

Report On

Bond License in Readymade Garment Industry

A Study of Sublime Greentex Limited

By

Md. Shanayaz Hossain
ID: 19281173

Post Graduate Diploma in Knitwear Industry Management (PGD-KIM)
Executive Development Center, BIGD
BRAC UNIVERSITY
May, 2021

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An internship report submitted to the Executive Development Center, Brac Institute of Governance and Development (BIGD), Brac University in partial fulfillment of the requirements for the degree of
Post Graduate Diploma in Knitwear Industry Management (PGD-KIM)

Executive Development Center, BIGD
Brac University
May, 2021

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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 have acknowledged all main sources of help.

Student's Full Name & Signature:

A rectangular box containing a handwritten signature in blue ink. The signature is cursive and appears to read 'Shanayaz Hossain'. To the right of the signature, the text 'Type text here' is faintly visible.

Type text here

Md. Shanayaz Hossain
Student ID: 19281173

Academic Supervisor's Full Name & Signature:

A rectangular box containing a handwritten signature in black ink. The signature is cursive and appears to read 'Mirza Masood Hassan'.

mirzahassan

Dr. Mirza Masood Hassan
Head, Governance & Politics Cluster
BIGD, Brac University

Letter of Transmittal

Dr. Mirza Masood Hassan
Head, Governance & Politics Cluster
BIGD, Brac University
66 Mohakhali, Dhaka-1212

Subject: Submission of Industry attachment (Internship) report

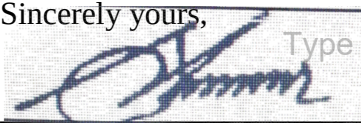
Dear Sir,

This is my pleasure to present my Industrial Attachment report. I complete it at Sublime Greentex Limited (A sister Concern of Meghna Executive Holding), which I was engaged by your direction.

I have attempted my best to finish the report with the essential data and recommended proposition in a significant compact and comprehensive manner as possible.

I trust that the report will meet the desires.

Sincerely yours,

 Type text here

Md. Shanayaz Hossain

Student ID: 19281173

Section-B

Intake- 04

Executive Development Center, BIGD

Brac University

Date: May 15, 2021

Non-Disclosure Agreement

This piece of paper serves as an agreement between **Sublime Greentex Limited** (A sister Concern of **Meghna Executive Holding**) and an intern student at EDC, BIGD, Brac University **Md. Shanayaz Hossain**.

There is no denial of the fact that during my internship period, I have come across a lot of confidential information related to the management, operation and many other aspects of the organization which is strictly prohibited to share with unauthorized personnel. I agree not to disclose any of such private and confidential information, both oral and written, to anyone else unless the person is an approved one by the respective authority.

I am also well aware of the fact that any violation of this confidentiality may lead to disciplinary action or legal action taken against me.

I, hereby, declare in sense that I accept all the terms and conditions of the organization regarding its confidentiality policy and am ready to take the responsibility in case of any violation of its privacy for the sake of any of my action.

Student's Full Name & Signature:

A handwritten signature in blue ink, appearing to read 'Shanayaz Hossain', is written over a light gray rectangular background that contains the faint text 'Type text here'.

Md. Shanayaz Hossain

Student ID: 19281173

Industry Supervisor's Full Name & Signature:

A handwritten signature in blue ink, appearing to read 'Md. Shahidul Islam Zahid', is written over a light gray rectangular background that contains the faint text 'Type text here'.

Md. Shahidul Islam Zahid

General Manager, Accounts & Finance

Sublime Greentex Limited

Acknowledgement

For the very first of all, I would like to express our gratefulness and harmony to the **Almighty Allah** the supreme authority of the Universe, without whom I would be nothing. Next I would like to express my kindness to my Beloved Mother, life Partner: Shamsun Naher Mukta and Children whose continuous inspiration enrages me to make a right move in my life.

A single individual can achieve no noble objective. Words actually will never be enough to express how grateful I am nevertheless will try my level best to express my heart full gratitude towards some respected persons for their advice, suggestions, direction and cooperation which have enabled me to complete this report in a productive way.

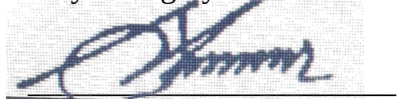
First of all I would like to thank my supervisor **Dr. Mirza Masood Hassan & Md. Shahidul Islam Zahid**, without their help, suggestion and cooperation the total report will be valueless.

I would like to thank from the deep of our heart to **People's Republic of Bangladesh** for offering this course. Apparel industry professionals are get opportunity for distinctive learning. I also thankful to **Asian Development Bank (ADB)** for financing this course and make it success.

I am grateful to the authority of **Sublime Greentex Limited** (A sister Concern of Meghna Executive Holding) who gave me the opportunity to complete my industrial attachment here.

At last but not the least, the **BRAC University**, Bangladesh for giving us an opportunity to enroll this course and give us a scope to gather practical experience and enrich our knowledge.

May Almighty Allah bless all of them.



Md. Shanayaz Hossain

Student ID: 19281173

Executive Summary

Meghna Executive Holdings (MEH) founded in 1965. It is one of the largest business houses in Bangladesh. MEH has been diversified its business into industrial goods manufacturing, light engineering, apparel & textile, exclusive importer & premium dealership of world leading automobile brands like BMW & KIA, lifestyle products -Kohler & Penthouse Livings and authorized reseller of electronics & IT products –Apple. With extension of business operation MEH establish its world class readymade garment unit called “Sublime Greentex Limited” with the facility of cut to pack. Its located 41 km north of Dhaka airport with capacity of 42 Knit sewing lines. It can produce 1.9 million pcs readymade garment per month.

Industrial attachment is prerequisite practical course for Post Graduate Diploma in Knitwear industry management. This coursework is design to earn department wise industrial practical knowledge. From 1st February 2021 I started my industrial attachment program in Sublime Greentex Limited which help to learn about over all business process of readymade garment industry. Throughout this three months process I worked with different department like Accounts, Commercial, HR and Administration, Audit, Product Design and Development, Industrial Engineering, Sample, Cutting, Sewing, Quality Checking, Finishing, Store, Compliance, Maintenance, Fire and safety.

Readymade garments industry is key element of Gross domestic production (GDP) of Bangladesh. To facilitate this industry National board of revenue (NBR) gives the permission to import duty and tax raw material for this industry. Which called bond facility. Rather than some misuse of bond its help to develop this industry.

Keywords: Readymade garment, Bond, Letter of Credit, National board of revenue, Abuse, Vat and Tax.

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List of Acronyms

MEH	Meghna Executive Holdings
RMG	Readymade Garments
LEED	Leadership in Energy & Environmental Design
GM	General Manager
DGM	Deputy General Manager
AGM	Assistant General Manager
M&S	Marks and Spencer
IE	Industrial Engineering
SCM	Supply Chain Management
PGD-KIM	Post-graduation diploma in knitwear industry management
PDD	Product Design and Development
QC	Quality Checking
AQL	Acceptance Quality Limit
PO	Purchase Order
LC	Letter of Credit
TT	Telegraphic Transfer
NBR	national board of revenue
UD	Utilization Declaration

UP	Utilization Permission
SRO	Statutory Regulatory Order
CBC	Customs Bond Commissionerate
EPB	Export Promotion Bureau
FDD	Foreign Demand Draft
BGMEA	Bangladesh Garments Manufacturer and Exporter Association

Chapter 1

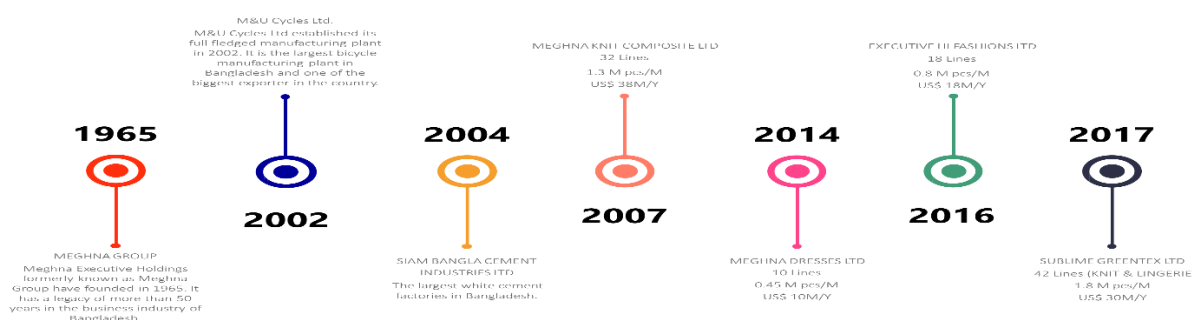
About Organization

1.1 Overview of the Industry

Meghna Executive Holdings (MEH) is part of Meghna Group, founded in 1965. MEH is one of the largest business conglomerates in Bangladesh. It has a legacy of more than 50 years in the business industry of Bangladesh. MEH has been diversified its business into Industrial Goods Manufacturing, Light Engineering, Apparel & Textile, Exclusive Importer & Distributor of world leading Automobile Brands (BMW & KIA), Lifestyle Products (Kohler & Penthouse Livings) and Authorized Reseller of Electronics & IT Products (Apple).

To enter in to the premiership in Readymade Garments (RMG) & manufacturing industry, MEH continues to introduce state of the art factories in Bangladesh. Sublime Greentex & Executive Intimates Ltd. is the two other feathers in the crown. Sublime Greentex awarded LEED certified GOLD category factory for its sustainability and ecofriendly infrastructure.

Under an expansion program, a new state of the art “GREEN” factory, ‘Sublime Greentex Ltd’ was established Gilarchala, Sreepur, Gazipur, Bangladesh in 2015. In order to demonstrate its responsibility to protect the environment and reduce operating costs, Meghna Executive Holdings has set new standards by obtaining “LEED” (Leadership in Energy & Environmental Design) Gold certification for the new facility from the Green Building Council of the United States. Sublime Greentex Ltd was awarded LEED GOLD certification in 2nd November 2017.



1.2 Vision

To be a professional organization, manufacturing the highest quality product while enhancing our relations with our stakeholders.

1.3 Mission

Meghna Executive Holdings is committed to a policy of continuous improvement & shall strive for excellence in all its endeavors. Each individual in the team shall work towards total quality culture aiming for customer satisfaction.

1.3 Factory Units of Meghna Executive Holdings

Meghna Executive Holding committed to sever the country contributing through export of readymade garment industry. We facilitate our foreign customers by six different world class production unit those are given in below:

- Meghna Knit Composite Ltd.
- Meghna Dresses Ltd.
- Sublime Greentex Ltd.
- Executive Hi-Fashions Ltd.
- Executive Greentex Ltd.
- Executive Intimates Ltd.

1.4 Organizational Branches and Departments, Organogram

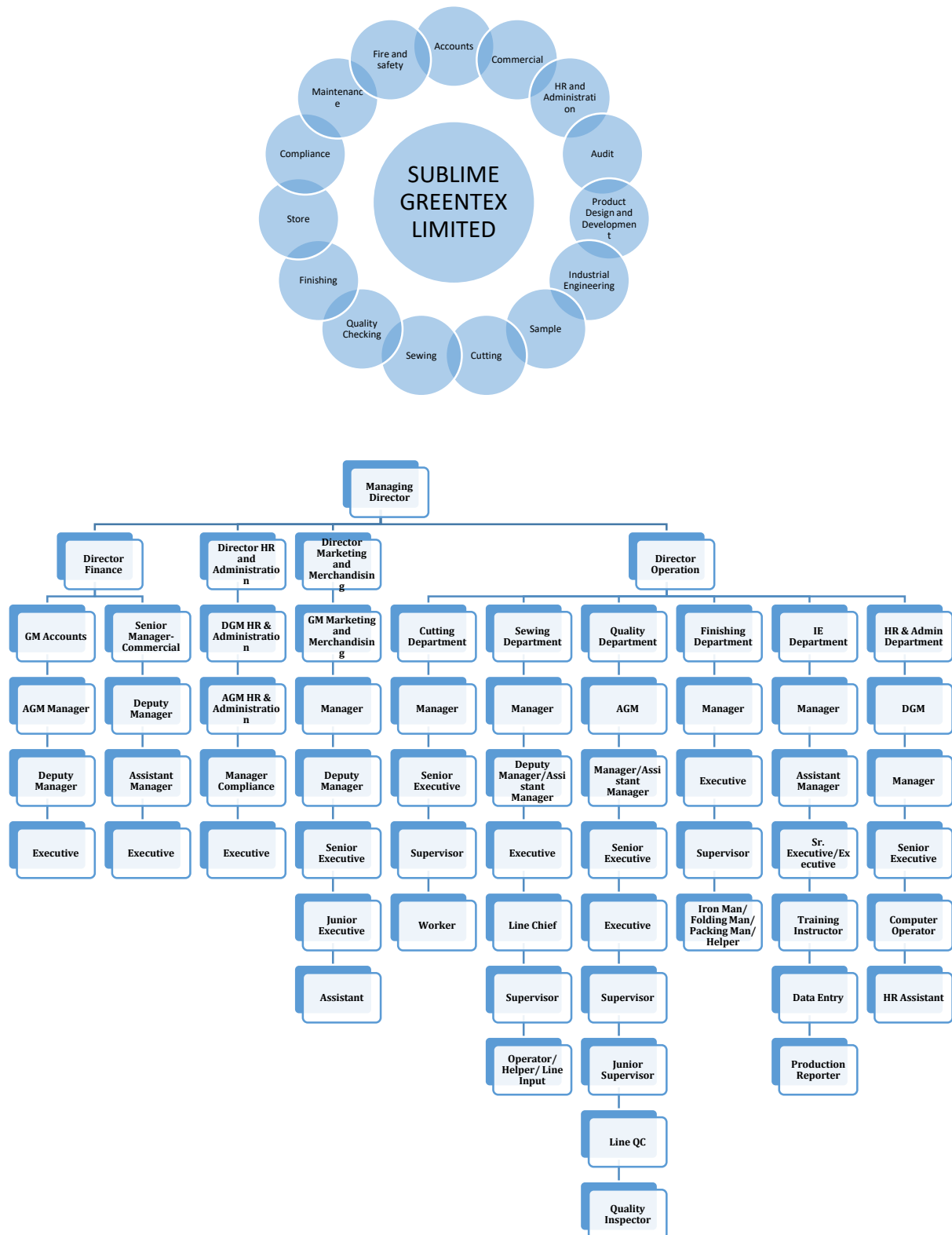


Figure 1: Organizational Branches and Departments, Organogram

1.5 Meghna Executive Holdings Apparel Facility

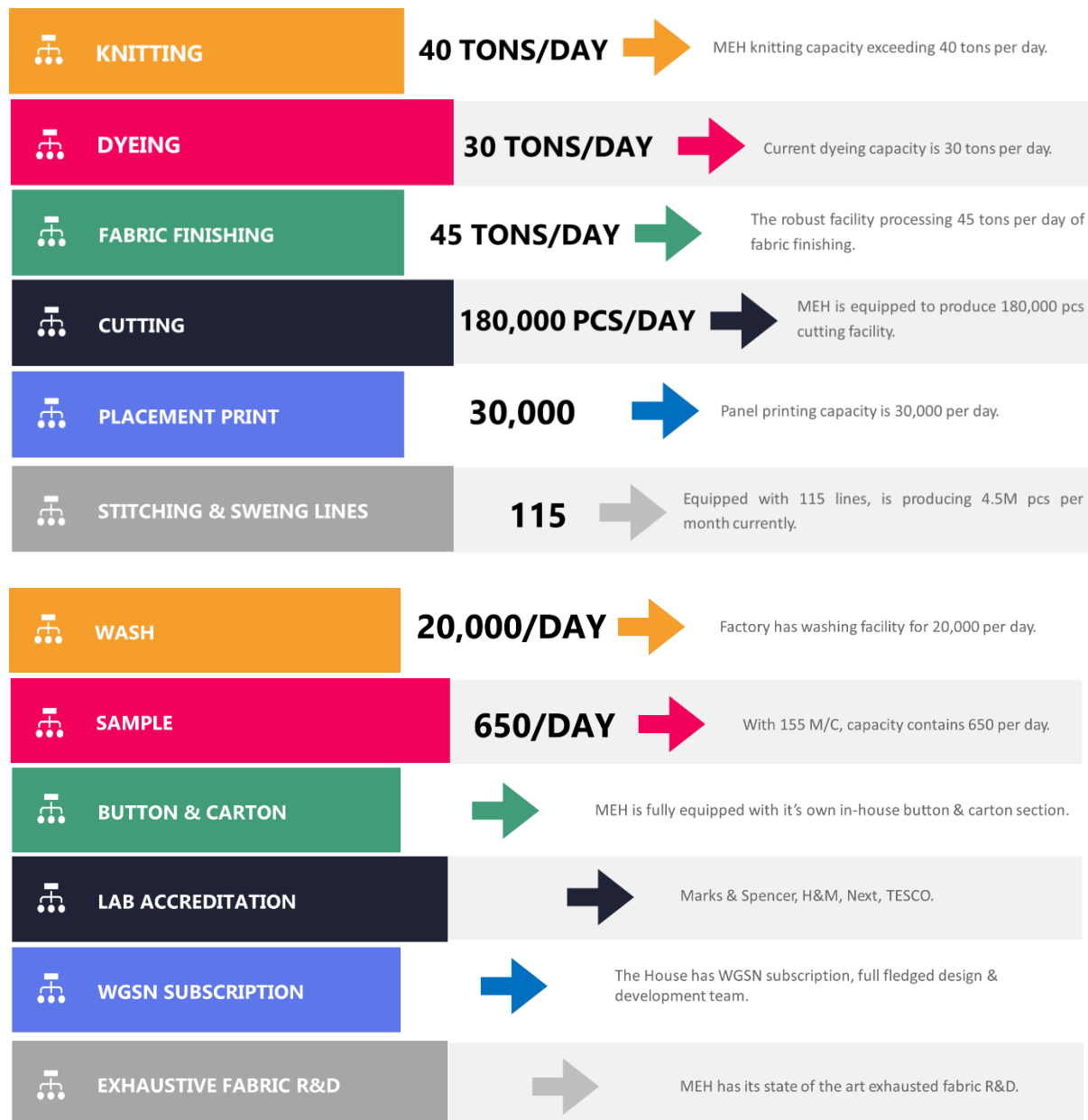


Figure 2: Apparel Facility

1.6 Products produced by the Industry

PRODUCTS: All circular knits-Tee, Polo, Henley, Sweats, Hoody, Jogger, Ladies Dresses, Nightwear, Leggings, Light weight woven TOP & BOTTOM, Soft Bra, Fabric Molded Bra, Maternity Bra, Foam Cup Bra, Nursing Bra, Briefs, Bikini, Thong, Cami, Men's: Trunk, Hipster, Boxer, Brief, Slips.

1.7 Major Buyers

Sublime Greentex limited 100% export oriented readymade garment producer. Most of the buyer from Europe, America, United Kingdom, Australia, Canada, Japan and India. Some of the important buyer list are given in below:

- M&S
- GINATRICOT
- CELIO
- PRIMARK
- LIDL
- NAYOMI
- PERRY ELLIS
- NEXT

Chapter 2

Description about task accomplishment

Though out the industrial attachment program I tried to gather knowledge regarding business process of Textile industry. From the very beginning textile business start with buyer order quarry and process goes with tech-pack receive, sample preparation, price negotiation, order confirm, master LC receive, open back to back LC for fabric, accessories cartoon and packaging. In house all material for production process start and arrange APIS meeting. After that production steps are generated through cutting, sewing, finishing, quality checking and packing. Finally goods are shipped to buyer destination and process complete with payment receive.

Within those process there are so many department are involved such as Marketing and Merchandising, Product development, Industrial Engineering, Planning, Sample, Cutting, Sewing, Finishing, Quality Control, Packing, Store, HR and administration, Social Compliance, Fire and Safety, Commercial and Accounts.

Industrial attachment is a requirement of Post-graduation diploma in knitwear industry management (PGD-KIM). Industrial attached is practical course where I need to engage a full time job for 3 month (72 days). This course helps to earn practical knowledge and implementation of theoretical knowledge in practical work. I try to work different department of Sublime Greentex limited. Mr. **Md. Shahidul Islam Zahid** guide me to complete my industrial attachment. Details of industrial work are present in below:

2.1 Business Process

Business process show that step by step working procedure of textile industry. It's also show interdepartmental relationship of work. Follow below graphical presentation for Total business process of Sublime Greentex Limited

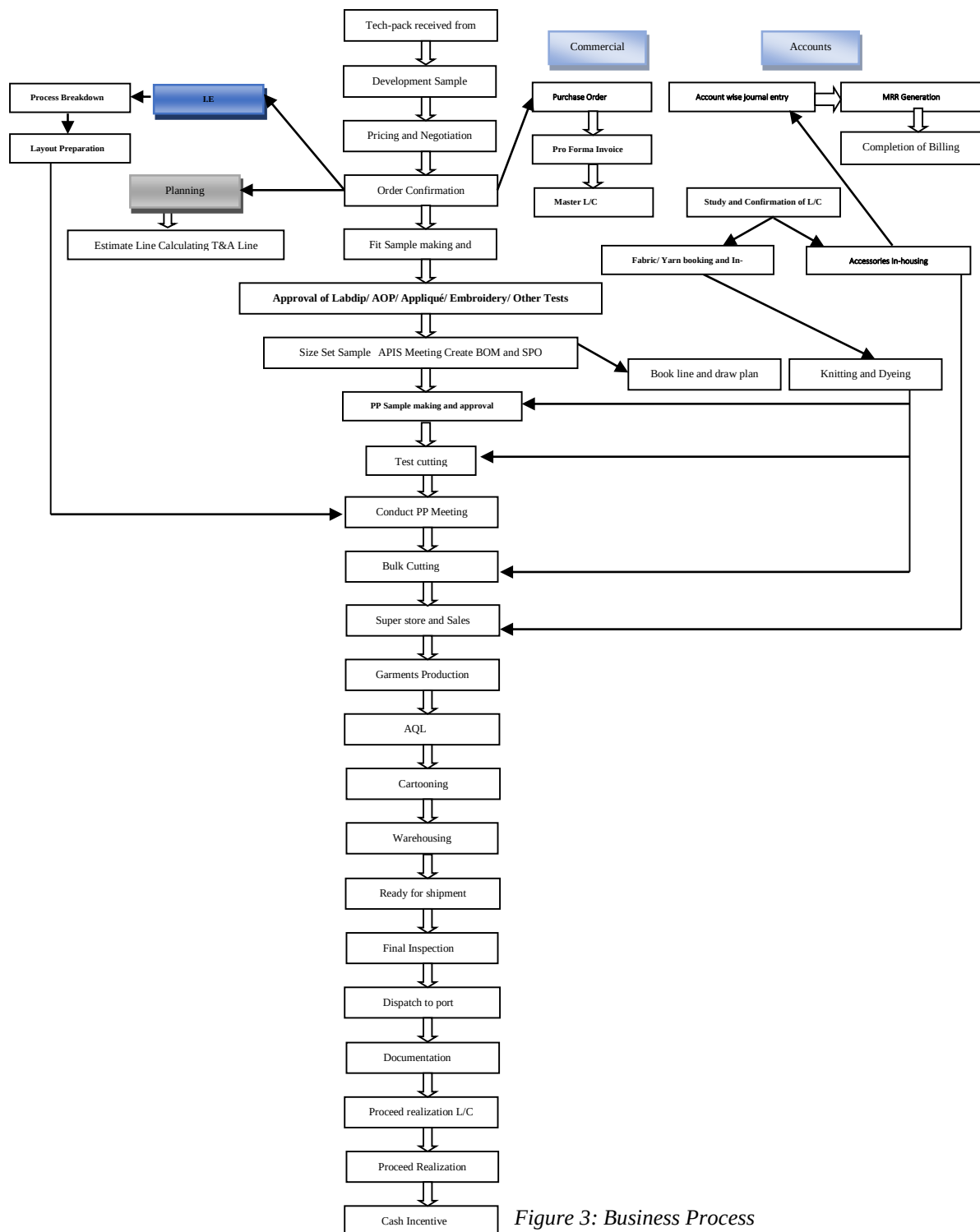


Figure 3: Business Process

2.2 Workflow of Product Design and Development Department

Product Design and development department also known as marketing and merchandising department. Basically this department play a vital role in textile industry. They are communicating all the department and make relationship with one department to another department for product develop and ship. Information flow and deliver the right product, right time in right place. Below flow chart show the work process of Product Design and development department.

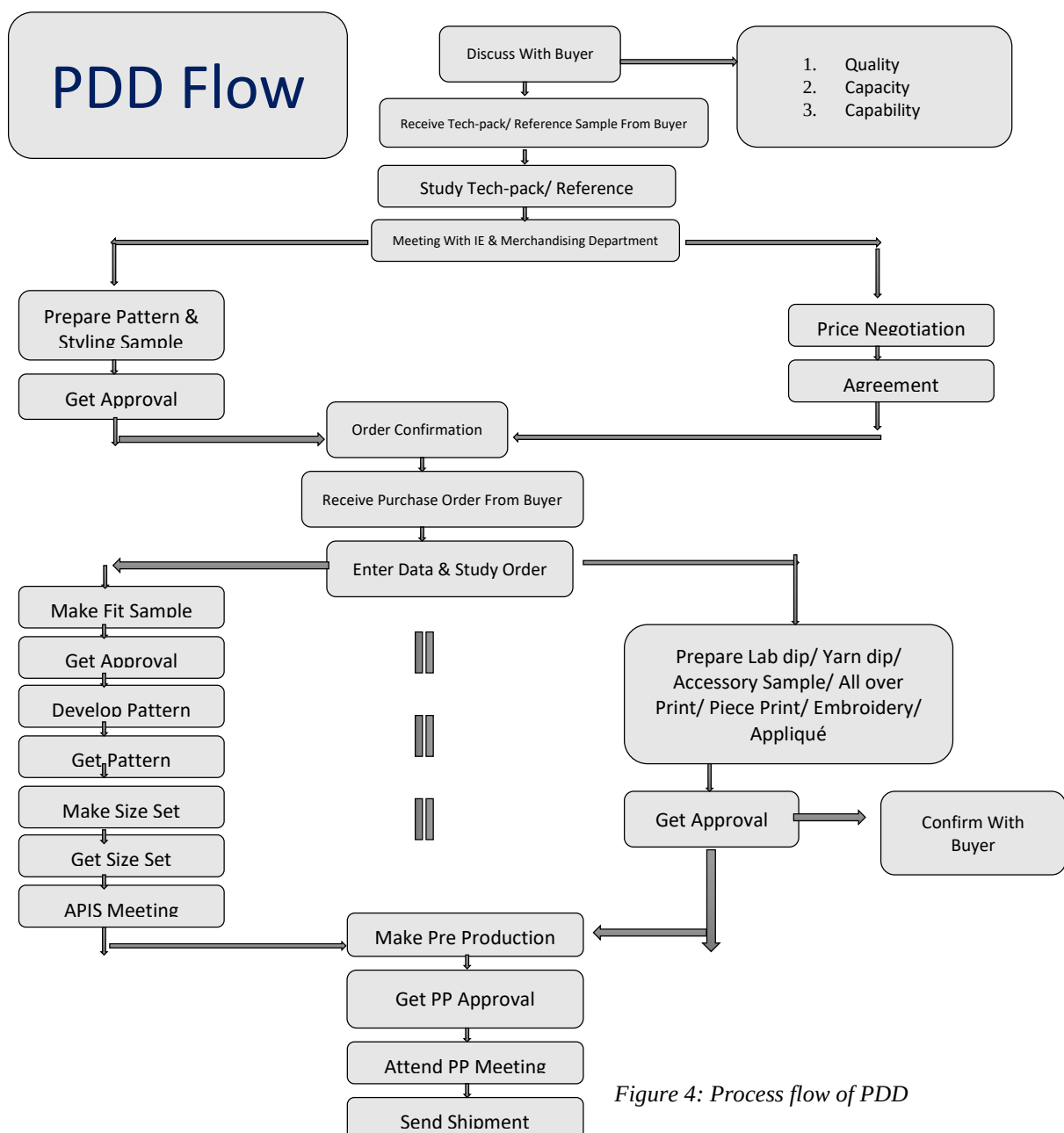


Figure 4: Process flow of PDD

2.3 Workflow of Industrial Engineering Department

Industrial Engineering (IE) department is applying different type of tools and techniques to simplify production process. They are using deferent types of method like Standard Minute Value (SMV), Kanban, Hand-Off, Bump Back, motion economy, Ergonomics, Predetermined motion time systems (PMTS), Methods Time Measurement and so on. Work flow of IE is given below:

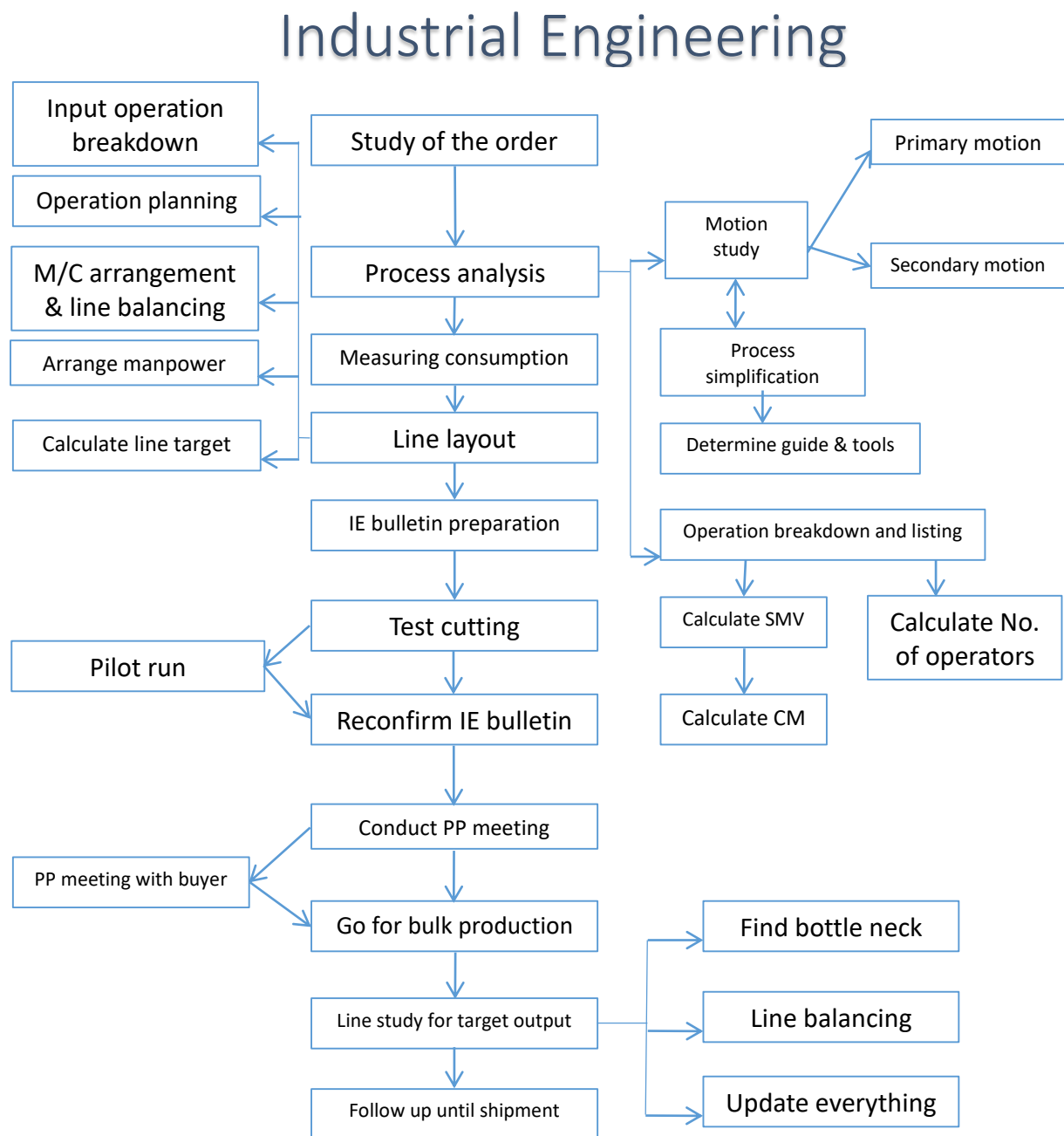


Figure 5: Process flow of Industrial Engineering

2.4 Workflow of Cutting Department

Cutting is a major department in readymade garments industry. Different parts cutting according to pattern. Taking fabrics from store, relaxation of fabrics, cut order planning, fabric spreading, making markers, cutting fabrics, sorting, bundling and numbering are the major job of this department. Cutting department workflow are show in below chart.

Operations of cutting floor

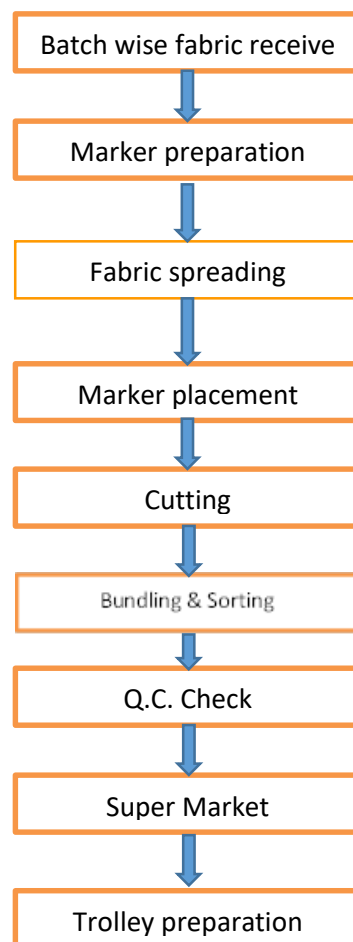


Figure 6: Process flow of cutting floor

2.5 Workflow of Sewing Department

Sewing section is known as heart of apparel industry. After cutting the parts of garment sewing section join those parts and make a complete garment. After process of sewing section garment are suitable to wear. Working process of sewing section are given below

Operations of Sewing Floor

Co-ordinated by I.E., Mechanics, job trainer, team leader, production manager

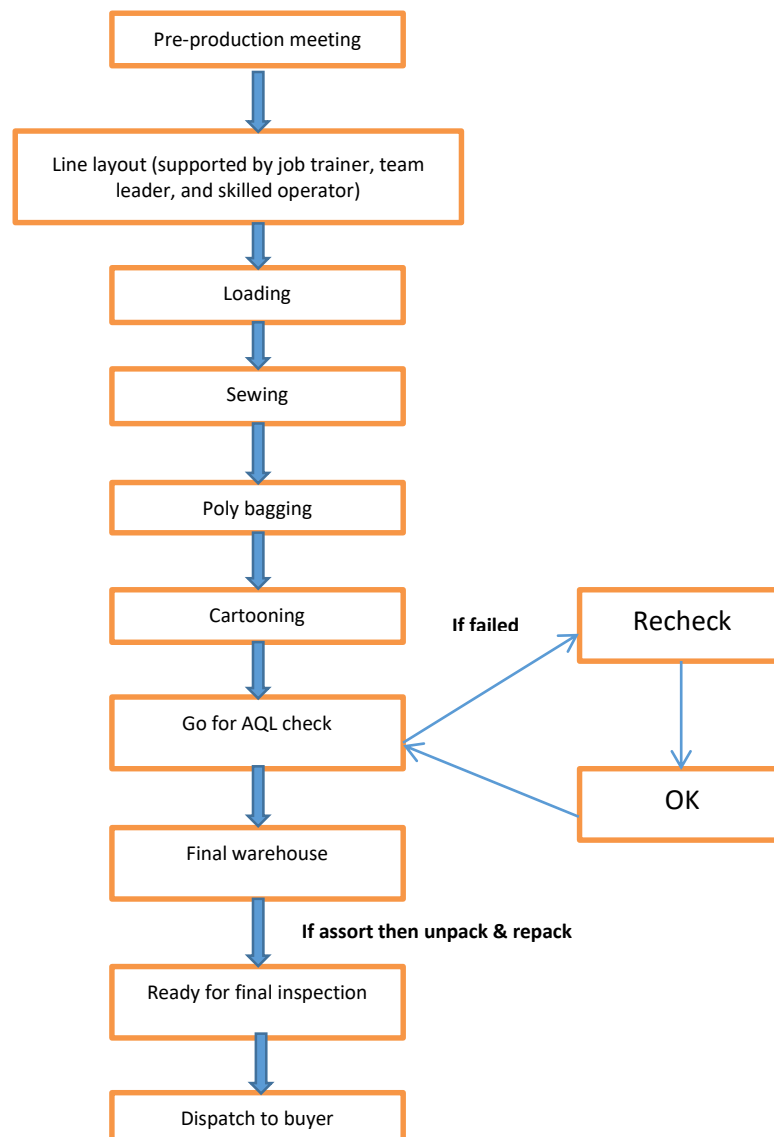


Figure 7: Process flow of sewing floor

2.6 Workflow of Quality Checking Department

Quality control department ensure that pass the good quality product so that customer will satisfied by using those products. Quality control major area is to confirm performance, reliability, durability, visual and perceived quality of the garments. Working process of quality checking are followed as below:

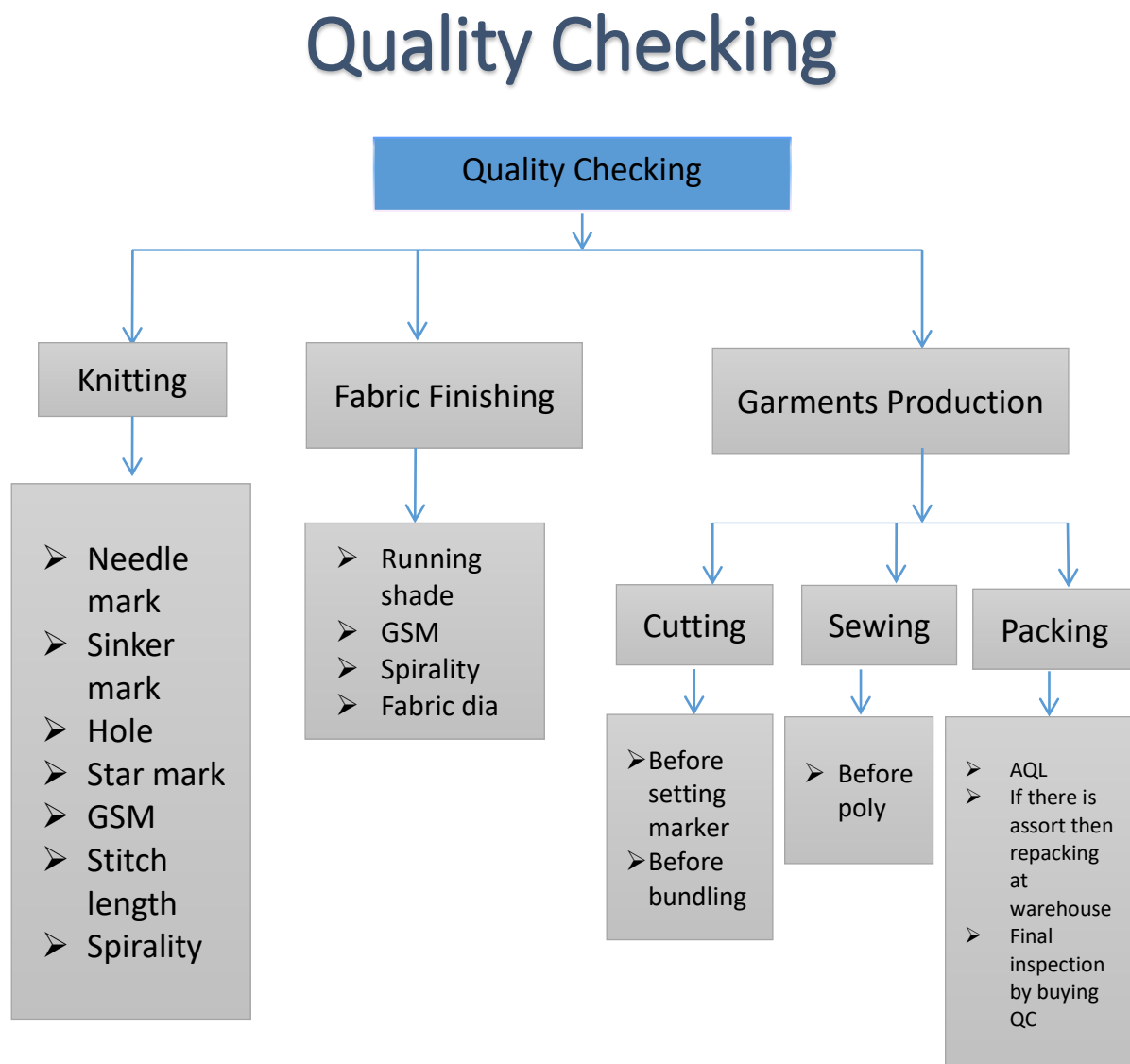


Figure 8: Process flow of Quality Checking

2.7 Workflow of Commercial Department

Commercial department process export, import, licensing, cash incentive and bond related activities. They need to maintain lot of internal and external communication such as merchandiser, store, forwarder, C&F, bank, insurance, customs, buyer, export promotion bureau, BGMEA and so on. Documentation and shipment process of commercial department are given below:

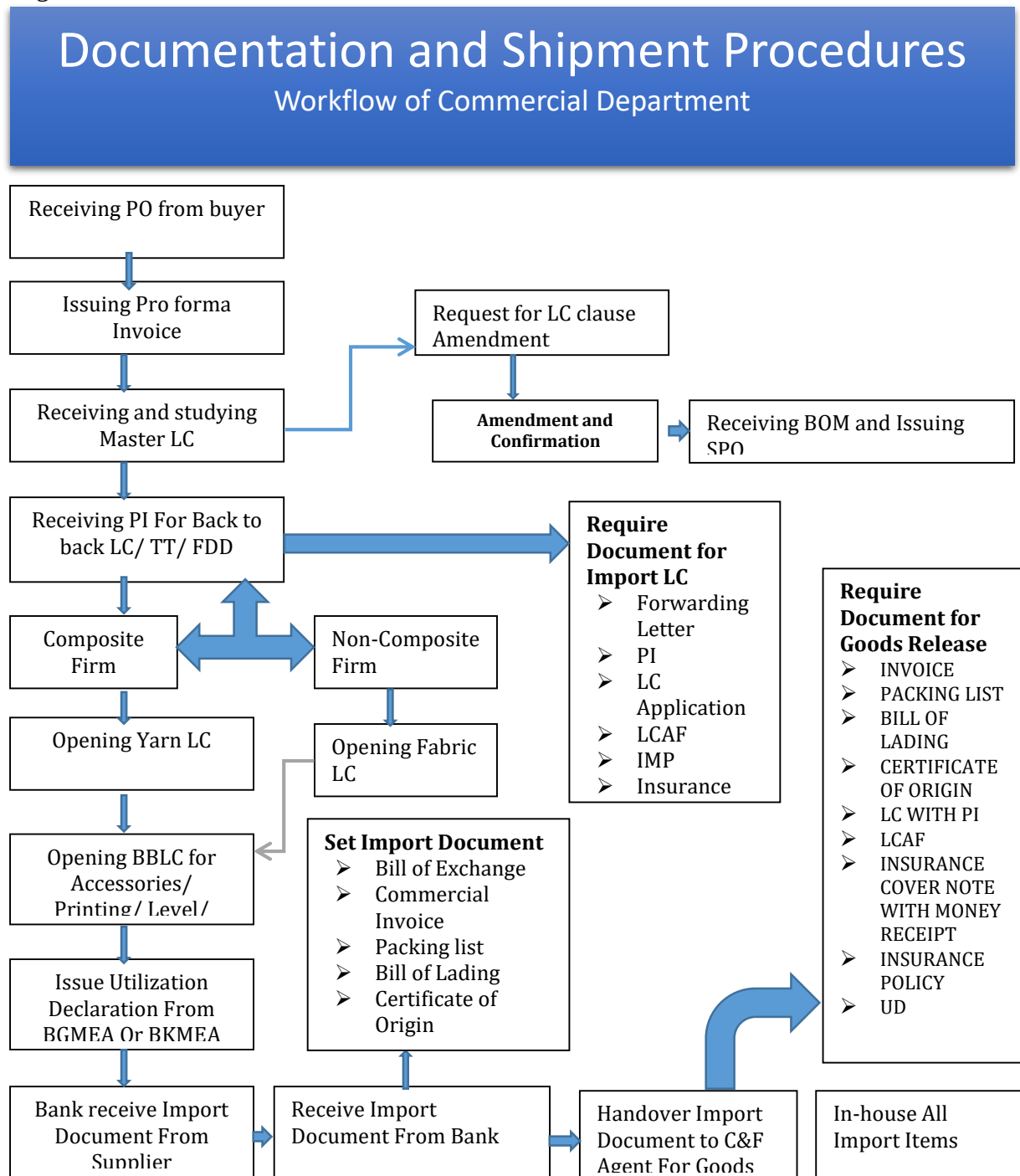


Figure 9: Process flow of Commercial Activates

Documentation and Shipment Procedures

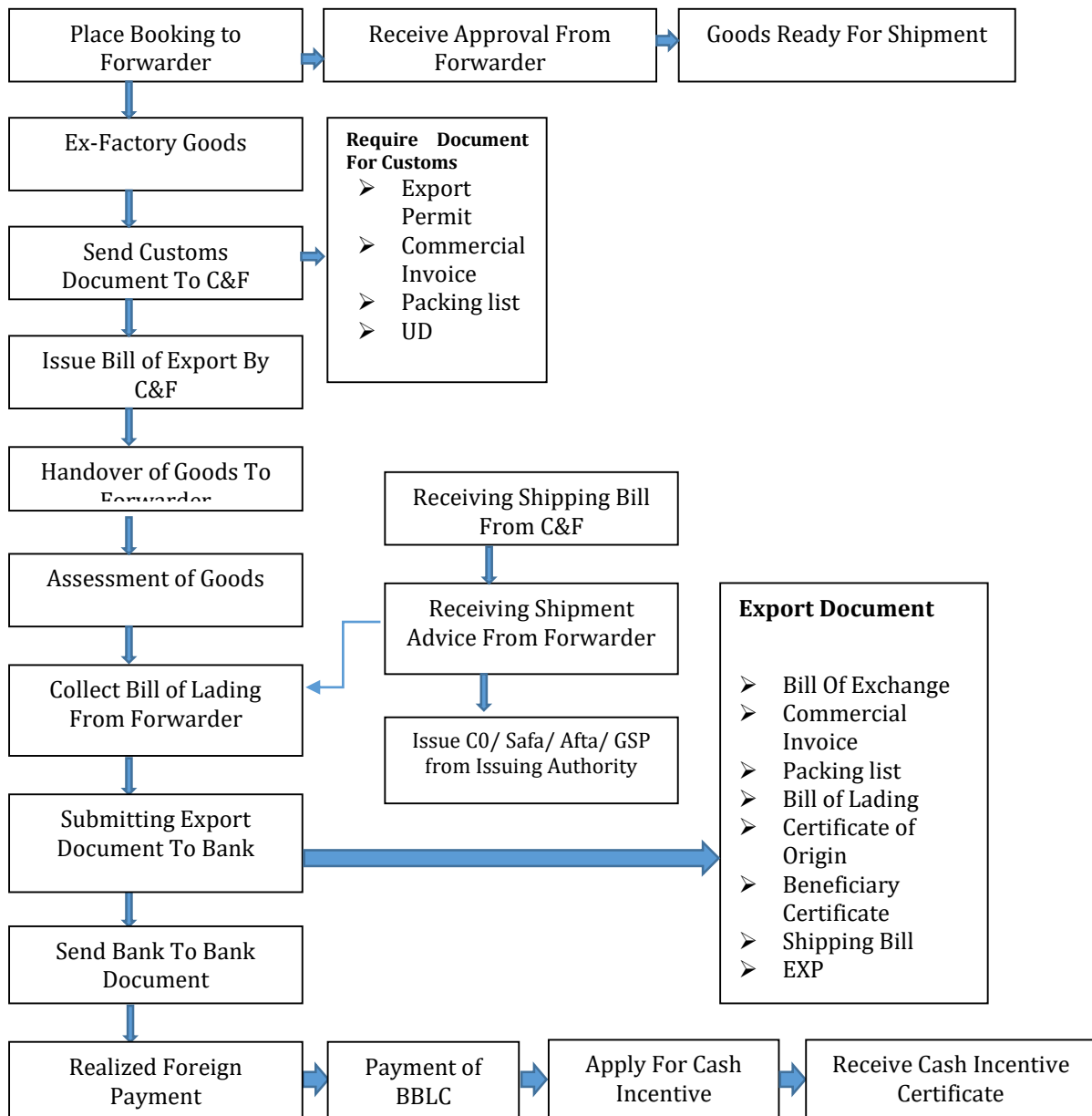


Figure 10: Process flow of Commercial Activates

2.7.1 Bond License of Sublime Greentex Limited

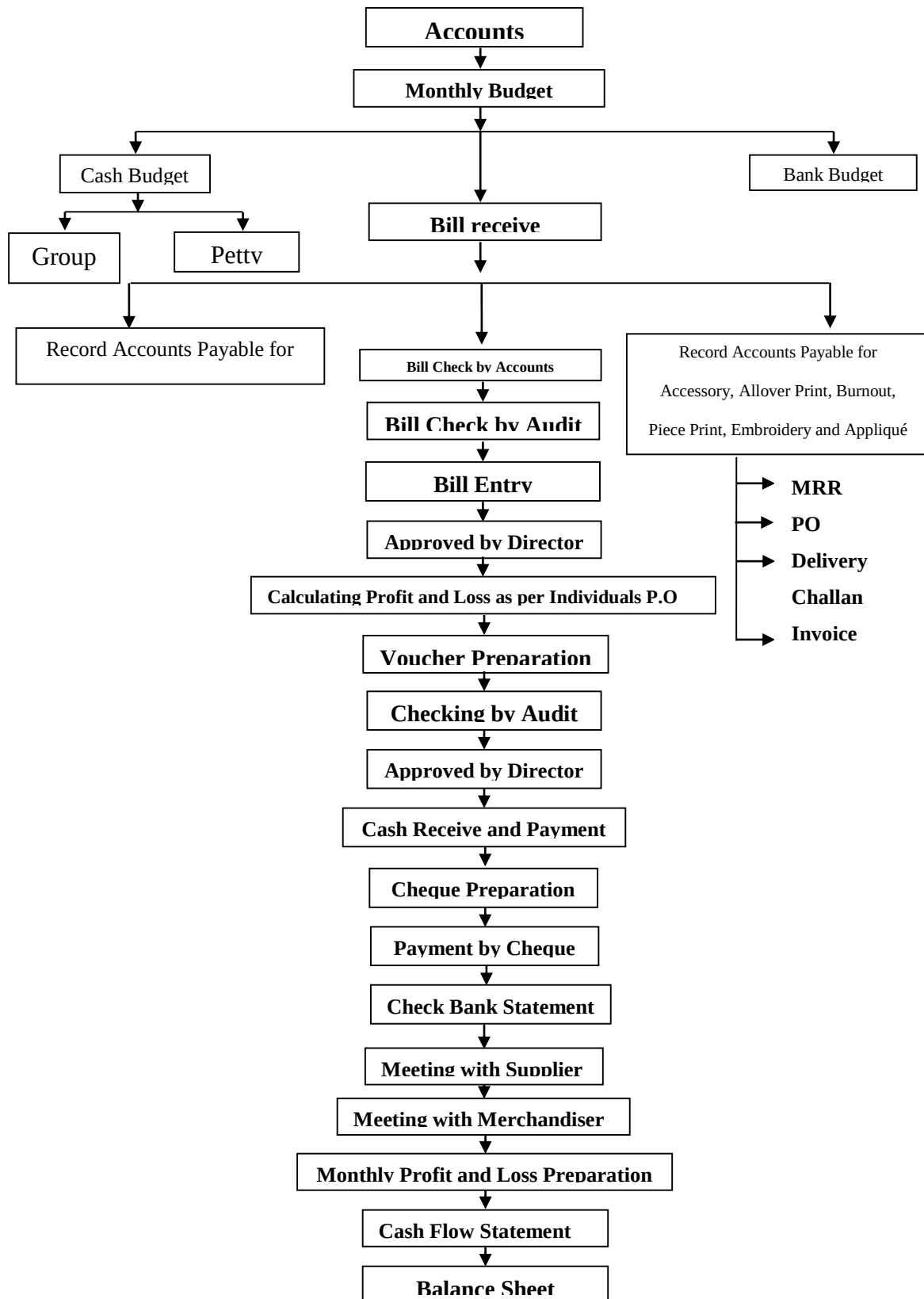
To continue smooth business operation of Sublime Greentex Ltd. Receive their Bond license on 24.06.2018 under license no: 1904/CUS-SBW/2018. Based on some below mention clause yearly import entitlement, raw material stock capacity of warehouse, export performance (if applicable) and policies set by national board of revenue (if applicable) on the basis of at a time import entitlement / bonding capacity (Quantity) : 25 metric ton. That means they can hold raw material and accessories of knit fabric, and knit garment in a building or warehouse which control by customs and maximum 25 metric ton of goods can be store for processing before delivery. Using this bond license they can import 16 different types of yarn 13 types of knit fabrics, 6 different type of woven fabric and in total of 52 types of garment accessories. Last three year import data is as below:

Serial No.	Item Details	Year (Amount in Dollar)			Total Amount
		2019	2020	2021	
1.	Fabrics	597,254.49	3,513,222.39	1,849,287.22	5,959,764.10
2.	Accessories	322,509.43	818,147.64	574,631.02	1,715,288.09
Total		919,763.92	4,331,370.03	2,423,918.24	

Table 1: 2019-2021 Import Data of Sublime Greentex Limited

Some cases import duty may apply 100% of import item. Based on above data Sublime Greentex Limited enjoyed tax exemption approximate us dollar of 5347,976.366 from last three year import. This can help to reduce import cost of fabrics and raw materials. It also support our buyer to reduce product cost for Import from Bangladesh.

2.8 Workflow of Account & Finance Department



2.9 Supply Chain Management Department

Supply chain management (SCM) involves flow of goods, Service and information to process raw materials into finished goods. Supply chain is a network system that involves in the production and sales of goods or service with maintaining connection of man, machine, material, supplier, technology, society and resource. Supply chain activates start with delivering raw materials to the manufacturer from supplier and distribute the final goods or services to the end user. SCM can play a vital role for reducing production cost, increasing revenue, maximizing profit and ultimate customer's satisfaction though proper distribution channel. Objectives of supply chain are given below

1. To maximize profit
2. To look best source of raw material
3. Replenishment of the Material or Product whenever required
4. Know about market trend & market price
5. Reduce time of Ordering
6. Low cost with minimal lead time.
7. To meet consumer demand for guaranteed delivery of high quality and
8. Efficient supply chain
9. To optimize pre and post production inventory levels
10. Reduce transportation cost
11. To fulfill customer demand through efficient resources
12. Greater labor efficiency, equipment and space efficiency
13. Good understanding of business characteristics
14. Provide flexible planning and make production smoother
15. To maximize efficiency of distribution side

2.9.1 Supply chain management work flow:

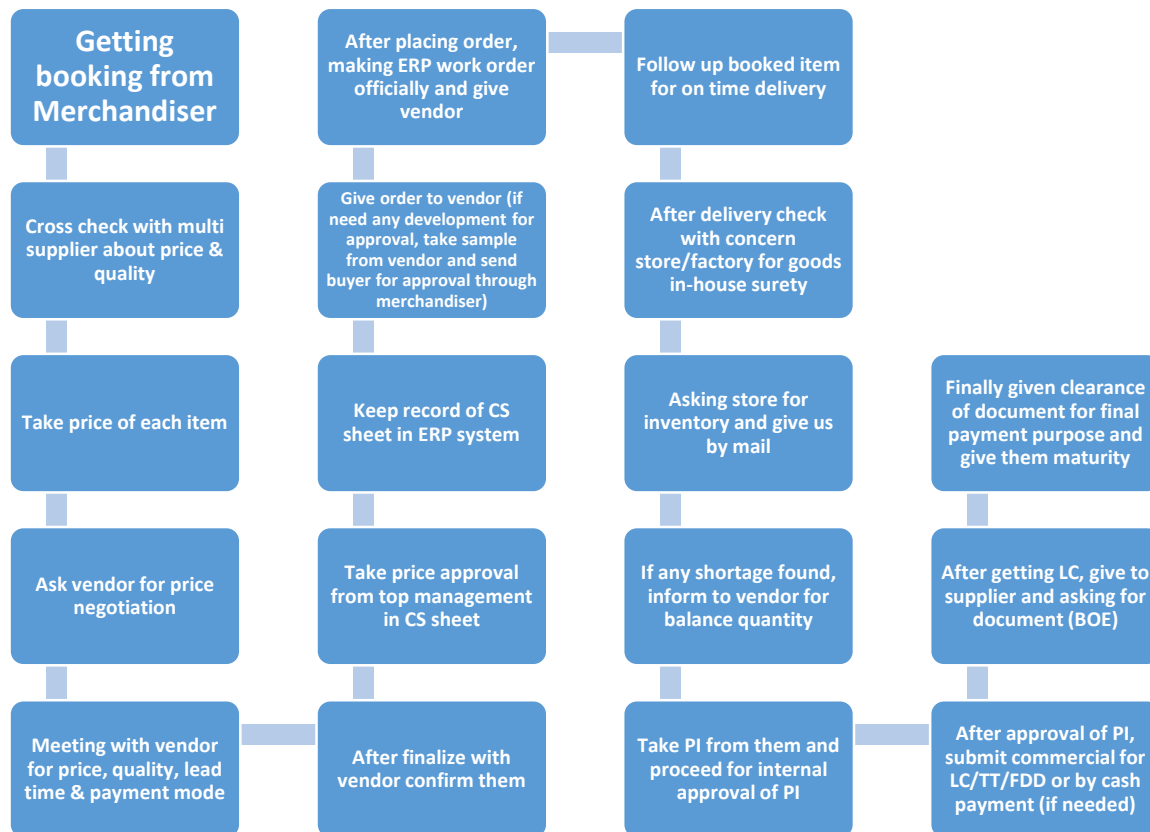


Figure 12: Process flow of Supply Chain

Chapter 3

Critical assessment of Internship work

Over the last 40 years, Readymade Garments (RMG) industry has become an important element of Gross Domestic Production (GDP) of Bangladesh. Now Bangladesh is representing world's 3rd largest exporter in RMG sector. 80% of foreign currency earned from export of textile, most of the items are exporting America, Australia, Canada, Europe, Japan, Russia, and some of Asian Countries. At present we are the 3rd largest exporting country in the world market and gradually so many competitors are faced by readymade garment industry (RMG) throughout the world. Approximately 40 million of worker are directly involve in this industry. In this sector Most of them are female worker and they got economic freedom in social and family life. So that second generation of RMG worker receiving educational opportunity, which encourage move to conventional job like teacher, engineer, lawyer, doctor and other jobs as well. In this sector most of the works are hard worker, dedicated, accountable, liable, responsible and punctual. As per Export Promotion Bureau (EPB), our total export is \$34.13 billion which is \$3.51 billion higher than the last fiscal year (BGMEA, 2020). To facilitate RMG and other exports, National Board of Revenue (NBR) provides Bonded Warehousing. Bonded warehousing permits licensed manufacturers to import duty or tax free raw materials and packaging materials required for their export production purposes. According to Dhaka Customs Bond Commissionerate, 90 percent woven items, 45 percent garment accessories and 35 percent knit items are imported under the bond system for the RMG sector (Ferdous, 2019). It is a useful facility for RMG sector to reduce lead-time and keep product prices competitive. Considering the importance of bonded warehouse in RMG sector, it is imperative to have a clear idea about its function.

3.1 Application of Bonded warehouse in Textile Industry

3.1.1 Bonded Warehousing

The national board of revenue (NBR) provided a facility called Bonded Warehousing to support exporting organization for buying raw material from foreign country without paying any kind of tax or duties. The benefits to a wide range of industries to encourage export oriented industrialization and facilitate exports. Bonded warehouse facility is playing a most significant role for the export-oriented industries, as it develop their export efficiency.

Bonded Warehousing facility is accorded following the provisions under Sections 84-119 of the Customs Act, 1969 (Chapter 11), and different type of rules and office orders issued from time to time by the NBR. There are a significant number of standing orders/ Statutory Regulatory Order (SRO's) and office orders issued by the NBR and the Customs Bond Commissionerates for efficiently handle bonded warehouse activities.

Direct exporters and deemed exporters both are enjoyed Bonded Warehousing facility. Deemed exporters are those industries that support the exporter instead of doing export operations and they carry out their activities through subcontracting and receive their proceeds in foreign exchange through local back-to-back letters of credit (Bangladesh customs, 2020).

3.1.2 Bonded Warehouses for RMG industry

Readymade garments industry use two type of bond facility. Mainly special bonded warehousing designed for 100% export-oriented readymade garments industries, which include woven garments, knitwear and sweater manufacturing industries. On the other hand supported industry of RMG use General bonded warehousing like Accessories industries it can be Deemed exports (e.g. 100% export-oriented packing/carton, label, polybag, button, hanger etc. firms) and Direct exports (Bangladesh customs, 2020).

3.1.3 Bond Entitlement

Bonded warehouse facilities are subject to yearly entitlement. Yearly entitlement is allowed based on production capacity of capital machinery and previous year's performance (i.e. export and usage of raw materials) of the bonder. However, direct exporters in the RMG sector are not required to have annual entitlement. They can import inputs/raw materials and related items based on the requirement of Utilization Declaration (UD) and Master LCs. Entitlement of raw materials required are determined using input-output coefficient (Bangladesh customs, 2020).

3.1.4 Import under UD/UP

Utilization Declaration (UD) or the Utilization Permission (UP) basically determined that how much inputs and packaging materials will be used in manufacturing exportable products. UD issued by Bangladesh Garments Manufacturers and Exporters Association acts on the basis of readymade garments industries demand. In the case of other export-oriented industries, the UP issued by the Customs Bond Commissionerates acts as the basis. This UD or UP is finally settled after the manufactured products are exported (Bangladesh customs, 2020).

3.1.5 Bond Register

Bond register is a book where an officer of the Bond Commissionerate records the in-bond and ex-bond of the imported goods to the warehouse. Two copy of bond register issued by Bond Commissionerate. One copy is held by the deemed exporter, and a duplicate is maintained by the supervising customs office. The officer will make add or deductions from the Bond Register on approval of each Import and export through UP or UD (Bangladesh customs, 2020).

3.1.6 Necessity of Bond in RMG Sector

In 1980 the National Board of Revenue (NBR) first offered bonded warehouse facility to the RMG sector. Gradually this benefit was extended to some other 100% export-oriented exporters and deemed exporters like RMG accessories producer including plastic and carton, paper board, leather and footwear, shipbuilding, light engineering, factories located at export processing zones, and some other sectors. Currently, there are 4,909 active bond licensees in the country. Of them, 2,847 are from the RMG sector and the remaining 2,062 are from other sectors (Bangladesh customs, 2020).

Based on NBR data in the FY 2016-2017 total value of bonded import was Tk 50,060 crore. Export oriented industries receive tax benefit of Tk 34,880 crore in import of raw materials in fiscal year of 2016-2017 under the bonded warehouse benefit offered by the National Board of Revenue. Readymade garment industries availed the highest — 96 per cent or Tk 33,612 crore — in exemption in taxes and duties through duty-free import of raw materials like fabrics, yarn and accessories worth Tk 47,795 crore (New age, 2017). In the FY 2015-2016 total worth of more than TK 30,000 crore tax exemption enjoyed by bond license holding factories.

3.1.7 Misuse of Bond

Mismanagement of bond facility has become a genuine threat to the local industries, as well as revenue mobilization. Dishonest garments owner misuse the bonded warehouse facility by selling duty and tax free imported goods in the local market instead of using them in their own production house. Almost 76 apparel firms were found selling out bonded products at open market, According to NBR officials. Such unholy practice does not only cause huge revenue loss to the government exchequer but also creates uneven competition for local industries. Currently, the number of bond license holders is 6,565. But due to irregularities, licenses of 1,757 entities have been suspended (Uddin, 2018).

The National Board of Revenue (NBR) has taken a strict stance to prevent misuse of bond facilities that hurts local industries and deprives the government of revenue income. The tax authorities have already intensified its regular drive against the misuse of bond facilities across the country. Law does not allow export-oriented companies and firms that enjoy the privilege of duty-free import of raw materials to sell the items in the local market. But unscrupulous importers sell the raw materials in the local market. During the period, the customs authorities also seized different items, such as duplex boards, art cards, self-copy paper, medium paper, liner paper, paper roll and paperboards, fabrics, PP materials, PVC resin, HDP and LDP as the importers have violated the terms of the duty-free import.

3.1.8 Study Findings:

Bond facility new to update as per current industry demand. Due to lack of some modern facility purpose of bond license unable to serve garment industry properly. Throughout my industrial attachment I found lot of back drop in bond facility. Some of them are given below:

1. Huge paper work for application of License, Entitlement, Passbooks, and Utilization Permit.
2. A study show that at present daily 300kg paper equivalent to 24 trees needed to perform bond activities under Dhaka Bond
3. Some administrative practices and controls made delays for producers in accessing supply of raw materials under the bond licensing regime.
4. Bank guarantee should be required from applicants as a condition of licensing a warehouse, rather than the “unenforceable bond.
5. Authorities exercise 100% transaction-by-transaction control, rather than risk-based selective control.
6. Processes are mainly manual and paper-based, with very little or no automation
7. There is a significant amount of redundancy in documentation and data requirements and formalities.
8. Financial security is not used to support the regime.
9. Efficiencies that can be realized by a centralized, automated customs clearance system (ASYCUDA World) have not yet been taken into account

10. Bureaucracy and Bribery are increasing the process cost of bond activates like License, Entitlement, Passbooks, Utilization Permit and audit.

3.2 Suggestion for industry improvement

Since 2005 the RMG of Bangladesh has become the top export earner of Bangladesh and positioned itself in the frontline of the world apparel market. To continue this position Bonded warehouse facility encourage RMG industry. This assessment is presented on Bangladesh's bonded warehouse. Presently, the bonded warehouse facility is heavily used by textile and readymade garment producers to import duty and tax free fabrics and other raw materials used to manufacture garments in Bangladesh for export, and by Bangladeshi manufacturers of accessories (e.g., thread, chemical, cartoon, poly, size tag, care label, zippers, buttons, plastic hangers, packaging) to import duty and tax free parts and materials needed to produce and supply the RMG industry. I am addressing the necessity of Bonded warehouse in RMG sector in the other parts of the paper. To improve overall industry performance we can ensure some other facilities for this industry. My recommendation will as follow

1. Approval Bond licensing procedure need to more flexible.
2. Duplication process need to reduce for bill of entry and bill of export.
3. 100% implementation of ASYCUDA World could be eliminate paper work.
4. Establishment of online application of License, Entitlement, Passbooks, and Utilization Permit also get approval through online.
5. Minimize the misuse of Bond facilities.
6. Introduce selective, risk-based system of control.
7. Business process analysis to identify and reengineer unnecessary/repetitive customs clearance formalities, documents and data requirements.
8. Assess availability/feasibility of financial security to support bond licensing.
9. Reduce port operation time for export and import.

10. Simplifying administration practices and controls under the bond license can make earlier for manufacturer in accessing supply of raw materials.
11. Government should approve the establishment of “Central Bonded warehouse” which used for store of raw material, equipment and supplier needed can be import and store by the garment manufacturer.

3.3 Learning for self-improvement

Through this Industrial Attachment (Internship) position, I have learnt numerous things. I have a reasonable thought regarding the essential information on Industrial designing like proficiency, creation, profitability, customs duties, Bonded warehouse facility, redeem import goods without vat and tax, Bond license, Utilization declaration, Utilization permission. I also able to earn knowledge regarding department wise responsibilities like as Commercial Department, Accounts department, Supply chain management, Industrial engineering, Marketing and merchandising, Cutting, Sewing, Quality and so on. This course help to understand the overall business process of this industry. It enhance my thinking capacity and implementation of report writing ability. This study helps, to gather knowledge reading definition of bond license, purpose of bond facility and necessity of bond facility. And final I try to find some gaps of bond facility and recommendation to minimize those gaps.

This industrial attachment also help me to build relationship with bookish knowledge with the practical work. From my course study I try to create connection of some topics like Communication skill, team building skill, analytical skill, report writing skill, data collection skill, data organization skill, data analysis skill, data presentation skill, multidimensional work skill, department wise job responsibility, overall business process, individual department workflow and so on.

Chapter 4

Conclusion

The readymade garment sector commonly known as RMG industry introduce Bangladesh with the world market with a tag line called “**Made In Bangladesh**”. Earning from RMG export undoubtedly holds the significant position in the countries total export and it’s become a major element of GDP of Bangladesh. The journey of the RMG industry started in the late 70’s and since then it has played a key player role in the economy (Haider, 2007).

The readymade garments industry has played a significant role of the economy growth of Bangladesh within a short span of time appeared as a source of export earnings and employment generation. A large workforce is involving themselves in this industry for socio-economic development of the country by influencing of balanced growth of RMG sector. Bond play an important role to develop the industry. By this opportunity Bangladesh RMG sector gain 3rd position among the world RMG exporter.

Readymade garments (RMG) has a great contribution to economy development of Bangladesh though employment and export. Near about 40 million worker and 9 million mid and high level of management are involve in this industry. Gross domestic production (GDP) of Bangladesh become a stronger through RMG export. To support this industry Bangladesh’s customs bonded warehouse permits licensed manufacturers to import duty and tax free fabrics, raw materials, accessories, parts and materials required for their export production purposes. The present study has made on descriptive research, is conducted to identify the necessity of Bonded warehouse facility in readymade garment industry in Bangladesh and feasible scope to catch the bond facility.

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