Internship Report

On

"Assess the financial health and propose new Project based on Forecasted Cash Flow for GARTEX OVERSEAS LIMITED"

By

Sk. Sadman Habib Suvo
ID: 22164091

An internship report submitted to the BRAC Business School in partial

Fulfillment of the requirements for the degree of

Master of Business Administration (MBA)

Masters of Business Administration

BRAC University

June, 2025

Declaration

I hereby declare that

1. This internship report is my own work which I prepared in the process of completing my MBA degree at Brac University.
2. There is no content or material which were previously published or written by any one, except some citation which are provided with reference in the reference section.
3. There is no content or part in this report which has been accepted or submitted for any other degree at any university or institution home and abroad.
4. I am giving my consent of providing my sources of help if there is any.

Student's Full Name & Signature:

____

Sk. Sadman Habib Suvo

22164091

Supervisor's Full Name & Signature:

____

Dr. Mohammad Enamul Hoque
Assistant Professor
BRAC Business School

Letter of Transmittal

To

Dr. Mohammad Enamul Hoque
Assistant Professor
BRAC Business School
BRAC University
66 Mohakhali, Dhaka-1212

Subject: Request for Consent on preparing Internship Report on GARTEX OVERSEAS LTD

Dear Sir,

Hope, you are in good health. This letter is for seeking your formal permission for preparing my internship report on Gartex Overseas LTD, where I currently serve as the Senior Accountant and moreover, I am one of the founding members in this company.

As I have come to the end of my Masters of Business Administration degree, as per the academic rules, I am tasked to complete an internship report which will not only provide an in-depth analysis of the company's operations where I am currently working in but also provide a deep dive into the business's financial assessments. Gartex Overseas LTD is a Gartex is a Hong Kong-registered business, established in 2001 as a Global Sourcing & Trading company. We offer comprehensive end-to-end services, assisting customers with market intelligence, fabric sourcing & selection, design, and logistics, ensuring complete coverage/transparency of all aspects of the trade.

My internship report will be consisted in three parts. Firstly, I will provide a brief about my responsibilities in the organization and my key learning in the company. Secondly, I will shortly describe about Gartex Overseas LTD and Finally, I will conduct a comprehensive financial assessment of Gartex Overseas LTD, evaluating its current financial standing, performance, and explore the feasibility and financial implications of expanding our service to create a digital platform that connects suppliers and buyers, automates transaction tracking, and improves communication efficiency.

The project is expected to provide both opportunities and challenges to Gartex Overseas LTD, and a thorough calculation is vital in determining its feasibility and probable impact on our company's operations and profitability.

I truly believe that, choosing Gartex Overseas LTD for my internship report is a true testament of my dedication and effort, which I can strongly reflect my academic learning in professional framework. For preparing this report I will have to look the company from holistic point of view which will add value in my proposition and to see the big picture of the company within a framework. Please be assured that I will give my utmost effort, dedication and professionalism preparing this report and I am committed to maintain information confidentiality and ethical code of conduct throughout the report and my work.

I, therefore, hope that, you would be kind enough to approve the proposal and extend your support for preparing my report. Your guidance and insights will be very helpful for me to complete my report successfully.

Thank you very much for considering my request.

Warm regards,

Sk. Sadman Habib Suvo
ID#22164091
BRAC Business School
BRAC University
Date: 1st July, 2024

Non-Disclosure Agreement

[This page is for Non-Disclosure Agreement between the Gartex Overseas LTD and Sk. Sadman Habib Suvo]

This Non-Disclosure Agreement (the "Agreement") is entered into as of 30th June, 2024, between Gartex Overseas LTD, located at House # 36, Flat No: 6B, Road # 25, Aparajita Sheltech, Gulshan 1, Dhaka-1212 hereinafter referred to as the "Company," and Sk. Sadman Habib Suvo, residing at Flat Number. 6B, House number 05, Road Number 18, Block-A, Mirpur 10, Dhaka-1216, hereinafter referred to as the "Recipient."

WHEREAS, the Recipient has been affianced in an internship with the Company and is aware of the proprietary information, intellectual property right and maintaining confidentiality in handling sensitive information of company's clients and the Company requires to ensure the safety and concealment of such information disclosed to the Recipient during the course of this internship.

In discussion of the mutual consent and agreements delimited herein, the both parties agree as follows:

Confidential Information: The term "Confidential Information" means that any information, written or disclosed here by the Company to the Recipient during the professional duties, including but not limited to business plans, financial information, client lists, marketing strategies, and any other information deemed confidential by the Company.

Non-Disclosure: The Recipient agrees to maintain the confidentiality of the information and shall not reveal, divulge, or make available to anyone without the prior written consent of the Company.

Use of Information: The Recipient agrees to use the Confidential Information solely for the purpose of preparing the internship report for BRAC Business School and not for any other purpose or whatsoever.

Duty of Care: The Recipient agrees to exercise sensible care to prevent any unauthorized use or disclosure of the Confidential Information.

Return of Information: Upon completing the report or upon company's request, the recipient agrees to return or destroy all materials containing or embodying the Confidential Information, including any copies or reproduction thereof.

Term: This agreement will remain effective for a period of 6 Months after the submission of the report.

Governing Law:

The Agreement shall be governed by and follow the prevailing law of the jurisdiction of People Republic of Bangladesh.

WITNESSING WHEREOF, both the parties have agreed and executed this Agreement as the first date mentioned above.

Gartex Overseas LTD

By:

Signature:

____

Name: Bimal Saha
Company Representative on Behalf of **Gartex Overseas LTD**.

And

Signature:

____

Name: Sk. Sadman Habib Suvo
Recipient

Acknowledgement

To Whom It May Concern

I, Sk. Sadman Habib Suvo, extend my sincere gratitude and appreciation to all those who have contributed to the successful completion of this internship report, which encapsulates my managerial and entrepreneurial journey with Gartex Overseas LTD.

First of all, I want to express my deepest appreciation to my supervisor, Mr. Bimal Saha, Manager (Head of Operation) whose solid support and collaboration have been the source of inspiration for me. The level of dedication and inclusive drive toward excellence have been pivotal for the continuous growth of the company.

I also want to express my gratitude towards the faculty and staff of Brac Business School for providing me the opportunity perusing my MBA degree in such a prestigious university and whose consistent guidance were the enabler for me to drive my journey towards my passion. During this process I have learned a lot about Business functionality, Business Management which have shaped up my individualism and created a learning spree into me which I will cherish and continue in mu future endeavor.

Moreover, I would also like to appreciate the contribution of the entire team of Gartex Overseas LTD for providing me continuous support while pursuing my degree, preparing my academic assignments, even preparing this internship report. I feel truly fortunate to work with such a diversified and industrious team who not only work for performing their duties, but also are passionate to add value to the business.

While preparing this report, I exercised the utmost standard of business conduct, academic principle and maintained balance in both professional and academic integrity. I ensured that all the information provided in this report are accurate, reliable and sourced maintaining ethical standard. I adhered to the principle of honesty, transparency and professionalism while documenting my practical professional demonstration during my journey. Although the struggle, challenges, stress and mental dilemma cannot be expressed in pen and paper but I tried to make a structured framework of my journey within this short span of the report.

As, we know that, to survive in the business world, one has to be cautious, consistently updated and always embark on calculated risk to achieve competitive advantages. Gartex

Overseas LTD primarily established to serve is to procure diverse range of products, leveraging the strengths, skills, and competitive pricing available across different countries. We offer comprehensive end-to-end services, assisting customers with market intelligence, fabric sourcing & selection, design, and logistics, ensuring complete coverage/transparency of all aspects of the trade. Gartex is a buying house, and with going IMO as most other buying houses, Gartex has its challenges, such as client dependency, currency fluctuation, and the need to adapt to changing market requirements. Thus, there is an urgent need for a robust evaluation of the firm's fiscal condition and business practices to secure its longevity. Moreover, digital transformation and sustainability imperatives provide the Gartex company an opportunity to innovate in a sustainable solution space and to organize a strong competitive image. In this report we will assess the current business health of Gartex Overseas LTD and analyze how the new project will bring positive change to our business and based on that analysis we will decide whether to take the project or leave it for some other time.

In conclusion, I would like to appreciate everyone who has been a strong support function for me throughout my professional journey with Gartex Overseas LTD and academic journey with Brac University. Your persistent guidance, encouragement and keeping believing us have been invaluable for me and I look forward to continue the journey towards excellence.

Sincerely,

Sk. Sadman Habib Suvo
Senior Accountant
Gartex Overseas LTD

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Abstract

This internship report explores the enriching experience I gained at Gartex Overseas Ltd, as a senior accountant of the company my roles and responsibilities here were diversified, I acted as the accountant and the person who sets budgeting and costing strategies. The report highlights the significance of readymade garments industry, potential of this business, my roles and responsibilities, the professional learning I have gained in the organization, financial statement analysis, a comprehensive health check of the company's financial reports, following by a Future Cash Flow forecasting of the new project that we are going to take by end of 2024. Moreover, this report emphasizes the importance of collaboration in organizational framework and the impact of staying abreast of latest information and trends in readymade garments industry. The experience I gained here has been an invaluable learning, providing a solid foundation in the field of immigration service. Throughout the report, a commitment to uphold the highest academic integrity and standard of business conduct is emphasized. The report concludes with a consent of everybody's contribution while preparing the report and with the theme of forward-looking participation from everybody's end to support the business.

Introduction

Clothing retailers are one of the key components of the global economy, and just like any other sector, clothing is sold through many channels, including online and physical stores. The market is highly competitive, and there is a continuous need for retailers to be innovative and adjustable to remain focused on customers' changing tastes and preferences. In the market, it is the effectiveness of their merchandising in having the "right" product available at the right time and in the appropriate quantities. Strategic pricing and constant monitoring of supply and demand affect pricing in the first place and keeping it there. Despite being successful, the sector encounters some obstacles, such as intensive competition, the transformation of consumer demands and preferences, the transformation of fashion trends, sustainability problems, and technological changes. Bangladesh is one of the leading short-cycle markets of the global garment industry. It has been emerging as a developing country economically with the present era of the 'garment culture' especially with ready-made garment (RMG) industries, which is not only the symbol of economic growth but also means women's freedom and independence. However, questions about the labor conditions and sustainability of consciousness-raising efforts remain. Gartex is a global sourcing and trading business founded in 2001 and headquartered in Hong Kong. Its objective is to supply a wide range of products leveraging strengths, skills, and competitive pricing from various countries. The company provides all-around services, including market intelligence, fabric sourcing, design, and logistics, so everything in the trade process is open and covered.

Chapter 1

Overview of Internship

1.1 Student Information

Name: Sk. Sadman Habib Suvo

ID: 22164091

Program: MBA

Major: Finance

1.2 Internship Information

1.2.1 Period

1st July 2024 to 1st October 2024

Company Name: Gartex Overseas Limited

Department: Accounts and Finance

Address: Road #25, House #36, Flat no: 6B, Gulshan-1, Dhaka-1212

1.2.2 Internship Company Supervisor Information

Name: Bimal Saha, Manager

1.2.3 Job Scope

Job Description

An accountant is responsible for organizing and maintaining an establishment's financial records, transparency, accuracy, and compliance with financial rules. The duties include various accounting and financial management tasks, such as budgeting, reporting, and auditing. The various job responsibilities are as follows:

Track All Accounting Activities

a) All incoming transactions need to be recorded and maintained in an accounting system.
b) Tracking books and management ledger entries with accurate entries.
c) Monitor expenditures, income, and other financial transactions in real time.
d) Keep proper records for each transaction for future reference and auditing as well.

Prepare Budget Forecasts

a) Analyze current and past financial data to predict financial trends.
b) Forecast in-depth its budget estimates for various divisions and business activities.
c) Review and approve the organization's annual budget.
d) Work with executives to establish financial objectives and cost-saving measures.

Issue Financial Statements on Time

a) Prepare and post monthly, quarterly, and annual financial statements.
b) Validate compliance of financial statements with accounting principles and laws.
c) Discuss financial performance, identifying significant trends and areas of concern.
d) Help management and other stakeholders understand financial reports to make informed decisions.

Handles Monthly, Quarterly and Annual Closing

a) At month-end and year-end, finance closing processes are performed.
b) Verify consistency and accuracy of financial records.
c) Record entries for depreciation, accruals, and provisions.
d) Written closing reports for internal and external audits.

Accounts Payable and Receivable Reconcile

a) Keep track of invoices and payments for accurate cash flow management.
b) Balance differences between vendor/client accounts and company records.
c) Pursue unpaid invoices with customers and suppliers.
d) Ensure proper accounting of all receivables and payables so it does not distort financial statements.

Ensure Timely Bank Payments

a) Handle bank transactions (transfer, deposit, withdrawal)
b) Timely schedule and process payments to vendors, employees, and creditors.
c) Keep a good cash flow to avoid delayed payment.
d) Banks — For any discrepancies, account issues, or loan-related concerns.

Calculate Taxes and Fill Tax Returns

a) Compute corporate taxes, VAT, and other statutory dues
b) Adhere to Applicable Laws and Regulations. Avoidance of legal penalties
c) Timely prepare and file returns.
d) Monitor changes to tax policy and implement updates to financial records as needed.

Balance Sheets and Profit/Loss Statements

a) Keep a precise accounting of assets, liabilities, and equity.
b) Create and review balance sheets that represent the financial capacity of the company.
c) The profit and loss statement lets you see how profitable your business is.
d) Assess financial data to find potential areas for cost savings and investment opportunities.

Discussion of the Company's Financial Condition and Liquidity

a) Give information about the company's finances, such as cash flow analysis.
b) Assess financial risk and recommend actions to enhance liquidity.
c) Make investment recommendations to management based on previous financial data.
d) Foresight financial reports to drive business development strategy.

Audit Financial Transactions and Documents

a) I would only want to conduct internal financial audits as a way to double-check & prevent fraud.
b) Keep track of transactions and financial documents in an organized manner.
c) Help external auditors examine company finances.
d) Detect errors, inconsistencies, and compliance problems and suggest corrective actions.

Maintain Financial Data Privacy and Ensure Database Backup as Required

a) Take care that critical financial data are not hacked.
b) Follow security settings to protect your financial record.
c) Data Adoption Regularly back up your financial information so it does not get lost due to system failure.
d) Train employees on confidentiality and compliance protocols for financial data.

Adhere to Financial Policies & Regulations

a) Comply with international and local accounting standards
b) Follow company financial policies and industry best practices.
c) Stay on top of regulatory changes to financial and accounting operations.
d) Establish internal control policies to mitigate financial risks.
e) Handling Tax and VAT Payments and Returns

Prepare, submit, and process VAT returns according to government regulations.

a) Maintain a record of VAT inputs and outputs
b) Resolve irregularities or audits regarding tax filings.
c) Keep track of tax payments for compliance purposes.

1.3 Internship Outcomes

1.3.1 Student's Contribution to the Company

The contributions I made during my internship at Gartex Overseas Limited helped me conceptualize their financial processes and decision systems. Financial reporting and analysis were my primary responsibilities, but I also did data verification work, which included creating a new reporting process. The specialization played a significant role in spotting cost reduction opportunities and knowing the financial health of the business. I practiced payable and receivable management, which comprised invoice validation, scheduled payment management, and record discrepancies. This system allowed the company to establish close partnerships with partners. I assisted financial forecasting through variance analysis with the finance team to analyze historical data. These responsibilities improved Gartex Overseas Limited's cash flow management and maintained financial correctness, which in turn facilitated informed financial decisions. This made me understand financial principles and corporate finance better.

1.3.2 Internship Experience at Gartex Overseas Limited: Enhancing Financial Expertise and Industry Readiness

While in university, I worked with Gartex Overseas Limited, where I provided valuable insight into the practical applications of finance, giving participants an opportunity to gain hands-on experience in the finance world. To do so, this initiative endeavored to provide real-world experience that would transfer to the development of critical financial knowledge and skills.

Things I Will Learn and Experience:

Building Analytical and Data Analysis Skills

a) I learned how to analyze financial data, understand the trends, identify patterns and make data-driven decisions.
b) I became familiar with key financial metrics, allowing me to evaluate company performance and provide informed financial advice.
c) I learned how to make financial models, which helped me assess the company's risk management strategies and analyze investment decisions.

Methods and Approaches to Financial Reporting and Budgeting

a) Budget planning and participant involvement allowed me to make connections and gain an understanding of how costs are allocated, and resources are distributed, as well as how financial forecasting works.
b) I was also trained coders on income statements, balance sheets, and cash flow statements.
c) My job was reinforced that every report must comply with financial regulations, such as generally accepted accounting principles.

Direct Experience with Accounts Payable and Receivable

a) I dealt with actual financial transactions, so I got direct experience managing payables and receivables for the company.
b) I understood how important it is to have their invoices out and payments processed in a timely manner and the need to manage their credit to stay afloat.
c) I tracked vendor and client account reconciliations, learning cash flow management and how to avoid discrepancies.

Cash Flow Management and Documentation Process

a) Comprehensive insights on cash flow optimization and ensuring the company remains in a healthy liquidity position was shared with me during the event.
b) Now I know how others learned to manage their money, it helped me to know about cash coming in and cash spent out, therefore reducing the financial risk and increasing operational efficiency.
c) This is also why training covered topics such as proper financial documentation, which would help me ensure audit and compliance requirements are met.

Start being involved in budgeting and forecasting.

a) Participants took part in financial forecasting, which allowed me to learn about predictive modeling and market trends.
b) Worked on cost control measures to increase the organization's financial stability
c) The skills learned through I experience with strategic financial planning also set the foundations for decision-making pathways, positioning me well for future leadership roles within finance.

Using accounting software

a) If this was for a business-related operations role, I was made to get up to speed with the latest accounting processes and standards. They became technically proficient in using industry-standard accounting software like QuickBooks, SAP and Tally.
b) I training enhanced their financial automation proficiency, allowing me to be more speedy with handling transactions and financial reports.
c) I was future-reading because they learned digital financial tools for roles in accounting, auditing and financial analysis.

Enhanced Self-Efficacy

a) In-person training helped me to build competence and confidence in their financial capabilities.
b) Working in a real-world financial setting gave me skills that prepared myself for careers in accounting, finance and banking.
c) The internship provided a platform for networking opportunities with professionals in the field , contributing to the expansion of my professional networks.
d) The technical and analytical training provides me with a competitive edge in employment.

Overall, Gartex Overseas Limited provided an incredible internship experience for me, who would develop my financial knowledge and build professional exposure, and this is a firm base for future financial careers.

1.3.3 Problem/Difficulties

During my internship at Gartex Overseas Limited, I encountered several challenges that tested my adaptability, perseverance, and problem-solving abilities. However, despite these initial difficulties, I was able to make significant professional and personal progress. The experience provided me with an invaluable opportunity to develop my skills, navigate complex financial systems, and strengthen my ability to work in a fast-paced environment.

- **Flexible Tables — Adapting to a Fast-Paced Finance Department**

The most significant challenge I needed to tackle was the fast-paced financial department, where objectives, strategies, and actions were adjusted regularly due to market trends and financial needs. The finance domain works in a pressure-packed environment where the cost of inaccuracy can be quite steep, so adapting at the earliest turn is crucial. For starters, I had trouble adjusting to the zig-zagging of financial goals and timelines that made quick re-calibrations and re-calculations necessary. It was initially overwhelming to work under tight deadlines, bringing accuracy to financial records. The perpetual flow of financial transactions, reporting, and budget adjustments took a while to get right. Nonetheless, through experience and guidance, I started to understand how to prioritize tasks accordingly, as well as have a proper time management schedule and adapt to how dynamic the department can be. As time market, I was able to navigate my workflow with the quick-paced financial workflow and become more comfortable managing responsibilities.

- **Dealing with tight deadlines and data entry in financial reports**

During my internship, the first thing that I had to deal with was tight deadlines in both financial data handling and report creation. That precision, of course, is required by your work in the finance department, where a simple data entry error could turn into a world of hurt in your financial statements.' I was responsible for the accuracy of all financial reports, such as profit and loss statements, balance sheets, and cash flow reports. Organizing and multitasking with large amounts of financial data in conjunction with reporting deadlines improved my skills. To address these challenges, I created a structured way of managing data and reporting, providing a formal process for:

- **Efficiently organize all financial data using accounting software tools**.

Establishing daily goals for data entry and reflection to circumvent eleventh-hour scrambles.

Team up with other departments for validating financial entries and keeping records factual.

Gradually, I learned to obtain data and comply with deadlines for financial reporting, and it increased my confidence in financial management.

- **Business Accounting System Overview**

Learning the company accounting system was a big challenge when I first joined my internship. This was a sophisticated combination of financial instruments, accounting rules, and internal controls I had never seen. At first, it was hard for me to understand how transactions were recorded, tracked, and analyzed in the company's unique financials. The fast nature of Garnet's manual processes meant that describing financial statements and operating accounting software tools needed in-depth knowledge of Garnet's specific financial protocols. I had to understand how financial software worked, how transactions were recorded, and how to produce accurate reports.

To overcome this challenge, I utilized these strategies, I spent additional time studying the accounting system and interviewing senior accountants about the workflow. I made observations and notes of the processes I was going through in order to establish a reference manual. As I continued to work, I learned to use a software program and financial tools that enabled me to work more effectively and productively. In this manner, I slowly learned accounting software and gained exposure to real-time data, which in turn helped the way I processed data and made a significant difference to the finance department.

- **Dealing With Large Amounts of Accounts Payable and Receivable Data**

Large shipments of accounts payable and receivable data were another major hurdle. Gartex had a large volume of financial transactions, which made it difficult to ensure accuracy with bookkeeping and reconciliation of records. They needed to pay scrupulous attention to detail because they had many supplier invoices and verified the transactions. This involved processing vendor payments and reconciling outstanding balances to minimize overdue accounts while maintaining vendor payments quickly, all of which is an approach rooted in analytical skill.

Because of the high volume of invoices and financial documents, an efficient method for record-keeping was needed. To overcome this, I implemented a structured process for the organization and reconciliation of accounts. Utilized software accounting tools for organizing transactions by different classifications. Understood payment cycles and how suppliers' invoice to optimize transaction processing. Slowly but surely, I learned the ropes about how to deal with massive amounts of financial data, ensuring all financial transactions were accurately recorded and reconciled.

- **Addressing Intraparty Task Frustrations and Communication Barriers**

As I worked in the finance department, I started to experience moments of frustration with interdepartmental coordination and task execution. Integrating the invoices with various departments and suppliers proved difficult when I wanted to validate them or if I needed to find discrepancies. While this level of detail in recording every transaction provided a paper trail and accountability, approval procedures invariably delayed transactions, creating inefficiencies in the workflow. In the beginning, it was challenging to communicate with suppliers and internal teams about financial clarifications and corrections. To address this, I Learning how to communicate financial concerns professionally. Proactively tracked up with suppliers and internal teams to facilitate transactions. The experience gave me strength in the tools needed to improve the reconciliation process in financial documentation. My proactive approach and improved communication skills resulted in healthier relationships with coworkers and external parties.

Although it was a struggle in the beginning, my internship at Gartex Overseas Limited proved to be a wonderful learning experience, sharpening both my technical knowledge and my professional skills. Analytical acumen with exposure to financial reports, transaction data, and cash flow management, I developed a sharp analytical mindset and ability to assess and evaluate financial performance. Working with tight deadlines and extensive amounts of data forced me to learn how to prioritize and optimize productivity. I became adept at accounting software, which is an essential tool in finance. By working through real-world cases of budgeting, forecasting, and financial reporting, my confidence in making sound financial decisions grew. But with determination, education and evolution, I was able to convert my obstacles into opportunities that helped make me more productive, knowledgeable and prepared for future positions in the finance industry.

1.3.4 Recommendations on Future Internships

Based on my firsthand experience as an intern at Gartex Overseas Limited, I have identified several areas where the internship program can be enhanced to provide a more structured, engaging, and beneficial learning experience for future interns. These changes will not only improve intern performance and confidence but also contribute to the overall efficiency and success of the finance department.

- **Have a Well-Planned Orientation Procedure**

The first big challenge I had as an intern was the absence of an onboarding process, causing it to take longer for me to familiarize myself with department functions and processes. In an effort to resolve this issue, I would suggest that Gartex Overseas Limited create an in-depth orientation initiative that will: Bring interns into the workflows, including operations, financial processes and key performance indicators. Interns will have a precise brief from day one, as the onboarding will be structured. Train them on the company's financial systems and software tools. Since financial software forms a vital part of day-to-day operations, early exposure would ensure that the learning curve is much shorter and interns take way less time to get productive. Educate users on relevant industry regulations, compliance requirements, and best practices in accounting and finance. This will provide interns with essential information to face real-world financial challenges confidently. Provide a roadmap of success to instill confidence in interns. A conducive training setup at the beginning of the internship phase will result in less confusion and a better rate of adaptation for an intern in a respective company.

Such a structured orientation program will facilitate a smoother transition for the interns, enabling them to become productive members of the company's finance team in a shorter timeframe.

- **Giving Each Intern an Assigned Mentor or Manager**

I was given various assignments ranging from data reconciliation to financial analysis to transaction verification, all of which were complex and needed additional support during my internship. One of the most significant improvements that can be made in the internship experience is to have a system of mentorship, where you are assigned a mentor or supervisor who can guide you through this whole internship process. A mentor is there for day-to-day support (question help, technical questions etc.) and knowledge transfer. Interns can navigate frustrating and complicated financial processes with much more confidence and facility with direct contact. Frequent touchpoints between mentors and interns will help keep the interns engaged and on track with the learning curve. Mentors can give constructive feedback on assignments, which can help interns improve bookkeeping, financial reporting, auditing, and how they work the software. As interns get guidance and recognition for their work, their involvement and confidence in their work will increase.

A structured mentorship component can enhance the overall quality of the internship experience, making it more impactful for both the interns and Gartex Overseas Limited.

- **Hands-On Practical Sessions on Accounting Software to Make Work Easier**

A major challenge I encountered while interning was learning the company's accounting software system, as it was complex, and training was limited in the beginning stages. Prologue and induced practical training toward accounting software for a long duration need to be devised in order to make them productive as well as capable from the long-term perspective. Basic business accounting software training in the initial phases of the internship will land interns on their feet with the must-know tools and features. Only after greater exposure to financial software should the new interns be assigned more complex tasks in such areas as data reconciliation, financial reporting, and transaction analysis. Interns will also be assigned practice work to ensure a safe learning round to build confidence around handling financial transactions and the generation of reports.

Moreover, by minimizing how much time it takes to learn accounting software, interns are able to spend less time just figuring out what buttons to push and more time engaged in higher-level finance concepts. Incorporating an extended, hands-on financial software training program with technology will improve intern efficiency and significantly reduce overstated/reported figures in financial statements, leading to interns who can contribute at a productive level much earlier in their internship.

- **Cross-Departmental Projects: For Holistic Learning Experience**

Currently, most tasks interns participate in are finance-related jobs. This is one of the most significant drawbacks of the existing internship structure, as it does not give interns a holistic view of other relevant business processes. Two teams, in my opinion, should work together — cross-departmental projects to make learning more constructive. Cross-functional projects can help interns gain a broader understanding of business operations, seeing how finance relates to marketing, supply chain, human resources, and sales. By working with other departments, interns will gain valuable business insights, making them better problem-solvers and decision-makers. The accumulated experience of different teams will hone the multi-dimensional communication and teamwork skills of interns, and it will make them ready for actual working conditions in the corporate world.

Interns who have a good grasp of company-wide operations will be more versatile and adaptable, as generalist skills are in high demand in the financial sector. Mixing multidepartment projects in the internship program will uniquely supplement intern involvement in Gartex Overseas Limited's skill set and substantially improve their complexity to the business.

This proposed improvement to the internship structure at Gartex Overseas Limited will help create a more systematic, efficient and rewarding experience for interns as well as the company. These improvements will allow interns to derive the most value from their experience and help them gain critical skills in finance and business while also contributing to the betterment of the organization. Also, possible changes will make Gartex Overseas Limited more appealing and a better competitor for students who want to gain more experience in finance.

Chapter 2

Organizational Part

Overview of Gartex Overseas Limited

2.1 Overview GARTEX OVERSEAS LTD

Established in 2001, Gartex Overseas Limited has emerged as a one-stop global sourcing and commerce company serving the textile and apparel markets. Headquartered in Hong Kong, the organization's production centers are in all critical pattern nations, such as India, Bangladesh, Sri Lanka, Pakistan, and Egypt. IGT's presence at these locations enables Gartex to cater to the various needs of its clients with a more profound impact on the Global Market.

Gartex mainly engages in product design, market analysis, fabric procurement, and logistics management. These services are essential for clients to efficiently manage their supply chains in a timely and cost-effective manner to take their products to market. By efficiently managing these aspects, Gartex enables its clients to design competitive, reliable, and sustainable supply chains. The company's enigma for providing top-notch products at affordable prices while maintaining responsible business practices boasts of its different stature in the industry.

Gartex is in Delhi, Dhaka, Karachi, and Colombo—all strategically located cities where its offices work as operational nerve centers. These locations allow the company to quickly handle lightning-fast deliveries and secure commodities, maintain a maximum fluidity of plants, and meet clients' needs with minimal response time. The supply chain operations are central to their business model, allowing them to be global players while keeping the supply chain machine running.

Gartex Overseas Limited notably emphasizes sustainability. It collaborates with responsible manufacturers and sources materials ethically, aligning its business vertically with principles of ethical conduct. They also stress business ethics in their negotiations, making sure that all deals are both open and above board. Gartex works closely with a wide range of sustainable technologies, which, in conjunction with their operational proficiency, makes them a trustworthy partner when global clients are seeking responsible sourcing solutions.

Solutions by Gartex are sector-specific and hence built approaches based and catered to different industries. They are well aware of the industry's ins and outs and provide cost-effective, high-quality solutions so that their clients get the very best of products without risking their business standards. In addition, Gartex is trying to work on improving supply chain operations and product integrity, which will help the company retain and grow its international business functions. By leveraging their expertise in the industry and operational excellence, they are able to provide services across business functions and grow their footprint globally.

With their skillful locations and a wide range of services, they have successfully become a trusted business partner for its global clientele.

2.1.1 Vision

To be the most preferred, trusted, reliable & ethical global sourcing partner for our esteemed customers.

2.1.2 Mission

Get recognized for our meticulous sourcing of materials and production from compliant factories, securing competitive pricing and on-time delivery Our commitment to customer satisfaction is a core value of our business and that reflects in our actions.

2.2 Management Practices

As of October 2023, Gartex Overseas Limited has a strong focus on corporate development through cooperation and partnership development. This strategy targeted to inject efficiency and proficiency across its worldwide sourcing and procurement functions. By being a collaborative organization, Gartex is able to streamline its activities. At the same time, it remains responsive to the requirements and wants of its customers. A cornerstone of Gartex's skillset is an unwavering commitment to customer satisfaction. Gartex caters to the needs of each customer by addressing them on their level and providing them with customized solutions to their queries. By adopting a customer-focused strategy, the company ensures long-lasting relationships and strengthens its foundation as a provider of access to quality and dependable services. Gartex believes in having strong trust in relations globally, and that only happens when the operations of the firm are constantly aligned with the requirements of the clients.

A Key Success Factor of Gartex The apparel and textile industry is a dynamically evolving marketplace where real-time logistics processes not only contribute to customer satisfaction and retention but are also a source of competitive advantage. Gartex reduces expenses while increasing operational efficiency through logistics optimization. You do this through a functional supply chain that weaves together logistics management, vendor collaboration, and supplier alliances. This ensures that their supply chain management strategies are effective in achieving timely delivery, quality, and cost to the overall service provided by the company.

With regional offices in Bangladesh, Sri Lanka, and India, Gartex has placed itself in a favorable position to increase its supplier engagement and nimbly adapt to changes in the market and the needs of projects. They are at the forefront of everything on the floor because they have to rapidly reach clients or suppliers and arrange orders. Offices around the regions are crucial, according to Gartex, to enable them to respond to market trends swiftly, which is critical in the ever-changing apparel market. Gartex Overseas Limited is a socially responsible and environmentally conscious company. This company is ethical and accountable in its sourcing and work practices, consistent with the best environmental and labour practices. This commitment to eco-awareness saves Mother Nature; it has built trust with customers who appreciate sustainability. With the increasing demand for sustainable products and ethical business practices, Gartex is leading the charge towards sustainable practices and environment-friendly products. The whole Gartex procedure is robust for controlling quality. Its enhanced quality control mechanisms have transformed the company into a trusted and respected partner of its customers. Gartex maintains quality at various levels, from purchasing raw materials to dispatching packed goods. This commitment to quality allows Gartex to supply customers with products that meet and exceed their expectations, elevating it to a trusted supplier. The company's success is also ascribed to responding quickly to market requirements and internal process optimization. We are committed to tracking the most valuable information about industry trends, emerging technologies, and business needs. Gartex stays at the head end and profits by using this knowledge to fuel its business. Its skill for renewal and adaption to the times allows the company to be present at the top of the world's textile and garment business.

There is transparency in Gartex. It is not just a company but also the communication and cooperation between the customers and the suppliers; it is trust, the guarantee of business. Everything is out in the open; everyone sings from the same hymn sheet and has the best chance to pull in the same direction. Gartex's work atmosphere is team player, which is one of the reasons for its operational success. They create a culture of cooperation where employees and clients work together to find solutions and develop new ideas. Gartex also focuses on some of the most advanced technology to expand and improve operations, and it uses technology to support its core values — surpassing client expectations, enhancing product quality, and ensuring on-time delivery.

In 2023, Gartex Overseas Limited will prioritize business growth. We will establish strategic partnerships, improve our supply chain management, and reinforce our commitment to sustainability and ethical practices. By setting high-quality standards, maintaining transparency, and fostering teamwork, we aim to increase our market presence and enhance our operations. As we know, this company will significantly impact our apparel and textile industry. Gartex matches pace with industry requirements; Gartex adheres to ethics and sustainable sourcing, which is possible because of its focus on market trends, process improvement, and technology.

2.3 Marketing Practices

We at Gartex House manufacture and supply the most contemporary and unique designs of ladies' pant, skirts, jacket and shirt, and are dedicated to our growing group of customers worldwide. By offering astute information on the best of internal and outsourced marketing, the company is simply a survival tool to get in front of some part of the global population. A significant part of this approach is the company's commitment to customer loyalty, as the service they provide and are known for, including reliability, honesty, and humanitarian ethics, all have something in common — they are indispensable for a strong bond! Gartex's organically crafted success is also fueled by its emphasis on the quality of the textile being produced. The company also focuses on the fabric you talk about to ensure products that are either the same or better than global standards. This focus on quality has elevated Gartex to being one of the most reliable and stable vendors in the market, especially in ensuring quality in serving foreign retailers and wholesale clients. Gartex has been upholding its reputation of reliability by delivering better products consistently, and this has helped the company maintain healthy relationships with core clients and suppliers worldwide. Gartex believes in relationship marketing to build long-lasting associations with its customers. It partners with clients all hailing from countries like Bangladesh, India, and Sri Lanka, which drew an eye to the specificity of their requirements, allowing the company to adapt its approach as needed. Gartex earns trust and loyalty among its clients through personalized service and a dedication to client satisfaction, which ensures that clients do repeat business and become advocates for the brand. This market- and relationship-centric approach keeps Gartex close to the market. It enables it to correlate and respond to customer requirements during any shift/change that is happening in the future. Gartex also attends trade fairs, exhibitions, and business networking events to increase its visibility and presence in the marketplace. These events allow the company to show off its prowess in sourcing, managing its supply chain, and the quality of products it offers its customers. Gartex showcases itself as a forum for thought leaders in the garment industry to interact with potential customers and allies from this thriving industry. It’s more than building awareness; it makes Gartex aware of industry trends, market demands, emerging innovation, and what’s to come.

Gartex employees are always textile leaders who serve the competitive world of textiles. So, one of the key strategies for Gartex is Digital marketing. As more consumers and businesses go online, the Chicago-based company has embraced various digital marketing techniques to reach new audiences in novel ways. Gartex builds on cost-effective business promotion and enables multi-level marketing, such as social media and content. Those efforts will allow the company to stay online, offer new visitor services, and reach out to current customers across various digital touchpoints to keep them returning for more. Gartex understands that businesses in the textile industry need to be agile enough to stay up to date with the ongoing industrial consumer requirements and that being a part of a “bigger plan” to facilitate vacation is exciting and humbling.

So, Gartex fine-tunes its marketing strategies over and over again to get back its niche in the lucrative textile space, outpacing rivals and shaping future growth. Gartex has sustainability at the core of its brand identity. Not only does the brand serve a growing demand for sustainable products, but it also maintains global standards of sustainable sourcing practices. With its operational ethos aligned with ethical practice, Gartex provides an ethical environment for consumers and clients. To cement its position as a market leader while upholding corporate social responsibility, the company is committed to sustainable sourcing as an ongoing process that will only get the company further out ahead in the textile industry.

Gartex is also interested in advertising your resources to promote your values and strengthen your place in the market. The company nurtures strong market presence and visibility among global customers through advertising campaigns and brand-building efforts. Gartex plan– These advertisement initiatives are aligned with Gartex's growth strategy and facilitate the company's entry into unexplored markets and its emergence as a market leader in the textile industry.

Overall, Gartex Overseas Limited's marketing and business development policy is holistic, strategically combined and long-term. These strategies have helped Gartex establish itself as a leader in the global textile and apparel sector, specializing in quality products, relationship marketing, digital advances, and sustainability practices. By utilizing these approaches and remaining focused on both emerging industry trends and client interaction while also emphasizing sustainability within its operations, the company continues to be competitive and ready to grow into the future.

2.4 Financial Practices

NET Profit Upon Sales

Net Profit Upon Sales					
Parameter	**2021**	**2022**	**2023**	**2024**	Industry Average
Net profit after tax for the year	8029220	6421180	10096460	10997990	
Revenue	25600000	29000000	39600000	46600000	
Net profit/ Revenue	31%	22%	25%	24%	15%

GARTEX OVERSEAS LTD generated a 31% profit margin in 2021, which decreased by 22% in 2022. This was a decline but above the industry average of 15%. GARTEX had profit rates of 25% in 2023 and 24% in 2024. While 2022 was challenging for the company, it still outperformed the sector in the subsequent years. It has regularly delivered margins at least 15 percentage points higher than the industry average, which suggests it is more efficient at controlling costs and converting its sales into profits than many of its peers. Despite the 2022 drop, its profitability remained well above the industry norm.

Liquidity Ratio

Liquidity Ratio					
Parameter	2021	2022	2023	2024	Industry Average
Total Current Assets	19029220	21250400	28246860	31144850	
Total Current Liabilities	8500000	8300000	12700000	15600000	
Current Asset/ Current Libilitires	2.24	2.56	2.22	2.00	2.00

The current ratio measures a company's ability to pay its short-term liabilities with its assets. A ratio over 1 represents a healthy liquidity position and means the company can cover its liabilities. The ratio lifted from 2.24 to 2.56, representing greater liquidity and a better ability to cover short-term creditors. Then, it fell just a tad to 2.22, suggesting some increase in liabilities or a decrease in current assets. However, the company had no short-term funding obligations it could not meet. Ultimately, the ratio returned to 2.00, precisely the average for the sector. Although such remains a healthy liquidity profile, it does indicate a shift by the company to be less conservative with short-term obligations than in years past. The current ratio is even with the industry average this year, telling us the company's liquidity performance is now in line with the peers. The drop from 2.56 in 2022 to 2.00 in 2024 may mean the company relies more on short-term debt than assets.

Financial Leverage

Financial Leverage					
Parameter	2021	2022	2023	2024	Industry Average
Other Payable	2833333	2766667	4233333	5200000	
Total Equity	16029220	17450400	21046860	22044850	
Debt/ Equity	18%	16%	20%	24%	50%

The debt-to-equity ratio fell by two percentage points, from 18% to 16%, indicating lower financial leverage and, therefore, less dependence on borrowing for financing operations—usually a good sign of financial health. The percentage increased again to 24% later, suggesting the company may rely on debt to finance operations or growth. It adds some risk to that but can also fuel additional growth. During the next 12 months, the company maintained its debt-to-equity below 50% and kept its profit margins in line with the industry. This low ratio also indicates the conservative financial policy of the firm, implying less vulnerability. The debt-to-equity ratio has always been way below the industry averages. This means that even if its rivals make far more liberal use of debt – the industry average is around 50% – the company does not want to take on as much risk, which is valuable in a time of economic uncertainty.

DEBT/ ASSET

Debt/ Asset					
Parameter	**2021**	**2022**	**2023**	**2024**	Industry Average
Other Payable	2833333	2766667	4233333	5200000	
Total Asset	24529220	25750400	33746860	37644850	
Debt/ Asset	12%	11%	13%	14%	50%

The company's measure of how much debt was used relative to total assets was slightly lower at 11% compared to 12%, so it was good to rely on financial stability. Afterward, the figure started to inch up, from 13% to 14%. While not huge, the uptick does illustrate a relatively weak level of debt investment overall, indicating that borrowing behavior is tentative. This also shows that the company's financing strategy is conservative, at least relative to the industry average.

The company's debt-to-equity ratio is 0.34, which shows that it does not rely on debt for capital compared to equity. This contrasts most of the industry, where many peers have had bloated debt/asset ratios. The ratio highlights the company's strong track record, solid financial performance, and prudent use of operating leverage in the past. While the projections for 2024 suggest a slight increase in leverage to facilitate growth, the company's ratio remains significantly lower than the industry averages. This suggests that the company continues adopting a conservative debt financing approach.

Operating Profit Margin

Operating Margin					
Parameter	**2021**	**2022**	**2023**	**2024**	Industry Average
EBIT	10705630	8561570	13461950	14663990	
Sales	25600000	29000000	39600000	46600000	
Operating Margin	42%	30%	34%	31%	20%

A 42% operating margin is fantastic, revealing the company’s remarkable capacity to turn sales into profit. Even after the margin dropped to 30% (a bit below 31%), most likely because of higher costs or reduced efficiency, the company had a far more decisive margin than the industry average. The margin subsequently widened to 34%, which means that the company did a good job controlling costs and increasing profitability even as revenue expanded. It then fell again to 31%, which, although still good, could be a sign of increasing costs or greater pricing pressure. In short, the company’s operating performance mostly beat the industry average of 20%, indicating the firm is more efficient in spending on sales and earnings profits than its industry peers.

Net Profit Margin

Net Profit Marrgin					
Parameter	**2021**	**2022**	**2023**	**2024**	Industry Average
EBIT	8029220	6421180	10096460	10997990	
Sales	25600000	29000000	39600000	46600000	
Net profit Margin	31%	22%	25%	24%	20%

The company has an impressive record of efficiency in keeping costs within the ambit of its revenue, a classic case of efficient cost management that led to a robust net profit margin of 31%. This robust number points to efficient operations and strong profitability. However, the margin subsequently fell to a relatively anemic 22%, a cause for worry among investors considering the possibility that operating costs may be rising and that growth may be slowing in temporary and inefficient ways. Even with that fall, the margin was still above the industry average of 20%. Later, the ratio rose above 25%, which reflects a recovery from profitability, probably due to higher sales and better cost control. The margin fell then to about 24%, which was still impressive given industry standards. This slight decrease may be due to rising costs or keeping prices competitive during tough economic times. During the period examined, the firm consistently reported a net margin exceeding the industry average of 20%, demonstrating strong operating efficiency and the ability to convert sales into profits. Additionally, despite the drop in 2022, the margin remained well above that of peers, highlighting the company's competitive strength.

ROA (Return on asset, which is the net income for the year against the investment)

ROA (Return on asset, which is the net income for the year againt the investment)					
Parameter	**2021**	**2022**	**2023**	**2024**	Industry Average
EBIT	8029220	6421180	10096460	10997990	
Total Asset	24529220	25750400	33746860	37644850	
ROA	33%	25%	30%	29%	45%

With an ROA of 33%, the company looks more profitable than its assets. This was a rock-solid performance, demonstrating the company's ability to profit from its assets. However, net ROA is now at 25%, which may indicate that either EBIT has decreased or that asset utilization is less efficient. Performance at the company was still solid despite the decline. The ROA eventually increased to 30%, indicating a quick return to its operational efficiency. Through that time, the company's EBIT also increased substantially, and its total assets were sustained at high levels, which means higher earnings from a larger and more efficient asset edge. The ROA dipped lower to 29%, which is a healthy ROA. Moreover, despite a potential growth in earnings that could be expected as new assets were acquired, the increase in new profits was not pro rata. With the industry average ROA being 45%, the company can do better by improving its asset utilization to achieve its peer averages.

ROC (RETURN ON CAPITAL, which is Net income against capital involved)

ROC(Return on Capital, which is Net income against capital involved)					
Parameter	**2021**	**2022**	**2023**	**2024**	Industry Average
EBIT	8029220	6421180	10096460	10997990	
Investment	10000000	16029220	17450400	21046860	
ROC	80%	40%	58%	52%	75%

The company posted an excellent Return on Capital (ROC) of 80%, thus signaling a high base of invested capital used effectively to make returns. This was a sign that the business was efficiently using its capital. However, the ROC plummeted to 40%, likely due to higher capital investment and a decline in EBIT, indicating a lower capital efficiency in 2022. However, the picture looks better because ROC and profitability worked their way back to 58%, which would indicate that the company was able to get better earnings on its capital as it became more productive and built up its income. ROC then dropped a bit to 52%, which tells us that the efficient use of capital had decreased some. Return on capital also remained strong, although down from the previous year. The company’s ROC lags well behind the industry average of 75%, so it is not generating returns as effectively as its peers.

CAGR (Cumulative Average Growth Rate)

CAGR (Cumulative Average Growth Rate)					
Parameter	2021	2022	2023	2024	Industry Average
CAGR	5.7%	6%	17%	8%	15%

The company grew slowly at a compounded annual growth rate (CAGR) of 6%. That later expanded up to a robust 17%, showing a significant embellishment in the growth. This could be associated with strategic measures, the share of the market, or getting back on track from previous problems. The growth rate was slower than the 8 percent growth it recorded, perhaps signaling lost momentum from the 2021 growing season or challenges the company faced in its operations. Compared to the standard industry midpoint of 15%, the company's CAGR later matched that figure, arriving at 15%, possibly a more optimistic indicator than the 2022 dip. This implies that growth became even more solid and steady as 2023 progressed. Matching the industry Similarly, on the growth front, it is at par with the industry average when the company's performance in 2023 is compared to that of the sector. However, the variability in the CAGR over time also indicates that although the company has robust growth potential, there is year-on-year variability partly originating from the external environment, the strategic choices, and the market environment at that time.

Current Asset/ Revenue

Current Asset/ Revenue					
Parameter	2021	2022	2023	2024	Industry Average
Current Asset	19029220	21250400	28246860	31144850	
Revenue	25600000	29000000	39600000	46600000	
Current Asset/ Revenue	74%	73%	71%	67%	100%

The ratio of the company's current assets in revenue generation has decreased from 74 percent to 73 percent, indicating a slight reduction in the dollar amount associated with revenue generation. This figure then fell further to 71 percent. However, this decline in current assets could also suggest improved efficiency in asset utilization, which is concerning, as it likely reflects an expanding asset base relative to revenue growth. The ratio then dropped to 67 percent. This implies that since the company has experienced profitability, the average revenue increase exceeds the growth of less liquid current assets. In contrast, the industry average is 100 percent competitors with a current asset-to-revenue ratio of 1-to-1, demonstrating greater effectiveness in utilizing assets to generate revenue.

2.5 Operation Management and Information System Practices and Supply Chain Management (SCM)

Gartex Overseas Limited operates with strong systems that cater to all its markets, with process flows in place to manage the company's operations in different parts of the world. New assets, suppliers and benefits should be planned as well, ensuring the company provides high-quality products with competitive pricing through careful decisions and partnerships with selective companies. Being supported by this practice, Gartex is known as a trusted and eputed vendor in the textile sector, which keeps its commitments in terms of quality and value.

Timely Dispatch and Organizational Transparency, Critical Aspect of Gartex's Operational Success. Not only does it help to improve their customers' experience, but it also maintains efficiency and organization in business operations. Gartex's commitment to transparency builds trust and confidence among the partners and clients that the company's performance is transparent and can be evaluated for improvement.

The use of information systems and technology is a key driver of Gartex's operational efficiencies. The firm implements state-of-the-art technologies to handle everything in its operations, from production schedules to shipping notifications and inventory management. Gartex comes with real-time tracking functionalities that allow for data monitoring and management of real-time generated data, ensuring timely updates and continuous operation throughout the supply chain. Gartex's real-time visibility enables the in-time modification of production schedules and smooth transition of products across the entire supply chain to keep up with any operational challenges.

Data analytics is helping the firm strengthen its sourcing capabilities. Some helpful data analysis, for example, lets Gartex identify trends in consumer behavior, helping the company optimize procurement efficiency and proceed with more accurate demand forecasts. With data diversified as per source function, Gartex is playing around with this in an efficient manner to act now and improvise on upcoming operational activities. Gartex holds its title of the leading global textile company by constantly anticipating market demands and adjusting it procurement in accordance with it.

In SCM, Gartex focuses on operational efficiencies and teamwork as the two most important pillars of success. By implementing advanced SCM strategies, companies can achieve better collaboration, integration, and coordination between suppliers, manufacturers, and logistics partners. Collaborations help Gartex operate efficiently, reducing delays and ensuring timely shipments at the correct cost. The company also focuses on sustainable sourcing practices, an integral part of its supply chain management strategy. Gartex works with manufacturers in Bangladesh, Sri Lanka, and India, all of whom have long-standing relationships with the company based on mutual respect and ethical business practices.

The SCM is progressively applied at the end of the day. The beneficiary of the increase has been Gartex 2015, which has benefitted significantly from the digital platform. These systems provide 24/7 visibility into their operations and allow the company to monitor every stage of its supply chain, heading off disasters before they occur. Because it has complete visibility of its supply chain, Gortex can request to adequately address concerns without disrupting the business. This level of control in logistics optimization enables Gartex to reduce operating costs and improve the speed of deliveries while still meeting customers' needs.

Another critical focus of Gartex's operation management is ethical sourcing. All products sourced have stringent market approval, compliance, and high moral values. By responsibly sourcing, Gartex creates trust with its customers and partners, which also plays an essential role in sustainable and responsible business. Gartex is led by an excellent approach to top-notch textile creation, emphasizing the ethical frame and a sustainable impact on the whole supply chain.

Gartex has established itself as an ultimate marketplace for Global Sourcing, Efficient & Effective Solutions and Networks to various stakeholders from the entire value chain of the garment industry. By activating its supply chain operationally, deploying leading-edge technology, and guaranteeing ethical sourcing, Gartex is affirming its position at the top level of the industry, and it is signaling to its clients that they can trust it. The firm's advantages in global sourcing are its concentration on benefits that include operation excellence, customer satisfaction, and sustainable long-term practice. Gartex Overseas Limited's operational management is based on efficiency, transparency, and innovation. By utilizing technology, data analytics, and digital platforms, the company hopes to automate the processes, enhance procurement efficiency, and advance operational performance. This company is known for its high ethical standards, its resources, and the sustainable sources it uses, so this way, it also earns good relations with clients and suppliers while bringing high-quality products into the market. Gartex can now make its strides to retain its leadership position in the textile and apparel world through constant improvements in the way it operates and communicates.

2.6 Risk Management System [GARTEX OVERSEAS LTD]

Gartex Overseas LTD operates in a complex and highly competitive global sourcing and trading environment. Below is an analysis of the key risk factors that the company faces, along with potential mitigation solutions:

1. Supply Chain Disruptions Risk

Risk Factor: Gartex relies heavily on international supply chains to carry out its operations, exposing it to disruptions triggered by geopolitical tensions, natural disasters, pandemics, or shifts in trade policy. These determinants may cause sourcing, production, and logistics, among other things.

Mitigation Measures:

- **Diversify:** Utilize raw material and product sources across many countries, regions, and continents to avoid reliance on a single market, which can expose one to disruptions.
- **Strengthen Supplier Partnerships:** Build and foster long-term relationships with critical suppliers and manufacturers that promote greater cooperation and ease of operation in difficult times.
- **Monitoring Supply Chains in Real Time:** We use artificial intelligence (AI), the Internet of Things, and advanced analytics to continuously monitor our supply chain. This helps us identify possible problems early and allows us to take action to prevent disruptions.
- **Disruption Management Plans:** Develop and execute detailed plans to mitigate the effects of unexpected disruptions on the supply chain.

2. Geopolitical and Economic Risks

Risk Factor: Gartex Overseas Limited operates in many countries, which exposes the company to political risks, trade disputes, and changes in regulations. These challenges can make sourcing harder, increase production costs, and affect sales. Also, economic changes and trade restrictions can have a big impact on the company's operations.

Mitigation Strategies:

- **Ongoing Risk Evaluation:** Regularly track the political and economic landscapes in Gartex's regions to identify and respond to emerging threats quickly.
- **Foreign Exchange and Hedging Measures:** Implement hedging techniques to protect profit margins from exchange rate volatility in key markets.
- **Adaptation to Regions:** Tailor business to each country's politics or economy. This might mean tweaking pricing models or pivoting towards more stable markets where appropriate.
- **Regulatory Compliance Teams:** Local regulations, trade agreements, and compliance standards, including those relating to imports, exports, and the environment, must be items stored.

3. Risks Related to Compliance and Regulation

Risk Factor: Gartex Overseas Ltd conducts business in India and abroad, so the company is subject to various regulatory regimes in different jurisdictions. These include labour and employment laws, environmental laws, and ethical sourcing guidelines. Violations of regulations result in negative publicity, litigation, and punitive fines.

Mitigation Strategies:

- **Compliance and Legal Auditing:** Perform periodic audits to assess compliance with local and global laws, especially regarding labour standards, environmental standards, and anti-slavery laws like the UK Modern Slavery Act and the California Transparency in Supply Chains Act.

- **Supplier Rating and training:** Regularly rate suppliers against the Gartex Code of Conduct, which comprises significant elements of the ILO core conventions and relevant local laws, and, where appropriate, provide training.
- **Leverage Compliance Technologies:** Use technology for a compliance management system to track regulatory changes across markets and simplify audits and reporting.
- **Legal advisory partnerships:** We work with local and international legal consultants to stay current on changing regulations and remain compliant in all jurisdictions where we operate.

4. Brand Reputational and Ethical Risk

Risk Factor: Gartex Overseas Limited maintains its reputation for ethical sourcing and commitment to human rights. However, any shortcomings in its operations, supply chain, or labour practices could compromise these standards. This issue is critical today as consumers and businesses increasingly focus on responsible sourcing and seek partnerships with those who share their values.

Mitigation Strategies:

- **Clear and Consistent Reporting:** Regularly publish sustainability and ethical sourcing reports to demonstrate compliance with labor rights, environmental responsibilities, and anti-slavery commitments.
- **Code of Conduct Enforcement:** Adhering strictly to Gartex's Code of Conduct and Business Ethics at all offices and suppliers, ensuring all associates perform in line with the company's high ethical standards.
- **Global Certifications:** Secure acknowledged global certifications, such as ISO 14001 of environmental management or Fair-Trade certifications, to strengthen Gartex's reputation as a responsible and ethical company.
- **Reputation Risk:** Respond to crisis impact. Make sure to plan for reputation risk, including sudden ethical violations and threats to reputation that you can turn on instantly. This plan should include rapid response procedures, public communications, and remediation plans.

5. Operational and Technology Risks

Risk Factor: The Company relies on technology in the winter months to placate suppliers, manage logistics and communicate. As a result, it is also more susceptible to cybersecurity risks, including data breaches, system downtime, and other tech-related delays.

Mitigation Strategies:

- **Healthy Security Defenses:** Ensure that you have better security processes by using firewalls, encrypting data, and conducting periodic vulnerability assessments that safeguard company data and customer information.
- **Behavioral Threat Monitoring:** Deploy monitoring tools to monitor network-level activity and respond to atypical and likely malicious behavior.
- **Employee Cyber Training:** Arm your employees with the knowledge they need to avoid phishing attacks and learn how to practice healthy password hygiene.
- **Frequent Back-Ups of Vital Data and Business Systems:** It is important to ensure that operational systems and indispensable information are backed up frequently so that business processes can resume in the case of a technical breakdown.

6. Financial and Currency Risk

Risk Factor: Gartex Overseas Ltd is exposed to the risk of change in the exchange rate of different foreign currencies in which the company carries out its operations, inflation rate risk, and the risk of differing economic systems and markets in which the company operates.

Mitigation Strategies:

- **Currency Risk Management:** With the large volume of International Business, Gartex may use hedging options to mitigate expected risks in the primary markets and reduce the consequences of exchange rate movements in significant international deals.
- **Monitoring financial risk:** Actively monitoring financial performance in overseas markets and assessing risks, such as exchange rates, inflation, and liquidity problems.
- **Diversification to more markets:** As Gartex moves into new markets, it can reduce dependence on any one region and have more stable, diversified revenue streams.

7. Talent Attraction and Retention

Risk Factor: Operating in different nations creates difficulties finding, keeping, and controlling people's lot power, particularly in markets experiencing high employee turnover and/or skill scarcities. A consistent, high-quality skill base is imperative for future success.

Mitigation Strategies:

- **Organizational reconfiguring:** It involves functional depairing merging and has several benefits, including breaking hierarchies and simplifying practice. These approaches can contribute to better talent attraction and retention by offering competitive pay, career progression, and professional development.
- **Leadership Succession:** You'll want to continue to ensure sufficient individuals with strong leadership in all of Gartex's operating markets to help guide the company.
- **Employee Development Programs:** Establish training and mentoring programs to foster life-long learning, allowing Gartex to fully utilize its employees' skills and contributions.

8. Risks to Environmental & Sustainability

Risk Factor: Gartex is under pressure from regulators and customers to focus on sustainability when it sources, manufactures, and operates in the consumer goods and textile industries. Deliberately disregarding environmental issues could result in fines, tarnishing a brand name, or just being left behind.

Mitigation Strategies:

- **Eco-Procurement:** Sustainable procurement, use of green materials, low-impact production.
- **Invest in Clean Energy:** Pledge cleaner energy sources and more efficient energy use at production plants to reduce greenhouse gas emissions.
- **Global Sustainability Consistency:** Align with international sustainability standards, such as the UN Sustainable Development Goals (UN SDGs), and disclose the organization's environmental-related progress to enhance transparency and accountability.

An organization with long and complex supply chain lines and tremendous global foot print like Gartex Overseas LTD faces complicated problems emanating across the borders and markets of various countries. But the firm is in a strong position to handle these issues with some of the most sophisticated risk protocols in the game. These include diversification, compliance with legislation, workshops on cyber-security, investment in sustainability and a focus on developing talent. Through continuous innovation, responsible sourcing and supporting the ecosystem, Gartex has become be resilient and be part of the mainstream players in a dynamic global supply chain.

2.7 Industry and Competitive Analysis

2.7.1 Porter's Five Forces Analysis

Competitive Rivalry:

The apparel and textile sourcing and trading process industries are competitive by nature, as many companies compete for market share at both local and international levels. Gartex Overseas Limited is subjected to competitive pressures in the Indian apparel market from established domestic players as well as global behemoths. Its cost-advantaged access to certain key manufacturing suppliers, in turn, helps it take advantage of low-cost, high-quality production at and around critical production sites. Gartex's established reputation for maintaining quality service standards, dependability, and ethical practices puts it well ahead of many competing brands, with its unique selling proposition in customized solutions catering to a range of client needs and a firm approach towards sustainable/ethical sourcing practices. Moreover, these differentiators bind clients with Gartex, creating a brand value that is hard to maintain over competitors, which cuts through the market position. Because these are essentially the areas where Gartex can get an edge over an otherwise competitive market.

Threat of New Entrants:

Textile and Apparel Sourcing and Trading is not an industry with high barriers to entry, as many new players find it easy to venture into this market. Technology improvements and globalization have led global companies to dislodge existing businesses and many others to go through the transition. However, although new competitors can quickly enter the market to compete with Gartex, this competitive advantage is difficult to replicate. Gartex boasts a few key advantages, including longstanding and well-established relationships with suppliers based on goodwill and mutual benefit. Its deep expertise in sourcing, as well as its reputation for upholding ethical practices and high-quality communication, are not easily replicated. These aspects operate in Gartex's favor as new competitors would find it challenging to develop Gartex's established relations with clients, suppliers, equipment manufacturers, and consultancies. As a result, while new players can enter the market, they will find it challenging to compete with Gartex's existing network, reputation, and operational know-how from day one.

Supplier Bargaining Power:

Bargaining power of suppliers in the textile and apparel industry: Is the bargaining power of suppliers strong or weak in the textile and apparel industry? For example, if suppliers operate in markets where there is high competition for apparel goods, their bargaining power is higher, providing them with more value in negotiations. However, Gartex has reduced this risk by spreading its supplier footprint across the globe. With suppliers in multiple locations (including Bangladesh, Sri Lanka and India), Gartex diversifies its supply chain and avoids reliance on any single supplier or location, thereby also avoiding the risks of disruptions to the supply chain in a single region. Moreover, Gartex focuses on forging long-term contracts and agreements with suppliers to secure bulk purchases, thereby boosting its negotiating leverage. These agreements grant Gartex attractive pricing, guaranteed supply stability, and favorable terms for both parties. This has helped the company better manage relationships with suppliers, optimizing business sustainability while minimizing risks over the supply side.

Bargaining Power of Buyers:

Buyers, especially retailers that specialize in internationally sourced textiles and apparel, are concentrated and powerful, and this leads to bargaining power. Those buyers generally have several sourcing options on hand and can shift between suppliers based on cost, quality, and service. That means buyers can set prices, to some extent, and put pressure on suppliers to provide competitive terms. Nevertheless, Gartex makes it less of a threat by charging moderate prices without sacrificing quality. Moreover, Gartex aligns with international quality standards and compliance, which creates buyer trust in Gartex. The company's dedication to clear communication, dependable shipping, and premium merchandise further solidifies its relationships with buyers, so they cannot easily switch suppliers. All these aspects , in turn, help Gartex build long-term relationships with clients and ensure customer loyalty against other suppliers in the competitive environment.

Threat of Substitutes:

The power of substitutes in the textile and apparel industry is relatively low. Simply put, there are only a handful of options available when it comes to buying textiles and clothing since established suppliers usually only source from high-quality manufacturers. Mass retailers can also create new products or reposition existing ones, yet they are still dependent upon suppliers such as Gartex for their well-made textiles and garments. Gartex, therefore, mitigates the threat of substitutes as it adds value to its offerings to make it more attractive. Some of these services involve providing design assistance, logistics management, regulatory compliance, and more in accordance with international standards. By providing these supplementary services, Gartex now has a unique selling point. It is not just plain textiles or garments but a solution that meets people from the source to the final end consumer. This variance never allows substitutes to resurge as Gartex is not merely a vendor but your co-sufferer in many of the services, promising an adroit journey for its clients down the line.

Gartex Overseas Limited works in a highly competitive industry; however, it possesses several competitive advantages, including its relationships with suppliers, a reputation for establishing ethical and sustainable sourcing practices and its ability to offer tailor-made solutions to clients. Though the new entrants and substitutes could be potential threats to the firm, Gartex also has the strength to overcome these threats by strategically diversifying its suppliers, long-term contracts, and added-value services. With a formula of value pricing, quality products in the market, and superior service, the company will establish its presence in the global textile and apparel marketplace for long-term relations and business development. Gartex maintains leadership within the industry by retaining these advantages even when confronted by competitive threats.

2.7.2 SWOT Analysis

Gartex Overseas Limited SWOT Analysis the SWOT study in Gartex Overseas Limited is based on various knowledge-making factors, wherein inside and outer components are dissected. The study highlights its strong supply chain partners, sustainability track and recognition in the industry. Gartex Overseas Limited has been facing challenges due to fierce competition, high operating costs, and a lack of business diversification. Opportunities abound; there are sustainability initiatives, as well as opportunities for business growth.

Strengths

Established Reputation and Experience (24 Years)

Since 2001, Gartex has participated in worldwide sourcing and trading ahead of many of its top competitors. Its enormously competitive advantage comes from its unmatched expertise in supply chain management, product development, sourcing, and logistics.

Global Footprint

Over the years, Gartex has operated in key garment-producing countries, including India, Bangladesh, Pakistan, Sri Lanka, and Egypt. This strategic footprint enables the company to capitalize on each region's diverse characteristics and market knowledge, thus making it more flexible and responsive to local demand.

Wide Range of Products and Services

Gartex provides the full spectrum of services, from market studies, fabric identification, design, product development, production facilities, quality controls, compliance, and logistics to production facilities, quality controls, compliance, and logistics. This unique composite offering strengthens the client's partnership and enhances client satisfaction.

Strong Ethical Commitment

The company is dedicated to ethical business practices and respects international labour standards and human rights. It has achieved full (or equal) compliance with GSCP/Higg criteria core labour standards of the International Labour Organization and equivalent national legislation, such as the California Transparency in Supply Chains Act regarding verification. This is one of the reasons the brand is known for doing business the right way.

Diverse and International Client Base

Having the expertise to cater to the leading international markets, including the USA, Canada, UK, France, Germany and India, customers rely on Gartex for quality, innovation, and commitment. "Such wide client access is a green field for us: an independence delivering viable and global cash flow that does not depend on one market, which makes it all the more sustainable."

Focus on Innovation

As a forward-looking player, Gartex is open to growth by embracing the new trends of technology and supply chain solutions to stay ahead of the times while holding its ground in the ever-competitive marketplace.

Effective Risk Management

Gartex has very good internal controls and a robust risk management system that help it overcome such obstacles and achieve seamless business growth.

Weaknesses

Rising Cost Challenges

With growing expenses in getting and producing at a price, keeping a lower supply at a lower price is increasingly complex yet still complying with fair labour and international standards.

Relatively Low Brand Awareness in Some Markets

"Even though Gartex is very well regarded in its field, competing as a brand in a new, emerging market has always been a challenge, especially with so many localised brands available.

Opportunities

Inroads into the Rising Markets

With production capacities on the rise, Gartex is well-positioned to pursue growth in new markets, including Africa and South-East Asia. Design, sourcing, and regulatory capability: The company might further penetrate adjacent markets and bring on new clients with competencies in design and sourcing*† and permissions and regulatory capabilities.

Technology and the Supply Chain

Advancements such as AI, blockchain, and advanced analytics are transforming the supply chain industry. For Gartex, these tools can improve transparency and efficiency and drive cost savings.

Focus on Sustainable and Eco-friendly Solutions

At a time when both consumers and brands are more attuned to their environmental impact, Gartex could position itself to stand out from the crowd by offering, or at least pushing for, green-leaning practices — such as sustainably sourced fabrics, using green logistics and reducing waste in manufacturing.

Enhancing Digital Presence

As e-commerce and online sourcing platforms become increasingly popular, Gartex can bolster its digital presence for greater customer engagement and optimize user and sales growth.

Partnerships and Collaboration

Through its strong network with large market players in logistics, technology, raw material supply, etc., Gartex would be in a position to scale economically, with faster turnaround times and lower overheads.

Growing Demand for Ethical and Open Procedures

With the ever-growing importance of knowing where products come from on an international scale, Gartex's consistent dedication to ethical labor practices and transparent sourcing proves it is perfect for those same ethical suppliers.

Threats

Economic and Geopolitical Volatility

As a global trading and sourcing company, Gartex is vulnerable to trade conflicts, tariffs, political unrest, and currency fluctuations, which can negatively affect its profitability and trade operations.

Intensifying Global Competition

The global sourcing industry is saturated with numerous competitors offering similar services. Well-established firms and new market entrants—especially those providing lower-cost or more innovative solutions—pose a growing threat.

Supply Chain Vulnerabilities

Gartex Overseas Ltd may be adversely affected by material disruptions in the global supply chain, such as natural disasters, outbreaks of diseases, or governmental trade restrictions. These disruptions may result in delayed delivery and increased costs of goods for the company and the customer.

The need for quality compliance management

Gartex advocates internationally accepted labor and environmental practices. But as prohibitions tighten worldwide, continued monitoring is crucial. If not compliant, the shipping company may encounter heightened operating costs or even legal exposure.

Saturation in Key Markets

It appears that Gartex's main markets, the US, UK, and Germany, are becoming saturated. This scenario can make market share expansion or price increases increasingly difficult without risking losing competitiveness.

Complicated and Multi-Jurisdictional Operations

Operating in multiple countries is a challenge, for sure. Teams work across time zones, cultural differences, and different local market challenges. Perhaps communication can sometimes be stretched across all the offices.

Reliance on Outside Suppliers

"Raw materials are not always readily available, and we require a lot of raw materials for production, "says Gartex CEO. A lack of adherence to standards can result in risks such as supply chain breakdowns or quality control problems.

Susceptibility to Changes in the Global Economic Landscape

As a player in global trade, Gartex is sensitive to economic change, trade policies, and political uncertainty, which can disrupt the flow of goods and the value of pricing strategies.

Gartex Overseas LTD has developed a wide range of services, international reach, and ethical practices as core competencies. However, the company has several areas to address, including reliance on third-party suppliers, worldwide economic uncertainty, and increased competition. To remain on top, the company must lead by adopting technology and digitization, accessing unexplored markets, and enhancing its sustainability perspective. Effectively steering through economic and geopolitical headwinds and change induced by regulation will be essential for growth and longevity.

2.8 Recommendations

- **Using AI and Data Analytics: Here we go again.**

This is where Gartex Overseas Limited become a prime candidate to benefit from AI and data analytics avenues. With the implementation of such AI and data-driven tools, Gartex will be able to make better, informed decisions based on data, reflecting the current state of the market. Furthermore, since these tools are usually based on data analytics and machine learning, they will also enable Gartex to be constantly mindful of the state of the industry. Supply chain companies can employ AI-powered systems that can monitor various activities in the supply chain, including tracking inventory levels and demand trends with high accuracy, helping the company streamline its processes, and reducing operational inefficiencies. Utilizing data analytics will also allow Gartex men and women wear specialists to track new market trends and rewild consumer behavior, allowing for more prescient decision-making in a highly competitive marketplace. We can also use better decision-making to minimize wait times, resulting in faster product deliveries, increased customer satisfaction, and the optimization of the use of resources.

With AI and data analytics, Gartex can further enable logistics and warehouse management to minimize bottlenecks and improve supply chain agility. Gaining access to real-time data will give Gartex a competitive edge, allowing the company to respond more swiftly to market dynamics and manage its supply chain more efficiently. Additionally, implementing more automated systems can boost overall productivity, reduce the likelihood of human errors, and enable employees to concentrate on more strategic initiatives that contribute to growth.

- **New Market Opportunities in Africa, Southeast Asia**

The textile sourcing services market is growing massively globally, in Africa and Southeast Asia. As demand constantly grows in these emerging markets, it makes it better sense for Gartex to enter these geographies. The way the wind is blowing and the trends in global sourcing are towards Africa & South East Asia- both regions' industrialization, booming manufacturing, and cheap labour. This will help Gartex leverage new growth opportunities in these regions, bring fresh perspectives, diversify the client base, and reduce dependency on the older ones.

To delve into such a market, Gartex will be able to build rapport with local manufacturers, grasp the dynamics of different market demands, and adapt its sourcing solution according to local taste. Moreover, such regions must be prioritized in terms of industrialization, and it is expected that the demand for quality textile and sustainable sourcing practices will increase, which makes Gartex's competence in ethical sourcing increasingly valuable. These new markets will require localized strategies, investment in building relationships, and knowledge of various types of regional supply chain dynamics.

- **Growth Through Online Platforms and Digital Marketing:**

Therefore, establish prominence in the digital space through e-commerce to reach a wider audience. Through targeted digital marketing, Gartex will utilize e-commerce platforms to reach a larger and more diverse audience, as these platforms will present Gartex goods and services to a range of consumers. Social media is the most cost-effective way to reach out to your audiences, and, in this case, it will spearhead Gartex's mission for eco-friendliness by promoting its eco-friendly practices, communicating the stories of its success and promoting healthy discussion about the environmental impact, engaging with the like-minded people.

With the use of social media campaigning, content marketing strategy, and tie-ups with the influencers, Gartex can create brand awareness by reaching out to potential customers who are willing to use sustainable and ethically produced products. Redirecting to online platforms also enables the company to establish a more personalized customer experience through the delivery of tailored messages and offerings to specific consumer segments. The fact that Gartex can elevate its digital marketing strategy would lend a more significant presence for its products and services in the crowded, competitive global market space while also expanding its geographical reach by catching the attention of new customers from regions that have not even been considered for marketing through conventional methods.

- **Training Workforce in Sourcing Technology and Sustainability Principles**

Gartex invests in the workforce to ensure operational excellence and innovations. In-house training in cutting-edge sourcing technologies and sustainability principles will not only improve the company's workforce capability but also expand its potential to innovate. As sustainability takes on greater prominence in the apparel sector, imparting knowledge in green sourcing methods, green technologies, and sustainable production practices will help keep Gartex ahead of the curve in an ever-evolving market.

Criss-cross training programmers would further enhance the 'future-ready' Gartex workforce, enabling employees to effectively respond to changing challenges in the sourcing and procurement chain. A culture of continuous learning also positions Gartex to respond more adeptly to changing market conditions and emerging technologies. The new skills instilled by this application of talent will enable strong problem-solving capabilities whilst creating a nimble workforce that can react to the ever-evolving needs of the worldwide market.

- **Reducing Waste & Improving Resource Efficiency:**

Gartex stands out worldwide because it sources materials ethically. To make this difference even clearer, the company should set clear sustainability goals and improve its reporting on them. Gartex can enhance its brand image and increase customer loyalty by focusing more on ethical and sustainable practices, especially as more consumers seek these products. By working with supply chain partners who share Gartex's commitment to sustainability, ethical sourcing, and social responsibility, the company can strengthen its position as a leader in sustainable sourcing. As more consumers and businesses prioritize sustainable practices, Gartex can stand out by showing real progress in meeting its sustainability goals and providing clear reports on its efforts. Increasing transparency will foster customer trust and help Gartex establish itself as a leader in responsible and ethical sourcing within one of the world's fastest-growing sourcing economies.

- **Blossoming E-Commerce sourcing and Fashion consulting services:**

Sellers can also explore e-commerce sourcing and fashion consulting services as avenues for potential growth. With the growth of online retailing and the growing demand for fashion advice, Gartex can provide digital sourcing platforms linking customers to suppliers and fashion consulting to help brands remain ahead of the curve. Expanding Gartex's business model diversification will drive revenue and respond to evolving consumer requirements.

Fashion consulting services would position Gartex as a supplier and advisor that clients can rely on. The agency is also a full-service shop that provides expertise in product development, market trends, sustainability solutions, and sourcing options to help clients navigate the complicated fashion landscape. This enhanced service will provide even greater client relations and create more (and more frequent) revenue through professional consultative fees.

"As an organization, we want to enter new markets, adopt new technologies, invest in new techniques at work, adapt digital marketing techniques, and sound skilled personnel. Gartex can reinforce its sustainability and ethical sourcing with further proof of responsible conduct as an industry leader. Gartex can adjust to market trends and introduce new services, such as sourcing for e-commerce and providing fashion consulting. This agility will allow the corporation to solidify its global pool and source industry leadership. With these strategic moves, Gartex aims to deliver maximum value to consumers by increasing market share and achieving optimum operational performance. This will allow the company to remain competitive in the changing global textile and clothing market.

2.9 Conclusion

Gartex Overseas Limited is a prime example of how global sourcing and expertise in the textile industry can be utilized to create sustainable operations that deliver high performance. The company has regional offices in Bangladesh, Sri Lanka, and India. With a strong national supply chain, it provides efficient logistics and keeps operations cost-effective across its network. Gartex has established a robust reputation within the industry by prioritizing ethical sourcing and adhering to global compliance standards. The company has developed a trustworthy network of partners. Despite intense competition and challenges, Gartex provides targeted solutions and revenue strategies emphasizing sustainability. These initiatives enhance business efficiency and foster growth. Their dedication to quality enhances these objectives. By minimizing reliance on particular markets and incorporating advanced technologies, Gartex Overseas Limited is poised to achieve a competitive advantage and discover sustainable opportunities for long-term growth.

Chapter 3

Assess the Financial Health and Propose New Project based on Forecasted Cash Flow for GARTEX OVERSEAS LIMITED

3.1 Global Apparel Market Overview

The global apparel industry is worth $1.84 trillion globally (1.6% of the world's GDP). Part of the more significant fashion industry, this dynamic sector covers a variety of products like all-day wear, haute couture, clothing for men, women, and children, as well as sportswear and (à la mode) accessories. Apparel is in demand due to the fundamental human need for clothing and self-identity and the evolution of fashion and lifestyle-expressing trends through clothing. It is a modality applicable to retailing, e-commerce, and specialized shops. "To name a few, growth is led by changes in consumer habits, the rise of online shopping, the sustainability push, and innovations in materials and manufacturing." With rising fashion sustainability demand, circular fashion, bright clothing, and personalized consumer experience remain significant opportunities—through big data and AI catabolizing customized product offerings. To take advantage of these opportunities, businesses should increase eco-friendly production, use technology to bring their products up to date, and improve online retail experiences. However, the industry also faces challenges like changing prices of raw materials, environmental issues caused by fast fashion, and becoming more sustainable businesses. Brands are responding by prioritizing transparency, ethical sourcing, and circular economy models. Hot spots for development include biodegradable textiles, 3D printing, and wearable tech. They are not the only developments on the way; the advent of augmented reality (AR) and virtual reality (VR) technologies shows the potential of reimagining the shopping experience. In the face of rapid shifts in trends and intense competition, the key to winning in such an industry is to be different. Brands must adapt to these trends, as they not only align with evolving consumer preferences but also pave the way for sustainable growth in the long term. Continued research and development in materials, consumer behavior, and technological integration will be pivotal in avoiding being outpaced in the dynamic apparel landscape.

The market bounced back after a dip due to the COVID-19 pandemic, and consumers are buying 60% more clothing than they did two decades ago. In 2023, we reflect on the path the apparel industry is taking and foreshadow what we can expect as we approach 2025 and beyond regarding market growth, consumer behavior, work trends, and environmental impacts. A price dip in Europe and a rise in tourists will benefit the fashion industry. At the same time, growth in Asian nations such as Japan, Korea, and India could mitigate the uncertainty in China. The retiring "Silver Generation" in the U.S. does own a more significant percentage of wealth, which opens doors for brands that want to target this generation. As we move through the next few years, generative AI will be a tool high on many customers' lists to help them find the perfect product in their genre. Sustainability is still a hot topic, and many brands have not significantly progressed towards their 2030 decarbonization targets. The global apparel industry will value around $1.84 trillion by 2025 and grow at an estimated annual growth rate of 2.81% from 2025 to 2028.

The global women's apparel market is valued at $930 billion in 2023 and is expected to exceed $1 trillion by 2027. The men's sports apparel market value is $587.61 billion, and the children’s market value is $274.25 billion. By 2025, there will be 430 million people working in the fashion sector, representing a significant 11.9 percent of the global workforce. Each year, more than 100 billion garments are made, the equivalent of about 12.5 pieces of clothing per person on the planet. This figure is double what it was in the year 2000. By 2030, global apparel consumption is projected to grow by 63% — from 70 million to 105 million tons. 2050, that figure could triple, with textile sales soaring to 160 million tons. Hong Kong is the highest consumer of apparel, with an average of 117.3 pieces per capita, followed by the Netherlands (97.4 pieces per capita). 83% of apparel shoppers in the U.S. consider price to be the most critical factor in determining where to buy a product, while 77% in the U.S. depend on ratings and reviews. Brand recognition is less important – consumers are increasingly willing to purchase from lesser-known brands if they offer competitive prices. **(Global Apparel Industry Statistics, 2025).**

3.2 Apparel market in Bangladesh

Bangladesh's top market now shows firm signs of recovery, boosted by the global economy getting back in action, consumer spending on the rise, and falling rates of inflation. Apparel includes clothes manufactured for individual consumers and is categorized into women's, men's, and children's apparel. Under the umbrella of women's apparel are coats, jackets, blazers, suits, dresses, skirts, trousers, shirts, blouses, sweatshirts, jerseys, sportswear, swimwear, nightwear, t-shirts, tights, leggings, socks, and accessories such as gloves, scarves, belts, and hats. Likewise, the men's garments market comprises coats, jackets, suits, jeans, shirts, sweatshirts, swimwear, nightwear, t-shirts, socks, and accessories like belts, ties, caps, and leather clothing. The Children's Apparel analysis then covers clothing for boys and girls aged 0–14 years and is categorized into coats, dresses, skirts, shirts, sweatshirts, sportswear, swimwear, T-shirts, baby clothing, and accessories.

Revenue, average revenue per capita, volume, and price per unit are all measured, with reports on the share of key segments, including luxury, secondhand, and so-called sustainable apparel, and channels by sales, such as department stores, e-commerce, and catalog orders Some brands also sell directly to customers with their stores. This market does not include work clothes, watches, jewelry, and handbags.

Bangladesh's garment exports to its biggest US market plunged 25% in 2023. However, that was down to 19.24% by early 2024, according to Office of Textiles and Apparel (OTEXA) data. Factors contributing to this decline include unsold stocks resulting from lower consumer spending during the bustle of the COVID-19 pandemic and the costs of inflation following the Russia-Ukraine war, which decreased consumer purchasing power. However, orders began to fill again in November 2023, and more orders were received from Bangladesh and other countries. Garment exports to the US in two months of 2024 amounted to $1.18 billion, with the total number for all textile and garment exports of $1.21 billion, down 18.88% year-on-year. Bangladesh, the third-largest garment-exporting country to the US after China and Vietnam, is also the largest denim exporter to the US.

Attractive sourcing destinations in US retailers for orders-Pricing and order handling in Bangladesh Supporting data shows continued demand among consumers; the National Retail Federation (NRF) forecasted retail sales in America to rise between 2.5% and 3.5% in 2024, with estimated total sales between $5.23 trillion and $5.28 trillion. Sales at non-store locations and online are projected to rise 7% to 9%, between $1.47 trillion and $1.50 trillion.

After growth that slowed to 2.5% in 2023, NRF projects GDP growth to slow further to 2.3% in 2024, still sufficient to keep jobs growing. The most important takeaway, however, is that inflation is expected to return to a sustainable 2.2% as the economy comes to a halt: consumers continue to demonstrate resilience, but headwinds like tighter credit and inflation remain. That has left many consumers feeling optimistic, and they are likely to maintain their spending habits in 2024, particularly given the rising value of homes and stocks. **(The Financial Express, report date 11 February,2024)**

3.3 Problem Statement

Competition in the worldwide textile sourcing industry is intense and is characterized by rapid technological and product developments combined with growing awareness toward sustainable practices. For Gartex Trousers & Shirts, a top Dhaka-based garment-buying house sourcing from Bangladesh, India, and Sri Lanka, networking is vital because it facilitates international buyers finding local suppliers. Focusing on supply chain management, quality compliance, and cost-competitive sourcing solutions to meet the specific needs of our clients, Gartex is a major player in the industry. But, as with other buying houses, Gartex has its own set of problems, including reliance on customers, volatility in foreign exchange rates, and the ability to meet shifting market demands. Thus, it is important for the business to evaluate its overall health and financial stability in order to survive. Besides, the demand for digital transformation and sustainable development allows Gartex to innovate and carve a niche.

The paper tries to ascertain the financial position of Gartex Overseas Limited based on the cash flow, sales, and operational efficiency of various trend analyses. This study is focused on contributing to the literature by using projected cash flow data to make actionable predictions and recommend a new project that dovetails with the company's growth goals. This is how Gartex will address the current issues, take advantage of emerging opportunities, and sustain the growth in this domain of global sourcing.

3.4 Objectives of the Study

The main goal of this study is to assess the financial stability of Gartex Overseas Limited, a buying house involved in international textile sourcing, and propose a feasible new business venture based on projected cash flow analysis. The objective is to align the company's financial goals with its operational strategies, ensuring sustained growth and profitability in a competitive market.

Specific Objectives:

- **Evaluate Financial Performance:** Review the company's revenue growth, cost management, and cash flow trends over the past five years to identify both strengths and weaknesses in its financial performance.
- **Identify Key Issues:** Analyze operational and financial challenges, such as reliance on a few clients, currency fluctuations, regulatory delays, and other factors affecting overall performance.
- **Conduct Cash Flow Forecasting:** Create future cash flow projections using historical financial data to guide decision-making and strategic planning.
- **Propose a New Initiative:** I recommend developing an Online Supplier and Client Platform to enhance operational efficiency and grow the customer base using projected cash flow surpluses.
- **Offer Strategic Recommendations:** Provide practical strategies to help the company tackle key challenges, strengthen financial stability, and uncover new growth opportunities.
- **Establish a Long-Term Strategy:** Ensure the proposed strategies align with current best practices and long-term goals to position Gartex Overseas Limited for long-term success.

3.5 Methodology

This study utilizes qualitative and quantitative approaches to critically examine the financial and non-financial performances of Gartex Overseas Limited. The following methods were used:

Past Data Analysis: Financial data from the previous 5 years was collected and analyzed, including revenues, expenses, cash flow, and market trends. The data based on these sourced from the company's financial statements and further enhanced with industry reports were utilized and formatted in Excel for analysis.

Cash Flow Review: We reviewed historical cash flow information to look for any activity trends or irregularities in the company's cash balance. A 5-year projection was provided using a linear regression model under market growth scenarios. They projected future liquidity scenarios and continued to identify where operational changes may be needed.

Financial Modelling: Financial models that simulate various cash flows were constructed using Excel-based tools. These models factored in such things as shifts in currency exchange rates, seasonal demand, and shifts in litigation costs. Special attention was given to uncovering inequalities through delivery simulations for initiatives such as the envisaged Online Supplier and Client Platform.

Market trends and analysis: Qualitative data was collected and concisely analyzed about current market trends, consumer preferences, and industry best practices. These learnings were critical in developing recommendations regarding Gartex's financial strategy and how it should be closely knitted to the operation objectives.

3.5.1 Proposed New Project: Online Supplier and Client Platform

Objective: To build a digital infrastructure that connects suppliers and purchasers, digitizes transaction tracking, and improves communication.

New Project Investment Details: Online Supplier and Client Platform

The digital platform will connect Gartex Overseas Limited's suppliers with buyers, enabling business enhancements using technology. These creative efforts will be essential to maintaining relationships, cutting costs, growing revenues, and enabling ongoing operations.

With definite information about the financing and resource allocations, we can estimate this project's long-term costs and benefits.

Investment costs at Inception

Development of the Platform and Integration of the Technology

Cost: BDT 5 million

Developers must be skilled enough to create a strong, scalable platform that includes blockchain for transparency and cloud-based servers for dependability. Integrating AI-powered predictive analytics also requires investing in developing the organization's data science skills.

Breakdown:

The development of the core platform: BDT 2,500,000

Blockchain incorporation: 1 million BDT

The value of AI-based predictive analytics: BDT 1.5mn

Infrastructure and Hosting

Cost: BDT 1 million

Developing energy-efficient server systems and cloud storage will support a scalable solution with an environmentally small footprint and concerning the platform's sustainability targets.

Breakdown:

Server of setup and maintenance: 700,000 BDT

Cloud storage solutions: 300,000 BDT

Human Resources

Cost: BDT 2 million annually

We need a specific team of developers, supporters, and a digital marketing expert to promote the platform.

Breakdown:

Development and maintenance staff: 1.5 million BDT

Digital communications and digital outreach: BDT 500,000

Recurring Costs

Platform Maintenance

Cost: BDT 1 million annually

This includes software updates, server costs, and troubleshooting, meaning everything they need to keep the platform running smoothly and offer users a seamless experience.

Marketing and Acquiring Users

Cost: BDT 1 million annually

Innovative digital marketing strategies will be developed focusing on the suppliers and buyers, which will be an essential part of creating a solid user base for the platform.

Projected Impact:

Cost Savings: 10% savings on manual errors and administrative cost in the platform. It is such an efficient tool that it really makes you work smarter, not harder so it saves you time and money because it means that you spend less time and resources on manual work, doing the same over and over, due to an ever-smaller backlog caused by lacks and mistakes. In addition, it enables automatic invoicing and payment balance tracking - thereby preventing delay of payments and enhancing resources handling.

Revenue Growth: The product grows revenue over 8% annually, by expanding to client's reach and shrinking transaction time. It applies analytics and reporting to buyers and sellers so that they can make better decisions around what actions they can take to increase transaction value and revenue. Gartex will now become a tangible source for unleashing the potential of Sourcing in Textiles with more live intelligence.

Sustainability: The answer supports an increased ethical sourcing and real-time tracking for improved supplier relationships. It supports global sustainability goals through green reporting and drives sustainable sourcing and production. Not to mention, going paperless results in less physical paper waste, which is better for the environment. Then there are energy-efficient server solutions to go with those green measures.

Stronger Market Position: Gartex reinforces as a mark of digital innovation in textile sourcing by the platform. With smart notifications, performance dashboards, and interactive tools, Gartex is establishing itself as an innovative business ready to adapt to the supply chain nuances of the current day. And, agents already in the driver's seat to take advantage of Blockchain can enhance their trust among constituencies in an increasingly transparent world.

Keep customers: The solution provides a more personalized interaction and a more efficient view of the process guaranteed to maintain customer satisfaction and loyalty levels. It helps ensure that your best customers are happy. It encourages long-term relationship of users with users with the help of personalized interfaces and also suggests content.

Scalable & Growth Ready: The system is designed to scale and features provisions to support capabilities such as forecasting analytics with AI and multi-language support in the future. These new additions will make Gartex accessible to a broader spectrum of visitors and more responsive in a constantly evolving market, keeping true to its underlying values of being more competitive.

Return on Investment (ROI): With an anticipated launch cost of BDT 10 million, the project is expected to generate sufficient revenue growth and savings, ensuring a return on investment within three years. Its modular design allows for the integration of additional features, providing long-term financial viability.
Thanks to Gartex's digital innovation, this strategic investment tackles persistent supply chain challenges, positioning the company as a leader while promoting synergy and sustained growth in a dynamic market environment.

3.5.2 Findings of the Analysis

Financial Health Overview

The revenue compound annual growth rate (CAGR) was approximately 22.5% compared to the previous year, while the cost of sales accounted for 20.5% of this year's revenue. Administrative expenses, including office rent, salaries, commissions for strategic partners, and office supplies (covering utilities like electricity, gas, water, and internet), comprised about 54.19% of revenue. This is higher for analysis purposes, but reducing these expenses could significantly increase profit. Sales, marketing, and distribution expenses were approximately 17%, covering online ads, social media influencers, and client meeting expenses.

Revenue from additional streams such as scrap material sales, commissions from accessory sales, rental income from unused factory space, and value-added services accounted for roughly 35% of last year's CAGR. The company aims to avoid debt and reduce leverage to keep liabilities low and minimize finance costs.

The total earnings for 2025 were 15 million BDT, projected to grow to 59 million BDT over the next five years. Using free cash flow and converting the annual cash flow to present value, the net present value (NPV) was calculated at 91 million BDT. These calculations were made conservatively with various assumptions. Starting in 2025, the net profit margin is expected to reach 27.17%, a strong figure, and over the next five years, the average profit margin should be around 32.10%.

Liquidity Ratios: The current ratio is declining, indicating the company's weak liquidity. By 2029, this ratio will approach 1, suggesting potential difficulty meeting short-term liabilities.

Asset Composition: The share of non-current assets remains mostly stable but slightly decreases in 2028 and 2029, indicating an increased reliance on current assets, particularly cash and cash equivalents.

Trends in Profitability and Capital: While the capital base increases initially, it declines in 2029 due to higher drawings compared to profits in the later years. The company shows strong profitability growth, but excessive drawings impact retained capital.

Cash Position: The company maintains a solid cash position, especially in 2028 and 2029, which will help mitigate the effects of the declining current ratio.

Debt-to-Equity Ratio: The debt-to-equity ratio increases over time, signaling a growing leverage position. 2029, this ratio may reach dangerously high, indicating potential financial risk.

Profitability Ratios: The gross profit margin steadily decreases to approximately 79.5%, reflecting stable cost control relative to sales. The operating profit margin remains constant at 8.36%, indicating consistent efficiency in managing operating costs. The net profit margin grows significantly, increasing from 27.16% in 2025 to 37.53% in 2029, signaling solid profitability after accounting for all expenses and taxes.

Expense Ratios: Selling, marketing, and distribution expenses consistently represent 16.96% of revenue year after year, indicating stable expenditure in these areas relative to revenue growth.

Growth Ratios: Revenue continues to grow at a steady rate of 22.5% annually, showcasing strong commercial momentum. On the other hand, net profit grows at an accelerating rate of over 32%, indicating effective cost control and increasing profitability.

Outcome from the forecasted Cash Flow analysis

The Weighted Average Cost of Capital (WACC) stands at 12%. The project, with an initial investment of 10 million BDT, five years of forecasted revenues, operational expenses (including taxes), and net changes in working capital, resulted in a Net Present Value (NPV) of BDT 87,871,948 at a 9.85% opportunity cost. This enterprise presents strong potential in a challenging economic environment characterized by rising inflation, a tight budget deficit under 5%, plummeting foreign reserves, and many businesses showing negative CAGR. However, given the current financial conditions, there is room for improvement, and calculated risks should be taken by allocating funds to this new project, which may yield positive returns and increase the organization's value. Additionally, this business contributes to inward remittance, which aligns with government goals to boost external reserves and provide job opportunities. With all these factors considered and a primary focus on ensuring sustainability, the project has been launched.

The project's outlook appears positive based on cash flow analysis, future profit and loss statements, SWOT analysis, and Porter's 5 Forces analysis. It indicates that moving forward with the project will help stabilize the business and support scalability.

Net Change in Cash and Cash Equivalents: Cash has shown positive growth each year, with 2028 experiencing exceptional growth, signaling that the company is becoming a cash cow. This provides the ability to reinvest, reduce debt, or return capital to shareholders in the future.

Adequacy: On a consolidated basis, with 10% of cash flow coming from the new project, sensitivity analysis demonstrates substantial present value for future cash flows. The high present value for 2029 is primarily due to compounding growth and the cash flow multiplication factors.

Efficiency Ratios: The operating cash flow to revenue ratio has steadily improved, indicating that the company is becoming more efficient at converting revenue into cash.

Cash Flow Adequacy: Over time, cash flow adequacy has improved, suggesting that the company can increasingly cover its cash outflows with operating cash flows.

By 2027, supplier payments and client acquisition investments will significantly enhance cash flow stability. This will help Gartex strengthen its working capital and avoid liquidity issues during peak operational periods. The improved cash flow will also provide the flexibility to handle financial crises. The forecasted cash surplus can be reinvested into the new project, the Online Supplier and Client Platform, which aims to streamline business processes and reduce transaction delays. The platform will enable real-time communication between suppliers and clients, increasing transparency and improving decision-making. Additionally, developers can monetize their services through the platform, creating new revenue streams from premium services like analytics, reporting tools, and metrics services. This investment aligns with Gartex's growth strategy, positioning the company as a tech-driven leader in the textile sourcing sector.

3.6 Challenges & Risks and Mitigation Strategies

Challenges

- **High Client Dependency:** More than 60% of Gartex's income comes from the top five clients , which subjects the company to high concentration in terms of clients. This reliance exposes the company to fluctuations in demand or contract conditions of these significant customers. For example, Gartex could reduce this exposure by expanding into new markets and joining hands with medium-sized players who have other clients. This would ensure more of a safety net and less of a dependence on a limited number of clients.
- **Currency Fluctuation:** Changes in exchange rates affect Gartex's costs for buying materials and its overall profit. This is especially true in markets where these changes impact material prices or export sales.To address that, Gartex could use financial hedging strategies, such as forwarding contracts or currency swaps, to gain more certainty of costs and shield its profits from volatile currency movements.
- **Regulatory Delays:** Export and import regulations can cause a cash flow hurdle if it takes longer than expected to fulfil an order or receive payment. Such regulatory impediments can be detrimental to business operations and consumer welfare. For example, Gartex might create a specialized compliance team whose sole function would be to manage complex regulations and maintain continual contact with regulators so that the compliance window does not sit wide open, causing avoidable delays.

Risks and Mitigation Strategies

1. Risk: High Initial Development Costs Risk:

It includes a website, platform design and development, blockchain integration, and AI analytics for 5 million BDT. There is considerable upfront investment and a great deal of technical complexity.

Mitigation:

- **Phased implementation strategy:** Review the possibility of delivering your solution via incremental releases. Begin with a simple platform and gradually layer on blockchain and AI features so that the costs are staggered over time. That would have resulted in a smaller initial investment, with the ability to tweak it down the road and in the field.
- **Outsourcing & Partnerships:** Do not try to build everything in-house. Consider outsourcing parts (i.e., AI integration) to proper entities with experience. This could help to reduce labor costs and speed up construction.

2. Risk: Uncertainty in AI and Blockchain Integration

Blockchain and AI present an opportunity. However, the convergence of the two technologies can be problematic and create technical challenges. AI might have required a super-talented data scientist, which is expensive and time-consuming.

Mitigation:

Pilot: Go Live: A/B test your AI and blockchain functionality with a few suppliers and customers. This involves testing to find bugs and data on what works best without committing serious dollars to it.

- **Vendor Selection:** Mitigate the risk of technology failure by partnering with established, experienced third-party AI and blockchain implementation providers. These providers should also offer post-launch support that can help you diagnose problems as soon as they arise.

3. Risk: Infrastructure and Hosting Costs

Other fixed costs include monthly hosting and infrastructure costs (BDT 1 million) for cloud servers and low-power systems, which can multiply as users increase.

Mitigation:

- **Scalable Cloud Solution:** Future-proof investment with a scalable Cloud offering. This will allow you to optimize costs at scale and avoid overspending on non-adopted environments.

- **Energy-Efficient Hardware:** Reassess your platform to see if there are more energy-efficient platforms or even hybrid cloud options that can decrease costs even further as your infrastructure expands.

4. Risk: Dependence on Specialized Human Resources

The business will require a development and maintenance team (BDT 4.5 M), digital marketing staff, and support (BDT 2 M). The persistent need for a skilled workforce could cause recruitment and retention problems.

Mitigation:

- **Train up:** Train your existing staff to possess the proper technical and marketing know-how internally. This will reduce dependence on outside contractors in the long run.
- **Cross-Functional Teams:** Create teams that can perform tasks across different roles on the platform. For instance, a developer could also have some marketing knowledge , which might save overhead costs.

5. Risk: Platform Maintenance and Ongoing Costs

Slow user acquisition and platform operations and marketing, at BDT 1m for the platform operations line, and, in 1.000.000 marketing per year each, may start to plague BDT cashflow.

Mitigation:

- **Contingency:** Build a contingency in the first-year budget to cover any surprising maintenance/marketing costs that may arise as your platform launches. That would at least help stabilize the platform until people join in.
- **Lean marketing approach:** Start with a lean digital marketing strategy—targeted ads, SEO, content marketing, and a referral program. This will scale back your upfront marketing costs as you build marketing momentum.

6. Risk: Market Adoption and User Acquisition

The Two-Sided Network Effect A platform's success is very sensitive to its ability to attract sellers and buyers and keep them there. Without people adopting or resisting a platform, it fails.

Mitigation:

- **Industry Partners:** Gartex will work with leading textile industry partners to assist in promoting the platform. It also has the advantage of working relationships with suppliers/clients to establish credibility and grow user acquisitions.
- **User Feedback and Iteration:** Constantly seek beta user feedback and iterate product tools based on real-world use of the platform. This will enrich the platform's capacity to satisfy users' needs and wishes.
- **Early Bird Incentives:** Offer special discounts, incentives, or first-mover offers to suppliers or customers signing up to use your platform during the launch period. This will attract a core user group from the beginning.

7. Risk: Data Privacy and Security

Sensitive supplier and customer information will be on the platform. A data breach or temporary lapse in security could damage the company's reputation and lead to legal and financial repercussions.

Mitigation:

- **Sophisticated Security Protocols:** Utilize state-of-the-art data security protocols such as encrypted technologies, two-factor verification, and ongoing security audits to safeguard platform information.
- **Respect for Legality:** The service should respect the law (e.g., GDPR and local laws) to which the data of users and trials are protected and explicitly inform users about its uses for trial data. This also reduces legal risk and builds trust with users.

8. Risk: Competitive Landscape

Digitizing supply chains and procurement is an emerging market, and Gartex could face competition from incumbents and new upstarts with similar offerings.

Mitigation:

- **Set yourself apart by adding value:** Offer features in your platform that add value to your clients, like truck tracking in real-time, predictive analytics or trace insights, eco-sensitive reporting, etc. Plus, build strong relationships with users through top-notch customer service, and you may be able to cement your brand.
- **Drive Innovation:** Leverage leading-edge technologies to add new features to the platform, including IOT integration as part of inventory management and further extended support for multilingualism for a global audience.

The project is optimistic for Gartex Overseas Limited, with its innovative AI and blockchain-based scaling model. However, there are plenty of risks, primarily around technical eligibility, vendor adoption, and infrastructure adaptability. However, initiating with a phased approach for development, choosing vendors wisely, rolling out effective marketing and customer acquisition campaigns, and investing initially in user feedback would ensure Gartex significantly reduced these risks and delivered high ROI. Furthermore, frequent supervision can be made to bring forth changes as it is important for the sustainability of the project in the long run.

3.7 Recommendations

Increase in Small and Medium Customer Base: Gartex should take care of growth markets such as Africa and South East Asia for small and medium customer to reduce customer concentration risk from few large customers. This would reduce the risk in revenue, and bring in a steady stream of revenue.

Use Technology to Your Advantage: Advanced technology like ERP systems and AI provided analytics can help streamline procurement processes, make better decisions, and monitor supplier performance easier. These instruments will also be used for the planned online application.

Build Better Supplier Relationships: An onboarding procedure and performance-based incentives will encourage suppliers to be long-term partners, and create a more reliable and efficient supply chain. This also enables even better cost and quality control.

Create Financial Hedging Instruments: Gartex may also invest in financial hedging products that will limit the impact of currency risk upheavals, such as forward contracts and/or currency swaps. These plans will also enhance the stability of Armament Program procurement costs and keep profitability healthy.

Gartex's promotional campaigns: It driving sustainability endeavors including waste management initiatives, sourcing sustainable products might enhance its brand and get to environmentally conscious buyers. This will in turn result in the growth and share of the company to increase.

Create Campaigns: Gartex should be accompanied by campaigns as well, its exposure and mileage should be taken out and promoted through targeted bankers and social media. This will result in leads, brand presence, and confirmation of the company's commitment to ethical sourcing and careful operation.

Expenditure and Global Services: Adding new services, like supply chain analysis and operational audit, will allow Gartex to cover a broader range of target markets. These add-on services will increase customer retention and create new revenue sources.

The focus must be on Talent Development. Gartex would require continuous investment in training and skill enhancement of its workforce as it continues to fight for its existence. Developing digital tools, analytics, and sustainability competencies will be more closely linked with the company's strategic imperatives.

Strategic Partnerships: Partnering with international firms or technology partners will enable knowledge transfer and innovation. "These partnerships will also enable Gartex to tap into new technologies and overseas markets.

Boost Risk Management Mechanisms: The company should enhance its risk management frameworks by developing comprehensive risk assessment plans to effectively address any future disruptions in the supply chain and regulatory variations. A sound risk management structure will enable the industry to be flexible and nimble in responding to changing market conditions.

3.8 Conclusion

Gartex Overseas Limited has laid a solid financial and operational foundation over the past five years with apparent top-line and bottom-line growth besides optimal operations. These achievements demonstrate the company's capacity to succeed in a rapidly evolving industry. Nevertheless, we recognize some risks that could affect our growth rates moving forward; these include high client concentration, forex rates, and regulatory slowdowns. In order to enhance our operational resilience, Gartex will revitalize its operations, take advantage of new technologies, and improve financial risk management. With an expected increase in annual revenues of 33% by October 2024, Gartex has excellent prospects of plowing funds into game-changing projects such as the proposed Online Supplier and Client Platform. The platform will enhance efficiencies, drive transparency, and explore new revenue opportunities through digital innovation. Its goal is to increase communication with suppliers and improve customer satisfaction through rapid response and analytical methods. Gartex continues its pledge to sustainability with the introduction of ecological-friendly sourcing and reduction in wastage endeavors. These strategies will strengthen our market position and are consistent with world environmental goals. "In addition, we will continue to build on our differentiation through product expansion, strategic alliances, and sizeable strides in employee development and training.

Gartex sets foot in the vibrant textile-producing region to ride the high tides and weaves a success story, rapidly expanding to new regions amidst an increasingly challenging environment. The company is focused on enduring profitability and efficient operations that move it to achieve its potential while dealing with challenges and capturing growth prospects. This internship report provides a comprehensive insight into the business, financial, and strategic operations of Gartex Overseas Ltd. I have learned much about accounts management, finance, customer service, teamwork, and ethical behaviors as a senior accountant. The report notes that Gartex is in a strong position to take advantage of growth opportunities, given its expansion into new markets, with the online supplier and client platform plan targeting customers in the USA, Australia, Canada, the UK, France, and Germany. The revenue profile of Gartex is highly robust, and it has had otherwise long-term relationships with clients for the last five years. However, high client concentration risks, foreign currency fluctuation, and regulatory delays may affect future growth. The firm will strengthen its business through technology improvements and improved financial risk management. Projected 33% annual growth in revenue by October 2024 will pave the way for further investments in game-changing initiatives like the Online Supplier & Client Platform, designed to make the Supply Chain more efficient, more transparent and leave customers better informed due to open communication and the generation of cutting-edge analytics. As you also strive to demonstrate that the company is now eco-friendly in its sourcing and waste reduction, you are more competitive and help the world achieve environmental goals like these. Gartex will continue to be a leader in textile sourcing by maintaining its competitive position while diversifying its products, developing relationships with strategic partners, and investing in employee training.

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Appendix

Financial Data of GARTEX Overseas Limited for the Last 4 years

Balance Sheet of GARTEX Overseas Limited (2021-2024)

BALANCE SHEET 2021-2024					
GARTEX OVERSEAS LTD					
For the Year Ended 30 JUNE					

Particulars	Note	Amount in Taka			
		30-Jun-21	30-Jun-22	30-Jun-23	30-Jun-24
ASSETS					
NON Current Assets					
Property, Plant and Equipment	1	3000000	3000000	2000000	2500000
Capital work-in-progress	2	2500000	1500000	3500000	4000000
Total Non Current Assets		**5500000**	**4500000**	**5500000**	**6500000**
Current Assets					
Office Supply	3	2000000	3500000	4000000	6500000
Trade and Other receivables	4	8120000	9620000	8820000	6400000
Advance Deposits and prepayments	5	1500000	2000000	2750000	3900000
Cash and cash Equivalents	6	7409220	6130400	12676860	14344850
TOTAL CURRENT ASSETS		**19029220**	**21250400**	**28246860**	**31144850**
TOTAL ASSETS		**24529220**	**25750400**	**33746860**	**37644850**
EQUITY AND LIABILITIES					
Beginning Capital	7	10000000	16029220	17450400	21046860
Add new Capital	8				
Profit During the year	9	8029220	6421180	10096460	10997990
Less Drawing	10	-2000000	-5000000	-6500000	-10000000
Ending Capital		**16029220**	**17450400**	**21046860**	**22044850**
Current Liabilities					
Trade and Other Payables	11	8500000	8300000	12700000	15600000
Total Current Liabilities		**8500000**	**8300000**	**12700000**	**15600000**
TOTAL EQUITY AND LIABILITIES		**24529220**	**25750400**	**33746860**	**37644850**

Notes for the Balance Sheet (2021-2024)

Note 1: Non-Current Asset: Non-current Asset section includes the Property, Plant & Equipment which are mainly the fixed assets purchased for office such as Computer, Laptop, Cell Phones, Printer & Furniture.

Note 2: Capital work in progress is the amount of Capital that is used in business for running the operation.

Note 3: The Current Assets section involves the Office Supply items inventory in hand.

Note 4: Trade and other receivables are the business receivables which works are delivered and the bill is yet to hit the account.

Note 5: Advances, Deposits and Prepayments are the amount which we received as advance of ongoing services.

Note 6: Cash & cash equivalents are the amount we have right now in hand in cash form.

Note 7: Is the beginning capital with which the business started the year,

Note 8: Add new Capital is the Capital Business was started with.

Note 9: Is the net income from the Business and

Note 10: Pertains the amount owners took from the business at the end of the year.

Note 11: Represents the payables to the strategic partners and stake holders.

Cash Flow Statement 2021-2024

Statement Of Cash Flows 2021-2024 GARTEX OVERSEAS LTD For the Year Ended 30 June

Particulars	Note	Amount in Taka			
		30-Jun-21	30-Jun-22	30-Jun-23	30-Jun-24
A. Cash flows from operating activities:					
Net profit/(Loss) before Tax	1	10705630	8561570	13461950	14663990
Adjustment for:					
Depreciation	2	-	-	-	-
Operating profit before changes in working capital					
(Increase)/ Decrease in Supply	3	-2000000	-1500000	-500000	-2500000
(Increase)/ Decrease in Trade and other receivables	4	-8120000	-1500000	800000	2420000
(Increase)/ Decrease in Advances. Deposit and prepayments	5	-1500000	-500000	-750000	-1150000
(Increase)/ Decrease in Accounts Payables	6	8500000	-200000	4400000	2900000
Income Tax paid	7	-2676410	-2140390	-3365490	-3666000
NET CASH FROM OPERATING ACTIVITIES		**4909220**	**2721180**	**14046460**	**12667990**
B. Cash flows from Investing Activities:					
Increase/(Decrease) in Capital	8	10000000			
Acquisition of fixed assets	9	-5500000	1000000	-1000000	-1000000
Net Cash from Investing Activities		**4500000**	**1000000**	**-1000000**	**-1000000**
C. Cash Flows from Financing Activities					
Drawing During Year		-2100000	-5000000	-6500000	-10000000
Net Cash from Financing Activities		**-2100000**	**-5000000**	**-6500000**	**-10000000**
Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)		7309220	-1278820	6546460	1667990
Opening Cash and Cash equivalents		100000	7409220	6130400	12676860
Closing cash & cash equivalents		**7409220**	**6130400**	**12676860**	**14344850**

Note 1: Is the Net Cash Income from the Business before Tax Paid for the year.

Note 2: Depreciation of Fixed Asset, although there are no fixed assets in this category for this Business right now.

Note 3: Increase/Decrease in Supply is the difference in Cash for Office Supply purchase from Last year.

Note 4: Difference in Cash Trade in or other receivables from last year.

Note 5: Difference in Advance, Deposit & Other prepayments in Cash from last year.

Note 6: Difference in Accounts Payable from last year.

Note 7: Income Tax Paid during the year.

Note 8: The initial investment and progressive investment differences during the operational year.

Note 9: Expenses for Acquisition of Fixed assets.

Note 10: Opening cash & cash equivalents for the year.

Profit & Loss Statement:

Profit & Loss Statement 2021-2024 GARTEX OVERSEAS LTD For the Year Ended 30 June					
Particulars	**Note**	**Amount in Taka**			
		30-Jun-21	**30-Jun-22**	**30-Jun-23**	**30-Jun-24**
Revenue	1	25600000	29000000	39600000	46600000
Cost of Sales	2	-5248000	-5945000	-8118000	-9553000
Gross Profit		**20352000**	**23055000**	**31482000**	**37047000**
Administrative Expenses	3	-11400000	-17400000	-19200000	-25200000
Selling, marketing and distribution expenses	4	-3455620	-4627890	-6658980	-8424430
Operating Profit		**5496380**	**1027110**	**5623020**	**3422570**
Other income	5	5440850	7948980	8336460	12586860
Finance Costs	6	-231600	-414520	-497530	-1345440
Profit Before Tax		**10705630**	**8561570**	**13461950**	**14663990**
Tax Expenses					
Current tax	7	-2676410	-2140390	-3365490	-3666000
Net profit after tax for the year		8029220	6421180	10096460	10997990
Total Comprehensive income for the year		**8029220**	**6421180**	**10096460**	**10997990**

Note 1: Revenue earned from providing goods to the customers, Revenue can be generated through the commissions received for facilitating transactions between suppliers and retailers.

Note 2: Cost of sales refers to the direct expenses associated with garment production, which encompass the cost of fabric, trims (such as buttons and zippers), labor costs, and any other expenses directly related to the production process. Essentially, it represents the overall cost of manufacturing a garment that is prepared for sale.

Note 3: This is expenses for staff salary, wages, office rent, electricity bill, water bill, internet bill, mobile bill, telephone bill, transport expenses and other expenses involved.

Note 4: This involves expenses in digital marketing, Facebook & Instagram boosting, digital photo shoot, marketing campaign, seminar, external meeting, corporate gathering etc.

Note 5: This additional income pertains to the revenue obtained from selling scrap materials, commissions earned from selling accessories or similar products, rental income from factory space that is not utilized for production, and other revenue streams created through value-added services provided by the garment manufacturer. In essence, it includes any income that is not directly associated with the sales of finished garments.

Note 6: Finance cost is the expenses involved with the credit activities.

Note 7: This is the Advance Income Tax business paid to Govt, the rate is 10%.

Future Cash Flow Analysis:

FUTURE CASHFLOWS 2025 TO 2029							
GARTEX OVERSEAS LTD							
FOR THE YEAR ENDED 30 JUNE							
Particulars	**Note**		**June 30,2025**	**June 30,2026**	**June 30,2027**	**June 30,2028**	**June 30,2029**
Initial Investement	**1**	**10000000**					
Working Capital	**2**	**3000000**					
Collection from customers (Revenue)	**3**		**74050410**	**92795860**	**116483550**	**146477390**	**184535730**
Less: (Variable cost)							
Shipping Cost	4		-11702740	-14336230	-17562350	-21514450	-26355900
Payment to supplier	5		-9676550	-11854090	-14521640	-17789480	-21792690
Contribution			52671120	66605540	84399560	107173460	136387140
Less:(Fixed Cost)							
Payment to employees and others	6		-30933680	-37894760	-46422310	-56868840	-69666180
Rent	7		-2783686	-2783686	-2783686	-2783686	-2783686
Taxable Cashflows			18953754	25927094	35193564	47520934	63937274
Payment Of Tax	8		4359363.42	5963231.62	8094519.72	10929814.82	14705573.02
After Tax Cashflows			14594390.58	19963862.38	27099044.28	36591119.18	49231700.98
Net Working Capital	**2**		-300000	-330000	-363000	-399300	4392300
NET CASHFLOWS (Cash And cash equivalent)	9		**14294390.58**	**19633862.38**	**26736044.28**	**36191819.18**	**53624000.98**
WACC (COST OF EQUITY ONLY 12%)	**10**		0.893	0.797	0.712	0.636	0.567
Present Value of Future Cash Flow	**11**		**12764890.79**	**15648188.32**	**19036063.53**	**23017997**	**30404808.56**
NPV of the Project	**87871948.2**						

Note 1: Investment

Represents the initial capital investment of Tk 10,000,000 made in the business for operational and strategic purposes. This amount is consistent across the reporting period.

Note 2: Net Working Capital

Particulars		**June 30,2025**	**June 30,2026**	**June 30,2027**	**June 30,2028**	**June 30,2029**
Net Working Capital	**3000000**					
Inflation 10%		3300000	3630000	3993000	4392300	
Incremental		-300000	-330000	-363000	-399300	4392300

The negative signs for incremental values indicate cash outflows, i.e., additional investment needed in working capital. Last year (2028) showed a positive cash inflow of BDT4,392,300, meaning the full NWC has recovered.

Note 3: Collection from Customers

A rising trend in cash inflows from customers, increasing from Tk 74,050,410 in 2025 to Tk 184,535,730 in 2029, typically signals a positive outlook for the business. This growth likely reflects either higher sales volumes or enhanced pricing strategies, both of which contribute favorably to business expansion.

Note 4: Shipping Cost

Captures cash outflows for operational expenses, including Shipping. Payments fluctuate across the period, with a peak of Tk 11702740 in 2025 and an increase to Tk 26355900 in 2029.

Note 5: Payments to Suppliers

Payments to suppliers show a gradual increase, starting at Tk 9,676,550 in 2025 and rising to Tk 21,792,690 by 2029. This upward trend could indicate an increase in production or procurement costs, potentially driven by higher sales, inflation, or expanded operations. While the rise appears moderate, it is important to monitor whether it aligns with revenue growth and ensures profitability.

Note 6: Payment to, Employees, and Others

Payments to employees and others exhibit a significant increase, rising from Tk 30,933,680 in 2025 to Tk 69,666,180 in 2029. This growth might reflect business expansion, increased staffing, salary adjustments, or higher operational expenses. While this can be a positive sign of growth and investment in resources, it is crucial to ensure that these rising costs are proportionate to revenue growth and do not adversely affect profitability.

Note 7: Rent

Rent is an annual fixed operating cost. It is negative, which implies cash outflow every year. This amount is the same yearly: A constant lease agreement over the entire 5-year term. Rent is not updated for inflation, whereas net working capital is. This may indicate that the lease terms are gated (possibly a long-term contract or upfront payment arrangement with similar annual recognition). Since it is fixed, it reduces forecasting complexities. Unlike working capital (retrieved at the end), rent is a sunk cost with no salvage or recovery value at the end of the project.

Note 8: Payment of tax

This row tells you how much corporate tax we pay yearly as a project or business. Positive values mean cash flows out (for example, money paid to tax authorities). The likely derivation of these values is applying a tax rate to taxable income (EBT = earnings before tax). The tax payments are rising 35% annually, implying robust EBT growth. Given a fixed tax rate, these higher values stem directly from increasing profitability. This should be matched with expected revenues and costs to test whether this growth is attainable and realistic. We must split this out in our DCF because it must be accounted for separately to generate net cash flows.

Note 9: Cash and Cash Equivalents

These numbers represent the net cash inflows produced by the project/business at the close of each fiscal year and factor in the following: Operating cash flows (revenues — operating costs), Tax payments, Working capital changes.

Potentially capital expenditures or salvage values (for the last year). I do not include any non-cash adjustments, such as depreciation The project cash flows will grow consistently between 35–38% annually until 2028. There is a substantial increase of (48.15%) in 2029, partly due to operational growth. It likely includes, recovery of NWC: BDT4,392,300 (as I have previously provided). Maybe it is salvage value or final cash flows from the project's winding up. Steady growth and a sizeable inflow in the final year mean this project should be financially appealing.

Note 10: WACC (COST OF EQUITY ONLY 12%)

To determine WACC (Weighted Average Cost of Capital), we selected the 12% Bangladesh Bank Treasury Bill interest rate as our Cost of Equity, representing the safe return on investment. Gartex Overseas Limited did not obtain any long-term or short-term loans from banks. This could indicate that the company is relying on internal cash flows or equity for funding its operations and growth, which may reflect strong financial stability. However, it also means the company might not be leveraging external financing opportunities, which could be useful for scaling operations or investing in new ventures.

Note 11: Present Value of Future Cash Flows

The present value, which represents the discounted value of expected future cash flows, starts at Tk 12,764,890.79 in 2025 and varies to Tk 30,404,808.56 by 2029. This indicates the business's long-term cash-generating potential, serving as an important measure of its financial strength and stability.

These insights offer a detailed perspective on cash flow activities, shedding light on the operational, investing, and financing dynamics over the five-year period. They emphasize the company's ability to manage short-term liquidity while focusing on long-term value creation.

WACC Calculation:

WACC Calculation Table	
Tax Rate	25%
Total Equity in BDT.	22044850
Total Asset in BDT	37644850
Total Liabilities.in BDT	15600000
BB T Bill Rate (Risk Free Rate)	12%
WACC	12%

To determine WACC (Weighted Average Cost of Capital), we selected the 12% Bangladesh Bank Treasury Bill interest rate as our Cost of Equity, representing the safe return on investment. Gartex Overseas Limited has not taken out any long-term or short-term loans from banks. Instead, the company is funding its operations and growth through internal cash flows or equity. The firm's partnership structure operating within Bangladesh lacks registration on the stock market, making WACC calculation impossible through traditional dividend models or capital asset pricing analysis because of insufficient stock data.

Before introducing new funding, the Weighted Average Cost of Capital (WACC) at 9.60% was the reference point for examining earlier investments. After new Investing, we selected the 12% Bangladesh Bank Treasury Bill interest rate as our Cost of Equity. The BDT 10 million project investment fundamentally transformed the company's capital structure, which now requires revaluation for WACC computation. Although the financial resource utilization capability remains strong, the company maintains a favorable position. For future investment assessments, WACC will be the new benchmark for determining profitability potential and viability.

Implications of WACC for the New Project

Threshold for Returns

The calculated WACC marks the lowest acceptable return that investor projects must maintain to deliver company value. The company should proceed with a project investment if its Net Present Value exceeds 12%.

Risk Assessment

Low WACC values demonstrate good debt management practices and a balanced capital structure. The cost of finance from the new project meets expectations, thus verifying the organization's ability to remain profitable.

Return Expectation

Expected annual revenue growth of 22%, combined with 10% reduced operational costs, will demonstrate WACC's outperformance and validate the project as a solid investment opportunity. Perfecting revenue forecasts and managing startup outlays will be critical to making this work.

The WACC of 12% highlights the financial viability of the proposed online supplier and customer platform. This benchmark allows project assessment alongside Gartex's mission to grow while maintaining sustainability records.

FUTURE BALANCE SHEET (Financial Year 2025 to 2029)

Assumptions	2025	2025	2026	2027	2029
Property, Plant and Equipment	25%	25%	25%	25%	25%
Capital work-in-progress	14%	14%	14%	14%	14%
Office Supply	15%	15%	15%	15%	15%
Trade and Other receivables	-27%	-27%	-27%	-27%	-27%
Advance Deposits and prepayments	38%	38%	38%	38%	38%
Cash and cash Equivalents	20%	20%	20%	20%	20%
Trade and Other Payables	37%	37%	37%	37%	37%

Particulars	2025	2025	2026	2027	2029
Assets					
NON Current Assets					
Property, Plant and Equipment	3125000	3906250	4882812.5	6103515.63	7629394.53
Capital work-in-progress	4560000	5198400	5926176	6755840.64	7701658.33
Total Non Current Assets	**7685000**	**9104650**	**10808989**	**12859356**	**15331053**
Current Assets					
Office Supply	7475000	8596250	9885687.5	11368540.6	13073821.7
Trade and Other receivables	4672000	3410560	2489708.8	1817487.42	1326765.82
Advance Deposits and prepayments	5382000	7427160	10249480.8	13324325	18387568.6
Cash and cash Equivalents	17213820	20656584	24787900.8	29745481	35694577.2
TOTAL CURRENT ASSETS	**34742820**	**40090554**	**47412778**	**56255834**	**68482733**
TOTAL ASSETS	**42427820**	**49195204**	**58221766**	**69115190**	**83813786**
EQUITY AND LIABILITIES					
Beginning Capital	22044850	21055820	19915564	18108660	14160234
Add new Capital	10000000				
Profit During the year	15967758	22650378	31627870	43653973	59728178
Less Drawing	-26956788	-23790634	-33434775	-47602398	-65362916
Ending Capital	**21055820**	**19915564**	**18108660**	**14160234**	**8525496**
Current Liabilities					
Trade and Other Payables	21372000	29279640	40113106.8	54954956.3	75288290.2
Total Current Liabilities	**21372000**	**29279640**	**40113107**	**54954956**	**75288290**
TOTAL EQUITY AND LIABILITIES	**42427820**	**49195204**	**58221766**	**69115190**	**83813786**

Profit & Loss Analysis Assumptions for next 5 Years

Assumptions	30-Jun-25	30-Jun-26	30-Jun-27	30-Jun-28	30-Jun-29
Revenue	22.50%	22.50%	22.50%	22.50%	22.50%
Cost of sales	20.50%	20.50%	20.50%	20.50%	20.50%
Administrative expenses	20%	20%	20%	20%	20%
Selling, marketing and distribution expenses	15%	15.00%	15.00%	15.00%	15.00%
Other income	35%	35.00%	35.00%	35.00%	35.00%
Finance Cost	1.50%	1.50%	1.50%	1.50%	1.50%
Current tax	25%	25%	25%	25%	25%

Profit & Loss Analysis Assumptions for next 5 Years						
Particulars	Note	Amount in Taka				
		30-Jun-25	30-Jun-26	30-Jun-27	30-Jun-28	30-Jun-29
Revenue	1	57085000	69929125	85663178.13	104937393.2	128548307
Cost of sales	2	-11511365	-13871194.83	-16714789.76	-20141321.67	-24270293
Gross profit		**45573635**	**56057930.18**	**68948388.36**	**84796071.54**	**104278014**
Administrative expenses	3	-30240000	-36288000	-43545600	-52254720	-62705664
Selling, marketing and distribution expenses	4	-9688095	-11141309	-12812505	-14734381	-16944538
Operating profit		**5645541**	**8628622**	**12590283**	**17806971**	**24627812**
Other income	5	16992261	22939552	30968396	41807334	56439901
Finance Cost	6	-1347458	-1367670	-1388185	-1409008	-1430143
Profit before tax		**21290343**	**30200504**	**42170494**	**58205297**	**79637570**
Current tax	7	5322585.835	7550125.954	10542623.49	14551324.28	19909392.6
Net profit after tax for the year		**15967758**	**22650378**	**31627870**	**43653973**	**59728178**
Total comprehensive income for the year		**15967758**	**22650378**	**31627870**	**43653973**	**59728178**

Future Profit & Loss Statement Analysis

Defined assumptions related to the future five years are the foundation for projecting revenue levels, business expenses, and profit outcomes in the projected profit/loss statement. The market estimates revenue growth at a Compound Annual Growth Rate (CAGR) of 22.50% per annum as it expands steadily because of market opportunities and strategic initiatives. The cost of sales will preserve its 30.50% relationship to revenue, which will help maintain stable gross margin figures. Administrative costs are a significant operational expense component that will occupy 20% of yearly costs because maintaining efficient operation remains vital. Sales, Marketing and Distribution (SMD) expenses forecasted at 15% will help promote growth initiatives through increased promotional spending. The financial model indicates that non-operational revenue streams contribute 35% to the estimated total income. A low financial cost level of 1.50% is maintained through effective debt governance, which decreases borrowing expenditures. Company tax requirements are met by maintaining tax expenses, which remain 25.00% of pre-tax profits. The set assumptions create a definite financial planning structure, enabling a strategic balance between expansion cost reduction and profit enhancement. Over the coming five years, the company plans to maintain economic stability through increased revenue and expense ratio stability.