

Internship Report
On

“The Export and Import Activities of
Divine Tex Limited”

Divine Textile Ltd.
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**“ The Export and Import Activities
of
Divine Tex Limited”**

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LETTER OF TRANSMITTAL

16th January, 2014

Ms. Tasneema Afrin
lecturer,
BRAC Business School,
BRAC University

Subject: Submission of internship report on “The Export and Import Activities of Divine Tex Limited”

Dear Mamdam,

It is great pleasure for me to present you with the above mentioned report as a requirement for the course. I have completed this report during incumbent period. I consider myself very much blessed to tell the opportunity for making a report on “The Export and Import Activities of divine Tex Limited.” Here I have gained a lot of practical exposure which has enhanced my knowledge and developed my professionalism.

I hope that you will find worth of my labor from this report. I have tried to put my best effort for preparing this paper and enjoyed working on this and will be pleased to be available at any further explanation, if required.

Sincerely Yours,

.....
SUMAN SARKAR
ID: 09304007
BBA Program

Acknowledgement

At first I would like to express my thanks and gratitude to Almighty Creator who gave me the opportunity to get admission at BRAC University. Then I would like to express my gratitude to my respective parents and teachers who always inspire me to run with my study well.

In the process of preparing this report, I would like to acknowledge the guidance of Ms. Tasneema Afrin, Assistant Professor of BRAC Business School, BRAC University, for his kind and hearty cooperation. It would not have been possible on my part to prepare the Report with his help.

I would like to thank Mr. Mahfuz Ullah, Merchandiser,DTL, supervisor of my internship period. My gratitude goes to Mr. Melon Khan, Senior Merchandiser of DTL ltd. Who always inspired me to do my job well and accomplish my report. I am also thankful to Mr. Kallol Karmaker and Mr. Tahsin Rahman for their kind support to learn many practical and effective work outlines for a RMG company like Divine Tex Limited.

Executive Summary

The study has done for the Divine Tex Limited. The report gives an overall idea about the activities of Divine Tex Limited and specially their export and import activities.

Divine Tex Ltd is a leading RMG company of Bangladesh. It started its journey in Bangladesh in 1992. Since then it has been dominating in its own business sector. The main products of the company are Menwear, women Wear, children wear, infant wear, night wear and sports wear. Therefore, the export team of Divine Tex Ltd plays an important role in its success.

This report has enriched with the Product processing and credit control activity of Divine Tex Limited. When the order is recorded, it is updated to the DTL that is sales report. Every day the sales report is updated and the data is used by the credit control department. According to the Product processing division, when order is arrived from Buying or foreign company Product Design, Fabric Selection and Inspection, Pattern making, Grading, Marking, Spreading, Cutting, Bundling, Sewing, Pressing or Folding, Finishing and Detailing, dyeing and Washing, QC etc. When product are finished it goes for final inspection by Buying house or Retailer company agent. When inspection is completed product dispatches for shipment. Thus the Divine Tex Limited operating successfully in Bangladesh and contributing in Bangladesh economics.

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CHAPTER-1

Introductory Part

1.1. Background of the Report

For any business school students' only curriculum activities are not enough for handling the real business situation. So, it is an important opportunity for the students to know about the field of business through the internship program. Internship program is a perfect blend of the theoretical and practical knowledge. During the internship training, students have the opportunity to adopt themselves into the particular environment of the organization. It provides a unique opportunity to see the reality of business during student life, which enables them building confidence and working knowledge in advance of the start of their career. So, BRAC University includes an internship program for students at the last semester of BBA program. After the completion of all the coursework of BBA program and passing the comprehensive exam, I was placed in Divine Tex Limited, for the internship program under the guidance of my supervisor –**Tasneema Afrin**, Lecturer, BRAC University. The duration of my internship was 3 months, starting from 2nd November 2013. I worked in Divine Tex Limited and the internal supervisor assigned me with the project titled: “The Export and Import Activities of Divine Tex Limited”. On the basis of working experience, I have prepared this report on the title above and I have tried my best to relate the theoretical knowledge with the practical work situation.

1.2. Objective

The main objective is to prepare myself in such a manner so that I can equip myself with the practical field as well as I will be able to know the different aspect of the multinational company and to evaluate how a multinational company is performing with maintaining their business law. In addition, the study seeks to achieve the following objectives:

- To be acquainted with the activity of the credit control department in an organization.
- To assess the company's production process.
- To evaluate how much the company successful to achieve target collection.
- To identify how Divine Tex can increase productivity.

1.3. Methodology

Different data and information are required to meet the goal of this report. Those data and information were collected from various sources. Such as Primary and Secondary which is showed below:

Primary data:

- Personal observation
- Face to face conversation of officers, suppliers and clients
- Relevant file study provided by the officers concerned
- Working at different desks

Secondary data:

- Internet

To fulfill the objectives of the internship program and the completion of the report I had to collect the information of RMG sector, change in export-import trend, interest rate of the current market.

1.4. Scope

It requires reasonably a long time to acquire through knowledge about the activities of any particular business organization. An internship program designed for 3 months is not enough to know the details of an organization. But, it is possible to acquire working knowledge about an organization.

1.5. Limitation

To prepare a report on the achieved practical experience in a short duration (only three months) is not an easy task. From the beginning to end, the study has been conducted with the intention of making it as a complete and truthful one. However, many problems appeared in the way of conducting the study. During the study, I have faced the following limitations:

- One of the major limitations that I faced during conducting the study was lack of access of information considered confidential by employees of Head Office due to strategies.

- Time was another major factor because three months are not enough to know overall functions of a company.
- Large-scale research was not possible due to constraints.
- The information regarding the competitors is difficult to get.

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CHAPTER-2

About the Organization

2.1. Divine Tex

Divine Tex Limited is a comprehensive manufacturing and exporting company of Bangladesh. It comprises the ultra modern plants related to garment industry, such as independent knitting, dyeing, sewing, finishing and packaging with sufficiently supportive backward linkage facilities.

Nowadays, our products sell well all over the world, such as America, Europe & East Asia. Our company sticks to the policy of high quality, developing by credit standing, and gaining the world through honesty. We strongly believe in Fair Trade liabilities and practice in business towards our esteemed clients. Meanwhile we also carry out a strict quality management system in accordance with ISO 9001 requirements.

Divine Tex Limited is fully committed to provide fair wages and good employment opportunities to economically disadvantaged artisans and workers. Divine Tex Limited not only believe in supporting living wages and safe & healthy conditions for workers but also adheres to social criteria and environmental principles adding equitable and sustainable system of production and trade that benefits people and their communities by strategic plans to utilize fair trade funds to achieve Empowering women, Education for Next Generation, Emergency Assistance etc.

Our quality has remained the main feature for our success. Our top notch quality of products with competitive prices make our offerings irresistible.

2.2. Divine Tex History

Divine Tex started their Jarnory as a RMG company in 1992 in fatullah. first two years they work as sub-contractor of different knitwear company of bangladesh such as Fakir knitwear ltd. after first two year, they directly work for different forgien company and buying house.

Divine now has two factories in Narangonj with worldwide sales approaching 25 million dollars. Exciting and dynamic activity continued as it entered the 21st century.

2.3. Devine Tex at a Glance

Name of the company:	Divine Tex
Origin:	bangladesh
Inauguration	1992
Headquarters: Fatullah Dhaka Tel:(880)-2- 7630019 Fax:(880)-2- 7646631	Divine Textile Limited
Workforce :	1000
Operation:	USA,Europe and latin America

2.4. Activities of Divine Tex

Divine Tex is a leader in providing innovative merchandising RNG product to retailers around the world. The company's business includes the design, manufacture and distribution of a wide variety of RMG product such as Men wears.women wears, Children wear,sports wear and nightwear.Divine has core competencies that range from graphic design to sewing, weaving and cutting of RMG product.

2.5. Divine foreign market Location

divine sales and manufacturing sites can serve customers needs wherever s/he is in the world.



2.6. List of Buyers:

No.	buyers
1	Sainsbury's, UK
2	MS Mode, Netherland
3.	V&D, Netherland
4.	Next, UK
5.	Lojas Renner SA, Brazil
6.	NKD (Germany)

List of forgien : those retails company who directly buy product from Divine Tex

No	Retailers & Company
1.	CARRFOUR
2.	Sports World
3.	Best and Less PTY LTD
4.	Lasha Sports inc

2.7 Divine Tex Ltd. At A Glance

- Divine tex is a RMG company.
- This factory opened for business in November .
- The company is set up in Naranygonj industrial Zone
- Altogether there are 1000 employees working in this organization.

2.8. Types of product

Divine consist of differnt sector and this differnt sector produce differnt product.

a) knitwear division:

- Men knitwear
- Women knitwear
- Childern knitwear
- Night wear
- Infant knitwear
- Sports knitwear





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b) Woven division:

- Woven T-shirts
- Woven Jeans





2.9. Vision of Divine Tex Ltd.

By 2013 Divine will generate outstanding revenue, to be recognized as the fastest growing and most profitable business unit in Bangladesh RMG sector. Divine Tex will be benchmarked for its product quality, business ethics, and state-of-art technology and recognized as the preferred employer, in Bangladesh.

2.10. Mission of Divine Tex Ltd.

The central purpose and the role of Divine Tex defined as:

a) Customers:

- Divine Tex are the first in the customers mind and the first respond.
- Divine Tex get close to our clients so that it becomes part of their team and they become part of Divine. It is forming long term and rewarding business.
- Divine identify the root cause of any customer dissatisfaction and ensure that immediate corrective action and learning takes place.

b) Products and services:

- Divine Tex provide good quality products within the shortest lead times
- Divine continually strive to achieve the best balance between its machine, its systems, and its people to achieve outstanding levels of performance.

c) Business Growth:

- Divine's business growth is driven largely by its ability to innovate and create new systems, products and opportunities. Divine encourage and supports its people to constantly seek better ways of doing things for RMG sector.
- Divine Tex critically analysis and agree our strategies to ensure it's remain focused on its organizational goals.

d) People:

- Divine Tex is committed to win the hearts and minds of its people by providing the best possible work environment and opportunities for personal and professional growth.

e) Stakeholders:

- Divine Tex continually strives to win and retain the highest respect of the community it serve, the regulatory bodies, and our business partners.
- Divine provides the highest possible return to our investors.

f) Quality Policy:

It explains Divine goal to achieve 'Total Customer Satisfaction' through continuous improvement of their product quality and service.it has seperate insepection department to check product quality.

2.11. Competitor of Divine Tex Ltd.

- **STANDARD GROUP**
- **BEXTEX**
- **ANANDA TEXTILE**
- **SOVON TEXTILE**
- **PARTTEX GROUP**
- **ROBIN TEXTILE**
- **EVENCE GROUP**

2.12. SWOT analysis of the organization.

The strength and weakness that helps the organization to draw the future plan of the business entity. The company runs SWOT analysis to update the organizational strategy.

SWOT Analysis of Divine Tex:

Strengths <ol style="list-style-type: none">1. High market growth2. Good location	Weaknesses <ol style="list-style-type: none">1. Weak financial position
Opportunities <ol style="list-style-type: none">1. Capture local market by supplying knitt and prainting divison products2. Expand market to the gulf region3. New technology	Threats <ol style="list-style-type: none">1. Wage raise2. Political unrest3. Regulations4. Unfavorable business environment

Strengths of Divine Tex:

- ❖ High market growth :RMG sector has high market growth.bangladeshi RMG companies are expand their to the gulf region and latin America region.
- ❖ Good location :divine textile Ltd factory situated in Narayangonj.where cheap labour force is available and also near of Narayangonj river port.

Weaknesses of Divine Tex:

- ❖ Weak financial position :Investment is always is problem for Divine Tex.more investment is required for infrusture development of the factory.investment is also required for technology advancedment.

Opportunities of Divine Tex:

- ❖ Capture local market :Divine Tex has knitt and prainting divison of their own.this product has huge demand in local market.so Divine Tex has potential to capture local market.
- ❖ Expand market in gulf region :RMG companies has good market share in USA and european market.bangladeshi companies has potential to expand market in the gulf region.

Threats of Divine Tex:

- ❖ Wage raise :recently sharp raise of workers wage is biggest threat for bangladeshi RMG companies.it creates huge burden for the industry.
- ❖ Political unrest :political insatbility is another biggest threat for country economies of bangladesh.this political turmoil can destroy banglaesdi RMG sector.
- ❖ Regulation :governmentrt frequently change the rules and regulation for the industry.this frequen change can hamper industry progress.
- ❖ Unfavorable business environment :Business envirnment in bangladesh is not favorable due to load shedding ,fuel price hike and coruption in Government.

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HAPTER-3

*Export & Import
Activities*

Divine textile Ltd is 100% export and import oriented business organization. They need to import the raw materials from abroad and local market and export the products to foreign countries.

Divine textile Ltd has an expert team on Supply Chain Management who are basically controlling this important tasks of export and import. I had to work in Credit Control Team and product processing zone of Divine textile Ltd for my internship purpose. Therefore, I could not get that much practical knowledge on export and import activities of DTL. For making this report fruitful, I talked with Merchandiser manager of export team Mr.mahfuz Ullah who provided me with necessary information. According to him, they maintain a safety stock in hand when they make any import order. The reason is that they do not want to hamper the normal production schedule by any inconvenience. When they select the suppliers, they think about the low cost provider with maximum quality.

Since it is export oriented organization, they need to export their products in foreign countries. When they select buyers, they think about the highest price provider. At the same time, they need to think about other benefits as well. For example- which buyer can maintain long-term relationship, which buyer is willing to buy a huge quantity etc. They basically exports different types of products such as T-shirt,jean.

However, for both export and import they need to follow the government rules and regulations strictly. DTL has their Factory in naranygonzi. More specifically, it is the place where the organization dispatches their produced products for exporting purpose.

Like other textile company, their price is also affected by the price change in other countries of their wing and local company. As a result, the export team needs to be very careful about this kind of information when making any agreement of buy or sell.

In addition, any kind of discrepancy or misinterpretation of information can make the contract illegal or void. So, the export team always wants to give hundred percent of their effort. For export and import purpose, DTL mostly use LC for the transaction benefits. The documentation charges and other charges are borne depending on the contract.

Method of product process:

Garment manufacturing is final stage to make a cloth. It includes number of processes from order receiving to dispatching shipment of the finished garments. If we explain it then it involves many processing steps, beginning with the idea or design concept and ending with a finished product. Apparel manufacturing process involves Product Design, Fabric Selection and Inspection, Pattern making, Grading, Marking, Spreading, Cutting, Bundling, Sewing, Pressing or Folding, Finishing and Detailing, Dyeing and Washing, QC etc. A process flow chart helps to understand how raw materials are moved from one process to another process until raw materials are transformed into the desired product (garments).



Operation of Garments Manufacturing are given below in details:

SL No.	Operation	Job	Method
01	Design/Sketch	It is given by buyers to manufacturers containing sketches including measurements of particular styles	Computerized
02	Basic Block	Basic block is an individual component of garments without any style of design (without Allowance, Style, Design)	Manual/
03	Working Pattern	When a pattern is made for a particular style with net dimension regarding the basic block along with allowance then it is called working pattern.	Manual/
04	Sample Garments	To make a sample, this will be approved by buyer. After making a sample, it is sent to buyer for approval to rectify the faults	Manual
05	Approved Sample	After rectify the faults, sample is again sent to buyers. If it is ok then , then it is called approved sample	Manual
06	Costing	Fabric Costing Making Charged Trimmings Profit	Manual
07	Production Pattern	Making allowance with net dimension for bulk production	Manual/Computerized
08	Grading	If the buyer requires different sizes, so should be grade as S, M, L, XL, XXL	Manual/Computerized
09	Marker Making	Marker is a thin paper which contains all the components for different sizes for a particular style of garments	Manual
10	Fabric Spreading	To spread the fabrics on table properly for cutting	Computerized
11	Cutting	To cut fabric according to marker dimension	Manual
12	Sorting & Bundling	Sort out the fabric according to size and for each size make in individual bundles	Manual
13	Sewing	To assemble a full garments	Manual

14	Ironing &Finishing	After sewing we will get a complete garment which is treated with steam ironing & also several finishing processes are done for example extra loose thread cutting	Manual
15	Inspection	Should be approved as initial sample	Manual
16	Packing	Treated by Polyethylene bag	Manual
17	Cartooning	After packing, it should be placed In cartooning for export	Manual
18	Dispatching	Ready for export	Manual

Method of payment:

Divine has three types of payment systems for its customers, such as:

- Through bank by letter of credit (L/C) or sales contract on exceptional case subject to approval by General Manager
- Sales contract: The customer can pay in advance for which the account will be credited with the progress of delivery. But these advance can pay in two way:
 - a) Dollar draft (If any order less then USD 1000 then Customer have to provide USD Bank Draft before taking delivery of the goods) and
 - b) Telegraphic Transfer

Company policies:

To streamline the existing credit to customers and ensure the internal control Divine have a clear guideline regarding credit for the customer. The following credit policy has been proposed to the customer

- 1) General Credit Terms: 60 Days
- 2) Extended Credit Terms: 90 Days
- 3) Fixing Credit Terms: Credit Control department will finalize credit rating report with the information about volume of business and L/C terms from sales &marketing and commercial department respectively. An approval from General Manager may need for this report.

- 4) Grace period: 3 working days for banking purpose
- 5) Credit limit: Maximum USD125k
- 6) Mode of payment: Bank Draft, Telegraphic Transfer in advance or by Letter of Credit (L/C) in US Dollars only.
- 7) On hold transactions: Under the following cases Divine Bangladesh will stop to accept further order or deliver any shipment:
 - a. If customer fails to clear payment of 2 (two) consignments within a month after expiry of the credit term, or;
 - b. If customer fails to clear payment of consecutive outstanding of 2 (two) consignment after expiry of the credit term, or;
 - c. If the maximum credit limit exceeds.

- 8) Standard L/C term: All the customers have to incorporate the following terms and condition in L/C to be acceptable to Divine Bangladesh Ltd before taking delivery of the goods:
 - a. Irrevocable Letter of Credit
 - b. At-sight Or 60/90 days deferred
 - c. L/C value should be minimum US\$ 1000.00, otherwise only S/C is acceptable.
 - d. Value payable in US dollars
 - e. Delivery term is CFR Ex-factory
 - f. Partial Shipment is allowed
 - g. Presentation Period is 15 days.

- 9) Other Conditions:
 - i. All Bank charges outside the Applicant's counter from Beneficiary's A/C
 - ii. Maturity will be counted from the date of negotiation
 - iii. Applicant will pay interest at LIBOR (in case of 60 days credit) + 1% (in case of credit period is 90 days.) for the credit period from the date of negotiation.
 - iv. Advise through HSBC, Dhaka main office.

If there is any exception of the L/C term and Divine need to deliver then Customer Service have to justify the reasons and prior approval to be taken from General Manager before delivery of the goods.

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HAPTER-4

Internship Experience

1.0. Internship Experience

I have joined in Divine Textile Ltd on 2nd November 2013 and worked there up to 1st February 2014. Three Months is not enough to know the overall functions of a company, but I tried hardly to learn about product processing and credit controlling works. There are various types of activities done in different department of this company. Due to the time limit I was able to complete some specific work of the product processing zone and finance credit control department. These 3 months of Internship program I have learned about some activities of product processing zone and finance department. I tried to learn the whole process of the product processing zone and finance department particularly over the credit control department of Divine Textile Ltd.

Though I was selected as the internee student but my integrity and willingness helped me to work with the existing employee with a separate desk.

When the order is recorded, is updated to the AR that is sales report. Every day the sales report is updated and the data is used by the credit control department. According to the AR credit control sets the contracts as per the maturity of the contract. Then the follow up process starts. Before going to follow up, the credit manager sets a projection target for individual collector. The accumulated is the collection target of the specific month for the company. The individual collector starts the collection by a soft call to the customer on and after immediate maturity of the contract. The contract may be two types, sales contract and letter of credit. If the first reminder is successful and the collector is satisfied then the collectors update the data to the "To Be Credit" file and submit to the credit manager. If it's not then the collector goes for the second reminder, third reminder. At last if the customer is not able to pay the credit then the controller holds the goods by the fourth and final reminder. And the information is passed to the CC Team, Bank, Credit Control Manager.

Besides these I have learnt the formal activity of the whole finance departmental activity.

Making of payment voucher of local suppliers

I made the payment vouchers of all local suppliers. For making vouchers, I need to know the vat and tax slip. Because, those suppliers who do not provide their vat challan with their invoice, I need to cut the vat and tax from those invoice.

1.1. Making a report of all foreign payment

I needed to make a monthly report of all foreign payment between inter companies and others foreign suppliers.

1.2. Posting all data in Accpac software

I also posted all transaction in Accpac. At the month ending, finance team need to submit monthly report to the corporate office. From the Accpac, they make a report based on the posted data.

1.3. Working as auditor in the warehouse

I worked in the warehouse as a auditor. I counted all the consumable item and spare parts to see whether the stock balance given by the warehouse manager is right or wrong.

1.4. Working in Bond Book reconciliation

Bond book is a book where all the import and export details are recorded. As this company needs to export 100% of their imported raw materials. The customs house check the bond book whether the company is exporting 100% of their imported products or not. For this reason, the finance manager assigned me to reconcile the bond book.

1.5. Check Production Process

Frequently i work with Merchandizer to check and inspection Production process of the company.

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HAPTER-5

*Findings, Recommendation and
Conclusion*

6.1. Findings

While working at Divine Tex Ltd, I have attained to a newer of experience. After the collection and analysis of data, I have got some findings. These findings are completely from my personal point of view. Those are given below:

- The analysis of the target collection statement 2012 shows that the company sets a secure collection target.
- Lack of computerized in different section.
- Bring new advanced technology for culcating the financial transcation.
- Lack of co-ordination among differnt division of the company.
- Lack of employee in adminstrative department of the company
- Bring more male worker in processing Division to increase speed and productivity

6.2. Recommendations

For the probable solutions of the identified problems ensure better progress to Divine Tex Ltd. in future. Some necessary steps are recommended below on the basis of collected data, observation, expert staff's opinion and my knowledge and judgment:

For the Company :

- ✓ The inter-departmental work should be smoothed and there should be more cooperation between the departments.
- ✓ Should concentrate more on increasing worker skill and efficiency.
- ✓ Should increase investment in infruesture development
- ✓ Intreduced new technology and modernized machine for the company

For the department :

- ✓ the company should be more concern about decreasing the process timing.

- ✓ The company is following the standard credit policy but in the Bangladeshi perspective it will be more effective if it is relaxed by 7 days or 15 days.
- ✓ Need to increase the number of permanent employees for managing specialize tasks.

- ✓ Trade communication should be frequent.

6.3. Conclusion

Paxar Bangladesh is the leading company in RMG family. They started their operation from 1992. In Twenty one years, they have established themselves as the leading RMG company of our country. All the departments are doing well to reach their goal. The environment of working in divine is really different from other organizations. The environment is very friendly and informal. So, there is no communication gap between the superiors and the juniors. There is also no communication gap between the departments. All are very cooperative to solve other problems. If they keep their current growth rate they will capture maximum portion of RMG market of our country.

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- Annual Report of Divine Tex Ltd. in 2012

Websites:

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- www.wikipedia.org/RMG/bangladesh

Personal Communication:

- Md. Mahfuz Ullah, personal communication, December 28, 2013
- Melon Khan, personal communication, December 25, 2013

Abbreviation:

DTL= Divine Tex Limited
LC= Letter of Credit
DC= Delivery Challan
TIN= Tax Identification Number
CC= Credit Control
TRL = Tansit Label