

Report on
SCM Operations and Practices at KDS Steel Ltd

By

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An internship report submitted to the BRAC Business School in partial fulfillment of the requirements for the degree of Master of Business Administration

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Brac University
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Declaration

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3. The thesis does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
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Letter of Transmittal

3rd October, 2021

To,

SM Parvej Islam

Adjunct Lecturer

Graduate School of Management (GSM),

BRAC University

Subject: **Internship report on “SCM Operations and Practices at KDS Steel Ltd.”**

Dear Sir,

This is to inform you that I have finished my internship program at KDS Steel Ltd. The report named "SCM Activities and Practices at KDS Steel Ltd." has been arranged after the fruition of my temporary job under your watch.

Recorded as a hard copy this paper, I have attempted to put my insight procured from MBA course and my functioning experience accumulated during working period in KDS Steel Ltd.

I do accept that this report will allure your appreciation

Sincerely Yours,

Anupam Md. Iktidar Sharafee

ID: 19164051

MBA, BRAC University

Acknowledgements

Above all else, I might want to communicate my most unfathomable feeling of appreciation to powerful Allah.

As a piece of my MBA program, I did my internship program at KDS Steel Ltd. KDS Steel, a family controlled endeavor is set up in 1989 as Steel Assembling Organization.

I might want to offer my thanks to my respectable supervisor SM Parvej Islam, Adjunct Lecturer, Graduate School of Management (GSM), BRACUniversity; for his determined help and rule to set up this report.

I'm grateful to my associates of KDS Steel Ltd. with whom I have been working for most recent 2 months. They have given all accessible data as per my question which functioned as the cellar to make total this review fruitful.

Supervisor's Declaration

This is to certify that the study report on “SCM Operations and Practices at KDS Steel Ltd.” has been submitted for the award of the degree of Masters of Business Administration (MBA), Major in Operations Management from BRAC University, carried out by Anupam Md. Iktidar Sharafee, ID No: 19164051, under my supervision. This report is free from plagiarism. He is permitted to submit the study report.

SM Parvej Islam

Adjunct Lecturer

Graduate School of Management (GSM),

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Executive Summary

Supply Chain Management is the general administration of a ventures from the crude material to completed item to client. Steel enterprises are one of the significant businesses of Bangladesh. This report is about the investigation of SCM activity and practices at KDS Steel Ltd. The exercises of supply chain included from crude materials to completed item, completed item to support area, and administration area to innovative work. KDS Steel Ltd. keep up with its SCM practice in various stages. Everything started from the acquisition of crude material from the abroad. KDS Steel use HR Curl as a crude material. They measure the material and produce ridged sheet for the market. For the last completed item crude material needs to go diverse. production process. These production process is separated in five phases. They are Pickling, CR Curl, Rewinding, NOF Loop, Shearing and Folding. The reason for the report is to break down the SCM practices of KDS Steel Ltd. Reason for the review are separated into three section. As a matter of first importance its plans to investigate the SCM Practices of KDS Steel in its production activity. And afterward to dissect the effect of the SCM practice. What's more, finally discover the issues and propose an arrangement suggestion to defeat the issues.

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Chapter 1

Introduction

1.1 INTRODUCTION OF THE STUDY

Supply chain management is the management of a product's or service's entire production flow, beginning with raw materials and ending with delivery to the consumer. A company establishes a network of suppliers to move the product from raw material suppliers to organizations that deal directly with users. Goods and services are managed through supply chain management, which comprises all procedures that turn raw resources into end products. A business's supply-side activities are actively streamlined to optimize customer value and obtain a competitive advantage in the marketplace. Besides manufacturers and suppliers, supply chain management also involves transportation and depots as well as merchants as well as consumers. Every organization like manufacturers, supply chain management incorporates all activities associated with getting and fulfilling an order from the consumer. These activities also include marketing, finance, management, operations, accounting etc.

Integrated supply chain management system lowered cost, time and waste. The goal of supply chain management is to maximize the value of the company.

In this report, you will find data on KDS Steel Ltd.'s operations and procedures. These include raw ingredients to the final product, final products through the service sector and service sector to R&D. When it's come to SCM, KDS Steel Ltd. has multiple levels. It begins with the raw material. Initially, raw ingredients were imported from foreign countries. This raw material is mainly HR Coil. They take the raw material and turn it into a corrugated sheet for the market, which they then sell. To get the finished goods, they use a different process. Five stages are involved in the activities. Each of these processes has its unique name: Pickling, CR Coil, Rewinding, NOF Coil, Shearing and Corrugation.

1.2 Objective of the Report

The goal of the reports includes the following.

- Exploring the operations and SCM of KDS Steel Ltd.
- In determining the effect of Organizational Performance.
- Create the solution for recognized SCM problems at KDS Steel Ltd.

1.3 SCOPE OF THE REPORT

This report is mainly focused on the SCM operations at KDM Steel Ltd. At KDS Steel, the whole SCM procedure is a complicated one. The company's structure and SCM procedures are mainly concentrated in this report. In addition, it explains SCM's steps and overall procedures.

1.4 METHODOLOGY

For preparing my report, I mainly use the experience during the internship program. Then I depend on both primary and secondary data. Information from the annual report, market and website are also included.

Data source method:

This report depends on both essential and optional information:

Primary sources:

- Face to face conversation with high officials
- Inspecting each step of the manufacturing and shipping procession the company.
- Direct talking to the customer

Secondary sources:

- Annual report
- Website
- Advertise of the product
- Various articles

1.5. LIMITATIONS

There are some challenges to complete this report.

- The main challenge is the company's policy not to disclose confidential data which are very essential for the report
- For some restrictions, it is extremely difficult to collect information from a wide range of people.
- The high-level officials are always busy that I couldn't get sufficient time to talk.
- I get only 20 days.

Chapter 2

The Organization Overview

2.1. HISTORY OF KY STEEL LTD.:

As a part of the KDS Group, a new Cold Rolling Mill complex has been built in Kumira, 25 kilometres from Chittagong. The plant was built from the support of the KDS group galvanizing unit.

SMS SEMAG Germany, a leading global in this sector, provided the plant as the only European plant the first in the country. Slitting and Rewinding Line with a 250000 MT annual output are housed in the complicated. The pickling line is also housed in the complicated.

Established: Year 2003 (incorporated in 1995)

Size of Facility: 6, 10,820 Sq. Feet. (15 Accor)

Markets Served: 20% of the total market of Bangladesh

Major Customers: Galvanized CI sheet users

Average annual Sales: 3, 50,000 mt

Capital Investment: \$ 70 million

Material Used: Hot Rolled Coil

Number of Employee: 800

Shift worked: 2 shift

Machines: 6 Hi CVC Mill

Quality: JIS G3141

In Bangladesh, KDS Steel makes a remarkable development in flat carbon steel manufacturing. In 1989, KY Steel emerge as Bangladesh's first private steel manufacturing company. They mainly build galvanizing iron sheets. It has a large demand for roofing in the country's rural areas. KY steel now annually produces 300,000 sheets.

KY Steel has established itself as one of the nation's biggest and most versatile flat steel producers. With a wide range of products which produce millions of satisfied customers.

Today, KY Steel incorporates its impression throughout every one of the 64 districts in the country and is viewed as probably the most elevated exporter of level steel items from Bangladesh; gladly making its essence more than 22 regions tossed out the Globe.

KY Steels' glad past addresses were substantially more than a fourth of the century of steel-producing at the organization. It exhibits the organization's capacity to work a reasonable business and adjust to state-of-the-art mechanical, administrative and financial changes. That is KY Steel's inheritance, which the organization will keep on expanding upon as it pushes forward toward a brilliant future.

TECHNICAL SPECIFICATIONS

Standards: As per JISG 3141SPCC-1B

Thickness Range: 0.090MM to 1.5MM

Width Range: 650MM to 1050MM

Temper: Full Hard

Coil Weight: 2M.t to 10M.T

Coil ID: 508MM

Packing: Seaworthy Standard Export Packing

Thickness Tolerance: As per JISG 3141

Width Tolerance: As per JISG 3141

Edge Condition: Trimmed edge

Surface Finish: Bright

Oiling: Slightly oiled

2.2. CORPORATE PROFILE

KDS steel has confidence in spotless and straightforward administration of tasks and breeds a culture of participation and free administration of experts.

With the group of experts in the administration and the passionate board, KDS steel presently has the craving to take on additional difficulties for feasible development and variety to upgrade its inclusion on businesses and possibilities and increment its incomes and in general incentive for the customers, proprietors, representatives and partners.

Mr. Khalilur Rahman, Chairman

MR. KHALILUR RAHMAN is a prepared and experienced money manager. He is running a few modern units as their Managing Director Furthermore, he has gigantic involvement with different assembling areas as a Chairman viz., Garment Division, Accessories Division, Steel

Division, IT Sector, Textile, Agro-handling Sector, Telecommunication Sector, Power Plant Sector, Shipping (Inland Container Depot), Fuel and Oil Sector, Securities Sector, Banking Sector, Insurance Sector.

He has been compensated various sorts of grants from home and abroad for his significant commitment to the mechanical area of Bangladesh.

An enormous number of non-benefit and altogether beneficent instructive organizations have been established by Mr. Khalilur Rahman. He is an ingenious individual from the organization and partaking in his status as a CIP which is perceived by Bangladesh Government. He is an ex-VP of BGMEA (Bangladesh Garment Manufacturer and Export Association).

Mr. Salim Rahman, MD

MBA from the USA and dynamic involved influential positions on incalculable undertakings, Mr. Rahman is going about as a Chief in the organization. He has been effectively associated with various areas like Article of clothing, Embellishments, steel, IT, Material, Agro-handling, media transmission, Force plant, Transportation, Fuel and oil, Protections, Banking and Protection. He is additionally associated with numerous social associations and exercises.

KEY MANAGEMENT:

A. Mr.Imran Hasan– Plant Head & GM (production & operation)

B. Mr.Abu Reza, FCA – GM, Finance & Accounts

C. Mr. Shah Ali. Chowdhury – GM Sales and Marketing

D. Mr. Abdul Kader– DGM Sales and Marketing

2.3. VISION

To be one of the most regarded steel produces Bangladesh that will seek after on a constant quest for investors esteem added, development and quality in all that we do.

2.4. CORE VALUES

Doing the right thing: we individuals from KY steel should make the best choice for our investors, clients and each other.

Pursuit of Challenges and Success: KDS steel difficulties all the more enthusiastically with disposition displaying more grounded soul to make progress.

Wining: Getting things done and winning excite us – for our investors, clients, the nation and one another.

Leadership: we will be unequivocal pioneers at each level, imparting our vision and making a move to assist with building a superior future for our organization, nation and ourselves.

Trusting Teamwork: our success is dependent on working together. We assume aggregate liability for the nature of the outcomes for all results and obligations we perform.

2.5. MISSION

- To give clients astounding administrations and items bringing about consistent, improvement and development at the most significant level of value.
- Keep up with corporate and business morals and transaction at all levels.
- Guarantee maintainable development and set up full worth to the respectable partners.
- Satisfy social responsibilities.

2.6. STANDARDS AND QUALITY POLICY

To address client's issues, communicated and inferred by keeping up with consistency in quality through consistent up-degree of innovation and human undertaking for amplifying profit from speculation to the partners. Additionally profoundly dedicated to consent to the prerequisites of ISO 9001:2008 global principles and compatibility of predictable improvement of the adequacy of value the executives framework.

2.7. CORPORATE CULTURE

Culture is an extraordinary prevailing example of shared convictions, presumptions, qualities, and standards that shape the socialization, images, language and practice of a gathering of individuals. The demeanor and approaches exemplify how staff do their assignments. Culture creates and is communicated by individuals, deliberately and unknowingly, to resulting ages.

Hierarchical culture is viewed as a fundamental part of business enterprises as it can tie authoritative individuals together. The way of life and upsides of KY Steel Ltd. has been demonstrated as a wellspring of the upper hand for ourselves and are going about as a critical part to building up a connection between the business and representatives and, thusly, between the workers and the clients. Organizational culture and qualities additionally urge clients and workers to get together with the organization and stay with the organization.

2.11. CORPORATE SOCIAL RESPONSIBILITIES

KDS Group yearly coordinates social exercises and sports exercises among their sister concerns or divisions. They use to go to outings every year particularly throughout the colder time of year season. KDS group trusts in friendly obligations like they have fabricated a bridge before their KY Steel Ltd. what's more, tree ranch all-around their processing plants. They additionally utilize present-day advances that the climate ought not to be hampered by their production line work.

2.12. DEPARTMENTS OF THE ORGANIZATION

- CRM Production Department.
- NOF Production Department.
- CCL Department.
- Supply Chain Department.
- Store & Inventory Department.
- QC Department.
- IT Department.
- ARP/Pickling Department.
- TQM Department.
- HRA Department.
- Electrical Department.
- Mechanical Department.
- Civil & Construction Department.
- Accounts Department.
- VAT Department.
- Utility Department.

CRM Production Department: The Cold Roll Mill (CRM) creation division incorporates two interaction lines Pickling and CRM. This entire division is under the oversight of Appointee Director, Sr. Architect, Asst. Architect and Sub Asst. Architect. Division work is to handle the HR coil and convey the CI sheets to the client according to request. Creation begins from the Pickling line, after the collaboration it follows to the CRM where CI sheet creation is done with different thicknesses.

NOF Production Department: Non-Oxide Furnace (NOF) came next in the creation cycle. This entire office is under the oversight of DGM, Appointee Supervisor, Sr. Leader, Chief and Sub Asst. Specialist. Where the CI sheet stirring is finished. Crude material comes from CRM.

CCL Department: Color Coating Line (CCL) measures the Zink covered sheet into shading sheet. The division runs under the administration of Chief, Designer, Asst. Designer and SA Architect. Crude material got from NOF and the line cycle it to shading sheet according to client interest.

Supply Chain Department: Elements of the supply chain division are to keep decent usefulness of creation measure, stream of crude material and item to the client. The office runs under the administration of Director, Sr. Leader, Chief and Jr. Leader.

CHAPTER 03

SUPPLY CHAIN MANAGEMENT

PRACTICES IN STEEL INDUSTRIES

3.1. CONCEPT OF SUPPLY CHAIN MANAGEMENT

Supply chain management is a series of interconnected processes within a company or organization that produce goods and services to satisfy the client.

Supply chain management is the oversight of materials, data, and accounts as they move in interaction from provider to producer to distributor to retailer to shopper. Supply chain management includes organizing and coordinating these streams both inside and among organizations. It is said that a definitive objective of any powerful production network the board framework is to lessen stock.

Components of SCM: Parts of supply chain management are given below:

- CRM – Customer relationship management
- SRM – Supplier relationship management
- ISCM – Internal supply chain management

CRM: Customer relationship management is a term that alludes to practices, methodologies and advances that organizations use to oversee and break down client cooperations and information all through the client lifecycle, fully intent on further developing business associations with the client, aiding client maintenance and driving deals development.

SRM: Supplier relationship management is a cycle in business by which an association arranges its collaborations with people or sorts out the conveyance of crude labour and products. Furthermore, it is the discipline of deliberately making arrangements for, and dealing with, all connections with outsider associations that supply labour and products to an association to boost the worth of those communications.

ISCM: The motivation behind an internal supply chain framework is to imagine the exercises and occasions of the association that happen during its work process and to give an all-encompassing perspective on the exercises at the top and base.

3.2. INVENTORY AND STORE MANAGEMENT

Stock is a once-over of items and materials, or those product and materials themselves, held open in stock by an undertaking. Then again, a store is a foundation that stocks merchandise available to be purchased to clients or assembles materials for the reason for utilizing as a contribution for creation measures.

Quite possibly the most costly resources of many companies addressing as much as half of all out contributed capital.

Stock administration is the management of non-promoted resources (stock) and stock things. Parts of store network the executives, stock administration directs the progression of products from producer to distribution center and from these offices to the retail location.

The objective of the inventory

- Satisfy the need for items by proficiently sorting out the creation and deals tasks.
- Reduce the amount of stock you have to buy.

Tools and techniques of inventory management/control

Economic order quantity, SOS classification. Order point problem, Two bin problem, FSN classification, VED classification, HML classification, SDE classification, FSN classification, ABC Analysis. Order cycling system, JIT (just in time).

Types of inventory

- Finished goods.
- Work-in-process
- Raw materials
- Maintenance/repair/operating

Inventory control

A lot of stock can trigger benefit misfortunes – regardless of whether an item terminates, gets harmed, or leaves season. The key to appropriate stock control is a more profound comprehension of client interest for this specific item.

Hedge Inventory

A few items like minerals and wares – for instance, grains or creatures items are exchanged on an overall market. The cost for these items changes as per the world organic market. If purchasers anticipate that price should rise, they can buy at a low cost.

Anticipation Inventory

Anticipation stocks are developed fully expecting future interest. For instance, items are made in front of a pinnacle selling season, and advancement program, excursion closure or potentially the danger of a strike.

3.3. DEMAND AND SUPPLY MANAGEMENT

- **Demand:** Demand is a financial rule that portrays a shopper's longing and readiness to take care of a particular decent or administration.
- **Supply:** Supply is a major financial idea that depicts the aggregate sum of a particular products or administration that is accessible to buyers.
- **Demand analysis:** Demand analysis is a promoting study used to figure out what sort of clients will purchase a specific item and the number of units they are probably going to purchase and at what value range. This data is then used to design publicizing procedures, decide selling expenses and make item changes.

3.4. TRANSFORMATION PROCESS OF PRODUCTS

Historical evaluation of production and operation management: For more than two centuries creation and activity the executives have been perceived as a significant factor in a country's financial development. The customary perspective on assembling the board started in eighteenth-century when Adam Smith perceived the monetary advantages of specialization of work. He suggested separating occupations into subtasks and perceives laborers to particular assignments in which they would turn out to be exceptionally gifted and effective. In the mid 20th century, F.W. Taylor carried out smith's speculations and created logical administration.

Production: Production is the bit by bit change of one type of materials into another. Production is the method involved with changing contributions to yields. Thus, production implies the production of labor and products. It is done to fulfill human needs. In this way, creation is the course of change.

Operation: Operation is the blend of data sources, change interaction, yield and control of the stock, cost and quality. Essentially operation changes inputs into yields.

3.5. TOTAL QUALITY MANAGEMENT

An all encompassing way to deal with long haul achievement that sees consistent improvement in all parts of an association as an interaction and not as a momentary objective. It plans to profoundly change the association through reformist changes in the mentalities, practices, constructions and frameworks. Complete quality administration rises above the item quality methodology includes everybody in the association and envelops all its capacities: administrations, communications, distributions, marketing etc.

Total quality management (TQM) alludes to a journey for quality that includes everybody in an association. There are two ways of thinking in this methodology. One is a ceaseless push to improve, which is alluded to as consistent improvement; the other is an objective of consumer loyalty, which includes meeting or surpassing client assumptions.

The International Organization for Standardization (ISO): The International Organization for Standardization (ISO) is a worldwide standard-setting body made out of delegates from different public associations. Established on 23 February 1947, the association advances overall exclusive, modern and business principles. It is settled in Geneva, Switzerland, and as of Walk 2017 works in 162 nations. It was one of the main associations conceded general consultative status with the Assembled Countries Financial and Social Committee.

Quality Management System: The QMS is the framework for characterizing and fulfilling the worldwide quality guidelines for our business. It has been intended to satisfy European Union (EU), FDA and World Health Organization (WHO) necessities. These administrative sources give the benchmark norms that are utilized to create and keep up with the substance of the QMS. Model - notwithstanding administrative prerequisites, the QMS likewise fuses certain GSK business necessities got from quality and consistence significant GSK Corporate Policies and Standard and from Quality Alert directives.

Quality Control (QC): To ensure that product quality is maintained or improved and production mistakes are minimized or eliminated, companies engage in quality control. The company must create a quality control climate where administration and representatives work together to achieve perfection. This is accomplished through the training of personnel, the establishment of quality benchmarks for the products, and the testing of the products to look for measurable large variations.

Quality Assurance (QA): Quality affirmation (QA) is a method of forestalling mix-ups or surrenders in fabricated items and keeping away from issues while conveying arrangements or administrations to clients

3.6. LEAD TIME MANAGEMENT

Lead time: Lead time is the range of time expected to play out a cycle. In assembling, it incorporates time for request arrangement, lining, preparing, moving, getting and reviewing, and any normal postponements. Lead time is the measure of time that passes between a cycle starts and its finish. Lead time is analyzed intently in assembling, store network the board and undertaking the executives, as organizations need to lessen the measure of time it takes to convey the items to the market. The organization takes a gander at preprocessing, preparing and post-handling and contrast each against benchmarks with figure out where log jam are happening.

Delivery lead time: According to the supplier's point of view, this is the time from receipt of a request to the conveyance of the item. According to the client's point of view, it might likewise incorporate time for request planning and conveyance. Clients need conveyance lead time to be just about as short as could really be expected, and producing should plan a methodology to

accomplish this. There are four essential procedures: engineer-to-arrange, specially make, collect to-request, and make-to-stock. Client association in the item plan, conveyance lead time, and stock state are impacted by every system.

3.7. PROCUREMENT PROCESS

Procurement is a term of buying which suggests the procurement of labor and products as a trade-off for a money related installment.

Procurement is the method involved with finding, conceding to terms and securing merchandise, administrations or works from an outer source, open by an offering or serious offering measure. The interaction is utilized to guarantee the purchaser gets merchandise, administration or works at the most ideal cost, when expects like quality, amount, general setting are thought about. Companies and public bodies open characterized measures planned to advance reasonable and open contest for their business while limiting dangers, like openness to extortion and intrigue.

Practically all buying choices incorporate factors like conveyance and taking care of, minor advantage, and value vacillations. Procurement by and large includes settling on purchasing choices under state of shortage. In the event that great information is accessible, it is acceptable practice to utilize monetary investigation strategies, for example, money saving advantage examination or cost-utility investigation.

3.8. FLOW CHART OF SUPPLY CHAIN

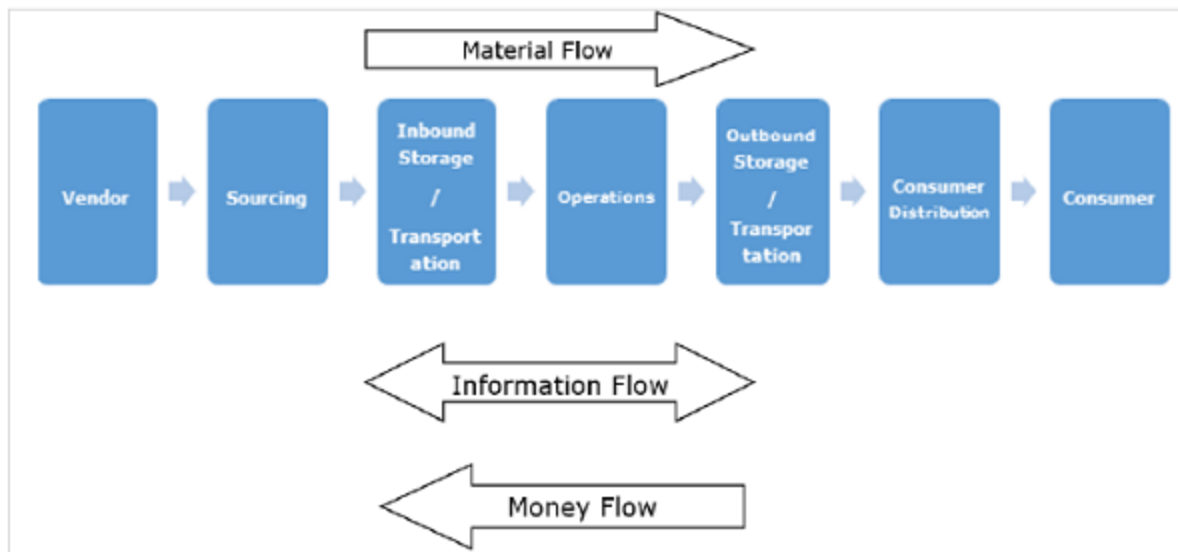


Figure 3.1: Supply Chain Flow Chart

3.9. TRANSPORTATION MANAGEMENT

Viable everyday administration of transportation exercises is totally important for smooth working of the venture. The standard capacities to be performed by transport the executives bunch incorporate exercises like

- Rate negotiation
- Routing and carrier selection
- Transport pricing
- Operation of co-transportation
- Regulatory matters, include effect on economy operations and appearances before regulatory agencies
- International transportation
- Customer service and transportation selection
- Analysis of transportation cost and services

3.10. PRODUCT TESTING PROCESS

Product testing, additionally called buyer testing or relative testing, is a course of estimating the properties or execution of items. The hypothesis is that appearance of large scale manufacturing makers produce marked items which they attest and promote to be indistinguishable inside some specialized norm.

Product testing looks to guarantee that buyer can get how items will help them and which the best worth are. Product testing is a technique to expand client insurance by checking the cases made during showcasing methodologies like promoting, which by their temperament are in light of a legitimate concern for the element conveying the assistance and not really in light of a legitimate concern for the buyer. The approach of item testing was the start of the cutting edge customer development.

The most well-known industry job is to give items and administrations as indicated by industry guidelines. In any industry a few principles will be intentional or compulsory.

3.11. PRODUCT PACKAGING SYSTEM

Packageing is the innovation of encasing or securing items for dissemination, stockpiling, sell, and use. Packegeing additionally alludes to the most common way of planning, assessing and delivering package. Packageing can be portrayed as a planned means of getting ready products for transport, warehousing, coordinations, deal, and end use. Packaging contains, secures, jam. Transport, illuminates and sells.

3.12. PRODCUTION MANAGEMENT

Production management is the course of successful arranging and directing the activities of that segment of an endeavor which is answerable for the genuine change of materials into completed items. Production management includes utilization of preparation, sorting out, coordinating and controlling the creation cycle.

Objective of production management

The fundamental target of Production management is to deliver labor and products of right amount, right quality, at the perfect opportunity and at the ideal assembling cost:

- **RIGHT QUALITY:** The nature of item is set up dependent on the client's requirements. The right quality isn't really best quality. It is dictated by the expense of the item and the specialized qualities as fit to the particular necessities.
- **RIGHT QUANTITY:** The assembling association should create the items in right number. In case they are created in abundance of interest the capital will obstruct as stock and if the amount is delivered in shy of interest, prompts deficiency of items.
- **RIGHT TIME:** Idealness of conveyance is one of the significant boundary to pass judgment on the viability of creation division. In this way, the creation office needs to make the ideal use of info assets to accomplish its target.
- **RIGHT MANUFACTURING COST:** Manufacturing costs are set up before the item is really produced. Henceforth, all endeavors ought to be made to deliver the items at pre-set up.

3.14. OPERATION MANAGEMENT



Figure 3.2: Operation Management

Operation management is the course of successful arranging and directing the tasks of that areas of an undertaking which is answerable for the genuine change of materials to completed products.

A basic elements of operation management identifies with the administration of stock through the inventory network. Activity the executives gets neighborhood and overall examples, customer interest and the open resources for creation. Operation management moves toward the procurement of materials and employments of work convenient, savvy way to convey the client assumptions Stock levels are seen to ensure over the top sums are nearby. Operation management are answerable for discovering merchants that supply the suitable merchandise at sensible costs and can convey the item when required.

3.15. LOGISTICS SYSTEM

Logistics is the administration of the progression of the things between the starting place and the mark of buyer to meet prerequisites of buyers or collaboration. Logistics is is the piece of creation network the board that plans, does, and control the capable, amazing forward, and switch stream and limit of product, benefits, and related information between the beginning spot and the characteristic of use to meet customer essentials..

3.16. DISTRIBUTION SYSTEM

Distribution system is a cycle where the completed item is carried out on the processing plant floor, and every one of the exercises that should be dealt with to make last conveyance of products to the clients. Distribution system is utilized for the better utilization of the delivered item.

CHAPTER 04

ANALYSIS OF SUPPLY CHAIN MANAGEMENT

PRACTICES OF KDS STEEL LTD.

Supply chain management is emphatically trailed by KDS Steel Ltd. It is a creation based industry and supply chain management assume an extremely crucial part in their entire interaction from the starting place of crude materials and to the mark of conveyance of the completed products. At KDS Steel Ltd. supply chain management is separated into three divisions named 1. Supply Chain, 2. Stock and store, 3. Business. In this organization store network administrator is answerable for creation arranging, Scope quantification and Conveyance.

4.1. PROCUREMENT PROCESS OF KDS STEEL LTD.

Fundamentally this organization is thoroughly protects on unfamiliar acquisition as on the grounds that the really crude materials of this organization HR loop isn't produce in our nation and this organization import this crude materials from abroad straightforwardly or by implication. KDS Steel Ltd. keeps the worldwide guideline of acquisition manuals which used to get crude materials from abroad or home. By the acquirement manuals KDS Steel Ltd. assess

their provider to choose the best provider to secure the best quality and financially savvy crude materials. Senior supervisor of money and records is the authority of the acquirement and all the course of obtainment pursue him.

There are a few terms rehearses by KDS STEEL during the time spent procurement.

- Request for Tender (RFT)
- Request for Information (RFI)
- Request for Quotation (RFQ)
- Request for Proposal (RFP)
- Expression of Interest (EOI)

The procurement process of KDS Steel Ltd.



4.2. LOGISTICS SYSTEM OF KDS STEEL LTD.

Logistics system is the administration of the progression of the things between the starting place and the mark of buyer to meet prerequisites of shoppers or collaboration.

Logistics classified by two types that:

- Inbound logistics
- Outbound logistics

Outbound logistics: KDS STEEL loop businesses doesn't rehearses outbound logistics and there is no elements of outbound logistics. Thus, client who purchase their items they need to orchestrate their own vehicle to make convey their items.

Inbound logistics: KDS STEEL curl enterprises practice inbound logistics quite well. Their super crude materials is hot rolled (HR) curl and zinc which need to import from abroad. Thus, when this crude materials came to the port then administration use to enlist truck vehicles from outsider logistics by an agreement and when those crude materials came to at the business premises then administration hold it to their distribution center. In the wake of getting those materials the last inbound logistics method begins. There are 26 cycle line in the plant and when one interaction produce their completed merchandise then that completed merchandise are use as crude materials of one more cycle and bit by bit measure the processing plant produce their end results. To finish this system the inbound logistics support is required. There is need of development of the materials from one interaction/highlight another cycle/point. There are a few vehicles and cranes to move the materials from one highlight another. Cranes are utilized to move the materials at indoor of the plant and a few vehicles used to move the materials in the processing plant premises.

4.3. INVENTORY AND STORE MANAGEMENT OF KDS STEEL LTD.

KDS STEEL have an office named Stock and Store division which is capable to help the creation line by giving crude materials and others adornments. Essentially there is part of crude materials utilized underway. There is basic merchandise, normal products and non-basic products in their stock division. Their vitally crude materials is hot rolled (HR) curl and other significant crude materials are zinc, synthetics, colors, mechanical instruments, etc. KDS STEEL additionally follows the stock control framework to plan their materials. Stock and store office keep an arrangement of stock as basic thing, optional fundamental thing and non-basic things.

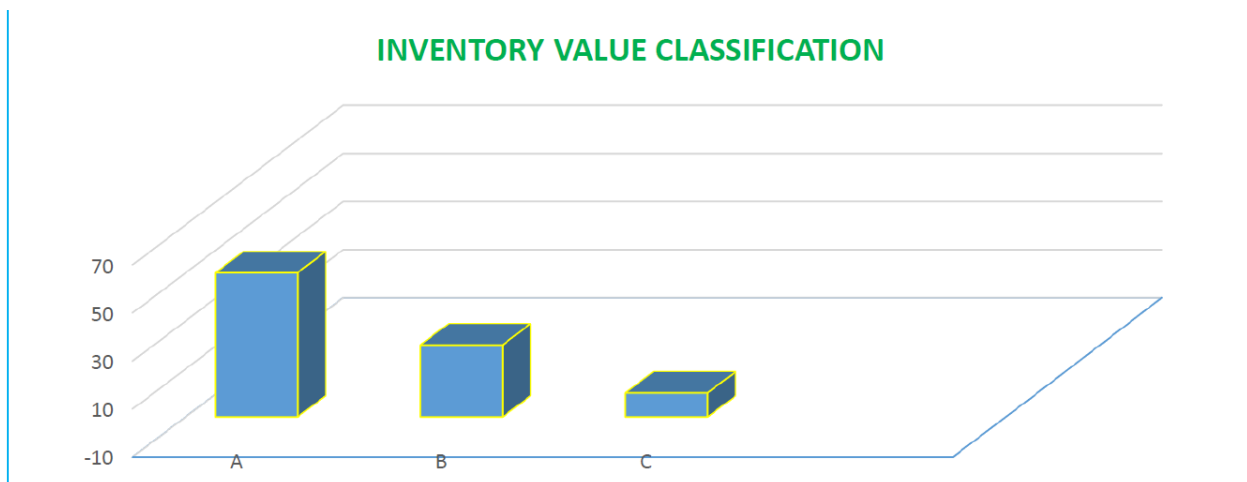


Figure 4.1: Inventory Chart

There work in measure inventories are which is in the creation line measure and the materials which is utilizing in the creation interaction.

KDS Steel Ltd. likewise keep up with their completed products stock. There is a distribution center in the business which is for just keeping the completed item which are prepared to convey whenever and there is likewise keep up with stock framework like FIFO, LIFO, and FEFO, etc.

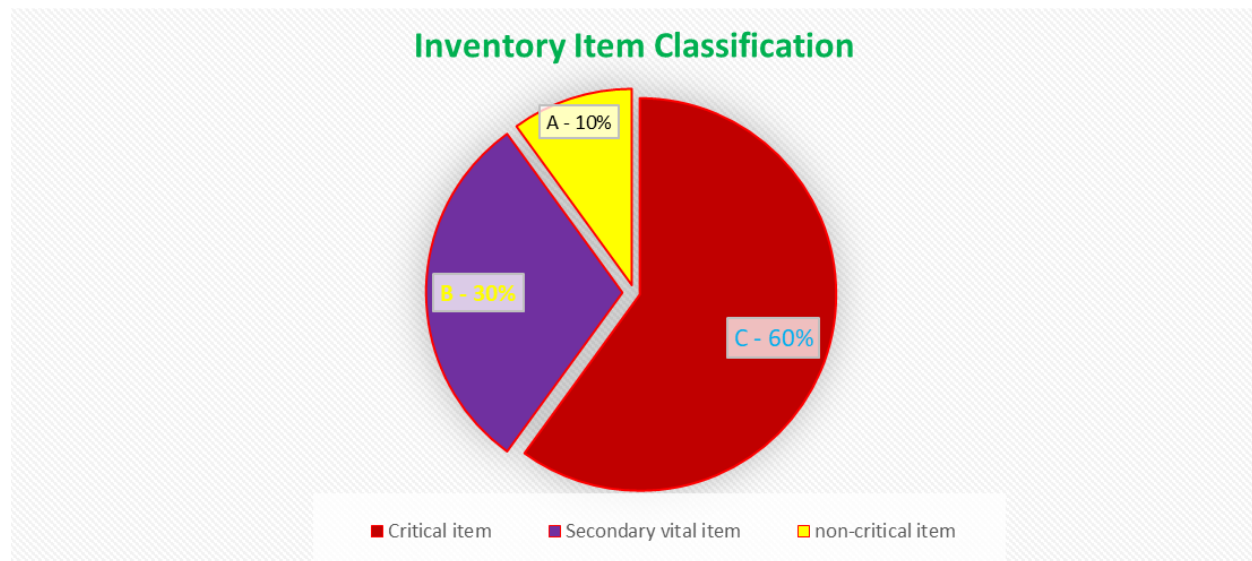


Figure 4.2: Inventory Item Classification

Hedge Inventory: KDS Steel Ltd. follows the hedge inventory framework in light of the fact that their vitally crude materials are hot rolled (HR) loop and Zinc that are exchanged on an overall market. The cost for these items vacillates as indicated by world market interest. In this way, when the executives anticipate the cost for their really crude materials to rise, they will buy at low cost.

Anticipation Inventory: Anticipation inventories are developed fully expecting future interest. What's more, KDS STEEL keep an anticipation inventory of their CI sheet and curl in front of their pinnacle selling season. At the point when the KDS STEEL the executives expect the interest of the specific item will be expansion in the colder time of year season then they produce their items as market interest and hold those things in their stock.

4.4. PRODUCTION PLANNING & CONTROL OF KDS STEEL LTD.

The chief of the supply chain of KDS Steel Ltd. is the approved individual to make the production plan and the arrangement is updated and controled by senior supervisor of production and operation. The s supply chain supervisor make the production plan subsequent to getting the manufacturing order (MO) from deals and advertising office. The supply chain supervisor use to put together a gathering with the offices identified with production and note their necessities. In the wake of taking their prerequisites the chief go for production planning.

4.5. CAPACITY PLANNING & MANAGEMENT OF KDS STEEL LTD.

KDS Steel Ltd. keep up with capacity planning to make arrangement for estimating limit of the plant that will assist with using what is the genuine limit of the plant to hold the all sort of crude materials. KDS Steel Ltd. follows some capacity strategies and those are;

KDS STEEL loop enterprises doesn't keep up with any lead capacity strategy as in light of the fact that it is an occasional business. KDS STEEL at times keep up with the lag capacity strategy to expand their ability against the interest happened on the lookout. The organization consistently attempts to follow the match capacity strategy to expand their ability in more modest additions to correspond with the expansions in volume of the interest. This technique is a nonstop course of expanding limit.

4.6. PRODUCTION MANAGEMENT OF KDS STEEL LTD.

Production management is the course of viable arranging and controlling the tasks and I saw that the production system or the executives of KDS Steel Ltd. is extremely compelling and activity execution is exceptionally high. KDS Steel Ltd. keeps the global guideline on their production system since they have introduced substantial hardware by utilizing unfamiliar advancements from Germany, Japan, china, India and some others and the machines are working by the specialists and prepared staff. There are additionally some unfamiliar specialists identified with production department. Thus, I see that there is no trade off production system for better the item quality.

4.7. OPERATION MANAGEMENT OF KDS STEEL LTD.

Operation management is the course of viable arranging and directing the tasks of the plant. KDS Steel Ltd. have operation and production department. The course of operation and production is screen and control by the senior supervisor of operation & production.. The GM of operation & production is additionally the plant head who is an accomplished individual having over 35 years' involvement with this area hence entire course of store network, arranging, interaction, production and operations running without a hitch and control viably and directing assets cost adequately by the community oriented help of the ranking director of production network. Here operation office works with item advancement, design choice, site area, limit, effectively booking materials and work.

4.9. TOTAL QUALITY MANAGEMENT & QUALITY CONTROL OF KDS STEEL LTD.

KDS STEEL has the absolute quality administration and quality control division and these two office are liable for guaranteeing the greatest of the items and no deficient items ought to be conveyed. Its Quality control office follows/keep up with ISO 9001:2015 to decide the nature of the items as a perceived technique for conveying consumer loyalty and controlling nature of item. ISO 9001:2015 not exclusively can be utilized to convey enhancements and assist with ensuring quality, however the accreditation is open seen as an assurance of consistency of item across line, dialects, and social limits as we realize that KDS STEEL secure/import their crude materials from abroad and a portion of their delivered items trade at abroad.

4.10. PACKAGING SYSTEM OF KDS STEEL LTD.

Packaging is the innovation of encasing or ensuring items for appropriation, stockpiling, sell, and use. Furthermore, KDS Steel Ltd. likewise do exactly the same things for their item ID, security and regulation. There are three kind of item bundling and those are essential, optional and tertiary packaging. Most importantly they tie their item with a dry met and afterward they utilize some loop rest to shield the item from harms. After every one of those cycle when the request

comes they handle their item cautiously and move the loop or sheet by crane and put the items into the truck or weighty vehicles. At long last I saw that they keep a great for their Packaging in system light of the fact that there are numerous rivals on the lookout for similar items.

4.11. DISTRIBUTION SYSTEM OF KDS STEEL LTD.

Distribution management is an interaction where the completed item is carried out on the plant floor, and every one of the exercises that should be dealt with to make last conveyance of products to the clients. A channel conveyance incorporates maker, shopper, agent, distributor, and retailer. Distribution systems exercises is to disseminate the delivered item and the appropriation exercises are driven by the deals and advertising branch of this industry. KDS STEEL curl enterprises deals and promoting office keep up with certain sellers that implies specialist to supply their item to showcase and furthermore straightforwardly deal their item to the end client.

CHAPTER 05

FINDINGS, RECOMMENDATIONS, CONCLUSION AND REFERENCE

5.1. FINDINGS OF THE STUDY

This review have discovered a few issues during my temporary job report at KDS Steel Ltd. what's more, made some after ideas to survive.

In view of the examination a few discoveries are as per the following:

- KDS Steel doesn't have transportation management and outbound coordinations as they are not engaged in client assistance.
- KDS Steel production planning is an extended interaction as they need an order from their administrative center.
- There is absence of warehouse management administration and there is no expert for stockroom.
- KDS Steel production capacity is not as much as its rivals.
- KDS Steel Ltd. doesn't have a decent connection with the occupants of the locals.
- This organization keep up with global ISO standard to control the nature of the item.
- This organization keeps global guidelines of procurement process.
- This organization follows Staggered distribution management as they don't straightforwardly offer their items to the client.
- Standard inventory system is additionally trailed by this organization by which the organization arrange its stock.
- KDS Steel Ltd. keeps up with great connection with Government associations.
- KDS Steel Ltd. has absence of labor in supply chain division.

5.2. RECOMMENDATIONS OF THE FINDINGS

I have discovered a few issues during my temporary position period at KDS Steel Ltd. also, made the accompanying ideas to survive.

Based on the Findings of the study some recommendations are as follows:

- KDS Steel Ltd. should build their production capacity to make due on the lookout and to contend with its rivals.
- The organization should enlist prepared labor in supply chain office to smooth the as delivery process and production process there is absence of labor in the office.
- This organization should carry out the outbound coordinations framework to build the delivery of the product and fulfill the client.
- KDS Steel Ltd. need to build up a warehouse management division to settle on legitimate choice for their inventories.
- It is extremely fundamental for the KDS Steel Ltd. to develop an excellent connection with the occupants of this space and give a few offices to them.

5.3. CONCLUSION

As a steel items fabricating industry, KDS Steel Ltd. has been working effectively in the field for a long time. Presently it is one of the famous steel fabricating industry in Bangladesh. At present KDS Steel Ltd. is in third situation in the market as this organization serves 20 % of the market interest. Step by step the organization expands their creation limit and capital speculation to get the increment market interest. This review see that KDS Steel the executives is exceptionally qualified and experienced. This organization have some unfamiliar specialists. As per the review KDS Steel will support seriously on the lookout. During the entry level position at KDS Steel Ltd. I have acquired hypothetical information just as pragmatic information which is unimaginable in the classroom study. I have acquired functional information about production and operation management, planning, inventory management, distribution management, quality control of KDS Steel Ltd.

Their clients are from everywhere the country. Essentially their items are the non-consumable items and occasional items yet the production proceeds over the course of the year (day in and day out). I have made an honest effort to set up this report named 'Supply Chain Management

Practices in Steel Industries' with functional information and the management of my fair administrator.

Toward the finish of my decision, I can say that KDS Steel Ltd. has the brilliant future to extend their exercises on the lookout. They should give their consideration on the above discoveries that I have put. At long last I hope everything turns out great for KDS Steel.

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