Internship Report

On

RMG sectors export impact in GDP:

Study on JM Fabrics Ltd



Submitted to:

Abul Kalam

Professor Department of BBA

Submitted By:

Saiful Siddiq Nahid

BBA1903018026

Submission Date: 05.09.2023

Letter of Transmittal

Abul Kalam
Professor & Dean
Department of Business Administration
Sonargaon University.

Subject**: Submission of Internship Report on JM Fabrics Limited.**

Dear Sir,

I am pleased to submit my internship report on "JM Fabrics Limited" as per your instruction to fulfill the requirement of Internship. While preparing this report, I have tried my level best to include all the relevant information, explanations, things I learned from the organization, my contribution to the organization to make the report informative and comprehensive. It would not have been possible to complete this report without your assistance, of which I am very thankful. Working for three months at JM Fabrics Limited was amazing and a huge learning opportunity for me. Also, it was a great experience to prepare this report and I will be available for any clarification, if required.

Therefore, I pray and hope that you would be kind enough to accept my Internship Report and oblige thereby.

Sincerely,
Saiful Siddiq Nahid
ID: BBA1903018026
E-mail: siddiqsaiful342@gmail.com

Declaration

I am Saiful Siddiq Nahid a student of BBA (ACCOUNTING) at Sonargaon University ID # BBA1903018026 I declare that this report on JM Fabrics Limited has been authentically prepared by me. During the preparation of this internship report I had not ruptured any copyright act purposefully and I also further declare that I did not submit this report to any other institution for awarding any degree of certificate.

Abul Kalam

Professor Department of Business Administration

Acknowledgement

I would start by thanking my honorable faculty Abul Kalam who has provided me with the necessary guidance and information needed to complete this internship report. I would like to thank Md. Masud Rana (Head of BBA Department) for giving me the forwarding letter and guidelines during the activation period, and the entire team for being helpful and supportive in every little help I needed and for creating the opportunity for me to bring out my best performance. Also, I would like to thank my team leader for teaching me all the basics of my tasks and patiently showing me every elaborate details and guiding me throughout my internship period. I am very much thankful to JM Fabrics Limited, its management, especially employees of Sales and marketing department for their cordial support to prepare this internship report. Finally, I would have to thank my friends who also supported me during the preparation of this report and express my gratitude to everyone involved.

Executive Summary

This report is a detailed overview of my internship journey at to JM Fabrics Limited. During my Internship I have learned a lot about Communication with International seller, Digital Marketing, and its different applications. I have known about the work flow of Import based companies along with the functions the sales and marketing department performs. I have learned to work in a corporate space which not only enriched me professionally but also helped me grow personally as well. My contribution was appreciated by my supervisor and other members of the department. The career path I would be selecting for myself is quite influenced from my internship as I have had a great opportunity to practically see how sales and digital marketing sector is working and evolving in Bangladesh. However, this report has been written in a short time. I have tried my level best to make it meaningful by reflecting my works at the Multi Corporation Limited. Also, I have summarized my overall experience, with my learning and challenges faced as an intern.

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Introduction

JM Fabric Ltd was acquired by the new asia group in 2011. It specializes in manufacturing ladies' lingerie, men's intimates, and cut & sew jersey including seamless functional sport's wear. It accumulates with a full traceability from rm to finished product for a diversified product ranges. As our operations are 100% vertical, which means we start from spinning all the way to finished garments, including printing and embroidery and various embellishments. We are already a key supplier to some of the largest names in retail on the high street such as next, paul smith, guess, inditex, h&m, american eagle and eddie bauer. In addition, we are a key supplier for a up and gymwear brand in the uk. We are the only factory in bangladesh producing high quality performance active wear in santoni seamless for multifarious sport's customer

- **Fabrics**

Location

South Nayapara, Bhawal Mirzapur, Bangladesh

Product Range

Fabric knitting capacity**:** 18 tons / day
Dyeing capacity: 20 tons / day
Finishing capacity: 25 tons / day

No of Employees:

500

- **Garments**

Locations

South Nayapara, Bhawal Mirzapur, Bangladesh

No of Employees:

4200

Product Range

Seamless active wear, compression leggings, bra, briefs, bikini, men's boxers, conventional jersey knits, hooded jackets.

Capacity

Apparel production capacity: 90,000 pcs / day
Seamless knitting capacity: 650,000 pcs / month
Seamless dyeing capacity: 650,000 pcs / month

No of Employees:

4200

Technology:

Virtual with Clo and Optitex, 3D sampling with Browzewear and V-stitcher , Virtual dummy, Lectra- Moderis , Santoni seamless, CETME stretch ability checker, TECHNOPEA heat setter, steam heat setter with AUTOCLAVE, FLAINOX Dyeing and drying, accredited testing lab, award winning flow segregation biological ETP, LECTRA Auto cutter, CTPAT approved technology, BNBC and NPFA maintained fire safety process, Solar power generation, high functional medical equipment for health care safety, GTR pattern and Marker, Winda- Pattern Cutter, Winda-Marker, Ema- Auto Cutter, Conditioning Laboratory, Functional seaming machines, JIT and LEAN manufacturing, ERP system.

Certification

WRAP, BSCI, CT PAT, GOTS, OEKO-TEX, OCS, Wal-Mart – Yellow Certification, Environmental & Chemical Policy (ECP) certification by M&S, ACCORD, ALLIANCE, Best award on Waste Water Management from DECATHLON.

RESEARCH PROBLEM

As a compulsory part of the Internship Program, this report is prepared on the topic: "***RMG sectors export impact in GDP***" The internship program provides students with real life experience of work environment. Students can implement their academic skills gained from the educational institution.

Methodology of the Study

This report has been prepared on the basis of experience gathered during the period of internship and my own learn and understanding. The entire process has been made by collecting primary data which played a vital role and easy to write down the report and secondary data was needed for supportive structured buildup to the report I have designed the methodology or the method in which way the data will be collected in the following way:

Primary data sources: Inspection in different desks, talking with employee's in the office and organized and planned analysis are the Main resources.

Secondary data sources: Brochures and instructions of JM Fabrics Limited, different journal publications of Bangladesh health sector data are the secondary data sources. Extensive and elaborate study of the existing files, convenient case clarifications, observation interview with the employee were done to identify the execution and control and monitoring process of the banking system.

Scope of the Study:

With the whole internship period it was a great experience to know and got chance to work in the foreign exchange department. It's also a great achievement for me to learn and implement by practically the entire procedure of export trade. BRAC UNIVERSITY PAGE20 Internship Report on Foreign Trade Activities To be trained about the issuing EXP form, sorting EXP forms, required document checking, payment moods register entry and also got to know regarding Bangladesh Bank reporting. All of these opportunities I had captured in that practical field and also to expand knowledge. This report is entire based and prepared on my practical work experience while working at JM Fabrics Limited. It will surely help the students to reduce the distinction between realistic and hypothetical knowledge and additionally it will also help them to clear the confusion between practical knowledge and theoretical knowledge. This report significantly helped me a lot to understand the atmosphere and environment of an organization. As I am an internee of JM Fabrics Limited, I have access to many different sectors like Application and using of biomedical equipment, negotiating with the international sellers, dealing with the buyers, communicate with clients guide them about the latest biomedical equipment, participate training program, product promotion, survey before any newly launched product. It was near impossible task for me to learn everything about all as it was a large sales and marketing sector with such a limited span of time.

Limitations of the report:

• Sometimes the concerned personnel may not provide enough time due to rush office hours.

• As a matter of fact three months is too short after that I had tried to give best effort to my learning purpose.

• The Stellar software is not so much advanced and for this it takes more time to finish the work.

• Due to the lack of information and customer is government only, market survey could not be conducted. This means that in order to take the research forward a full-fledged survey needs tobe conducted.

• Also due to confidentiality issues, I was not shared many information of S. R Trading which would have been helpful for my project like finding the analysis and product evaluation

Mission, Vision, Values and Objectives of the Organization

Mission

JM Fabrics Limited to provide complete, reliable and high quality auditing and consulting services to individuals and institutions, be it manufacturing, trading, tourism, financial, governmental, non- governmental, medical, hydro power, hotels, and any other sectors

Vision

The firm's vision is to be the premier auditing, accounting, tax and business consulting firm by every measure that matters

Values

The values of the organization are as follows:

- Valuing People
- Building Client Relationships
- Upholding Quality and Integrity

Objectives

- There are mainly two objectives for JM Fabrics Limited. These are indicated below.
- The overall objective is to focus the activities towards its specialized services (auditing, accounting, tax and business consulting) and to become a leader in this niche in the country.
- Next objective is growth which is to expand the business at a rate that is both challenging and manageable, serving the market with innovation and adaptability"
-

SUSTAINABILITY & HR

BSCI Audit Report

https://nag.geniee360.com/wp-content/uploads/2023/01/BSCI_Audit_Report.pdf

Auditee: J.M. Fabrics Limited Audit

Date From: 10/12/2017

Audit Date To: 12/12/2017

Expiry Date of the Audit: Please refer to the producer profile in the BSCI platform

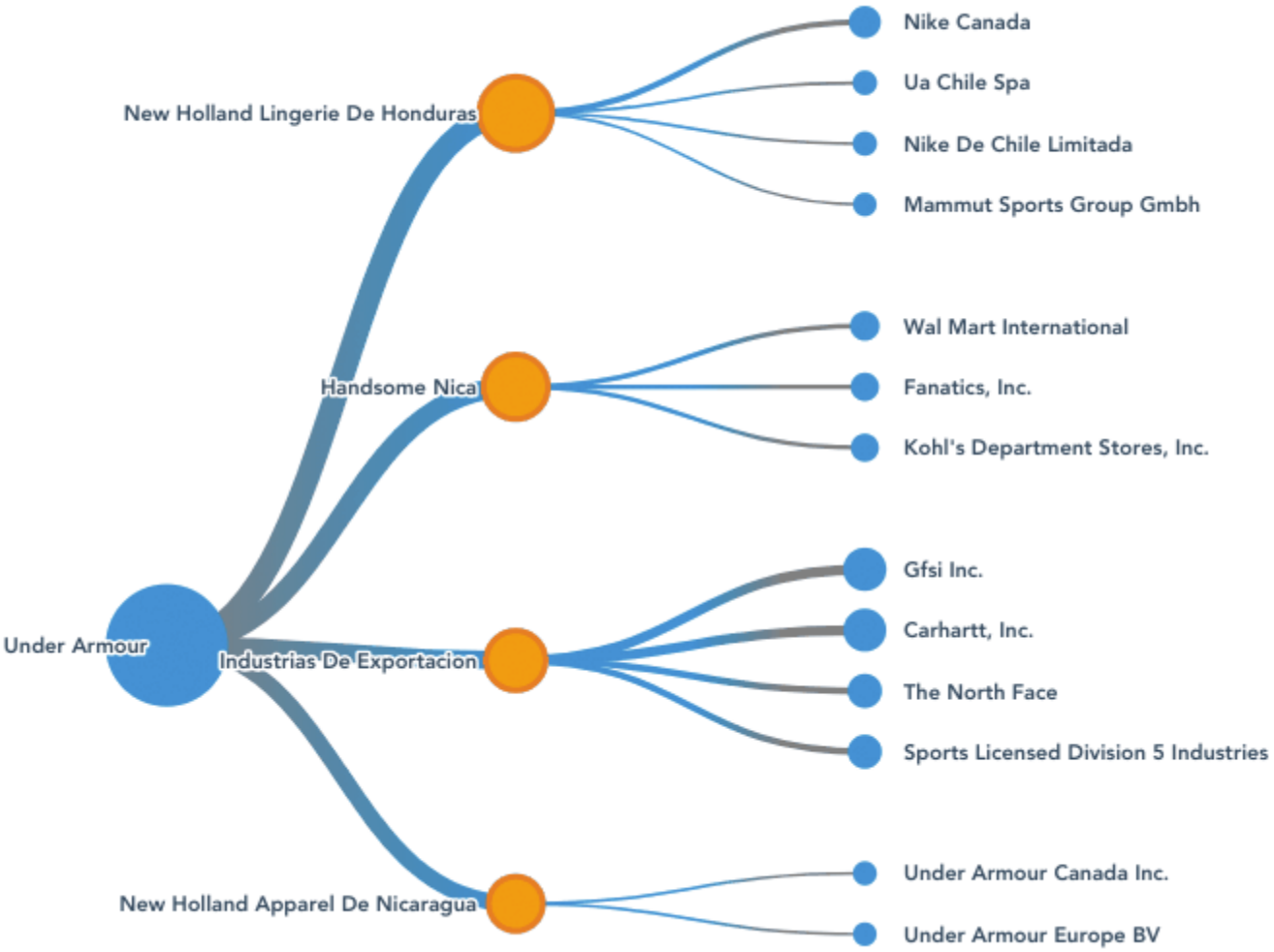
Auditing Company: TUEV SUD

Auditor’s Name(s): MD. Ataur Rahman (Lead), Sanzida Sultana Rasna

Auditing Branch (if applicable): TUV SUD Bangladesh (Pvt.) Ltd.

as against exports of $19.242 billion during the same months of the previous fiscal. Bangladesh's RMG exports increased by 9.09 per cent to $38.577 billion in the first 10 months of FY23. Exports of knitwear (Chapter 61) increased by 8.97 per cent to $20.967 billion in July-April 2023

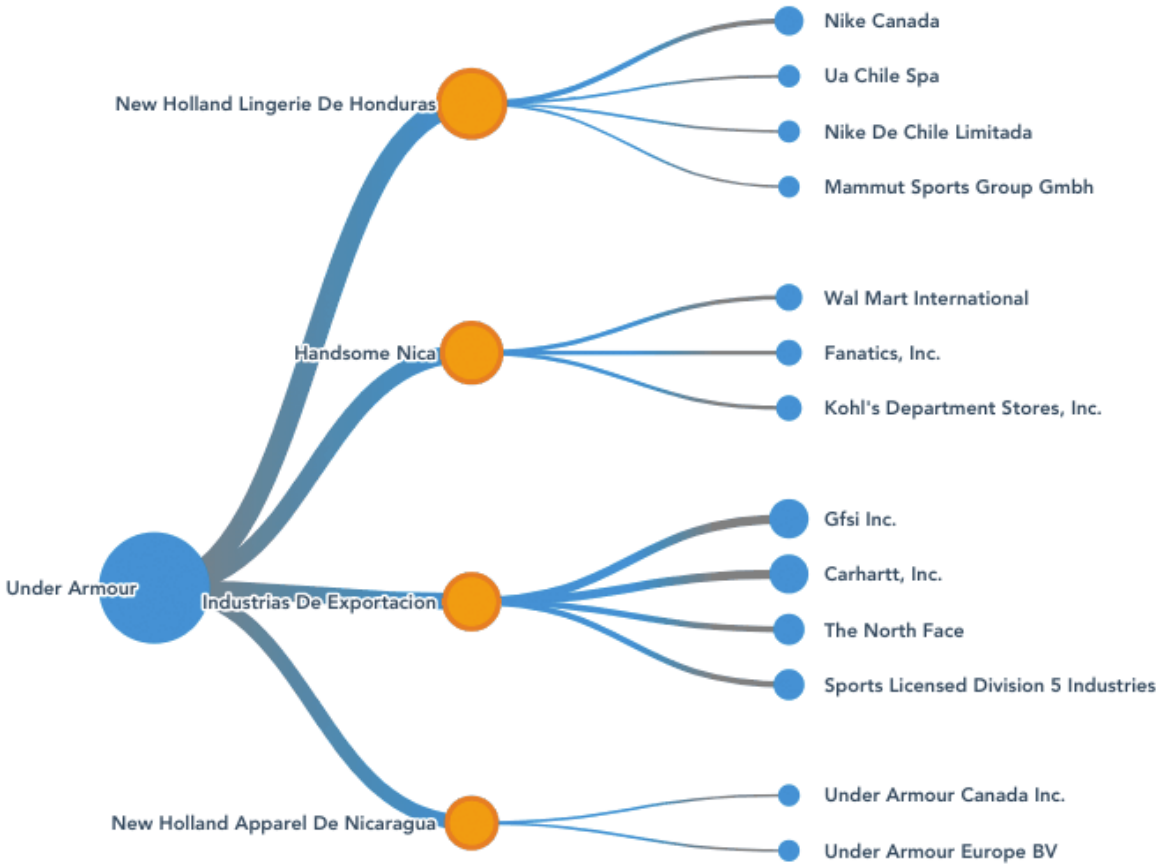
Explore trading relationships hidden in supply chain data



[See 1 customer of Jm Fabrics Ltd.]

Contact information for JM Fabrics Ltd.

SUPPLY CHAIN MAP


Under Armour
New Holland Lingerie De Honduras
Handsome Nica
Industrias De Exportacion
New Holland Apparel De Nicaragua
Nike Canada
Ua Chile Spa
Nike De Chile Limitada
Mammut Sports Group Gmbh
Wal Mart International
Fanatics, Inc.
Kohl's Department Stores, Inc.
Gfsi Inc.
Carhartt, Inc.
The North Face
Sports Licensed Division 5 Industries
Under Armour Canada Inc.
Under Armour Europe BV

Sample Bill of Lading

52 SHIPMENT RECORDS AVAILABLE

Bill of Lading Number

4002814

Shipment Date

2014-03-28

Consignee

American Eagle Mexico Imp. S De Rl De Cv

Consignee (Original Format)

AMERICAN EAGLE MEXICO IMPORTS S DE RL DE CV BOSQUE DE CIRUELOS 180 MIGUEL HIDALGO, DISTRITO FEDERAL, 11700 Mexico

Consignee Tax Number

AEM120605U9A

Shipper

Jm Fabrics Ltd.

Shipper (Original Format)

JM FABRICS LTD. TEJGAON INDUSTRIAL AREA DHAKA, SN Bangladesh

Shipper Registration Number

270391314

Shipment Origin

["Bangladesh"]

Port of Unlading

Ciudad de México (MX)

Port of Unlading (Original Format)

AEROPUERTO INTERNACIONAL DE LA CIUDAD DE MEXICO,AEROPUERTO INTERNACIONAL DE LA CIUDAD DE MEXICO

Country of Sale

Bangladesh

Transport Method

Air

Customs Regime

Final Import / Export

Customs Agent

3788

Gross Weight (kg)

201.0

Gross Weight (t)

0.201

Gross Weight (Original Format)

201.0

Value of Goods, CIF (USD)

$9,466

Value of Goods, CIF (MXN)

124658

Freight Value (MXN)

30859

Insurance Value (MXN)

66

Exchange Rate (MXN-USD)

$13

Item Origin

Bangladesh

HS Code

61082101

Goods Shipped

[redacted]

Shipment Quantity

280.0

Shipment Unit

Pieza

Value of Goods, Item CIF (USD)

$538

Value of Goods, Item CIF (MXN)

7088

Shipment Value (MXN)

5052

Tax Quantity

280.0

Tax Unit

Pieza

Customs Permit 1 Code

NM

Customs Permit 1 Number

NOM-004-SCFI-2006

Customs Processing Tax 1 Value (MXN)

997

Nafta Tax Rate

25.0

Standard Tax Payment 1 Value (MXN)

1772

Value Added Tax 1 Value (MXN)

1427

Value Added Tax Rate

16.0

WTO Valuation Method Code

1

Macroeconomics Condition

Ready Made Garments (RMG) is a great prospect for Bangladesh Economy, especially in exporting. It contributes the most to our export, almost 80%.The Bangladesh RMG industry, with its woven and knit sub-components, is a pre-dominantly export oriented sector, with 95% of the woven and 90% of the knit exports being directed to foreign markets. The cumulative foreign currency earnings by the sector, since 1978, when first export was registered, is estimated at $36.6 billion. Bangladesh's RMG export earning crossed $28 billion in FY2016.

Bangladesh Government has set its export target at $41 billion with a growth target of 7.87%, riding on apparel products for the FY 2017-18 where the garments sector is to contribute $30.16 billion to the total targeted amount. In the year 2016, Bangladesh textile & clothing industry has faced many challenges, including worker unrest, gas crisis etc. and of course there were many potentialities to could continue to contribute to the country economy and global trade very significantly.

Contribution to the GDP: Contribution of industry to the GDP was 28.1%, where RMG sector donate the biggest part. Since 2004, Bangladesh averaged a GDP growth of 6.5%, which has been importantly driven by its exports of readymade garments. According to the IMF, Bangladesh's economy is the second fastest growing major economy of 2016 (Dec), with 7.11% Gross Domestic Product (GDP) growth rate where the growth rate was 6.12% in 2015.

FDI trends:

According to classical and neo-classical economic theory, economic growth depends on the supply of capital as well as the supply of labor and technology. Developing countries like Bangladesh face capital shortages that put a limit on investment and therefore growth, which can be balanced with an inflow of funds from foreign private or public sector (Hussain & Haque, 2016). Foreign Direct Investment (FDI) is very important for economic growth as well as textile industries enhancement.

What is the RMG export benefit of Bangladesh 2023?

Exports of knitwear (Chapter 61) increased by 8.97 per cent to $20.967 billion in July-April 2023, as against exports of $19.242 billion during the same months of the previous fiscal. Bangladesh's RMG exports increased by 9.09 per cent to $38.577 billion in the first 10 months of FY23.

According to (BGMEA) Daily Star Report Saying that Bangladesh leaps to top position in RMG export to EU.



Bangladesh secured the top position in garment shipments to the European Union during the January-March period, overtaking China in terms of quantity, as retailers in the trade bloc have started diversifying their sources to reduce overdependence.

Exports to the EU from Bangladesh declined 3.67 per cent, or 11.84 million kilograms (kgs), to roughly 310 million kgs in the first three months of 2023, according to the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

In terms of value, the country retained the second position in garment shipments to the bloc, as per data from Eurostat.

Despite the fall, the EU's imports from Bangladesh grew 3.9 per cent to $5.6 billion, driven by a rise in unit prices owing to the higher cost of raw materials, transportation and other inputs.

Unit prices increased 7.86 per cent on average in January-March, the BGMEA said.

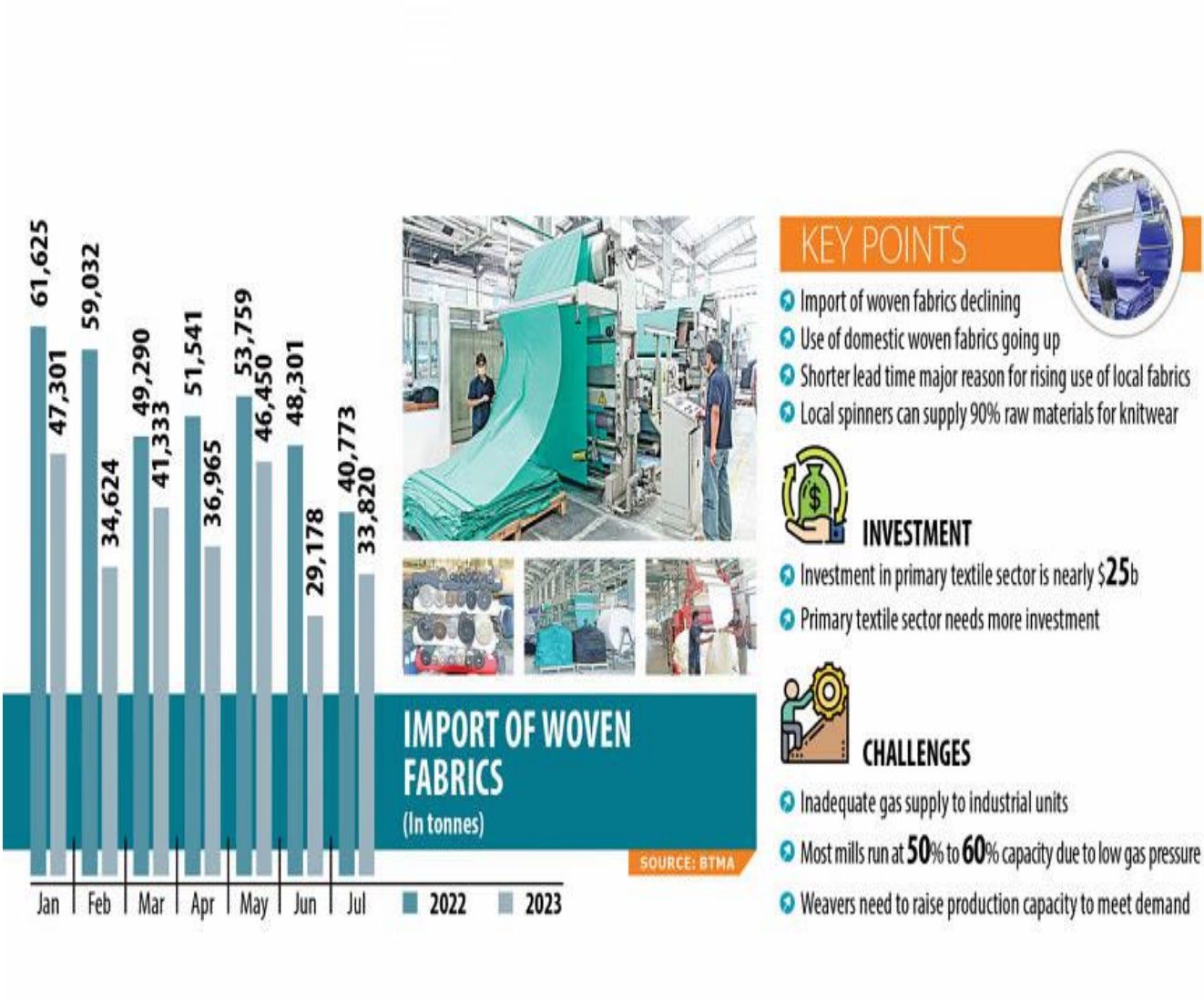
On the other hand, China's exports to the EU declined 22.46 per cent year-on-year, or 65 million kgs, to 224.54 million kgs in the quarter.

Similarly, the EU's imports from China, the second-largest source for apparel, declined 17.80 per cent in terms of value to $5.7 billion from $6.99 billion.

With a 24.07 per cent share of the EU's total garment imports in terms of value, Bangladesh remained the second-largest apparel source for the trade bloc after China (24.55 per cent) in January-March.

But if considered in terms of quantity, Bangladesh became the "number one" apparel sourcing destination for the EU during the three-month period, said BGMEA President Faruque Hassan

Garment makers reducing reliance on imported fabrics



RMG sector’s contribution to GDP

In terms of exports, the RMG sector contributes around 83 percent of all export earnings for Bangladesh. This figure tends to vary from year to year but has been in the 80s for several years now.

How big is the RMG market in Bangladesh?

Approximately USD 31.46 billion

In 2021, the export value of ready-made garments (RMG) in Bangladesh amounted to approximately USD 31.46 billion, an increase from the previous year when RMG exports to Bangladesh amounted to just about USD 28 billion.

Today, the US remains the largest market for Bangladesh's woven garments taking US$2.42 billion, a 47% share of Bangladesh's total woven exports. The European Union remains the largest regional destination - Bangladesh exported US$5.36 billion in apparel; 50% of their total apparel exports.

Market Demand

For most consumer goods, per capita income is a good gauge of a market’s ability to pay. Some products (example, popular U.S. fashion labels) create such a strong demand that even low per capita income will not affect their selling price. Simplifying the product to reduce its selling price may be an answer for your company in markets with low per capita income. JM Fabrics company must also keep in mind that currency fluctuations may alter the affordability of its goods.

Number of garment Factories in Bangladesh]



The number of garment factories in the country is also increasing continuously with stable to high growth rate. In MY 2016/17, the number of factories in Bangladesh were 4482 and increased by 3.10 per cent to 4621 in MY 2018/19. It is expected to increase by CAGR of 1.53 per cent to 4764 in MY 2020/21 from MY 2018/19.

Competition

In the domestic market, JM fabrics Limited carefully evaluate their competitors' pricing policies. They will also need to evaluate competitor's prices in each potential export market. If there are many competitors within the foreign market, you may have to match the market price or even underprice the product or service for the sake of establishing a market share. If the product or service is new to a particular foreign or domestic market, however, it may actually be possible to set a higher price than is feasible in the domestic market.

JM Fabrics select their export price in some way.

1. Selling price. Most Exporters forget that a selling price is often quoted in dollars or another foreign currency.
2. Freight costs.
3. Insurance.
4. Customs duty.

Export Duties:

The prevailing tax rate for export-oriented RMG factories stands at 12% and it is 10% for green ones. However, almost all industrial sectors of the country except the RMG have to pay a corporate tax of 30% for exports of their goods and services.

RECOMMENDATION

Trading businesses have been doing really good in Bangladesh. But complains also like JM Fabrics Limited must have to technologically more advanced, still they are doing the traditional business. I would like to recommend few things that are written below:

• JM Fabrics Limited should hire some efficient people in terms of using new technology. Though they have employees who are very experienced in this field but sadly most are technologically challenged. So there should be a mix of both experienced and tech savy employee in the firm at this point.

• There should be some strict regulation about the delay that the manufacturers cause because of their unprofessionalism, so that if they ask for an extension of the desired time, they must compensate.

• The government should also make some strict rules regarding the 'speed money' and corruption, so that it does not hinder the business of small companies like JM Fabrics Limited and if such rules can be ensured, then companies will have maximum profit

Conclusion

Doing my internship in JM Fabrics Limited gave me the opportunity to take a close look at the export business scenario in our country. My goals as an intern are to obtain skills that will transfer to my future entry level position, as well as to work on projects and be able to explain them well enough that the experience will be considered valid and valuable by another potential hiring firm. Certainly, I'm also looking at this experience as an extended, two-way interview.

Once upon a time when advertisements were made and run by some of the world's most creative minds, the current world is taking more of a logical and complicated way of crunching data. Creativity is still there, but to the new data driven world it is losing the driving seat. It'll be amazing to see where we'll land in the digital marketing field from today to the next 5 years. With new technologies like, AI, IOT or blockchain, it's easy to say that in the coming days this field will evolve beyond recognition. To be prepared for these new challenges, advertisers need to be much more vigilant and skilled with the latest technologies. As a user, we must also be prepared to accept those changes and move towards a brighter and more prosperous future. My work this semester in career services has solidified the importance and joy of relationship building that I have found in this specific unit of student affairs. I am more of a relator rather than the woo type; this work emphasizes the importance of possessing that trait. I enjoy meeting with students, learning about their lived experience and goals, and offering both challenge and support to help them achieve their idea of career success. Furthermore, I value input; I love to collect and store all kinds of information. I enjoy learning new things and meeting new people each and every day. I enjoy dynamic environments and building stable relationships within them. In the future, I will seek out employment that offers a similar environment. Additionally, I have identified another important face of relationships to be crucial in my personal career goals: the relationship that I have with my supervisor. The challenge and support that a potential supervisor is able to provide will play a huge role in my upcoming job search and personal career goals. The work that I am doing in career services is helping me to further explore and investigate my personal career goals. At this point in time, the specific title or position that I would like to attain is still nebulous. However, my internship is allowing me the space to reflect on what I truly want my career to encompass in the future, specifically in regards to the themes of relationships, fit, and competence

References

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