

Report on

Cost Efficiency in Supply Chain Management:

A case on Lite Electronics Ltd.

By

Naziat Afrin

18282012

An internship report submitted to the BRAC Institute of Governance & Development (BIGD), BIGD in partial fulfillment of the requirements for the degree of Masters in Procurement and Supply Management (MPSM)

BRAC Institute of Governance and Development (BIGD)

Masters in Procurement and Supply Management

Brac University

July 2022

Declaration

It is hereby declared that

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

Student's Full Name & Signature:



Naziat Afrin
18282012

Supervisor's Full Name & Signature:

Mohammad Sirajul Islam
Coordinator, Academic and Training Programs
BRAC Institute of Governance & Development (BIGD)

Letter of Transmittal

Mohammad Sirajul Islam
Coordinator, Academic and Training Programs
BRAC Institute of Governance & Development (BIGD)
Brac University
66 Mohakhali, Dhaka-1212

Subject: Submission for MPSM practicum report

Dear Sir,

This is my pleasure to present my internship report entitled ‘Cost Efficiency in Supply Chain Management: A case on Lite Electronics Ltd.’. I have conducted my internship program at Lite Electronics Ltd. under your supervision.

I have attempted my best to finish the report with the essential data and recommended proposition in as significant, compact and comprehensive manner as possible. I trust that the report will meet the desires.

Sincerely yours,



Naziat Afrin
Student ID: 18282012
BRAC Institute of Governance & Development (BIGD), BIGD
Brac University
Date: July, 26, 2022

Non-Disclosure Agreement

This agreement is made and entered into by and between Lite Electronics Limited and the undersigned student at BRAC Institute of Governance and Development, Brac University. Lite Electronics Limited allowed me to prepare a report on “Cost Efficiency in Supply Chain Management: a case on Lite Electronics Ltd.” in partial to fulfillment of the requirements for the degree of Masters of Procurement and Supply Management. I have the opportunity to work closely with the officials of the organization and have access to official data and information. Based on work experience and data and information collected by me will prepare a report. I will use all sorts of data and information for academic purpose and will not disclose to any party against the interests of Lite Electronics Limited.

Student’s Full Name and Signature:



Naziat Afrin

18282012

Workplace Supervisor’s Full Name & Signature:



Kazi Mazharul Islam

Lite Electronics Ltd.

Acknowledgement

I wish to express my sincere gratitude to Mr. Kazi Mazharul Islam, CEO on providing me with the opportunity to do my project work at “Lite Electronics Ltd.” for the last 6 months. It was a learning experience and his support has immensely helped me to complete the project work.

I also sincerely want to thank Mr. Mohammad Sirajul Islam for the guidance throughout the project work and in preparation of the report.

Executive Summary

This practicum report has been prepared based on my 6 months project work which I successfully completed at 'Lite Electronics Ltd.', a sister concern of 'Edison Group' from February 2022 to July 2022 as a requirement for my Masters in Procurement and Supply Management (MPSM) at BRAC Institute of Governance and Development, Brac University. The topic of the report is 'Cost Efficiency in Supply Chain Management: a case on Lite Electronics Ltd.' which describes the supply chain functions process and procedures, integral part of the supply chain function, cost bearer for the function and ways in which the costs are being managed efficiently.

The first chapter is a short brief of the organization including the vision and goals, categories of business operated by the organization and the mode of product distribution and promotion. It also includes the organogram of the organization and the objectives of the organization.

The second chapter contains the description of supply chain management in the organization and how the organization is managing the portfolio of business. It also describes the importance of supplier management for the organization and impact of the business operation in the market.

The third chapter is the project work and findings where the major cost criteria of the supply chain function is described and projects taken to improve efficiency in operations. This chapter is divide into three parts based on the three projects that I undertook during my organizational attachment and each part describes the background of the projects and the results of each projects individually.

The final chapter draws conclusion to the importance of supply chain and the impact of effectively managing cost for the organization along with recommendations on how to keep on maintaining the process to remain the market leader in supply chain management.

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List of Acronyms

COO	Country Of Origin
GM (Gross Margin)	Gross Margin
QC (Quality Check)	Quality Check

Glossary

Fixed Tool Cost	By this I meant all production require certain tools that are non-changing and can be used for a certain time period or number of times.
Fixed Battery Models	By this I meant phones having non removable battery as for all the new ones where battery can only be removed by experts
Sole Distributor	By this I meant the only authorized organization to import and distribute products in certain geography/country

Chapter 1

Overview of Lite Electronics Ltd. and Practicum Objectives

1.1 Brief overview of Lite Electronics Ltd.

‘Lite Electronics Limited’ is a sister concern of ‘Edison Group’ which is mostly known for Symphony Mobile Brand. Lite Electronics is operating in Bangladesh market since 2017. Their initial operation started with another mobile brand name “Lite”. Currently they have realigned their business focusing solely on electric gadgets. Their name is associated with some world leading brands in audio products, wearable smart devices, mobile phone accessories and personal smart gadgets. They are also the authorized sole distributor of JBL & Harman Kardon in Bangladesh, Amazfit and Haylou wearable gears and gadgets. Apart from being the sole distributor, they have also established themselves as one of the major importers and traders of renowned brands like Xiaomi and Redmi.

Their main business is still manufacturing like the mother brand “Symphony”. They are also manufacturing accessories for mobile phone. They are currently famous for ‘Edison’ and ‘Symphony’ branded accessories and also the leading local brand in this sector. They have established a modern equipped manufacturing unit, so that they can keep contributing a significant portion of essential cellphone accessories like chargers, batteries, power bank, headphones etc.

Lite Electronics Ltd. shares the same values as of Edison Group. Their goal is to bring transparency and drastic change in current gadget market and to shift the consumer behavioral pattern from low-priced and counterfeit products to authentic original products. In this goal, they have also established unbeatable after sales service, so that consumers can feel safe and secured regarding their spending. To facilitate purchase experience with current trend, they have also established in-house e-commerce platform with home delivery along with nationwide

distribution channel of over 100+ territorial partners, for customers to find authentic products in closest proximity. They have also collaborated with popular online stores like Daraz, Pickaboo etc. which have expanded their reach to the doorsteps of customers all over Bangladesh.

Original authentic products has its own value over the low-priced, counterfeit products. Hence, they have been able to establish themselves as the choice of supply source for many multinationals, pharmaceuticals and consumer brands companies for their promotional gift hampers and annual conference gift hampers etc.

Organizational Structure of Lite electronics Ltd is as follows:

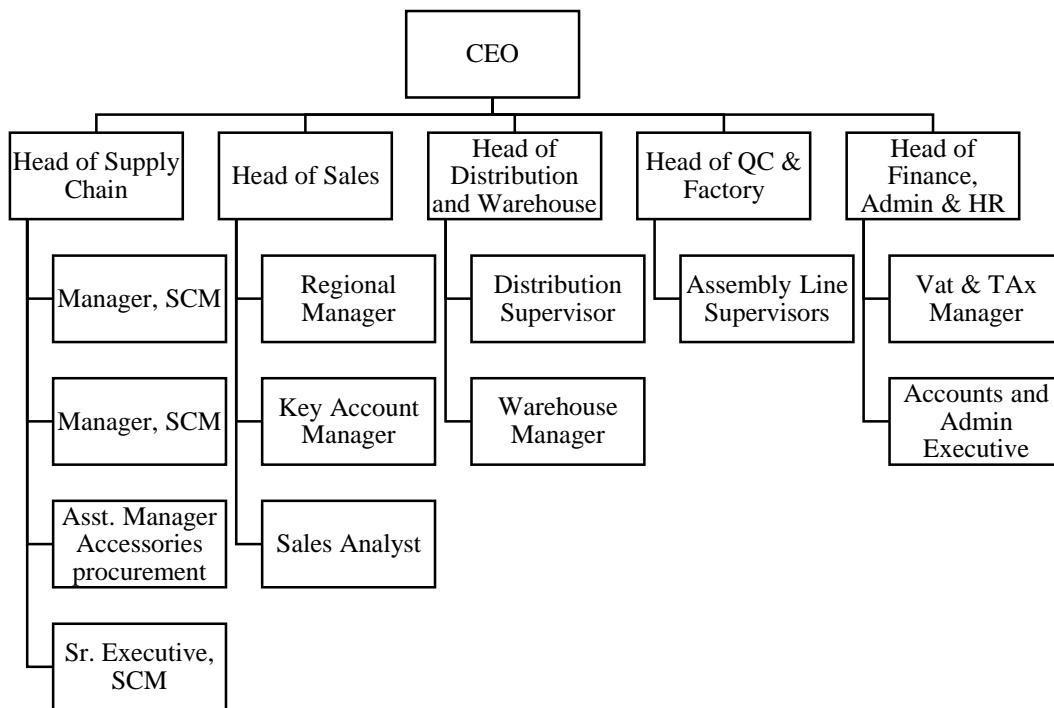


Figure 1.1: Organogram of Lite Electronics Ltd.

Objectives of Lite Electronics Ltd is as follows:

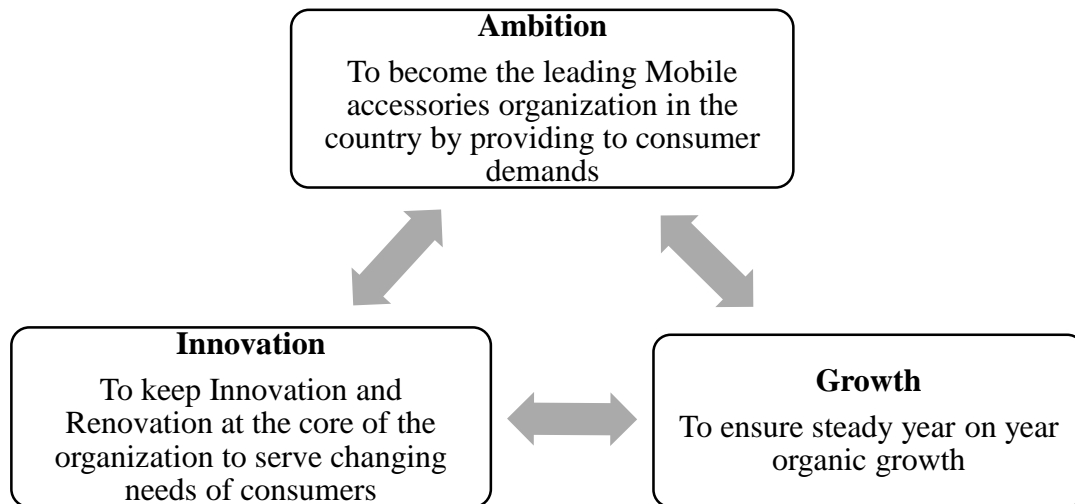


Figure 1.2: Objective of Organization

1.2 Practicum Timeline and Objectives

The timeline of practicum with Lite Electronics Ltd. is from February 2022 to July 2022. My Practicum topic is ‘Cost Efficiency in Supply Chain Management: a case on Lite Electronics Ltd.’

While selecting practicum topic, many articles have been studied and main driving factors of supply chain management have been considered like inventory control, technology, production, location, information etc. While checking the factors individually at Lite Electronics perspective, everything results in cost effect on company profitability. Also current market is very price sensitive, along with quality sensitivity. Over a specific price bar, customers start expecting a certain level quality in product and to achieve that cost efficiency is the main key factor. Although product cost itself carries a major portion of COGS but there

are other cost provisions that are considered in product pricing, which determines if a product will be a hit or miss in the market. From historical sales data study, it was very clear only below 5% of products' success depends on product quality and design alone, rest 95% depends on the combination of price, design, quality. Moreover, from company end, it was also facing some supply challenges which increased the company's costs to keep product price position as per market benchmarking.

In this context, to address the current market challenges from supply chain end in Lite Electronics, I was interested to examine cost efficiency in supply chain management as my practicum work with specific focuses on:

- Reducing cost of current supply products in total cost effect,
- Comparing supplier to supplier and finding out if any cost efficiency can be introduced,
- Maintaining cost efficiency by developing rapport with suppliers,
- Creating scope of supplier contribution in reducing cost,
- Bringing cost efficiency with long term planning in product design stage.

Chapter 2

Supply Chain Management of Lite Electronics Ltd.

Supply chain operations are an essential part of all businesses. To minimize operational expenditure, reduce working capital, and generate revenue faster, Lite Electronics Ltd. built a responsive supply chain to support all projects. They optimized flow management to reduce inventory and accelerate the launch of new products. They ensure that material is delivered to the right place at the right time by mitigating potential risk and taking appropriate action. They have a weekly review process of inventory and consumption checking to avoid shortfall and enable finance to plan their cash flow smoothly.

Each major portfolio is carefully designed to be supervised by one portfolio manager to monitor demand and supply and address of any upcoming shortfall or excess inventory and revise planning and execution accordingly. Each portfolio manager is also responsible for the profit and loss connecting with market shift and over period of time of transit. Knowing market and upcoming technology is a key part of their day to day work. Introducing new technology and new gadgets has also been merged in supply chain in the organization which resulted in supply chain being responsible to create new demand along with replenishing current demand.

Product management, sourcing, logistics, contract management and risk management etc. has all been made a part of supply chain management also. Supplier contact is a vital part in the organization's supply chain dimension. Quality and reliable supplier is a key part of the supply chain process, therefore selecting certified and top rated supplier for one product line is not only an essential part but also what determines the success of the whole chain up to product success in the market. Knowing when to plan is not only a requirement but it can make a paradigm shift in the market and enjoying the monopoly business for a time, also avoiding excess inventory and obsolete inventory.

Currently the company are sourcing and procuring complete unit and semi knocked down all types of mobile accessories and gadgets. Table 2.1 presents a portion of monthly procurement.

Sl.	Country of Origin	Supplier	Item	Volume
1	China	Shenzhen Unipow Electronics. Ltd.	Housing	BDT 2,040,000
2	China	Shenzhen Unipow Electronics. Ltd.	Cable	BDT 4,420,000
3	China	Shenzhen Unipow Electronics. Ltd.	Pcba	BDT 6,936,000
4	China	Shenzhen Tianmao Battery Ltd.	Battery SKD	BDT 2,142,000
5	China	Shenzhen Utility Battery Ltd.	Battery SKD	BDT 10,200,000
6	Duabi	Harman Kardon	Sound systems	BDT 1,000,000

Table 2.1: Monthly procurement at Lite Electronics

Lite electronics supply chain management is led by supply chain head who reports to CEO of the company. The team consists of 5 members. Four account managers report to supply chain head. Each account manager is responsible for their own account's success in the market for timely launching and stock replenishment.

Supply chain process at Lite Electronics Ltd. can be divided into two stages. First stage would be, new model launching which starts from demand analysis and market benchmarking. Once an item is found that has market opportunity at a certain price point at which product quality and regular sales time in a year, account manager starts sourcing product from existing supplier and also source new suppliers. Once many options are found, the account manager prepares a pricing to see which product can be sold at target price maintaining standard gross margin. Then the appearance is matched with existing market products.

Those that are finally selected based on specification, pricing and appearance are selected for sample testing. Respective suppliers are then instructed to send samples to QC team in China. After having full quality and reliability testing, QC passed models are finally selected for order.

Once purchase order is issued with management approval, supplier starts production accordingly to lead time of PO. Once shipment is ready, mass production is then subject to mass production QC checking. If shipment is passed in QC, then it's shipped out or if failed, it's again up for rework. Suppliers are penalized for missing delivery time either for quality issue rework or delay. Once goods reach central warehouse, then it's listed in inventory system for enabling sales department to start selling.

Second Stage would be reorder of running models, as per trend analysis, account manager checks weekly consumption and monthly twice reorder level checked against demand forecasting and planned activities in normal sales time. For exception, daily consumption level is daily checked to avoid any abnormal shortage. Then reorder quantity is adjusted with forecasting result of certain period of times.

The company keep 30 days safety stock as majority of its items are of 90 days lead time. It uses the following formula to reorder.

Reorder Level: Safety Stock + (Daily Avg. Sales x Avg. lead time)

Reorder Quantity: (Daily Avg. Sales x Avg. lead time) + Forecasting adjustment

Chapter 3

Project Work, Findings and Observation

Cost Efficiency is a broad aspect for any supply chain management. Supplier has always been one of the major integral parts in cost efficiency and also product design contributes largely achieving cost efficiency. Therefore, the study of executed tasks of this report is based on cost effectiveness through supplier selection, evaluation, management and product design.

With the COVID effect and recent economic instability, for numerous factors, there has been made a drastic change in the raw materials market and therefore, a change in material quality and respectively price of raw materials along with conversion rates have increased beyond expectations. Whether in the local market, the price of competitors' products hasn't increased. It forces many brands in a corner to either compromise with product quality or ensure product quality while losing market share. Ensuring product quality is also highly dependable on supplier's organization structure, their own strength of process, their supplier strength, their business size and so on.

As part of practicum, I have worked on the following areas of supply chain management in Lite Electronics to bring more cost efficiency within the company;

- Supplier evaluation and current supply analysis
- Effective supplier management
- Product design alignment with cost efficiency

3.1 Supplier Evaluation

Back in March 2022, all the company's enlisted suppliers have been reevaluated. They were facing serious challenges in their supply chain management along with price. As a result company faced huge challenges to maintain their selling price, timely delivery and quality.

To take proper measure against it, while working with team I have performed below tasks.

- i. Data Collection and Validation:** Along with the team, I listed down each incident in particularly. Then, all data have been summarized for each incident. All types of information have been cross checked with suppliers themselves to avoid any error.
- ii. Data Analysis:** Each data was then analyzed and evaluated if it could be avoided beforehand. Also, duration of information validity was measured over a period of time.
- iii. Development and Execution:** After the analysis, a timeline was fixed about how frequently a certain graded supplier should be reevaluated. An extensive evaluation form was prepared for both new and enlisted suppliers. Based on their information in form, each supplier was rated from 01 to 10. The highest rated suppliers were given more priority and more business. Some businesses were shifted from lower rated suppliers to higher rated suppliers slowly, while a few businesses were still carried out with medium to lower graded suppliers based on product sensitivity to price, quality and market requirements. Also, each supplier has been brought under a legal business agreement.

Above tasks and analysis gave me some interesting insights of the result and I observed some interesting facts, such as,

- i. Avoiding Future Challenges:** Some of the incidents could be earlier addressed if we had proper information in time. These types of information enabled us to take some strategic business decisions as well. We also found, supplier information

changes over a period of time like rolling investment, assembly lines, resource count, facilities, management issues etc. which affect their delivery lead time, material price and owing up to manufacture errors.

- ii. Limitation of TCO:** Only total cost count (TCO) approach has a grey area, like future shipment wastage, quality issue, warranty or claim support these are often not considered in TCO. To ensure quality, the suppliers that are already providing to other renowned brands is a safe and consistent choice. Suppliers who were rated higher, they tend to be more responsive to ownership, maintaining agreement, can ensure proper quality and can maintain delivery lead time (exception force majeure). Even if lower rated supplier is offering more competitive price but once shipment arrives, there are many loss count like, short quantity, poor shipment packaging results in damaged materials, sometimes low quality or mixed quality which eventually increases the final cost. Higher rated suppliers can offer more technical insight that results in reducing wastage by removing unnecessary material upgrade. In case of any slow moving product, higher rated suppliers' product usually has more shelf life and can be preserved in good condition for a long time. In some incidents lower rated supplier also delivered same quality shipment as higher rated supplier within expected lead time but it's hardly consistent. With higher rated supplier, business is more cost efficient as consistent quality delivered within agreed timeline which enable us to operate with lesser investment.

These are the main and major finding I found from the comparison analysis of existing supplier along with many other minor findings.

The major observations are described as follows: Firstly, Supplier Evaluation other than product and price offering, can impact a company's cost efficiency in a great level. Either it can create a serious disaster or it can enable a company to achieve cost efficiency if all suppliers

are properly evaluated. Once a supplier is enlisted without proper evaluation and actively supplying, it creates huge risk of an epidemic failure.

Secondly, only product engineering alone can't ensure quality of mass production, for that it's very important that supplier has a standard quality assurance practice in place. Pre evaluated supply pool, creates a strong base to work on and keeps smooth supply, which eventually enables to increase product diversity and business volume. Pre-evaluated suppliers also needs to be reevaluated every quarter to have proper knowledge everything is ok at supplier's end.

Lastly, nothing works better than human touch, the procurement official responsible for a certain supplier can bring out more information that may get overlooked in a form structure.

The Evaluation form is attached in Appendix A.

3.2 Effective Supplier Management

Core suppliers for any organization often act like partners and the relationship is very strong. Buyer's business growth and expense also becomes their topic of interest. In this case, strong supplier management, rewarding supplier for their contribution, giving supplier opportunity to suggest innovations, to encourage open communication often results in many cost savings initiatives.

To keep company's suppliers interested in company, along with the team, I sent my account's delivery feedback within agreed time frame, regarding quality, delivery etc. Then, there is an agreed period of credit in PO, all team members including me, maintained the time in majority, so they feel no insecurity with their investment. Business volume works also a great motivating factor, therefore, based on their performance criteria, the company increased or reduced their business volume along with proper communication, so they have a clear information of how they can improve.

Majority of the company's suppliers are volume manufacturer and therefore prefer to avoid any sort of complicity. Along with team members, I kept process simple and welcoming for company's suppliers, so that they feel welcome to discuss with account managers if any market change has taken place.

Lastly, I often asked for their suggestion in time of developing a new product and the best rated supplier solution we often awarded with the specific business.

Along with other team members, I found there are certain changes that occur when any one or two tasks from above have been performed. There are many behavioral changes noticed in terms of all aspect from suppliers. For example, regular delivery feedback reduces supplier's stress and tension about their delivered supply, making them feel more secured with their investment. Now, as their investment is secured, they feel safer to provide the company with a more competitive price than the market and thus reducing company's cost as well. It also resulted in reducing the tendency to quote high even in initial phase. They felt more connected with buyer's organization and felt a motivation to get engaged to get new projects.

I observed some major cost saving outcomes during the tenure of the internship. Like, there was a significant positive change in supplier's attitude towards company which resulted in reduction of fixed costs for the company. One of the suppliers had contributed in cost saving by reengineering 3 models in one tool set up which saved the company of a large amount of fixed cost and added 3% in each project's gross margin. This indicates that if a supplier feels connected and can vision a clear business prospect, they are willing to share reengineering solutions thus reducing project costs.

On the other hand, it was also observed that those suppliers who were paid less attention to, grew farther and less interested in overall supplier performance, and made more delays. Their performance started to grow once expectations were addressed along with the current status.

3.3 Product design alignment with cost efficiency

Product packaging plays a vital role in marketing as well as protecting the product from any harm and maintains the integrity of the product. It supports organization branding, creates a deep impact in consumer mind and can play as a major role in promoting the product. It's also a direct expense in cost of goods sold.

However, fixed battery models of each mobile handset are not a unique size. As an example, Xiaomi BN46, Redmi Note 6, iPhone 6S etc. all these handsets' batteries are of different sizes. Therefore, the packet dimension also needs to be different corresponding with the battery sizes. Which means each battery models need to have its own unique dimension of packet to protect the product from inside.

In aspect of procurement, that is as many fixed tool cost as the number of models selected for selling. On the other hand, the minimum order quantity of each packaging model is much higher than actual monthly demand, leaving a surplus packaging material in inventory for a long period.

To mitigate the challenge, while working with team, I planned and performed the following tasks to achieve the most cost-effective solution.

The models and monthly demand for 2022 were forecasted. Then, all the models' dimensions were measured. From the measurement data the highest and lowest dimensions were taken and a range of dimension was created which would fit all models in between. To specify model names on each packet, introduced a need basis sticker that denotes model names and technical major specifications and for the outer box, designed one common packet for all models. Along with this, a common inner packet structure to protect both the largest and smallest size within was designed as well.

Major finding from this study was, procurement can be thought as a whole along with individual projects. In a certain period of time, if the procurements are analyzed together, then

there are scope of many modularity or common purchase that can both save up cost by giving bulk order or can save up inventory by making common components that can be used for multiple products. Therefore, the above discussed process in a flow chart,

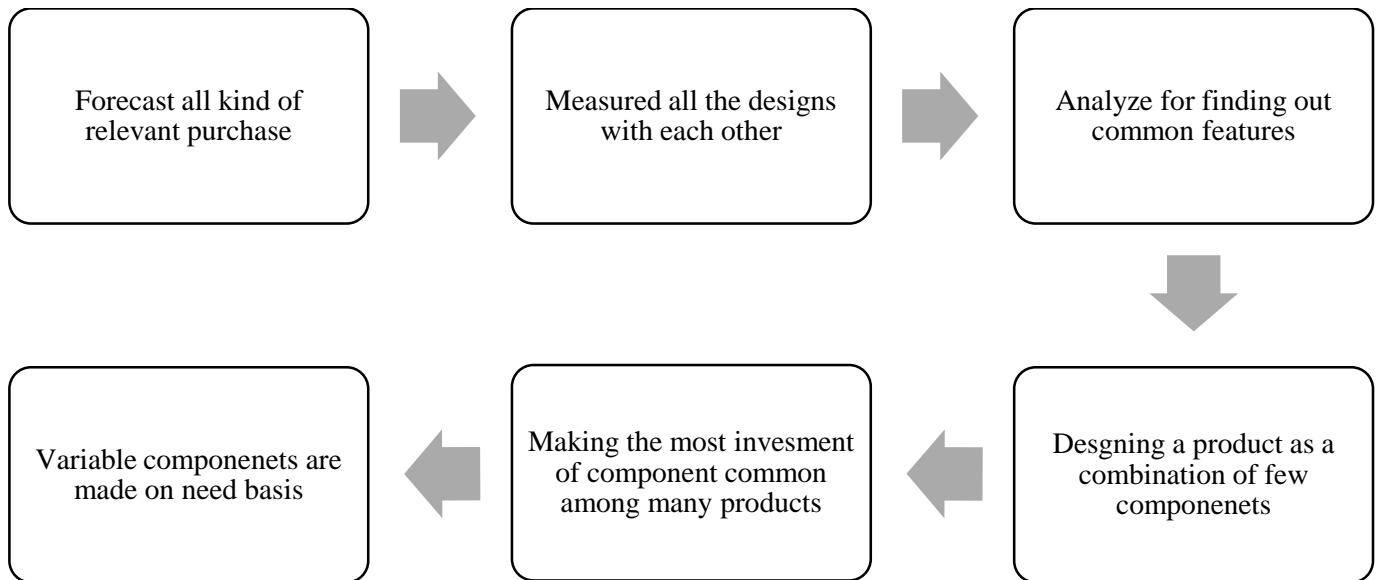


Figure 2.1: Procurement re-design for modularity

My findings on the specific study are that, the minimum order quantity challenge was solved. We saved up fixed tool cost of more than 30 models currently which in future will increase exponentially as consumption of more models is projected to increase next year and years after as well. I was able to minimize the inventory level of packaging also.

Although it's a well-known fact that product design saves opportunity cost most of the cases, we found and observed, that from supply chain aspect, additional R&D can be performed that results in cost saving. Research and development can save a lot of costs for an organization before the cost even incurred. Each research and development, takes a minimum time to review the whole process and see if there are any option for modularity. Even if there is a modularity, market needs to accept that modularity, so reengineering modularity must be matched with market demand. If all purchases take place without any kind of R&D, usually the cost becomes higher and recurring, as once a product is launched, it needs to continue at least for a time being.

Chapter 4: Conclusion and Recommendation

4.1 Conclusion

Lite Electronics supply chain function has opportunities to be developed in many areas. Being a fairly new set-up, the function is also being shaped along with adapting with the dynamic nature of the market. Particularly, in cost efficiency segment, total cost of a product is one of the vital point along with others. It is very important that there is efficiency is each step of the business from the supplier selection to the final delivery to the customer to maintain market superiority and be the market leader. If not maintained and controlled effectively, it can easily increase additional cost for the organization along with supply imbalance.

In a market that is extremely sensitive to price but also needs a certain quality, one or two supply incident can disrupt the normal flow which may affect the monthly revenue pool. For new start up business, monthly revenue is the most important factor along with bottom-line P&L. To ensure that, supply chain mainly needs to maintain present process smoothly along with ensuring more developments.

This is where the effective supplier selection procedure along with periodic evaluation using the scorecard can help retaining the best suppliers that will ensure reduction of cost by bringing efficiency in operations. Hence, there is no alternative to effective supplier management to manage business and cost as well. Product and related accessories design also plays a vital role in managing the cost of business and effective and innovative ideas like one packaging of all size products can help manage cost and save time in operation and help in increasing business as well.

4.2 Recommendations

Lite Electronics Supply chain should accommodate additional procedures like,

i. Supplier Enlistment & Evaluation

New suppliers should be introduced through strong pre-evaluation process. First three shipments should not be bulk but rather small quantity to test supplier integrity and process strength. Supplier pool should be a proper mix of big to medium category suppliers according to type of inventory.

ii. Supplier Management

Supplier should be kept in connection and should be shared with proper feedback. A reward system should be maintained for better performed suppliers. All supplier performance should be always measured and rated and based on this potential supplier also needs to be developed.

iii. Product Design Modularity

Product design and standard should be clearly fixed according to market demand, In development stage, a product should be reviewed to be checked if there is any unnecessary value added to reduce waste. Projects should be cross checked for modularity, so that more modularity and common materials can be used.

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Appendix A.

SECTION 1

Part 1 – Company Information

1.01 Full name of company

[please provide copy of the certificate of incorporation]

1.02 Company registration number

[please insert company registration number]

1.03 Company Established Year and Operation Started Year

1.04 Full postal address of your company

1.05 Contact details

Telephone number :

Website address :

Responsible person	Name & Position	Email Address	Telephone number	Wechat ID
Managing Director				
Key Contacts				

1.06 Your company Organogram and (if part of Group) Group Structure

[Please provide on a separate sheet your company organisation chart in support of your response to this item]

1.07 Acceptable Payment Methods (L/C, T/T, Bank Transfer etc.), Account Availability

1	Acceptable Payment Methods	
2	Account availability in Currency (as RMB, USD)	
3	Currency wise location of Account	

1.08 Financial position

[Provide the following information relating to financial position of your company]

1	Authorized Capital	
2	Present Paid-up Capital	
3	Accumulated Reserves	

1.09 Financial report

[Provide most recent financial report of your company]

SL.	Year	Est. Turnover (US Dollars/RMB) Range	Result
1			
2			
3			

1.10 Own Brand Names and Other Brands Affiliation/Association

(Please mention the name of brands)

SL.	1	2	3	4	5
Own Brand Names					
Associated Brand Names					

1.11 Type Of Business (Manufacturing, Design and Assembler, Trader)

1.12 Main business product category and services of your company

[Please mention you product category. Please also include your company brochures]

Sl	Criteria	Main Component Manufacturer	Manufacture	Assembler	Trading
1					
2					
3					
4					
5					
6					
7					

1.13 In-house resources

[state here in a brief summary your in-house resources on below categories, or alternatively your company’s preferred partner or key sub-contractor on these services.]

Services	Number of own, permanent employees	Location	Number of hired labor	Location
Process Engineering				
Product Engineering				
Product Testing				
Quality Management				
Project Management				
Procurement				
Logistics				

1.14 Your relevant production facilities proposed including location

[please provide on a separate sheet complete facility description including lay-out sketch, shop drawings, warehouse facilities etc. in support of your response to this item]

Sl	Production Facility Details	Name of Machineries	No. of Machineries	Location
1				
2				
3				
4				

Product details for products provided by your company to Another Brand

[See attachment 2 for list of categories you can enlist for, please note that for registration into each category, you MUST provide three valid references]

Based on the above description of your company’s business products and services, you are invited to select a list of three references to your previous & current engagements to be presented in the “Three Selected References Return Form”. Please make sure that your selected references are recent, representative and relevant:

- Of a recent date
- Representative for your company’s present resources and engagements
- Relevant to your company’s mentioned business products and services

1.04 Do you have a documented Quality Policy signed by Top Management? Yes / No?

Answer:

1.05 Do you have a documented Quality Policy for ensuring raw materials' quality? Yes / No?

Answer:

1.06 Do you perform planned and documented management reviews? Yes / No?

Answer:

1.07 Do you perform planned internal audits and issue reports according to ISO 9001? Yes / No?

Answer:

1.08 Do you have a procedure for handling corrective actions, i.e. identify and analyze root causes?

Answer:

Part 2 – Health, Safety and Environment (HSE)

2.01 Do you have a documented HSE Policy signed by Top Management? Yes / No?

Answer:

2.02 Do you have a documented and implemented HSE Management System? Yes / No?

Answer:

2.03 Do you record accidents, incidents and near misses and are you reporting monthly safety statistics?

Answer:

2.04 Do you perform regular documented management review of accidents, incidents and near misses in order to make improvements? Yes / No?

Answer:

2.05 Do you have a Risk Management Procedure and a corresponding Risk Register? Yes / No?

Answer:

2.06 Has your company been prosecuted, subject to prohibition/improvement notices or the like by the Health and Safety Authorities in the past five years, or are there any pending? Yes / No?

Answer:

Part 3 – Sub-contractors

3.01 Do you plan, perform and report audits on your sub-contractors? Yes/NO?

Answer:

3.02 Do you have a procedure, a plan for quality surveillance of sub- contractors? Yes/NO?

Answer:

3.03 Is there One or more components are outsourced from subcontractor

Sl.	Category	Component	Subcontract Scope	Daily capacity of subcontractor
1				
2				

SECTION 3 Checklist

Verify if following information is enclosed:

- 1. Certificate of incorporation Company brochures Organization chart
- 2. Complete yard/facility description incl. lay-out sketch, warehouse facilities etc.
- 3. Total Manpower
- 4. List of Machinery

References

DECLARATION

I, the undersigned, hereby certify that to the best of my knowledge, the particulars given in this submission are true and correct. I authorize Lite Electronics to make direct enquiries and references to any person, firm, public official or organization, named in this Form to verify information submitted herein or regard competence and general reputation of the company.

For [Name of the Company]

Name (print):

Title:

Date:

Sign:

E-mail:

NOTE: All Information here within is 100% confidential and it will be maintained by Lite electronics with the confidentiality.

These information is to only for better understanding of suppliers strength and compliance to reduce f