



VINTAGE DENIM LTD. CONCERN OF ABA GROUP.

Internship report

On

**“Prospects of Backward Linkage in RMG sector of Bangladesh: A study
ON VINTAGE DENIM LTD.”**

Submitted To:

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SUBMISSION DATE: 30th September. 2020.

VDL

VINTAGE DENIM LTD. CONCERN OF ABA GROUP.

INTERNSHIP REPORT

“Prospects of Backward Linkage in RMG sector of Bangladesh: A study on Vintage denim Ltd.”



VINTAGE DENIM LTD.



VINTAGE DENIM LTD. CONCERN OF ABA GROUP.

Letter of Transmittal

Date: 30-08-2020

To: The intern supervisor

Mr. AMITAVA BOSE BAPI

Assistant professor

School of Business and Economics

UTTARA University

Dhaka, Bangladesh.

Subject: Submission of Internship Report.

Dear Sir,

This is a great opportunity pleasure for me to submit the internship report on prospects of backward linkage in RMG sector: a study on VDL. The examination in the report depends on the information and data found amid my entry level position period. I expect this report is enlightening and additionally exhaustive.

The report gives inside and out data about VDL restricted my activity duty and entry level position result.

I give my best push to make it a commendable one. there are couple of constraints because of absence of time and different reasons however I have attempted my level best to influence it as right as would be prudent and I to have attempted my best to assemble related data from every single accessible source. With my restricted learning I will attempt my level best to set up the report advantageous.

Yours sincerely,

Md. FAIZUL ISLAM

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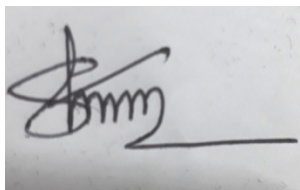
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Letter of Authorization

This is to notify that this report "Prospects of backward linkage in RMG sector: A study on VDL". Has been prepared as a part of my internship formalities. It is a compulsory part of my Evening Masters of Business Administration (MBA) program to submit an internship report.

Moreover, I was inspired and instructed by my supervisor Mr. AMITAVA BOSE BAPI, assistant professor, Business school, Uttara University.

Yours sincerely,



.....

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VINTAGE DENIM LTD. CONCERN OF ABA GROUP.**Acknowledgement**

In the first place I might want to offer my most profound thanks to the almighty Allah for whose support I am ready to complete the undertaking on time. I am grateful to numerous individuals for their motivation and support amid the entire time I was chipping away at this report. I am extremely appreciative to my temporary position administrator; noteworthy Mr. Amitava Bose bapi, Assistant professor, Business school, Uttara University, for his incredible supervision to me amid the entire time of entry level position period. Without his help, I would not have possessed the capacity to finish my report effectively.

I am especially appreciative to my supervisor, Mr. Pervez khan, IE assistant manager, for giving me the chance to finish my temporary position at VDL restricted. They gave profitable data and applicable information. I am certain that their dynamic administrative exercises will offer motivation to anyone to construct one's profession appropriately.

I additionally need to thank to say thanks to Sk.Motahar Husain, production Manager. For his nearby supervision and all the person of VDL constrained, for their help that I have been accommodated setting up my report.

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Executive Summary

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The RMG part of Bangladesh is the biggest supporter of Gross domestic product around 81% in the 2018 financial year. This RMG industry has expanded in huge sum since 1978. The development of this division has leded Bangladesh to wind up one of the center acquiring nations of the world by 2021. Be that as it may, this segment has constantly confronted a few issues to face its actual potential. The consistence issue of the RMG part was the principal, now step by step the quantity of dangers is expanding quickly. The hugest risk to this area is its regressive linkages. Despite the fact that the ventures forward linkage, the generation unit has made its ground appropriately yet the crude material creation of this part is route beneath to the aggregate request. The regressive linkage industry of Bangladesh in RMG segment is 5-8% to the aggregate request. Consequently, the crude materials like texture, trims and adornments are being foreign made from different nations. A colossal measure of crude materials is being sourced from outside market. To buy the crude materials 60-70% of item cost leave in abroad market and the benefit pick up from these generation arrange is less. Buying crude materials from different nations takes a considerable measure time. There are a great deal of components is considered when buying the crude materials. The principle issue is confronted is making protection of lead time gave by the purchaser. At the point when the crude materials are being obtained from the remote market the maker needs to ensure the planning of the crude materials landing in light of the fact that if the crude materials are not in-housed in time the generation and shipment of purchaser won't be on time. In this way, when the items are not conveyed on time the purchaser change the industrial facility of request or the nation. So, keeping up the lead time has turned out to be vital for contending in the worldwide market. Bangladesh RMG industry has numerous contenders and a considerable lot of the contender's state of in reverse linkages is more grounded than that of Bangladesh. In this way, to manage in the worldwide market Bangladesh needs to build up its material part more and guarantee the crude materials emergency to be understood. On the off chance that the issue of crude material isn't comprehended Bangladesh will go.

CHAPTER 1



- (1) BACKGROUND & DESCRIPTION OF THE STUDY TOPIC
- (2) OBJECTIVES OF THE STUDY
- (3) LIMITATIONS
- (4) SWOT ANALYSIS OF VDL

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BACKGROUND & DESCRIPTION OF THE STUDY TOPIC:

Background of the study:

In VDL during my internship period, I got the opportunity to work with their commercial team. I was working there last Commercial month & my work was related with backward linkage of this company. This company is 100% export-oriented company. My most of the assigned work is related with export process of this company.

The internship program at VINTAGE DENIM (VDL) Limited has given me the opportunity to learn about the organizational behavior commercial though corporate environment as well as given me an insight of office environment tCommercialough increasing my practical knowledge. My experience involves with the backward linkage of this company so that I have selected the topic "Prospects of backward linkage in RMG sector: A study on VDL".

BACKGROUND OF BACKWORD LINKAGE INDUSTRY:

The major backward linkage is related with Textile Sector. The Textile sector covers both Knitting and interlinings. These are must for the garments manufacturers in Bangladesh. Therefore it is very much essential to take a look into the present condition of the Textile Industry if it is needed to identify the condition of RMG sector in Bangladesh.

RMG Sector in Bangladesh:

RMG have been an extremely important part of Bangladesh's economy for a very long time for a number of reasons. The textile industry is concerned with meeting the demand for clothing, which is a basic necessity of life. It is an industry that is more labor intensive than any other in Bangladesh, and thus plays a critical role in providing employment for people. Currently, the textile industry accounts for 45% of all industrial employment in the country.

However, although the industry is one of the largest in Bangladesh and is still expanding, it faces serious problems, principally because the country does not produce enough of the raw materials necessary, unfavorable trade policies, and

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inadequate incentives for expansion. As a result, Bangladesh's textile industry relies heavily on imports, and the country does not earn as much foreign exchange from its textile industry as it should.

History of the Textile Industry in Bangladesh:

Traditionally, artisans working in small groups, in what are often referred to as cottage industries, produced most of the textile in the sub-continent. There were many such artisans in the area that was to become Bangladesh. In fact, from prehistoric times until the Industrial Revolution in the eighteenth century, East Bengal was self-sufficient in textiles.

Its people produced Muslin, Jamdani, and various cotton and silk fabrics. These were all well regarded even beyond the region as very skilled craftsmen manufactured them.

The material produced by the artisans of Bengal started facing vigorous competition beginning in the eighteenth century after the growth of mechanized textile mills in the English Midlands. This eventually led to a great decline in the number of Bengali workers skilled enough to produce such high quality fabrics. According to popularly held beliefs, as the region's spinners and weavers meant competition for their emerging textile industry, the British imperialists responded by trying to force the artisans to stop production.

They were said to have sometimes used methods as harsh as cutting off the thumbs of the craftsmen so they would never be able to spin or weave again.

Not only were huge amounts of fabric produced in Bengal, the area was also a prime producer of the indigo plant, from which the indigo dye was extracted. This natural dye was widely used before the advent of chemical dyes in the nineteenth century. In fact, the rich blue color provided by the dye is still sometimes used for dyeing denim. Bengali dye masters had special recipes for producing the desired colors, just as chefs have recipes for achieving desired flavors. However, as was the case with the traditional handloom fabrics, indigo dye production also gradually declined.

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The problems of the indigo industry were principally a result of two factors. First, because indigo was a cash crop, the British administrators in this part of the empire forced farmers to grow the indigo plant in order to increase the administrators' profits. Unfortunately, the indigo plant is nitrogen depleting and thus exhausted the soil very quickly. The farmers received little real income from the crop since the British kept most of the profits, and in times of economic hardship, such as when the indigo price fell, they were unable to survive by eating their produce, unlike farmers who grew staples such as rice or wheat.

Another reason for indigo's gradual disappearance as a dyestuff was the unpredictable nature of the plant. Sometimes one farmer would have a good harvest, while his neighbor would not be able to produce anything. The combination of poor yields and the unpredictability of the crop gradually led farmers to cease growing the plant and moving on to other, more profitable crops.

The fabric produced and dyed in British factories flooded the Indian markets. In time, its importation became one of the points of contention in the growing Independence Movement of the Sub-Continent. As separation from Great Britain was becoming a foreseeable reality and local production again profitable, the textile industry was reorganized as new methods of production were adopted. Water, a necessity for the chemical processes involved in processing the modern dyes now used, was abundant in East Bengal. This contributed to the establishment of mechanized textile factories in the area.

However, after 1947 and the partition of East and West Pakistan from India, most of the capital and resources of Pakistan came under the control of West Pakistanis. The textile industry thus stagnated in East Pakistan as momentum for development shifted from the eastern part of the country to the west.

The west also grew more cotton than the east, which was used as a plea for developing the industry in the west instead of in the east. The majority of all industries in the east were also owned by West Pakistani industrialists. When Bangladesh gained its independence from Pakistan in 1971, the new government nationalized the textile industry, as it did with many other businesses

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in which West Pakistanis had been the principal owners. Although there were some Bangladeshi industrialists, they did not form a large or politically powerful group and thus had to surrender control of their factories to the government as well. All of the country's textile factories were then nationalized and organized under the Bangladesh Textile Mills Corporation, or BTMC.

The industry remained under the control of the BTMC until 1982-83. Bureaucratic obstacles combined with other problems such as low productivity in the labor force, lack of planning, indiscipline, lack of accountability, and poor machine maintenance and operation resulted in a lack of profits.

The government thus gradually denationalized the production of textiles. Factories were privatized, beginning with the dyeing and weaving units. Since that time, much of the industry has been privatized through auctions and other means.

The textile industry has been the catalyst for industrialization in numerous countries. For example, in England, the Industrial Revolution with the new development in coal and steel led to the establishment of a mass textile industry, which catalyzed the industrialization process in the eighteenth century. Similarly textiles played a major role in the industrialization of Japan, South Korea, Taiwan, Hong Kong, and Indonesia. The same has been true to a certain degree in this country. After privatization, the quality of the fabrics produced improved significantly, leading to a great increase in the demand for Bangladeshi textiles in both the international market, as well as the export oriented garment industry of Bangladesh. This launched the industry into a period of rapid growth that is continuing at present.

OBJECTIVES OF THE STUDY

Broad Objective:

To know and identify the importance of establishing Backward Linkage of RMG Sector in Bangladesh.

Specific Objectives:

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1. Backward Linkage
2. Problems of Backward Linkage in RMG sector
3. Propositions & Hypothesis IN RMG.

Limitations of the study:

There have been few constraints faced for collecting data.

- Printed data are not available.
- Time shortage during prepare the report.
- Non-cooperative behavior of some officials in VDL.
- Less analytical power.

SWOT ANALYSIS OF VDL:

VDL SWOT Analyses:

SWOT analysis are all about company internal & external ability & lacking's. Here below VDL strength, weakness, opportunities & tCommercialeats;

Strength:

- A leading vertically integrated garments manufacturer in the world.
- 100% Export oriented.
- All type of garments item produced according to order.
- Increase garments production line.
- VDL increases their infrastructure.
- Qualified standard lab.

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- Strong tale communication of email, internet, currier & cellular network.
- Outstanding marketing support provided from marketing team.
- Merchandising team maintains a good relation with foreign buyers.
- Update machineries used in the factory.

Weakness:

- Poor merchandising team.
- Merchandising team controlling their activities from Mauritius.
- Small number of merchandising team.
- Poor marketing tactics.
- Arise communication gap between staff and owner because of incomplete knowledge of English.
- Lack of training program for factory workers & their supervisors.
- Lack of investors.
- Working facilities not so well.

VINTAGE DENIM LTD. CONCERN OF ABA GROUP.**Opportunities:**

- Knitwear demand increase day by day.
- Large Europe & Middle East market demand.
- Bangladesh government increase opportunity to invest in RMG sector.
- Modern machineries & equipment set up in new division.
- Raw materials price increase in china market & it can be create opportunity for Bangladesh.

TCommercialleats:

- Political environment of Bangladesh is not stable.
- Bangladesh natural resources reduce day by day.
- Subject of natural calamities.
- Always maintain a standard quality.
- Improvement of fire protection is very slow.

CHAPTER- 2

COMPANY PROFILE

(A) **DESCRIPTION OF THE COMPANY**

(B) **INTERNSHIP WORK RELATED SECTION**



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DESCRIPTION OF THE COMPANY

Basic Information:

Factory Name -Vintage Denim Ltd.

Factory Name (Bangla) (ভিনটেজ ডেনিম লিমিটেড)

Authority Name- Imran Islam Choudhury

Designation-Managing Director

Registration Number-don't show.

Member of-BGMEA

BGMEA Ref #4562

Product type-Woven

Address-Gilarchala-Address (Bangla).

Phone-029801393.

Division-Dhaka.

District-Gazipur, Thana -Sreepur

To be assessed by Accord.

Assessed by Accord.

Factory Zone-Non-EPZ.

Who is VDL?

VDL full name is VINTAGE Denim Ltd. This is one of the leading vertically integrated garments manufacturers in the world.

VDL

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Vintage Denim Limited is a trend setting pioneer in corporate governance in the country and enjoys reputation as a world class producer of RMG that is admired worldwide for their quality and design. A team of highly qualified and experienced and committed professionals under the guidance of top management of the company have achieved admirable measure of success in a short span of time. This has been possible because the company never compromises on quality and settles for nothing but the best.

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The most modern technology, efficient, and dynamic management and commitment to the highest work standards is the main theme of the Vintage Denim Ltd. for its future growth. It was established in January 2008 under the group named Group QA to product good quality RMG product for international market.

This organization is also adapting some important policies like getting official approval of ISO Quality Standard practices, ensuring total compliance of various Code of Conduct requirements of prestigious buyers across the world, prioritizing the need for creation of ideal work conditions for the workers and ensuring proper health care & safety for them. This thing has awarded VDL a respectable position in the top of the RMG manufacturers in Bangladesh.

2.3 VDL Operation and Design:

A full-package service provides to its customers. Detailed operation includes;

- Product design & development
- Yarn dyeing & spinning
- Fabric knitting, dyeing & finishing
- Cutting & sewing
- Printing
- Embroidery
- Garment wash and dyeing
- Landed delivery into distribution centers

2.4 Mission Statement:

From where we come – to where we are going.

We strive to be the number one world-class manufacturer of top quality garments and jersey wear, by investing in technology promoting training and development for our people.

By becoming a hub for learning, we will contribute to our country's social and economic development.

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We are the Dream Team!

2.5 About Vintage Denim Ltd Factory:

VDL started its journey as a group company in 2008 with ABA group limited. VDL is an investing company for Vintage denim ltd. In January 2008, vdl started Dignity woven denim factory in Gilarchala, Sreepur, Gazipur.



2.6 Company Profile at a Glance

Table-01 VDL profile overview	Full time readymade Garments.
Short name	VDL
Company establishment	2008
Managing Director	1. Imran Islam Chowdhury
Chief Executive Officer	2. Md.Asaduzzaman
AGM (Factory)	3. Kh. Hamidul Islam
AGM(COMMERCIAL & COMPLINCE)	4. Nahil Ahmed
AGM (PRODUCTION)	5. Imrul Kayes

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Type of company	100% export oriented
Present Address:	Factory Address – Gilarchala, sreepur, Gazipur, Dhaka. Head office Address- sena kallyan commercial complex, Level-18, tongi-industrial estate, tongi,, Kawranbazar, Dhaka.
Total employees	2000 person.
Turnover	US \$50 million
Telephone Numbers:	
E-mail:	ie1@vintagedenimbd.com
Floor space	270,000 m2 (3 million square ft.)
Production sites	7 in Bangladesh
Sample Capacity	300 samples/day
Export capacity	70 million garments a year
Main export market	Europe – 88% US- 12%

2.7 VDL Key assets:

VDL key assets its employees. Employees are highly motivated to provide superior customer value. Around 2000 employees are like family members. Its other key assets are;

- Product design & development:

A fantastic designer group upgrades their product design consistently according to R&D teams.

- Information and communications technology:

Strong online based order placement and information & technology-based system operation help to provide fastest service.

- Customer care and marketing:

A professional team work behind it. They analyze customer fashion trends & market. They also track production & monitor till customer warehouse.

- Quality management:

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VDL always emphasize to ensure their product quality. And it's happened when quality management team independent.

2.8 VDL Department:

In head office of VDL there have five departments. Such as;

- Finance, Accounts & Audit Department:

This department deals with all financial activities of VDL. They also audit all the departments' activities every year. This department is the blood of this company.

- Commercial Department:

Commercial department deal with all kind of export-import related activities. This team is the backbone of this company.

- Purchase Department:

This department operates all purchase related activities for the factory operation & production.

- Accessories Department:

Accessories department deal with all kind of production related accessories and equipment which needed in the factory.

- Admin & COMMERCIAL Department:

This department responsible for providing administrative aid in information management systems, payroll, and human resource.

Department wise employee view;

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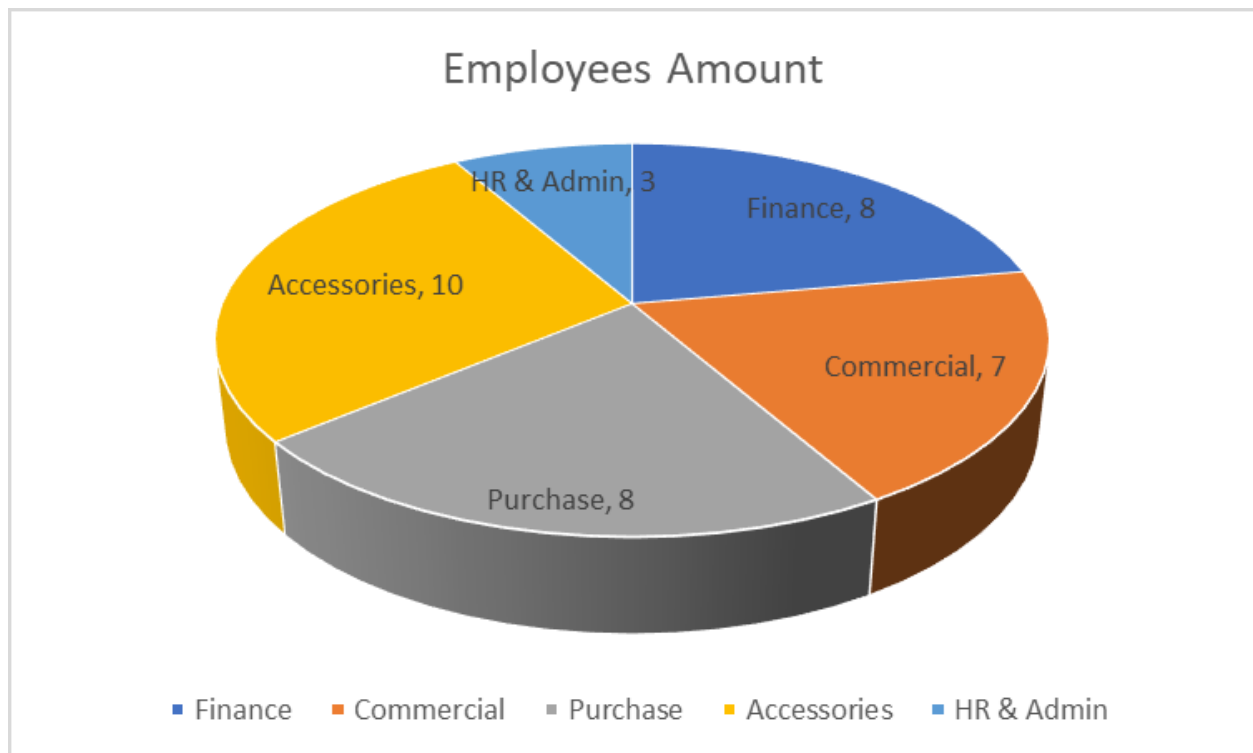


Figure-01 Employee overview in factory office.

2.10 VDL Major Customers:

1. STRADAVRIOUS
2. GEMO
3. OVIESSE
4. STREET ONE
5. Zara Fashion (Spain)
6. Best Seller
7. MEIJER.
8. Stradivarius
9. H & M
10. Only
11. BIG W
12. PULL & BEAR
13. BEST SELLER INTERNATIONAL



VINTAGE DENIM LTD. CONCERN OF ABA GROUP. INTERNSHIP WORK RELATED SECTION

IE DEPT (Industrial Engineering):

I work at I IE Dept. I am Executive Officer of Vintage denim Ltd. I work at here since 2017 to till now.

And I have completed my Internship over the Backward Linkage in this Dept. There have IE & Planning total officer we have 7. And one assistant Manager.

Merchandising DEPT:

VDL have 3 person are merchandising and one have lead Merchandising.

Production DEPT:

VDL have 1 One AGM, One PM and TCommerciallee APM are leading production team. Another have 13 line chief, 26 supervisors are working at VDL production hall.

Quality Dept:

This dept have one manager, four quality in-charge, and 13 quality controller, and 46 quality inspector also.

CHAPTER -3

DATA COLLECTION & PROCESSING

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Data Collection and Processing

This is a Data Collection and Processing which briefly reveals the overall commercial activities of VDL. Both primary and secondary data have been collected to conduct this report.

I have gathered primary data by personal interview of the COMMERCIAL Manager, admin officer & executive of VDL. Mainly I discussed with them verbally. I collected information from them and the annual report, journals, brochures, manuals and several books to prepare this report. In short, the sources of data outlined below:

Sources of Data

There are two types of data:

- a) Primary Data
- b) Secondary Data

Data Collection Procedure

a) Primary Data

1. Face to face conversation with the Officers.
2. Primary Data will be collected Official records (files, rules & regulation).

b) Secondary Data

- To furnish the report properly information was mainly taken from Intranet.
- Official records of VDL.
- Annual reports of VDL.
- VDL official web sites.

Methodology

The study requires a systematic procedure from selection of the topic to preparation of the final report. To perform the study, the data sources were to be identified and collected, to be classified, analyzed, interpreted and presented in a systematic manner and key points were to be found out. Primary and secondary has been used to collect the data and to analyze the gathered data and different types of computer software are used for reporting the gathered information from the analysis, such as- Microsoft Word, Microsoft Excel and chart.

CHAPTER -4

DICSUSSION OF STUDY OBJECTIVES

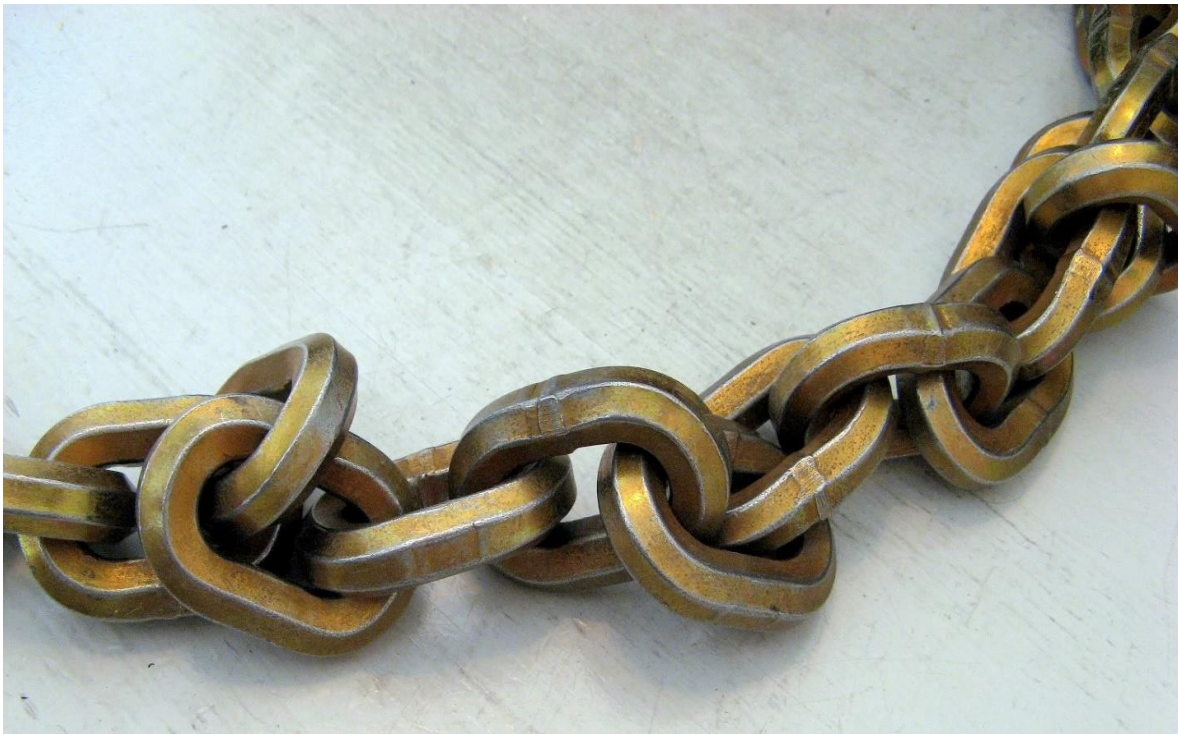
OBJECTIVE 1: BACKWARD LINKAGE

OBJECTIVE 2: Problems of Backward Linkage in RMG sector

OBJECTIVE 3: Propositions & Hypothesis

OBJECTIVE 1:

BACKWARD LINKAGE



Basically, there are two types of linkage works behind an industry. One is backward linkage and another one is forward linkage. In my language backward linkage means all the purchase & production activities which support the factory production to produce final goods. And forward linkage means link between company and its customer. So, we can say for an industry, backward linkage is the link between garments and its suppliers.

Backward linkage of a Garments factory.

Backward linkage in Bangladesh:

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In Bangladesh RMG sector is the largest contributor of national export earnings. Most of the garments are export oriented. And in Europe & USA demand of Bangladeshi garments increase day by day. RMG sector is the heart of our economy. Almost 80% foreign currencies earn from this sector. Undoubtedly this sector emphasis on our economy beyond our imagination. So, improvement & well monitoring for this sector is mandatory. In this study we are able to know our improvement site of backward linkage in RMG sector.

The backward linkage of RMG sector is;

- Spinning mill
- Weaving mill
- Knitting mill
- Fabric dyeing mill
- Printing mill
- Interlining and lining manufacturer
- Poly bag manufacturer
- Sewing tCommerciallead manufacturer
- Zipper manufacturer
- Button manufacture
- Label manufacturer
- Embroidery factory
- Washing factory
- Elastic manufacturer
- Carton manufacturer
- Hanger manufacturer etc.

Table-12: A list of Deadly Accident in RMG sector

Year	Factory	Brand/Buyer	No of death
2010	Gharib & Gharib	H&M	21
2010	Hameem / TIS	Gap, Target, VF, PVH, others	29
2012	Ali Enterprises	KiK	262

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2012	Tazreen Fashions	Walmart, Sears, ECI, others	112
2013	Smart Export	Inditex / Zara	8
2013	Rana Plaza	Benetton, WM, JC Penney, others	1123
2013	Tung Hai	Primark	8
Total death		1598	

Here some pictures of Rana Plaza & Tazreen Fashion accident;

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OBJECTIVE -2

Problems of Backward Linkage in RMG sector:

- **Wages:**

Bangladesh is a country where labor wages is so cheap. This is the biggest reason to increase this sector very vastly. Till now Bangladesh hold minimum wage record in the world. So, every year worker strikes to increase their wages. The price of other commodities increases day by day. Lining cost also increase rapidly. To adjust this system RMG industry need to increase their worker salary. So, Bangladesh RMG industry may no longer provide the lowest price value in the global market.

- **Infrastructure:**

The infrastructure is not well decorated in our RMG sector. Factory building life time not so high. Most of the worker came from urban or remote area. They have no living facility. And factory building condition also not so well most of the garments.

- **Lead time:**

Lead time is very essential to place the order perfectly to the customer. In 1980s lead time was 120-150 days. But now lead time is maximum 30-40 days. To meet up this gap a factory need available raw materials, expert workers & advance technologies. Our RMG sector has some limitation in these factors.

- **Transport issue:**

Bangladesh transport condition is very poor. The condition of road not so well. Traffic jam is the main problem now a day. Factory production & provide buyer order delay. Which is not good for our RMG industry? Buyer chooses another country to import their product. Backward linkage very harmful for our transport condition.

- **Terrorism impact:**

The entire world confronting another issue which is terrorism risk. Psychological oppression danger is making especially issue everywhere tCommercialoughout

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the world. There has been critical occasion in the course of the most recent decade on the planet which has taken a toll in excess of thousand lives. This terrorism is converging towards Bangladesh. In July first 2016 in the strategic region of Dhaka 7 fear based oppressor assaulted the 'Holy Artisan' restaurant slaughtering 17 outsiders and 3 neighborhoods which made a horrendous picture of Bangladesh. Presently the general population of everywhere tCommercialoughout the world are feeling risky for coming to Bangladesh. This new turn of occasion will have extraordinary effect on Bangladesh RMG industry. In the event that the purchasers feel hazardous to go to our nation then the business with different nations will beyond any doubt to hamper.

3.9 Findings:

In recent year there have been significant change happened in our RMG sector. There has been lot of possible solution to change our industry. Some solution can take lot of time but it will be very effective for our RMG industry.

- **Artificial Environment:**

An artificial environment creates which is suitable to produce cotton. The demand of cotton increasing day by day. To produce cotton, we need a lot of land. If Bangladesh can create an artificial environment we can meet up our huge demand.

- **Shipment:**

Insufficient backward linkage delays our shipment process. The number of shipment process is very low. Our industry main routes are Dhaka Airport & Chittagong sea port. Which not sufficient to control our huge market. To developed our RMG sector our shipment process should be upgrade by its technologically & number. Which is very effective to meet up our future pressure?

- **Bonded warehouse:**

Bonded warehouse means where imported cotton and yarn stock, control & distribute to the factory whenever they need, how much they need. If a bonded warehouse setup in our country it will reduce importing time. Bonded warehouse would be controlled by both government and private sector.

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- Give attention:

Day by day problems are increased in RMG sector. The problems arise by some people and suffer whole nation. RMG sector is our main source to earn foreign currency. People have to realize that and governments need to apply the industrial law properly. So the person of this country has stopped the conflicts between each other and faces the problems to solve the upcoming challenges ahead.

- Diversification:

Our market is not diversified so much. Beside our market policy also unstructured. So that RMG sector suffers a lot and cannot achieve the deserving position.

- Instability of law:

Our government policy, rules and regulation are not suitable for our RMG sector. Instability of law & order properly not apply on this sector.

Opportunities:

If we want to take there is lot of opportunity wait in our readymade garment sector. Main opportunities are given below;

- After our country independent in RMG sector growth is phenomenal. The main reason is the lowest labor cost and because of this reason Bangladesh can offer lower price in the global market. Europe and USA are very attractive to our product. They import large amount of product from us and make large amount of profit. For this reason, Bangladesh is more competitive in this market. A chart is give below;

Table-13 Labor cost of different countries

Country Name	Labor cost per hour
Bangladesh	0.22
Cambodia	0.33
Pakistan	0.37
Vietnam	0.38

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Sri lanka	0.43
Indonesia	0.44
India	0.51
China	0.55-0.80
Malaysia	1.18
Thailand	1.29-1.36

We can see on the table Bangladesh offer very lower labor cost. So that foreign investors are very willing to invest in our country. They are very interested to buy our apparels product in lower cost.

- It is high time to upgrade our RMG technologies and set a competitive price. A strong & structured market policy can give that opportunity. Backward linkage of RMG sector has lot of work to do. Skilled technician and worker can change this scenario.
- Beside Chittagong port we need to build another port. We know Bangladesh is a land of river. We have lot of suitable port to build up a new international port. Which can be able to provide faster service and reduce as well as total cost?

3.11 Recommendation for Backward Linkage:

In this report briefly, discusses about the backward linkage of RMG sector and its prospects. We can see this report a factory face lot of problems to produce final product. The supply of raw materials is not sufficient. Our RMG sector use synthetic fiber as alternative of cotton. From fiber to finished products all steps involved such as spinning, weaving, dyeing, printing, finishing accessories are the integral parts of backward linkages. The alternative support of central bonded warehouse is essential unless backward linkage satisfies itself in each sector by its component, especially in spinning and weaving sector.

It will be produced a strategy for target accomplishment. It will require building up the sourcing of in reverse linkages segment first need to build up the foundation of the division and additionally preparing, workshop, class, gathering, about new innovation and RMG part in Bangladesh. To execute this need to satisfactory calculated help. Bangladesh needs to build up the data innovation part. As a piece of sourcing materials, it should sort out show about crude

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materials and article of clothing trims and adornments. It will be likewise expected to more compelling exploration on in reverse linkages and new innovation in RMG industry. Here are a few arrangements offering to the issues confronting: making counterfeit condition to create cotton in the nation. This would decrease the season of bringing in clothing items in the abroad market. The RMG division of Bangladesh is a main case of in what manner can an industry ascend from zero to top.

Bangladesh has some internal problem like port delay problem, infrastructure problem, transport problem & license related problem etc. Need to reduce all kind of political and economic problem. Every year accidental issue arises in this sector. Fire related accident ratio is so high in our RMG sector;

Some suggestion for fire safety:

- Building should be well designed.
- Fire exit and escape plan should be planned under this design.
- Secured & strong monitoring on power supply room.
- Basic fire drill should be held.
- Fire protected instrument should be available all time.
- Fire exit route should be lighted and clear all time.
- Alarming system should be installed.

These criteria can be reduced damage of our industrial lives and assets.

OBJECTIVE-3:

Propositions & Hypothesis

Propositions

1. The industry growth is significant
2. The backward linkage is very poor
3. The Bonded Wear Housing Facility is a tCommercialeat to establishment of backward linkage industry
4. Lead time to import the supplies is an opportunity for the backward linage industry

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Hypothesis

1. The industry growth is positively correlated with the strong Backward Linkage
2. The backward linkage establishment is positively correlated with the infrastructure of the country and the government rules and policies
3. Increase of Bonded Wear Housing Facility is negatively correlated with the growth of Backward linkage
4. Longer Lead time to import the supplies is negatively correlated with the growth of backward lineage industry

CHAPTER-5

CONCLUSION & RECOMMENDATIONS

Conclusion

VDL is the leading Ready Garments field in Bangladesh. The company is developing business day by day in this sector. VDL has adapted expansion policy all over the country by providing better quality product to customer satisfaction according to their demand and choices. Human Resources is the most important factor which requires continuous development as well as adding value to the company. Human Resource Division at VDL is enormous and elaborative which compromises the overall management process. The company always gives preference to employees and constantly educates, teach, challenge & strengthen the capabilities and potentials. This is to support employee's professional skills, ethical behaviors, and also self and social responsibilities. Strong recruitment and selection process and teamwork are the secrets of VDL success. From my internship I can say that I have learnt practical knowledge of COMMERCIAL practices. I am very satisfied with working with the Human Resource Division. I believe my Internship experience will help me in build up my future career successfully.

VINTAGE DENIM LTD. CONCERN OF ABA GROUP.**Recommendation**

After completing internship program, I have gathered some practical knowledge about the Human Resource practices in VDLI have come up with some recommendations which will be helpful for the organizations future improvement.

1. VDL should focus more on employee evaluation carefully before appointing employee. COMMERCIAL departments and respected department should judge and analyze more on employee's expectations, their willingness, interest of the job, working knowledge and capability, respect and loyalty on organization etc. during viva interview.
2. VDL should increase their salary range. Most of the workers switch job because they are not satisfied with their basic pay though there has been a yearly increment in their overall pay and wage is comparatively less than its other competitors. VDL should be satisfying its employees so that employees can always be motivated and loyal of the company and reduce absenteeism.
3. VDL can post recruitment advertisement on their website. So that interested applicants can get proper information to visit their website and apply directly in the company website. They can also post advertisement on newspapers and minimize cost.
4. VDL should increase their marketing strategy. Because most of the people doesn't know about their business. The company can invest more on advertising Commercial thought TV channels, billboard, internet, magazines etc. To build up better brand image to public and attract talented people to join their group.
5. While recruiting the employees, VDL management needs to think and give special attentions to certain things about the employees that who are in the positions they are just suitable for that position or not, if not then employees will always be difficult to motivate, and may never produce the quality of work and productivity as the management wants. VDL should start training its managers and officers on better interviewing.
6. They should improve compensation system and also provide other facilities like transport, food facilities, canteen facilities etc.
7. They should maintain proper job security of employees. They should introduce provident fund and regularity of promotion system.

CHAPTER 6

INTERNSHIP EXPERIENCE

Internship Experience

At first, I want to thanks almighty Allah & CCC of UU who help me to find such a great organization as an intern in VDL. I was so lucky after viva VDL. Select me as an Intern. And I got opportunity to work with their Commercial department. My internship duration was 3 months. In this time period I have lot of experience to work with them. They are so humble and well mannered.

- VDL factory office:

VDL head office is situated in sena kollyan commercial complex, tongi, Dhaka. They have such a nice organization. The office is well decorated and highly secured. There staff are so humble. Almost 100-140 staff work there.

- About Commercial Department:

I feel so lucky to get the chance to work with commercial department. In commercial team there are 7 members. They have six commercial officers and a commercial manager. I want to thanks Mr. Anwar Hossain, Commercial manager who give me lot of lesson.

My working activities during the internship period export import related. Basically, I learn from their how to export a product and how to import a product. To export-import a product, an organization need to follow lots of government procedure like L/C open, Export permission, GSP (Generalized System of Preference) etc. There have some buyer procedures also it depends according to buyer demand. My main lesson which I learn from there is office manner. I got a real-life experience in corporate world which help me to my future corporate life, In-Sha-Allah.

VINTAGE DENIM LTD. CONCERN OF ABA GROUP.**References:**

This project help me out there are so many people. I would like to Announce their name and their degination also.

Md. Asaduzzaman
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1: Md.Parves khan
Assistant manager (Industrial Engineering Dept)

2: Imrul Kayes
Assistant General Manager (Production)

3: Sk. Motahar Hossain
Production Manager

4: Hasan ali biplop
Assistant production Manager (production)

5: Tanvir Anjum
Marketing Executive

6. Kh. Hamidul islam
Assistant General Manager (Factory)

7.Nahil Ahmed
Assistant General Manager (COMMERCIAL & Compliance)

Actually I want to really thank VDL family to bring me this advantage.

Appendix

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