BRAC University

Internship Report On

Financial Strategies and Operational Insights: Internship Reflections from the Accounts and Finance Department of INTASL Logistics Ltd

Submitted To

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Internship Report On

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Declaration

It is hereby declared that:

1. I am submitting my own original work/knowledge in this report which I learned from studying in BRAC University.
2. This report is free from any materials published by any third party, other than in any case there is fully cited and referencing.
3. I have mentioned all sources of references and help.

Student's Full Name, ID & Signature:

Student Full Name
Student ID

Supervisor's Full Name & Signature:

Supervisor Full Name
Designation, Department
Institution

Letter of Transmittal

Date:

Designation

BRAC Business School

BRAC University

Subject: Submission of internship report for the completion of course BUS 699

Dear Sir,

I am writing you to to inform you that with great pleasure that I have completed my internship report for your review. My report was on the ‘INTASL Logistics Ltd’ a freight forwarding company, where I work in Accounts & Finance department in this three months long Internship.

During my internship journey not only learn different skills and knowledge but also tried to create corporate network. My experience allowed me to gain valuable insights like using software and I have given my full knowledge gain from both BRAC University and INTASL Logistics while preparing this report.

I want to thank you for the support and guidance from your side and gladly available for clearing any kind of queries and queations.

Sincerely,

Hridita Alam

Id: 21364032

Non-Disclosure Agreement

This agreement is made between and entered by INTASL Logistics Ltd and undersigned student at BRAC University.

I agree that all this information will be kept strictly confidential by me and I won't share them with anyone outside the organization.

Hridita Alam

ID- 21364032

BRAC Business School (BBS)

BRAC University

Date

Acknowledgement

Here in this report, I would like to express my heartfelt thanks to Mr. Mahaboob Mokammel Hossain (MD of INTASL Logistics Ltd) for giving me the opportunity to do internship in a leading freight forwarding company and his invaluable guidance and mentorship, which helped me to prepare the report completely. I would also like to extend my appreciation to my colleagues and team members for their encouragement and support like Mr. Sayful Islam Manager of Finance and Accounts. Then thanks to Mr. S. M. Mainur Rahman (Deputy Manager), Mr. Nipon Saha (Assistant Manager) & Mr. Jhahidul Islam (Executive) for sharing their valuable knowledge and treating me like one of them.

Executive Summary

INTASL Logistics Ltd is today one of rising freight forwarding in Bangladesh. ILL does the business of providing customers all kinds of logistics support to reach the desired product to its destination. In 2008, ILL incorporated a relationship among shipping line, shippers, port agents, importer, exporter and other necessary parties.

In ILL Accounts & Finance department plays a very important part as they have sensitive and complicated activities. INTASL Logistics also known for maintaining high confidentiality in financial proceedings.

Internship process helps a student to gain practical experience about real corporate world. I tried to reflect my three months long experience and knowledge though this report. The main objective of this paper is to give an overview of INTASL Logistics Ltd and the specific objective of this paper is to evaluate the Financial Strategies and Operational Insights of Accounts & Finance department of INTASL Logistics Ltd.

In this report I have tried to explain my skills and knowledge gathered from both BRAC university and INTASL Logistics Ltd. My Internship Report topic is “Financial Strategies and Operational Insights: Internship Reflections from the Accounts and Finance Department of INTASL Logistics Ltd.”

Table of contents:

List of Figures:

List of Tables:

CHAPTER-1

‘INTRODUCTION’

1.INTRODUCTION:

1.1 About Freight Forwarders:

Freight forwarders are firms which arrange and coordinate transporting goods on behalf of shippers, playing the roles of intermediaries between shippers and logistics services like ocean shipping, air freight, rail, and trucking. They ensure goods are transported efficiently and cost-effectively. Basically, freight forwarders industry as an administrative sector works on behalf of both importer and exporter in their activities.

Freight forwarders also manage necessary shipping documents for smooth customs clearance. Combining smaller shipments into larger ones to optimize costs and providing expert advice on international shipping, trade regulations, and logistics strategies also done by freight forwarders.

The list of freight forwarders jobs:

1. Transportation Arrangement
2. Customs Clearance:
3. Warehousing and Distribution
4. Documentation and Paperwork
5. Cargo Insurance

1.2 Background of report:

In BRAC University, Master of Business Administration (MBA) is designed with a combination of academic knowledge and practical experience. After completing all our courses of MBA program, we get the chance to apply our academic knowledge in practical corporate work field through Internship Program. Under internship program, students get the help to gain corporate norms along understanding of sector they work in. The report writing is mandatory for the MBA internship program in BRAC University. The name of the organization in this report is INTASL Logistics Ltd.

1.3 Research Objective:

I worked in Accounts and Finance department in INTASL Logistics Ltd for three months during my internship. There I learned about daily transaction procedure along with ratio analysis and using tally software. Below are some objectives which made my internship into a valuable work experience:

- To get idea about business operation of INTASL Logistics Ltd
- To learn about daily transaction procedure of Accounts and finance department.
- To learn about financial position of ILL
- Financial Budgeting.
- To perform Bank reconciliation at end of the month.

1.4 Methodology:

The methodology section of a report describes the procedures and processes of collecting and analyzing data. It provides a clear and detailed account of how the research was conducted, ensuring that the results are reliable and can be replicated.

Here, I have exercised two types of data sources to assemble my report.

1. Primary Data
2. Secondary Data

Primary Data Source:

- One to one conversations with colleagues and key officials
- Day to day work responsibility
- Questionnaire.

Secondary Data Source:

- Official website
- INTASL Logistics audit report

1.5 Scope and Limitation of the study:

With the help of my colleague and other interns, I tried to make the analysis complete from start to end and ensure the report was success and accurate. Most importantly, my reporting supervisor helped me in most way possible. However, some issued occurred during time of preparing my report. Some are given below:

- Due to time limitations, some related sectors remained untouched which had impact on the report.
- There were some data constraints such as potential biases, and accuracy.
- Data confidentiality
- Due to lack in corporate experience.

CHAPTER 2

BACKGROUND

2. BACKGROUND:

2.1 About Company:

INTASL has specialty in providing efficient and reliable logistics solutions for shippers in the dynamic and demanding world of trade and commerce. They ensure the fast transportation of goods to any global destination, whether for delivery or pickup. With comprehensive coverage both domestically and internationally, we have consistently offered exceptional services to our customers over the years.

Leveraging a robust global network, INTASL facilitates trade and commerce in Bangladesh with unwavering commitment, integrity, and dedication. We strive to be the most dependable logistics hub for our clients, offering a complete range of transportation solutions via air, sea, and land. Our services are designed to be cost-effective, ensuring value for every logistical need.

2.2 Our Vision

- Delivering efficient transportation and logistics solutions through continuous innovation and tailored offerings.
- Maintaining service integrity while optimizing costs.
- Adding value to every transportation commitment.

2.3 Mission Statement

To facilitate trade and commerce by providing cost-effective logistics and transportation solutions characterized by innovation, integrity, and intensity.

2.4 Our Values

- Providing consistent, committed services to our clients.
- Fostering loyalty and respect for our customers, partners, and vendors.
- Investing in our team and system development.
- Focusing on meeting every specific requirement of our customers.
- Evolving as a reliable transportation service provider and trusted logistics partner.
- Upholding innovation, efficiency, integrity, and transparency in all our operations, in line with our company motto.

2.4 SWOT Analysis: Below is SWOT analysis of INTASL Logistics Ltd:

Fig 1: SWOT Analysis of INTASL Logistics Ltd

2.5 Clients:

INTASL Logistics Ltd provides services to different prominent clients. The clients are:

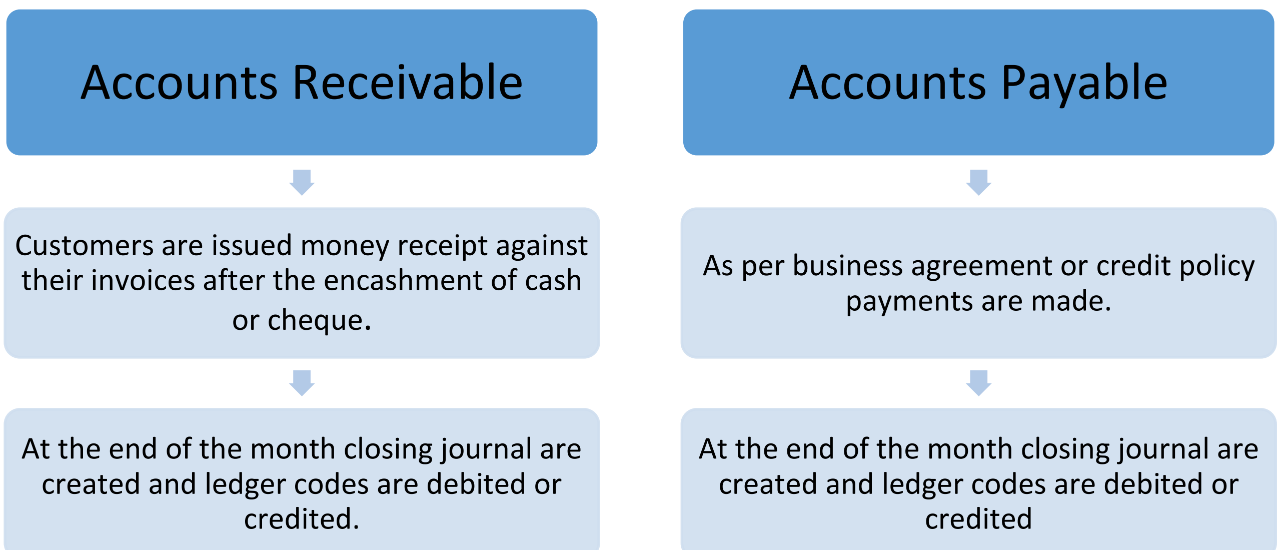
- Roochi Traders, Inc.
- ACI Ltd
- Transcom Electronics.
- SQ wire and cables.
- SQ WOOD PRESERVATIVES
- Square Food And Beverages Ltd.
- Fakir Apparels Ltd
- Logenix Logistics India Pvt Ltd
- NYK Lines etc.

CHAPTER 3

ANALYZATION

3.1 Transaction Procedure of INTASL Logistics Ltd:

This part of the report states all sorts of day to day accountings transaction procedures along with financial techniques of Intasl Logistics Ltd. Accounts receivable and payables are the elements of assets and liability and every Finance & Accounts team has to maintain them as their basic acitivity. Due to lots of shipments, with every transaction huge number of accounts receivable and payable arise. During the reconciliation of accounts receivable and payable, the ILL finance and accounts team follows a variety of complex and straightforward procedures. The flow chart below outlines key aspects of these processes:



3.2 Accounts Receivable Section:

The Accounts receivable section mainly describes the process of the payments done by the customer to INTASL Logistics. However, ILL follows some proceedings which is instructed by overseas and the proceeding are determine through the flow chart:

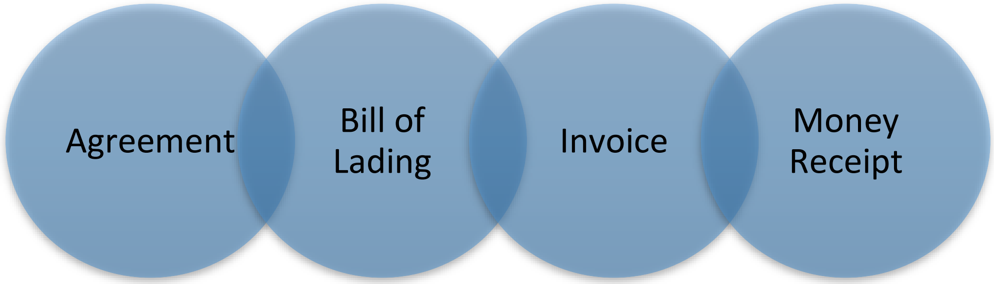


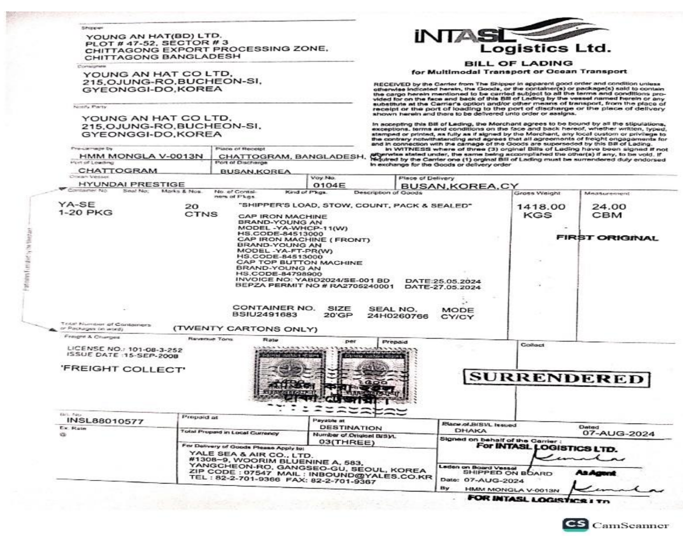
Fig 2: Accounts Receivable Process

Agreement: In the company without agreement no one can do any sort of business. Both Company and shipper have to come to an agreement for continuing processing with both company name, operation address, credit terms and other formal documents. As per the agreement, the operation process starts.

Bill of lading: A bill of lading is the legal which is issued by shipping line to shippers. This document is the list of names of items to be carried during a freight shipment. It is a legal contract between shipper and logistics provider and proof of overseas shipment. Bill of lading is mainly two types:

House B/L:.It is issued by freight forwarders to shippers to acknowledge receipt of goods and contract between customer and the forwarding company.

Master B/L: It is issued when the carrier confirms goods have been received and contract between the freight forwarders and the shipping company.



INTASL Logistics Ltd.
BILL OF LADING
for Multimodal Transport or Ocean Transport

Shipper: YOUNG AN HAT(BD) LTD. PLOT # 47-52, SECTOR # 3 CHITTAGONG EXPORT PROCESSING ZONE, CHITTAGONG BANGLADESH

Consignee: YOUNG AN HAT CO LTD, 215,OJUNG-RO,BUCHEON-SI, GYEONGGI-DO,KOREA

Notify Party: YOUNG AN HAT CO LTD, 215,OJUNG-RO,BUCHEON-SI, GYEONGGI-DO,KOREA

RECEIVED by the Carrier from The Shipper in apparent good order and condition unless otherwise indicated herein, the Goods, or the container(s) or package(s) said to contain the cargo herein mentioned to be carried subject to all the terms and conditions provided for on the face and back of this Bill of Lading by the vessel named herein or any substitute at the Carrier's option and/or other means of transport, from the place of receipt or the port of loading to the port of discharge or the place of delivery shown herein and there to be delivered unto order or assigns.

In accepting this Bill of Lading, the Merchant agrees to be bound by all the stipulations, exceptions, terms and conditions on the face and back hereof, whether written, typed, stamped or printed, as fully as if signed by the Merchant, any local custom or privilege to the contrary notwithstanding and agrees that all agreements of freight engagements for and in connection with the carriage of the Goods are superseded by this Bill of Lading.
In WITNESS where of three (3) original Bills of Lading have been signed if not otherwise stated under, the same being accomplished the other(s) if any, to be void. If required by the Carrier one (1) original Bill of Lading must be surrendered duly endorsed in exchange for the Goods or delivery order

Pre-carriage by	Place of Receipt	
HMM MONGLA V-0013N	CHATTOGRAM, BANGLADESH, CY	
Port of Loading	Port of Discharge	
CHATTOGRAM	BUSAN,KOREA	
Ocean Vessel	Voy.No.	Place of Delivery
HYUNDAI PRESTIGE	0104E	BUSAN,KOREA,CY

Container No. / Seal No. / Marks & Nos.	No. of Containers or Pkgs.	Kind of Pkgs. / Description of Goods	Gross Weight	Measurement
YA-SE 1-20 PKG	20 CTNS	"SHIPPER'S LOAD, STOW, COUNT, PACK & SEALED" CAP IRON MACHINE BRAND-YOUNG AN MODEL -YA-WHCP-11(W) HS.CODE-84513000 CAP IRON MACHINE (FRONT) BRAND-YOUNG AN MODEL -YA-FT-PR(W) HS.CODE-84513000 CAP TOP BUTTON MACHINE BRAND-YOUNG AN HS.CODE-84798900 INVOICE NO: YABD2024/SE-001 BD DATE:25.05.2024 BEPZA PERMIT NO # RA2705240001 DATE-27.05.2024	1418.00 KGS	24.00 CBM

FIRST ORIGINAL

CONTAINER NO.	SIZE	SEAL NO.	MODE
BSIU2491683	20'GP	24H0260766	CY/CY

Total Number of Containers or Packages (in word): (TWENTY CARTONS ONLY)

Freight & Charges | Revenue Tons | Rate | per | Prepaid | Collect

LICENSE NO.: 101-08-3-252
ISSUE DATE :15-SEP-2008
'FREIGHT COLLECT'

SURRENDERED

B/L No.: INSL88010577
Ex. Rate:
Prepaid at:
Payable at: DESTINATION
Total Prepaid in Local Currency:
Number of Original B(S)/L: 03(THREE)
Place of B(S)/L Issued: DHAKA
Dated: 07-AUG-2024
Signed on behalf of the Carrier: For INTASL LOGISTICS LTD.

For Delivery of Goods Please Apply to:
YALE SEA & AIR CO., LTD.
#1308-9, WOORIM BLUENINE A, 583,
YANGCHEON-RO, GANGSEO-GU, SEOUL, KOREA
ZIP CODE : 07547 MAIL : INBOUND@YALES.CO.KR
TEL : 82-2-701-9366 FAX: 82-2-701-9367

Laden on Board Vessel: SHIPPED ON BOARD
Date: 07-AUG-2024
By: HMM MONGLA V-0013N
As Agent
FOR INTASL LOGISTICS LTD.

CamScanner

Fig 3: B/L Copy

Bill of lading is a contract of carriage. It contains party details- shipper, consignee, cargo weight, package details, port destination, payment terms, bill type etc. It is a very important document because it details the responsibilities of carrier with parties.

Invoice: A freight invoice is also known as freight bill. It is a document issued by carrier. It indicates the ending of shipping cycle. Invoices are based on freight orders. It is issued after bill of lading documentation and when products are shipped.

Money Receipt: Money receipts are official record of money (cash or cheque) being received after shipment in financial transaction. It is a proof of payment being received by the company. After cheques being received, they are sent to banks and after encashment, the money receipts are issued.

3.3 Accounts Payable Section:

In this section, accounts payable aging is maintained to have proper knowledge of upcoming payments to be done in future. It helps have a good relation with suppliers. Accounts payable have two types of expenses.

i. Direct Expenses: Direct expenses are those kinds of liabilities for companies which are directly related to the business. In freight forwarding business some expenses like sea and air carrier freight, handling charges and the third-party agents bill which arises for the purpose of loading and transportation.

ii Indirect Expenses: Indirect expenses basically are those which are related to the organization day to day transactions and to keep operations running. Indirect expenses include office rent, salary, provident Fund, Gratuity Fund, IOU, Conveyance Bill, Management Expenses, Additional service to employee, ETC.

Process: In this stage the bills are credited or disbursed. Accounts department, after getting approval from signing authority, takes the decision of making payment of the matured bills. According to the schedule payment cheques are printed and after that the allocation of payment has begun. In the payment allocation part beginning with debiting the accounts payable and crediting the company's bank accounts. In the payment allocation part ILL also mentions the respective tax amount according to the respective service tax rate which is fixed by the NRB.

3.4 Collaboration with other departments:

1. **Invoice generating and payment to shipping line**: Accounts team involved in generating invoices by knowing the freight charges of each specific location and other charges from the operations team. Also, by knowing the speculative time limit of freight payments to shipping lines from operation teams, helps to avoid any demurrage charges of freight forwarding companies which boost the company's performance as well as elevate the customer's satisfaction and retention rate.

2. **Cost reduction/ tracking**: Accounts team can assist to reduce cost or tracking by producing MIS reports based on the destination wise shipping line payments. It helps to identify which shipping line charges lower freight for similar destinations or others.

3. **Credit control**: Other than the operations team, accounts personnel work with the sales team to manage the credit of each sale. Accounts team oversee the accounts receivable balances and follow up on regular intervals. Also, the accounts team negotiates with suppliers to increase the credit terms for their accounts payable balances and try to pay the outstanding balances as close to due dates in order to enhance the cash flow.

4. **Budgeting & Forecasting**: As a service organization budgeting and forecasting is utmost important. Here, the accounts team plays an important role by producing fruitful budgets and forecasts based on the data collected from other logistics teams which aid management to take proper strategic decisions.

5. **Compliance & Legal Issues**: Accounts team closely work with compliance and legal teams to prevent any unexpected issues. Also, they ensure to comply with the accounting and local standards in their financial process as well as the government law regarding the freight forwarding industry.

6. **Risk Management**: By corroborating with other teams, accounts personnel can analyze the internal and external environments to sort out the risk which the company may face and take proper actions to mitigate the risk. It will help the organization to manage its cash flow properly and keep the operations more effectively.

3.5 Ratio Analysis:

Ratio	Formula	2023-2024
Current Ratio=	**Current Asset/Current Liability**	**1.69**

Interpretation: Current ratio is liquidity ratio. It measures a company's ability to meet short-term debt obligations or dues within one year. In 2023-2024 company’s current Assets were 1.69 times of their current Liability.

Ratio	Formula	2023-2024
Working Capital Ratio=	**Current Asset-Current Liability**	**30,388,812.93**

Interpretation: Working capital ratio comes from the difference between Current Asset & Current Liability. It measure the company’s ability to cover upcoming costs and run the entity.s

Ratio	Formula	2023-2024
Asset Turnover Ratio=	**Net Sales/ Avg Total Assets**	**0.541**

Interpretation: Total Asset Turnover ratio describes proficiency of a company can use its assets to generate sales. In 2023-2024, every 1 Taka worth of Total Asset generated 0.541 Taka worth of Sales.

Ratio	Formula	2023-2024
Cash Ratio=	**Cash & Cash Equivalents/Current Liability**	**0.062**

Interpretation: The cash ratio also measures the liquidity of a company which is used to meet the short term liabilities of a company.

Ratio	Formula	2023-2024
Debt to asset Ratio	**Total Liability/Total Asset**	**1.00**

Interpretation: The debt to assets ratio is calculated by dividing total liability by total asset. It is the percentage of a companys asset financed by its creditors. It is also solvency ratio.

Ratio	Formula	2023-2024
Net Profit Margin	**Profit After Tax/Revenue*100**	**31.62%**

Interpretation: Net profit margin measures the percentage of how much net income or profit a company generates of its revenue.

3.5 Percentage of total revenues according to customers:

Customers	Sales (in dollars)	% of Total Revenues
Roochi Traders, Inc.	$1,16,369.30	28%
SQ Group	$93,511.04	22.50%
Kadena Sportswear Ltd	$76,886.86	18.50%
MOL Consolidation Service	$54,028.60	13%
Logenix Logistics India Pvt Ltd	$37,404.41	9%
Fakir Apparels Ltd	$16,624.18	4%
Square Food & Beverages Ltd	$16,624.18	4%
Others	$20,780.23	1%

Table 1: Percentage of total revenues according to customers

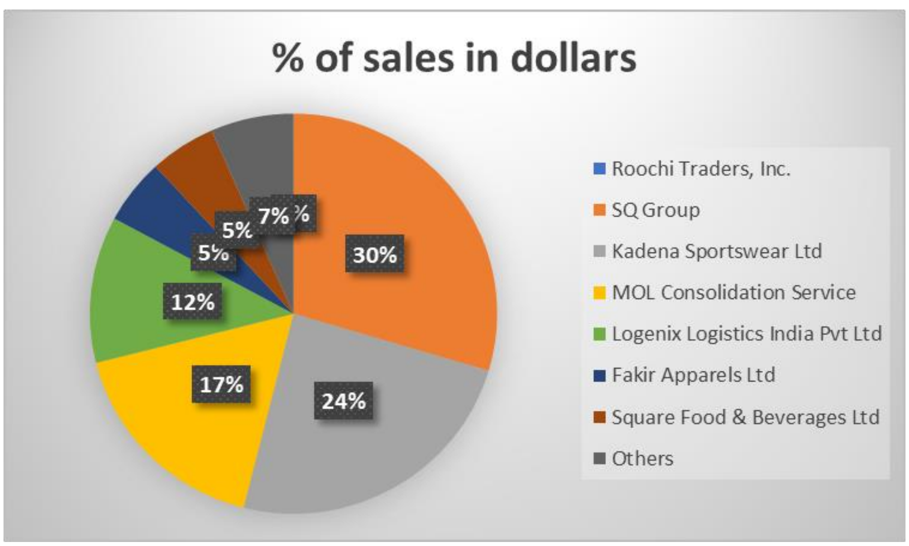


Fig 4: Percentage of total revenues according to customers

3.6 Bank Reconciliation:

The bank reconciliation process is a fundamental accounting task that ensures the accuracy of a company's financial records by comparing the company's ledger to the bank statement. Here is a step-by-step explanation of the process:

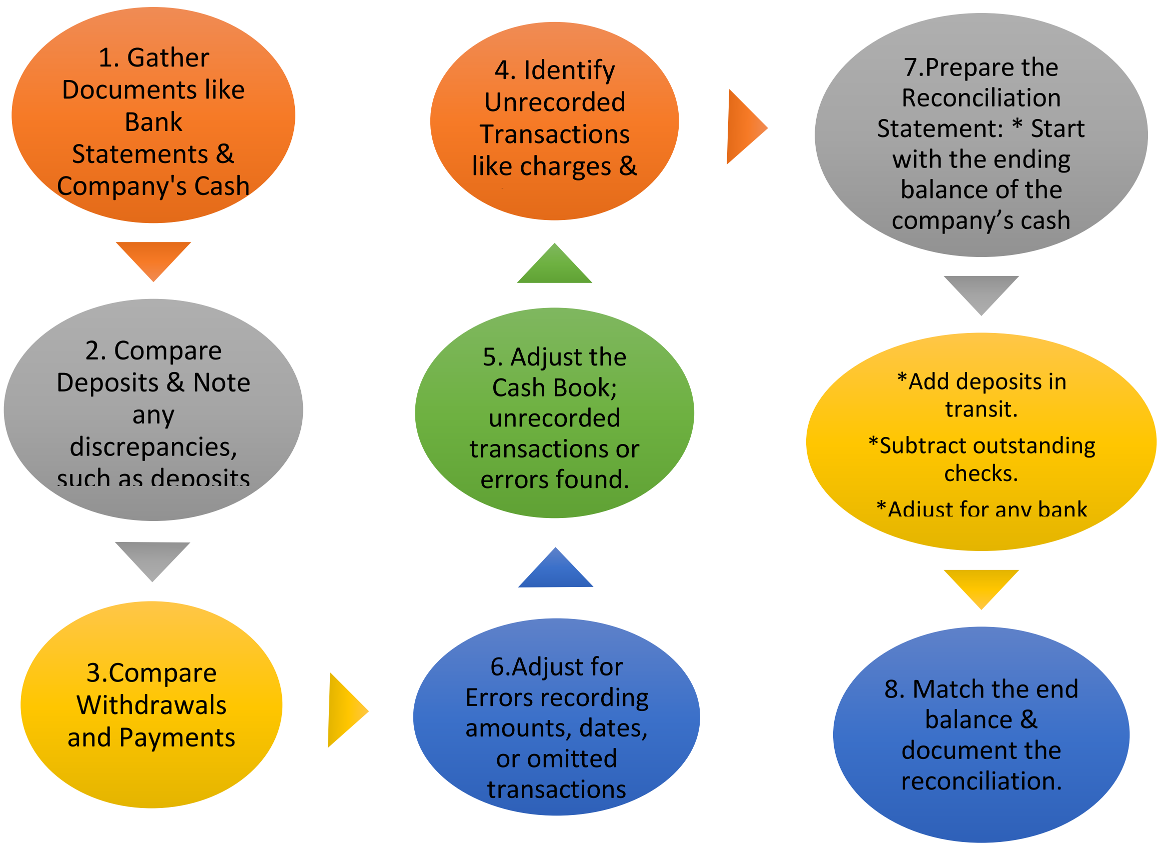
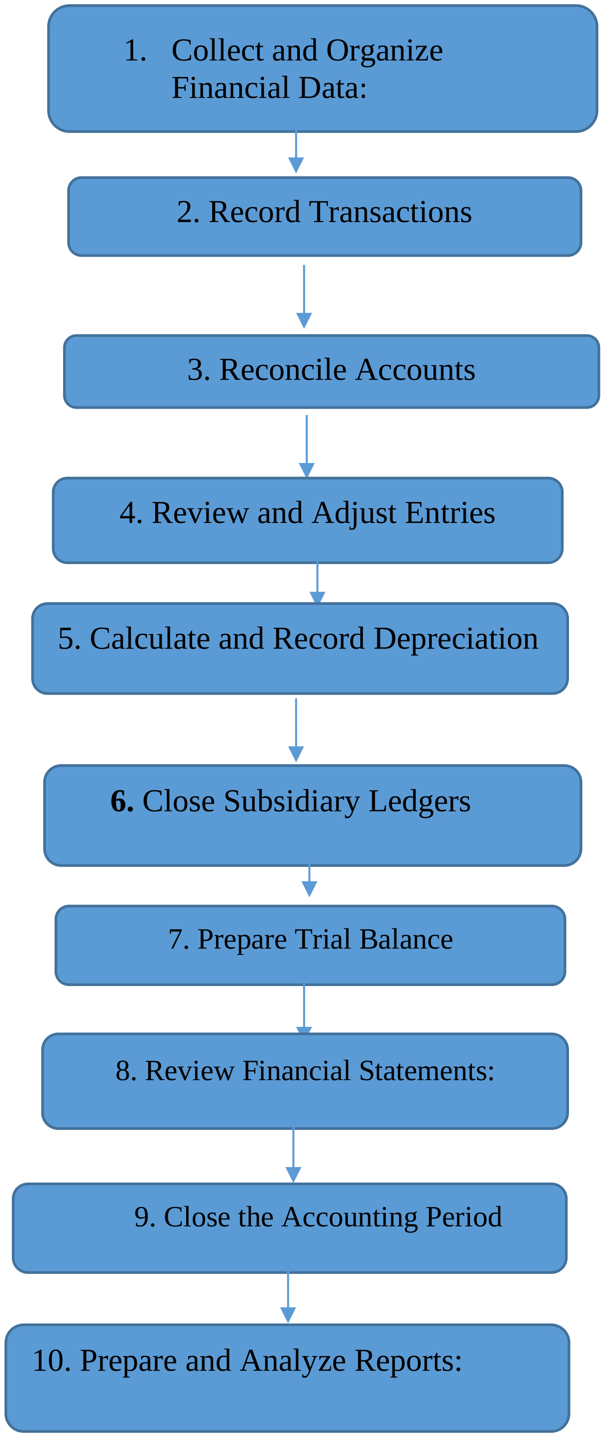


Fig 5: Steps in the Bank Reconciliation Process

By regularly performing bank reconciliations, the accounts department ensures that the financial records are accurate and up-to-date, providing a reliable basis for financial decision-making.

3.7 Steps in the Monthly Closing Process:



By following a systematic monthly closing process, the accounts department can maintain accurate financial records and provide valuable insights to support the company's financial management and decision-making.

3.8 Accounting Software: INTASL Logistics Limited uses Tally software for recording its daily transactions.

Day to Day Accounting:

1. **Create Ledgers and Group Ledgers:**

    - Setting up ledgers for all accounts financial statements and Profit and loss statements such as bank accounts, expenses, revenues, assets, and liabilities. And then Group these ledgers into categories like sundry debtors, sundry creditors, fixed assets, and expenses for better organization

2. **Record Transactions:**
    a. **Sales:** The Sales Voucher are used to record sales transactions. Then entering details like invoice number, date, customer name, and amount.
    b. **Purchases:** Then the purchase vouchers are for purchase transactions. Same details like supplier name, invoice number, date, and amount are entered.
    c. **Payments:** The payment voucher are for recording payments. These contain details such as the amount paid, payment method, and payee.
    d. **Receipts:** Record receipts using the Receipt Voucher. Enter details such as the amount received, receipt method, and payer.
    e. **Journal Entries:** Journal Voucher for adjustments, accruals, and other non-cash transactions.

Periodic Tasks in Tally:

1. Bank Reconciliation on monthly basis
2. Payroll Management
3. Tax Compliance
4. Depreciation also on monthly basis
5. Making necessary adjusting entries for accruals, deferrals, and provisions.
6. Closing the Books.
7. Audit Trail.

CHAPTER 4

FINDINGS

4.1Findings

1. During my three-month internship, I learned how to work under pressure, which I believe will benefit my future corporate life.

2. Liquidity Ratios show that the liquidity position of ILL needs to be more satisfying.

3. ILL does not have any investment in the stock market.

4. ILL is working on getting its own operational software like other companies.

5. The company maintains strict compliance and a consistent corporate culture worldwide, providing a remarkable experience for a new graduate. I gained practical knowledge in financial and accounts management in a B2B business context, often making critical decisions.

My communication skills improved significantly as I interacted with various parties, including overseas colleagues. I worked in an effective and enthusiastic environment with full autonomy, allowing me to acquire knowledge on new things and understand corporate culture. However, maintaining compliance in a country where businesses often prefer more relaxed rules posed challenges, especially regarding payment methods.

CHAPTER 5

RECOMMENDATIONS

5.1 RECOMMENDATIONS:

Following my research, I have conducted several suggestions and recommendations for Intasl Logistics Ltd to optimize their operations and strengthen their financial standing, Here are few of them:

1. INTASL Logistics should invest in stock market
2. ILL should focus on sufficient liquidity maintenance to face any sort of sudden crisis.
3. As freight forwarding industry is B2B business form, so it has less popularity among common people. So ILL should engage in more relationships.
4. ILL should have its own software (besides Tally) so that other departments can also collaborate more smoothly.
5. Explore opportunities to establish or strengthen relationships with agents in key international markets to enhance global reach.
6. Stay updated on international shipping regulations and ensure all operations comply to avoid legal issues and fines.

CHAPTER 6

CONCLUSIONS

6.1 Conclusion:

INTASL Logistics Ltd is dedicated to fostering trust and engaging customers through exceptional service, which has helped them establish a strong presence in the industry. Their focus on understanding and meeting customer needs sets them apart from competitors. Additionally, they maintain positive relationships with suppliers, buyers, and banks, and they regularly perform bank reconciliations to accurately track their balances, as well as receivables and payments.

The company has successfully tackled its weaknesses, recognizing that a service-oriented business cannot thrive without satisfied customers. This report emphasizes the need for clear benchmarks for customer satisfaction, as a business can only flourish when its customers are content.

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