



Retail Branding and
Information Solutions

Inspired Brands. Intelligent World.™

**“Functional Overview of Finance Department:
Avery Dennison Bangladesh”**

Internship Report on

“Functional Overview of Finance Department: Avery Dennison Bangladesh”



Prepared by:

KanizFatema

ID: 13304128

Course: Bus 400 (Internship)

Internship Period: 19.08.17 to 20.11.17 at



Submission Date: 04.12.17

External Supervisor:

Md. Faisal Kabir
Assistant Manager,
Finance Department



Internal Supervisor:

Dr. Md. Mamun Habib
Associate Professor,
BRAC Business School



Letter of Transmittal

4th December, 2017

Dr. Md. MamunHabib

Associate Professor,

BRAC Business School,

BRAC University

Subject: Internship report submission.

Dear Sir,

I would like to draw your kind attention towards the submission of my internship report; and the topic is “**Functional Overview of Finance Department: Avery Dennison Bangladesh**”. This report is an inevitable requirement for the completion of the bachelor degree.

To prepare this report I have collected what I believe to be the most relevant information to make my report as analytical and reliable as possible. I have concentrated my best effort to achieve the objectives of the report and hope that my endeavor will serve the purpose. The practical knowledge and experience gathered during my report preparation will immeasurably help in my future professional life.

Before preparing this report, my core objective was to make the writing language easy for readers, to instill my own style of writing, and to make a piece of authenticity that would tell the story of finance department functions of Avery Dennison Bangladesh. The practical knowledge and experience gathered during my report preparation has broadened my perspective and helped enhancing my writing in this report. And, if you have any inquiry regarding any part of this report, I would gladly answer your queries. Thank you, sir, for guiding me all these months.

Yours Sincerely,

Kaniz Fatema

ID: 13304128

BRAC Business School

Acknowledgements

I would like to express my in-depth gratefulness for the guidance, motivation, and supervision from my department as well as from every Avery Dennison Bangladesh personnel, my internal and external supervisor, and my department colleagues.

Moreover, I believe I am fortunate enough to get such a down-to-earth external supervisor, Md. Faisal Kabir, Assistant Manager (Core Finance), Avery Dennison Bangladesh, for his genuine guidance and urge to teach me throughout these three months. To get accustomed with a very new environment was quite a challenge for me each day; however, the empathy and ingenuity of my finance department have helped me to continue and successfully end my internship program.

Furthermore, I wish to show my utmost gratification to all the officials, my colleagues of Avery Dennison Bangladesh; especially the teams that I have worked with. I would like to mention the name of Md. Mazharul Hoque for making me learn many excel techniques, to teach me printing, scanning, photocopying in large HP machines, and to provide me all about tax challan related knowledge. I would also acknowledge A.B.M Ahsan Aziz (Senior Executive, Finance) for facilitating me with challenging tasks that introduced me with the AD Factory. He made me know about the labeling and packaging machines, processes that I never saw in my life. He also introduced me with the software AD uses and taught me working a bit there. Also, he made me learn some exquisite excel formulas that will help me in the long run. I cannot but thank Mr. AtiarRahman (Manager, Finance) for he always tried to push me above and beyond. He always pointed out where I was good and where I was not and his genuine opinion has pushed me to act better each day. How I can forget to mention Miss RehanaPervin (Executive, Finance) for that she taught me many things about invoice payment. NaimaYeasmin (Accounts payable officer, Finance), made me familiar with the work environment, taught me about emotion management. Finally, I would like to show my gratification for the guidance of Dr. Md. MamunHabib, Associate Professor, BRAC Business School, BRAC University, for his knowledgeable advice and guidance in preparing this report.

Executive Summary

Avery Dennison Bangladesh is the leading organization in the industry of garments packaging and labeling and it is being serving a huge range of customers for many years. Avery Dennison Bangladesh is working with their consumers by adding value for them, creating customer's brand image, building customer's brands, generating new ideas, creating new products, managing their data and distributing their merchandise throughout supply chain. Getting opportunity to work in core finance function at ADBD Finance department, I get to learn about fixed asset verification, tax challan, certificates preparation, invoice payment preparation, and payment summary reconciliation processes practiced in Avery Dennison Bangladesh Finance Department. The title of the report is "*Functional Overview of Finance Department: Avery Dennison Bangladesh*". The report is based on both primary and secondary data analysis. In the overall report I have tried to focus mainly on how Avery Dennison Bangladesh Finance department functions distinctively. Basically the department has four wings. One is Finance also known as Finance core, Finance planning, Corporate & Regulatory affairs and Credit Control.

This report is a detailed representation of all the mentioned topics and contains a preliminary discussion about Avery Dennison Finance Department. This company is the market leader in the packaging and labeling sector in Bangladesh. The normal day to day finance department functional activities are illustrated in order to make the processes look easy in the eyes of readers. Finally, I have tried to give some recommendations from my learning that I have got from my day to day job at Avery Dennison and from my university lectures as well.

Table of Contents

Chapter	Title	Page
	Letter of Transmittal	i
	Acknowledgement	ii
	Executive Summary	iii
Chapter 1	Introduction	1-4
1.1	Rationale of the Study	1
1.2	Background of the Study	1
1.3	Objective	2
1.4	Methodology	2
1.5	Scope of the Study	3
1.6	Limitation of the Study	3
1.7	Literature Review	4
Chapter 2	Organization Profile	5-28
2.1	Introduction	5
2.2	Highlight of Avery Dennison	6-14
2.3	History	14-16
2.4	Vision and Mission	19-21
2.5	Product Offerings	1-27
2.6	Overview of the Departments	28
Chapter 3	Functional Overview and Internship Experience	29-51
3.1	Finance Department Functions	29
3.2	Job Description	30-32
3.3	Finance Department: Functional Overview	33-51
3.3.1	Core Finance	33-46

3.3.2	Credit Control	47-49
3.3.3	Financial Planning	49-50
3.3.4	Corporate and Regulatory	50-51
Chapter 4	Contribution, Findings, Recommendation and Conclusion	52-55
4.1	Contribution	52
4.2	Findings	53
4.3	Recommendation	53
4.4	Conclusion	54
4.5	Bibliography	55

CHAPTER 1: INTRODUCTION

1.1: Rationale of the Study

Avery Dennison has been reigning over 80 years as global leader by providing labeling and packaging materials and merchandising solutions for the retail and apparel industry for decades. It has business operation in more than 75 countries around the world and continues to expand its footprint in emerging markets.

When I have started to study for the interview of getting into the internship program of Avery Dennison Bangladesh, I found all abundant information of Avery Dennison Global online. When I searched precisely, I hardly found integrated company information that would thoroughly describe all the functions AD Bangladesh deal with. Therefore, I wanted to write something genuine that even if it would illustrate only one function in details, my concern would be satisfied. This internship report is very important for base of my career. I wish to endeavor my authentic writing in this report so that the reader can distinctly visualize the finance department I have worked in. Easy and understandable writing, that would reach the reader with complete information about AD Bangladesh Finance department functions, is my rationale to make this report.

1.2: Background of the Study

When I have completed all the courses to complete the Bachelor of Business Administration, the last program I was required to achieve the Bachelorette degree is a three months of internship program. The Internship program refers to an attachment with an organization under the observation of a supervisor in the organization. In addition a faculty from the university is also endorsed as an advisor for each of the student who provides guidance, help and support to the student regarding his/her learning process and report preparation. I was fortunate enough to get selected as an intern in a Fortune 500 multinational company which is Paxar Bangladesh Limited, a subsidiary of Avery Dennison Corporation. I, along with my organizational supervisor decided to work on “Functional Overview of Finance Department: Avery Dennison Bangladesh” for my internship report. Dr. Md. MamunHabib (Associate Professor, Finance)

approved my selected topic and authorized me to prepare this report as a part of the fulfillment of my internship requirement and gave me proper guidance and assistance over time.

1.3: Objective

Broad Objective:

The broad objective of this report is to have a in detailed understanding of how the finance department of Avery Dennison Bangladesh functions. , I wanted to write about the finance functions such that would satisfy the reader's urge to know completely about the finance department functions.

Specific Objectives:

1. To learn about the precise functions of each sub division of Finance department
2. To talk with manager/ head position official to gather their insight and knowledge about their functions
3. Get to learn a bit of every functions (comprehensive general knowledge)
4. To sharpen my analytics through analysis of the information and recommendation

1.4: Methodology

Primary:

The primary information is collected through face to face interview, observation and by participating in the various functional tasks assigned. Also, each day I used to talk directly with my colleagues, other personnel, even with factory workers to get to know the business and perhaps, to gather all the information necessary for preparing my report.

Secondary:

The secondary information collected from website, magazine, memorandum, journals, internal database and some other relevant sources. Both primary and secondary data sources were used to generate this report. The secondary data sources are website, different published reports, manuals, different publications of “Paxar/Avery Dennison”.

1.5: Scope of the Study

The report enlightens the working functions of AD Bangladesh finance department. The report illustrates how in practical the finance deals with critical issues. The study will allow learning about the steps, process and procedures that the accounts payable and receivable team follows. Moreover, the study will help to differentiate between the practice and the theories that direct to realize how the organization’s financing works. Furthermore, the report contains many suggestions which will provide the opportunity to find out the comprehensive functions of each and every personnel of AD finance department.

1.6: Limitations of the Study

The main limitation of the study was the collection of information, because the finance department information is most delicate and confidential. Therefore, I had to think twice before putting any information in my report. Also, the officials encouraged me to provide generic information in my report so that no specialized functional performance get exposed outside the company; which I found justified and loved their ethics, loyalty and strict policy whatsoever. It was also a biggest challenge as I have to make a complete qualitative research paper. As I believe in “quality matters, not quantity”, I must prove worth of my report making it enriched with quality information. Time constraint was also a major challenge for preparing the report given by the organization because after performing all the challenging tasks there, I got a very few hours every day to manage time and work on my report.

1.6: Literature Review

Some studies I have done in perception of Avery Dennison global finance functions. However, all the country's general policy, function of finance department is somewhat alike. For instance, Griffin claims that corporate finance forms the backbone of a corporation (Griffin, 2002). He also states that vendors and creditors require payment correctly and on time to keep things running smoothly and, also, must stay liquid with the right amount of cash on hand, finance must maintain payment plans that keep everything on track. That's I have tried to observe in my company to compare the financial function with global functional activities. Smith asserts that where there are cash needs beyond the day to day working capital, the finance department is responsible for advising and sourcing longer term financing. (J.A Smith, 2014). Payne illustrates that Organisational performance is fundamental to global and national performance – economically, socially and environmentally. In turn such performance is significantly influenced, for good or ill, by the role of the CFO and the finance function it is imperative we deepen our understanding of what works, how and in what circumstances (Payne, 2009).

CHAPTER 2: ORGANIZATION PROFILE

2.1: Introduction

Avery Dennison Corporation (NYSE: AVY) is a FORTUNE 500 Company with sales of \$6.3 billion from its continuing operations in 2014. It was established in 1935 by Mr. Ray Stanton Avery. Avery Dennison is renowned for its labeling and packaging materials and solutions all over the world. The head-office is situated in Glendale, California. After the acquisition of Paxar, Avery Dennison now has more than 30,000 employees in over 50 countries worldwide. Avery Dennison Corporation (Avery Dennison) develop, manufactures and distributes pressure-sensitive labeling materials, packaging materials, display graphics, retail graphic embellishments, a variety of tickets, tags, labels and radio-frequency identification (RFID) tags.

Avery Dennison Bangladesh is working with their consumers by adding value for them, creating customer's brand image, building customer's brands, generating new ideas, creating new products, managing their data and distributing their merchandise throughout supply chain. They design and manufacture tickets, tags and labels and provide the technology, including the printers and software controlling systems. Their pressure-sensitive adhesive labels, tags and packaging materials enhance shelf-appeal of readymade garments, beauty products, food items, beverages and health products; simultaneously provides consumers with important information. The customers of Avery Dennison Bangladesh Limited are the world's major RBOs (Retailers & Brand Owners), branded apparel companies and industrial markets.

2.2: Highlight of Avery Dennison

1935

The Avery Dennison story begins with a few spare parts, one very bright idea, and \$100. Ray Stanton Avery invents a smarter way for stores to price products with the first self-adhesive, die-cut labeling machine.



Picture: Ray Stanton Avery

1947

William Sessions, owner of William Sessions Limited of York, England, becomes one of Avery's earliest franchise holders.



Picture: William Sessions

1955

Fasson self-adhesive business opens its first European plant in Leiden, Holland.

1960

The Dennison invention of the Swiftach fastening system revolutionizes apparel retail by producing a quick, safe, and cost-effective method to attach price and brand tags to products.

1961

Avery Adhesive Products, Inc. becomes a publicly traded company.



Image: Avery Adhesive process

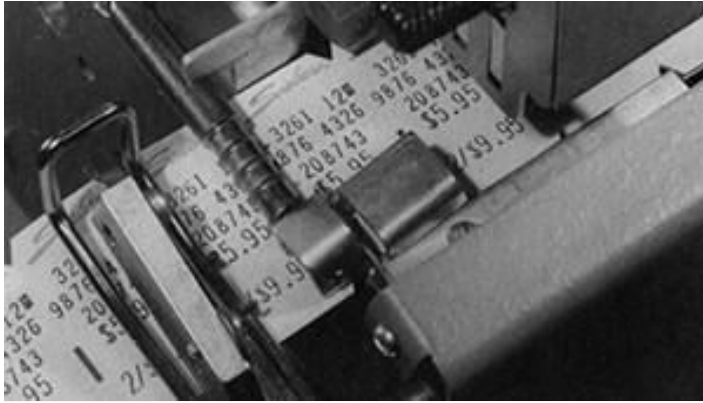
1967

Avery Products Corp (AVY) is listed on the New York Stock Exchange



1968

As a first move into the apparel industry, Avery Dennison acquires Soabar. This pressure-sensitive tape customer manufactures apparel tags and labels for pricing and identification.



1974

The Company joins the Fortune 500. Its pressure-sensitive materials are used in the first U.S. self-adhesive postage stamp.

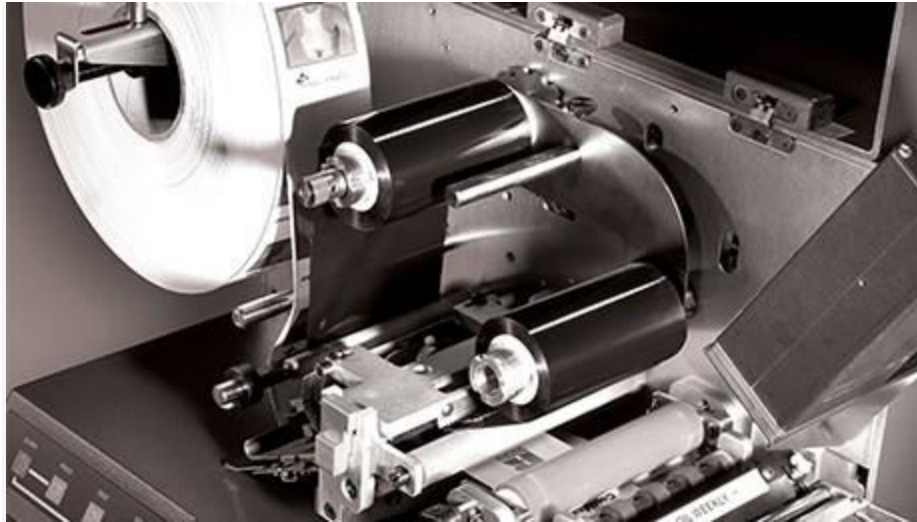


1985

Sales reach one billion dollars; Company has 9,000 employees, 100 manufacturing facilities and sales offices in 25 countries.

1987

Paxar Corporation produces world's first multi-substrate, in-plant printer capable of printing care labels and price tickets.



1995

Avery Dennison builds its first pressure-sensitive materials plant in China.

1998

LokPrint is created, a breakthrough digital denim care label solution that withstands extreme denim and industrial wash processes.

2002

Avery Dennison acquires RVL and L&E Packaging, and partners with TradeCard, Inc. Retail Information Services is formed and becomes the Corporation's fastest growing business.



2003

We develop custom brand protection solutions for Performance Apparel market that allow tracking and authentication throughout the supply chain. New 'tagless' Avery Dennison heat transfer label technology is developed.



2004

The first 'content- insensitive' Radio Frequency Identification (RFID) label is created. The RFID inlay high-speed manufacturing process is commercialized.



2005

The Snap 500™ in-plant printer is launched. It facilitates multilingual, variable data care label solutions, enabling brands and retailers to meet global compliance requirements.

2007

Avery Dennison acquires Paxar Corporation, becoming the global apparel and footwear branding and information solutions market leader with expanded geographic reach, improved capabilities, and world-class creative design services.



2008

We initiate rollout of Forest Stewardship Council Chain of Custody to all paper tag printing sites so customers can prove sustainable practices. Sales exceed 6 billion dollars.

2009

Avery Dennison introduces recycled fasteners made from plastic beverage bottles.

Gerry Weber Group is the first German fashion company to use Avery Dennison RFID technology



2010

Leading performance brand uses Avery Dennison woven jacquard label badges made from 100% recycled polyester on its sponsored uniforms in the World Cup tournament.



2011

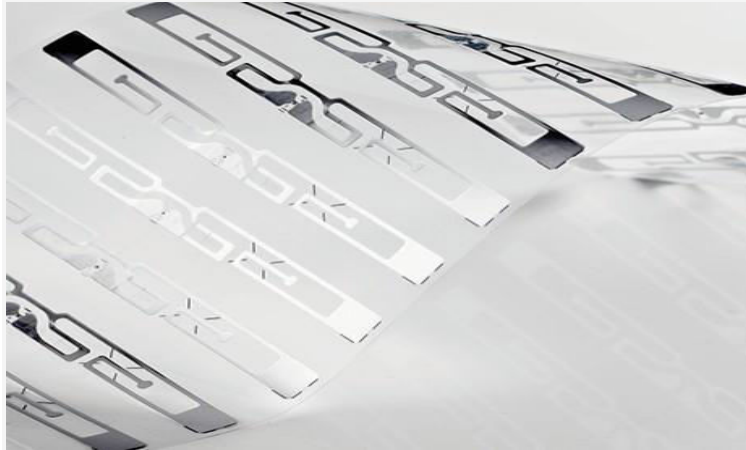
Avery Dennison strengthens its environmental efforts with the publication of our first Sustainability Report. Greenprint is launched, and Agility™ High-Definition Heat Transfer graphics on performance/ sports lifestyle apparel become bestsellers for Footlocker and Champs. We join the Sustainable Apparel Coalition.



2013

As the market leader in RFID innovation, we enable the adoption of RFID technology for

retailers and brands with multiple new solutions: metal and liquid tagging and Smart Face™ technology.



2014

Avery Dennison RBIS announces a joint venture with the largest vertically integrated knitwear manufacturer in China, Ningbo Shenzhou Knitting Co. Ltd. Our Los Angeles Customer Design and Innovation Centers opens, offering a forward-reaching collaborative experience for apparel and footwear designers.



2016

Our world-class, 300,000 square foot facility in Long An, Vietnam opens to offer a full range of solutions, including external embellishments and component weaving, across the region.



2.3: History

Avery Dennison Corporation has a long and prosperous history of growth. The Paxar story began with the launch of Meyer Tag and Label Company by two brothers Louie and Jack Meyer in New York City in 1918; though the company started some of its activities back in late 1800 A.D. The founding father of Paxar Corporation, Mr Leon Hershaft was a young immigrant from Europe who worked at Meyer Tag and Label as a pressman. When the company grew gradually and became a reputed company, then MrHershaft was appointed as a general manager. In 1940, his brother Mr also joined the company. Later in 1940's, when Meyer borthers split then Mr Leon Hershaft and Fred Hershaft bought the company from Jack Meyer and in 1951 moved their main factory from Brooklyn, NY to Sayre, PA to avoid labor problems in the City. The Hershaft brothers let other members of the family to join the company.

From 1986 to 2006, MrHershaft's oldest son, Mr Arthur Hershaft served as Paxar's Chairman of the Board. In 1969, it became a publicly held company and changed its name to Packaging Systems Corporation. The manufacturing activities continued to grow further in later years. In 1971, Paxar introduced its first patented printing system called "FASCO"; the coated fabrics and colorfast inks that chemically cross-linked with the fabric; a label manufacturer could produce 5

million labels a day on an offset paper with this new technology. Paxar soon became the dominant printed fabric label manufacturer in United States.

In Bangladesh, a promising country in global economy, Paxar is operating as a subsidiary of Avery Dennison Corporation under the name of Paxar Bangladesh Limited. It has gradually become one of the leading manufacturers of this particular industry in South East Asia. Avery Dennison Corporation completes the acquisition of Paxar Corporation in 2007 which is one of the top MNCs of USA and operating in more 50 countries around the world.

Global Reach and Further Expansion of Business

With a change in strategic decision in 1987, Paxar started the era of acquisitions. To grow the company's tag and label business, the carded visual packaging division was sold and resources were re-allocated in order to. This landmark facilitated Paxar to its first European operations in England, Germany and Italy. Paxar continued to acquire new businesses over the next 17 years and companies were established in Europe, Asia, Africa, the Middle Latin America and North America. Paxar brought innovation and designed new product and later they introduced woven labels, bar code products, graphic tags, soft apparel labeling, heat transfers and other items. It bought two woven label company in New York and North Carolina also a big operation in Hong Kong which led us to be the major woven label producer in not only in America but also in Far East.

In 1988, it became the largest printed fabric label company in the world and formed PAXAR after purchasing Rospatch of Lenoir Inc, North Carolina (its largest competitor in the printed label business). Paxar acquired the National Tag Co. of Vandalia, Ohio in 1991. In the meantime, Paxar utilized all the opportunities of NAFTA. Gradually it expanded its businesses and made acquisition in European countries and became MNC through setting up Paxar Poland, Paxar Benelux, Paxar Turkey, Paxar France, a sales office in Athens & Greece, as well as buying a coated fabric company in Italy from early 1994 till late 1998.

In the following years, Paxar acquired/formed companies in Columbia, Mexico, Brazil, Honduras, Canada and Dominican Republic. Among the South East Asian Countries Bangladesh is greatly emerging country in global economy, and by this time it has become the proud beneficiary of Paxar Bangladesh. Paxar Bangladesh Limited is the largest producer of Paxar's type of product for the RMG market among South East Asian countries.

Avery Dennison Corporation Completed Its Acquisition of Paxar Corporation (2007)

Avery Dennison Corporation completed its acquisition of Paxar Corporation following the approval of the transaction by Paxar's shareholders at its Annual Meeting on June 14, 2007.

President and chief executive officer of Avery Dennison, Dean Scarborough said "This acquisition will strengthen a dynamic and important part of our business". Avery Dennison announced a classic agreement to acquire Paxar for \$30.50 per share on March 22, 2007, in a cash transaction valued at approximately \$1.34 billion. The purchase of Paxar has been funded through the commercial paper market, supported by a bridge facility arranged by JPMorgan Chase Bank, N.A.

The Company is committed in maintain a strong investment grade credit rating and to return its financial ratios to target levels. The Company worked with JPMorgan Chase Bank, N.A., as an arranger; and with the rating agencies to complete the permanent financing in the following months. The acquisition of Paxar was a land marking step, since, it expanded the presence of Avery Dennison Corporation worldwide in the growing retail and brand identification market.

Now, the Avery Dennison is producing finest products and services for the customers and letting us to provide the service within proper time. This acquisition also facilitated us to catch the new segments of the markets including retailers serving local customers in emerging markets such as China and India. With the acquisition of Paxar, Avery Dennison's Retail Information Services (RIS) business was expected to represent about 24 percent of Avery Dennison's revenues which was more than 12 percent of the amount before the combination.

Location

Paxar Bangladesh Ltd is the newest arena of Paxar family. This state-of -the-art factory opened for business in November 2002 but start business from December 1st 2002. The company is set up in Dhaka Export Processing Zone (BEPZ, Savar Factory) and the corporate office is situated at 3/F Uday Tower, 57 Gulshan Avenue, Dhaka 1212. Altogether there are almost 1500 employees and 500 employers working in this organization. Paxar Bangladesh is accountable for report to Paxar Hong Kong.



Image: Dhaka Export Processing Zone (Baipail Factory)



Image: 3/F Uday Tower, 57 Gulshan Avenue, Dhaka

History of Avery Dennison Corporation (1935) - One Very Bright Idea Created a Large Industry

In 1935, the Avery Dennison story begins with a loan of only \$100, a few spare parts and with one very bright idea. The founding father of Avery Dennison is Mr. Ray Stanton Avery who was a struggling clerk in Los-Angeles. He invented a more helpful way for shops and stores to price their products and later became the pioneer of the labeling industry. With some simple materials Mr. Avery created and patented the first self-adhesive, die-cut labeling machine. In 1990, Avery International merged with Dennison Manufacturing and became Avery Dennison.

Expansion, Acquisition, Growth & Becoming the Fortune 500 Company (1945-1975)

During World War II (1945), new industrial uses for self-adhesive labels expand significantly triggering the Company's rapid growth. Later, Avery Adhesive established its first license holder in England and formed a new customer base in abroad. Following this, the Company created a new self-adhesive base materials business, Fasson, and constructed the first base materials plant in Painesville, Ohio. The opening of new manufacturing facilities introduced new technologically superior adhesives. By the end of its second decade, Avery Adhesives obtained sales of \$5 million.

In 1955, Avery Dennison established its first overseas subsidiary in the Netherlands. Through the sale of 250,000 shares of common stock, Avery Adhesives went public and issued its first cash dividend in 1964. By the end of third decade, its' sales reached \$40 million having 15 plants in the United States and overseas. In 1974, Avery Products was widely recognized because of its inclusion on the Fortune list of the 500 largest U.S. industrial corporations and continued to grow with annual sales at \$300 million.

Becoming Avery Dennison through Merging with Dennison in 1990

The company strengthened its market positions and extended its product lines through further acquisitions. Avery Dennison moved the headquarter to a new Corporate Center in Pasadena, California, since, sales move toward \$1 billion. In 1990, the Company took a major strategic decision and merged with Dennison Company to become Avery Dennison which made the organization stronger securing global leadership position in labeling and packaging materials, office products, adhesives and label converting technology.

Global Leadership 1995 to present

Avery Dennison got the global leadership in 1995 by rapidly expanding consumer markets in developing economies in Europe, Asia Pacifica and Latin America. Adoption of new technology accelerated its opportunities to a great extent. Avery Dennison made further acquisition of Jackshaft GmbH, RVL Packaging and L&E Packaging in the year 2002.

In 2007, Avery Dennison retained sales of \$6.3 billion and ranked 382 on the 2007 Fortune 500 list of the largest U.S. corporations. Combined with Paxar, Avery Dennison now employs more than 30,000 people around the world. Today, we manufacture and distribute labeling and packaging materials in over 50 countries. In just over 75 years, it has grown from one bright idea into a global corporation which has set new standards for quality and innovation in materials science.

2.4: Mission

- **Best Quality of Products and Services:** Avery Dennison's innovative labeling & packaging technology, vast range of functional options, from eye-catching finishes, including embossing, to holograms. Avery Dennison provides good quality products within the shortest lead times.

- **Further Business Growth:**Avery Dennison is continuously working towards achieving further growth of the business and it greatly focuses on its organizational goals. We share and discuss consumer insights and emerging trends in order to create home and personal care label solutions that can achieve true product differentiation.
- **Stakeholders:**Avery Dennison value their stakeholders. Avery Dennison provides the highest possible return to our investors and dividend amount always shows a lucrative figure.
- **Customer Satisfaction:**Avery Dennison always maintain a good relationship with their customers. Large RBOs and other customers are equally important to us and we are working closely with converters and brand owners.
- **Working Environment for Employees:**Avery Dennison is committed to ensure best kind of working environment for its employees. The rewards & benefits provided to them are very special than other organization.

2.4: Vision

At Avery Dennison, our businesses are unified by the shared vision of making brands more inspiring and the world more intelligent. Throughout the world, we focus on making products more engaging, brands more compelling, inventories more productive, information more valuable and our surroundings more understandable. Avery Dennison deeply place emphasis on creating more lucrative brand, increasing brand value, making products more charming, brands more convincing, more productive and fruitful inventories, making information more valuable and worthy and the environment more reasonable. From apparel branding to food and beverage packaging, building graphics and traffic safety signs Avery Dennison play a powerful part in the human life all over the world. Avery Dennison Bangladesh is working to be recognized as the

fastest growing organization and to be most profitable unit in Avery Dennison worldwide by generating outstanding revenues in the upcoming years. Avery Dennison Bangladesh will set their high standard by providing excellent product quality, ensuring business ethics, complying the rules & regulations imposed by Bangladesh Export Processing Zone Authority (BEPZA) and also by ensuring better working environment in Bangladesh.

2.5: Product Offerings

Avery Dennison delivers a broad range of products and services. Avery Dennison has so many activities such as designing, manufacturing and distributing a wide variety of tags and labels, bar-coded labels, RFID tags, tickets etc. Avery Dennison at the forefront of helping customers utilize RFID technology. Avery Dennison has core competencies that range from graphic design to coating, weaving, and design of mechanical and electronic printers, systems integration and creation of software. Avery Dennison is a part of the garments industry manufacturing the five types of label which are:

Types	Offerings
1. Woven	Taffeta Label, Damask Label, Satin Label
2. Litho	Hanger Tickets, tags, price ticket, inside card, swing tickets
3. Flexo	Hook label, Blank transit label, Blank Unit price label(UPC blank), Hanging promotional label
4. Rotary	Fabric label, size label, age label
5. Thermal	Transit label, Box end label (BEL), Unique price label, ONS
6. RFID	Radio frequency identification tags
7. Digital	Digital printed labels
8. PFL	Printed fabric label

a) Woven:

Avery Dennison Bangladesh Ltd produces woven label. Woven department produces woven labels for which the raw material which is needed is called yarns. Yarn is used to weave as Warp ends (horizontal yarn) and Weft ends (vertical yarn). The leather patch which we usually see behind the Jeans pant, jackets etc. are called woven. There are various types of woven label:

- Satin Label
- Damask Label
- Taffeta Label



b) Flexo:

Avery Dennison gets orders of huge quantities of Stickers & Tags on a daily basis from different parts of the world. In The Flexo section stickers and T/T tickets are being produced on a large scale. A board paper or broad 250mm sticker paper is used to print on Flexo machine. The items are:

- Blank Transit Label (TRL)
- Blank Unit Price Label (UPC Blank)
- Hanging Promotional Labels (HPL)
- Hanger Label
- Hook Label



c) Litho:

Avery Dennison Bangladesh Ltd prepares millions of Tickets and Tags in the Litho printing section. This is called offset printing. Different types of offset papers are used for printing Tickets and Tags. Such as:

- Tickets
- Price ticket
- Tags
- Promotional tickets
- Swing tickets
- Inside card
- Hanger tag
- Book label

d) Thermal:

Avery Dennison Bangladesh used this printing technology only for semi-finished goods. BY Using the thermal technology, bar code is printed in the colored part of a label though flexography. The ways these bar codes are being printed are called thermal technology. Proper care needs to be taken to use this type of technology. By using Thermal Avery Dennison produces the following items:

- UPC (Unique Price Labels)
- Several types of Tags

- TRL (Usually called Transit Labels)
- BEL (Box End Labels)



e) RFID:

Radio frequency identification (RFID) tags have brought tremendous opportunities for manufacturers, retailers and suppliers to improve the track records of their inventory and to facilitate proper customer service. RFID technology uses microchips to wirelessly transmit product serial numbers to a scanner without the need for human intervention. Avery Dennison Bangladesh (Avery Dennison) is a global leader in RFID. These track-and-trace technologies ensures the track record for the movement of inventory, ensures proper management of goods throughout the stages of entire supply chains and also prevent any losses of goods items.

f) Rotary:

Using Rotary Printing System, Fabric Labels are printed and the main technologies which are used in Rotary are mainly Hot Stamp technology & Wet ink technology. Different types of label are being printed using Rotary technologies which include:

- | | |
|--|--------------|
| | Care label |
| | Main label |
| | Fabric label |
| | Size label |
| | Age label |

g) HTL



h) Digital



h) PFL



2.6: Overview of the Departments

Avery Dennison has different activities around the world however in Bangladesh this company basically operates on the foundation of RBIS (Retail Branding Information Solution). All the departments here work based on RBIS. The organization follows a horizontal hierarchy for the ease of decision making process and minimization of complexity. Currently the functional departments of Avery Dennison are Commercial, HR & Administration, Finance and IT. The Commercial Division is consisted of five more departments such as Customer Service (CS), Factory Sales (FS), RBO Sales, Global Product Development (GPD) and Technical Sales (TS).

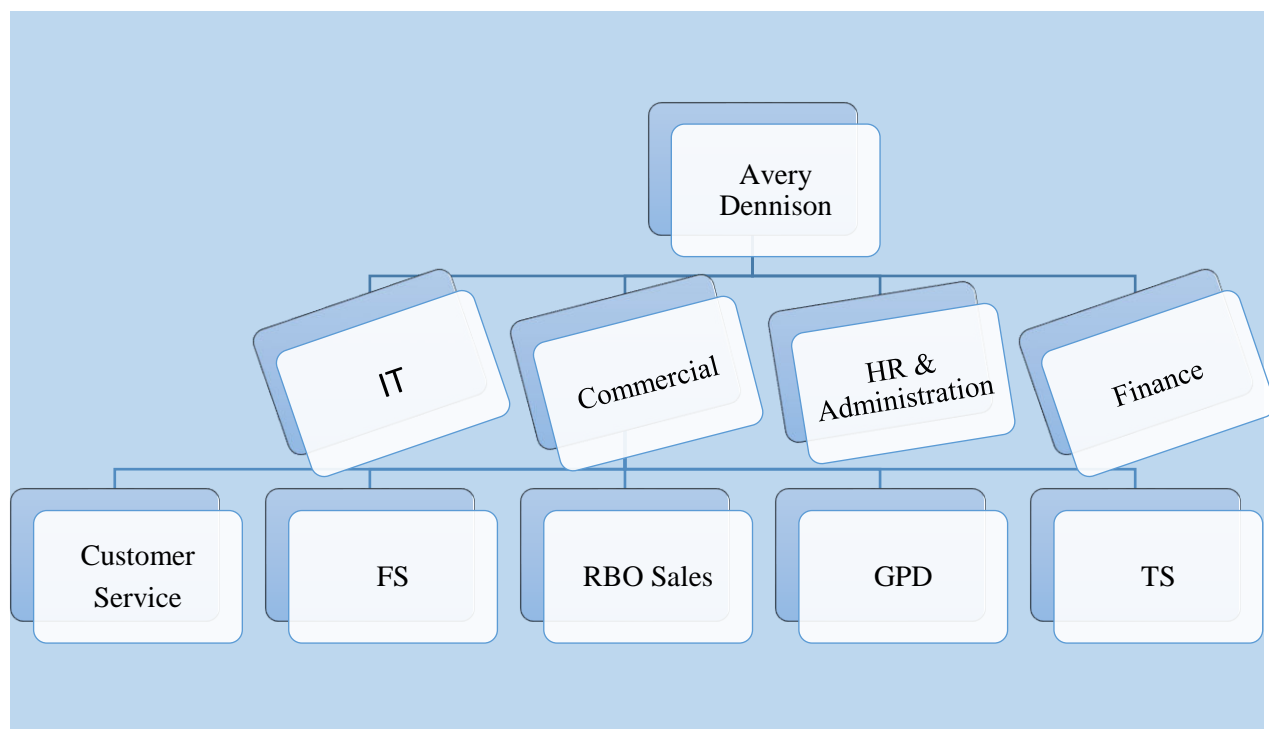


Figure: Avery Dennison Bangladesh Organizational Structure

Apart from these departments there are some sub units in each department. On the other hand, the organization has three different levels like Top level posts, Mid-level posts and Entry level posts based on authority, responsibility, technical skills, qualifications, functional knowledge, experience, expertise etc. that the position requires.

CHAPTER 3: Functional Overview and Internship Experience

3.1: Finance Department Functions

As an Intern I used to work in the Finance core unit under the finance department. Basically the department has four wings. One is Finance also known as Finance core, Finance planning, Corporate & Regulatory affairs and Credit Control.

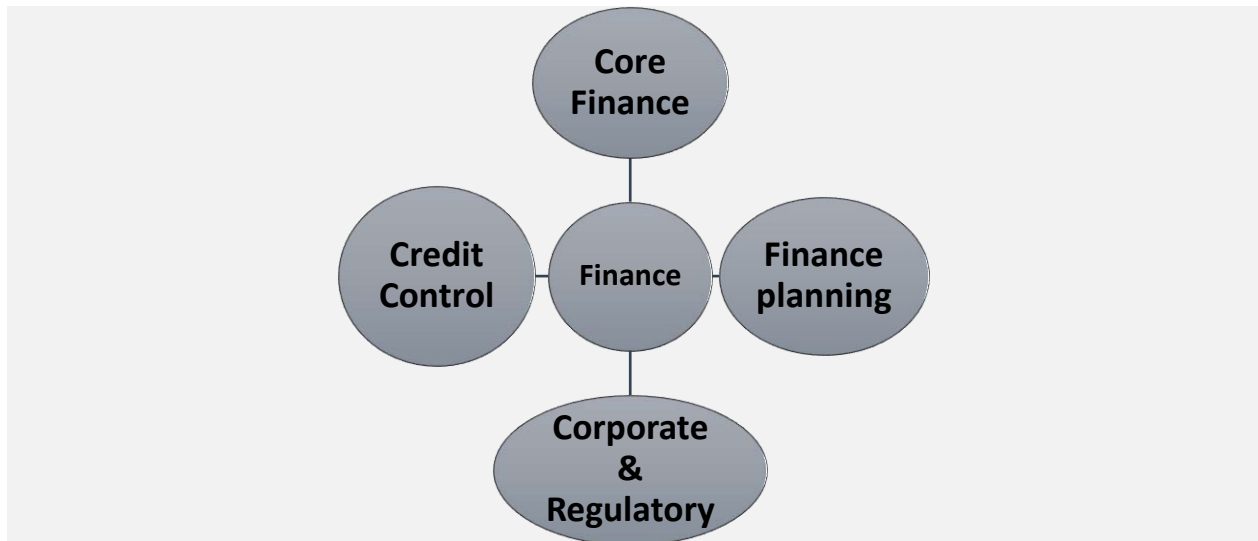


Diagram: Finance Department Functions

The Finance team member of Avery Dennison Bangladesh is 28. TusherBhowmik, head of finance of Avery Dennison Bangladesh, is also the regional head of Finance. In the Finance core of Avery Dennison, there are eight people including me. The members are AtiarRahman (manager, Core Finance),Khairul Bashar(Assistant Manager, Core Finance), Faisal Kabir (Assistant Manager, Core Finance), A.B.M. Ahsan Aziz (Senior Executive, Core Finance), and Mazharulhaque (Senior Executive), RahanaRumaly (Executive, Core finance), ManashSarker (Executive, Core Finance) and NaimaYeasmin (Core Finance Officer). And, I was like a helping hand and worked dedicatedly as an intern with this exquisite team.

3.2: Job Description

The job I was appointed with was to assist the senior executive A.B.M Ahsan Aziz to collect the asset tag number (containing asset category and tag number among other information) and to verify this data with the existing Fixed Asset Register (FAR) of Avery Dennison Bangladesh. ‘Fixed Asset Register’ is basically a database containing the various details of a company’s fixed assets. This database helps Avery Dennison have a constructive understanding about their fixed assets, identify them and compare in time series for usage in financial statements and financial analysis (for example: comparing FAR of May ’17 with FAR of June ’17). Verification of assets is an inevitable task for periodical investigation.

At the beginning of the fixed asset tagging process it is needed to identify the untagged asset location wise. In that case my immediate supervisor helps me to identify the untagged fixed asset location. As per his instruction, I covered the entire 20th floor and 3rd floor of the city office included the IT rooms. Then I went to the Avery Dennison Savar Factory to verify the assets. My supervisor used to give me the location, how to go there, when to go there, and send that particular department line manager a mail before I went in that particular place. And I also supposed to carry a laptop to collect the data from the different place in the organization. An example of Bar code is given bellow:



Asset tag



BD002-A0000521

My supervisor gives me an excel file in which the fixed asset of IT & Machinery was included with asset tag number, location, user and department. My major task was to find that asset and cross check the data with asset find out if any asset is missing in that file and to inform my supervisor that these particular asset is missing from the excel file.

Now, there is a sample of the sheets that I used to collect information is given

bellow:

SL	Model	Asset type	PC Type	Serial Number	Asset Tag	Monitor	Username	Department	Location
138	HP ProDesk 600 G2	Computer	Desktop	SGH616R4M9	BD002-A0000521		Stock	IT	3rd Floor

The format / details to be provided in a FAR generally depends upon the following factors:

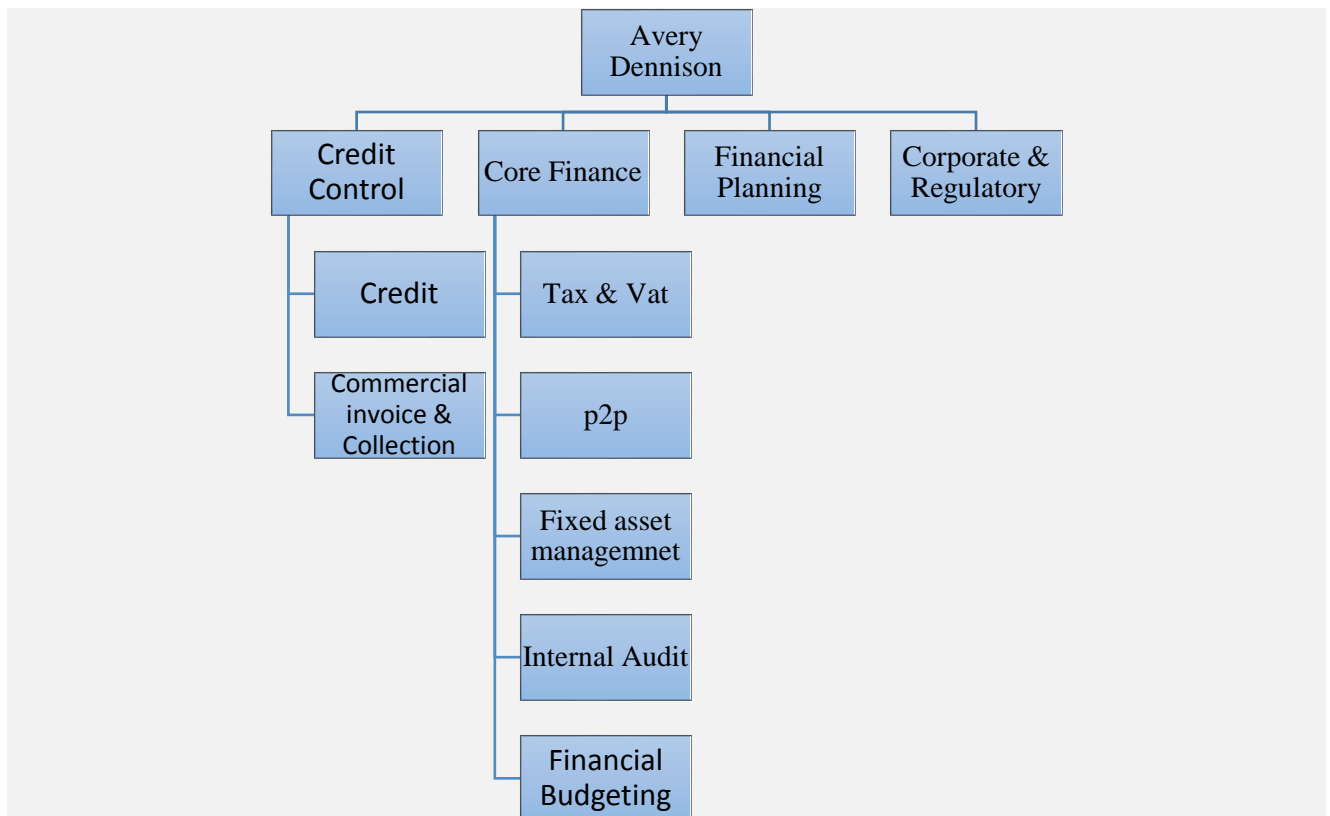
If movable assets constitute a significant portion of total fixed assets, details will be necessary on their movement from one department / cost center / people to another.

- Cost of assets. Greater control and security is required for costly equipment.
- Customized reports on fixed assets required by management.
- Disclosure norms / regulatory compliance as per statutory laws applicable to the entity.
- Extent of owned, and assets taken on lease / hire purchase.
- Requirements of insurance company.
- Location of fixed assets. If fixed assets are located at numerous locations, greater details will have to be given. In the case of a construction company, the assets are located at different work sites. These work sites maybe in different cities / countries / continents.

- Maintenance costs. Some fixed assets require regular servicing to keep them running in an efficient and satisfactory manner. It would be necessary to keep a tab on the maintenance costs, dates of servicing etc. during a stated period.(Fixed assets management, 2017)

Last but not the least I also did assist in other finance department by checking the Vat & Tax payment receipt under senior executive MazharulHaque. I had also checked supplier payment receipt for the finance department. Tax & Vat is an important part of finance department which operate under the supervision of Finance manager AtiarRahman.

3.3: Finance Department: Functional Overview



3.3.1: Core Finance:

➤ Tax & Vat:

Avery Dennison BD started managing and controlling company's tax strategy according to NBR rules and regulations (Income Tax ordinance 1984) and the Vat imposed by AD is as per Vat Act 1991. This tax strategy is being a plan for us to achieve its tax objectives.

Avery Dennison Bangladesh is registered under Bangladesh and files an annual tax return to National Board of Revenue (NBR). Annual Company tax return provided by us includes information regarding company's income, expense, net profit before tax, assets and liabilities. It is also used to determine tax liability, Tax deducted at source etc. AD need to pay minimum tax @0.6% tax on their gross receipt, if their normal tax liability fall less than minimum tax. A company can get benefit of reduced taxes in numerous ways. Different kinds of reduced tax benefits are given below and many of them are also beneficial for Avery Dennison.

- i) offset taxable loss and carry forward up to six years,
- ii) given depreciation allowances,
- iii) Tax exemption given on newly established " industrial undertakings"
- iv) Tax exemption given on income of " tourist industry"
- v) Tax exemption given on newly established "physical infrastructure facility".
- vi) Tax exemption given those company, if those manufacturing company set up their plant in the area under "Bangladesh Export processing zone Association" (BEPZA).
- vii) If any Company converts it as a public limited company by transferring 20% of its paid up capital to stock exchange by Initial public offering (IPO), then those public company get 10% tax rebate for the year of IPO.
- viii) Income of Company's provident fund and gratuity income are exempted , if their provident Fund and gratuity fund are approved from NBR.
- ix) Company get rebate on their approved Corporate Social Responsibility (CSR) Activity.

Avery Dennison Bangladesh gets advantage prominently from vi and viii criteria and others.

Avery Dennison makes payment to their suppliers, service providers, and salary to employees for different purposes. According NBR rules, we, AD, deduct tax on source on their payment on specific rate and deposit the same to the government exchequer. We also call it as withholding Tax. Avery Dennison Tax and Vat accountable official (Md. MazharulHoque, Finance) files a withholding tax return on every six month (December & June).Withholding tax return included each month payment amount illustrated in treasury challans. When time comes, each supplier requests/ gives an application appealing for tax challan and TDS certificate. Many of this fiscal year (from July, 2016 to June, 2017) treasury challans organization and TDS certificate preparation is performed by me.

Avery Dennison BD deducts tax from their employee's salary on an average rate if their employees have taxable salary income and deposit the same in government exchequer through treasury challan with code of specific employee Zone. AD shows both TDS and salary amount into their Withholding tax return. Bangladesh government imposes value Added Tax (VAT) as indirect tax on usage of final Consumer. Avery Dennison has VAT registration under specific code. Generally VAT rate is 15% on particular value of products and services. But there is some different rate of VAT due to truncated base Value. AD makes payment for any VAT imposable goods and service and deducts VAT at source (VDS) amount on particular products and service and deposit the same to the NBR through treasury challan. ADBD also files VAT return including all those VDS amount deposit in government exchequer.

Some of the withholding Tax and Vat issue that Avery Dennison follows as per Income Tax Ordinance 1984 and Vat act 1991 are illustrated in next page.

PRILIMINARY TOP PARTICULARS' WITHOLDING TAX & VAT (UPDATED 20 JULY, 2016)

Particulars	Ref. sections	2016 TDS as per ITO 1984	2015 TDS as per ITO 1984	Service code -VDS	2016-VDS as per Vat act 1991	2015-VDS as per Vat act 1991
Deduction at source from salaries	50	Average of the rate	Average of the rate	N/A	N/A	N/A
Deduction at source from interest or profit on securities	51	5%	5%	N/A	N/A	N/A
Deduction from payment to contractors/Suppliers	52, Rule 16	#Up to 20lac- 3%, #20 lac to 1 crore- 4%, #1 to 5 crore- 5%, #5 to 10 crore- 6%, #Above 10 crore- 7% *maximum 10% * the said rates shall be 50% higher, if the suppliers did submit 12 digit ETIN number	Up to 2 lac @ Nil > 2 to 5 lac@1% >5 to 15 lac@2.5% >15 to 25 lac@3.5% > 25 to 3 crore@4% >3 crore @ 5% In case of Oil supplied by: *Oil marketing co (upto) 2 lac is nil and exceeding 2 lac TDS rate is 0.60% *Dealer or agent of the oil marketing company is 1%. *In case of the oil refinery company @ 3% *Gas transmission or distribution is 3%	S 037.00 (procurement provider)	5%	4%
				S 004.00 (construction agencies)	6%	5.5%
				S 024.00 (furniture business)	Manuf level @6% Marketing level@4%	Manuf level @6% Marketing level@4%
				S 031.00 (Repairing and servicing)	15%	15%

Deduction at source from fees for professional or technical services	52A	Up to 25 Lac-10%, Above 25 Lac-12%	10%	S 032.00 or S 034.00 or S 045.00 S050.10	15%	15%
--	-----	---------------------------------------	-----	---	-----	-----

By section 14(1) of the Value-Added Tax Act,1991, is pleased to exempt from all the customs duty exceeding 15% of the customs duty, regulatory duty, if any, value-added tax or, as the case may be, value-added tax and supplementary duty, if any, on any food items, cigarettes, liquor and drinks imported by a BEPZA Commissariat under the Bonded Warehouse License to be applicable at the time of purchase from BEPZA Commissariat by the foreign investors and their foreign officers or technicians of any industrial units established within EPZs with the permission of the Bangladesh Exporting Processing Zones Authority (BEPZA) on or before 22 March, 2009, as well as from the advance income tax of the said foreign officers or technicians

Customs and Value Added Tax

In exercise of the power conferred by section 19 / Customs Act, 1969 (IV of 1969) and section 14 (1) under Value Added Tax Act, 1991 (Act no. 22 of 1991) for public interest and in consultation with the National Board of Revenue under section 10 of the Bangladesh Export Processing Zones Authority Act, 1980 (XXXVI of 1980) and by posponding under notification no SRO 544- L / 84 / 888 / Cus dated 10 December, 1984, the government has exempted all import duties, Value Added Tax and supplementary tax under 7(e) and (f) of any Export Processing Zone.

EXEMPTION OF CUSTOMS DUTIES AND SALES TAX ON IMPORT OF MACHINERIES, EQUIPMENT AND RAW MATERIALS

The capital machinery and spares, instruments, apparatus and appliances including testing and quality control equipment and parts are the goods which have been duly certified by the Chairman of the Export Processing Zones Authority established under section 3 of the Bangladesh Export Processing Zones Authority Act, 1980. the importer makes a declaration at the time of clearance of the goods to the effect that the imported goods shall be installed or used for the production, manufacture, processing, repair or refitting of goods within a zone for export outside Bangladesh and shall not, in any case, without the written approval of the National Board of Revenue be sold or otherwise disposed of, in any manner for consumption outside the said zone.

➤ Procurement to Payment (p2p):

Procure to pay (purchase to pay or P2P) is the process of obtaining and managing the raw materials needed for manufacturing a product or providing a service. It involves the transactional flow of data that is sent to a supplier as well as the data that surrounds the fulfillment of the actual order and payment for the product or service. Avery Dennison Bangladesh eases its p2p process through the software they use (Oracle).

These steps are usually involved in your typical procure to pay cycle:

- Identification of Requirement
- Authorization of Purchase Request
- Final Approval of Purchase Request
- Procurement
- Identification of Suppliers
- Inquiries
- Receipt of the Quotation

- Negotiation
- Selection of the Vendor
- Purchase Order Acknowledgement
- Advance Shipment Notice
- Goods Receipt
- Invoice Recording
- 3 Way Match
- Payment to Supplier

Also, when an employee working in a specific department (i.e., marketing, operations, sales, etc) wants to purchase something, they submit a purchase request to a manager (also considered an approver).

Identification of the requirement:

The materials that Avery Dennison labeling and packaging processes require are offset papers, litho papers, other various kind of papers, semi-finished stickers, rotary fabric, special kind of inks, molds, others semi-finished raw materials. The supply chain personnel analyzes and make sures that their inventory keeps filled with the required materials. After geting an labeling, packaging purchase order, AD instigate the amount, the volume of the materials based on the quality demanded by customer of the product

Authorization of Purchase Request

The Supply chain manager then makes a purchase request to the finance manage. The purchase request is either approved or denied based factors such as the type of request, the cost, the product, and allowable budget. If the request is above the approval limit the particular approver is authorized to approve, it will be sent to the next most senior employee for revision (or approval).

Final Approval of Purchase Request

After the finance budget and control authority authorizes the request, it will then be sent to the inventory manager. That person will review the other open purchase orders to identify if there are any similar orders from others in the company. After the approval of the inventory controller, the purchase request will be available to the procurement department.

Procurement

Avery dennison, then, will identify any existing contracts that may exist with suppliers. If there is such a contract, then a Call-Off will be generated and sent to the supplier. In the event no such contract exists, then the AD global where AD is willing to purchase materials, identifies potential suppliers and verifies and at last makes purchase contract with them. Most of the AD suppliers are not local. Because, materials come from China, Sri Lanka, India and the finished labels, tickets also get transferred outside of Bangladesh.

- **Identification of Suppliers:** AD global speaks with the requester of the products, search on the Internet, use referrals, search databases, etc. to identify potential the suppliers of the requested material.
- **Enquiries:** Once the suppliers are identified, Avery Dennison sends the request for quotation/proposal.

Receipt of the Quote

At this point, the supplier will send the quotes back to AD. The finance department then will then send the quotes back to the department for a technical evaluation. Once reviewed, AD sends the changes and requests back to the supplier. Finally, the supplier sends the commercial quote to the buyer.

Negotiation

Short-listed suppliers are invited for negotiations. During the negotiation period, AD and suppliers can negotiate various issues that will help maximize their businesses position. Some of the key negotiation topics include:

- Reduction in the prices of the materials
- Year-over-year reduction in prices
- Quantity price discounts
- Delivery terms and conditions
- Year-over-year improvement in quality
- Initial quality
- Freight charges
- Payment terms

Once a supplier is determined, AD Bangladesh team needs not to worry about negotiation part indeed. Also, The Bangladesh finance team really doesn't participate in negotiation part as their suppliers are from foreign country. So, AD finance team of the country suppliers belong to performs this negotiation and finalization of suppliers.

Selection of the Vendor

After negotiations with all the selected vendors, one supplier is awarded the contract, according to the selection criteria. The contract is then awarded and the vendor will be sent the purchase order.

Purchase Order Acknowledgement

After receiving the purchase order, the supplier will send kind of acknowledgement to Avery Dennison through email communication for their records. AD uses software named Oracle, and, suppliers can download purchase orders and acknowledge the PO through mail.

Advance Shipment Note

The supplier can send an advance shipment note to AD also. This note normally contains the ship date, the transporter's name, the tracking number, the number of packages, the weight of the packages, the receiving location address, the PO number and a description of goods.

Receipt of the Goods (GRN)

When the goods are received at the warehouse of the buying organization, AD provides a GRN. After receiving the materials, AD receiver checks the delivery note, PO number etc. and acknowledges the receipt of the material. Quantity and quality are checked and any unfit items are rejected and sent back to the supplier.

Invoice Recording

Accounts payable team (which includes Miss RehanaPervin and Mr. Manos Kumar Sarkar) then process the invoice and enter it into Oracle system.

3-Way Match

It is one of the most important and observant task of accounts payable team. The accounts payable department receives the purchase order, invoice, and delivery documents such as packing slips. Then, the team verifies these three types of documents to ensure 'no error', 'no fraud' and 'consistency among them'.

Payment to Supplier

After the supplier account is credited, the payment is released to the supplier. Local invoice payment is made through checks. Foreign payment is performed through T-T bills.

Managing these processes seems critical. Nonetheless, the process is being done over and over through the year. So, it has become a normal procedure for the efficient finance accounts payable team. Also, the smart technology and software, record system has made the p2p process a lot easier.

➤ Fixed Asset Management:

A tangible or intangible piece of property owned by a company or business organization for a longer period of time which is used in the production of its income and valued over 20000 and lasts more than one year at the same time depreciated with passage of life time is called fixed asset. Fixed asset provides benefits to business organization over than several years. As example, a business organization may use machinery, tools etc for many years. Fixed assets are differentiated in the company's balance sheet as intangible, tangible, or investments category. the asset that Avery Dennison register in fixed asset register are given below:

- Building
- Auto Cars
- Other Motor Vehicles
- Building Improvement
- Desktop Computer
- Laptop Computer
- Printer and Scanner
- Network Cabling
- Software
- Machineries
- Furniture
- Other type of office Furniture.
- Warehouse

Among these assets all type of assets are called tangible assets and software is called intangible assets. Building and car type assets are called admin asset. Computer related assets are called IT assets. Machineries and office equipment re called Plant and Machineries assets. In Admin type assets there is approximately one hundred fifty items which is being register in fixed asset register. Under IT Assets around one thousand assets are registered in fixed asset register. Lastly around five hundred assets is registers under plant and equipment assets in fixed assets register.

Every capitalized fixed asset is to be recorded in an automated fixed asset management system:

- Numbered tags are to be affixed to each individual capitalized item equal to or greater than \$5,000 and all capitalized computer equipment, in line with RBIS specific capitalization threshold of US \$ 5,000. In addition, for a single purchase of a group of similar Fixed Assets with a collective cost equal to or greater than \$5,000, each similar asset within the group should be separately capitalized and tagged if the individual asset cost is equal to or greater than \$5,000.
- Major pieces of equipment or other assets that meet the componentization criteria will require that key components be capitalized and tagged if collective cost of such equipment exceeds US \$ 100,000. Related installation costs should be appropriately allocated to the primary components. Components are pieces of equipment or machinery that are likely to be transferred, retired, or upgraded during the life of the project or asset. Spare parts are not to be treated as components.
- Assets should be tagged as soon as possible but no later than 3 months of purchase or 12 months of a business acquisition.
- A single function unit or construction cost that does not meet the criteria for componentization (less than \$100,000) but for which the business unit would like to separately track the asset pieces must capitalize only one asset and record only one associated tag number, which will be affixed to the main element of the group within the fixed asset register.
- Maintenance of fixed asset records should be segregated from individuals responsible for control of the assets.
- The records should be reconciled to the General Ledger at least once a quarter.

Physical Inventory

A physical inventory of all fixed assets, excluding computer equipment, should be performed at a minimum of once every five-year period with adjustment to records as required. Differences between the physical inventory and accounting records must be investigated, resolved and adjusted in the appropriate fixed asset system and associated general ledger system.

In consideration of technological obsolescence, a physical inventory of computer equipment should be performed every three years.

➤ Internal Audit:

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. And, this kind of internal audit helps Avery Dennison to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Internal control is broadly defined as a process, effected by an entity's board of directors, management, and other personnel, designed to provide reasonable assurance regarding the achievement of the following core objectives for which all businesses strive:

- Reliability of financial and management reporting.
- Compliance with laws and regulations.
- Safeguarding of Assets

AD finance department is responsible for internal control, which comprises five critical components: the control environment; risk assessment; risk focused control activities; information and communication; and monitoring activities. Managers establish policies, processes, and practices in these five components of management control to help the Avery Dennison achieve the four specific objectives listed above. Internal auditors perform audits to evaluate whether the five components of management control are present and operating effectively, and if not, provide recommendations for improvement. At the end of fiscal year, there has been performed internal audit at AD.

➤ **Financial Budgeting:**

Estimating and matching expenses to revenue is important for Avery Dennison to determine whether they have enough money to fund operations, expand the business and generate income for themselves. Without a budget or a plan, a business runs the risk of spending more money than it is taking in, so, AD is proactive in this case.

Prior to buying any material, providing spending to the officials, for any kind of advance payment, AD comes up with a standard planning and construct a spreadsheet to estimate what total dollar amount and percentage of your revenue will need to be allocated toward raw materials and other costs. This financial budgeting goes with making budget and contacting any suppliers AD works with before it continue on. It also does the same thing for rent, taxes, insurance(s).

Remember that although you may estimate that the business will generate a certain rate of revenue growth going forward or that certain expenses will be fixed or can be controlled, these are estimates and not set in stone. Because of this, it's wise to factor in some slack and make sure that you have more than enough money socked away or coming in before expanding the business or taking on new employees.

3.3.2: Credit Control:

Credit control is the system used by a business to make sure that it gives credit only to customers who are able to pay, and that customers pay on time. Credit control is part of the Financial controls that are employed by businesses particularly in manufacturing to ensure that once sales are made they are realised as cash or liquid resources.

➤ Credit issuance:

All the selling process is done at AD credit control department through credit. At this point the following process may be followed:-

1. ADBD product's buyers get registered at first place if the buyer is new customer.
2. The credit control responsible officials set up the customer by ensuring that the customer wish to buy from ADBD.
3. Then, the team sits to talk about the price keeping the volume and quality in mind.
4. Then, customer places order through Customer service team. Then, a commercial contract is made upon purchase request.
5. Credit control prepares LC/ sales contract. The agreement is called 'Blanket sales agreement'
3. Risk managers evaluate if the credit fits in with the current risk portfolio
4. Credit Collection period (usually in Days) is considered both as a stand-alone and as a component of the working capital cycle in particular ensuring that it does not exceed the Payables Period (usually in Days too).
5. After Risk Manager and Finance Director is satisfied that the extension of credit will not result in loss of principal. Credit is extended.
6. An account is opened with the credit setting set for the agreed terms - Cap of Credit the Customer will enjoy and the terms or duration which they will enjoy that credit. In other words, the time-limit as well as the value of the credit are sides of the same coin.

➤ Commercial Invoice preparation and Payment Collection:

A commercial invoice is a customs document. It is used as a customs declaration provided by the person or corporation that is exporting an item across international borders.[1] Although there is no standard format, the document must include a few specific pieces of information such as the parties involved in the shipping transaction, the goods being transported, the country of manufacture, and the Harmonized System codes for those goods. A commercial invoice must often include a statement certifying that the invoice is true, and a signature.

Invoice creation

Draft invoices can be manually generated from other documents such as Sales Orders, Purchase Orders, etc. However, Avery Dennison Credit control team uses a standard premade commercial invoice through its software.

AD Finance team provides invoice to the customer with the necessary information in order for them to pay for the goods and services ordered and delivered. It must also include other information needed to pay the invoice in a timely and precise manner.

- There is close liaison between the credit controller and the marketing /sales department so that credit issues are resolved smoothly. The sales and credit control department actively communicates to have a efficient credit issuance.

Others task credit control department performs-

- Checking customer's credit situation
- Setting up the terms and conditions of the receivable and payable balances }
- Dealing with internal queries about payments, ensuring customers pay on time and negotiating re-payment plans
- Meet cash & debtor day targets set by the Firm
- Chase overdue invoices by telephone, email & letter within agreed timescales
- Maintain accurate records of all chasing activity
- Regularly making contact with customers to ensure all relevant debts are managed as necessary

- Handle disputed bills and negotiate to bring payment within the agreed terms
- Provide accurate advice on billing queries } Respond promptly and completely to both client and internal enquiries
- Propose write off of irrecoverable receivables , it happens.
Undertake account reconciliations as required
- Ensure monthly processing deadlines are met as required
- Send out monthly client statements/letters as may be agreed from time to time
- Develop the credit management capability within the practice
- Other duties as delegated from time to time by the CFO or Finance Manager or any other person designated in their absence
- If any customers stop paying or pay late then it's your responsibility to stop the providing services, start legal action to collect the money owed (if necessary) and in the case of bankruptcy you'll have to report to your higher management about the strategies to make sure you can recover what you can

3.3.3: Financial Planning:

The Financial Planning activity of Avery Dennison Bangladesh involves the following tasks:

- Assess the business environment, industry cycle analysis
- Identify the types of resources needed to achieve these objectives
- Quantify the amount of resource (labor, equipment, materials)
- Calculate the total cost of each type of resource
- Summarize the costs to create a budget
- Identify any risks and issues with the budget set.
- Having a bold communication with other country AD planning official to make the company financial objective integrated.

Performing Financial Planning is critical to the success of any organization. It provides the Business Plan with rigor, by confirming that the objectives set are achievable from a financial

point of view. It also helps the CEO to set financial targets for the organization, and reward staff for meeting objectives within the budget set.

The role of financial planning includes three categories:

1. Strategic role of financial management
2. Objectives of financial management
3. The planning cycle

When drafting a financial plan, the company should establish the planning horizon which is the time period of the plan, whether it be on a short-term (usually 12 months) or long-term (2–5 years) basis.

Insight to lessen cost:

If times are tight and money must be found somewhere in order to pay a crucial bill, advertise, or otherwise capitalize on an opportunity, consider cost cutting. Specifically, take a look at items that can be controlled to a large degree. Another tip is to wait to make purchases until the start of a new billing cycle, or to take full advantage of payment terms offered by suppliers and any creditors. Some thoughtful maneuvering here could provide the business owner with much needed breathing and expansion room.

Budgeting is an easy but essential process that business owners use to forecast (and then match) current and future revenue to expenses. The goal is to make sure that enough money is available to keep the business up and running, to grow the business, to compete, and to ensure a solid emergency fund.

3.3.4: Corporate and Regulatory:

Regulatory affairs is a comparatively new business administration function. These departments can be found in a variety of companies that manufacture pharmaceuticals, drugs, medical devices, cosmetics and industrial chemicals. The Organisation for Professionals in Regulatory

Affairs explains on its website that a regulatory affairs department ensures that the firm adheres to state and federal laws protecting public health.

Avery Dennison Bangladesh corporate and regulatory department is comprised of the following activities:

1. Perform a risk assessment and determine the level of risk
2. Understand laws and regulations (AD global laws, country gravitated regulations)
3. Obtain and/or establish policies for specific issues and areas
4. Educate the finance team and other department on the policies and procedures and communicate awareness so that no breach of regulation happens and thus make AD reputation at stake.
5. Monitor compliance with laws, regulations, and policies
6. Audit the highest risk areas ß Re-educate staff on regulations and issues identified in the audit

CHAPTER 4: Contribution, Findings, Recommendation & Conclusion

Contribution:

The job I was appointed with was to assist the senior executive A.B.M Ahsan Aziz to collect the asset tag number (containing asset category and tag number among other information) and to verify this data with the existing Fixed Asset Register (FAR) of Avery Dennison Bangladesh. ‘Fixed Asset Register’ is basically a database containing the various details of a company’s fixed assets. This database helps Avery Dennison have a constructive understanding about their fixed assets, identify them and compare in time series for usage in financial statements and financial analysis (for example: comparing FAR of May ’17 with FAR of June ’17). Verification of assets is an inevitable task for periodical investigation.

At the beginning of the fixed asset tagging process it is needed to identify the untagged asset location wise. In that case my immediate supervisor helps me to identify the untagged fixed asset location. As per his instruction, I covered the entire 20th floor and 3rd floor of the city office included the IT rooms. Then I went to the Avery Dennison Savar Factory to verify the assets. My supervisor used to give me the location, how to go there, when to go there, and send that particular department line manager a mail before I went in that particular place. And I also supposed to carry a laptop to collect the data from the different place in the organization. An example of Bar code is given bellow:



Asset tag



BD002-A0000521

My supervisor gives me an excel file in which the fixed asset of IT & Machinery was included with asset tag number, location, user and department. My major task was to find that asset and

cross check the data with asset find out if any asset is missing in that file and to inform my supervisor that these particular asset is missing from the excel file.

Findings:

- Knowing about the fixed asset management process of Avery Dennison Bangladesh by being a part of the total fixed asset management process.
- Knowing different estimation criteria for useful life of fixed asset.
- Invoice payment preparation for local and foreigner suppliers is a critical responsibility to handle.
- To Got the in practical idea of how the tax and Vat deduction happens
- Practical knowledge about the AD factory machineries by communicating with the department supervisors.

Recommendations:

Avery Dennison uses modern technology and IT support. In case of Fixed Asset Management, they are getting more and more systematic day after day as previously it was handled manually and now the total procedure is computerized. Although Avery Dennison uses systematic and computerized systems to manage the fixed assets and reducing the number of mistakes, I think there is still in need of a system that would reflect zero error.

- At the time of data collection, I had to visit every desk of every particular for identifying fixed asset but sometimes these However, I think a hand scan bar that would help scanning each employee laptops, desktops, and machineries efficiently is a much needed for making a zero error fixed asset verification.

Conclusion:

Avery Dennison one of the successful multinational companies in Bangladesh that has earned its success in short course of time. This is the leading organization in the Labeling and Packaging industry of the country that is serving millions of customers globally with its level best services. All the departments are doing well to reach their goal. The environment of working in Avery Dennison is really different from other organizations. The environment is very friendly and informal. So, there is no communication gap between the superiors and the juniors. There is also no communication gap between the departments. All are very cooperative to solve other problems. If they keep their current growth rate they will capture maximum portion of labeling market of our country.

Through this study I have been able to understand about the practical knowledge of Fixed asset management in big organizations and how the policies are followed in the company. This report has helped me to get a thorough idea about working professionally and this will help me to grow in my future endeavor. In brief it can be said that despite of having some difficulty of asset management, Avery Dennison is following one of the effective ways to manage their fixed assets and working on this report has also enabled to discover the actual scenario of the professional environment.

Bibliography and Internal Sources

(2015). *Annual Report*.

Avery Dennison Fixed Asset HandBook. (2016).

Avery Dennison . (2017, June 17). Retrieved from <http://www.averydennison.com/en/home.html>

Fixed assets management. (2017, February 18). Retrieved from Wikipedia:

https://en.wikipedia.org/wiki/Fixed_assets_management

Aziz, A. A. (2017, June). Fixed Asset Management. (F. Tanvir, Interviewer)

Das, D. (2015). *Talent Acquisition Process of Avery Dennison*.

<http://www.ee.columbia.edu/internship-report-guidelines>

<http://rbis.averydennison.com/en/home/about-us/rbis-history.html>

<https://www.smythecpa.com/news-insights/roles-and-responsibilities-of-a-finance-department/>

<https://www.icaew.com/-/media/corporate/files/technical/business-and-financial->

<http://rbis.averydennison.com/en/home/about-us/rbis-history.html>

<https://blog.procurify.com/2013/04/03/the-complete-procure-to-pay-cycle/>

<http://www.acegroup.com/sa-en/assets/credit-controller.pdf>

<http://nbr.gov.bd/uploads/publications/64.pdf>