



# INTERNSHIP REPORT ON S. R TRADING LTD.

**Yasmeen Haque Swarna**

BRAC Business School

ID: 10104126

## **LETTER OF TRANSMITTAL**

15th May 2017

Ms. Taznin Khan

Lecturer

BRAC Business School

BRAC University

Subject: **Submission of Internship report**

Dear Madam,

I, Yasmeen Haque Swarna, student of BRAC Business School, am glad to say that I am now submitting my internship report after working for 3 months at S. R Trading Ltd. as an intern. I worked in the Sales & Marketing Department of the company. My report is involved with the details of my assigned tasks during my internship period.

Hence, I am hoping that you will appreciate my informative and detailed approach. In case of any further clarification or queries about the report, you are most welcome to have discussions with me.

Thank you.

Best regards,

Yasmeen Haque Swarna

ID: 10104126

## **ACKNOWLEDGEMENT**

Firstly, I begin with thanking the Almighty for everything in my life. I would like to express my immense gratitude towards my academic supervisor Ms Taznin Khan, Lecturer of BRAC Business School, BRAC University, for all your patience that you have delegated in me during the project. Completion of this report has only been possible for all the necessary helps that you always provide unconditionally to your student.

Secondly, I would like to thank, Mr Shamsul Haque Bhuiyan, CEO of S. R Trading Ltd. for considering me capable enough to learn the process of trading in Bangladesh and allowing me to involve in projects outside my field. Thanks for being a constant power house of motivation to all the employee of S. R Trading.

Finally I would convey my special thanks to each of my family members specially my husband whose endless support, encouragement, and, inspirations guided me always and helped me to become who I am today.

## **EXECUTIVE SUMMARY**

A company providing quality products to Government for more than 30 years, operating in all over Bangladesh, with a workforce of more than 3000 employees and, with the objective to be the leader in trading is none other than S. R Trading. Its mission is to grow as a top-class specialized-technology trading company that provides “top-class products” incorporating “the most innovative” technology. Highly cautious to stay committed to their mission and to create shared value through their business principles motivated me to do my internship program. This paper is based upon S. R Trading Ltd’s organizational overview, my exposure to their business process in the field of marketing. I hope that my report would give some insight to all the responsibilities carried out during my tenure as an intern. With limited access to data due to confidentiality, I have tried to provide as much information as were possible about the works involving during my employment in S. R Trading Ltd.

## Table of Contents

<b>INTRODUCTION</b> .....	5
<b>PRODUCT</b> .....	6
<b>OPRERATIONAL NETWORK ORGANOGRAM</b> .....	7
<b>VISION &amp; OBJECTIVE OF THE COMPANY</b> .....	9
<b>DESCRIPTION OF THE JOB</b> .....	10
<b>PROJECT</b> .....	12
SWOT ANALYSIS.....	12
PESTEL ANALYSIS.....	14
CONTRIBUTION OF THE GOVERNMENT.....	16
GROWTH OF S. R TRADING.....	18
<b>FINDINGS</b> .....	19
<b>RECOMMENDATION</b> .....	20
<b>CONCLUSION</b> .....	21

## **INTRODUCTION**

S.R. Trading is an organization which trades, assembles and provides after sales service of opto-electronic products. It also provides the services of price bidding, quotation, import satellite frequency channel receiving system equipment, telecom control frequency, office automated equipment, and optic lens. Taking “Best Solutions” as their starting point, S.R. Trading are constantly involved in the development of daring and positive business activities. In line with their corporate statement “Looking for the New-next,” it is their aim to continue to provide the customers with the very best in cutting-edge solutions. They want to continue to grow as a top-class specialized-technology trading company that provides “top-class products” incorporating “the most innovative” technology, expertise and information, with excellent coordination skills and global-support systems. S.R. Trading is specialized in the sales of construction machinery both at home and abroad. Since their establishment, they have gained a favorable business reputation with the spirit of wholehearted commitment and constant innovation as well as the ability to exhibit hangings on a well-designed basis. They have a team of excellent staff members who are dynamic and inquisitive with strict disciplines for quality regulation. They assure the best service and superior quality. S.R Trading mainly deals in the sales of construction machinery as follows: truck cranes, loaders, bulldozer, quay cranes, harbor cranes, and crawler cranes, Asphalt Mixing Plant, Asphalt Pavers and lot more.

## **HISTORY**

From a trading company in the early eighties, SR Trading has literally become a household name in less than thirty years. Over the years, it has expanded its activities into different sectors in order to ensure excellence in the service to the customers. Because of its continuous diversification, it has shaped itself as a true conglomerate from its original identity as an export import based organization. S.R. Trading is working with ISO certified organization, they make sure that they are evaluating environmental performance consistently and striving to make enhancements.

## PRODUCT

The major products of SR Trading are mentioned below:-

1. Track-type
  - a. Agricultural tractors
  - b. Air-track
  - c. Bull dozer
  - d. Military engineering vehicles
2. Grader
3. Skid Steer
4. Excavator
  - a. Compact excavator
  - b. Dragging excavator
  - c. Trencher
  - d. Steam shovel
  - e. Slurry wall excavator
5. Mining
  - a. Construction & mining tractors
  - b. Construction & mining trucks
6. Articulated
  - a. Articulated hauler
  - b. Articulated truck
  - c. Water wagon
7. Compactor
  - a. Wheel dozers
  - b. Soil stabilizer
8. Loader
  - a. Skip loader
  - b. Wheel loader
9. Material Handler
  - a. Aerial work platform
  - b. Boom truck
  - c. Cherry picker
  - d. Road roller

10. Heavy duty

- a. Ballast tamper
- b. Drilling machine
- c. Pile driver

11. Fire fighting vehicle

- a. Industrials vehicle
- b. Municipal vehicles
- c. Airport vehicles

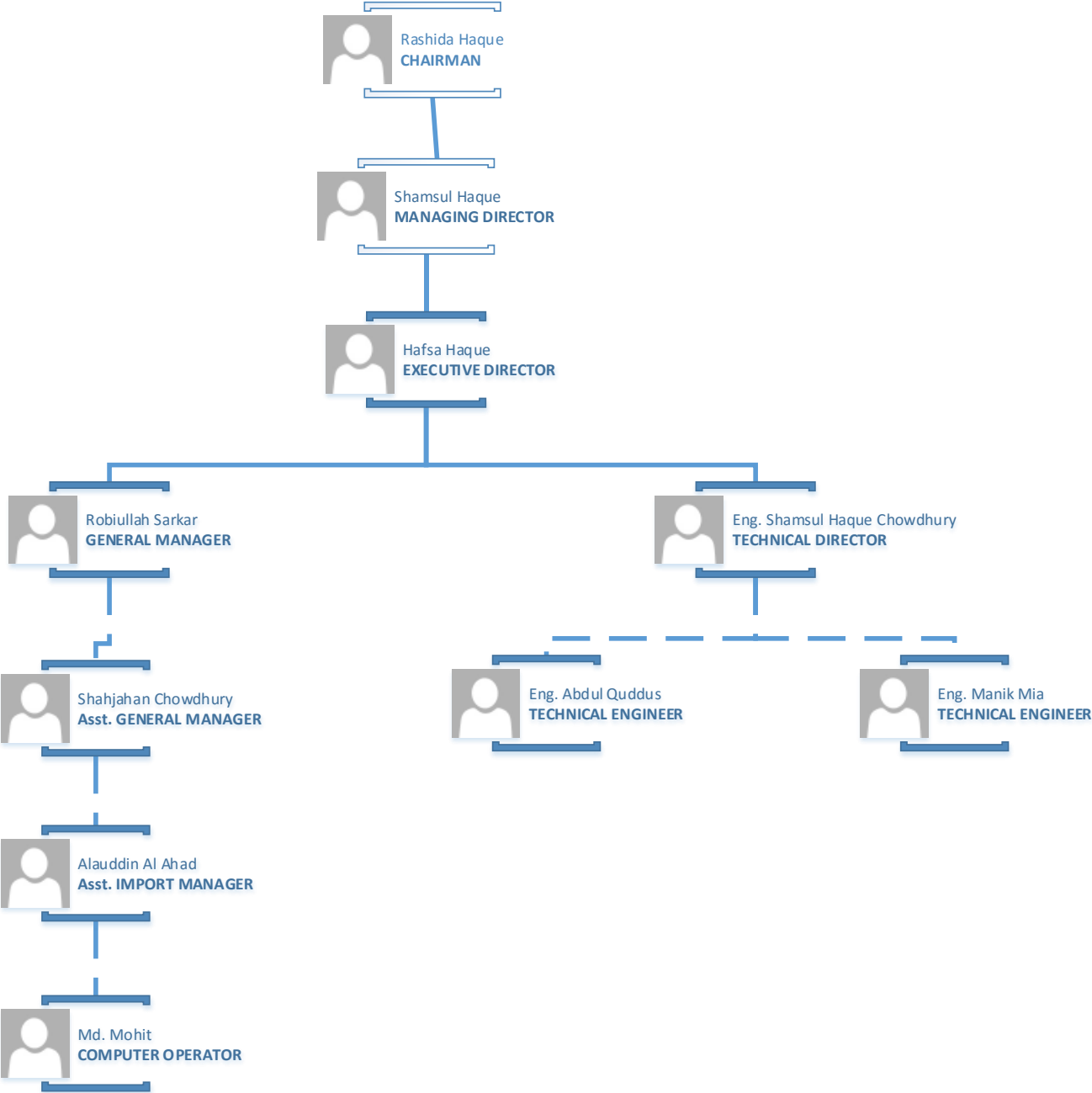
12. Medical Equipment

- a. Wheel chair
- b. Automated bed

13. Solar



# OPERATIONAL NETWORK ORGANOGRAM



## **Vision of the Company**

The aim of SR Trading is to provide their customers with the very best in cutting-edge solutions. They will continue to grow as a top-class specialized-technology trading company that provides “top-class products” incorporating “the most innovative” technology, expertise and information, with excellent coordination skills and global-support system.

## **Objective of the Company**

The objective of S.R trading is to be the leading supplier of constructions equipment and service support in Bangladesh providing their customers with quality (ISO, CE, TUV certified) products, and outstanding service. S.R trading is based on four values-

- Make It Easy
- Keep Promises
- Be Inspiring
- Be Respectful

## DESCRIPTION OF THE JOB

I was given supporting jobs to accomplish. They provide the opportunities to an intern to learn many things. Working at a trading company like S.R trading was a true corporate orientation for me. Employees perform their regular duties and they involved me as a support to achieve those. I basically accomplished several duties. The principles were set by them and I was just a follower. Sometimes I tried to put my academic knowledge to make it better. They always appreciate that. To work with these professional people, theoretical and practical knowledge were necessary. I basically performed these following tasks:

1. **Networking and liaising with suppliers:** I used to search for the suppliers over the internet for the required equipment. Once I get the desired supplier for a specific product then I used to contact with them for their work order including price, product specification and information of profit sharing.
2. **Maintaining the relationship with the existing customers:** After sales service is very strong department in S.R Trading. I had to contact with the existing customer for their feedback and passed the information to the service department.
3. **Receiving the products from the port:** Sometimes I had to personally receive the products from the Chittagong port along with the MD.
4. **Contributing to marketing plans and strategies:** Brainstorming is one of the most common scenario in S.R Trading. Most of the time, we used to sit together or go outside for making a better plan and strategies for the company.
5. **Preparing PPT Slide:**  
I had to prepare Power Point Slides of the vendors for the specific products and had to give the presentation in board meeting.

## **OBJECTIVES OF THE REPORT**

### **Primary Objective**

- To represent the process of trading in Bangladesh
- To portray the actual scenario of the trading companies in Bangladesh

### **Secondary Objective**

- To present a background information on S. R Trading Ltd
- To present my learnings at S. R Trading Ltd
- To relate theoretical learning with the practical field
- To learn how trading sector conducts their work

## **METHODOLOGY**

Since the customer of S. R Trading is Government, data has been collected only from primary source for this report.

### **Primary data collection**

The primary source was my internship tenure during which I worked in S. R Trading and gathered information about my research topic from employee and as well as CEO of the company. Also I had to take interview of Mr. Shamsul Haque Bhuiyan, CEO of S.R Trading about the details of the company including History and Growth as well.

### **Limitations**

- Due to the lack of information and customer is government only, market survey could not be conducted. This means that in order to take the research forward a full-fledged survey needs to be conducted.
- Also due to confidentiality issues, I was not shared many information of S. R Trading which would have been helpful for my project like finding the analysis and product evaluation.

# **PROJECT**

## **SWOT ANALYSIS**

A scan of the internal & external environment is an important part of the strategic planning process. Environment factors internal to the firm usually can be classified as strengths(s) or weaknesses (w) & these external to the firm can be classified as opportunities (o) or threats (t) such as analysis of these strategies environment is referred to as a SWOT analysis.

The SWOT analysis provides information that is helpful in matching the firm's resources & capabilities to the competitive environment in which it operates. As such it is instrumental in strategy formulation & selection. The following diagram shows how a SWOT analysis fits into an environment scan.

### **Strength**

A firm's strength is its resources and capabilities that can be used as a basis for developing a competitive advantage.

1. Recognized by World Bank, Asian Development Bank and Jica (Japan International Cooperation Agency) as a qualified trading supplier in Bangladesh
2. Long Experience in trading sector
3. Good reputation among customer
4. Excellent sales staff with strong knowledge of existing products
5. Strong team management
6. Financial support from Bank because of goodwill of the company

### **Weakness**

The absence of strength may be viewed as a weakness. For example each of the following may be considered weaknesses

1. Lack of Manpower
2. Outdated database system

3. No motivational session among employee
4. High rental cost for a small company
5. Weak Brand name

### **Opportunities**

The external environment analysis may reveal certain new opportunities for profit & growth. Some examples of such opportunities include

1. Since government is the only customer, therefore the scope of trading is high.
2. SR Trading has started participating in international trading
3. Arrival of new technology

### **Threats**

Changes in the external environment also may present threats to the firm. Some examples of such threats include

1. Emergence of substitute product
2. Too many strong competitors such as Akij Group, Petrola Group, Uttara Motors
3. Competitors
4. Increased trade barriers
5. New regulations
6. Some local threats always exists so that taking part in tenders becomes difficult

## **PESTEL ANALYSIS**

PESTEL analysis is a business measurement tool, looking at factors external to the organization. PESTEL analysis is an acronym for Political, Economic, Social, Technological, Environmental and Legal factors that commonly affect business activities and performance.

### **Political**

Instability of the political situation has an impact on the organization. When Hartal or the incident of Holy Artisan occurred, the international suppliers from Japan, China didn't want to take any risk by sending their engineers which delayed the tender process. Last year the turnover of SR Trading went down to \$ 10 Lac from \$ 30 Lac. Sometimes the qualified company like SR Trading does not get the tender due to the bureaucracy of the government. Most of the time small company like SR Trading faces problem to get the tender because of the high level of corruptions in the government sector.

### **Economic**

Due to high interest rate which is nearly 14%, small company like SR Trading faces burden to attend the tender.

### **Social**

Since there are many holidays in Bangladesh, the employees take leave more often which breaks the continuity of the business. Apart from that as a small company, social culture doesn't affect much.

### **Technological**

Due to the advancement of the technology, trading and communicating with the suppliers has become easy for small companies like SR Trading.

## **Environmental**

Environmental factor is a huge factor for a trading company. Due to the bad weather, shipment of the product becomes tougher.

## **Legal**

Usually SR Trading tries to maintain the 8hrs office timing but sometimes they have to work overtime because of the dead line of the tender submission.



## **CONTRIBUTION OF THE GOVERNMENT**

The main channel for selling goods in Bangladesh is through a local agent that is an agent, wholesaler or distributor. If authorized, companies may use their local agents to service industrial consumers and bid on government contracts. More than half of Bangladesh's imports are made through tender or direct purchase by public sector corporations and government controlled corporations. These organizations prefer to deal with local firms acting as exclusive agents or distributors of foreign manufacturers and suppliers. Foreign firms should consider hiring an exclusive agent/distributor to monitor these projects. Agent-principle agreements may be either exclusive or non-exclusive. Non-exclusive arrangements are common for commodities where brand names are not important.

The government has moved to reduce the number of items on its list of banned imports and has eliminated the need for import licenses. However, some products are still banned from importation, including certain maps, obscene materials, socially or religiously offensive items, all types of wastes, and substandard or rejected goods, as well as all imports from South Africa or Israel. All commercial importers are issued pass books in which their import authorizations are validated. The issuance of a pass book is a formality for items not on the controlled or restricted lists. Pass books are valid for 12 months

### **Import Duties:**

Despite some recent reductions, tariffs in Bangladesh remain high, averaging over 50percent. At the recommendation of the World Bank, Bangladesh has placed a 100percent tariff ceiling on most goods, with the intention of bringing the ceiling down to 60percent in fiscal year 1993-94. A value-added tax (VAT) of 10 to 20 percent and additional fees, typically adding up to 15 percent of the cost and freight value, are also applied to imports. Duties are reduced to 2.5 percent for installation of imported machinery in less developed areas. Duties are also reduced to 2.5 percent for capital machinery and factories which use 70 percent or more indigenous materials and for imported machinery for export-oriented industries. Exemptions from duties and the import sales tax are available for a variety of goods.

**Documentation:**

Documentation required for commercial shipments to Bangladesh include a commercial invoice, bill of lading or air waybill, an insurance certificate that must be underwritten by the “Sadaran Bima Corporation” or any Bangladesh insurance company. A certificate of origin may be requested.

**General import regulations and requirements**

Importing most goods does not require an import license. All importers must be registered with the Ministry of Commerce. Some goods are restricted or prohibited.

**Prohibited or highly restricted imports**

Prior permission is required to import goods on the restricted list. Certain restricted goods may be imported only by authorized users. Imports from Serbia and Montenegro are prohibited. Bangladesh observes a boycott of Israel. Imports may not ship on Israeli flag vessels. No vessel or aircraft used for shipments to Bangladesh may call on any port in Israel.

**Import customs tariff**

Bangladesh uses the Harmonized Tariff System for tariff classification. Tariff rates are set at 10, 15, 20, and 25 percent. Certain products are exempt from duties. Additional taxes/charges which may apply:

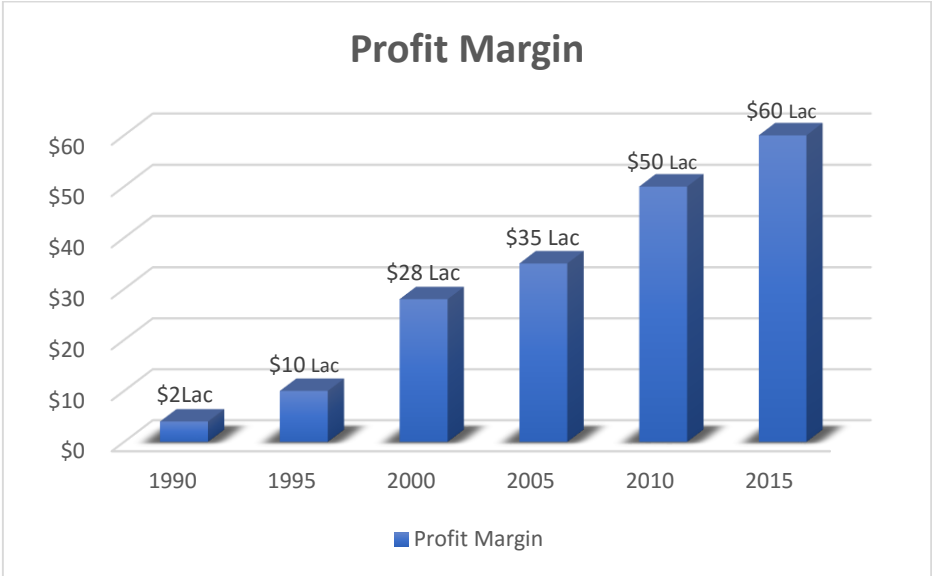
- 15 percent value-added tax
- Supplemental tax on certain goods
- Landing fee
- Insurance charge

**General import license/permit requirements**

Most goods do not require an import license. The Ministry of Commerce requires registration of each importer. Prior approval is required to import goods on the restricted list. Certain restricted goods may be imported only by authorized users. There are no tariff quotas on imports.

### GROWTH OF S R TRADING

When S R Trading has started his journey in the early eighties, it didn't see the profit. In 1990, it saw its profit for the first time which was USD 2 lac. Later on, it never saw the loss. In 1995, the profit increased and it was USD 10 lac. In 2000, 2005, 2010 and 2015 profit was respectively USD 28 lac, 35 lac, 50 lac and 60 lac.



## **FINDINGS**

Corruption affects many aspects of daily life in Bangladesh and is often cited as a barrier to trading sector. One of the biggest challenges facing trading companies in Bangladesh is how to avoid paying ‘speed money’. ‘Speed money’ is unofficial, which is given to the officials to accelerate the business. Politicians, bureaucrats and law enforcement officials often exercise significant discretionary power which affects the company also.

Moreover, the process by which the products are imported, that is too lengthy. From the beginning of the tender submission and till the arrival and hand over of the product, it requires an overall time of 3 months. It’s important to mention that sometimes the time gets extended too if the manufacturers don’t complete the product on time or if the vessel required for the shipment of the product is not available. Therefore it raises the cost of the importer again.

In addition, I would like to include that it would have been better if the process of the tender was more technologically advanced because government is still following the old traditional tender process where we have to submit 300-400 pages of information about the company, the product specifications, and transaction process, manufacturer’s information etc. Though E-tendering has started very recently, but it would be great if it is adopted in every sector of the government more rapidly.

## RECOMMENDATION

Trading businesses have been doing really good in Bangladesh. But there are complains also like S. R Trading is not technologically advanced, still they are doing the traditional business.

I would like to recommend few things that are written below:

- S. R Trading should hire some efficient people in terms of using new technology. Though they have employees who are very experienced in this field but sadly most are technologically challenged. So there should be a mix of both experienced and techsavvy employee in the firm at this point.
- There should be some strict regulation about the delay that the manufacturers cause because of their unprofessionalism, so that if they ask for an extension of the desired time, they must compensate.
- The government should also make some strict rules regarding the ‘speed money’ and corruption, so that it does not hinder the business of small companies like S.R. Trading and if such rules can be ensured, then companies will have maximum profit.

## **CONCLUSION**

S. R Trading has been running for around 30 years and within these years they have made a benchmark as the leading trading company in Bangladesh. Throughout these years a lot has changed, many competitors entered the market but S. R Trading still holds the top spot in the market because of the positive image it has gained throughout these years and for the commitment they have made to the Government and kept it.

Being a small part of this prestigious company has enabled me to gain my first corporate exposure in a friendly environment which inspired me highly to acquire knowledge in the field of marketing more. Thus, the internship opportunity in S. R Trading has helped me to learn to deal with people extensively and allowed me to study different types of processes with the department of Sales & Marketing, work with different departments during executing projects and, I feel very enthralled about my overall experience at S. R Trading.