Report On

"The usage of SAP in Financial Data Management and Tax Compliance on Sales: A report on Radiant Pharmaceuticals Ltd."

By,

Lamia Tabassum

Student ID - 21204065

An internship report submitted to the BRAC Business School in partial fulfilment of the requirement for the degree of

Bachelor of Business Administration

BRAC Business School

BRAC University

January, 2026.

Declaration

It is hereby declared that

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

Student's Full Name & Signature:

Lamia Tabassum
Student ID : 21204065

Supervisor's Full Name & Signature:

Dr. Md. Arif Hossain Mazumder, MIPA AFA
Assistant Professor, BRAC Business School
BRAC University

Letter of Transmittal

Dr. Md. Arif Hossain Mazumder, MIPA AFA

Assistant Professor,

BRAC Business School

BRAC University

Kha 224 Pragati Sarani,

Merul Badda , Dhaka 1212, Bangladesh

Subject : Submission on internship report “The Role of SAP in Financial Data Management and Tax Compliance on Sales: A report on Radiant Pharmaceuticals Ltd.”

Dear Sir,

It is my pleasure to present with the respect of this matter, my internship report entitled,“The Role of SAP in Financial Data Management and Tax Compliance on Sales: A report on Radiant Pharmaceuticals Ltd.” as a partial fulfillment of my Bachelor of Business Administration (BBA) degree: The report is articulated on the practical experience that I have attained in my internship period in Radiant Pharmaceuticals Limited under the Finance and Accounts Department. This experience has not only added to my academics with exposure to the corporate world but also enabled me to acquire some of the fundamental professional skills.

It is my utmost efforts and attention that I have compiled this report with the aim of placing all the information in the right way and following the university instructions. I hope that the report will satisfy you and help to complete the academic requirements of the internship program.

I would like to thank you when this period was guided and supported by your constant help. Please take into consideration this report.

Regards,

Lamia Tabassum

Student ID - 21204065

BRAC Business School

BRAC University

Date: December 10th, 2025

Non-Disclosure Agreement

Radiant Pharmaceuticals and the undersigned BRAC University student agree that throughout the course of the internship, the undersigned shall not use or disclose any confidential information or trade secrets belonging to either party.

Acknowledgement

To begin with, I would like to present my heartfelt thanks to **Dr. Md. Arif Hossain Mazumder, MIPA AFA**, the Assistant Professor at BRAC University, who was able to guide, support, and encourage me during the preparation of this internship report. His critical feedback and supervision were very helpful towards the successful completion of this piece of work.

I also wish to say that it is my great pleasure to be given a chance to work under my company supervisor **Mr. Masud Almas**, the **Assistant General Manager** of the Finance and accounts department at Radiant Pharmaceuticals Limited. The patience, mentorship and practical knowledge provided by him were of great help in ensuring that I comprehend the operations in the real world of financial operations and I easily handled the responsibilities of my internship. I would further like to express my thanks to all the members of Finance and Accounts Department, all the people at Radiant Pharmaceuticals who helped me and provided me with explanations and information and guided me where necessary. Their support and collaboration made my internship life very rich and meaningful. Lastly, I would like to thank all the people who participated in the successful completion of this internship and report directly or indirectly.

Executive Summary

This report on the internship will examine The Role of SAP in Financial Data Management and Tax Compliance at Radiant Pharmaceuticals Limited (RPL) with a further narrowing down to user experience in the various departments. RPL as one of the leading pharmaceutical manufacturing companies working in accordance with the WHO-cGMP and DGDA requirements depends on SAP S/4HANA to maintain correct and transparent financial operation and ensure compliance. The research assesses how SAP enhances management of sales related financial information - specifically the end-to end management of Advance Income Tax (AIT) in terms of automated deduction of taxes, standardized journal entries, real time updates in ledger and integration reporting. Such features greatly minimize the amount of manual work, errors, and guarantee the complete adherence to the NBR regulations. A survey was carried out on the departmental usage of SAP with regard to the user experience of Marketing, Supply Chain Management, HR, Accounts, and Finance. The results indicate that the contribution of SAP towards accuracy of data, easier interdepartmental coordination and speediness in reports is well known among the employees. Nevertheless, there are still challenges such as the lack of access to the system by temporary employees, the lack of training, and some manual procedures that are not covered by SAP. In general, the report leads to the conclusion that SAP is at the core of improving the financial integrity, tax compliance, and operational performance of RPL. Enriching user training, enhancing the use of the system, and digitalizing it will also maximize the impact of SAP and contribute to the long-term development of RPL.

Keywords

API dependency, TRIPS waiver, Novartis Bangladesh acquisition, operational efficiency, AIT, VAT, TDS, A/P, A/R, FI, CO, SAP S/4 HANA, SAP ERP, document type, document flow, FBL5N , Customer line item display, pharmaceutical industry growth, cGmp.

Table of Contents

List of Figures

List of Acronyms

RPL - Radiant Pharmaceuticals

RNL - Radiant Nutraceuticals

PCL - Pharmacil Limited

SAP - Systems, applications & products (in data processing)

GL - General ledger

NBR - National Board of Revenue

VDS - Vat deducted at source

TDS - Tax deducted at source

API - Active pharmaceuticals ingredients

TRIPS- Trade related aspects of intellectual property

cGMP - Current good manufacturing practice

DGDA - Directorate general of drug administration

LDC - Least developed country

CAGR - Compound annual growth rate

TQM - Total quality management

FI - Financial Accounting (SAP MODULE)

CO - Controlling (SAP MODULE)

SAP S/4 HANA - SAP suite for HANA (High performance analytic appliance)

ERP - Enterprise resource planning

TR CODE - Transaction code

MM - Materials management

KPI - Key performance Indicator

BOF - Bill of entry

GRN - Goods receipt note

F-28 - Income payment posting

FB50 - General ledger entry

Chapter 1

Overview of internship

1.1 Student Information

Name	Lamia Tabassum
Student ID	21204065
Program	BBA
Major	Accounting
Minor	Finance

1.2 Internship information

1.2.1 Internship details

Period	1st September, 2025 to 30th November,2025
Company name	Radiant Pharmaceuticals Limited
Department	Finance
Address	SKS Tower, Level 8, 7 VIP Road, Mohakhali, Dhaka 1206

1.2.2 Supervisor details

Name	Md. Masud Almas
Designation	AGM, F&A, Radiant pharmaceuticals ltd.

1.2.3 Job description and responsibilities

Through the internship, I was assigned the main role of assisting the Finance and Accounts Department in a variety of audit related, documentation and SAP-based financial activities. The main points of my duties were:

- Coperating with external auditors: this involves availing all the requested financial documentation to enable external auditors to prepare and verify external audit reports. This included checking the lists of auditor-provided checklists with names of companies and dates, finding the necessary documents and making sure that it was handed over in time.

- Checking and verifying of financial records, such as expense requisition forms and more than 700 hardcopy AIT challan documents obtained by depots within the country. I was in charge of their physical and digital records and was able to make sure that they were accurate, complete, and well organized.

- Correcting discrepancies by reconciliation of hardcopy information on the AIT challans against computer records and revision of more than 1,000 data entry in Excel in order to make all records accurate and transparent and consistent.

- Balance matching by ensuring that the total AIT amount has been recorded in SAP and balancing it against balance amounts recorded in the individual companies in order to determine whether the balance was overvalued or undervalued. In underestimated entries, I would discuss issues with peers and supervisors in order to eliminate discrepancies.

- The facilitation of the SAP-supported financial operations through posting of the bills in the SAP system with the assistance of senior personnel through offering practical insight on SAP correctness, workflow, and reliance on financial data handling.

- Assisted in financial presentation materials, including PowerPoint slides for quarterly board meetings. This included summarizing financial reports, creating shareholding structure summaries, and preparing cash dividend summaries based on data provided by supervisors.

- The integrity of documenting the records and maintaining integrity throughout all documents, updated on a regular basis and consistent throughout all financial documents, that were processed throughout the internship duration.

1.3 Internship outcomes

1.3.1 Contribution to the company

Through the internship, I was able to help in enhancing the precision of financial data, audit preparation, and documentation control. The fact that I checked over 700 AIT challans and corrected over 1,000 entries of inconsistent data in various records increased the validity of depot-wise financial records and minimized the number of errors committed by hands. I assisted out of auditors in the smooth running of the audit process, which reduced time wastage due to unavailable or disorganized records. Also, the development of board-level financial reports, to which shareholding and dividend summaries were prepared assisted in simplifying the quarterly meeting reporting. My support in the SAP bill posting also contributed to accuracy in operations in the Finance and Accounts process.

1.3.2 Benefits earned through the experience

The internship helped in having a significant exposure to the real world of financial documentation management, SAP operations, and corporate taxation processes. I have been able to get hands-on experience about checking large amounts of tax-related documents, spotting inconsistencies, and keeping organized and precise records which have enhanced my analytical/detail-oriented capabilities. Assisting the auditors with provided documents helped me gain exposure to how external audit process is conducted in a pharmaceutical company and how long the process is and followed the steps that comes afterwards, it game a key exposure to what i learnt in academic textbooks, collaborating with senior professionals in preparing financial report presentation for board meetings has also helped me strengthen my report writing, data compliance and data interpolating skills.

On the whole, the internship helped me tremendously in enhancing my confidence and readiness to take on any future events in the field of corporate finance.

1.3.3 Problems/difficulties faced

There were various issues that came about during the internship. Since the cost of SAP S/4HANA is licensed via India and it is an expensive system to run with a yearly cost of about BDT 1.2-1.3 crore, the system supports about 500-600 users hence limited access. Since I was an intern, who would do this in a temporary basis, the company was not able to assign me a specific account of SAP in three months. Therefore, I had limited access to SAP, and the principle of confidentiality also limited the complete exposure to the system. I was only able to do some assignments, including bill posting, using the account of one of my colleagues under supervision.

Moreover, the depot-wise data verification was not always easy because of a great number of mistakes within the digital AIT submissions. Though there were distinct instructions and forms of samples, a lot of depots often entered incorrect information, like wrong challan numbers, missing figures, wrong values (either inflated or underestimated), or wrong fiscal year numbers. As an example, when there was a request of the documents of FY 2024-2025, there was a trend of depots sending the documents of FY 2025-2026, which should not have been the case. These mistakes had to be checked and fixed extensively- particularly in year-end where companies are claiming tax rebates and time becomes a major problem. Lack of communication between the depots and the head office also added to the delays and repetitive corrective activities.

1.3.4 Recommendation

There are a number of measures that can be taken to enhance efficiency and minimize the number of mistakes occurring again and again. To begin with, the introduction of limited-access or temporary SAP accounts or interns and temporary employees would provide the opportunity to learn under the guidance without jeopardizing the confidentiality of data or the security of systems. This would increase the training opportunities and minimise the reliance on shared accounts.

Second, the depot-level personnel needs to be better trained regarding the charges on correct AIT documentation standards, file formats, and accuracy requirements. Errors may be identified by introducing automated validation templates or submission checklists to prevent the sending of records to the head office.

The miscommunication and the imprecision in submissions would be minimized by enhancing the communication channel between the depots and the head office (through a centralized dashboard or tracking system) to enable immediate correction when an issue is detected. Proper directions regarding the categorization of fiscal-year and follow-up meetings every quarter would also reduce the mix-ups in documents. The overall strengthening of these systems would help to increase the accuracy in documentations, minimize the workload of the manual process, and make the audit and tax processes smoother.

Chapter 2 -
Organizational overview

This chapter entails a detailed organizational break-down of Radiant Pharmaceuticals Ltd., with the focus being on its structural, managerial, and operational structures.

2.1 Introduction

Since the pharmaceutical sector in Bangladesh has been growing steadily, sound management of financial data has gained relevance to provide accuracy, compliance and strategic decision making. Radiant Pharmaceuticals is among the large players in the local market, which makes it an interesting case of how current information systems, especially the SAP, are used to support the financial activities, reports, and the efficiency of the organization in general. The main aim of this chapter is to look into the internal environment of the firm with emphasis on its organizational structure, financial practices, administrative culture and the integration of technology. The chapter identifies the working of the Accounts and Finance Division, the role of managerial and human resource practices in ensuring performance and how information systems like SAP enable reliability in financial data management. The overall idea of the internship study is to examine how SAP is used in financial data management with relation to Sales and AIT on Sales, and all these insights aid in reaching this goal.

2.1.1 Scope -

This analysis is limited to the accounting, financial reporting and data processing processes in the organization. Although Radiant Pharmaceuticals is the company that consists of numerous departments, which are closely interconnected, i.e. production and distribution, marketing, sales etc, the chapter concentrates on the divisions that are directly connected to financial transactions, documentation and SAP operations. The approach to conducting the findings that were provided in this chapter involves field observation directly at workplace, informal interviews with the employees of the Accounts and Finance Department, and internal texts, reports generated by SAP, and secondary literature. Published works on pharmaceutical management and other academic articles on the subject were also taken into consideration to provide a theoretical background on how to interpret the practices of Radiant Pharmaceutical.

2.1.2 Methodology -

This chapter involves direct workplace observation, informal interview with the workplace employees working in the Accounts and Finance Department, and analysis of SAP generated reports and heavy reliance on secondary literature. In the case of secondary research - Academic papers, published studies on pharmaceutical management, and pertinent journal articles and dissertations were also taken into consideration to provide a theoretical framework of the insights of interpreting the practices of Radiant pharmaceutical.

It is important to know the inside workings of Radiant due to a number of reasons. To begin with, pharmaceutical organizations are subjected to a very strict environment, they need a well-developed financial compliance mechanism, tax management, and audit preparedness. Secondly, the implementation of ERP system, in this case, SAP is known in scholarly studies to be a key element in improving transparency, minimization of manual error and real time decision making. Thus, the discussion of the SAP implementation at Radiant allows understanding the modern business approach to financial precision and operation integration.

Nevertheless, there are some limitations to the review as well. The organization policy inhibited in-depth financial analysis by restricting access to confidential company data. Also, it was only possible to conduct a short period of observation during the internship period, which limited the capacity to observe long-term patterns or performance results. In spite of these drawbacks, the paper provides an in-depth and well-founded scholarly knowledge about the organizational dynamics and financial management practices of Radiant Pharmaceuticals Ltd.

2.2 Overview of the company

In this section an in-depth story of how Radiant established themselves in the heart of the people will be mentioned, company's story, their vision and mission, products and services etc.

2.2.1 - Background and history

RADIANT has been in business since 2005 with the establishment of Radiant Business Consortium Limited to import the Finished Products of F. Hoffmann-La Roche Limited, Switzerland that is among the world leading chemical companies dealing with pharmaceuticals. A short time later Radiant Pharmaceuticals Limited and Radiant Distributions Limited were incorporated and a Licensee-Agreement was signed with F. Hoffmann-La Roche Limited, Switzerland, to produce and sell its (Roche) products in Bangladesh.

Radiant Pharmaceuticals Limited also began producing its own generic medicines in the year 2008. The fact that a small company such as RADIANT owns its own products in the market was exceptional. At that time, RADIANT was comprised of a small family of only 270 people and the responsibility of the family members was to ensure that RADIANT became one of the most powerful and dominant players in the Industry. RADIANT has expanded to over 6500 members today, and continues to grow.

Among the major success factors, RADIANT credits its 360-degree approach and emphasis on compliance with the quality standards in every facet of its business process and heavily invests in the continuous improvement of human resources. RADIANT has a training centre in Uttara (Radiant Centre for Professionals) which is a stand-alone multi-storied complex purely used to train and develop all personnel of RADIANT.

The business operations of RADIANT are the best definition of quality standards, frequently the first to launch new innovative and ethical business strategy in the Industry. Beginning with COS Grade API, followed by new marketing tools and platforms, then e-Commerce, to EU

grade pharmaceutical refrigerators which are installed in all 42 Depots of Radiant Distributions in the country. Also, RADIANT has been on the lead in the world of innovation, therefore, RADIANT has been one of the most trusted brands in the Pharmaceutical Industry in Bangladesh. With time, RADIANT has been able to build a decent number of affiliate companies.
The list of affiliated companies being -

- Radiant Pharmaceuticals Limited
- Radiant Nutraceuticals Limited
- Pharmacil Limited
- Radiant Business Consortium Limited
- Radiant Distributions Limited
- Radiant Care Limited
- Jenphar Bangladesh Limited

Radiant Pharmaceuticals Limited began its operations in Bangladesh in 2008 with a vision of making additional contributions to the pharmaceutical industry of Bangladesh by producing its own generic medicines. From the very beginning, RPL swiftly grew to be a popular and fashionable pharmaceutical corporation in the Industry with its new, innovative and ethical business approach, which was unprecedented. This in turn enabled RPL to record the maximum growth rate of business-volume in nearly all the years since its inception.
The medicines produced by RPL are both local and international since the company sells its medicines to various countries in the world. This has largely been achieved through the good and highly qualified human resource at RPL, strict compliance to the quality standards, ethical practice and compliance to standards. RPL through its position has always been able to facilitate transfer of technology by creating mutually beneficial working relations with the internationally recognized research based companies. This can be seen in the Licensee-Agreement with F. Hoffmann-La Roche Limited, Switzerland and its business partnership with several major pharmaceutical companies of the world.

Figure 1 : Radiant's collaborative ecosystem

(Radiant pharma BD)

The mission of RPL is to make world-class medications available to the doorstep of the Bangladeshi citizens to ensure their improved health and well-being. RPL constantly seeks to be on the leading edge of developing the newest healthcare system in the globe, transforming new science to value to the patients and the constant endeavour to meet the expectations of our stakeholders and society.

Radiant Nutraceuticals Limited was started in 2008, and it is currently the most successful manufacturing company in Bangladesh dealing with herbal and nutraceuticals. RNL believes in developing effective herbal and nutraceutical medicines, which have health benefits other than mere nutrition.

The inspiration of Hippocrates "Let food be the medicine" is now disclosed as one of the alternative life saving measures compared to the conventional medicines. In line with this time-honored prescriptive mode, RNL has gone down the line of filling up the therapeutic demands that are constantly increasing with the solutions that have been distilled over the centuries.

RNL is confident that there is a superior manner of healthcare delivery and assisting individuals to live healthier lives. It has four core values namely quality, innovation, teamwork and integrity. RNL is most deeply entrenched in quality in its work. As a quality practice, RNL has also offered active ingredients which are USP verified and EDMF standards such as innovator and research sources around the globe. RNL team shows indefatigable approaches towards ensuring the quality of the products, an aspect that is alternatively mirrored in all the activities of our team members. The answer to enhancing healthcare is innovation, which will help to maintain growth and increase the contribution to society. RNL is of the belief that it needs to take the bar higher every time in a team. It has introduced various first time herbal and nutraceutical products that have transformed the health. solution of Bangladesh.

The company still offers an extensive variety of natural nutraceuticals and herbal medicine in various fields of treatment. The strong areas of RNL in gynaecology. dermatology, neurology ENT and orthopaedics among other major areas of therapeutic provisions are not new. RNL has collaborated with numerous international firms with a large number of research-based medicines in their portfolios in Bangladesh. RNL has widened its latitude by joining the high-innovator firms in Germany, USA, Switzerland, Canada, Taiwan and France. The uncompromising belief of RNL is to create quality products and to bring health solutions closer to nature itself and to life itself.

RNL was also committed to creating health solutions using the most trustworthy herbal medicine and nutraceuticals product relying on modern science and traditional wisdom.

Pharmacil is a pharmaceutical manufacturing company that has its own peculiar features very dissimilar to the traditional tendencies. It has entered the unexplored paths of delivering near-differentiated advantages, by differentiated and specialized services, by adjusting to the demands of a specific section of the market.

Pharmacil began its operations in February 2011, with a strategy mainly inside the hospital segments. Consistent with its strategic road map of availing affordable quality medical care, Pharmacil is intending to expand its operations to include Oncology, Insulin and Biotech segments.

Pharmacil has a belief that reforming the policies and breaking the established industry standards will help it to become a pharmaceutical company tomorrow.

2.2.2 Core values, mission & vision

Radiant's core value

Figure 2 : Radiant's core value

(Radiant Pharma BD)

Vision & mission

Figure 3 : Radiant's core vision & mission

(Radiant Pharma BD)

Radiant Pharmaceuticals Limited has a well defined mission, vision and core values. Their Mission involves commitment to produce high quality healthcare products of global standard to patients through innovation and diversification. Their Vision is to be the most trusted pharmaceuticals company through delivery of the high-quality standard medicines. The four central values that help them to achieve these goals include Quality (their first priority), Innovation (key to improving healthcare), teamwork (the most important feature required in employees), and Integrity (the best quality required in employees). Radiant Pharmaceuticals Limited has developed to be the top ten pharmaceutical organizations in Bangladesh as a result of its growth strategy and quality dedication (Daily Sun). The growth of the company is also driven by in-house research as well as major strategic acquisitions like 60 percent stake in Novartis Bangladesh (Daily Sun). Radiant has been a symbol of reliability by maintaining global standards of quality and working with thirteen multinationals (Daily Sun,2025). Their international prospects are evident, as they already sell their products to eleven African and

Asian countries and have a three-year plan of becoming a leading exporter by entering new regulation markets such as Europe and the Latin American markets as well as exploring biotechnology (insulin and anti-cancer drugs) (Daily Sun,2025).

2.2.3 Products and services

Radiant Pharmaceuticals is a multifaceted company that deals with pharmaceutical products in the form of antibiotics, cardiovascular drugs, antidiabetics, analgesics, gastrointestinal and nutraceutical supplements. Its products are positioned to cater to the large therapeutic segments in Bangladesh based on the market demand, as well as the health priorities of the population.

Figure 4 : Radiant's manufactured products

(Radiant Pharma BD)

The company also has a wide network of distributors that have made its medicines to be available throughout the country. Radiant has a well-organized sales force, regional distribution centers, and several depots, this is so that its products reach the pharmacies, hospitals, clinics, and health facilities in the country in time. Digital systems, most significantly SAP, facilitate the integration of production, distribution, and sales and are helpful in improving inventory control, invoicing, and real-time monitoring of sales and stock flows. In addition to providing pharmaceuticals, Radiant deals with quality assurance services, regulatory work and training of medical promotion officers. Safe distribution practices and responsible promotion are other areas that the company has made efforts towards and can be seen to be doing well in thus enhancing its competitiveness in the healthcare ecosystem. Below are some list of products that are manufactured and distributed by Radiant to various institutions.

Figure 5 : Radiant's manufactured products

(Radiant Pharma BD)

2.2.4 Organizational structure

Radiant Pharmaceuticals Ltd. is a company that pursues a functional organizational structure and the functions are separated in specialized departments including Production, Quality Assurance, Supply Chain, Human Resources, Marketing and Sales, and Accounts and Finance. This framework allows effective coordination, accountability and workflow management. Accounts and finance department, where I undertook my internship, is at the center of financial transactions, budgeting, tax processes, sales data verification and SAP based reporting.

Radiant Pharmaceuticals Ltd. has a well established hierarchical structure as it is run by the Accounts and Finance Division of the organization which aims at allowing proper financial management, accountability and efficiency in the functioning of the organization. The top executive levels down to operational officers will have authority to make decisions of the company and allow systematic control of financial transaction, reporting and SAP-based data management. For the purpose of this report, I will focus on the framework of the finance & accounts department.

At the top of the financial control is the Chairman (Board of Directors) and Managing Director (MD). These two roles assist in the ratification of key financial decisions, strategic investments as well as policy guidelines. Executive Director (ED) Finance and Accounts reports to the MD and is the overall financial administrator of the organization. The ED reserves the final control of the departmental activities, financial compliance, budgeting, and reporting processes of the department that are SAP-integrated before an issue is forwarded to the MD and Chairman.

Under the ED are the Director of Finance who oversees the overall financial flow and ensures that the financial strategy and organizational goals are in tandem. The Director liaises with all the management levels to make sure that policies, accounting practices and reporting standards are in line with regulatory and corporate requirements.

The mid-level management is comprised of:

- General Manager (GM)
- Assistant General Managers (AGM)
- Managers
- Deputy Managers
- Senior Assistant Manager
- Assistant Manager
- Senior Officer
- Officer

The Accounts and Finance Department of Radiant Pharmaceuticals Ltd. is divided into five teams. The teams have different financial functions to permit a smooth operation of the department, the compliance with the regulations, and the proper financial reporting. These teams are independent but have a close interrelation due to the financial flows with each other and SAP-based data coordination.

- Cash Team

Cash Team handles cash transactions of the organization. Its duties involve cash receipts and disbursements, maintaining cash records and adherence to organizational procedures involving cash flow operations. This team is very important in the daily financial liquidity management.

- Payment & Receivables Team

Payment and Receivables Team will supervise payment to the institutions, vendors and service providers. Also, the team is in charge of the incoming payments by the customers and the other stakeholders.

Furthermore, they deal with Advance Income Tax (AIT) issues of both sales and vendors. In the course of the internship time, one worked on this team, which made it possible to gain experience in the field of real financial operations and SAP-based entries.

- Accounts Payable (AP) Team

The Accounts Payable Team does the collection and processing of bills that are presented by different departments or outside parties. Before the payments are finalized, the team would ensure that the necessary documents are prepared that are accurate and in accordance with the firm policies. They are checked by means of the appropriate monitoring and approval of spending.

- LC (Letter of Credit) Team

The LC Team handles all matters pertaining to foreign transactions such as imports and exports documentation. The team also contributes to the international procurement and control the sale of pharmaceutical products to the institutions abroad. Their coordination assists in the enforcement of the international trading rules and the punctual payment of the international financial transactions.

- Costing and Budgeting Team

The Costing and Budgeting Team decided on pricing strategies of products based on the cost of production, market forces and managerial instructions. They make quarterly or semiannual financial summaries of their operations, including profit and loss statements to help the top management in the company to plan strategically. This team assists in the decision-making process through the assessment of financial performance and budgetary requirements projection.

2.3 Management practices

2.3.1 Leadership strategy

The Radiant Pharmaceuticals Ltd. represents a type of leadership that is akin to the one that modern management literature refers to as participative-democratic leadership. The reviewed literature on organizational leadership within the pharmaceutical and healthcare fields demonstrates that participative leadership enhances coordination, employee morale, and compliance rates because of the extensive level of cross-functionality interdependence which is necessary in these spheres (Kumar and Mishra, 2021; Journal of Organizational Behavior).
At Radiant, the top managers and the heads of various departments encourage open communication, accept suggestions, and support collaborative decision-making, which is the characteristic of democratic leadership. This method corresponds to the results of Harvard Business Review which shows that participative leadership increases the level of psychological safety of employees and minimizes errors in operations which is a significant aspect of

extremely regulated industries like pharmaceuticals. Moreover, leadership practices at Radiant focus on the compliance-based form of governance, which is in line with all the global pharmaceutical standards that are reported by the International Federation of Pharmaceutical Manufacturers (IFPMA). The type of leadership is flexible in the way of interacting with employees and strict in the quality, documentation, and accuracy of the financial accounting. This form of hybrid leadership style, which is participative, but compliance-driven is well known to combine empowerment of workers and regulatory control.

2.3.2 Human resource practices

At Radiant Pharmaceuticals, the HR is operating under well-organized and strategically oriented human resource practices, which not only address industry standards but also reflect the current theories of HR management. According to the HR literature, the structured recruitment, staff welfare, and life-long learning are usually combined to maintain a competent workforce in the pharmaceutical organizations (Armstrong's Handbook of Human Resource Management Practice, 2020). Radiant portrays the same features.

- Recruitment and selection Process.

Recruitment in the company is done in a systematic, merit-based approach that is in line with the best practices as suggested in Asia-Pacific Journal of Human Resources. This usually involves screening, assessments, structured interviews and departmental interviews. Such gradual selection is a usual trend in pharmaceutical companies since the industry requires precision, regulation consciousness, and ethical behaviour.
Research demonstrates that well-organized recruitment systems minimize hiring prejudice and enhance employment-position fits (Society for Human Resource Management, SHRM). These best practices are in line with the selection process in Radiant as the company focuses on competency, academic qualification, and professionalism. Radiant Pharmaceuticals offers a highly competitive benefits package which is based on the industry standards and regulations in Bangladesh. Key benefits include:

- Provident Fund: This is a contributory savings scheme which is long term and which is in accordance with the labor regulations of this country. One of the most significant factors of financial security and retention of employees is identified in the HR literature as a provident fund.
- Pick-and-Drop Transport Service: RadianT pharmaceuticals provide pick and drop transport service for their colleagues and employees which creates convenience for employees day to day transport. One of the useful aspects is that employees do not have to engage or do overtime, when the office hours finish that is 9-6, employees are welcome to leave using office transportation, which allows mostly female workers to feel safe and reliable to travel especially during night time. A huge convenience cost is saved due to this, and employees feel at ease travelling in office transport than they would in local transport.

- Bring Lunch and Snacks: According to a study on the well-being of the employees (Journal of Workplace Health Management), meals offered by the employer is associated with higher productivity and job satisfaction. Besides other benefits, employees are provided with lunch from the office, and also snacks throughout the day. Tea/coffee is available throughout the office hours so any employee may recreate themselves to a cup of tea/coffee whenever they feel at ease to do so.

- Workers Profit Participation fund (WPPF): According to Bangladesh Labour act, the WPPF is a fund that allocates a portion of profits of the organization to its employees. Other profit-sharing schemes around the world like ESOP in the US have been demonstrated to increase motivation and organizational commitment as well as employee interest with regard to the company performance. Taken together, these advantages show that Radiant cares about the welfare of the employees, their financial stability, and the quality of workplace life. Employees are provided with a bonus when their sales incurs profit which evokes motivation and dedication to strive and work harder in Radiant Pharmaceuticals Limited.

- Training and Development Programs.

Training and development of the pharmaceutical companies is an important aspect of pharmaceutical companies because of regulatory demands, uptake of technology, and the requirement to ensure that the skills of the employees are regularly developed. According to the studies in the Journal of Training and Development, well-organized training leads to higher operational efficiency and less risk of being caught in non-compliance with the law. Radiant carries out other development projects that touch on compliance, documentation standards, SAP usage, financial procedures and industry-specific updates.

- Performance Appraisal and Evaluation Systems.

Studies reveal that the employee motivation and alignment to the organisation is increased by having performance appraisal systems that are well designed (Dessler, Human Resource Management). Radiant has a formalized method of appraisal that is grounded on the following parameters: job performance, compliance with organizational policies, and achievement of departmental goals. At the end of the financial year, performance appraisals for every employee is conducted thoroughly and rigorously to motivate efficiency and rewarding hard work.

2.4 Marketing practices

2.4.1 Marketing Strategy and Target Market.

The marketing strategy of Radiant Pharmaceuticals Ltd. is in line with the industry standards as witnessed in the regulated pharmaceutical market. The secondary research on pharmaceutical marketing in South Asia (McKinsey, 2022; Journal of Pharmaceutical Management) shows that companies are usually concerned with the quality of products, their therapeutic applicability, and good working relationships with healthcare professionals instead of advertising to consumers.
The main target market of Radiant consists of:

- Hospitals
- Clinics
- Pharmacies

The company packages its products depending on therapeutic segments, clinical performance, and regulatory assurance. This method is consistent with the trends in pharmaceutical marketing across the globe, in which the credibility, safety and quality assurance are discussed as the main value propositions.

2.4.2 Branding and Promotion

Pharmaceutical branding in Bangladesh is a process that has stringent regulatory standards that limit direct-to-consumer advertisements. According to a study conducted in the International Journal of Healthcare Marketing, businesses have been guided by professional communication that is ethically oriented. A company that adheres to these principles is Radiant as it is interested in:

- Healthcare professional educational resources.
- Training of science with the help of medical promotion officers.
- Conference, seminar, and medical participation.
- Achieving standards of compliance with Directorate General of Drug Administration (DGDA).

The promotional programs focus on clinical data, responsible communication, and compliance to ethical codes- as it is being practiced in controlled pharmaceutical markets. Through adherence and emphasizing on scientific integrity, Radiant enhances its professional brand image and gains a long-term reputation in the healthcare industry.

2.5 Accounting practice regulation and financial performance

Radiant Pharmaceuticals Ltd. is a privately owned company resulting in non disclosure of financial performance or annual reports due to confidential matters. For which the estimation for their financial performance is held non-disclosed. However, Radiant Pharmaceuticals Ltd. has recorded a consistent financial growth in the last few years and this is as a result of its growing product line, 46 robust distribution channels, 100+ registered brands, 20 global partners and 100 affiliated companies with rising popularity in the domestic and global markets. It is mentioned that the pharmaceutical industry in Bangladesh has been showing steady annual increase, and Radiant has been a major player in this scenario according to secondary financial information in industry reports and published company overviews.

Radiant Pharmaceuticals Ltd. adheres to the accounting principles that are in harmony with International Financial Reporting Standard (IFRS), and Bangladesh Accounting Standards (BAS). Its financial records are kept in the accrual basis, which means that revenues and expenses are recognized once they are accrued and not at the point of exchange of cash. Depreciation is computed using the regulated approaches and determination of the valuation of an asset is based on the principles of fair and historical costs depending on the type of asset. Tax accounting practices are in line with NBR regulations such as appropriate documentation of VAT and AIT wherever necessary. The organization also focuses on transparency in disclosing its financial reports which make the company give reliable financial reports to stakeholders.

Another notable aspect of the accounting practice of Radiant is the incorporation of the SAP that facilitates journal posting, billing processing, invoice matching, reporting, and audit trails in addition to other inter-departmental verification. SAP improves the accuracy, reduces manual errors and offers real-time financial information, which will allow to efficiently track the financial performance and improve internal controls between various teams: Cash, Payments and Receivables, Accounts Payable, LC, Costing and Budgeting.

However, Radiant Pharmaceuticals Ltd. has a specific organogram of their own, which helps identify a framework of how the department is assigned and their work accordingly. As, their financial performance are not available to the public, I will analyse how each team conducts their work in details to give an overview of their structure.

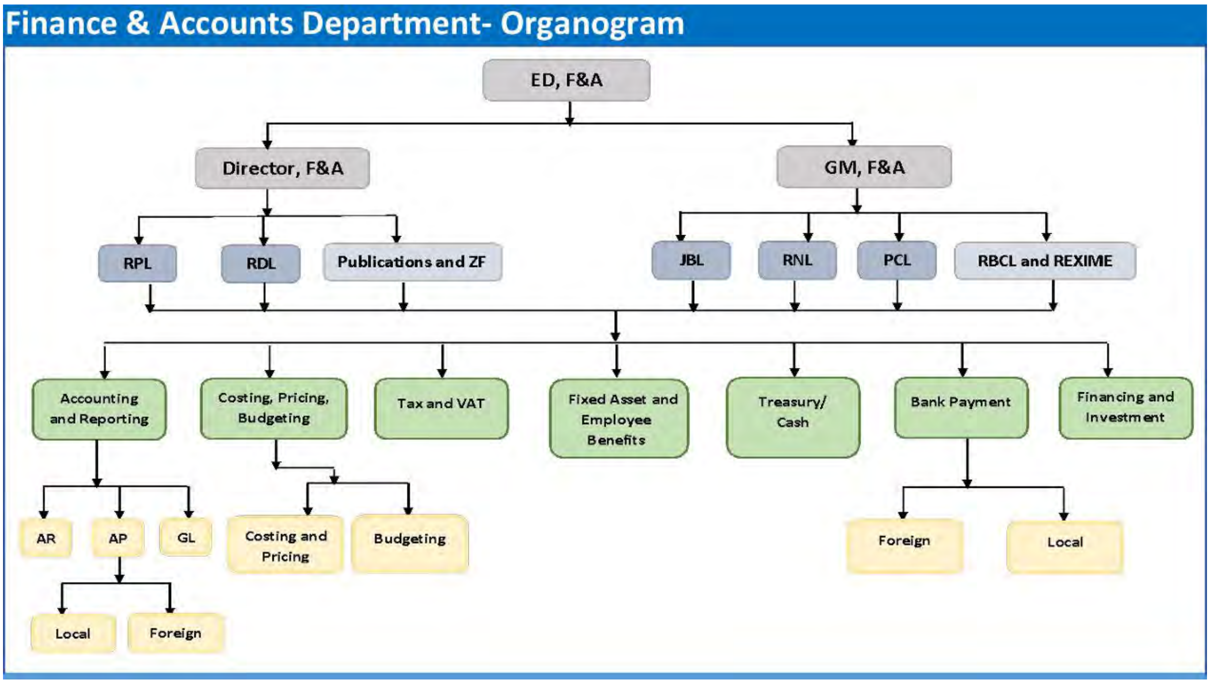


Figure 6 : Company organogram

(Internally collected from supervisor)

The Finance & Accounts department is based on a hierarchical functional structure based on the organogram in the diagram above. Each team has distinctive work and functions. The authoritarian delegacy by the Executive director (ED) on top, to the director and general manager. The responsibility of the sister concerns are further distributed among the director and general manager to navigate and assist over which is decided by the executive director. The accouting and reporting work are done by the AP and AR team. AP team handles the payments and they have two sub teams. Local team and foreign team. The foreign team is also known as the LC team (letter of credit). The local team handles all the payments and bill posting of the local vendors inside the country and LC teams handles all the payments with the foreign vendors, issuing forward contracts to revoling credit loans. Their foreign materials are exported from China, India, and Korea. The AR team handles all the payments that are received and issued by them. They handles AIT papers and issues PO cheques (purchase orders) and cheques for clients, bank reconclialitions. At the same time, Costing, Pricing, and Budgeting unit evaluates the transaction in relation to the profit margins whereas the Treasury team observes the actual cash inflow. In the case of expenditures (i.e imports of raw materials), it passes through the Bank Payments (Foreign) and Tax/VAT compliance and is recorded by Accounts Payable (AP). However, everything ends up at the General Ledger (GL) whereby it is combined to generate final financial statements that can be examined by top management to make sure that each taka has been traced since the time it was first sold or purchased to the balance sheet.

2.6 Macro and competitive analysis (Top-down analysis)

To analyse Radiant's performance a top down analysis would give us an indepth notion of how they are performing as a pharmaceutical company in a concentrated pharmaceutical industry.

Porter's five forces is a strategic framework that entails and analyzes the intensity and competitiveness of an industry as a whole and helps understand how well a company positioned itself in the market.

2.6.1 Porters five forces analysis

There is no specific data interpolated to support the 5 in depth competitive analysis of RADIANT Pharmaceuticals as opposed to the industry, however, as Radiant Pharmaceuticals undergoes their operations within the competitive structure and landscape of the pharmaceuticals industry of Bangladesh. We can do an overall competitive structure analysis of the pharmaceuticals industry of Bangladesh to understand the barriers and structure that a big and major local company of Bangladesh would fall under.

- **Suppliers bargaining power - (High due to extreme dependency)**

The supplier bargaining power of Bangladesh pharmaceutical industry has been very high because of the structural dependence on imported raw materials. The sector is dependent on imports of 85-95 per cent of Active Pharmaceutical ingredients (APIs) with some sources reporting that local companies import as much as 99.5 % of the total pharmaceutical raw materials. The supplier base is highly concentrated, and the majority of the firms expect to obtain APIs mainly in China and India and this fact provides these countries with significant influence in terms of pricing and supply conditions.

Switching costs are also high and this also increases supplier power. Bringing APIs to other parts of the world like Europe is costly and the recent devaluation of the Bangladeshi Taka has added pressure on the importation costs. Though the API Industrial Park is being developed in Munshiganj to discover less dependency and lower manufacturing expenses, which, though partially operational by 2026, should ease some of the pressure on suppliers, the current dominance of suppliers is a severe industry force. In other companies such as Radiant Pharmaceuticals, this exposes them to supply chain risks and foreign exchange risks.

- **Buyer's bargaining power - (Moderately high)**

The domestic and international buyers possess significant power over product quality and prices. Domestic pharmaceutical market is expanding at a very high pace with a forecast of 10-15 percent CAGR due to the growth of healthcare spending and the incomes per capita. That notwithstanding, buyers are very price-sensitive, owing to the fact that the competitive advantage of Bangladesh depends on the cost-effective generic production that is 10-15 percent lower than similar products in India or China.
The affordability by international buyers, particularly low and middle-income countries, is also a significant concern that means the pressure on Bangladeshi exporters to keep the prices low. Also, the local competitions are high and hence the high marketing expenditures can indirectly increase the cost of medicine to the consumers. In the case of Radiant, this will involve keeping

up the cost efficiency and at the same time maintaining the quality of products so that it stays competitive.

- **Substitute's threat**

Current threat of substitutes is moderate since the Bangladesh pharmaceutical market mainly produces generic medicines that are cheaper and substitute alternative to patented pharmaceutical drugs. The TRIPS (Trade-Related Aspects of Intellectual Property Rights) waiver is an aspect which contributes to this competitive advantage as it enables the manufacture of patented generics without paying royalty fees.

Nevertheless, this situation can change much once Bangladesh leaves the Least Developed Country (LDC) status. The lost TRIPS waiver (unless it is prolonged) may limit the production of generic products, raise royalty payments, and make production more expensive. This would intensify the risk of substitutes since the multinational pharmaceutical companies and patented products would acquire competitive advantage. Another threat of substitutes is a presence of fake medicine that destroys the confidence of the consumer, and impacts the legitimate manufacturers. In the case of Radiant, protection of product authenticity and the readiness to face post-TRIPS regulatory changes will be paramount.

- **Arrival of new entrant's threat**

Although the number of licensed firms is at large, the threat of new entries is low because of high barriers. Pharmaceutical industry involves large capital outlay in equipments, quality management and Good Manufacturing Practices (GMP). The requirements to meet the international regulatory standards, including USFDA, UK MHRA and EU GMP, require high-level infrastructure and specialized skills, and the new companies can hardly enter the export markets.

Besides, the policy safeguards that have been historically used to favor the local industry in Bangladesh include the Drug Control Ordinance of 1982 that limits the growth of imports and favors local manufacturers. Established companies such as Radiant enjoy economies of scale, a good brand name, and human resources which further put off new entrants.

- **Intensive rivalry from industry**

The Bangladeshi pharmaceutical market is characterized by a high rate of competition between over 150 active companies and the market is dominated by a few big players like Square, Incepta, Beximco, Renata and ACI. These are large market share companies that indulge in intensive export market penetrations.

Competition is also worsened through aggressive marketing techniques such as huge spending on advertising and physician interactions. This kind of competition adds the expenses of operation and strains the profit margin. In the case of a mid- to large-sized firm, such as Radiant Pharmaceuticals, competitive positioning needs to be maintained through good managing of the product portfolio, integrating the technology (e.g. SAP) and economical operations.

2.6.2 SWOT Analysis

SWOT is a strategic matrix that analyses an organisation's strength, weakness, opportunity and their threats from the industry peers.

- **Strength**

Radiant Pharmaceuticals Limited (RPL) has developed good internal competencies that serve as its competitive strengths in the Bangladeshi drug market. The company has been very much adherent to international quality requirements, and has manufacturing plants that are in line with WHO cGMP and DGDA requirements. Its embracement of Total Quality Management (TQM) and emphasis on the so-called zero defects manufacturing also increase the reliability of its products.

RPL has an advantage due to modern technological foundation, which has several manufacturing plants with machinery of European standards. It is strongly associated with KRESTON International and this enhances its credibility worldwide. A key strategic opportunity is that Radiant has been operating long in Bangladesh and has a partnership with Roche, where it is the only importer, distributor, and manufacturer to Bangladesh and it greatly increases its brand recognition.

The company has a large distribution network, which has more than 30 depots across the country and has efficient last-mile delivery. On the inside, Radiant focuses on the HR development, keeping the recruiting strategy as a merit-based employment method and keeping the Product Development Team highly experienced, having the knowledge in chemistry and pharmaceutical sciences. All these make Radiant a quality, technologically developed, and trusted pharmaceutical company by the customers.

- **Weakness**

Radiant also has a number of operational and administrative issues despite its strengths. The company has data quality and system completeness gaps where some of outdated or inadequate information is involved in the accuracy and timeliness of reports. The HR processes, especially in recruitment and selection, still have too much paperwork, which slows down and is inefficient in terms of workflow.

HR technology adoption among employees is low; a lot of employees have not been well trained to use self-service HR module and thus they have to rely on manual workarounds. There are also still gaps in communication like internal job posting, which is not always posted on the official site.

Besides this, the existing discrepancies in mentorship and inadequate career development programs also leave space to enhance employee upgrade and involvement. Since Radiant is currently growing, the current recruitment procedures might not be effective in supporting organizational expansion, which implies the necessity to modernize the system and increase HR capacities.

- **Opportunity**

Radiant has a number of external opportunities that are emerging and can be exploited. The market has prospects of growth with the increasing number of middle classes and lifestyle shift in Bangladesh which are creating new demands in the medical field in terms of lifestyle and chronic disease drugs. The firm is already exporting, and the good reputation of Bangladesh in the production of generic drugs gives it a chance to venture into the foreign markets especially the areas that need quality and cheap medicines.

Further opportunities that Radiant can use to be efficient are presented by technological advancement. The introduction of online requisition systems, use of updated attendance systems and campus recruitment systems would help to increase HR productivity and talent acquisition. Digital operational improvement can also be achieved by improving employee training on HR tools. The initiatives by the government such as the API Industrial Park are long term since they will decrease the reliance on imports and drive down the cost of production. Positive pharmaceutical policies and industry facilitation can also add to the capacity of Radiant to expand and introduce product diversification. The fact that RPL has acquired the Novartis Bangladesh Limited manufacturing facility on its own also enhances its competitiveness as far as increasing production capacity, diversifying product lines and the accessibility to global-standard infrastructure is concerned.

- **Threats**

On top of analysing the opportunities and upcoming endeavours for RPL, they face various external threats that are considered to be common in the pharmaceutical industry of Bangladesh. First and foremost, the depreciation of Bangladesh’s current, Bdt, exacerbates the cost related to the import of APIs and raw materials which further directly affects the overall production cost. Besides that, high interest rates and rising cost of labor also limits the potentiality of investment and profitability.

Nevertheless, much regulatory uncertainty, especially for the patent's regime and policy shifts by future government bodies, opens the door to various compliance risks. However, the competitive landscape remains very pivotal with having many domestic manufactures and various low cost producers such as China and India exerting competitive pressure. The instability of the market, various approaches to aggressive pricing strategies and many short term driver sale strategies play a role in price erosion which further reduces the overall market stability. One more factor is product risk, caused by change in customers preferences or their perceived quality can play a role in declining demand for specific formulations.

2.7 Summary

Radiant Pharmaceuticals Limited (RPL) is a company with a fast-changing pharmaceutical environment in Bangladesh, which is marked by a high level of domestic demand, the growing export prospects, and the growing regulatory demands. The firm has some considerable strengths, such as good manufacturing capacity, good partnerships (e.g. with Roche), strong research and development team and extensive spread of distribution in the country. Scaling is however challenged by internal inefficiencies in HR processes, data management and operational systems. In the external environment, the industry has high supplier power, fluctuation in the prices of raw materials and stiffening of competition. But the environment also gives strong opportunities: API industrialization supported by the government, TRIPS exemptions and further expansion of the exports, and the fact that RPL acquired the manufacturing plant of Novartis in Bangladesh. All in all, RPL stands in a good position to grow in the long notion given it effectively takes advantage of these opportunities to address its operational and innovation related drawbacks.

2.8 Recommendation / conclusion

RPL could benefit by focusing on three strategic activities to ensure it becomes more competitive and be able to grow in the future. First, it needs to speed up the digitalization of HR, data systems and operational processes to remove inefficiencies in the operations as the company grows and become more responsive. Second, RPL needs to take advantage of the already established API Industrial Park and newly obtained Novartis plant which are backed by the government to enhance backward integration, modern production technology, and export preparedness. Third, the company ought to focus on investing in R&D capacity with emphasis on high-tech generics, biosimilars, and regulated-market accreditations to become competitive as TRIPS exemptions are phased away. By putting its internal enhancements in line with the national industry momentum, RPL will be able to increase its resilience, attract both local and global market development, and achieve a higher and more innovation-oriented strategic stance.

Chapter 3
Project analysis

3.1 Introduction

In this chapter, the focal point is to understand the impact SAP has on day to day transactions and record keeping for finance and accounting department of a pharmaceuticals (i.e) Radiant, and how they manage and interpret it.

3.1.1 - Background

In modern financial management, data recording and tax compliance will be taken seriously to avoid transparency, efficiency in operations, and compliance with regulations. Pharmaceutical organizations where large-scale sales transactions are made through the various points of distribution need a formalized way to control and authenticate financial data involving sales revenue and tax deductions. Advance Income Tax (AIT) that is to be deducted at the source in the cases of sale transactions should be properly maintained, checked, and reported to meet the national taxation rules, to prevent any financial inconsistency. To substantiate this, Radiant Pharmaceuticals Limited makes use of the SAP as the core Enterprise Resource Planning (ERP) system to keep a track of finances and enable AIT tracking.

As noted during the internship, SAP offers an effective and centralized system of data recording of the AIT, but the whole process remains a matter of timely and correct submission of documents by separate depots. In some of the cases, the depots took more time to submit their AIT records, which meant that the process of cross-matching these records with the SAP generated summaries would take longer. This sometimes put back the preparation of entire files to be submitted to the National Board of Revenue (NBR) to claim tax rebates.

In addition, disparities existed between some of the depot-generated records like the Excel and hard-copy summaries that included discrepancies like the difference in the amount of tax, the payment date, or the number of the challan. Occasionally, what was recorded at the depot level was not entirely similar to the information displayed in SAP and thus was under-valued or over-valued when it was cross-verified. Such cases did not negatively affect the trustworthiness of SAP but have indicated where the control of coordination, standardization, and data validation practices can be enhanced to facilitate a more efficient financial flow.

Accordingly, the problem is not inefficiency of the system, but rather in the necessity to strengthen the system based information with the manually maintained documentation. The research on SAP applied in AIT management and the areas where the process can be further enhanced to achieve higher accuracy, timeliness, and compliance constitutes the core of the current report.

3.1.2 - Objective of the study

The main aim of the work is to determine the efficiency of the SAP use in the management of financial data with references to Advance Income Tax (AIT) processes in Radiant Pharmaceuticals. The study intends to comprehend the role of SAP in ensuring data integrity and tax regulations by examining how SAP is used to record, verify and reconcile AIT transactions. Precisely, the goals are

To determine the performance of SAP in regards to AIT records management assessing the accuracy and effectiveness of the system working with AIT related data in depots and central finance department. To discuss the role of SAP in financial accuracy and tax compliance investigating how system-based reporting, verification, and documentation help to reduce the number of errors, provide transparency, and make a timely submission to the National Board of Revenue NBR.

3.1.3 - Significance of the study

The importance of the paper is in its practical and theoretical contributions to the research on the role of digital financial systems such as SAP in improving the efficiency and compliance of the organization in the pharmaceutical industry. With the further digitalization of financial data management, the study of the role of SAP will help understand the potential impact that technology can have on internal control improvement, minimization of manual errors, and increased timeliness of tax-related documentation.

Practically, this paper enlightens the real life implementation of SAP in the management of AIT procedures at Radiant Pharmaceuticals. It shows how the system aids in the easier reporting of financial matters, an improved verification of tax deductions and allows coordination between the depots and the central finance team. These lessons can help the company to spot the current gaps and introduce specific changes like enhanced training and process automation to improve the general financial governance.

Academically, the study is a contribution to the increasing literature on the correlation between Enterprise Resource Planning (ERP) systems and financial accuracy and regulatory compliance. It provides context specific insights on the functionality of ERP solutions as not merely accounting applications but as facilitators of organizational transparency and accountability by emphasizing the integration of SAP into AIT management.

3.1.4 - Scope of the study

This paper concentrates on SAP in financial data of Advance Income Tax (AIT) in the Accounts and Finance Department of Radiant Pharmaceuticals Limited. The scope is also strategically narrowed down to AIT related activities to offer a detailed insight into how SAP simplifies data entry, verification and reporting procedures that directly determine the compliance to taxes and rebate claims.

By focusing on this particular field, the research outlines the beneficial change that SAP made in minimizing dependence on manual operations and increasing the accuracy of data to greater coordination between head office and depots. By enhancing the company with its combined digital platform, SAP has enhanced its capacity to retain correct, provenient, and unbiased financial records at the accurate instances, thus demonstrating its overall effects on the efficiency of operations and compliance to regulatory standards.

Although it is AIT management, the results also highlight the potential of SAP to streamline other financial processes in the organization. Through this, the paper does not only document the current performance of SAP in Radiant Pharmaceuticals, but also indicates its potential to facilitate its future expansion, responsibility, and digitalization of financial management activities. Besides, focusing on the primal objective for this research, a few specific objectives were prioritised to ensure how an ERP software such as SAP, has brought significance change in the daily work life operations for its users. For which a survey was conducted taking informations and experience of the SAP users of the organisations from various departments understanding their perception of SAP, ease of use and significance changes if needed to bring for much more easier user friendly experience.

3.2 Literature review

The use of Enterprise Resource Planning (ERP) systems and SAP specifically is highly documented to enhance accuracy and traceability of financial records through consolidation of transactional data in one auditable system. A body of literature in manufacturing and service industries concludes that the adoption of ERP minimizes the amount of manual reconciliation work, enhances internal control (access roles, audit trail) and decreases the number of bookkeeping errors results that are directly reflected into more reliable financial reporting and shorter close period (Putra, 2024).
According to research and practitioner reports, SAP implementations are one avenue that can be used to increase tax compliance, by providing uniform tax-ledgers, automated withholding and reporting processes, and integrated reporting to facilitate external filing requirements. With SAP S/4HANA and tax modules properly set up, organizations are able to minimize manual tax computation and the down-stream compliance cost; nonetheless, effective results will rely on data governance and the cross-functional process alignment.

Figure 6 : The end to end tax process

(Research gate, 2023)

Pharmaceutical organisations use SAP modules not just to do the finances but also traceability, control of supply chain and regulatory reporting. Case studies reveal that SAP is very useful in combining depot/distribution data with central finance that is quite imperative to the industries depending on extensive numbers of distributed selling points and regular withholdings of tax. However, literature cautions that process mapping and change management, in the case of the sector, are vital in the achievement of accuracy gains that SAP promises (Sarkar & Dave, 2023).
According to several studies, ERP systems minimize, and not necessarily remove discrepancies. The primary enduring reasons are: (a) delays or low quality of input data in decentralized units (e.g. depots) (b) work-remnant in manual Excel-based forms and offline hard-copy (c) poor

user training and design of access admitting to un-standard entries which can result in mismatch of tax amounts, payment dates or the challan/reference numbers (Putra, 2024). Although the literature records the benefits of ERP in the general and opportunities of tax-module in the specific context, not many published papers concentrate on Advance Income Tax (AIT) processes within the industry of pharmaceutical distribution in Bangladesh. The regulatory framework of withholding and rebate claims is provided by national guidance and paripatra issued by National Board of Revenue (NBR), although limited academic literature exists to connect NBR AIT practice with SAP reconciliation at depot level.

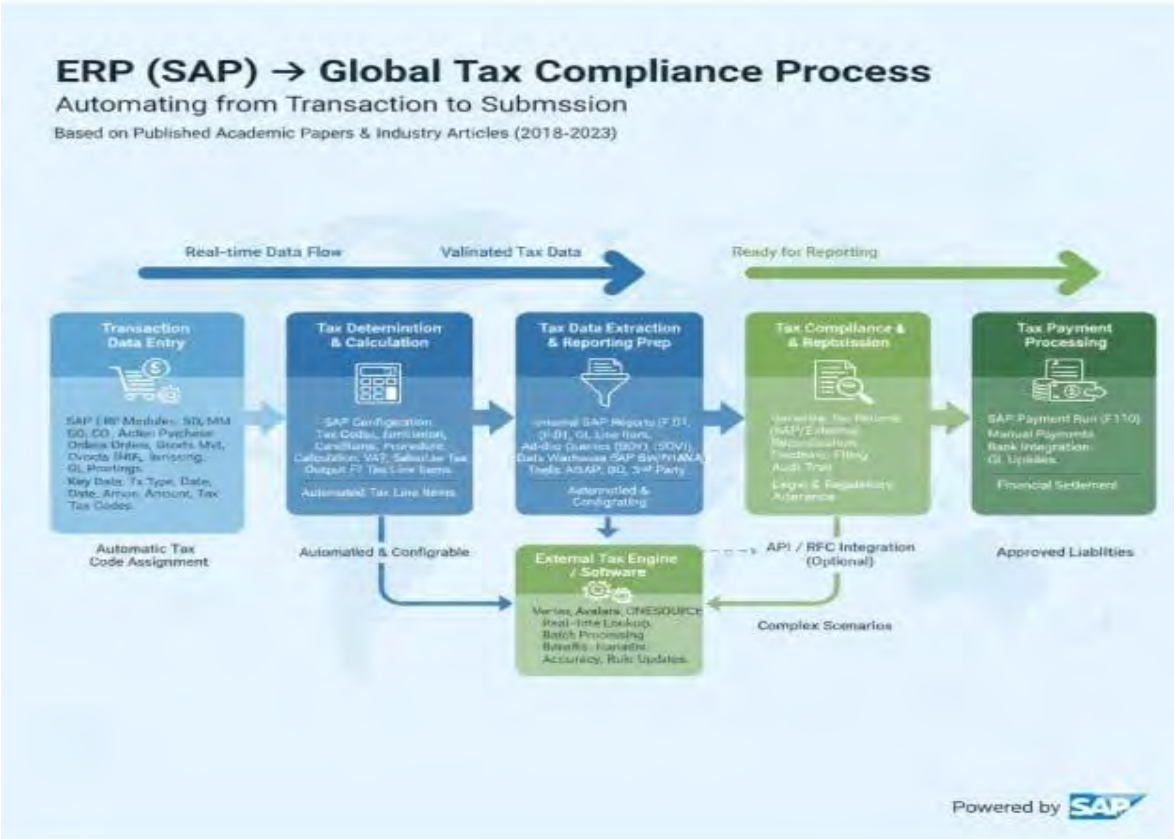


Figure 7 : ERP (SAP) - Tax Compliance Process

(SAP Cloud ERP)

There is a considerable amount of literature on the use of the ERP systems to enhance financial reporting and operational integration, but less literature specifically discusses how the ERP systems such as SAP can be made to facilitate tax compliance (at least at the micro process-level such as AIT). Nevertheless, one can draw insights based on related literature. The ERP systems improve compliance and risk management through the integration of audit trail, self-checking of documents and allowing standard reconciliation. The financial modules provided by SAP, according to the literature on their own product, do assist in automated exchange of documents, consistency checks, and traceability- which are critical in both regulatory and tax compliance. Theoretically, management of financial data using ERP systems is in line with information systems theory (IS) and compliance models.

ERP systems are a control process in organizations that will aid in data integrity, decision-making and regulatory compliance. Information systems such as ERP are socio-technical systems: they not only automate but predetermine organizational behavior, responsibility, and control, according to IS theory. Compliance wise, ERP systems assist in operationalizing the regulatory requirements by incorporating controls (such as automated check routines, audit logs and validation rules) in the daily operations. Such structural embedding minimizes the chances of non-compliance as the controls are proactive, system based and not entirely reliant on manual interventions. As much as ERP systems are thoroughly researched with regards to financial management, certain gaps should be mentioned that are worth noting, and they are particularly relevant to the context that you are in (SAP + AIT in pharma):

Specific Tax Processes: The empirical research on the topic of SAP handling very specific tax processes (such as AIT) is dearth. There is little literature on micro-level tax document matching or deduction reconciliation, even general financial reporting, or even more generally compliance.

Although ERP in pharma has been researched, the convergence of ERP - financial management - tax compliance (in regulated pharma companies in particular) has not been properly studied. Such studies as Singh and Misra (2022) bring up concerns with post-implementation data in general, but do not necessarily break down into things that discrepancy in tax records could be (e.g., differences in tax amounts, taxes paid, or document references).

New approaches (ML, anomaly detection) to tax-risk management are under discussion, although there is scanty implementation or empirical testing in actual ERP systems such as SAP in pharmaceutical companies.

3.3 Methodology

The research presented in this study is qualitative and descriptive in nature, which involves the use of both primary and secondary data in order to learn how SAP facilitates financial data management and AIT processes at Radiant Pharmaceuticals.

Primary Data:

Data was gathered by observing the process of AIT verification firsthand, informal interviews with the employees of the Accounts and Finance Department, and real-life engagement in the process of audit of tax documentation submitted to the depot. Through these interactions, there was the first-hand experience of the operational workflow, frequent challenges, and the involvement of SAP in the daily financial activities.

Secondary Data:

The supporting information was collected by using academic journals, published research papers, dissertations, and reputed online sources on the topic of ERP systems, SAP functionality, financial data accuracy, and tax compliance frameworks. This secondary research assisted the provision of theoretical basis and contextualizing the practical findings.

3.4 Finding and analysis

3.4.1 - Understanding the SAP modules

SAP is geared towards a chain of interconnected modules which serve certain business processes as well as guaranteeing the continuity of data flow throughout the organization. These modules integrate to improve operational effectiveness, eliminate manual errors and make sure that all departments, including the finance and the supply chain, are working off of synchronized and real-time data.
Among the most topical modules applicable to financial data management and AIT operationsin Radiant Pharmaceuticals, one can identify:

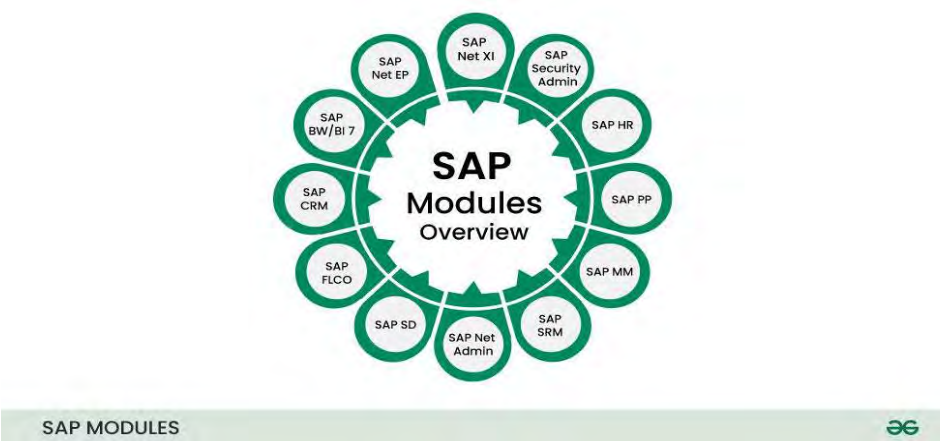


Figure 8 : List of all the SAP modules

(SAP)

For the purpose of our research we will focus on one module that is FICO which is made catered to day to day operations of finance and accounting. FICO translates as FI for finance and CO stands for SAP Controlling.

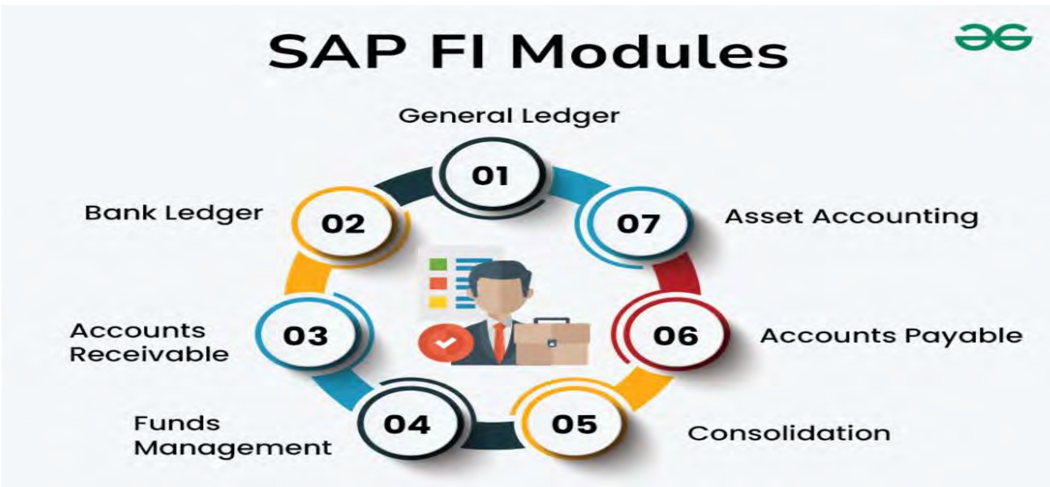


Figure 9 : Sub-modules of FI module.

(SAP)

The 3 teams Payments and receivables, Accounts payable (AP) and letter of credit (LC) team incorporates the usage of FI modules in their everyday operational activities as they handle ledgers, payments, bills, consolidations and asset management work.

Figure 10 : Sub-modules of CO module.

(SAP)

Costing and budgeting team solely focuses on the module CO for their quarter end sales profitability analysis, making sales profit summaries and other everyday operational work that they are assigned with.

3.4.2 - AIT document flow in the central SAP system

The flow of AIT documentation follows a thorough multistaged process starting from collection of challan documents by the depot level to flowing it across the headquarters. The depots from across the nation, collects the sales deduction tax documents and makes the initial entry on the SAP central system. The depot collects the documents within 2-3 months of the sales procedure. Later on the documents are sent to the headquarters of Radiant pharmaceuticals after a year, specifically at the end of the financial year. To suffice, Radiant pharmaceuticals follow the strict regulations of NBR, where all depots collect their sales proceeds from customers, and the AIT deduction is done at source adhering to the regulation of NBR. After which, the depot prepares - all the transaction summary for each institution that falls under that depot, keeping the challan hardcopies at safeguard for further process. The transaction summary is maintained in Excel.

Upon working directly on the AIT rectification summary sheet for my whole internship tenure, and taking interviews of the team members of Payment & receivables, it indicates that the depots vary significantly in their efficiency in creating the summary sheet, often institutions to whom the medicines are sold to often delays in preparing the AIT deducted documents which causes a delay for depot ends to prepare required documents to send to the headquarters. While these delays are by up to a week or two, often various manual errors are seen in the summary sheet, in challan numbers, their payment dates and often the calculation of AIT. This further delays the rectification process.

As our research primarily intensifies how a sales procedure is done in the central SAP system in a pharmaceutical company, that leads to the central AIT deduction that happens at the end of the fiscal year. There are 3 sales related entry throughout the life span of a sales process in RPL -

Data Entry View

Document Number 552891650 | Company Code 1000 | Fiscal Year 2025
Document Date 02.11.2025 | Posting Date 02.11.2025 | Period 5
Reference 34728041 | Cross-Comp.No. |
Currency BDT | Texts Exist | Ledger Group

CoCd	Item	Key	S	Account	Description	Local Crcy Amt	Amount	Clrng doc.	Curr.	Tx	Text
1000	1	01		1		5,709.00	5,709.00		BDT	A1	
1000	4	40		4225350	Round off	0.14	0.14		BDT	A1	
1000	6	40		4225350		0.15	0.15		BDT	A1	
1000	8	40		4225350		0.50	0.50		BDT	A1	
1000	10	40		4225350		0.05	0.05		BDT	A1	
1000	2	50		3100000	Sales- Local	818.58-	818.58-		BDT	A1	
1000	5	50		3100000		881.56-	881.56-		BDT	A1	
1000	7	50		3100000		2,833.60-	2,833.60-		BDT	A1	
1000	9	50		3100000		329.84-	329.84-		BDT	A1	
1000	3	50		1370070	VAT on Sales	846.26-	846.26-		BDT	A1	

Figure 11 : Order record entry of institutions

(Data collected from SAP system)

Each institution or customer has a separate code or GL account in the SAP system, for confidentiality purposes the institution name and the GL account has been blurred, but this (figure 10) gives a detailed order record transaction of the first step of the sales entry in RPL.
As being mentioned, the tax deduction is done at source by the customer, but the depot records the sales revenue as a whole and records the tax deducted as receivables. After which SAP automatically records a journal entry using the FI integration system once the billing document is created as per (figure-10). The journal entries -

- G/L (Institution) - Dr [As customer owes the company for the sales invoice created before tax deduction it is denoted as receivables further debited. Further small adjustments are made by rounding off making sure the invoice amount matches exactly.
- G/L (Sales) - Cr [As the sale increases from selling medicines, the amount is credited]
- G/L (Vat on sales) - Cr [This is the amount that is payable to the NBR , as it is a liability it is credited]

This concludes the first step of the sales record entry in SAP central system.

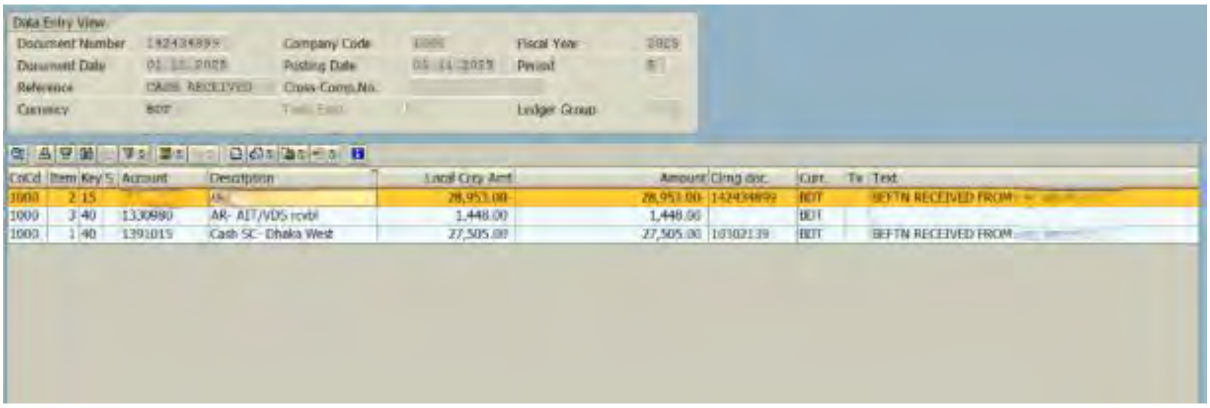


Figure 12 : Cash cheque/BEFTN received entry

(Data collected from SAP system)

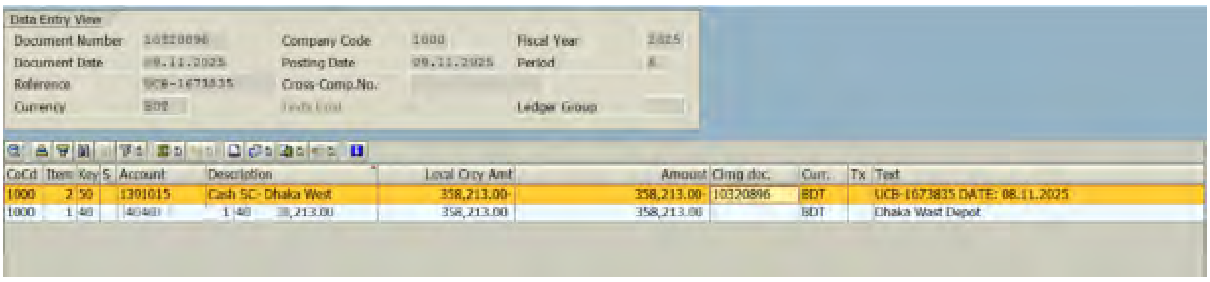
The second journal entry is done in the SAP system to avoid future mismatches. Upon interviewing one of the employees of the A/R and payment team to understand the purpose of the second journal entry, it was brought to light that often times, the cheques that are issued by customers have a possibility of being dishonoured further enabling a loss for the company in the future, sign mis-match, at times customer issues cheques to pay the company only to find out later that the customer does not hold the payable amount in their account, and various times the BEFTN number gets mismatched leading the money transfer to another entity. To avoid problems of these sorts, a second journal record is done in the SAP central system as part of the sales procedures.

In this journal record the company received the amount from the depot, and in SAP the negative sign is always shown at the end of the number not beginning, in (figure - 11),

Depots pays the company the amount the received from the institution -

- G/L (Institution) - Cr
- G/L (AIT / VDS) - Dr [The tax deducted at source plays as a receivable from the NBR. As the company will later claim this amount from NBR (i.e) tax rebate claim.
- G/L (Cash) - Dr [This is the deposited money that the customer owes the company]

This is the second step of the sales journal record process. The money deposited by depots in the form of AIT/VDS less the deductions are entered by the accounts team in the SAP. The entry will include: debiting cash / bank account with actual amount obtained, debiting AIT receivable account with tax withheld on source and crediting customer account of depot will be used to balance outstanding receivable. This makes the right adjustment of sales, cash flow and tax deductions.



Data Entry View					
Document Number	10320896	Company Code	1000	Fiscal Year	2025
Document Date	08.11.2025	Posting Date	09.11.2025	Period	8
Reference	UCB-1673835	Cross-Comp.No.			
Currency	BDT	Texts Exist		Ledger Group	

CoCd	Item	Key	S	Account	Description	Local Crcy Amt	Amount	Clrng doc.	Curr.	Tx	Text
1000	2	50		1391015	Cash SC- Dhaka West	358,213.00-	358,213.00-	10320896	BDT		UCB-1673835 DATE: 08.11.2025
1000	1	40		40460	[illegible]	358,213.00	358,213.00		BDT		Dhaka West Depot

Figure 13 : Bank deposit entry

(Data collected from SAP system)

Once the depot is done with making its sales and collecting the payment by the customers (who deducted AIT at source), the depot transfers the money collected to the appropriate bank account. After making the deposit, the depot records such information in SAP as a cash collection entry.

The cash SC account of SAP is debited to indicate the rise in the balance of cash/bank and the Depot Control account is credited to clear the pending sales proceeds. This will provide proper monitoring of sales revenues, customer AIT deductions, and collection reconciliation by depot.

End of the fiscal year journal record

Data Entry View					
Document Number	10399102	Company Code	1000	Fiscal Year	2024
Document Date	21.01.2025	Posting Date	21.01.2025	Period	7
Reference		Cross-Comp.No.			
Currency	BDT	Texts Exist		Ledger Group	

CoCd	Item	Key	S	Account	Description	Local Crcy Amt	Amount	Clrng doc.	Curr.
1000	1	40		1360010	Adv Inc Tax-Sales	770,009.00	770,009.00		BDT
1000	2	50		1330980	AR- AIT/VDS rcvbl	770,009.00-	770,009.00-		BDT

Figure 14 : Record of all institutions combined for separate depot

(Data collected from SAP system)

This is the final journal record entry done in the central SAP system at the end of the fiscal year, that entails all the institutions tax deducted at source summed all together for a single journal entry for a particular depot.

The AIT documentation and reconciliation process has been greatly simplified by SAP as they have made sure that all transactions involving sales automatically record the tax deduction and payment details of the sale in accurate journal entries. In a situation where the depots sell it and the customers deduct AIT at source, the first entry of the sales and the second entry of the AIT adjustment is immediately posted in SAP with the clear debit and credit entries. These entries, i.e., receivables of the depot, cash collections and AIT deducted, are stored systematically in the corresponding accounts, thus the whole process can be traced and could be audited. Since all the supporting details (customer code, depot code, AIT deducted, collection amount, and document numbers) are posted digital, the Accounts Receivable team will no longer need to use manual registers or tardy hardcopy submissions. Rather, SAP offers real-time reporting of the extent of AIT deducted against each invoice, which depot submitted which payment and whether collections have been correct in relation to the recordable receivables. This saves time in taking reconciliation at the end of the year, errors in posting are removed, AIT liabilities are correctly mapped, and A/R Payment staff develops AIT certificates and financial statements on time. In general, SAP unites all the AIT processes, i.e., the process of customer deduction through depot entry to a head office consolidation, thus accelerating, streamlining, and streamlining the process of receivables.

3.4.3 - SAP in system based error detection and correction

The transformational role of SAP S/4HANA Finance is to establish an end-to-end system controlled framework of identifying, avoiding, and rectifying errors in the AIT cycle - at depot end of sales entry to head office clearing receivables. SAP also makes sure that all financial transactions are authenticated by the defined workflow and automated tax calculation as the AIT-related journal entries (sales recognition, A/R creation, AIT deduction, and cash collection) reveal. As depicted in the sales data, the system automatically compares account assignments, tax codes and A/R balances against established rules. Any discrepancy in AIT deduction, misplaced customer code, or misplaced tax posting will result in system warnings or workflow refusal so that poor AIT data would not be posted. Particularly, this automation will be useful to the Accounts Receivable (A/R) & Payment Team, which rely on manual depot documentation. SAP integrates this process through automatic connection of every received payment (second journal entry) with respective A/R and tax deduction, hence receivables are updated automatically in real-time and AIT ledger is maintained up-to-date without the use of late hardcopies in depots. The team no longer waits months to have the manual submissions, SAP has made the receivables, deducted tax and outstanding AIT claims easy to see. Therefore, SAP is an intelligent inspection mechanism in the AIT flow- ensuring that all the steps, starting with the depot entry up to the ultimate A/R settlement, are handled by automated validation, minimizing the amount of human errors, hastening the speed of reconciliation and enhancing the reliability and clarity of the companies tax and receivable reporting. The architecture of the system is designed as a structured workflow, with automated validation processes and integrated real-time ledgers provides a strict environment, which facilitates regulatory adherence and operational precision. It has been established that ERP systems decrease the discrepancy of data as it ensures the standardization of processes and phasing out of reliance on isolated spreadsheets (Tulli, 2024). This is specifically demonstrated in the AIT-related entries in the case of Radiant where on time submission, proper deduction of tax and error free documentation are the key to receive tax rebates at the National Board of Revenue (NBR).

The most crucial areas that SAP analyses include account groups, amount thresholds, cost centers and company code which are then assigned a processor. These preset logic gates are like embedded compliance controls and an entry will not progress unless a parameter is provided and in a compatible manner. According to academic literature, this type of workflow automation increases accuracy and auditability by reducing the presence of manual intervention and consistency of the transactions (Singh and Misra, 2022). This has a direct impact on the AIT process: mismatches in terms of tax amount or the numbers of challans or the dates of the deduction or the codes of the customers can be identified in later stages of the workflow and decrease the backlog which was traditionally accumulated by the depot-level mismatches. According to the interviews with Receivables team employees, the SAP reject-and-resubmit system ensures that there is no error committed to the central ledger and prevents the manual workload that is involved in reconciling any discrepancies in the AIT documents by the end of the year. This is consistent with studies that reveal that ERP systems enhance workflow governance, and they allow making decisions more visible and with identifiable decision-firing paths (Kolezakis, 2020).

The automated tax determination logic at SAP also increases accuracy. To handle sales related transactions condition techniques are used to compute tax based on predetermined rules avoiding the need of manual entry of the tax code. This eliminates frequent field-level errors, such as incorrect VAT/AIT rates or incorrect tax codes, which in the past were and continue to be common in spreadsheets provided by the depots. This means that by incorporating tax logic in both the billing and journal entry processes, it is possible to achieve standardization of compliance between depots and sales channels with SAP. ERP tax automation is a topic of study featuring that such embedded logic leads to fewer financial exposures to tax misstatements and enhanced regulatory compliance (Qureshi, 2022).
Regarding AIT, the effect is manifested in the journal entries that were made at every stage of the sales-collection cycle. The postings (GST output tax and the withholding tax on sales generated by the system) automatically reflect the amounts of the taxable base and deductions, and generate a more balanced stream of financial records. This is advantageous to the A/R and Payment teams since it provides them with real-time visibility of deducted amounts, AIT claims pending and revenue adjustment. In interviews, employees complained that with system-linked AIT entries, the reliance on field-level records versus SAP data has been decreased, as has the dependency on depot-issued Excel sheets, which tended to contain delayed, undervalued, or overvalued entries.

Nevertheless, the human-process dependencies, particularly those relating to depot side are a limitation to SAP strengths. Although the accuracy in systems is very high, documentation of supportive documents and certificates of deductions and returns still needs to be uploaded in time. Even the slowness of preparing hard copy or the inaccuracy of hand-written depot statements can delay AIT reconciliation and submission of NBR. There is also an observation that the effectiveness of ERP depends on the homogeneity of the inputs made by users and the ability of interdepartments to coordinate efforts; without harmonized process discipline, even modern systems are prone to bottlenecks (Itagi et al., 2023). Also, the restrictions on access, which are introduced to comply and ensure security, occasionally slow down the troubleshooting process because not all employees can view and edit the documents within the limits of the modules that they have access to.

3.4.4 - SAP user experience analysis (macro-level)

To understand SAP's impact on financial data management is precise, but it also needs to be studied how well employees of an organization are benefiting from using SAP in their day-to-day operations and how an organization is utilizing the effectiveness of the SAP system in their work. To conduct this research, a survey was conducted and 21 out of 25 respondents (employees) has shared their experience of SAP usage. For the purpose of this specific objective, I undertook a macro-level research approach to understand how effectively SAP is utilised in all the departments of the organization.

The user experience survey, which was carried out on the basis of 21 responses of the users spread across Radiant Pharmaceuticals Limited, created a highly experienced and diversified across departments user base. Most respondents were recruited in Accounts & Finance (47.6%), then there was a equal number of respondents in the Marketing, Supply Chain/Distribution (19%) and then HR (14.3%). Importantly, the user base can be outlined by the length of usage: $100% of the respondents have used SAP at least a year, and the overwhelming majority has over three years of expertise in using the system (57.1%). This rich experience level implies that the user feedback is informed and consistent with the long-term and long-term interaction with the platform and not the early implementation issues.

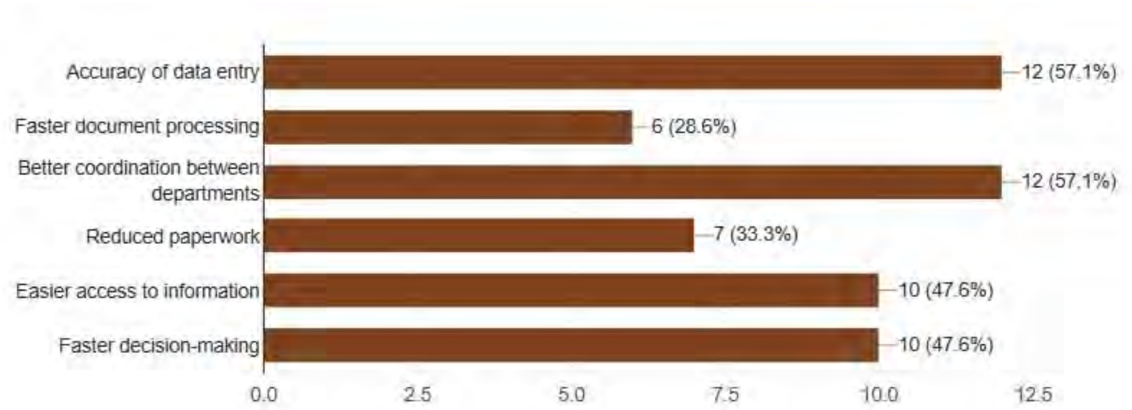


Figure 15 : User benefit and operational impact

The responses driven from the survey, expresses the user experience of the employees which entails fundamental value and effective results of the implementation of the system, which is a great emphasis on data integrity and inter-organizational consistency of SAP. The biggest ones as voted by more than half of the respondents are Accuracy of data entry, Better coordination between departments, and Improved, which 57.1% (12 out of 21) of the users indicated. This two-fold result is important: it has already proven that SAP has managed to standardize data input, and it has led to an increase in the quality of the information, and, at the same time, has managed to make the data obtained reliable and share it across different teams, successfully breaking the barriers of communication and processes. This observation highlights the effectiveness of the system in fulfilling the pledge of an integrated Enterprise Resource Planning system.

In addition to the quality of data and teamwork, the chart shows that the use of SAP has greatly improved the speed of the business operation. The respondents chose Easier access to information and Faster decision-making by a close percentage 47.6% (10 responses). This relationship makes sense and supports the advantage of real-time and centralized access to data. The system also makes the required information immediately accessible, which allows the employees to perform tasks and make informed decisions faster, which results in increased organizational flexibility. These top-level outcomes prove that SAP is not only used as a stable record-keeping system but it is also actively involved in the improved business intelligence and efficiency.

On the other hand, the user base prioritized the improvements that were made in terms of processing documents and administrative overhead less. Lower paperwork was chosen by 33.3% (7 responses) and Faster document processing by 28.6% (6 responses). Although these are anticipated advantages of any digital system, the fact that they are lower in the list indicates that, to the surveyed employees, the strategic value, i.e. the accuracy of the data and its coordination are considered to be much greater than the mere speed or the minimization of administrative activities. This offers essential management input, which suggests that the strength of the said system is its ability to have a strategic effect on the data and collaborative teamwork, and not only its speed of transactions.

To understand the speed and responsiveness of SAP system during their peak utilization hour, 21 respondents rates the responsiveness matrix out of 5 and the average score is 3.71% which insinuates proper utilisation of SAP in workplace.

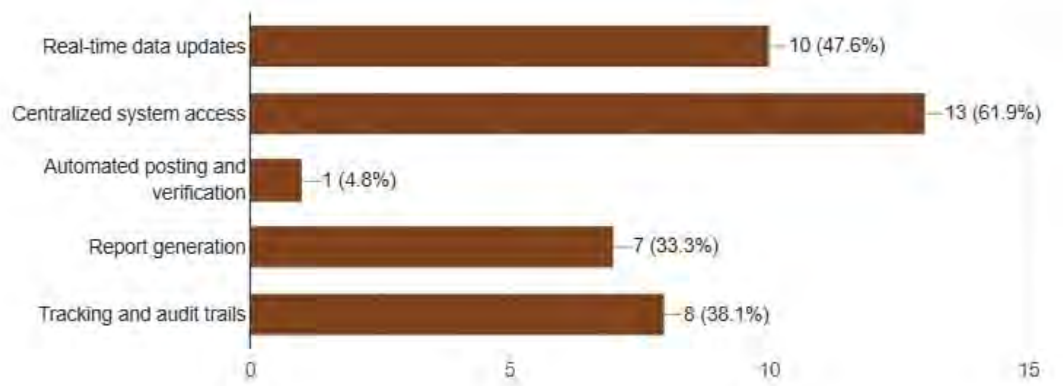


Figure 16 : Key SAP feature as per employee

In (figure : 15) the SAP user experience survey (N=21) at Radiant Pharmaceuticals Limited shows that the ERP system has been effective in creating high organizational value especially in enhancing accuracy of the data (57.1% indicate it is much easier) and interdepartmental coordination (71.4% indicate it is much easier). Having a very mature user base (57.1% of over 3 year use), the centralized data platform and real-time updates at SAP have proven beneficial

in the enhancement of consistency, accelerated access to data, and department-wide decision-making, particularly in Accounts and Finance, which comprises almost half of all respondents (47.6%). In spite of these benefits, the report reveals a fundamental contradiction: even though 80.9% of users rate themselves as highly proficient, the biggest challenge is the lack of appropriate training/support (57.1%). This implies that the users are very good in the basic transactional activities but not very good with more sophisticated system wide knowledge required to use all capabilities of SAP to the full. The reason behind this training gap is directly related to the rest of the operational problems, including the difficulties with integrating the tool with the others (33.3%), the difficulties with navigation/UI (28.6%), and the unstable performance of the system during the peak hours (the average rating 3.71). These areas of friction limit user satisfaction to functional but not excellent, 95.2% describe their moderate satisfaction (rating 3-4), and none of the respondents indicated their extremely satisfied.
The underutilization of high-value features like Automated posting and verification (it is only 4.8% who find it helpful) is also shown in the system, suggesting that there is a lot of untapped potential in the use of automation as a tool of efficiency.

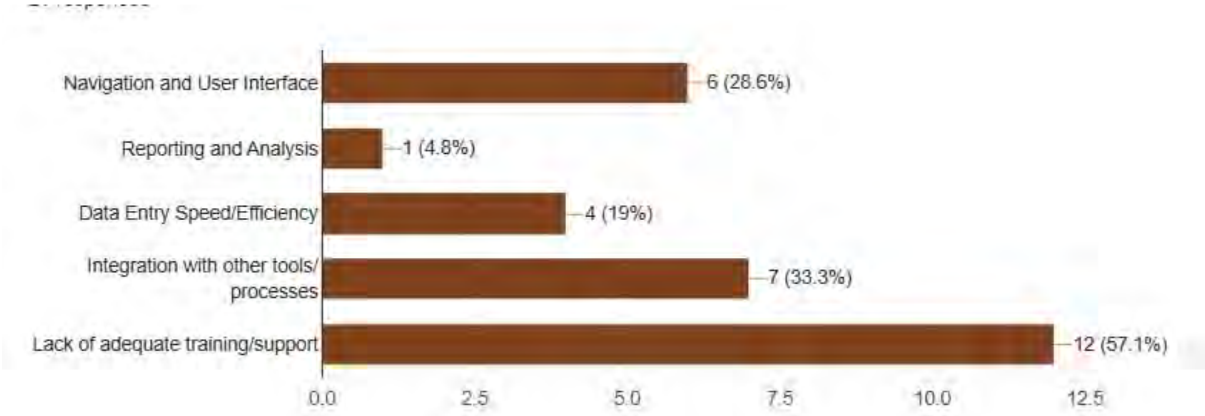


Figure 16 : Key challengers of SAP as per employee

Figure 16 demonstrates the challenges users of SAP face in their day to day operational usage. The biggest problem identified by SAP users in Radiant Pharmaceuticals Limited is the Lack of adequate training/support wherein 57.1% (12 out of 21) of respondents identified the problem. This is specifically interesting considering that the user base has a high self-rated proficiency, which means that the problem is not in the lack of basic knowledge but in the form of structural lack of advanced, continuous and role-specific training. In the absence of such support, long-term employees find it difficult to get familiar with cross-module processes or to get their full use out of the high-end features of SAP, an issue that is also clearly visible in the open-ended feedback.

Other than training, there are a number of operational friction points that hamper efficiency. The next most urgent challenge is integration with other tools/processes (7 respondents) with 33.3% reporting that the most challenging part of the system involves system handoffs where

SAP has to interact with external software or legacy systems. Also, 28.6% (6 respondents) reported the problem of Navigation and User Interface, which means that even after years of working in the company, users consider the interface of SAP to be unintuitive and excessively complicated when it comes to routine transactional tasks. In the meantime, Data Entry Speed/Efficiency was reported by 19% (4 respondents), but the issues with SAP in terms of analytics are minimal- only 4.8% (one respondent) stated Reporting and Analysis as an issue. Altogether, the results indicate that the enhancement activities ought to focus on higher user training, better integration of systems, and easier interface design, as opposed to the analytical tools that are already functioning adequately.

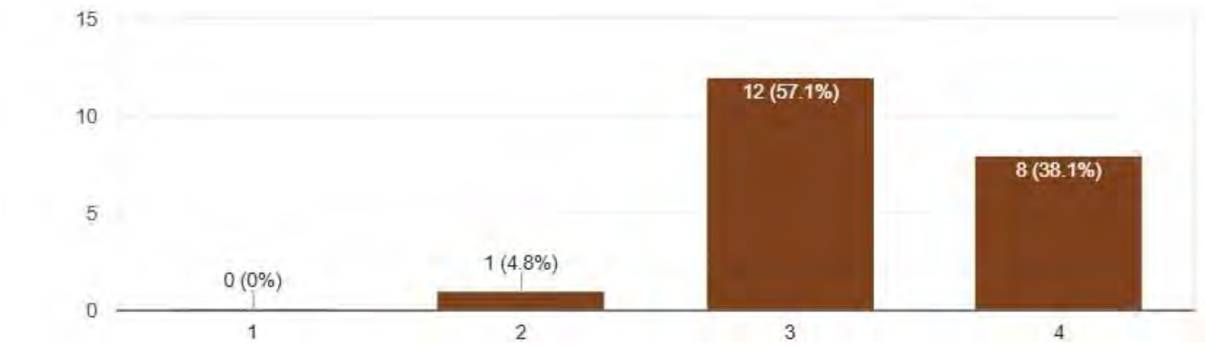


Figure 17 : SAP satisfaction level as per employee

The feedback shows the evident necessity of more professional and advanced training because employees think that more profound training is necessary to examine all the capacities of SAP, introduce value to the organization, and enhance the general performance rates. Regardless of this, users have continually testified the high value of SAP as an ERP system especially in the ease of transactions recording, good reporting capabilities, good integration of data among departments, real time visibility and in minimization of paperwork. Users report that SAP has reduced the work speed, smartness and efficiency by centralizing all information under a single roof in a unified data environment, which occurs regardless of the geographical location.

Nevertheless, the respondents also add that SAP is too complex of nature, and its performance may be different based on the backend setup or user environment. This complexity has added to a significant learning curve with employees claiming that the more they will use the system the more they are able to do. When questioned about the ways of how SAP could be improved to serve them in their daily work, users always mentioned the exposure and learning opportunities as the main ways of helping them exploit the system even better. In figure 17, 21 respondents expressed their satisfaction level upon using SAP in their everyday operation.

3.4 Recommendation/ Conclusion

To enhance compliance of AIT with SAP in Radiant Pharmaceuticals, the company is advised to focus on increasing the number of submissions of depot-to-HQ documents, which should be monthly in order to decrease accumulated mismatches and speed up the verification process. More automation of validation of the AIT, and particularly, the checking of challan number and tax-rate would greatly decrease the dependence on manual processing and increase the accuracy. It would be beneficial to have a systematic channel of communication between the depots, Finance, and Receivables to resolve the discrepancies quicker and enable SAP workflow capabilities to run smoothly. Also, the user capability should be improved with tiered training program since most of the employees are still not familiar with the navigation and exception handling aspects of the system. Lastly, specific technical enhancements, including better system integration, a more-refined user interface, and better performance of the system, would enable the employees to use more advanced SAP functions (e.g., automated posting) to make SAP a strategic driver of compliance and efficiency, rather than a mere operational tool.

Reference

1. *Radiant Pharmaceuticals Ltd. | Available brand names in Bangladesh | MedEx*. (n.d.). https://medex.com.bd/companies/62/radiant-pharmaceuticals-ltd/brands
2. Market Publishers. (2025). *Pharmaceutical industry in Bangladesh: Business report 2025* (ID: P7766A554DEEN). https://marketpublishers.com/r/P7766A554DEEN.html
3. Karera, M. (2025, June 25). Buyer's Power Index: Tracking the health of the pharmaceutical industry.https://www.wns.com/perspectives/blogs/buyers-power-index-tracking-the-health-of-the-pharmaceutical-industry
4. Naidu, R., PhD. (2025, June 8). *Strategic SWOT Analysis in Pharma: Uncovering Risks and Opportunities for business growth*. ProZBio. https://prozbio.com/2025/06/strategic-swot-analysis-in-pharma-uncovering-risks-and-opportunities-for-business-growth/
5. Dhaka Tribune. (2024, December 5). Novartis Bangladesh's majority shares to be acquired by Radiant Pharma. *Dhaka Tribune*. https://www.dhakatribune.com/business/367240/radiant-pharmaceuticals-to-acquire-majority
6. SAP PRESS. (2025, March 19). An Overview of Taxes in SAP S/4HANA Finance. *An Overview of Taxes in SAP S/4HANA Finance*. https://blog.sap-press.com/an-overview-of-taxes-in-sap-s4hana-finance
7. SAP PRESS. (2024, April 12). How to Verify a Journal Entry in SAP S/4HANA. *How to Verify a Journal Entry in SAP S/4HANA*. https://blog.sap-press.com/how-to-verify-a-journal-entry-in-sap-s4hana
8. Yzmercan. (2023, August 29). *Tax on Sales & Purchases in SAP: Step by step Configuration guide*. SAP Materials, Documents, Tutorials. https://www.sapdocs.info/8883/tax-sales-purchases-sap-step-by-step-configuration-guide-pdf/

9. **Sarker, J.** (2024). *Enterprise resource planning (ERP): Opportunities, benefits and implementation challenges in Bangladesh*. *International Journal of Science and Business, 42*(1), 71–83. https://ijsab.com/ijsb
10. Kumar, G. (2025, April 10). *Advancements in Pharmaceutical IT: Transforming the Industry with ERP Systems*. https://www.scipublications.com/journal/index.php/
11. Radiant Pharmaceuticals Limited. (2025, January 21). Home - Radiant Pharmaceuticals Limited. https://www.radiantpharmabd.com/

Appendix

7. Has SAP made interdepartmental coordination easier?

- Yes, much easier
- Slightly easier
- No difference
- More difficult

8. Which SAP feature do you find most helpful?

- Real-time data updates
- Centralized system access
- Automated posting and verification
- Report generation
- Tracking and audit trails

9. How satisfied are you with SAP as an organizational system?

Dissatisfied 1 2 3 4 Very satisfied

10. Any additional comments on SAP user experience?

Short-answer text

4. Which aspects of the SAP system do you find most challenging?

- Navigation and User Interface
- Reporting and Analysis
- Data Entry Speed/Efficiency
- Integration with other tools/processes
- Lack of adequate training/support

5. How would you rate the speed and responsiveness of the SAP system during peak usage hours?

1 2 3 4 5

6. Which aspects have improved the MOST after using SAP? (Select up to three)

- Accuracy of data entry
- Faster document processing
- Better coordination between departments
- Reduced paperwork
- Easier access to information
- Faster decision-making

1. Which department do you work in?

Multiple choice

- Accounts & Finance
- Marketing
- Supply Chain / Distribution
- HR
- Other:
- Add option

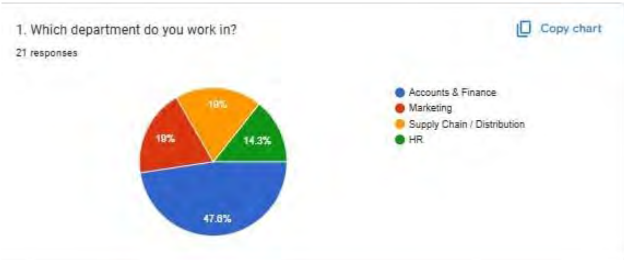
Required

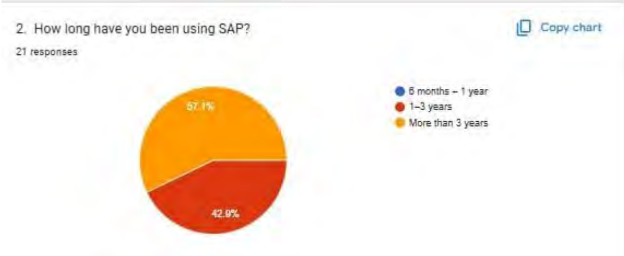
2. How long have you been using SAP?

- 6 months – 1 year
- 1–3 years
- More than 3 years
- Other:

3. On a scale of 1 to 5, how would you rate your proficiency in using SAP modules relevant to your role? *

1 2 3 4 5



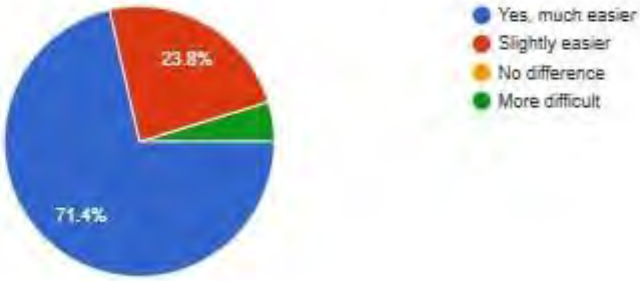


5. How would you rate the speed and responsiveness of the SAP system during peak usage hours?

21 responses

7. Has SAP made interdepartmental coordination easier?

21 responses



10. Any additional comments on SAP user experience?

11 responses

Response summary

- **Need for Training:** Professional SAP training is suggested by multiple respondents as a vital factor for employees to increase proficiency, improve efficiency, and fully exploit the system's benefits and utility.
- **System Complexity and Performance:** SAP is viewed as a complex system whose performance varies depending on the backend user.
- **Positive Feedback:** The system is considered one of the best ERP systems, being easy to record transactions and reporting, with global access making work faster, smarter, and more efficient. It also connects all data in one place and reduces the need for paperwork, with good data integration capacity and real-time reporting ability.
- **Learning Curve:** One response suggests that users learn more about the system the more they use it