



**Daffodil**  
*International*  
**University**

**An Analysis of the Supply Chain Management of Excellent  
Ceramics Limited**

**Submitted To**

Professor Mohammed Masum Iqbal, PhD  
Department of Business Administration  
Faculty of Business and Entrepreneurship  
Daffodil International University

**Submitted By**

Md. Merajul Islam  
ID: 183-14-2850

Program: Master of Business Administration  
Major: Supply Chain Management  
Department of Business Administration  
Faculty of Business and Entrepreneurship

**Date of Submission:** 18/04/2023

## Letter of Transmittal

17<sup>th</sup> April, 2023

**Professor Mohammed Masum Iqbal, PhD**

Department of Business Administration  
Faculty of Business and Entrepreneurship  
Daffodil International University

**Subject: Regarding the submission of Internship report entitled "An Analysis of the Supply Chain Management of Excellent Ceramics Limited".**


Dear Sir,

I am glad to submit the internship report on "**An Analysis of the Supply Chain Management of Excellent Ceramics Limited**". I have tried my best to explain whole supply chain procedure of excellent ceramics Limited, which I have experienced within doing this internship. I hope this report will give you a clear idea regarding my topic. I will be pleased if you accept the report. Your support in this regard will be highly appreciated. This three internship experience will help me in my real life.

I would like to mention that there might be some errors and mistakes due to limitations of my knowledge. I hope that you will forgive me considering that I am still learner and in the process of leaning.

Thanking for your time and reviews.

Yours Sincerely,



.....

Md. Merajul Islam

ID: 183-14-2850

Program: Master of Business Administration

Major: Supply Chain Management

Department of Business Administration

Faculty of Business and Entrepreneurship

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## Certificate of Approval

It is to certify that the internship report entitled "**An Analysis of the Supply Chain Management of Excellent Ceramics Limited**" is prepared by Md. Merajul Islam, ID: 183-14-2850, as a requirement of the MBA program under the Department of Business Administration, Faculty of Business and Entrepreneurship at Daffodil International University.

The report is recommended for submission.

.....

**Professor Mohammad Masum Iqbal**


Department of Business Administration

Faculty of Business & Entrepreneurship

Daffodil International University

## **DECLARATION**

I am Md. Merajul islam, ID: 183-14-2850, under Department of Business Administration at Daffodil International University (DIU). I hereby announce that this internship report entitled "**An Analysis of the Supply Chain Management of Excellent Ceramics Limited**" has been prepared and conducted by me under the supervision of Professor Dr. Mohammed Masum Iqbal, Faculty of Business & Entrepreneurship and Daffodil International University. I also announce that no part of this report had been or will not be submitted anywhere for the release of any dimension rewards.

A handwritten signature in black ink, appearing to read "Md. Merajul Islam".

.....

**Md. Merajul Islam**

ID: 183-14-2850

Program: MBA

Major in supply chain management

Department of Business Administration

Faculty of Business and Entrepreneurship

Daffodil International University

## **Acknowledgement**

At first thankful to all powerful Allah the most forgiving because of successfully complete this report.

I also give my gratitude to honorable Professor Dr. Mohammed Masum Iqbal sir for his support, cooperative guidance and advice all over the internship.

Various sources were involved in a significant documents and information input to develop this report. The report would impossible without appreciation to Excellent Ceramics, Factory and respected Golam Dostogir Sir (AGM, SCM, ECIL), Md. Nurul Amin Sir (Maintenance Manager, ECIL), this report would not have been possible without their co-operation. It was such a great opportunity to work and learn about Supply Chain Management in Excellent Ceramics Industries Limited.

## Executive Summary

For the modern world Business, Sustainable supply chain network viewed as a critical upper hand for a business by the executives. Endeavors that conducts vigorous supply chain network arranging activities, distributed extended proficiencies. Supply chain supervisor's strategy, plan, and control that development of products helping organization stay thoughtful and controlling the costs. Increasing development of the country that is hopes to run in the conceivable ulterior, real estate developers have avails enormously. Thus, sanitary ware & tiles market in our country will rise considerably. It obtained 2/10th of sanitary and 3/10th of tiles market in our country, so industry to start with focus on local market. Excellent Ceramics give away their items through local & company fixed dealers & also the marketing officers of the company. Excellent Ceramics capacity maintain in its qualified experienced, unrelenting worship of quality and thoughtful business environment knowledge. This report attempts to feature how SCM practices of Excellent Ceramics Industry Limited assist the organization with being more effective and serious on the viewpoint. Excellent ceramics production network has stated in this report with in consideration of this idea.

Gradually, SCM is being supposed as administration of the main business procedures that include the supply chain network. Developed SCM could reduction all out framework cost, stock and process duration's while altogether increasing stock availability and stock turns. On the off chance that these matters can be resolved, at that time, it will give more important proceed enhance consumer assist and upper hand to the organization. Excellent ceramics industry limited is constantly being profited by their significant SC management. It delivers influential probable ability and skill into all entire business movements of excellent ceramics industry Limited just as acquiring comparative benefit and acquiring client belief and share. This effectual supply chain management helps them to remain the responsiveness and efficiency in a suitable way. Which help to grow the supply chain surplus. It's become more necessary department in this competitive business world.

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## Chapter: One

### Introduction



## **1.1 Introduction**

The essential objective of this report is to give analysis about the supply chain procedure of Excellent Ceramics Industry Limited. Excellent Ceramics is a part of Halim Group was started officially on 2010 in Dhaka, Bangladesh. From the very first Excellent Ceramics become very much promising to its customers and giving Products like this on their words.

Ceramics were categorizes as non organic, non metallic resources this were crucial to our every days way of life. The methods that items could ready, build new kinds of tiles products, and come across various conducts for tiles products on daily life by the glass and ceramics engineer. All around us there were ceramics product. This class of equipments comprises likes like tiles, basins, plates, commode, and bricks. In our country, nowadays there were many ceramics and tiles industries.

One of the top Ceramics industries of our country is Excellent Ceramics Industry Ltd. They have started their production on 15 September, 2010. In a general meeting on 19 June 2015 by passing a resolution, Registrar of Joint Companies certificate issued on 11 March, 2019 it's changed into limited company. Excellent Ceramics have Tk205 million worldwide conglomerates in this ceramic industry. They were always endeavor to produce the right environment in our life with a ideal combine of technical elegance since making hundreds of models in Ceramic Tiles & various items in Sanitary ware.

Excellent Ceramics generates a wild range of products in the Ceramic product with products such as and Floor and wall Tiles, Décors Cladding and borders etc. It generates an enormously mass extent of products in GresPorcellanato various finishes appropriate in all conditions. For Sanitary, various items are generate in basins (mounted of pedestal kinds), washroom products (closet of water & tank of water), many counter related goods. Products of marble, set of single (OASIS) are individual gathering of product extent. Additionally, System of flushing double, system of flushing jet, Hinges closing soft, the obtainable monopolistic goods is spreader.

Excellent ceramics is capable to keep its consistency. They make the achievement in the next level.

## **1.2 Background of The Study:**

Internship study is part of the MBA program and I have completed my internship at Excellent Ceramics factory to complete my academic requirement. End of all the courses of MBA each student has to go through a practical working experience in reputed business organization to gather the practical knowledge. My Internship supervisor is **Professor Dr. Mohammed Masum Iqbal**, of Daffodil International University. I have completed my Internship report on **Supply Chain Management of Excellent Ceramics Limited** in Dhaka. I give my best effort to show my study and experience from this internship.

## **1.3 Objectives of The Study:**

The objectives of the study are following:

- i. To illustrate the supply chain management of Excellent Ceramics Limited;
- ii. To evaluate the performance of supply chain management of Excellent Ceramics Limited;
- iii. To identify the problems related to the supply chain management of Excellent Ceramics Limited;
- iv. To make recommendations to solve the problems;

## **1.4 Scope of the Study:**

Scope of the Study what implies a field of employment or study. . This will facilitate to get a clear plan about supply chain management. The valuable sections of this report have been enhanced to include findings on Excellent Ceramics' supply chain activities, an overview of the company's supply network, and information on how the supply chain functions.

# Chapter Two: Methodology

## 2.1 Methodology of The Study

**(1) Nature of the study:** This research is exploratory research in nature. This report has been composed dependent on both the essential just as the optional type of data.

**(2) Sources of Data:** it has been collected all primary data in personally. It was difficult for me as all primary data are private and it's also very expensive. On the other hand, also used secondary data for this internship report and most of these data also difficult to collect, risky and not much available in web. It's mentioned the sources from where have been taken secondary data.

The sources are:

### Primary Sources:

Primary Sources:

- Personal Interview with the employees who are related to SCM.
- Use random technique of sample size determination as this technique is most appropriate.
- Regular working in the industry in SCM department.
- Briefings of supervisor's office & that help me to collect data.
- Personal Conversations of several employees of this industry who are working related to SCM.
- Personal Observations as working and internship here.

### Secondary Source:

- Annual business report.
- Annual budget.
- Organization manual.
- In-house preparing material.
- Data from web.

**(3) Target population:** this research has used to define a target population. Targeted peoples of the study is employee of the industry whom are related to SCM directly or indirectly & it took several interviews of these people.

**(4) Sample Size & sampling method:** the sample size of this research is twenty, those are related to supply chain management & choose 'random technique' of sample size determination. It has been chosen because this technique is most appropriate and the possibility of error is less. To reduce bias or error, it was employed to specify a sampling frame and a target population. (The list of people from which a sample will be taken). It has been makes online surveys as short and accessible as possible, avoid convenience sampling.

**(5) Method of data collection:** in terms of data collection, it has been use direct interview method. It also collected data using this source by regular working in the industry, briefing of supervisor's office, personal conversation of several staffs in office and personal conversation. It also used secondary sources in this research like annual report, data from web and so on.

## 2.2 Limitation of the Study

I had a fantastic opportunity to learn about my organization's SCM activities while serving as an intern. However, the following limitations were found in the report;

For obvious reasons, this company withholds some data and information that would be highly helpful.

- Time limitation because being work here in 2 days shifting duty and short of leave because employee is less here.
- Busyness of the employees whom it gathered information.

Because of absence of involvement, although there may have been some errors in the report, we must always work to reduce the impact of these shortcomings.

## **Chapter Three- Company Overview**

### **3.1 About the company**

In 2010, excellent Ceramics Industries Ltd. was formed as a part of HALIM group. Because of its tropical environ the press, which is the centerpiece of the entire setup and the best of its kind in the world, was imported by HLT China. We chose KLIN because of its twin burning method, which is supported by the most cutting-edge glazing and painting lines. This was done primarily to keep the precise size of excellent tiles using cutting-edge technology. Excellent and extremely wealthy R&D departments provide major contributions to process innovation and the maintenance of efficiency levels that meet worldwide standards. Excellent has embarked on a new project to establish it's brand-new, cutting-edge tile factory and has chosen the cutting-edge equipment and technology from SACMI Italy for the production of import replacement tiles in Bangladesh, Excellent ceramics has chosen the equipment for these manufacturing lines. Chinese tile makers' technology, knowledge, and intelligence combined with raw materials from Bangladesh, Malaysia, Thailand, and India In Bangladesh, wall and floor tiles now meet a new standard set by Turkey, Italy, Spain, and China. When you rely on Excellent content, living is a complete joy.

### **3.2 Product/Service offered by Excellent**

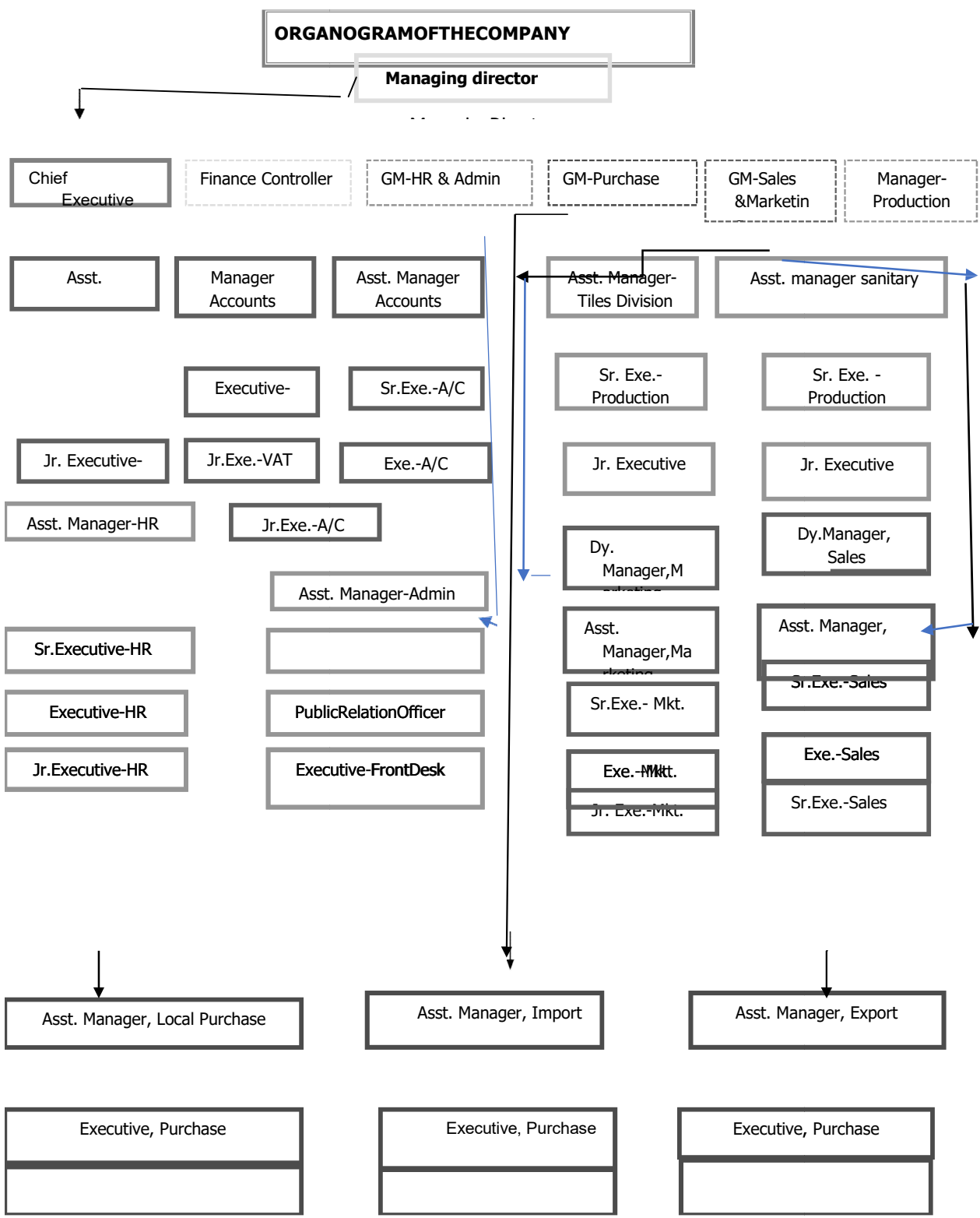
#### **Tiles**

(1) The company produces matching border & decor tiles, pencils & covers, ceramic wall and floor tiles, as well as a few more goods in the Ceramic series that are connected.

(2) Drive Company has a potential yearly production capacity of more than 5 million square meters of tiles in Bangladesh and offers more than 100 different types of tiles. The primary traits of plants are.

A variety of models of wash basins (mounted and pedestal), water closets, and water tanks (WT) accessories and decorated sets are made within the category of sanitary ware. Pan, Basin ware also made quality products by excellent ceramics industry.

### 3.3 Organogram of Excellent



## Chapter Four:

### 4.1 Strategic Business Unit

#### 1. Excellent Tiles limited:

Excellent Tiles Ltd. has set itself the objective of achieving commercial significance via intense customer loyalty, the prevention of environmental contamination, and the assurance of a healthy work environment. Around 70 kilometers north of Dhaka, in Paragoan, Bhaluka, Mymensingh, is where ETL's assembly plant is located. The entire production line is located within a 0.25 sq km zone, and the office is staffed by 500 personnel. Many of Excellent Ceramics' models come in modular designs, making it easier for the customer. Technique ambience patterns produced using ceramic tiles and also GresPorcellanato tiles appeals most perceptive customers. The company has two product lines, which are Tiles and Sanitary Wares. To lessen environmental risk, Excellent Ceramics has constructed a sizable Effluent Treatment Plant (ETP), which went into service at the end of May 2010. The salient features of the plants are: A collection of cutting-edge technological equipment, including 12 ball mills, 5 long-range kilns, and 5 versatile presses.

- **The newest technology and equipment:**

New technologies like Rotogravure Printing, Double Charge, Granites', MDR, Techno slate, Twin Press, and Dry Glaze, among others, are used to create some exclusive designs and finishes. Due to the exceptional GresProcellanto technology, some unique "antique style" finishes and numerous customized finishes in tiles have been made feasible.

#### **European machinery:**

TGVs are controlled by robots. Robots picked and placed semi-finished tiles in many production steps as well as in sorting and packing the finished tiles. Skilled Technicians in state-of-the-art control rooms monitored raw materials in blending mills, wet and dry grinding vessels, presses, kilns, drying and cooling cycles, and many other operations. Computer controlled guided vehicles moved semi-finished goods from station to station.



- **Water jet cutting technology machines:**
- Create unique water jet patterns, and diamond-cutting machinery aids in the creation of lovely vanity tops from Gresporcellanato lumps.

- **High superiority inputs:**

Imported raw materials from Indonesia, Malaysia, and Thailand, including clays, soda feldspar, and potash feldspar from Spain and various European nations.

- **Ceramist R&D action:** Ceramicists working in a motivated team to meet client demand and implement cost-effective input recipe solutions.



## 4.2 Sanitary Wares:

Different models of wash basins (mounted and pedestal), WCs, and water tanks (WT), as well as their trimmings and decorative sets, are created in the sanitary ware industry. Newest Italian Technology:

- For production including programmed kilns.
- 4 Medium Pressure Casting Plants: These are used to make accessories like lids, pedestals, cisterns, and washbasins.
- **Battery Casting Molds:** To manufacture restrooms.
- **Premier class Raw Materials:** UK-made ball clay and kaolin, Spanish-made glazes, and German-made stains.
- **Internal Quality Control and Testing:** Highest caliber laboratory.

The following are certain technology drivers and outstanding accomplishments:

- Excellent Ceramics is a pioneer in the installation of specialized equipment. This business was the first to install the largest press machine.
- Excellent Ceramics also provided a number of innovative and exclusive technical items, such as gleaming tiles (tiles that shed light in the dark and required two years and numerous trials to develop), antimicrobial tiles (tiles that prevented the formation of bacteria), and unique water jet design.
- With more than 2000 tile models and more than 300 sanitary models, RAK Ceramics has an exceptional product line.

The smallest slab in the sector is 125 cm × 175 cm, and tiles range in size from 10 cm x 20 cm to 2 cm x 2 cm.

### 4.3 Mission

Their goal is to develop a company culture where everyone is dedicated to realizing their vision of becoming the top provider of ceramic lifestyle solutions globally. To accomplish this, they will draw on their knowledge, their wide range of goods, their innovative thinking, and their commitment to continual quality delivery. We wish to establish a top-notch corporation. Excellent has organized dealer network all around the country. It's have a bigger distributor channel in the country. Excellent have 20% of market share Tiles industries. Alongside it have 25% of market segment of sanitary ware in Bangladesh. From the first year of operations Excellent got the award from Ceramics association.

### 4.4 Vision

Our goal is to continue to lead the globe in ceramic innovation and to be the premier provider of ceramic lifestyle solutions in Bangladesh. Their Knowledge-driven and Responsive mission includes:

**C** -Close to our customers by understanding to their wants and adapting to market requirements

**E** -Excellence in producing high superiority products that offers best value-for-money

**R**-Redefining the process of product upgrading and design

**A** -Accountable to its stakeholders, including its customers, business partners, and human resources.

**M**-Motive employees to develop them become potential business owners

**I**-Integrity of the management towards the managerial goals

**C**-Committed to the civilization by contributing towards a well environment

**S**-Sustainability in every specialty of business

## Chapter Five: Supply Chain Management

**5.1 Definition of Supply Chain Management (SCM)** With the aim of enhancing the long-term performance of the individual businesses and the supply chain as a whole, it is the systematic and strategic coordination of all business activities and the strategy across these business functions within a specific firm and across businesses within the supply chain. Author Simchi-Levi have defined supply chain management as “the integration of key business processes among a network of suppliers, manufacturers, distribution centers and vendors to progress the flow of products, services and information from the original suppliers to end customers, with the objective of reducing overall costs while maintaining service levels”. Consequently, the primary goal of supply chain management is to increase supply chain performance with as much value-added and at the lowest possible cost.

### 5.2 The Structure of Supply Chain

Traditional supply chains typically have several stages. Suppliers, manufacturers, distributors, retailers, and customers round out the supply chain stages. Raw materials are purchased by manufacturers from suppliers, who subsequently transform them into finished goods. Transport plays a crucial part in getting the items from the place of production to the point of consumption before they are supplied to end customers via distributors and retailers. Each stage of a supply chain is connected by the flow of goods, data, and money. These flows frequently go both ways, and one of the stages or a mediator may control them. The stages are depicted in figure 5.1 below. Some supply chains might not have every stage represented in figure 5.1. The needs of the consumers and the functions performed by the various phases are the main determinants of a supply chain's architecture. It also relies on the policies of the firm, the nature of the items, and how many stages there will be in the supply chain. Some businesses sell products straight to consumers without the involvement of distributors or retailers.

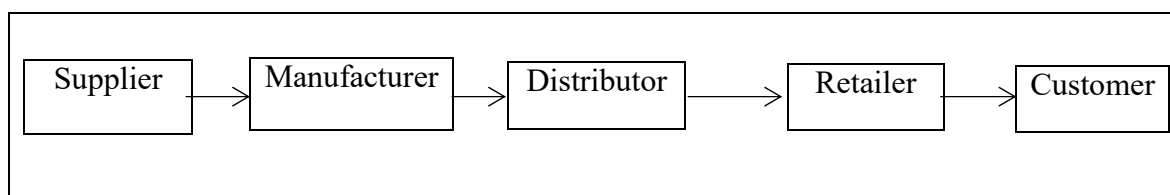


Figure 5.1: Stages in a supply chain

The supply chain is very complicated and consists of a number of interconnected procedures that go from the client back to several levels of suppliers. Physical components, operational and planning procedures, and strategies make up the supply chain's structure. The layout of the supply chain model is depicted in Figure 5.2. It would respond to changing consumer demands through innovation, cost, service, and quality.

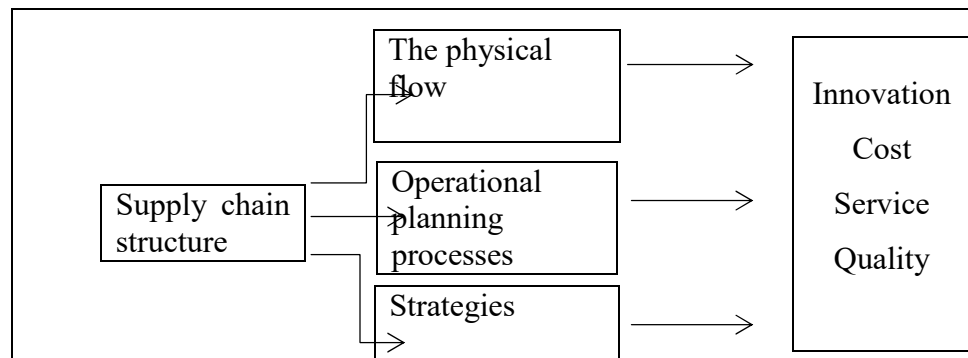


Figure 5.2 SC model

The supply chain's physical flows include information and procedures related to the location and movement of tangible goods during storage or transportation. The production and delivery of items to the vendors are handled by inbound logistics in the physical flow of this paradigm. Suppliers, inbound logistics, production, export logistics, and dealers make up the physical supply chain. Organizations must have a detailed plan for how all the operations in the chain will be successful throughout the operational planning process. During the strategy phase, businesses put their game plan into operation in order to develop new goods and services at competitive prices.

### 5.3 SCM Approach

The sharing tasks are handled by the retail supply chain. An understanding of a distribution center as a wholesaler can be found in the background of marketing literature. Three partners make up this section of the supply chain: the supplier, the wholesaler, and the retailer. The important player in this scenario is the distribution center; suppliers and shops are just mentioned in passing. The DC provides merchandise to shops. This method considers the supply chain management concept of distribution. It deals with the distribution of goods among the sales outlets as well as its acquisition, storage, and distribution. It does not take into account other supply chain management goals. The figure below depicts its primary functions.

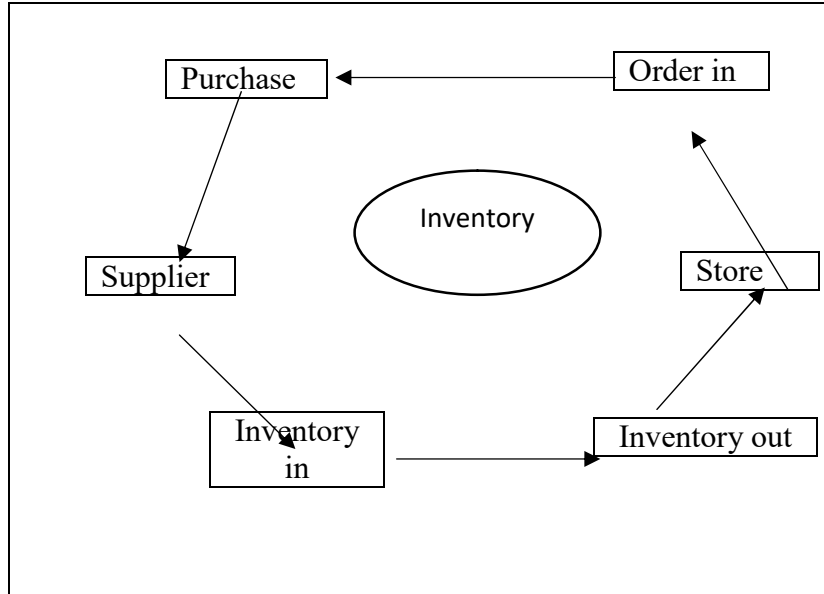


Figure 2.3: Distribution approach of SCM

**Order in:** Usually store workers do this activity. They calculate the needed quantity and order mainly with portable hand scanners. The automatic orders are complete by the applying of point of-sales data, withdrawing sold articles from inventories and routinely creating an order. A router points the electronic orders to the exact place.

**Purchase:** The distribution center performs this movement. DCs make buy on the base of orders from stores and estimating. Forecasting is a hard job; some workers at the DC have duty for a small group of products and overtime they get an excellent feeling for the demand of those products.

**Inventory in:** It happens when products come from suppliers and from DCs. Dairy products, soft drinks, and other grocery items go through the DCs and are in its place shipped directly to stores. Some items are never stored on the shelves in the DCs because they are straight shipped from inventory in to inventory out, therefore decreasing a lot of work.

**Inventory out:** workers sort the products as per the demand of each store and to a particular delivery area. After that the vehicles deliver the goods to the needed spots. Faults in this activity are costly. The carts are packed with a holistic view to reduce the unloading work done by store workers. Articles situated close to each other in store shelves are also packed together in the cart.

The graphic also includes items that are grouped together that are close to one another on store shelves. Products are sent to store regularly.

#### **5.4 Supply Chain Processes**

The concept of a process needs to be modeled in some way in order to be comprehended. The most usually be familiar with meaning of a process is “a set of interrelated activities and “a chain of activities”. In the context of supply chain management, processes are perceived as activity flows, involving acts which add price in different stage of production. Many widely used management techniques, including comprehensive quality management, supply chain management, and business procedure reengineering, now have this procedure-focus as their central concept. The value chain model, in which a company's value chain is placed into a superior context—the value system may be lacking in innovation and theoretical expertise—is the most well-known model with this point of view. All chain activities should incorporate value from the standpoint of the final consumer, which is also the basic tenet of SCM.

#### **5.5 Supply Chain Responsiveness**

The punctuality and extent to which the supply network can adapt to changes in consumer demand is known as supply chain responsiveness. Customers are growing more and more demanding as time goes on, and as a result, a higher ranking for product and service availability and on-time delivery creates a unique need for a volume adaptable response. Increased supply chain responsiveness has a favorable impact on a company's success over the long term and clearly communicates benefits to businesses. Managers usually seek to increase the responsiveness of their SC because to growing competition in the continuously changing business environment. A responsive SC guarantees shorter lead times, consistent service, rapid reaction, and flexibility. Because they are slow to respond to changing market demands, the majority of SCs cannot survive in the face of fierce competition. Managers typically look for ways to increase the responsiveness of their SC because to increased competition in the rapidly shifting business environment. A responsive SC attests to a shorter lead time, consistent service, quick reaction, and flexibility. Due to their lack of responsiveness to changing market demands, the majority of SCs are unable to withstand fierce competition.



**5.6 Supply Chain Efficiency:** Efficiency is the dimension of how healthy a firm's resources are utilized. So supply chain efficiency is how well the resources in the Supply chain are utilized. Business professionals and academicians state an efficient supply chain in a variability of ways. However, the definition of supply chain efficiency revolves around three perspectives such as supply chain performance, cost and a combination of performance and cost. The definition of supply chain efficiency rotates around three perspectives such as supply chain performance, cost and a mixture of performance and cost. Classifications of efficiency in terms of performance state to high delivery accuracy and high customer pleasure. When the definition is referred to as a performance-based definition, there are no cost components included. When efficiency is defined in terms of cost, it just refers to cost and leaves out all other considerations. Corporations will need to find ways to cut costs while still enhancing customer service if they want to survive in the new, competitive global economy. Because of this, firms must simultaneously pay attention to both prices and customers. Efficiency in retailing refers to doing things correctly, which is to say, more quickly, inexpensively, and simply. It also refers to using resources effectively and creatively. The basic goal of effective supply chains is to coordinate the movement of goods and services in order to reduce inventories and boost the productivity of the chain's manufacturers and service providers, which will advance supply chain performance.

**5.6 Supply Chain Management Practices (SCMP)** SCMPs are actions conducted within a company to support active supply chain management. SCMPs include supplier partnership, outsourcing, cycle time compression, continuous process flow, and IT sharing. The addition of purchasing, quality, and customer relations characteristics to represent SCMPs was empirically evaluated by Tan et al. They then discovered six additional SCMP elements through their research, including supply chain integration, information sharing (IS), supply chain characteristics, customer service management, geographical closeness, and just-in-time capacity approach. The link between responsiveness and SCM techniques has been discovered by numerous academics. Information exchange, information quality, and information intensity in SCM processes only between suppliers and retailers are crucial to improving performance. The supply chain integration issues have recently increased much care in supply chain literature the supply chain addition issues have recently gained much attention in supply chain literature.



## CHAPTER SIX:

### SUPPLY CHAIN MANAGEMENT OF EXCELLENT CERAMICS

Supply chain management department of EXCELLENT is fairly probably the most fundamental Practical divisions of the Company which manages the SCM network exercises of EXCELLENT. To keep all the groups running perfectly, the dedicated and persevering representatives of this division keep a decent contact with the customers, both public and worldwide. The Commercial Department is consistently accomplishing the best costs for the items that they purchase, assuring huge measure of cost reserve funds for the organization. It proposals secure professional skill and expertise in the entire business exercises of EXCELLENT.

**6.1 Planning and Demand Forecasting:** Excellent has a skilled supply chain team. This team has find out the how many tiles needed next year. This team combines with the marketing department. Marketing department succumb the yearly sales report. On the origin of yearly sales report, planning team makes a plan that how much tiles needed in the next year. Here one thing that supply chain compare the previous data which help to get the probable amount of tiles in their targeted year. Excellent follows the FIFO system of supply chain. On the basis of their sales system they go under push and pull both systems. The demand planning makes the work very easily with the other team of supply chain. They also make it easy for the retailers too.

**6.2 Logistic activities:** There were two types of logistic activities;

1) Primary Activities;

- i. Transportation
- ii. Inventory Management
- iii. Order Processing

2) Secondary Activities;

- i. Warehousing
- ii. Purchasing
- iii. Packaging
- iv. Materials Handling

## **Inbound Logistics;**

### Raw Materials Acquisition

- Clay
- Color Pigment
- Cerfrit

**6.3 Raw Materials Suppliers:** Excellent Ceramics imports 90% of its raw materials from outside. Global Business Association (GBA) is the source of superior ceramic's raw materials, and suppliers are negotiated during the ordering process. “Excellent” sibling company, GBA, supplies raw materials to other businesses as well. The raw materials are supplied by GBA, and the raw materials are listed in excellent locations and order. Cerfit is provided by the Spanish company "cerfrit" for use in coloring. GBA provides color pigment, which is imported from Italy.

**6.4 Shipment of Raw materials (Transportation):** Raw supplies are supplied by sea to Chittagong port after GBA receives the order. From there, clay is transported to their plant using cargo trucks. They get spare parts for their machinery from HLT, a massive manufacturer of manufacturing equipment and finishing facilities. It's an Italian business.

Transportation cost:

<b>Mode</b>	<b>cost per unit</b>
Air	11
Ship	6
Truck	3

**6.5 Inventory Management:** The store department and accounts department are primarily responsible for inventory management. Inventory of raw materials is handled by the accounts department. Six to seven months' worth of production's worth of raw materials are bought and stored. The administration of the finished goods inventory is the responsibility of the store department. Excellent takes extra security measures to reduce the possibility of theft as well as extra precautions to avoid destroying or squandering raw resources.

The most cutting-edge production facility for making tiles and sanitary ware is found in excellent ceramics. They have a single tile production facility that handles all production-related tasks. Additionally, the R&D section of Excellent has a design development program that aids in the development of new designs for consumers.

**6.6 Outbound Logistics:** Excellent follows a push demand adage when it comes to finished inventory. Typically, it establishes a consistent demand for tiles and provides those tiles to 25 dealers, who then provide those tiles to numerous sub dealers and clients. To estimate their needs, excellent uses forecasting tools like the moving or weighted moving average. Additionally, it supplies industrial users using a pull method.

**6.7 Distribution process:** Excellent Ceramics uses a straightforward distribution strategy to provide goods to customers while avoiding hassles. They use four levels of distribution channels, including manufacturers, dealers, sub dealers, and consumers.

Manufacturer
Dealers
Sub dealers
consumers

Excellent uses selective distribution, which means they use a small number of distributors to deliver their products. Instead of having their own distribution system, companies rely on dealers to spread their goods. Excellent currently has 25 dealers in Bangladesh. Through four state managers in six divisions, they personally manage their dealers. Sub dealers may be chosen by dealers to sell products made with great quality, but excellent does not have authority over them. The stock department is the beginning of a great distribution operation for ceramics. The stock department warehouses finished goods. Dealers arrive to pick up the delivery from the warehouse for distribution after receiving notification from the warehouse that their products are ready for delivery.

**6.8 Supply of finished goods (transportation):**

Excellent lacks a separate means of transportation for distributing tiles. 25 dealers around the nation travel using their own means. Utilizing a hired vehicle, it occasionally transports tile to industrial users. It establishes a 4 Taka per square foot transportation expense.

**6.9 Order Cycle:** There is a special order cycle process at Excellent. It requires more than 200000 square feet per week. It maintains a 100000 square foot safety stock because of this. It takes one or two days to process orders once they are received. To transport inventory to their warehouse, dealers reserve one day. An additional 3 days are required for delivery to customers. Therefore, the overall order cycle takes 7 or 8 days.

**6.10 Logistics Product:** Convenience, shopping, and special products are the three categories of logistic products. After thorough research and brand comparison, tiles are shopped as they are purchased. Excellent provides all tile-related information on their website as a result.

**6.11 Pricing strategy:** Excellent uses a consistent price policy. To sell at the same price across the nation, it refers to this as the maximum retail price (MRP).

**6.12 Warehouse:** Excellent also includes a production facility and two warehouses. One is used to store raw materials, and the others are used to store finished goods. Our house is set up to carry out indirect sales. According to the distributors' criteria, the goods are stored at the warehouse. Send the merchandise to the distributors together with the invoice. The regional distributor, who serves as the city of Dhaka's distributors, gathers commodities according to their own plans.

**6.13 Materials handling:** Company produces a large number of glazed and unglazed gresprocellanato (porcelain/fully certified tiles) porcelain tiles in a variety of finishes, including polished, unpolished, rustic, slate, etc. The company in Bangladesh has raised its manufacturing capacity to more than 8 million square meters of tiles annually and has more than 1000 different tile models thanks to a threefold development drive.

#### **6.14 Marketing, sales and service:**

In Bangladesh, one of the industry leaders in ceramics production is Excellent. Excellent ceramics have a strong emphasis on commercial production to meet domestic demand, but because to low demand and a significant affordability challenge faced by companies in Bangladesh, their industrial production is not in a gigantic state. However, if a business places an order for industrial tiles, they meet the demand. Having a top-notch marketing division at the main “firm gate” headquarters is excellent. Because industrial Productions of ceramics items have high durability and pricing, excellent ceramics sales force is primarily utilized to persuade owners of industry enterprises to employ outstanding ceramics.

#### **6.15 Support from dealer:**

Excellent Ceramics has hand-selected 25 dealers around the nation after examining each one's portfolio. To capture and make the goods available in the market, these dealers offer exceptional support. Excellent Ceramics aims to fully support their initiatives to increase their adaptability, and dealers back their efforts to increase market accessibility. They were able to disseminate the product across the entire nation thanks to the support, assistance, and loyalty of these dealers, who also significantly influenced their current market position.

## **Chapter Seven:**

### **Problems Identified**

It is found that there some problems related to the supply chain management. These are;

- 1) 'Supplier' does not have a central database hence there is no way to access information on them. If there were central database system, then it would be helpful for dealing with the suppliers.
- 2) Lack of coordination to connecting every department each other because of unskilled staffs.
- 3) A lot of LC amendments are occurring that are related to cost and SCM. This occurs when there is a misinterpretation of the situation or incorrect information.
- 4) Selecting a product's HS code that is associated with the SCM presents a challenge. This occurs as a result of inexperienced employees and a lack of IT understanding.
- 5) Lack of communication with the 'wholesaler' because shortage of manpower in this company and marketing or advertising budget is less than needed.
- 6) As this is new and small industry, 'warehouse' is not ready right now, it now processing but still that was not so big because of shortage of land in the factory area. So there were, Lack of enough space for store finished goods.
- 7) Lack of space of putting raw materials because same problem like previous of shortage of land and as company is new in business.
- 8) Some corruption is found among the 'dealers and distributors'. Sometime they will not pay owing in right time or promising time. So there were, Lack of trusted people in supply and distribution channel.
- 9) Lack of knowledgeable person related to SCM department. As this industry new in ceramic business they have shortage of efficient employees in this department. Salary range low and bad management is also for this problem.

10) Developing Budget is low because of new and small growing industries. When budget is not enough in every sector there were create many problems.

11) Placing 'order' for raw materials is problem because timely not receiving raw materials for managerial and departmental problems.

12) 'Lead time' problems for ordering products by the dealers. This happen when Dealers desire designs or size is not available in warehouse.

13) This industry also had 'Inventory' management problems. This problem also related to shortage of land, budget and managerial problem.

14) Alternative suppliers were not keeps in touch many times so this could affect sometimes in SCM.

## Chapter Eight: Recommendation & Conclusion

### Recommendation:

ECIL has effective and systematic working methods. It has a challenging product to recommend. However, everything around us is changing at a breakneck speed. Based on research and observations, I've identified a few major issues that can make ECILSCM smooth, these are:

- 1) Because there was a lack of IT expertise among the SCM department staff, the efficiency of work performance was reduced. In order for management to become more skilled, management should train their employees in IT.
- 2) In Terms of LC they should properly checked because a large number of LC amendment is happening which is related to cost and SCM.
- 3) There should be a central data system where they can inform about suppliers and dealing with them and knowing their interest. It can be a software or website too.
- 4) As there were lack of trusted people in supplier and distributor sector, organizations should Makes more authentic supplier and distribution channel. Also, Alternative suppliers should be keeps on touch in terms of no hammering in supply chain process.
- 5) Lead time should be decrease from present situation as there were problem in placing and ordering of products by the dealers.
- 6) Building a good communication with the wholesaler and dealers so it could help for the better performance in supply chain management system.
- 7) Makes good communication of every department of the industry because supply chain is related to all the section in the industry
- 8) There were shortage of space of warehousing and store so they should ensure enough space for keep finished goods and Makes place for putting raw materials.
- 9) For gaining proper outcome of SCM, management should Create more budget for this department & Hire more skillful & knowledgeable employees of this sector.



10) Sometimes order placing for raw materials should not be on time. So management should take necessary steps for ensure proper purchasing of raw materials.

11) Management should well behave with employees and concern about this department. They also ensure employee satisfaction. This could be good result into ensuring proper SCM

12) Ensure proper warehousing by Keep it clean, reducing clutter and waste, use stackable bins, Label all products& by training staffs.

### **Conclusion:**

Excellent Ceramics is enormous learning companies for learning. Excellent help interns to get better and develops their skills. In this report I have shown a light phase of their supply chain management. Supply chain practicing is still new in our country. Because of their dependency on other company they become more concerns for their demand planning and as well their commercial team helps always to get the most reasonable price for them. Supply chain is one of the key management in 'Excellent' ceramics. They are working really hard for the best output for the company as well tries to improve their skills too. This department follows the key steps of supply chain. Hence they try to provide finest practice of supply chain here.

### **Abbreviation:**

SCM- Supply chain management

PO- Purchase Order

PR- Purchase Requisition

PDI- Pre Delivery Inspection

R&D- Research and development

FIFO- First in First Out

MRP- Material Requirement Planning

GBA- Global business association

DC- Distributor Channel

LC- Letter of Credit

CS- Comparative Statement

QA- Quality Assurance

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