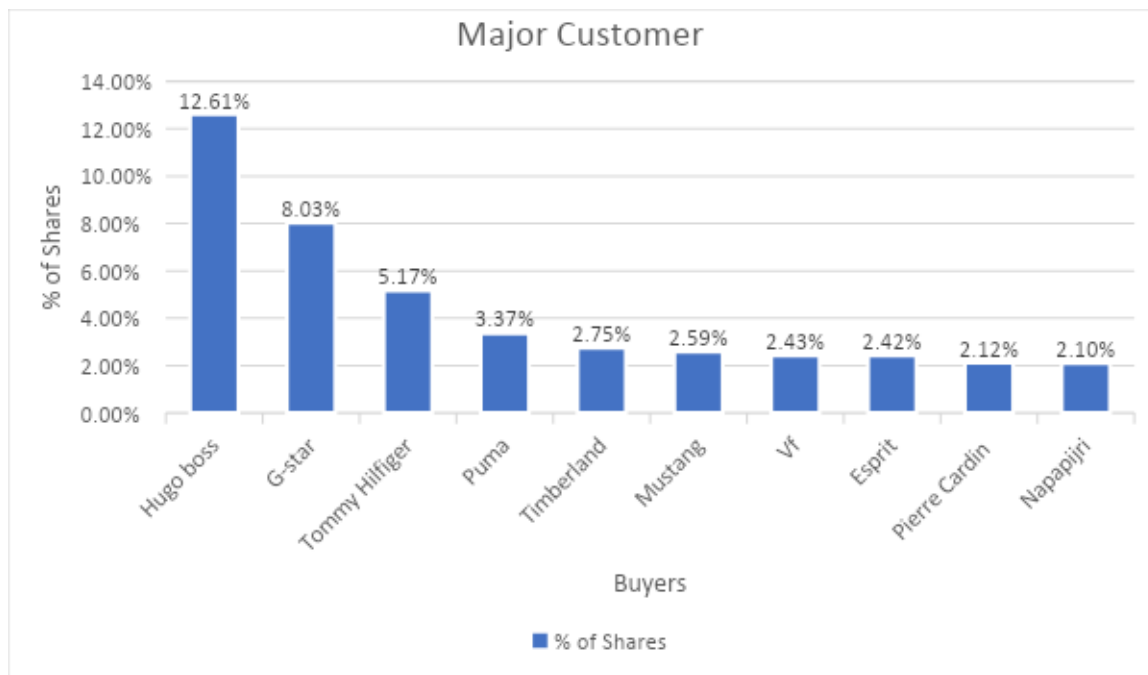
Square Textile supplies its fabrics to international fashion labels, retailers, and manufacturers, helping to develop a variety of apparel lines and goods that are sold all over the world.

Supply Networks: Square Textile's textiles are integrated parts of goods that are disseminated and sold internationally since they are a part of international supply networks.

Square Textile successfully competes in its major market as a key player in the export-focused textile sector by presenting itself as a dependable supplier to prominent brands and keeping an eye on high-quality, stylish, and practical textiles.

3.11 Major Customers

Within the textile and clothing sector, Square Textile Group works with a wide range of clients. The group, which is vertically integrated, consists of a number of companies that cater to diverse customer segments, each with its own unique demands and wants. Square Textile Group provides premium materials that meet the aesthetic and quality standards of high-end fashion brands and designers. These clients use the fabrics of the group to make high-end, fashionable clothing.



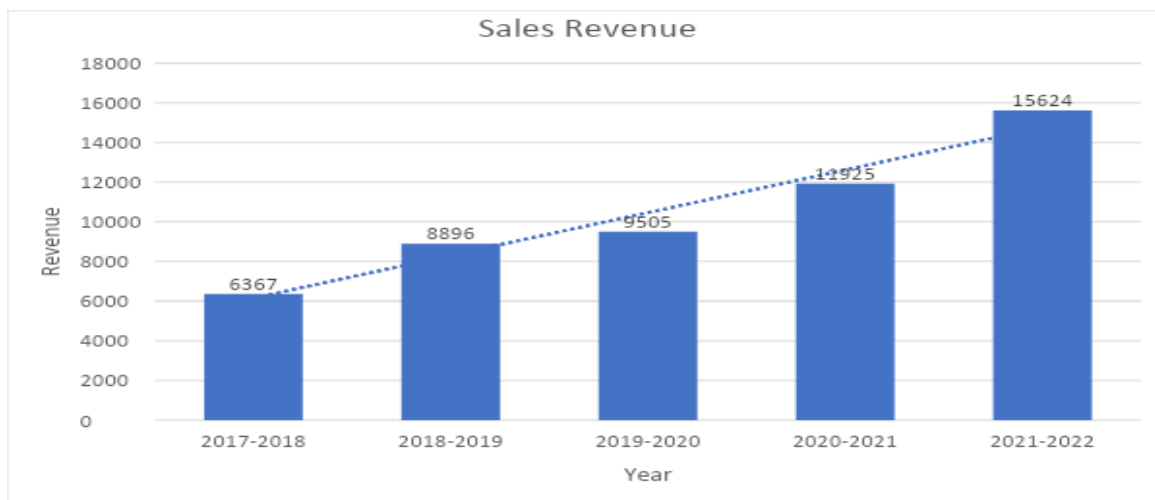
3.12 Major Player Of This Industry

Square Textile Group competes with other textile conglomerates, vertically integrated manufacturers, and fabric suppliers in its industry. Global textile oligopolies with a comparable product line and global presence may be competitors. Square Textile Group must uphold its reputation for quality, creativity, and customer-centric solutions while adjusting to changing market trends in order to stay ahead

- Akij group
- Beximco Textile Mills LTD
- Babylon group
- Epyllion group
- Ha-Meem group
- Noman group
- Viyellatex group

3.13 Company's Operation (Product)

Square Textiles is one of Bangladesh's major producers of yarn for knitting and weaving. The company has now been in business for more than 25 years. Square Textiles is a business that focuses on items that are more sustainable and friendly to the environment, such as organic, BCI, tencel, recycled (cotton and polyester), etc. They are also producing more high-value products, such as Galaxy, Flutter, Lurex, Mozaik, Neppy, Snow, and Siro, which are more in demand and have a bigger export potential. Square Textiles' products are renowned among its devoted customers for their superb quality and dedicated services.



3.14 Corporate Sustainability Due To Maintaining CSR

Maintaining CSR: SQUARE supports sustainable development and accords the protection of the environment and ecological balance the utmost importance. It developed a **2.6 MW solar power plant, a comprehensive energy saving program, and a recycling plant** with this in mind. The recycling facility turns wasted cotton waste into fiber that may be utilized as a raw ingredient in the creation of yarn. No chemical processes are used in our manufacturing process. As a result, no toxic gas emissions cause any harm to the environment.

State Of The Art Facility: Is outfitted with modern, ecologically friendly, and energy-efficient technology and equipment. We consider product variety to be a strategy for sustaining the economy. Modern facility We continually work to adopt cutting-edge production techniques that enable the best possible use of resources, including energy and materials. Our cutting-edge manufacturing plant is outfitted with modern, environmentally friendly, and energy-efficient technology and equipment. 2018 saw the launch of our PCW plant (fabric crushing). In Bangladesh, we were the first to introduce this technology.

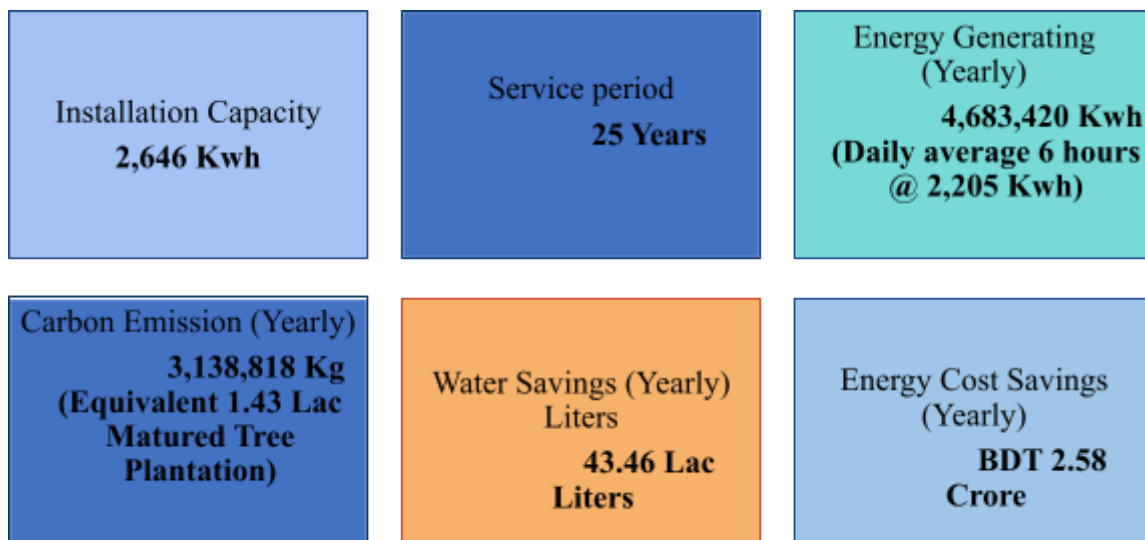
Ready Recycling Facility : The manufacturing plant is equipped to prevent trash and dust from entering the environment. On average, every day, 4 (four) out of 6 (six) tons of garbage are recycled. Crushed hard trash is used as a production's raw material. The waste from our PCW factory is converted into fibers. Our production process does not use any chemicals, thus there are no spillovers or harmful gas emissions that could affect the environment.

Reducing Workplace Risks : We adhere to strict safety regulations and routinely monitor and review occupational health and safety practices. We make sure that everyone working in our factories always complies with the safety regulations required to maintain a risk-free working environment and uninterrupted operations. All factory workers receive the necessary training and education regarding this health and safety issue.

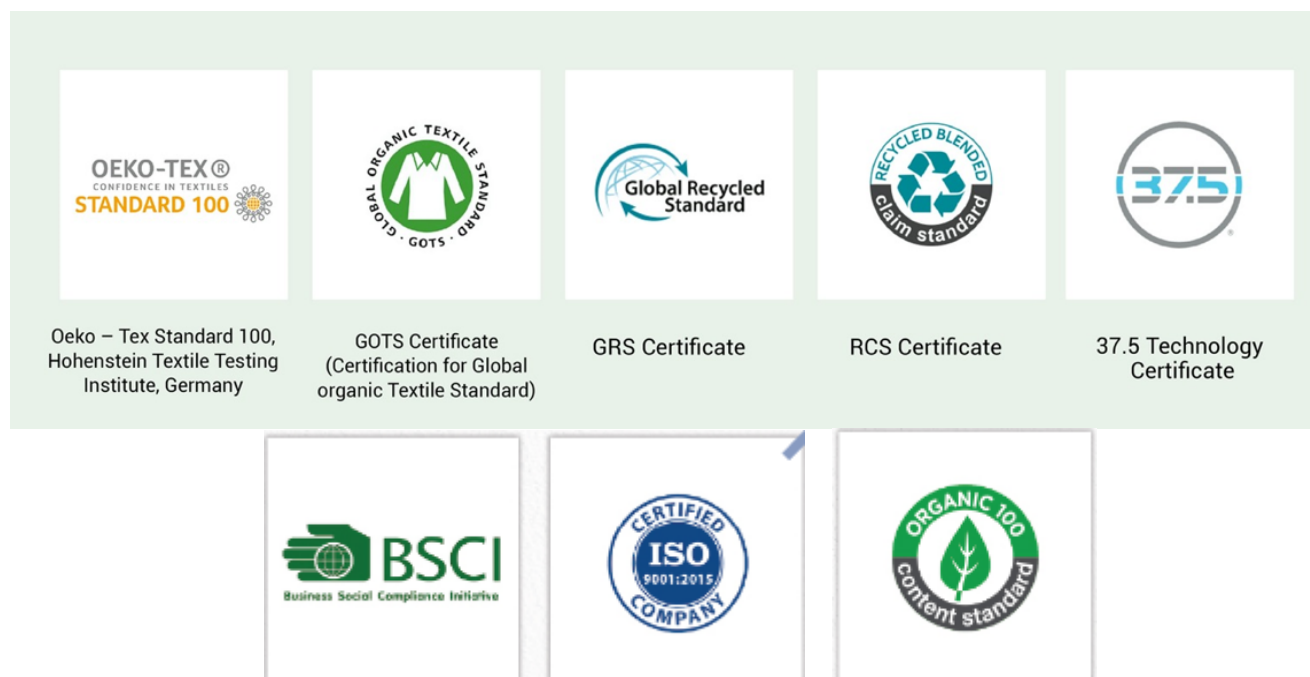
Creating Product Diversity: SQUARE think that "Product Diversity" is a key to sustaining the economy. Within our entire product portfolio, the company has a product diversity of roughly 40%. The company's brand image has improved thanks to this product diversity, which has also raised profitability and reduced risk. Overall, by placing a strong emphasis on corporate sustainability, we have developed a combination of strategies that perfectly integrate financial and non-financial factors into the company's good governance and management practices. We have also involved all stakeholders in an open forum where financial, social, and environmental issues are shared and communicated. All of these have resulted in favorable outcomes that are advantageous to all partners throughout the value chain.

Sustainable Energy Program : The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by all United Nations Member States in 2015 as a global call to action to end poverty, protect the environment, and guarantee that all people enjoy peace and prosperity by

2030. Sustainable Energy Program Bangladesh is a proactive partner with UNDP in implementing the SDGs. SQUARE Textiles Ltd. needs 19.50 MWh of electricity to run its business as a spinner. 16.50 MWh of the total required electricity was produced using natural gas and heavy fuel oil, while 3.00 MWh was purchased from REB and other merchant power plants. SQUARE Textiles Ltd. has implemented the first phase of its solar power project while also taking into account the environment (the health of our mother planet) and energy costs. The following are the financial and environmental advantages of this solar project:



3.15 Certificates



3.16 Organogram Of SQUARE Textiles

3.16.1 Board Of Directors



Chairman
Mr. Tapan Chowdhury



Vice Chairman
Mrs. Ratna Patra



Managing Director
Mr. Samuel S
Chowdhury



Director
Mrs. Anita Chowdhury



Director
Mr. Anjan Chowdhury



Independent Director
Mrs. Nihad Kabir



Independent Director
Mr. S M Rezaur Rahman

3.16.2 Organogram

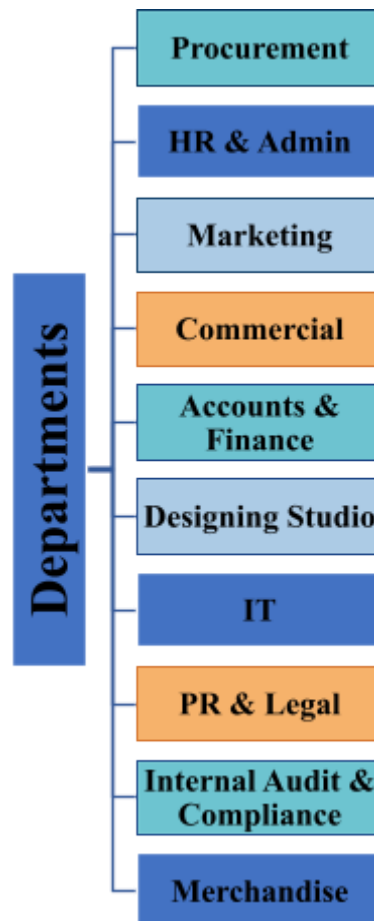
The structured arrangement of elements according to their degrees of significance, power, or worth within a system is referred to as hierarchy. A hierarchy is a system for organizing or ranking things, frequently in accordance with their importance or strength.

In social structures, where people or organizations have varying degrees of authority and influence, hierarchy can be seen. By purposefully emphasizing some components above others in the composition, hierarchy in art directs the viewer's attention. The chain of command and duties inside a corporation are described by organizational hierarchy in business. Overall, hierarchy is a technique for creating order, communicating meaning, and figuring out how various pieces relate to one another in a certain context. The hierarchy of the SQUARE Textile is depicted in the diagram below.



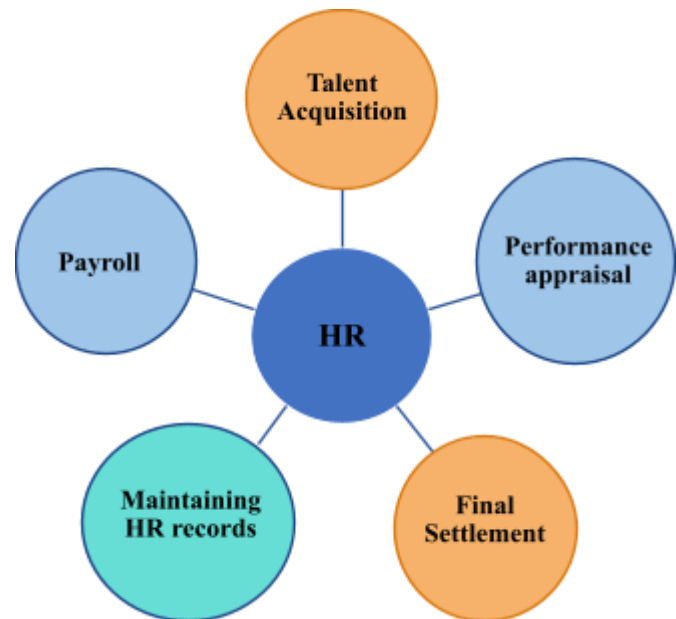
3.17 Department Of SQUARE Textile

Organizations are frequently made up of different departments, each of which has distinct duties and responsibilities that contribute to the smooth operation of the organization as a whole. The success of the organization depends on these departments working well together and communicating effectively. Typical departments in organizations include the following:



HR Department

- **Talent acquisition:** The HR department is in charge of finding, attracting, and hiring qualified applicants for unfilled positions within a firm. They carry out tasks like posting jobs, reviewing resumes, conducting interviews, and choosing candidates.
- **Payroll:** This division is in charge of managing and processing all aspects of employee pay, including wages, salaries, bonuses, and deductions. While adhering to tax rules and employment laws, they guarantee correct and timely payment to employees.
- **Performance appraisal:** This division is also in charge of a systematic procedure wherein an employee's performance on the job and contributions are evaluated in light of established objectives or standards. Making decisions on promotions, bonuses, and the need for more training will be aided by this in addition to helping to provide feedback and set future goals.
- **Final settlement :** When an employee quits their employment, HR is also in charge of wrapping up the financial and administrative facets of that person's relationship with the company. To ensure a smooth transition and adherence to statutory and organizational requirements, it involves a number of components.
- **Maintaining a HR records :** Employee information, attendance sheets, recruitment information, contracts, performance reviews, payroll information, leave records, training histories, disciplinary actions, promotions, and exit documentation are all kept in HR records. These records help in decision-making, ensuring legal compliance, and managing the full employment lifecycle.



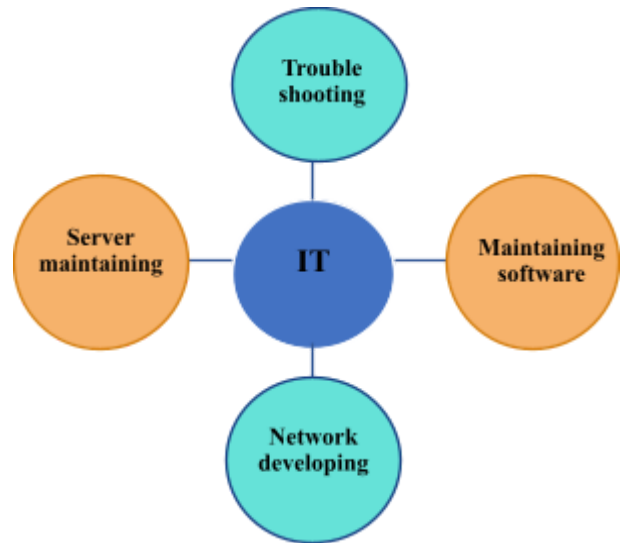
Administration

- **Office related service** : All office & admin related services like security service, cleaning, lunch/tiffin, advertisement, insurance -life & vehicle, overseas travel, overseas courier service, office equipment maintenance, office rent, phone bill, utility bill, govt. fees maintenance & hire, entertainment etc. is given by administration
- **Keeping documents** : Storing all kind of office related documents ,like Land & land related documents, office rent paper, phone bill, utility bill, govt. fees etc
- **Local /(factory)** : Civil materials, small renovation/maintenance work etc
- **Transport Service** : Administration department arrange vehicles, select route & hire drivers for the dropping services for the employees.
- **Lunch arrangement** : Administration department arrange lunch for the employee, they arrange cutlery set , bottle etc for lunch service for the employee
- **Foreign tour** : When any employee go to foreign tour , then booking ticket, visa, hotel ,all arrangement for employee's travel is arranged by administration department.



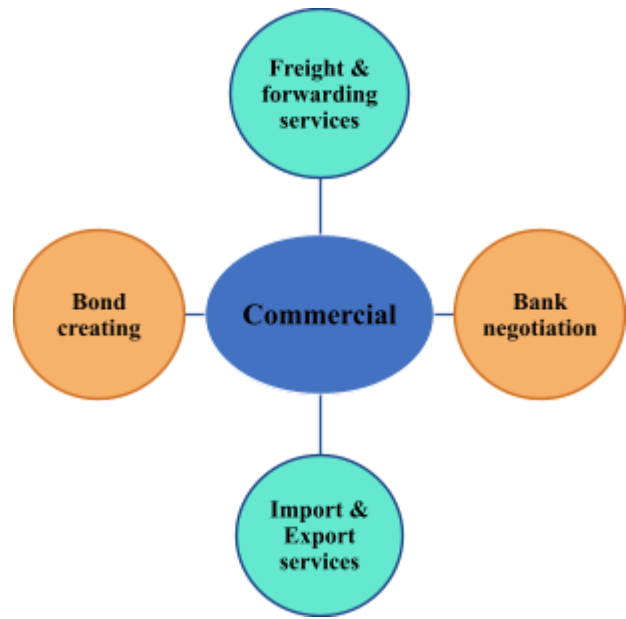
IT Department

- **Trouble Shooting :** SAP is the ERP software that is maintained in SQUARE. So if any errors happen in the software , then IT department solve the issue. Again, if internet access is not getting in any computer then technical support is also given by them
- **Maintaining software:** SAP is the ERP software that is maintained in SQUARE. So if any errors happen in the software ,then IT department solve the issue.
- **Network Developing :** For getting accesses in different site like – WhatsApp, Google, G-mail, creating new mail for new employee etc is done by it department. Connecting all department with one network like employees can communicate with outlook .
- **Server maintaining :** Every bill, challan, mushak , excel sheet of delivery goods & every scanned paper etc is stored in a server database that is also maintained by IT department.



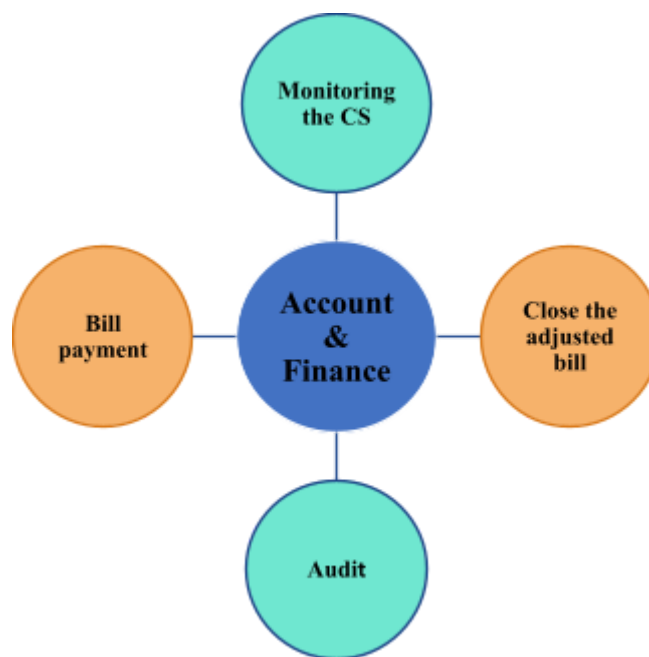
Commercial Department

- **Freight & Forwarding services:** When goods are imported then after shipment when good is in custom then it need to be cleared , for that commercial contract with C & F agent for clearing goods and for delivering the goods to factory commercial contact with freight & forwarding services
- **Bond creating :** When raw materials are imported there is a limitation of quantity to be imported. This bond re-issue is done by this department.
- **Bank negotiation:**What terms, conditions, incoterms etc is negotiated with bank to bank.
- **Import & Export services :** Insurance for imported goods and import & Export related services like they send documents to issuing bank for opening LC, responsible for custom clearance



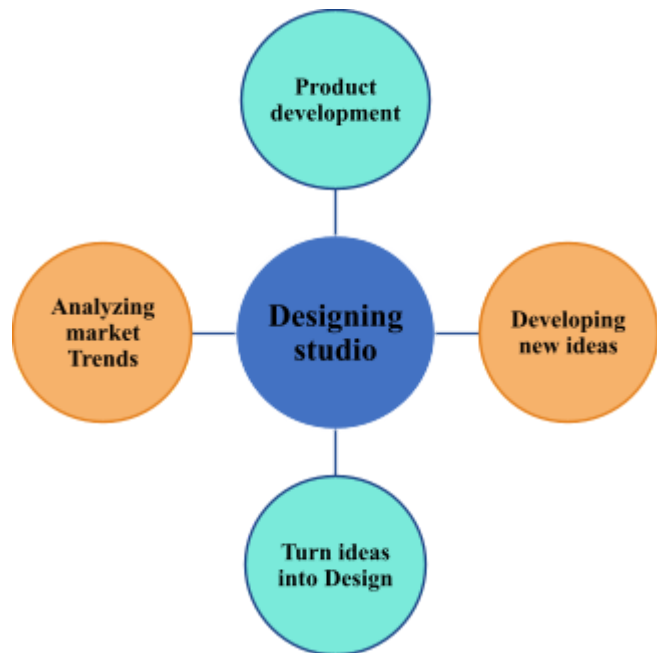
Account & Finance

- **Monitoring the CS:** When procurer select a vendor's quotation and make CS, from that moment finance & accounting department started to find out if the price quotation is lowest or not.
- **Close the adjusted bill :** When goods are deliver to factory , when procurer park (adjustment) the both foreign & local LC bill in SAP, then finance department audit the bill .IF everything is matched then they close the adjusted bill showing that raw material has arrived in factory in terms of ordered value.
- **Audit :** When goods are deliver to factory ,then when procurer park the bill then finance & accounting department audit the bill. They checks whether full ordered quantity in PI is received or not , or whether the price is lowest or not when CS is create. They checks whether more cash is going out in comparison to goods. If everything is okay then they audit the bill .
- **Bill payment :** When goods are deliver to factory , they checks the bill & whether full ordered quantity in PI is received or not . After checking the bill ,if everything is okay then finance & accounting department pay the bill to local suppliers.



Designing Studio

- **Analyzing market trends :** Analyzing market trend is very important for surviving in any industry. And ideas that are related with market trends and customer needs , help to survive in the industry . That's why analyzing the market is the prime responsibility of the designing studio , & generate ideas ,make design according to the market trends.
- **Product development:** When a order come , sometimes customer give their own preferences/needs and tell us to make the final goods according to it. So in that situation designing studio develop the design of the product according to customer choice.
- **Developing new ideas:** To compete in textile industry innovation and uniqueness is very important , & for that designing studio create new ideas that is relevant to market trends and customer taste.
- **Turn ideas into design:** For designing studio they are not only responsible for innovative ideas but also need to transform that ideas into actionable design.



Internal Audit & Compliance

Compliance Monitoring: Square Textile Ltd's Internal Audit & Compliance Department is essential in ensuring that the business complies with applicable laws, rules, and industry standards. They evaluate policies, procedures, and practices on a regular basis to make sure they are in compliance and to spot any areas that could use some improvement.

Internal Control Evaluation: To make sure that assets are protected, fraud is prevented, and accurate financial reporting is maintained, the Internal Audit & Compliance Department assesses and monitors the company's department-specific Standard Operating Procedures, Systems, and Protocols. Any weaknesses found are fixed to improve the internal control environment within the business.

Process Improvement: Internal auditors examine current processes and pinpoint opportunities for improvement in order to increase operational effectiveness and efficiency. They suggest adjustments or improvements that can improve efficiency all around, cut expenses, and streamline operations, all of which help the business succeed and expand.

Risk Assessment and Management: This division discovers and assesses potential risks in the operations, financial, and compliance sectors of the company. They evaluate the possibility and consequences of these risks and create ways to effectively reduce them, lowering the company's overall risk exposure.



PR & Legal

Square Textile Ltd's PR & Legal Department is in charge of handling the business's public relations efforts, communication plans, legal compliance, and risk management. Their combined efforts help to keep the company's reputation favorable and ensure that it operates within moral and legal bounds.

Brand Image Management: The group strives to develop and uphold a favorable public perception of Square Textile Ltd. They create plans to promote the brand and highlight the organization's ideals, successes, and contributions to the sector.

Crisis Communication: The PR department assumes leadership in managing communication during crises or disputes to lessen negative effects. They minimize reputational damage by providing stakeholders with timely and transparent information.

Media Relations: To obtain favorable coverage and handle press enquiries, the team cultivates ties with media outlets. They make certain that the business is accurately and favorably represented in the media.

Contract Management: Contracts and agreements are drafted, reviewed, and negotiated by the legal department. This covers contracts with clients, suppliers, employees, and more, assuring legal compliance and safeguarding the business' interests.

Risk Mitigation: Legal professionals evaluate potential legal hazards and offer advice on how to mitigate them. They provide legal counsel on corporate issues, assisting the corporation in making wise judgments while abiding by the law.

Regulatory Compliance: The department makes sure Square Textile Ltd. complies with all applicable laws and regulations. They keep an eye on changes to the law and adjust firm rules and procedures accordingly.



Merchandise

- **PR Release :** Merchandise release PR to the procurement department for acquiring raw materials which will be needed to full fill a order.
- **Taking garment orders:** This department is responsible for taking garments orders that is given by the international buyers.
- **Inventory stock analysis:** This department is responsible for checking & tracking inventory ,coordinate with production team to analyze the amount of inventory needed to fulfill s specific garment order
- **Follow up production :** This department is also responsible to follow up the production to track the led time etc.



Marketing

- **Selling** : SQUARE Textile also produce cotton, yarn, fabric in their spinning unit and fabric unit. Marketing department is responsible to sell this cotton, yarn , fabric to local & foreign customer. Even SQUARE Texcom marketing department can sell their yarn to SQUARE denim .
- **Taking fabric order** : This department is responsible for taking fabric orders that is given by the international buyers.
- **Finding Customer** : This department is responsible to analyze market trend, customer needs and according to that went to different company for taking orders .
- **Cost analysis** : When any customer want to give order , so before finalizing the order marketing department start to analyze cost analysis for the raw materials, lead time and according to that how much will be the price , that is presented to the customer before taking order.



CHAPTER - 4 : OVERVIEW OF THE PROCUREMENT DEPARTMENT



Chapter - 4 : Overview Of The Procurement Department

4.1 Procurement Department

Procurement : The process of acquisition of commodities, services, or materials that an organization needs to sustain its operations and accomplish its goals is known as procurement. It entails tasks including determining sourcing requirements, assessing potential suppliers, settling on terms and prices, drafting purchase orders, and assuring the prompt delivery of the purchased goods. The goal of good procurement processes is to maximize value while upholding moral and legal obligations.

A company's procurement department is crucial to its operations, particularly those of businesses like Square Textile. Within a company, the procurement department plays a crucial role in overseeing the strategic acquisition of resources needed for ongoing operations and long-term objectives. This division is in charge of managing the entire procurement procedure, from determining the organization's needs through finding acceptable suppliers, contract negotiations, and supplier performance evaluation.

4.2 Hierarchy of the Procurement Department

The structured arrangement of elements according to their degrees of significance, power, or worth within a system is referred to as hierarchy. A hierarchy is a system for organizing or ranking things, frequently in accordance with their importance or strength.

In social structures, where people or organizations have varying degrees of authority and influence, hierarchy can be seen. By purposefully emphasizing some components above others in the composition, hierarchy in art directs the viewer's attention. The chain of command and duties inside a corporation are described by organizational hierarchy in business. Overall, hierarchy is a technique for creating order, communicating meaning, and figuring out how various pieces relate to one another in a certain context. The hierarchy of the procurement department is depicted in the diagram below.

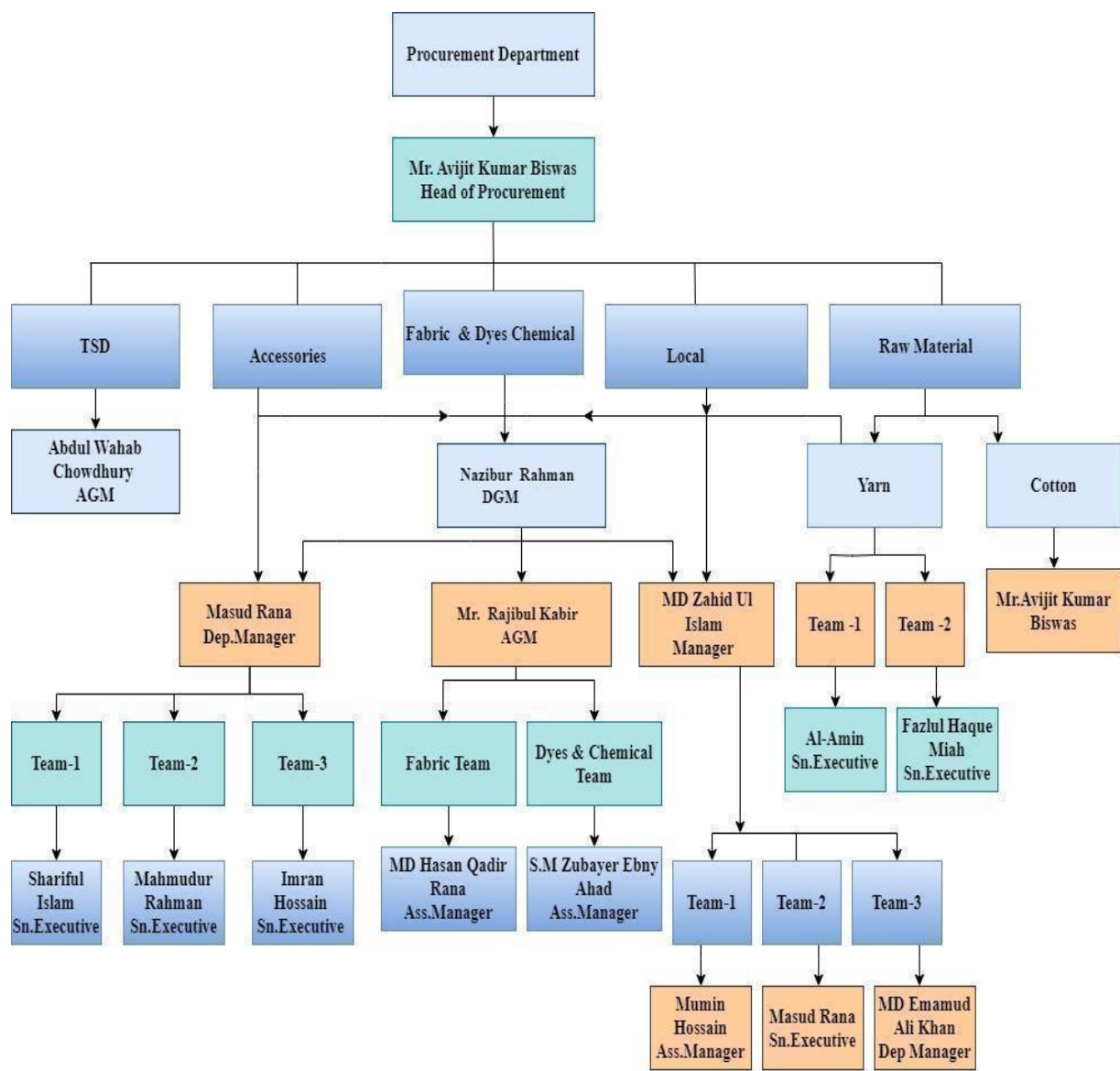
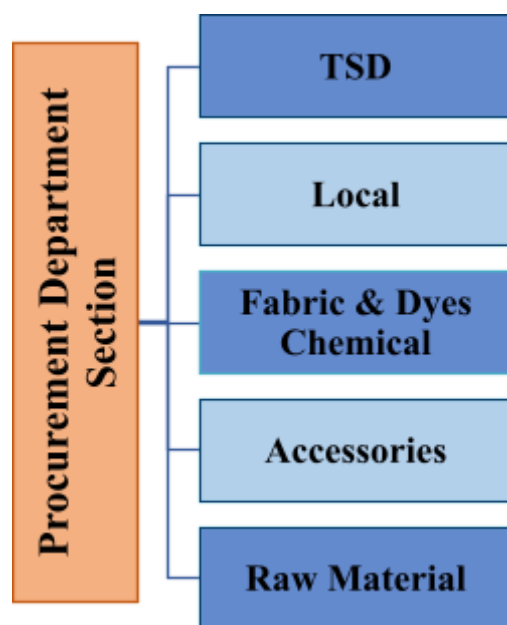


Fig : Hierarchy Of the Procurement Department

4.3 Section of Procurement Department

The five sections of the procurement department ,each deal with a distinct kind of material for procurement. They are given below:

TSD: All new IT and networking equipment, all capital machineries and equipment, all imported spare parts and goods linked to machines, equipment, and constructions, as well as civil and interior



works, fabrication, fitting, and fixing, as well as related technical services and service contracts.

Local Procurement : All locally produced goods and services. like: stationary , lab items, wax, some interior works etc.

Fabric and Dyes Chemical Procurement: Fabric testing, production chemicals, and dyes, etc. Usually sometimes dyes & chemicals are locally procured but most of the time they are imported. Like: Dyes Chemicals are imported from Belgium, India, Vietnam , Thailand , Japan, Turkey & German etc. It almost take within or above 1 month to come in BD. Fabric are also imported from Pakistan , India, Vietnam, Korea etc

Accessories Procurement : Production consumable trims and accessories are purchased as accessories. . Like: scissors , jip, buttons.

Raw Materials Procurement : All raw materials, including raw cotton, fibers, waste cotton, yarn, and relevant certificates and service agreements, are procured. Usually sometimes raw materials are imported procured but most of the time they are locally procured . Like : yarn are imported from china, India, Vietnam, Pakistan etc. It almost take 15-1.5 month to get the goods from this countries.

4.4 Key functions of the procurement department

The procurement department makes a substantial contribution to the organization's overall efficiency, cost control, and ultimately its performance in a competitive market by assuring the timely and cost-effective acquisition of goods, services, and materials. It is essential for developing and sustaining fruitful partnerships with suppliers, for allocating resources optimally, and for reducing supply chain risks.

The following list summarizes the main duties and tasks of SQUARE Textile's procurement department:

Sourcing and Supplier Management: Finding and evaluating possible suppliers who can deliver the needed goods and services is the responsibility of the procurement department. Relationships are built with these suppliers, terms and conditions are negotiated, and it is made sure that the chosen suppliers adhere to the company's quality and delivery criteria.

Purchase Planning: To forecast the organization's needs, the procurement team works with other departments like: goods. To develop efficient purchasing strategies that avoid overstocking or understocking of materials, they examine historical data, market trends, and demand estimates.

Procurement Process: This division is in charge of overseeing the entire procurement process. To make sure that products are purchased promptly and in accordance with the company's budget and rules, they write purchase orders, secure the appropriate permissions, and keep an eye on the procurement cycle.

Cost Management: Effective cost management is one of the procurement department's primary tasks. This include negotiating advantageous terms with suppliers, looking for chances to buy in bulk or save money, and investigating alternatives that provide greater value for the money.

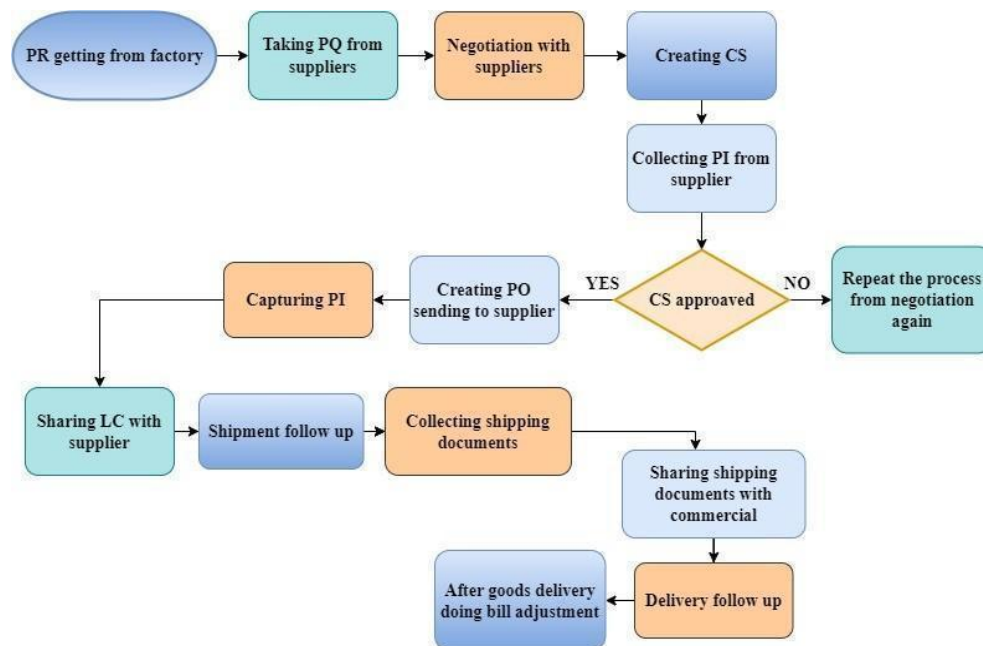
Contract Management: The procurement team is in charge of drafting and overseeing supplier contracts. To create a seamless and open commercial connection, these contracts lay out the terms, conditions, price, and performance expectations.

Risk management: The department of procurement examines potential risks that could arise in the supply chain, such as interruptions in supply, problems with quality, or modifications in market circumstances. They create plans to lessen these risks and keep the organization running normally.

Inventory management: Procurement helps with inventory management by making sure that the proper quantities of products are ordered to meet demand while reducing excess stock.

Evaluation of Supplier Performance: The procurement division continuously keeps track of the performance of suppliers to make sure they adhere to the predetermined requirements for reliability, quality, and delivery.

4.5 Work Process of Procurement Department (Import)



When any customer give orders of trouser, shirt then merchandise give PR according to the need of the raw materials to make the product (trouser).After getting PR, the procurer will display the PR list and will ask the user (factory) about the lead time .According to that if there is any sole agent then PQ will only take from that supplier otherwise will take PQ from multiple suppliers.

Then they will move to negotiate with the suppliers but before that need to check the previous price of that item , if that item is purchased before .Then need to check whether the present PQ is higher or lower. According to the previous price report , negotiation with suppliers will be easier.

If the present price is too high without any valid reason then the procurer needs to negotiate with the supplier for lowering the price. Again, if the present price is too low then it also need to know from the supplier why the price is too low for this good.After that will start to create CS in SAP and will send for approval from the Head , at the same time will collect PI from the nominated suppliers .

When CS is approved then will start to create PO , a written request is send to supplier for goods at an agreed price.At the the time of sending PO to the supplier, the PO should be released in SAP from the Head .

When PO is released then will move to capture the PI in SAP , so that LC can be opened by the commercial and other shipment processes will be started. When LC is opened then the procurer shares this LC with the supplier . Thus the supplier becomes confirmed and starts

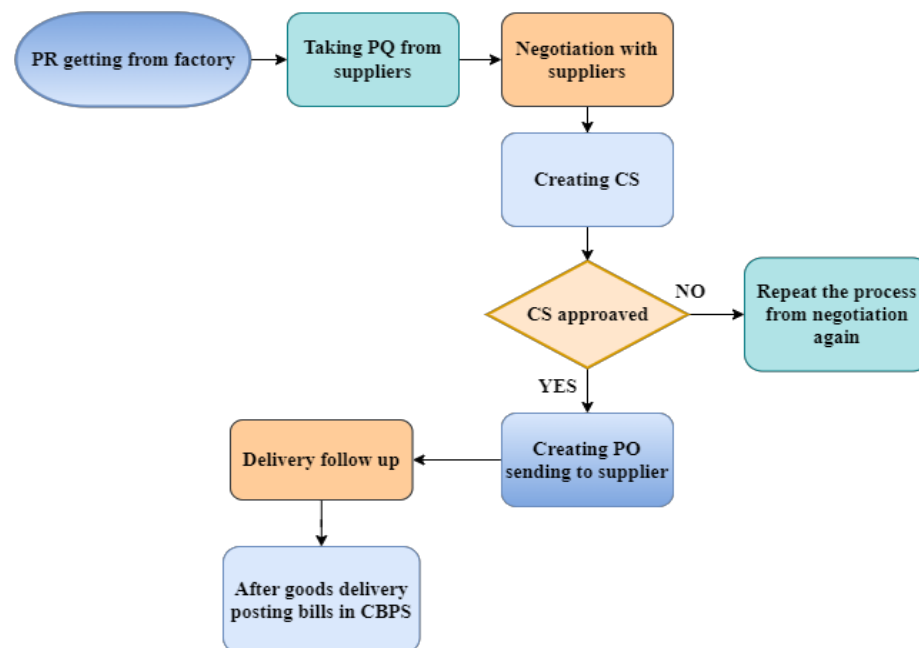
the shipment process. Procurer needs to follow up the shipment & when goods are shipped ,supplier share the documents (bill of loading ,CI ,PL etc) with the procurer.

Then procurer share the shipment documents with the commercial so that the commercial can use it for further process of import. Then procurers need to follow up goods from custom clearance to delivery to the factory .

After delivery incident like the goods are damaged or not ,whether there is any quality issue or not or whether the goods have any shortage etc need to be aware by the procure, so that they can tell the supplier for solving the issue.

If everything is fine then will forward to bill adjustment in SAP by CI no& value, LC number,quantity etc . Then finance & accounts department will audit and closed the bill.

4.6 Work Process of Procurement Department (Local)



When any customer give orders of trouser, shirt then merchandise give PR according to the need of the raw materials to make the product (trouser). After getting PR, the procurer will display the PR list and will ask the user (factory) about the lead time .According to that if there is any sole agent then PQ will only take from that supplier otherwise will take PQ from multiple suppliers. Then they will move to negotiate with the suppliers but before that need to check the previous price of that item , if that item is purchased before .

Then need to check whether the present PQ is higher or lower. According to the previous price report , negotiation with suppliers will be easier. If the present price is too high without any valid reason then the procurer needs to negotiate with the supplier for lowering the price.

Again, if the present price is too low then it also need to know from the supplier why the price is too low for this good. After that will start to create CS in SAP and will send for approval from the Head . When CS is approved then will start to create PO , a written request is send to supplier for goods at an agreed price.

At the the time of sending PO to the supplier, the PO should be released in SAP from the Head . Then procurers need to follow up goods from loading to truck to delivery to the factory . After delivery incident like the goods are damaged or not , whether there is any quality issue or not or whether the goods have any shortage etc need to be aware by the procure,

so that they can tell the supplier for solving the issue. If everything is fine then supplier will give mushak, delivery note & bill to the factory which will be posted in CBPS by the procurer .

As no advance payment was done and buying from local supplier the payment is on cash on delivery thus by posting it means to request the finance & account department to audit and pay the bill to the suppliers .

4.7 Supply Chain process of Textile

SQUARE Textile LTD has a precisely planned supply chain process that represents efficiency and quality. Beginning with the acquisition of raw materials, the company works with reputable suppliers to obtain the finest fibers and textiles. It also follows the same supply chain as the textile industry, which is further discussed:

The textile industry's supply chain process is a complicated and interconnected journey that spans the whole lifetime of textile production, from the sourcing of raw materials like cotton through the



delivery of finished products to the eager client. It usually begins with the sourcing of raw materials such as cotton, wool, or synthetic fibers, which are often sourced from diverse geographical regions to assure the best quality and variety, and is then followed by the spinning process, in which the cotton fibers are twisted and drawn into yarns or threads. These threads then progress to the ginning stage, where they go through extra processing is required to maintain consistency and strength.

Once prepared, the threads travel through knitting and weaving machines, where they are delicately interwoven to produce fabric with a variety of patterns and textures. Following this, the fabrics are dyed, where brilliant colors are incorporated into the fabric to enhance its appeal. To ensure industry standards, quality inspections are performed at each level.

Following dyeing, the cloth is carefully cut into the required patterns and pieces, which is an important stage in the garment-making process. These components are then expertly put together to form clothing and textile products in a variety of shapes and designs. When the textiles are finished, they are rigorously examined and packaged for warehousing.

Warehousing is an important link in the supply chain, where products are efficiently held until they are ready for distribution. Inventory management is required at this stage to ensure that the right products are available at the right time. Finally, the finished items are supplied to the end customer

via a network of retailers, wholesalers, and e-commerce platforms, who excitedly awaits the high-quality textiles that have traveled through the numerous steps of the supply chain.

In recent years, the textile industry's supply chain has prioritized sustainability and ethical considerations. Many businesses are concentrating more on obtaining sustainable raw materials, employing eco-friendly dyeing procedures, and guaranteeing fair labor practices throughout the manufacturing process. This shift in supply chain processes demonstrates a commitment to meeting consumer demands for both quality and responsible production, as well as addressing environmental concerns and delivering products that meet the ethical standards of a more conscientious customer base.

4.7.1 Procuring Raw Materials/Import in SQUARE Textile

The procurement process is a crucial function in any business that assures the acquisition of goods and services required for smooth operations. The following is an expanded overview of the essential processes in the raw material acquisition process:

- **Step 1: The user creates a purchase requisition (PR)**

The procurement procedure begins when a user (factory) discovers a need for products or services and makes a Purchase Requisition (PR). This document specifies what is needed, including specifications, values, and any other required data. The PR serves as the initial procurement request.

- **Step 2: Verify requirements with user/planning/marketing**

Once the PR has been created, it must be verified. The user analyzes the PR with help from the planning and marketing teams to ensure that the requested items correspond with business goals and objectives. At this step, any contradictions or clarifications are addressed in order to refine the criteria.

- **Step 3: Submit a request for quotation (RFQ)**

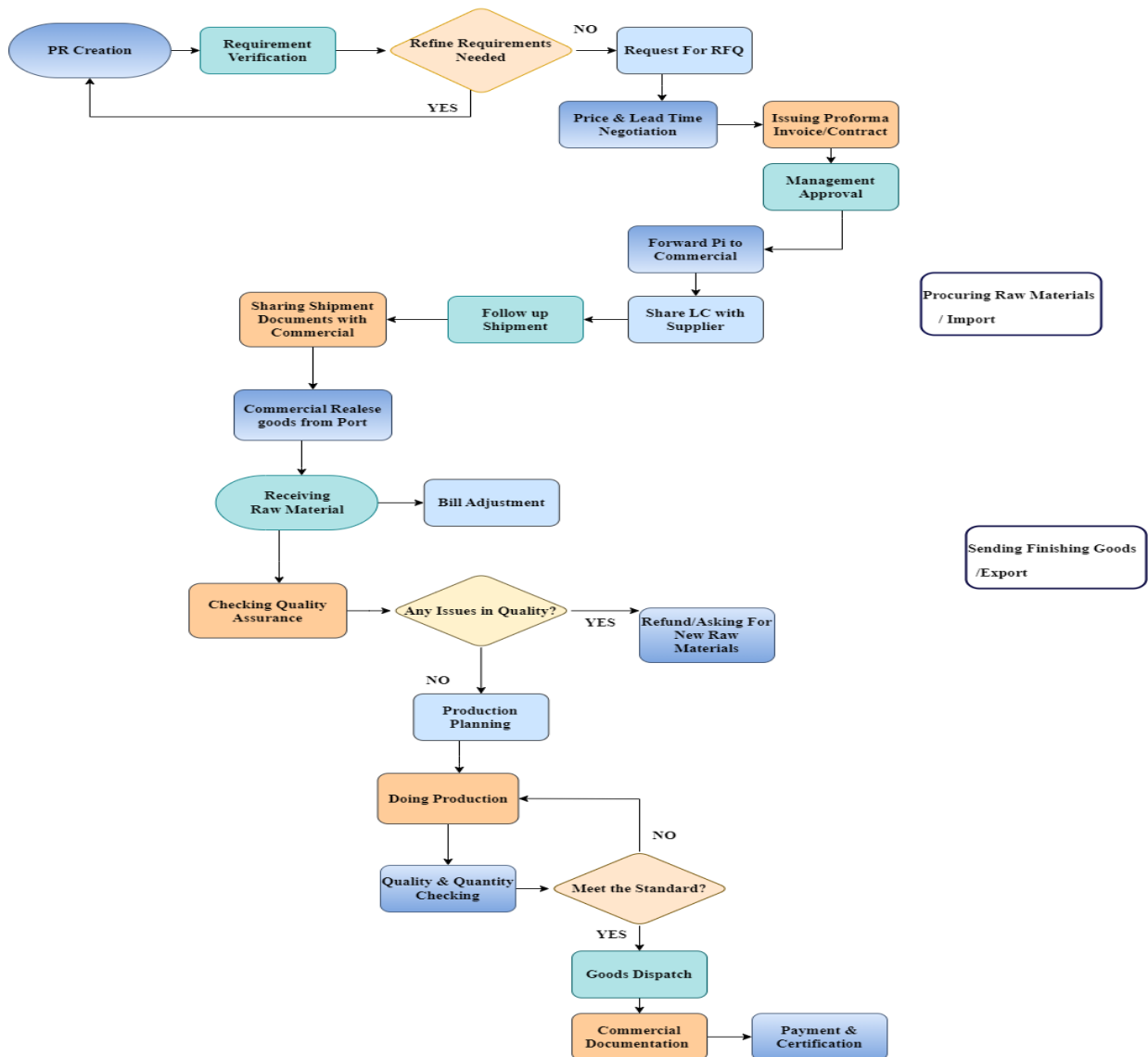
The procurement team starts the Request for Quotation (RFQ) process after receiving the validated PR. This includes sending RFQs to potential or sole suppliers and encouraging them to provide competitive bids. Typically, the RFQ includes requirements, quantities, and other pertinent information to assist suppliers in providing accurate quotations.

- **Step 4: Negotiation of Price and Lead Time**

Negotiations begin after receiving bids from vendors. The procurement team negotiates prices, lead times, payment conditions, and other contractual issues with suppliers. The goal is to obtain the best terms and conditions for the company while keeping a pleasant relationship with the supplier.

- **Step 5: Confirm the order/ask Contract/proforma invoice**

Once the talks are completed, the procurer will either approve the order for a local transaction or request a Proforma Invoice (for foreign transactions) from suppliers or establish a formal contract (for more complex deals). This document outlines the established terms and serves as a legally enforceable contract between the organization and the supplier.



- **Step 6: Obtain Management Approval**

Before proceeding, the procurer seeks management clearance to guarantee compliance with the organization's procurement policy and budgetary limits. Different levels of permission may be necessary depending on the value and nature of the procurement.

- **Step 7: Sending the PI to commercial for LC/TT**

The procurement department sends the Proforma Invoice (PI) to the commercial team in international transactions. The commercial team is in charge of beginning operations

involving Letters of Credit (LC) or Telegraphic Transfers (TT) in order to permit payment to the supplier, as well as other customs-related issues.

- **Step 8: Forward the LC to the supplier**

If an LC is involved, the procurer shares it with the supplier as assurance that payment would be delivered upon satisfaction of the contract's requirements. This phase is critical in international trade because it establishes confidence between the customer and the provider.

- **Step 9: Follow up with the supplier regarding shipment and collection of shipping documents**

Following order confirmation, the procurement team communicates with the supplier to supervise the production, packaging, and transportation of the ordered products. This guarantees that the supplier follows through on the agreed-upon delivery timetable.

- **Step 10: Distribute shipping documentation to the commercial team**

When the supplier ships the items, they supply the procurement team with shipping documents (e.g., bill of lading, packing list, commercial invoice, certificate of origin). These documents are subsequently distributed to the commercial team in order to expedite customs clearance and payment processing.

- **Step 11: Commercial products are released from ports and delivered to the factory**

The commercial team ensures compliance with import/export legislation and releases the products from the ports after obtaining the shipping documentation. The goods are subsequently delivered to the plant.

- **Step 12: The factory material management team receives the products and distributes the goods received documentation.**

The Material Management Team at the factory receives the raw materials and inspects them to ensure that they meet the specifications and quantities specified in the purchase order. They also create and distribute Goods Received Documents.

- **Step 13: Bill Adjustment**

Finally, the procurement staff modifies the bill based on the actual quantity and quality of products received. Any problems are rectified by dialogue with the supplier, and the final invoice is processed for payment if it is an inland LC, otherwise the transaction is closed after the final invoice for advance payment in TT or foreign LC.

4.7.2 Supply Chain process of SQUARE Textile (Export part)

The process of transforming raw materials into finished goods in a textile industry is a sophisticated and structured operation. It entails multiple teams and stages to ensure product quality, client requirements compliance, and timely delivery. The following discussion expands on the important steps in the exporting process:

- **Step 1: The material management team receives Raw materials**

The Material Management Team receives raw materials from vendors to begin the process. This stage is critical because it establishes the framework for the entire manufacturing process. When raw materials arrive, they should be thoroughly inspected for quantity and quality. Commercial invoices, proforma invoices, and packing lists, among other documents, should be examined and validated for accuracy.

- **Step 2: The Quality Assurance (QA) team will inspect the raw materials for Quality**

The Quality Assurance (QA) team takes control once the raw materials are acquired. They inspect the materials thoroughly to ensure they fulfill the needed quality requirements. This includes evaluating elements such as material composition, dimensions, and any other quality parameters that may be applicable. The QA team documents their results and, if necessary, collects samples for further testing.

- **Step 3: The planning department creates a manufacturing plan based on the needs of the Buyer/Marketing team**

The Planning Department is critical to the manufacturing process. They develop a production strategy based on the requirements of the customer or marketing team. The production timeline, resource allocation, and any unique instructions for the production team are all outlined in this plan. Effective planning is essential for ensuring that output matches market demand and customer expectations.

- **Step 4: The production team begins production in accordance with the instructions of the Planning team**

The Production Team begins manufacturing the products after receiving the production plan. They follow the Planning Department's instructions and ensure that the production process goes properly. The team is in charge of preserving product quality and efficiency during production. Any deviations from the plan are recorded for future reference.

- **Step 5: Final product inspection by the Quantity team**

After production is finished, the Quantity Team thoroughly inspects the finished goods. They ensure that the correct quantity is produced and that the items fulfill the quality requirements set. This phase is crucial for ensuring that buyers receive the right amount of high-quality products.

- **Step 6: Shipment of goods for either local or international export**

When the products pass the quantity check, they are ready for shipment. Depending on the needs of the customer, commodities may be shipped for domestic distribution or worldwide export. Proper packaging and labeling are required to ensure that products arrive in good condition.

- **Step 7: Commercial team submits document to buyer for acceptance or billing**

The Commercial Team is in charge of organizing all documentation required for product sales. They gather and present appropriate documentation to the customer, which may include invoices, shipping documents, certificates of origin, and any other paperwork required. The buyer checks these documents for accuracy before accepting the items or approving the invoice.

- **Step 8: After receiving payment, commercial team will offer the buyer with a product certificate (if one is required)**

If product certificates are necessary, the Commercial Team will issue them after receiving payment from the buyer. These certificates attest to the items' compliance with the stated quality standards and suitability for their intended use. Product certification is particularly crucial for foreign exports, where regulatory compliance is frequently strict.

CHAPTER - 5 : INTERNSHIP RELATED TASK & RESPONSIBILITIES



Chapter - 5 : Internship Related Task & Responsibilities

5.1 Abbreviations used in the Report

Before delving deeper into the report, there are a few terminology related to the company's logistics and transportation that need to be clarified.

Truck Invoice Or Challan: The client has submitted a copy of their transportation invoice, and SQUARE has a copy of their own invoice with all the necessary information, including trip number, vehicle type, loading and unloading locations, product category, customer and receiver phone numbers.

Invoice/Challan: It is a piece of business documentation that certifies the client received the goods or services, lists the total amount owed, and details the acceptable methods of payment.

Loading Point : At loading stations, goods must be loaded onto the truck before being transported. The relevant items must be loaded into the appropriate truck in the right amount and condition. This is the duty of the loading point.

Point of Unloading: The location where the goods are transferred to their final destination after being unloaded from the truck. Its duties include receiving the shipment and inspecting its contents.

LC at Deferred : An agreement in international trade where payment to the seller is deferred past the usual periods is known as a letter of credit deferred payment. Payment is postponed to a future date stated in the letter of credit after the vendor ships the product and provides the necessary paperwork. This guarantees the seller's payment at the predetermined later date while allowing the buyer time to check the products.

Delivery Statement: A written document that lists the actual deliveries and receipts, such as noting delivery notes with quantity that occurred during a Month and the money due therefor, is referred to as a Monthly Delivery Statement.

Delivery note/ challan: A piece of paper called a delivery note, also referred to as a challan, is included with a shipment of goods. It contains a list of the items that are part of the delivery along with their value. Other titles for a delivery note include "dispatch note" and "goods received note."

Proforma invoice (PI): Proforma invoices are used to solicit payment from committed buyers for goods or services before they are delivered. They are also known as preliminary bills or estimated invoices.

Competitive Statement (CS): A competitive statement (CS) compares a particular price quote to statements from previous periods. With the most recent data in columns presented alongside older Price Quotations, investors can easily track a company's development and compare it to rivals.

CBPS: The term refers to Square Textile's central bill processing system for publishing local bills.

Purchase Order: An official legal document known as a purchase order is what a buyer uses to place an order with a supplier. A buy order specifies the items, quantities, prices, and credit terms for a purchase from the seller. A purchase order becomes a binding contract if it is accepted by a seller.

SAP : Systems Applications and Products in Data Processing, or SAP. By definition, SAP is both the brand name of the business and the name of the ERP (Enterprise Resource Planning) program.

Bill of Exchange (BOE): Bill of Exchange is the abbreviation for what is known as a negotiable instrument. It includes a written, unconditional command bearing the maker's signature directing a certain individual to pay a specific amount of money only to, or at the request of, the bearer of the instrument.

Bill of Acceptance: The drawee must accept the seller's bill of exchange in order to receive a bill of exchange. An acceptance is a declaration by a third party that a draft or bill of exchange will be paid.

Commercial Invoice (CI) : A commercial invoice (CI) is a specific kind of invoice used for international shipping. It will have an invoice number, details about the buyer and supplier, a list of the products or services, a date of issue, and a price. It could also include payment terms that outline the circumstances of the sale. More particular information on shipping and customs requirements will be included in a commercial invoice.

Revocable Letter of Credit: Unknown to or without the beneficiary's consent, the issuing bank may immediately revoke or alter a revocable letter of credit. Such LCs are not secure, according to the exporter.

Irrevocable Letter of Credit (ILOC): An ILOC is a payment guarantee provided by a bank for the purchase of goods and services that is valid for a specific period of time and cannot be reversed. Global commerce promotion is the primary goal of ILOCs.

Bill of Entry: When commodities are imported, the importer or a customs agent files a legal document upon their arrival. A bill of entry is the name of this legal document. The customs department receives the bill of entry, which is a crucial step in the customs clearance process.

Foreign LC: Letters of Credit are a trade financing mechanism used to protect importers and exporters. A letter of credit is a legal commitment made by the bank of the foreign buyer to make payment following the exporter's shipment of the goods and presentation of the required paperwork to the exporter's bank as confirmation. They can help you expand your customer base in foreign markets. In other words, the importer is given reasonable payment terms while the exporter receives a payment certainty.

Process Letter of Credit's :

- Both the exporter and their bank must be satisfied with the importer's bank's creditworthiness. After the Sales Agreement is completed, the importer asks their bank to create a Letter of Credit in the exporter's favor.
- The Importer's bank writes the Letter of Credit and sends it to the Exporter's bank in accordance with the terms and conditions of the Sales Agreement. Before being sent to the exporter, the Letter of Credit is examined and approved by the exporter's bank.

- According to the letter of credit's instructions, the exporter sends the goods and gives their bank the required documentation. The use of a freight forwarder could facilitate this process.
- The Exporter's bank examines the documents to make sure they comply with the Letter of Credit's terms and conditions. The material must be corrected if there are any errors or inconsistencies before being submitted again.
- After approval, the exporter's bank sends the importer's bank the compliance paperwork, and the importer's bank releases the payment to the exporter's bank. In order for the importer to claim the goods and clear customs on their own account, the importer's bank releases the necessary paperwork to them.

LC at sight: A letter of credit that is payable once it is produced with the required documentation and attests to the payment of goods or services is known as a sight letter of credit. Provided the terms of the letter of credit are met, the entity providing the sight letter of credit agrees to pay the agreed-upon sum of money.

Domestic/inland LC: An international letter of credit is the same as a domestic letter of credit. Letters of credit issued on inland are used for domestic trade. In a domestic business deal, the bank that opens the letter of credit (the issuing bank) is required to pay the agreed-upon amount to the seller on behalf of the buyer after receiving the documents stated in the letter of credit. It might specify that this letter of credit is being used as payment to support domestic business promotion.

Master L/C: A master letter of credit is created when an L/C is opened to import products straight from the exporter. The buyer (buyer's bank) has granted this L/C to the manufacturer. A master LC is more valuable financially than two back-to-back L/Cs.

Back-to-back LC: Back-to-back Letters of Credit are particular sorts of letter of credit that are opened in support of an export LC that the buyer has provided. This Export LC, also known as a Master LC, is opened to purchase the raw materials for finished items, and the quality of the final goods must meet the buyer's standards. When the export proceeds are received, the back-to-back LC payments are modified. An exporter can open a back-to-back LC for 60 to 75% of the FOB value of the export LC. A business may open one or more export LCs in addition to one or more back-to-back import LCs.

Packing List (PL): The packing list (PL) contains a list of what is included in each package (box, pallet, etc.). It includes detailed descriptions of the components in each package, along with weights and dimensions. Each carton or package should have a copy of the packing list inside, and copies can also be taped to the outside of packages.

Price Quotation: When a customer accepts a set price offer, it cannot be modified. This is known as a quote. Even if you perform more work than anticipated, you must stick to the quoted fee. It makes more logical to provide an estimate if you believe that something is likely to occur.

VDS: 'Vat Deducted at Source' is referred to as VDS. For all those involved in economic activity today, VAT deduction at source (VDS) is a crucial issue.

Purchase Requisition (PR) : Before making a purchase, you must obtain authorization in the form of a buy requisition, also called a purchase request. An internal document used by an employee to make purchases for the business is a purchase request form. These purchases could be made for stock, raw materials for production, or business operations (such office supplies).

Price Quotation (PQ): A price quote (PQ) provides a defined price for a good or service. It is presented verbally or in writing by a supplier to a client or customer. Once the client accepts the pricing, it cannot be modified and has a limited window of validity. There can be certain terms and conditions attached to the price.

5.1.1 Incoterms

Incoterms are not a comprehensive list of terminology covering all facets of international trade. The International Chamber of Commerce created incoterms in 1936 to make international trade more straightforward. Since then, Incoterms have been frequently revised to satisfy international requirements.

The trademark for Incoterms is owned by the ICC. Incoterms are used by importers, exporters, consultants, attorneys, shipping lines, trade financiers, and other organizations in international trade. The intent of incoterms is to:

- List the responsibilities that buyers and sellers must fulfill
- Detail the cost-sharing arrangements between the buyer and seller.
- Explain the risk distribution between the buyer and the supplier.

It should be noted that incoterms are not legally binding by themselves. However, the responsibilities must be fulfilled once they are outlined in a contract between the parties.

There are two groups of the 11 Incoterms, the two groups are:

Incoterms For Any Method Of Transportation: The following incoterms are applicable to all modes of transportation, including land, air, water, and rail.

Incoterms for Sea & Inland Waterway Transport: These terms are only used in maritime trade

For All Modes of Transportation Incoterm

Seven of the eleven incoterms listed by the ICC are applicable to all modes of transportation. The 7 Incoterms are as follows:

1. **EXW(Ex-Works):** Ex-works, often known as EXW, denotes that a seller is not liable for delivering a buyer's items to their desired location. They simply need to make the goods available for pickup when the customer requests it. Simply put, if a seller is under an EXW contract, the buyer will be responsible for picking up and transporting the products. All risk in an EXW contract is assumed by the buyers themselves. The customer, not the seller, is responsible for any damage to the products. Contracts for EXW are typical for home items.

- 2. Free Carrier (FCA) :** Free carrier refers to the delivery of products to a carrier or other organization of the buyer's choosing. In an FCA agreement, the seller is in charge of delivering the products to a given location, which may be a buyer warehouse, a freight forwarder warehouse, a specific port or terminal, etc.
Seller is responsible for any risk up until delivery. Any additional transportation or damage costs after the seller delivers the goods must be covered by the buyer.
- 3. Carriage and Insurance Paid to (CIP) :** According to CIP, a seller is in charge of conveying products to the point of delivery and is also liable for covering the associated costs.
In plainer terms, the seller is responsible for covering all shipping expenses, including insurance and damage fees. The seller is required to cover the costs of risk and insurance up until the time of delivery. Once the items are delivered to the intended location, the buyer is responsible for all risks.
- 4. Carriage Paid to (CPT) :** "Carriage paid to" denotes that only the costs of transporting the items up to the point of delivery are the seller's responsibility.
The seller is not responsible for providing insurance coverage in a CPT transaction. In a CPT agreement, the buyer is in charge of risk management and insurance.
- 5. Delivery to Place Unloaded (DPU) :** "Delivered to place unloaded" denotes that the vendor will cover all expenses up until the product is unloaded at the designated location. Once the goods have been delivered, they are no longer responsible for any dangers.
Seller is responsible for all charges and formalities up until that point. A seller is also in charge of unloading the items at the destination under DPU.
- 6. Delivered at Place (DAP) :** 'Delivered at Place' contracts demand that the seller deliver the products to the location, much like DPU contracts do. The vendor is not in charge of unloading, which is a significant distinction.
- 7. Delivered Duty Paid (DDP) :** Deliveries that are "delivery duty paid" are handled entirely by the vendor. In a DDP agreement, the seller assumes all responsibility for transporting and delivering the items to the desired location for the client.
The precise opposite of EXW is DDP. In contrast to EXW, where the buyer is mostly responsible for carrying out obligations, in DDP the seller is entirely responsible.

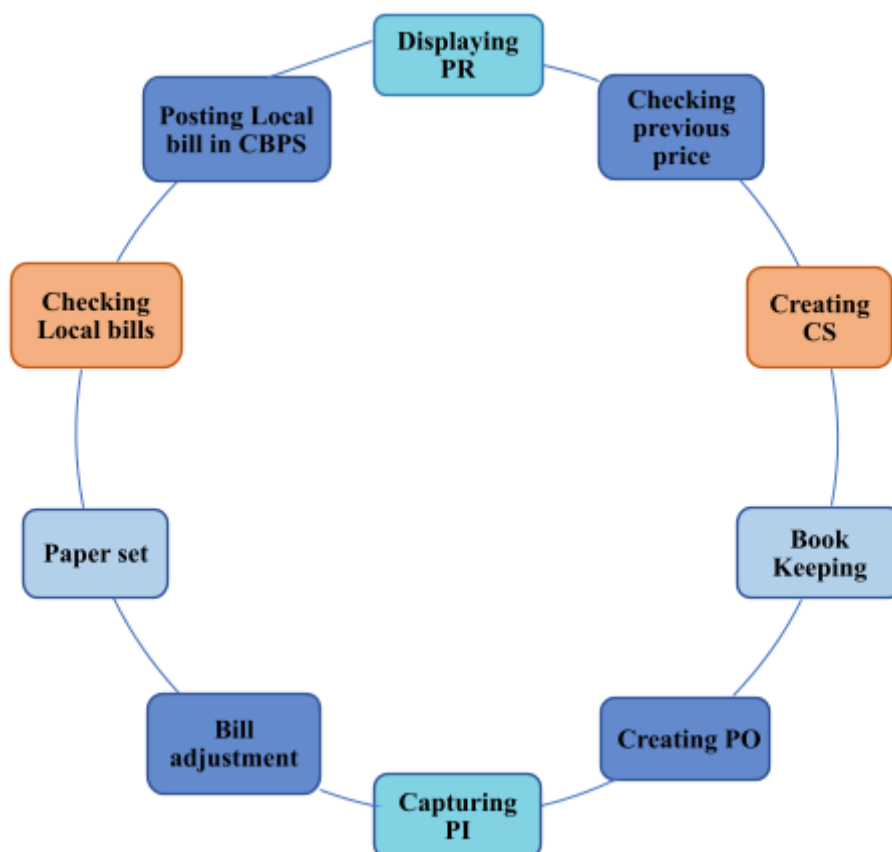
Water-Based Transport Incoterms

There are a few incoterms specific to maritime transit. These Incoterms are only used in marine commerce. The following 4 Incoterms apply to maritime shipping:

- 1. Free Alongside Ship (FAS) :** The items are delivered "alongside" the ship at the specified destination port under a "Free alongside ship" contract. Once the seller has delivered the items, the buyer is in charge of the risks.
The commodities must be timely delivered alongside the designated vessel, according to the seller. To ensure a seamless transfer of products, a buyer should, on the other hand, be prepared with a contract with the shipping line.

2. **Free on Board (FOB) :** In a free-on-board transaction, the seller must deliver the items to the buyer's designated shipping line at the port of destination. Once the products are loaded onto a ship, the buyer is in charge of all risks and expenses.
Once the items are loaded onto the shipping line, the buyers are responsible for all associated expenses and hazards.
3. **Cost and Freight (CFR) :** According to the "Cost and Freight" clause, the seller is in charge of loading the freight onto the vessel and paying for the freight costs up until the designated destination. The location must be reachable by waterways for CFR to function.
Buyers must be aware that although the seller pays the freight expenses, once the freight is on board, the "risk" shifts to the buyer.
4. **Cost, Insurance, and Freight (CIF) :** The CIF and CFR contracts are fairly similar. The seller must offer a certain amount of insurance coverage for the goods, which is the only distinction between CIF and CFR. Although the risk still rests with the buyer, the seller is required to offer a minimum level of insurance.

5.2 Internship Activities and Responsibilities



5.2.3 Creating CS



Firstly need to login in SAP, then have to create RFQ (request for quotation). The procurer has taken price quotation from the supplier , now this price quotation need to capture in SAP for creating CS. I was responsible to carry out the whole task of creating CS. In creating RFQ interface just need to fulfill some necessary field for creating the RFQ like (which plant it was for whether denim or fashion or apparel ,then the RFQ date & validity , is it domestic or import & which category it is whether yarn or dyes etc need to mention) then need to maintain the RFQ and need to mention the RFQ number that was just created, incoterms ,supplier name & address etc. Then will move to create CS , need to put the RFQ number to create CS for that particular RFQ. Need to mention the quantity ,net price, value, whether it is from sole agent or not & if there is multiple suppliers then need to mention whether it is lowest and why . after creating CS will send to the Head for approval.

Create RQ : Initial Screen

RQ Type
Language Key
RQ Date
Quotation Deadline
RQ

Organizational Data

Purch. Organization
Purchasing Group

Default Data for Items

Item Category
Delivery Date
Plant
Storage Location
Material Group
Res. Tracking Number

Maintain Quota / Item Overview

Item	Material	Short Text	Item Quantity	U.	U. Date	Item Price	Per	U.	Net Gp	Per	Stat	O	T	S
00	2001	Control Compact 1	200	0	20.10.2023	1.20	1405	10.00	12.00	0	1			
00	2001	Control Compact 1	200	0	20.10.2023	1.20	1405	10.00	12.00	0	1			
00	2001	Control Compact 1	200	0	20.10.2023	1.20	1405	10.00	12.00	0	1			

Comparative Statement									
Collective No.	CEN012941	Purchase Group	P15	Valid From	01.07.2023	Approved 1	Section Head/Mentor	02.08.2023	
Created On	02.08.2023	Purchase Group Name	PG Yan	Valid To	30.06.2024	Plant	0110	Approved 2	Operation Head/Supervisor
Prepared By	SALE012942	Purchase Qty	1209	Status	APPROVED	Approved 3			
Approved 1's Note						Approved 4			
Prepared's Note	SA 01.08.23, 01.08.23, 04-11-23 QUANTITY & PRICE ACCEPTABLE					Approved 5			
PO: 20006866 SUPPLIERS: 200120000324 DIVISION: CEN-OUT #00102 - POMA						Total US Amount	807	US \$166,560.00	
								USD	165,340.00

Material Name	Vendor Name	Quantity	Contract Unit	Price Unit	Net Amount	Selected Price	Check Price	Make of Price	Delivery Date	Plant Name	RFQ Number	Item No.	
2611 COMBED COMPACT RIG OF PT BIORADARA SYNTHETICS TRK	Aminta Center Mills Ltd.	129,600.00	USD	3.28	1,425,888.00	✓		LC	30.06.2023	SF - FABRIC UNIT	2000159263	10 1200	
					USD	3.25	1	480,000.00		30.06.2023	SF - Fabric Unit	2000159162	10 1200
	PT. Entee-Plumbon Tekesi	129,600.00	USD	3.32	430,372.00				30.06.2023	SF - Fabric Unit	2000159123	10 1200	
2611 COMBED COMPACT RIG OF PT BIORADARA SYNTHETICS TRK	Aminta Center Mills Ltd.	64,800.00	USD	3.28	212,344.00	✓		LC	30.06.2023	SF - FABRIC UNIT	2000159263	20 1200	
	PT. Entee-Plumbon Tekesi	64,800.00	USD	3.32	215,136.00				30.06.2023	SF - Fabric Unit	2000159124	20 1200	
	Aminta Center Mills Ltd.	64,800.00	USD	3.77	244,256.00				30.06.2023	SF - Fabric Unit	2000159125	20 1200	
3211 COMBED COMPACT RIG OF PT BIORADARA SYNTHETICS TRK	Aminta Center Mills Ltd.	64,800.00	USD	3.38	217,776.00	✓		LC	30.06.2023	SF - FABRIC UNIT	2000159263	30 1200	
	PT. Entee-Plumbon Tekesi	64,800.00	USD	3.40	220,200.00				30.06.2023	SF - Fabric Unit	2000159126	30 1200	
	Aminta Center Mills Ltd.	64,800.00	USD	3.85	249,480.00				30.06.2023	SF - Fabric Unit	2000159127	30 1200	

Step-1

Step-2

Step-3

5.2.4 Book Keeping Records Of Import & Delivering Goods

Organization need to keep record in excel or any server. I was responsible for book keeping like: supplier enlistment in excel, record of adjustment in excel , order & delivery records of raw material. I used to enlist those supplier from whom the procurer has taken orders for the first time. I used to record their phone, address ,name ,country & also the name of the procurer who is involved with this supplier.

I also need to keep record of all the adjustment bill of LC (both domestic & foreign).I record LC date ,PI no & value, PO no & quantity, CI value, CI quantity, CI no , adjustment no, date & value etc

Then I also need to keep record of all raw materials order for both local & imported, so that can understand how much quantity raw material has ordered in a month ,how much will be delivered & how much has already invoiced mentioning there value, quantity, PO & LC etc

[illegible]

Adjustment Record Of Domestic LC

[illegible]

Import Record of Raw material

5.2.5 Creating PO



After creating CS, my next task is to create PO in SAP at first after need to login Sap to display the PR as need to check the needed quantity of the item .Then will put the PO no & it's item no to the create PO window. Need to fulfill the needed field to create PO (like need to put the purchasing group as whether they are fabric or yarn team need to mention it and is it import or domestically

Display Purchase Req. 2300000692

Document Overview On | Personal Setting

STD Fabric Mat PR | 2300000692 | Description

Header

ES	St	Item	A	I	Material	Short Text	Quantity	Unit	Quantity ordered PO	Plant	Stor. Loc.	C Matl Group	Requerr.	Tracking	Pgr	Filed
		10	M		1500078112	WOVEN FABRIC (260)	10	146.000	YD	0.000	SP1-Garmen	Accessories D FF-Others	MONOUR	5027425	P37	20174

Step-1

Create Purchase Order

Document Overview On | Hide | Print Preview | Messages | Personal Setting

STD Fabric Mat PR | Supplier: 201747 BNM Co., Ltd | Doc. Date: 11.17.2021

Delivery/Invoice | Conditions | Terms | Address | Communication | Partners | Additional Data | Org. Data | Status | Customer Data | Incoterms | Custom Fields

Active	Ordered	Delivered	Not Delivered	Not Invoiced	Down parts
146.000	0.000	0.000	146.000	0.000	0.00

ES	St	Item	A	I	Purchase Req.	Requerr.	Material	Short Text	PO Quantity	Q. C Deliv. Date	Net Price	Cur.	Per	RFQ	Item	Q. Net
		10	M		2300000692	10	1500078112	WOVEN FABRIC (260)	146.000	11.17.2021	7.91050	1			YD	146.000

Default Values | Add Planning

Step-2

procuring need to mention it, will put quantity ,net price and see if the total amount and quantity is matching with required quantity of PI or not ,then procurer's name ,phone number will be mentioned as reference as if any error occur then it will be easy to track the procurer who give PO, should give yes to PI relevant otherwise when will go for Capturing PI the PO won't show ,putting supplier name and incoterms and then will save the PO and note the PO no.

5.2.6 Capturing PI

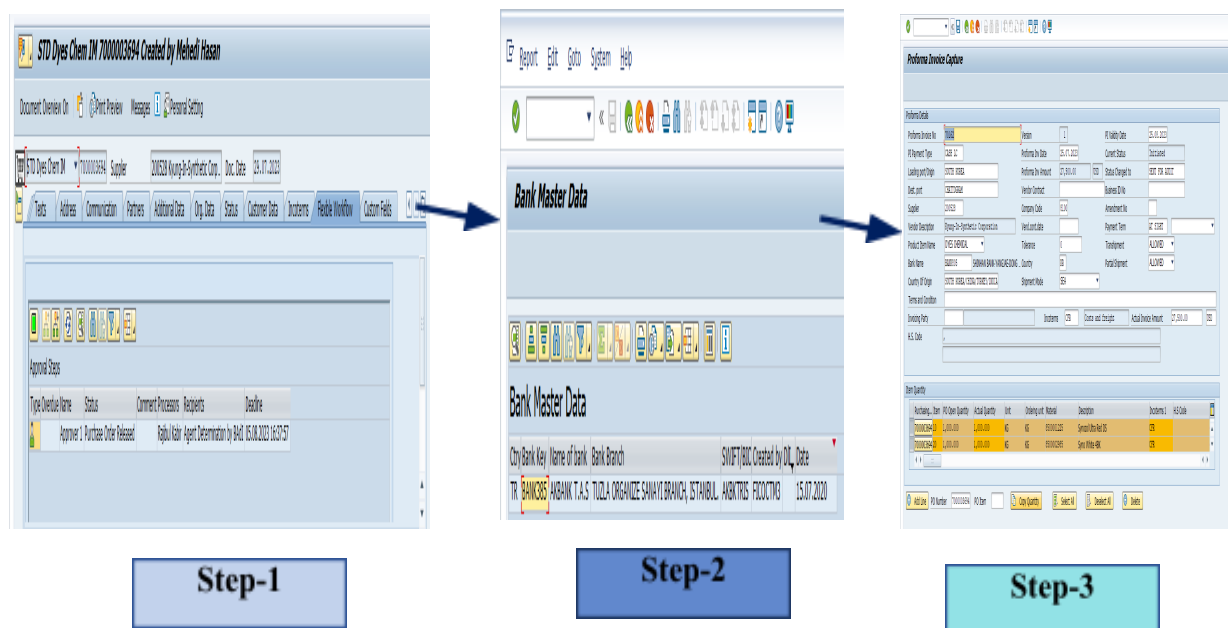


Without PI capture commercial can't open LC. That's why after creating CS and PO, my next task is to capture PI in SAP. Firstly need to login Sap then I need to check in SAP whether the PO of this PI is released from the head or not. If not then I can't capture the PI. Still we have PI hard copy but as everything need to store in PI that's why PI capturing is important.

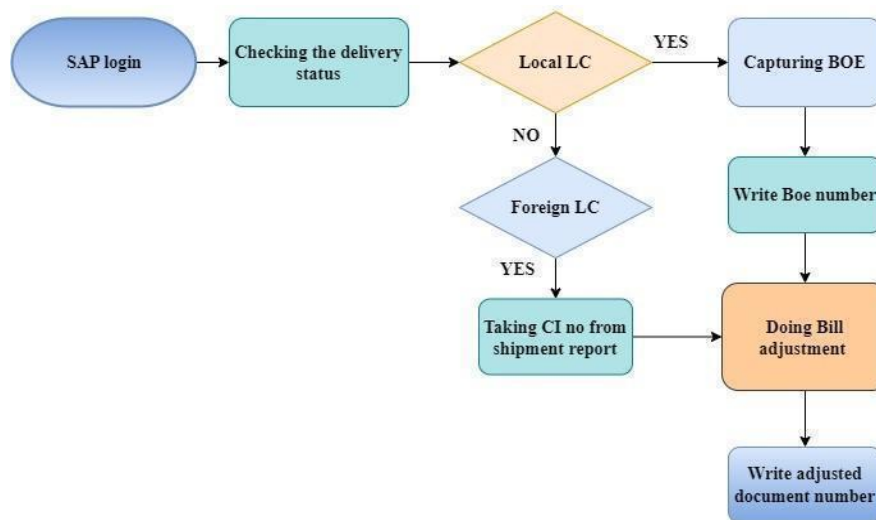
Then I will move forward to capture the PI, need to fulfill the required field to capture the PI document (like need to give PI no, PI date & validity which shows for how long the price terms of the PI remain same, loading point & destination, product item for which category (like is it dyes or yarn or fabric) we are importing for, Supplier name, selecting incoterms, payment term (cash LC or TT) if its general then it's payment will be cash LC, but if it is for specific order then it will be under Back to back LC advising Bank's name etc). Then will go to bank master data from where by giving swift code the bank key will get, and this bank key need to put in capturing PI for transaction. Then by giving PO number, selecting those item I copy the quantity, save the PI & send for

Audited. Send for audited means that accounts department will check the price & quantity and

after that commercial will start process to open the LC. When capturing PI need to be careful because it can't be edited, and can't give any wrong information as it is vital thing to open the LC.



5.2.7 Bill Acceptance (Inland LC) & Bill Adjustment (Foreign LC)



5.2.7.1 Bill Acceptance (Inland LC)



I was responsible of bill acceptance of the domestic LC bill. After the good is delivered the bill acceptance for BOE need to start. As in local there is no advance ,only payment given after the delivery of goods & all documents has given to the bank. So when the BOE document is received from audit then the whole paper need to set. Then PI of that BOE need to add in the first. In BOE set, there is delivery statement with that the delivery challan need to check if all delivery challan is there or not. After this need to login SAP for capturing BOE , in capturing BOE need to give LC ,amount & BOE no and save the BOE . Thus will capture BOE and will show BOE no which will use as reference in parked the invoice.

In parked invoice need to fulfil some filed like the LC number, invoice date & now by putting PO which matches with the CI then selecting the item . And when amount show then the amount is adjusted with BOE value .If there is any insurance claim or damage or shortage issue that will be put in unplanned cost for adjusting .When the balance is zero then need to save the document , and will show a parked document no ,that need to note along with the BOE no .

Capture Shipment Details and BOE Details

BOE Details

BOE No: Vendor BOE: BOE Date:

BOE Amount: Currency: Status:

LC Details

LC Number: Company Code: LC Value:

LC Date: LC Payment Type:

Supplier: Supplier Name:

Other Details

LC Balance Amount: Advance Related:

Adjusted Amount: Maturity Date: Acceptance Date:

Remarks:

Proforma Invoice	Vendor	Vendor Name	Net Price
MPH/2310288	000000498	Mulazem Spinning Mills Ltd.	27,500.00

Step-1

Park Incoming Invoice: Company Code 8200

Transaction: Balance:

Basic Data

Invoice date: Reference:

Posting Date: Amount:

Tax Amount: Tax:

Payment terms: Due immediately

Baseline Date:

PO Reference

Purchase Order/Scheduling Agreement:

Item	Amount	Quantity	Unit	Purchase ...	Item	PO Text	Tax Co
1	15,441.19	8,478.478 KG		8200004101 10	8/1 Karled Ring(BCI)	VO	
2	27,500.00	4,338.400 KG		8200004101 10	8/1 Karled Ring(BCI)	VO	
3	3,488.90	1,338.400 KG		8200004101 10	8/1 Karled Ring(BCI)	VO	

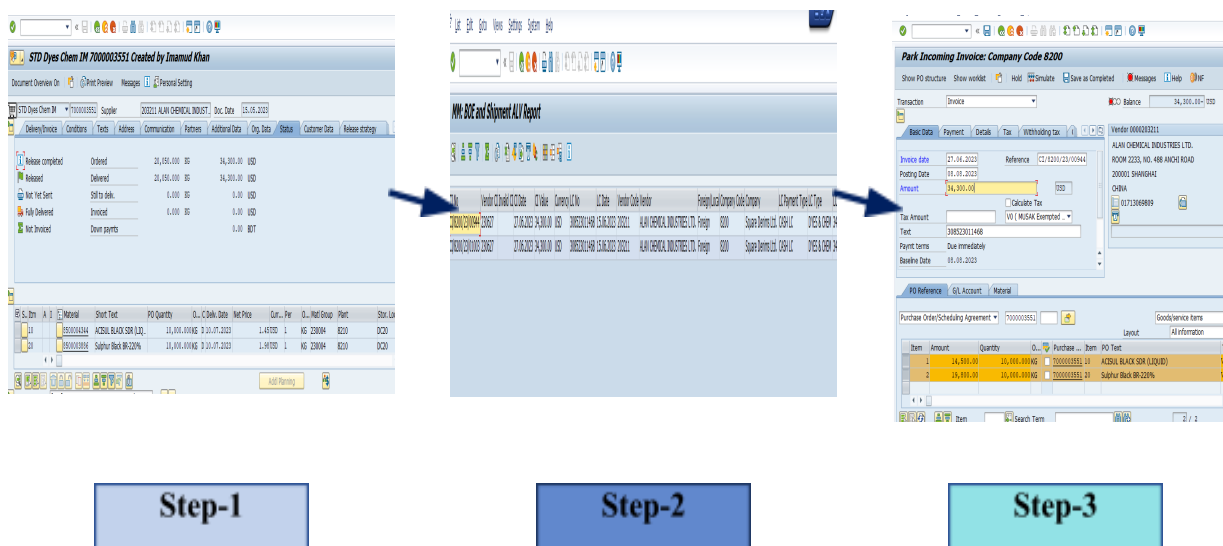
Step-2

5.2.7.2 Bill Adjustment (Foreign LC)



I was responsible of bill adjustment of the foreign LC bill .After the good is delivered the bill adjustment need to start. As in foreign the payment sometime is given advance by TT or LC at sight. So, when goods come document need to set for procurement department for adjustment the bill like PL, CI, PI need to set.

Then need to login in SAP and to check the delivery status by giving PO number . By this, get to know whether the good has delivered or not , or how much quantity has previously invoiced or is it partial or full delivery everything is get to know from this interface .After that will move forward to shipment report to check the CI no , which will use as reference in parked the invoice.



In parked invoice need to fulfil some filed like the LC number, invoice date & now by putting PO which matches with the CI, then selecting the item . And when amount show then the amount is adjusted with CI value . If there is any insurance claim or damage or shortage issue that will be put in unplanned cost for adjusting .When the balance is zero then need to save the document , and will show a parked document no ,that need to note .

5.2.8 Paper Set

After delivery goods domestic LC bill need to adjust and give payment as they are no advance payment .For this paper need to set .After bill adjustment then 2 set of paper need to make. I was responsible to set those paper. One set is for procurement department having PI , delivery Statement & delivery challan . And in the 2nd one rest of the paper will be there like- Photocopy of PI, bill of exchange, CI, PL, Truck challan, certificate of origin, beneficiary of certificate , Mushak . This 2nd set will be send to bank(issuing bank), from there supplier will take the papers(advising bank) and will got the payment. And same thing happen for import bill where just need to copy another set of PI,PL & CI with HED signature that will be sent to audit

5.2.9 Checking & Posting local bill in CBPS

After the good is delivered the local bill need to post in CBPS for requesting audit to pay the bill. As in local there is no advance ,only payment given after the delivery of goods. So after delivery the procurement department get the mushak , bill from the supplier then I was responsible to set those documents (like: PO + Bill+ blank paper + Mushak + blank paper).These document need to check properly by the invoiced quantity , amount, company name, bin no, authority signature, vat amount etc. After that this document is sent to admin for bill scanning and to entry in SAP. After that I need to post the bill in CBPS with PO & tracking no & post the mushak , delivery challan in CBPS. Thus the bill is posted and after auditing the payment will be given.



CHAPTER - 6 : FINDINGS & RECOMMENDATION



Chapter - 6 : Findings & Recommendation

6.1 Findings for SQUARE Textile

I had the opportunity to extensively study and analyze procurement and supply chain operations during my internship at Square Textile. The findings that follow highlight some of the organization's significant difficulties and potential areas for improvement.

- **Dependence on a Single Supplier and Price Quotations**

One noteworthy difficulty discovered was the practice of obtaining raw materials entirely from single suppliers, even when their price quotes were excessive. When a user sends a PR to a sole vendor, the procurer must buy raw materials from that sole supplier despite the high price quotation and look for other suppliers. While strategic relationships are critical, this technique may result in cost inefficiencies.

- **Local Supplier Prices in Case of Emergency**

During emergency situations, dependence on local suppliers frequently resulted in greater expenses. As there is no alternative option, they must be purchased from in an emergency case at a greater price.

- **Shortage of SAP ID**

Due to a shortage of SAP ID, employees must wait for the ID to become available, increasing their burden and the pressure of pending work. As a result, when there is a period of urgency or a deadline, they must work under pressure or in a hurry, and errors can occur.

- **SAP Entries and Document Management**

Too many SAP entries are required in each phase, as all papers must be stored in SAP for future use. Immense data entry needed for SAP documentation were highlighted as a time-consuming process, and due to a shortage of SAP ID, the employee's pending workload sometimes increased.

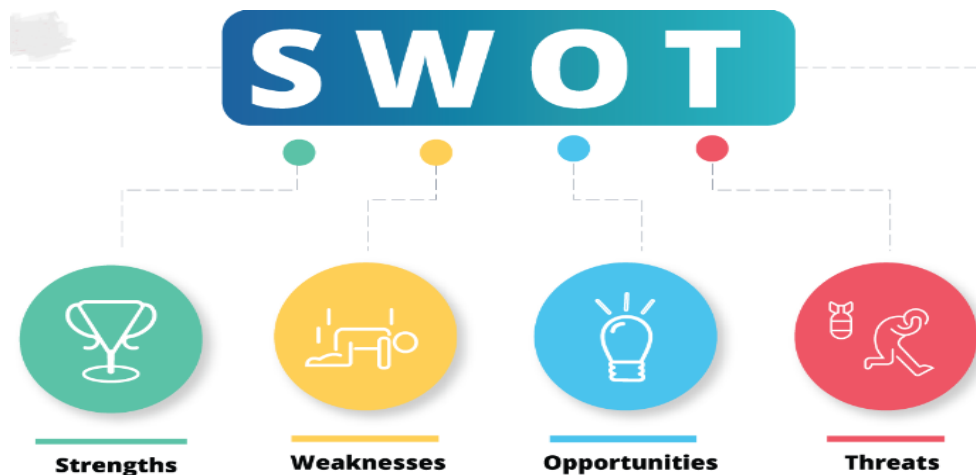
- **Decentralized Factory Communication**

The difficulty in communicating effectively between the procurer, planning, and merchandising teams based in several dispersed factories caused operational challenges.

6.1.1 SWOT Analysis of Supply Chain

SWOT Analysis : SWOT is an abbreviation for Strengths, Weaknesses, Opportunities, and Threats. It is a strategic planning technique frequently used in organizational and business analysis to review and evaluate the internal and external elements that may have an impact on the performance of an entity both now and in the future.

Businesses and organizations can examine their existing position, create plans, and make wise decisions by using the SWOT analysis. Organizations can seek to maximize their strengths, address their weaknesses, seize opportunities, and reduce dangers by recognizing and comprehending these internal and external elements in order to achieve their goals and enhance overall performance.



Here is a quick description of each SWOT element :-

Strength : These are the in-house elements that provide a company an edge over rivals. Resources, abilities, items of value, or other internal qualities that support a company's success can be categorized as strengths. Strength of SQUARE Textile LTD are given below:

- The procurement of raw materials, equipment, and spare parts are qualityful as financial strength is high.
- The use of multiple vendors when procuring raw materials, equipment, and replacement parts.
- Businesses that are cost-conscious (Product costing in all aspects, including production costs, buying costs, market selling prices, and costs associated with the complete supply chain).

Weakness : Weaknesses are also internal elements, but they stand for the characteristics that disadvantage an organization. These may include internal processes that require improvement as well as resource or skill gaps. Weakness of SQUARE Textile LTD are given below:

- Raw Cotton and Manmade fiber not available in Bangladesh and depend totally on sensitive global market.
- Raw material supply lead time is high which is around 3 months.
- Inventory management is a big problem in Square Textiles Ltd. Sometimes so much inventories in stock that it becomes difficult to accommodate at a time in their warehouse.
- High logistics cost in SCM of the Spinning industry.

Opportunities : Opportunities are variables from the outside that a company may be able to use to its advantage. These can include developing markets, technology advances, shifting client wants, or other outside events that could help the firm. Opportunities of SQUARE Textile LTD are given below:

- Square Textile Ltd. has the chance to achieve UVRs (Unit Value Realizations) by progressing up the value chain by creating value-added products and continually generating items that are more advanced technologically.
- Targeting undiscovered export markets and stepping up sales and marketing can help the textile industry expand.

Threat : External elements that could harm an organization are known as threats. These could be things like competition, economic downturns, regulatory changes, or anything else that hinders the performance and success of the company. Threats of SQUARE Textile LTD are given below:

- Any lack of cooperation from the US and EU could endanger the entire Bangladesh RMG export business, which would have a negative impact on the spinning industry.
- Sudden increases in the price of cotton and yarn on the international market could force Square into a dire situation that would destroy the company.
- The cost of doing business is high due to corruption, but bank interest rates are still high enough, especially for private sector banks, to engage in export-oriented, high value projects.
- Maintaining high inventory costs as a result of longer delivery times for raw materials and their scarcity

6.2 Recommendations for SQUARE Textile

Based on my observations during my internship at SQUARE Textile, I would like to submit the following ideas to solve the procurement and supply chain difficulties and opportunities:

- **Workload Management with Flexible SAP ID Allocation**

SQUARE should explore a dynamic approach to SAP ID allocation in light of the pressure generated by SAP ID shortages and related time waste. Allowing personnel to use SAP IDs on a rotating schedule can help to evenly spread the load. This method not only minimizes system consumption but also alleviates stress during critical activities, resulting in increased task completion efficiency.

- **Introduction of Hybrid Work Model**

Adopting a mixed work framework can greatly improve employee well-being and reduce operational costs. Allowing workers to work remotely for a portion of the workweek allows for mental relaxation as well as work-life balance. Furthermore, fewer people in the office can result in lower utility expenditures. To ensure productivity and responsibility, clear communication routes and performance indicators must be established.

- **Integration of Technology for Efficient Communication**

Given the decentralized nature of the production locations, utilizing digital communication tools and platforms is critical. Communication gaps can be bridged through integrated video conferencing, collaboration tools, and instant messaging. These solutions improve real-time decision-making and decrease the requirement for physical presence, which is especially important for planning and merchandise teams based outside of Dhaka.

- **Implementation of a Supplier Diversification Strategy**

Square Textiles can maintain competitive pricing by obtaining better terms with sole suppliers or broadening their supplier base. Square Textiles should implement a supplier diversification plan to improve procurement flexibility and risk avoidance. This entails locating alternative suppliers for crucial commodities, even if they are not the exclusive source. A strategy like this maintains continuity in the face of unforeseen disruptions and gives you bargaining power for lower prices.

- **Implementation of Data-Driven Decision-Making**

Square Textiles may make more informed decisions by using data analytics to evaluate supplier performance, pricing trends, and inventory levels. Implementing data-driven insights can aid in the optimization of procurement processes, cost reduction, and overall supply chain efficiency.

- **Creating an emergency contingency plan**

Even for urgent requirements, developing a contingency plan that incorporates various sources could help limit the risk of higher pricing. Furthermore, pursuing relationships with local suppliers for constant price regardless of urgency could bring more procurement cost consistency.

Finally, the ideas described above are intended to solve the issues raised during my internship at SQUARE Textile. SQUARE can improve operational efficiency, boost employee well-being, and position itself for long-term success in a competitive market context by applying these tactics. These initiatives work together to make the supply chain more agile and robust, while also promoting a healthy work environment.

CHAPTER - 7 : CONCLUSION



Chapter -7 : Conclusion

Finally, the internship at SQUARE Textile Division's Procurement Department was both interesting and enlightening. The department is critical in guaranteeing the continuous flow of raw materials and supplies required for the company's operations. It is clear that good procurement is more than just a transactional activity; it has a strategic impact on the organization's entire performance and competitiveness.

The paper emphasized the multidimensional aspect of procurement, which includes supplier selection, negotiation, contract management, risk assessment, and sustainability concerns. It has also stressed the significance of technology in modern procurement methods, with digital tools and automation allowing for efficiency benefits and data-driven decision-making.

Throughout the internship, it became clear that the Procurement Department's performance is dependent on the passion and expertise of its team members. It is admirable that they can handle problems, collaborate successfully, and adjust to changing market situations.

This internship has broadened my awareness of the complexities of procurement and its impact on an organization's bottom line. It has also highlighted the significance of ethical and sustainable sourcing procedures in today's corporate environment.

Finally, the internship at SQUARE Textile Division's Procurement Department was a fantastic learning experience that provided insights into the vital role of procurement in an organization's performance. The department's dedication to quality and continual improvement will undoubtedly contribute considerably to SQUARE Textile Division's future growth and sustainability in the textile industry.

CHAPTER - 8 : REFERENCES



Chapter - 8 : References

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