



United International University
QUEST FOR EXCELLENCE

Internship report
on
Cash Subsidy on export goods of Jute in Bangladesh

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Submitted To

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Study on
Cash Subsidy on export goods of Jute in Bangladesh

Aziz Halim Khair Choudhury
Uttara Branch, Dhaka.

Letter of Transmittal

15 January, 2019

To,
James Bokul Sarkar
Associate Professor
Department of Business
and Economics
United International University

Subject: Submission of the internship report on “**A Study of Cash Subsidy on Export Goods of Jute in Bangladesh**”

Sir,

With due respect and retiring obedience I would like to take the opportunity that you have given me the chance to do internship. It is great pleasure to submit my internship report on “**A Study of Cash Subsidy on Export Goods of Jute in Bangladesh**”. I tried my best to make this report according to the optical standard under your valuable direction. It was a tremendous occasion to get knowledge on the field. I think it will support me to build up an excellent career.

I made every endeavor to prepare this report and tried my level best to accumulate relevant and insightful information. It is a great experience for me while working on this topic. I have tried to make the report colorful and comprehensive with the scheduled time limited resources.

Sincerely Yours,

Umme Khadiza
Khanom
ID: 114143016

Acknowledgement

I am **Umme Khadiza Khanom**, I would like to express my sincerest gratitude to those who helped me all the way through to complete my internship report on “**A Study of Cash Subsidy on Export Goods of Jute in Bangladesh**”.

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Then, I express my sincere gratitude to all survey participants for giving the time to participate I the interview sessions and providing me relevant answers.

Special thanks to **Runa Talukdar**, Deputy Director, Audit and Assurance, **AHKC** - Aziz Halim Khair Choudhury, Chartered Accountants. She encouraged me to complete this report and also provide me all necessary guidance.

I would like to express my heartiest thanks to the Principle **Dr. Jamshed S A Choudhury FCA**, AHKC – Aziz Halim Khair Chowdhury (Chartered Accountant) to allow me as intern in his firm Uttara Branch, Sector – 9, Uttara Model Town, Dhaka – 1230. I would like to express my sincere appreciation and gratitude expressly to **Md Mijanur Rahman FCA** sir, Partner of AHKC, Beauty Khatun Apu, Manager, Audit and Assurance. Shonjoy Chandra Sarkar, senior articleship student. Ramzanul Isalm, Junior Articleship Student. Rabeya Akter, Senior Trainee Student and other employees of AHKC – Aziz Halim Khair Chowdhury (Chartered Accountant) for their suggestions and kind considerations and also provided me assistance, guidelines and cooperation while making this report.

Lastly, I seriously thank to the almighty ‘Allah’.

Topic- A study of cash subsidy on export goods of Jute in Bangladesh

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Executive Summary

This report aims at providing an overall analysis on “**A Study of Cash Subsidy on Export Goods of Jute in Bangladesh**”. This report is an outcome of BBA internship program. Such programs expedite us to apply our theoretical knowledge in the practical field. This report contains the specifics of the cash subsidy on export goods of Jute in Bangladesh.

AHKC Chartered Accountants Firms has a good working affiliation with many international and national consulting firms for providing services to clients in Bangladesh. AHKC Chartered Accountants has been ranked number eight audit firm in the country for audit of banks and financial institutions by the Central Bank of Bangladesh (Bangladesh Bank) in November 2017.

In these twelve weeks internship program, I worked in the Cash Incentive Audit department of the firm where my key responsibility was to verify Alternative Cash Assistance files and prepare allied working paper files. Therefore, the main point of this study is mainly concerned with the knowledge that I gained working in this department that is gathered from my trainings and personal experiences.

In this report, introductory part consists of an introduction, objectives, scope, limitations and ethical consideration of the study. The secondary part of this report discussed about AHKC Chartered Accountants Firm. In the third part, I have discussed my topic in details. In the following part I have discussed about the actual task what type of work I did on my three month internee period in AHKC Chartered Accountants Firm. I have included a research on my topic base.



Chapter-1

INTRODUCTORY PART

1.1-Introduction:

It is quite impossible for a student to be competitive without having any practical experience besides academic background. Internship helps a student to have a practical knowledge by working in an organization. For having an experience, I am the student of BBA in AIS of United International University have to undertake twelve week internship program at any organization.

As a part of my BBA program, this internship program gave me the opportunity to gain practical knowledge on how a Chartered Accountants firm operates in Bangladesh. I choose AHKC Chartered Accountants firm for internship. It is in the 8th position among all CA firms. I have worked in verification of alternative cash assistance department of AHKC Chartered Accountants.

I have worked in Verification of alternative cash assistance department and so I am completing my internship report on it. This study is helpful for me performing the audit procedure of Verification of alternative cash assistance department. There are some sectors in where Bangladesh Government provides cash incentive or subsidy for exporters. In which sectors are eligible for cash incentive or subsidy Bangladesh Bank release the circular for each and every financial year.

Here I mentioned some sectors on which I worked in the AHKC Chartered Accountant firm. Those sectors are: Textile Sector (Ka- New Market, Kha- Composite, Ga- Tare Towel & Gha- Deemed Exporter), Vegetables & Fruits Sector or Potato Sector, Shrimp or Other Fish Sector, Leather Goods or Crust Leather Sectors & Jute Sector. From those sectors I choose my internship report topic on Jute sector. Throughout my whole report I will try for focusing on my topic. And also I will explain about the cash subsidy on export goods of Jute in Bangladesh.

1.2-Research Aim:

This report has been prepared through extensive discussion with management and students of the AHKC Chartered Accountant firm and their clients of Jute exporter. The main aim of the study is to know about the cash subsidy on export goods of Jute in Bangladesh.

1.3-Objectives of the Research:

The objectives of preparing this report are explaining below:

1.3.1-BroadObjective:

The broad objective of this report is to find out the overall cash subsidy scenario in the Jute Goods exporting sector in Bangladesh.

1.3.2-Specific Objectives:

- To know about the cash subsidy guidelines as per circular given by Bangladesh bank
- To know the overall pattern of cash subsidies given in the export oriented industries in Bangladesh
- To know the overall cash subsidy procedure for Jute sector
- To find the perception of exporters about cash subsidies
- To examine whether calculation of provided certificate by auditor duly complied with Bangladesh Bank or not
- To evaluate whether the cash subsidy facilities are instrumental in promoting Jute Goods export in Bangladesh

1.4- Scopes of the Study:

Cash Subsidy audit has to be conducted by the external auditor according to the requirement of Bangladesh Bank. Bangladesh Bank published Terms of Reference for auditors and it specifies what would be the responsibility of the auditor to conduct this audit. Auditors have to follow the Foreign Exchange (F/E) circulars published by Bangladesh Bank as guidelines to do this audit. There is also a procedure for audit of cash incentive or subsidy which has no similarity with other audit procedures. These circulars, Terms of Reference and the audit procedure should be trailed for the accomplishment of this report. So the study would focus on how much cash subsidy offer by Bangladesh Government for Jute Goods exporters. And also would find out how much cash subsidy offer by the Bangladesh Bank for Jute Goods exports.

1.5-Limitations of the Study:

There was many facilities and also some obstacles in the study. These obstacles are termed as limitations of the study. Some instances are given below:

- As the internship is the first practical experience, it is not possible for a person to know all and everything of audit procedure.
- Employees of the firms are very busy. So they do not have much time to share information.
- In some cases I was given limited responsibility as I was the most junior among the students. Basically, seniors met up the queries with client so it was not possible for me to gain complete knowledge about cash subsidy for Jute Goods exporters.
- Due to the limitations of time and to protect the organizational confidentiality many aspects of the report are not in depth.
- For the lack of our practical knowledge, some shortcoming may be available in the paper.
- All the interpretation and conclusion about the result of the report is based on the analyst own perspective.

1.6-Ethical Considerations:

Ethical considerations are considered as a vital part of the research. This research has been prepared by me, and aim and objectives are clearly defined at the top of the introduction part. Following principles of ethical considerations had been maintained during the time of research.

- There has not been used any kind of nasty and unfair language for the formulation of Questionnaire or Interview.
- An adequate level of confidentiality of the research data has been ensured.
- Before starting this study, the approval has been taken fully from the participant as well as the participant has not been harmed by anyways.
- All sorts of communication have been done with honestly and simplicity to prepare this report.
- The protection of the privacy of research participants has been ensured.
- Respect for the dignity of research participants has been prioritized.
- Any fraud or overstatement of the aim and objectives of the research are avoided.

Chapter-2

ORGANIZATIONAL PART

2.1-Introduction:

Established in 1979, AHKC is proud to be one of the professional auditing firms in Bangladesh. AHKC offer wide range of services in the field of risk based internal audit ensuring the best value-added solution to meet a client's needs. The firm specializes in business advice and consultation, tax planning and accounting and assurance services. A Seven Partners firm with three offices located in Dhaka City, AHKC is managed by professionals with experiences spanning various industries.

Aziz Halim Khair Choudhury - AHKC - Chartered Accountants has expertise in the following main service areas:

- Assurance and Advisory Services
- Taxation
- Corporate Finance
- Forensic Accounting
- Investigations
- Secretarial Services
- Management Consultancy

2.2-History:

Aziz Halim Khair Choudhury - AHKC - is one of the top firms of Chartered Accountants in Bangladesh. Having established in 1979, the Firm has over 38 years of professional relationship with different leading Business Houses in Bangladesh and abroad.

- AHKC has presently 7 partners firm with cumulative experience of over 230 years in processing diverse expertise in the fields of Audit and Advisory Services, Taxation, Corporate Finance, Forensic Accounting and Management Consultancy.
- AHKC has 3 offices in Bangladesh. They all are located in the metropolitan area of the city of Dhaka: Dhanmondi; Baridhara and Uttara.
- AHKC is the Exclusive Correspondent Firm of PKF International, UK a global network of Independent Accounting and Business Advisory Firm that administers a network of legally independent member firms which carry on separate businesses under the PKF name.

PKF international:

PKF International administers the PKF network a family of legally independent member firms. PKF International is the 11th largest global accountancy network and has 300 member firms and correspondents in 440 locations in around 125 countries providing accounting and business advisory services.

2.2.1-Firms Profile:

Name of the Firm	Aziz Halim Khair Choudhury – AHKC
Address of the Head Office	House No. 64 (1st & 2nd Floor), Road # 12A (New) Dhanmondi, Dhaka-1209
Address of the Uttara Branch Office	Phulbari House, House #25, Road #1, Sector #9, Uttara Model Town, Dhaka – 1230, Bangladesh
Website	www.ahkcbd.com
Phones	+880255080235, 55080236
E-mail	info@ahkcbd.com
FAX	+880255080237

Table 1: Firms Profile

2.2.2-Existing Partners and their area of Specialization:

The profile of all seven partners is as follows:

SL No.	Name	Designation
1.	M A Halim Gaznavi FCA	Chairman
2.	Khairul Alam FCA	Managing Partner
3.	Dr. Jamshed S A Choudhury DR.rer.POL (Heidelberg), FCA	Senior Partner
4.	Md. Aftab Uddin Ahmed FCA	Partner
5.	Mofazzal Hossain Khan FCA	Partner
6.	Khairul Basher FCA	Partner
7.	Nayma Meherin FCA	Partner

Table 2: All Partners Profile

2.2.3-Human Resources:

For Overall AHKC:

Total Manpower	190
Partners	7
Consultants	3
Directors (As Audit Managers)	5
Deputy Directors (As Audit Managers)	9
Audit Executives / Assistants	7
Articled Students	94
Unregistered Students	35
Taxation and Secretarial Manager / Staff	4
Support Office Executives / Stuff	21
Computer Operators	5

Table 3: Human Resources (Overall AHKC)

For Uttara Branch:

Total Manpower	50
Partners	2
Consultants	1
Directors (As Audit Managers)	1
Deputy Directors (As Audit Managers)	1
Audit Executives / Assistants	2
Articled Students	12
Unregistered Students	19
Taxation and Secretarial Manager / Staff	3
Support Office Executives / Staff	5
Computer Operators	4

Table 4: Human Resources (Uttara Branch)

2.3-Vision, Mission and Goals:

AHKC - Vision

The vision of AHKC is to be accepted as the leading choice for business houses & other organizations as a professional consultants and as the best service provider.

AHKC - Mission

The mission of AHKC to provide quality service that focuses on the specific needs of each consumer - addressing business problems with resourceful solutions grounded in practical experience and high levels of skill. They are dedicated to the values of honor, proficiency and impartiality.

AHKC - Goals

- Maintain superior quality of services to existing clients and expand the range of these services.
- Be fair, ethical and honest in all business transactions.
- Maintain a high level of motivation, professional development and satisfaction for all personnel.
- Continue growth in number, size and quality of clients.

2.4-Service Offerings:

Aziz Halim Khair Choudhury - AHKC - Chartered Accountants has expertise in the following main service areas:

Assurance:

As decision makers, clients want to be assured that they are reacting on reliable information. They need to be awake of their business risks and know that they are managed effectually, and to have reliance and confidence in their underlying systems and controls, and all aspects of their business comply with key legal requirements. Moreover, our clients need to be able to mount in their shareholders, investors and consumers with the same sureness. AHKC provide clients all the assurance they need.

Advisory:

AHKC helps clients project and develop their systems and activities to meet their needs, resolve anticipated problems by finding solutions. It is about safeguarding that clients' original ideas make sense financially.

AHKC Advisory Services Include:

- ✓ Statutory Audit,
- ✓ Compilation of financial statements,
- ✓ International accounting standards,
- ✓ Assurance engagement,
- ✓ Internal audit,
- ✓ Business risk services

Taxation

Generally Taxation services to clients are given by lawyers and general tax practitioners. However, the trend is changing fast, and AHKC being one of the large CA firms has in house tax specialists who work is with clients to minimize their tax burden rightfully. Taxes, in their various forms, establish a major business cost but this can be deferred with the help of AHKC taxation advisors. While we want to move into Bangladesh from abroad, we can provide 'one-stop-services' and guidance on set up and choose the most appropriate operating arrangement. AHKC advisors will also give explanation on the local laws and regulations to ensure that clients are obedient.

Corporate Finance:

Turning a business dream into a successful reality usually calls for additional finance. Acquisitions, floatation, business development and cross-border expansion may all demand extra funds and require specialized advice from corporate finance teams with constant exposure to both the local and the global marketplaces.

What do we offer?

AHKC Corporate finance team can deliver the following services:

- Help clients find and secure finance from the most appropriate sources in Bangladesh and Abroad
- Preparation of financial projections and financial / cash flow forecasts
- Assist clients in the preparation of their business plan
- Business valuations
- Provide ongoing advice and support with floatation, mergers & acquisitions, management buy-outs / buy-ins and disposals
- Due diligence
- Advice on re-organizing and restructuring existing businesses, commercial and tax considerations and fund raising options
- Feasibility studies

□ **Forensic Accounting:**

In complex world of business, quality forensic accounting is vital as personal injury, professional negligence claims or commercial litigation can damage a business. One may suspect fraud or may simply require a valuation of a business or other assets. A foreign company or international NGO may have their operation in Bangladesh where they suspect irregular or fraudulent activities. In all of these situations, AHKC forensic accounting experts can help you achieve a successful outcome.

□ **Management Consultancy:**

Management consultancy is about helping organizations to improve their performance. A good consultant helps to fine-tune a business or organization to measure success, improve efficiency, maximize performance and minimize risk. As effective service provider we assist you to know where you are and where you want to go, and work out how to go there.

AHKC has a history of helping a wide variety of client organizations to boost their performance. The focus is always on practical, realistic solutions tailored to each specific client organization underpinned by both global technical expertise and local knowledge.

2.5-Clients of AHKC Chartered Accountants from different sectors:

AHKC clients range from sole proprietorship business, partnerships, nonprofit organization to listed companies, multinational and government bodies. AHKC has the right proficiency for every type of organization.

AHKC are / were the auditor of the following leading organizations:

□ **Banks:**

- ✓ Bangladesh bank (central bank of Bangladesh)
- ✓ Sonali bank limited
- ✓ Janata bank limited
- ✓ Agrani bank limited
- ✓ Rupali bank limited
- ✓ Pubali bank limited
- ✓ Islami bank bangladesh limited
- ✓ Mercantile bank limited
- ✓ National bank limited

□ **Non Banking Financial Institutions:**

- ✓ Bangladesh house building finance corporation
- ✓ Prime finance & investment limited
- ✓ International leasing & financial services limited
- ✓ Midas financing limited

- **Insurance Companies - Internal Audit:**
 - ✓ Purabi general insurance company limited
 - ✓ Sunflower life insurance company limited
- **National & International Ngo's:**
 - ✓ Care Bangladesh
 - ✓ World vision Bangladesh
 - ✓ Save the children international
 - ✓ Engender health
 - ✓ Concern worldwide
- **Multinational Companies:**
 - ✓ Lafarge surma cement limited
 - ✓ Unilever (Bangladesh) limited
 - ✓ Novartis (Bangladesh) limited
 - ✓ Rpg transmission limited
- **Corporate Head Office/Branch Offices:**
 - ✓ Bangladesh chemical industries corporation
 - ✓ Bangladesh steel & engineering corporation
 - ✓ Bangladesh textile milles corporation
 - ✓ Bangladesh jute mills corporation
- **Bangladesh Textile Mills Corporation (BTMC):**
 - ✓ Olympia textile mills limited
 - ✓ Meghna textile mills limited
 - ✓ Madaripur textile mills limited
 - ✓ Mohini mills limited
 - ✓ Darwani textile mills limited
- **Bangladesh Jute Mills Corporation (BJMC):**
 - ✓ Bawa jute mills limited
 - ✓ Hafiz jute mills limited
 - ✓ Furat karnaphuli carpet factory limited
 - ✓ Jessore jute industries
- **Union/Upazilla Parishads:**
 - ✓ Union parishads (lgsp package no s - 2403)
 - ✓ Aditmari upazilla, lalmonirhat
 - ✓ Lalmonirhat sadar upazilla, lalmonirhat
 - ✓ Shoilakupa upazilla, jhinedah
 - ✓ Chowgachha upazilla, jessore

□ **Educational Institutions:**

□ **Schools:**

- ✓ Comilla modern high school
- ✓ London school of commerce
- ✓ Holy cross girls high school

□ **Colleges:**

- ✓ Central law college
- ✓ Tejgaon college
- ✓ Dhaka city college

□ **Universities:**

- ✓ Daffodil international university
- ✓ Dhaka international university
- ✓ Ahsanullah university of science and technology
- ✓ City university

□ **Taxation Services:**

- ✓ Sunflower life insurance company limited
- ✓ Homeland life insurance company limited
- ✓ Mona financial consultancy and securities limited

2.6-Operational Hierarchy of AHKC Chartered Accountant :(Uttara Office)

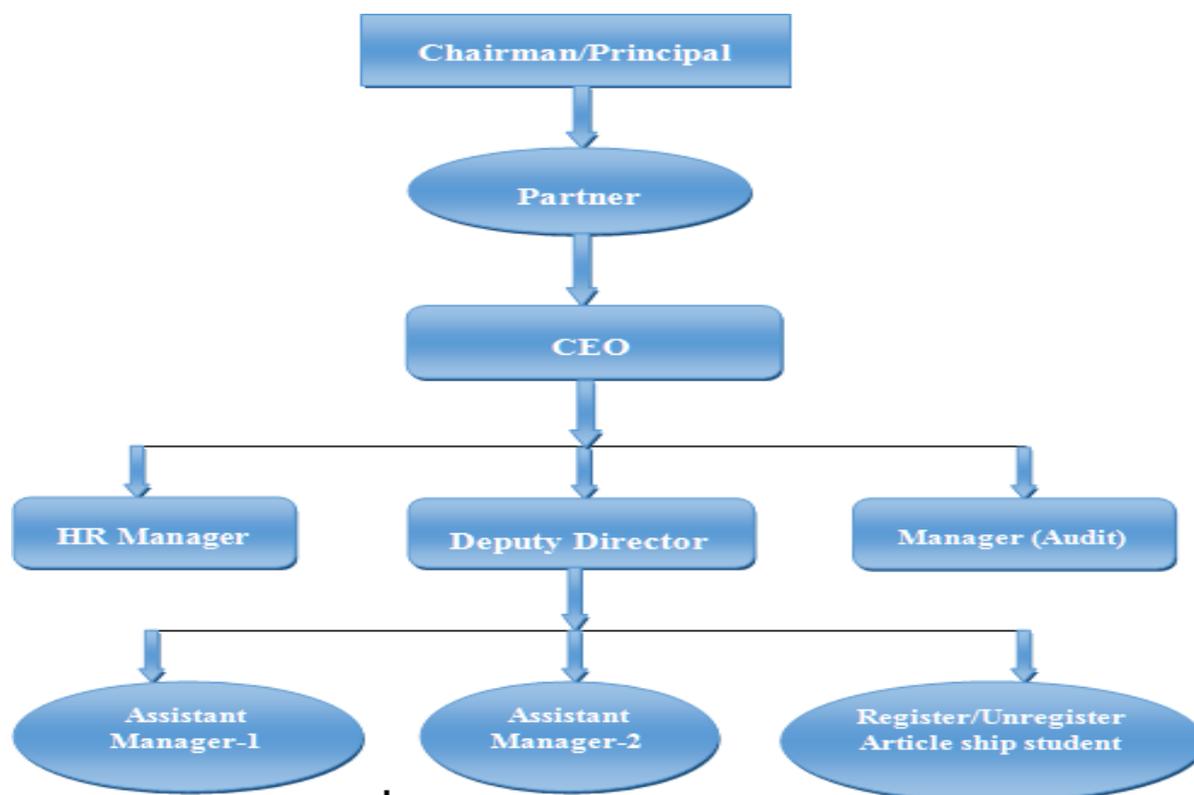


Figure 1: Organizational Hierarchy of AHKC

2.7-Training:

Training program benefits employees to acquire specific knowledge or skills to enhance performance in their current roles. Development gives emphasis on employee growth and future performance, rather than an immediate job role. Presently training and development is a vital part of the human resource development of any organization. As good training and development programs help clients keep the right people and grow profit, AHKC's panel of training specialists offers training and development services to the clients as per their need.

Chapter-3

TOPIC PART

3.1-History about Jute Sector:

The oldest traditional manufacturing sectors of Bangladesh is Jute manufacturing sector. It is emerged in former East Pakistan in the early 1950s. There were two most important sources of foreign exchange of Pakistan during the 1960s that were Exports of jute and jute goods. However, this was also the result of succeeding policies followed by Bangladesh. But the decline in the demand for jute goods in both domestic and international markets over time is grief-stricken.

Jute is a major textile fiber. It is also a raw material for nontraditional but value added non-textile products. Jute is used widely in the manufacture of different types of traditional packaging fabrics, manufacturing sacking, carpet backing, mats, bags, tarpaulins, ropes and twines.

Now-a-days jute fibers are used in a wide range of diversified products: decorative fabrics, chic-saris, soft luggage's, footwear, greeting cards, molded door panels and other innumerable useful consumer products.

3.2- Background of Jute Industry:

After Bangladesh's independence in 1971, the government pursued a program of nationalization of large manufacturing enterprises. As part of this program it took over all the abandoned jute mills and nationalized those owned by Bangladeshi citizens. The operations of these nationalized mills were put under the Bangladesh Jute Mills Corporation (BJMC). In the early 80s, some rethinking led to a partial reversal of this policy and over 50 percent of the mills (35 out of 66) under BJMC were privatized. In spite of this change, market forces were still not allowed to guide the operation of the mills and both public and private sector mills remained caught up in large financial losses.

Jute Industry played an important role in the economic development of Bengal. At the beginning of the twentieth century, Bengal could possess of only one manufacturing industry – jute. It employed about a half of the total industrial workforce of Bengal.

3.3-Demand of Jute in Foreign Market:

Jute has a significant role to play in the Bangladeshi economy, and it is commendable that the government is genuinely looking to tap into the potential the golden fiber has to offer. The prime minister herself has spoken on how valuable the jute sector can be for Bangladesh, and, as a product, it has much to contribute in helping Bangladesh grow as an economic powerhouse. Due to its huge appeal in the European market, Bangladesh should look to expanding the jute sector.

What are praiseworthy are the government's steps taken to do exactly that: Recent meetings with managing director of Centre for the Promotion of Imports of the Netherlands have resulted in fruitful discussions with aims to tap into the potential of jute, and how it can take advantage of an open European market.

3.4-Jute Products of Bangladesh:

The cultivation of jute and its use as utility products in the life of peoples dates back to some centuries.

Jute is being ideally used for manufacturing:

- Bags and sacks for packing almost all kinds of agricultural products, minerals, fertilizer etc.
- Wool packs and cotton bales.
- Cordage and Twines.
- Webbing to cover inner springs of automobiles and to upholster furniture.
- Cargo separator in ships.
- Brattice cloth for mine ventilation and partition.
- Filling material in cable.
- Roofing and floor covering apparel.
- Wall covering and furnishing fabric.
- Footwear lining.
- Fashion accessories.
- Bio-engineering and erosion control fabric and many more.

By virtue of their origin, Bangladesh jute and jute products are acclaimed world over as the best quality jute for its color, texture, luster, length and strength. For this reason Jute is lovingly branded as the “Golden Fiber” all over the world.

3.5-Cash subsidy:

Export Subsidies are the strategic tools to encourage the export growth of a country. Cash incentives as export subsidies to various business sectors is given by the Bangladesh government. This paper intentions is to identify the pattern of export subsidy in the budget over the years and also the form of the items and percentage of cash incentives over the years in Bangladesh Bank’s Foreign Exchange (FE) circulars; government’s procedure for selecting items for cash subsidy and exporter’s perception on the influence on the subsidy. There is no other to export directed growth of the economy to achieve its goal of becoming a middle income country by 2021. The government should give proper help. For export diversification and break the export dependency on RMG sector, export of jute goods is very important. The report is mainly based on primary data, for the findings of pattern of incentives and subsidies, published government data were analyzed. The report findings show that the procedure of selecting sectors for cash incentive or subsidy lacks transparency and the criterion based on which the sectors are selected are unknown.



Figure: Jute Products



Figure: Jute Products

3.6-Cash Subsidy rate on Jute Sector in Bangladesh:

- ⇒ The government has increased export subsidies for jute goods exporters to 12 per cent from 10 per cent in the fiscal year (FY) 2018-19.
- ⇒ The government has also increased export subsidies for Jute Yarn exporters to 7 per cent from 5 per cent in the fiscal year (FY) 2018-19.
- ⇒ The major exportable traditional jute goods from Bangladesh are hessian, sacking and carpet backing cloth (CBC).
- ⇒ The BJMA and Bangladesh Jute Mills Corporation produce these goods. However, the diversified jute goods exporters get 20 per cent cash incentive.

3.7-Cash Subsidy is provided as Per Bangladesh Bank Requirements:

Cash Incentive or Subsidy Audit has to be conducted according to the instructions of Bangladesh Bank which are published in different time in the form of Bangladesh Bank's circular. These circular contains, who are eligible and what is the procedure to avail Cash Incentive. For different sector, we see some variations in the circulars or requirements of Bangladesh which work as the basis of cash incentive in those sectors.

For example, the circulars (F/E circular-11 & 12) of Cash Subsidy on jute goods contains the following as a basis for cash subsidy:



Image 1: Foreign Exchange Circular No- 12

3.7.1-Application Receive:

After negotiation of export the exporter (also manufacturer) of the Jute goods will submit application under form “Ka” & other documents to the negotiating bank. The bank will attach PRC after realization of export.

If the exporter (also manufacturer) performs the production and also export in that case party will apply to the negotiating bank (branch) for cash subsidy against export value under form “Ka”. Negotiating bank branch will attached information pertaining to repatriated value and PRC after export realization.

Application for cash subsidy can be submitted after the repatriation of export amount instead of the date of negotiation of document under above paragraph.

Applicant should apply for cash subsidy must be submitted within 120 days after the date of shipment.

An Example:

(সনুচ্ছেদ ০২(খ) এফই সার্কুলার নং-১২/২০১৬.প্রটব্য) সংসোধনী - ক

সরকারী ও বেসরকারী পটিকাল কর্তৃক বৈচিত্র্যকৃত পটিজাত পণ্য রপ্তানির বিপরীতে নগদ ভর্তুকির আবেদনপত্র।

(ক) আবেদনকারী পটিকালের নাম ও ঠিকানা : _____
 রপ্তানি নিবন্ধন সনদপত্র নম্বর : _____

(খ) রপ্তানি খণ্ডনম/টুকিপত্র নম্বর, তারিখ ও মূল্য _____
 (পাঠযোগ্য সত্যায়িত কপি দাখিল করতে হবে)

(গ) রপ্তানিকৃত পণ্য উৎপাদনে ব্যবহৃত পাটের সর্ভস্বত্ব, পরিমাণ ও মূল্য :

সরবরাহকারীর নাম ও ঠিকানা	পরিমাণ	মূল্য
১	২	৩

(হস্তানি পণ্যের বর্ণনা, মূল্য, উৎপাদনে ব্যবহৃত উপকরণ ব্যবহার ও সজ্জাস্বত্বের বিষয়ে বিজ্ঞপত্র/বিজ্ঞপত্রের এর প্রত্যয়নপত্র দাখিল করতে হবে।)

(ঘ) রপ্তানি চান্সানের বিবরণ :

পণ্যের বর্ণনা	পরিমাণ	আমদানিকারকের নাম ও ঠিকানা	ইনভয়েল মূল্য (বৈদেশিক মুদ্রায়)	জাহাজীকরণের তারিখ	ইএরূপ নম্বর	বৈদেশিক মুদ্রায় প্রত্যয়নিত রপ্তানিমূল্য ও প্রত্যয়নতার তারিখ
১	২	৩	৪	৫	৬	৭

(কমিশিয়নে ইনভয়েস, শার্কিং লিট এবং বিল অব সেলিং/বোম্বার্ডে বিল ইত্যাদির সত্যায়িত পাঠযোগ্য কপি এবং রপ্তানিমূল্য প্রত্যয়ন সনদপত্র দাখিল করতে হবে)

(ঙ) নগদ ভর্তুকির আবেদনকৃত অঙ্ক :

প্রত্যয়নিত রপ্তানিমূল্য	প্রযোজ্য ফেরে ভ্যাঙ্ক অফারের পরিমাণ	বৈদেশিক মুদ্রায় পরিণেয় কমিশন, ইন্ডুস্ট্রিয় ইত্যাদি (যদি থাকে)	নীট এফওবি রপ্তানিমূল্য ১-(২+৩)	নগদ ভর্তুকি * ৪ X _____ ১০০
১	২	৩	৪	৫

(শেষের ফেরে ভ্যাঙ্ক অফার উপরে সন্নিবিষ্ট ফ্রেমট সার্ভিসেসের সত্যায়িত কপি দাখিল করতে হবে)
 * প্রযোজ্য নগদ ভর্তুকির হার

এ মর্মে অঙ্গীকার করা যাচ্ছে যে, আমাদের নিজস্ব পাট কলে ৭৫% মূল্যমানের বেশী পাট ব্যবহারের মাধ্যমে উৎপাদিত বৈচিত্র্যকৃত পটিজাত পণ্য রপ্তানির বিপরীতে নগদ ভর্তুকির অন্য আবেদন করা হলো। এ আবেদনপত্রে প্রদত্ত সকল তথ্য/যোগ্য সম্পূর্ণ ও সঠিক। যদি পরবর্তীতে কোন ভুল/অসত্য তথ্য/প্রত্যয়ন/আলিঙ্গাতি উদ্ঘাটিত হয় তবে পূত্রিত ভর্তুকির সহন্য অর্থ বা এর অংশবিশেষ আমান/আমাদের নিকট হতে এবং/অথবা আমান/আমাদের ব্যাংক হিসাব থেকে আদায়/ফেরত নেয়া যাবে।

তারিখ : _____

পটিকালের স্বাক্ষরকারী/কর্মতান্ত্রিক
কর্মকর্তার স্বাক্ষর ও শনাক্তি।

(জ) ভর্তুকি প্রদানকারী ব্যাংক শাখা কর্তৃক পূরণীয় :

ভর্তুকি প্রদানের কার্য	স্টেট বঙ্গদেশীয় রপ্তানি মন্ত্র	প্রযোজ্য ফেরে ভ্যাঙ্ক অফারের পরিমাণ	বৈদেশিক মুদ্রায় পরিণেয় কমিশন, ইন্ডুস্ট্রিয় ইত্যাদি (যদি থাকে)	নীট এফওবি রপ্তানি মূল্য ১-(২+৩)	নগদ নগদ উৎপাদনে ব্যবহার পাটের মূল্য (যে ক্ষেত্রে ০ না কমবে প্রযোজ্যক)	ভর্তুকি প্রদানের হারো অর্থের পাটের মূল্যের শতকরা হার (১৫) * ১০০	পরিণেয় নগদ ভর্তুকির পরিমাণ (টাকায়) : * ৪ X _____ ১০০ সর্বোচ্চ বৈদেশিক মুদ্রায় ৫টি সর্বোচ্চ রূপ মূল্য
১	২	৩	৪	৫	৬	৭	৮

* প্রযোজ্য নগদ ভর্তুকির হার

বর্ণিত নগদ সহায়তার পরিমাণ _____ টাকা (তথ্য : _____)।
 পরিণেয়তার তারিখ : _____

বর্ণিত নগদ সহায়তা অনুসন্ধানের ক্ষমতাভাজক
 ব্যাংক কর্মকর্তার স্বাক্ষর, নাম ও পদবী

Image 2: Application Form

3.7.2-Verification of Application:

All document, certificate, & attested certificate attached with application should be examined. All the documents are accurate & comprehensive. Bank will be responsible for any misleading information. Bank will send a written application to the applicant manufacturer organization about inaccuracy & incompleteness of application within 3 days after primary examination.

Manufacturer exporter organization should file all document and papers and it should be in an appropriate way according to the organization.

Quantities of export or production mention in different cash subsidy application of different times should be verified with the actual production capacity of that organization and for it certificate is issued by BJMC. If any inconsistency found with actual production capacity of the organization in that case bank must ask for the reason of discrepancy. In absence of relevant and realistic explanation for extraordinary production, it should be informed to the accountable department of Bangladesh Bank.

Bank Recommended Calculation

তারিখ : -----

পাট কলের স্বত্বাধিকারী/ক্ষমতাপ্রাপ্ত
কর্মকর্তার স্বাক্ষর ও পদবী।

(জ) ভুক্তিক প্রদানকারী ব্যাংক শাখা কর্তৃক পূরণীয় :

রপ্তানি পণ্যের বর্ণনা	মোট প্রত্যাশিত রপ্তানি মূল্য	প্রযোজ্য ক্ষেত্রে জাহাজ ভাড়ার পরিমাণ	বৈদেশিক মুদ্রায় পরিশোধ্য কমিশন, ইস্যুরেপ ইত্যাদি (যদি থাকে)	নীট গ্রুপওবি রপ্তানি মূল্য ২-(৩+৪)	রপ্তানি পণ্য উৎপাদনে ব্যবহৃত পাটের মূল্য (গ অনুচ্ছেদের ও নং কলাম মোতাবেক)	রপ্তানি আয়ের মধ্যে ব্যবহৃত পাটের মূল্যের শতকরা হার (৬/৫)*১০০	পরিশোধ্য নগদ ভুক্তির পরিমাণ (টাকায়) : * $৫ \times \dots \times$ (রপ্তানিমূল্য প্রত্যাভাসনের তারিখে ১০০ সপ্তেন্ডিট বৈদেশিক মুদ্রার ওডি সাউট ক্রয় মূল্য)
১	২	৩	৪	৫	৬	৯	১০

* প্রযোজ্য নগদ ভুক্তির হার

বর্ধিত নগদ সহায়তার পরিমাণ ----- টাকা (কথায় : -----)।

পরিশোধের তারিখ : -----

বর্ধিত নগদ সহায়তা অনুমোদনের ক্ষমতাপ্রাপ্ত
ব্যাংক কর্মকর্তার স্বাক্ষর, নাম ও পদবী

Image 3: Bank Calculation

3.7.3-Calculation of Cash Subsidy against Application and Disbursement:

Examiner will compute the repayable amount of cash subsidy while examining of all application, and information acknowledged from negotiating bank and attachment of all significant certificates.

When cash subsidy claim approved of any client by the auditor, then the negotiating Bank mark on the Proceed Realization Certificate (PRC) by a seal that “Cash Incentive Paid”, so that the relevant PRC can't use further for any claim of Cash subsidy.

Negotiating bank will pay cash subsidy to the applicant and debit a particular account to the name of head office of that bank. A statement of payment has to be submitted to the head office of that bank within 1st week of the next month. Head office will submit this monthly payment statement along with forwarding application to the foreign investment department of Bangladesh Bank within 2nd week of next month.

All working files should be preserved by the negotiating bank at least three years after the date of payment of cash subsidy for further investigation by inspection team of Bangladesh Bank.

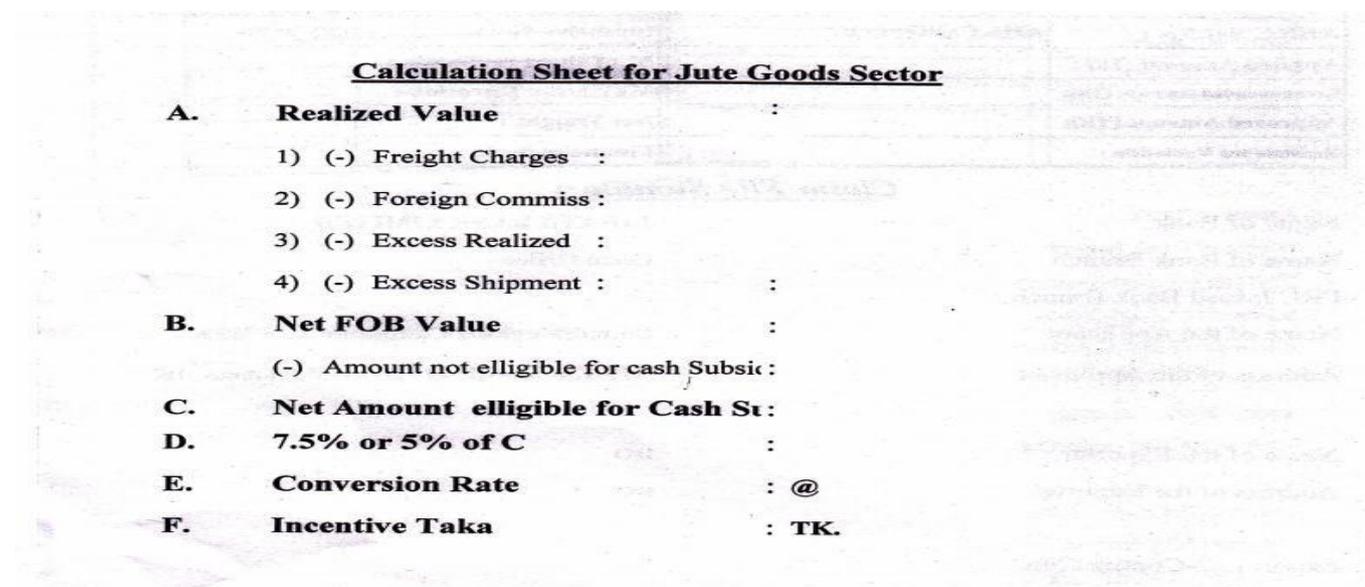
3.8-Recent Announcement of Cash Subsidy Rates for Jute:

Financial Year 2018-19

Items	Cash Subsidy for Jute Goods Exporter	Percentages
a.	Jute Yarn (Yarn and Twain)	7%
b.	Jute Final Goods (Hessian, Shaking & CVC)	12%
c.	Diversified Jute Products	20%

Table 5: Cash Subsidy Rate for Jute

3.9-Calculation Sheet for Jute Sector:



Calculation Sheet for Jute Goods Sector

A.	Realized Value	:
	1) (-) Freight Charges	:
	2) (-) Foreign Commiss	:
	3) (-) Excess Realized	:
	4) (-) Excess Shipment	:
B.	Net FOB Value	:
	(-) Amount not elligible for cash Subsici	:
C.	Net Amount elligible for Cash St	:
D.	7.5% or 5% of C	:
E.	Conversion Rate	: @
F.	Incentive Taka	: TK.

Image 4: Cash Subsidy Calculation page

3.10-Certificate by Auditor Duly Complied with Bangladesh Bank:

For the exemplification of the compliance of the auditor's certificate to Bangladesh Bank, some issues should be considered. They are as follows:

3.10.1-Calculation of Maximum Acceptance Value for Jute sector:

According to Bangladesh Bank circular, the exporter/applicant cannot get the cash subsidy form Frights & Commissions. So, if realized value contains any frights & commission charge it should be deducted from realized value in calculation part. Auditors are always sincere about it.

3.10.2-Rate of Cash Subsidy is properly Followed:

From the description and calculation done about "Whether Cash subsidy is provided as per Bangladesh Bank requirement" it is seen that, subsidy rate is properly followed as per Bangladesh Bank rate requirement in jute sector.

3.10.3-Freight and Commission calculated properly:

Most of the Jute files we found that there have two CI (Commercial Invoice). Sometimes the difference between this two CI is carrying the freight and commission amounts. Other times that difference is carrying only commission and freight charge by separately.

3.10.4-Audit Delays Performed:

Audit Delay does not occur due to the negligence of the auditors. It occurs because of the insufficiency of necessary documents given by the applicants. Auditors firstly verify the documents and give a Quarry List (see appendix) if there is any missing of documents. Generally applicants make delay to submit the documents written in the quarry list, as a result auditors take time to provide certificate.

For example, audit delay can be occurred for missing or lacking of the following documents:

- Certificate or cash assistance by BJMC
- FE Circular 3031
- Bill of lading
- Shipping bill
- Freight Certificate

For performing audit, at first audit firm gets a forwarding letter from the particular bank. After that within seven (07) days audit work has to be completed as per Bangladesh Bank circular. If the firm cannot accomplish audit within Seven Days it will be called as audit delay.

Chapter-4

ACTUAL TASK PART

4.1-Internship Experience:

As we know that AHKC – Aziz Halim Khair Choudhury is number 8th ranked position by the source of Bangladesh Bank press release 2017. And it is playing a pivotal role in overall auditing and assurance activities of the country. It has 3 branches; these are conducted their activity or operation spontaneously. I had confirmed my internship by the Uttara office of AHKC.

I was a part of AHKC for 12 weeks and started my internship on 4th September 2018. On the very first day, I was greeted by Dr. Jamshed Sanyath Ahmed Choudhury PhD, FCA, Principal and Chairman of AHKC Chartered Accountant, who introduced me to the encouraging culture of the AHKC and the manager appoint Runa Talukder (Deputy Director) as my supervisor, and I worked under Beauty Khatun (Manager, Audit and Assurance) of AHKC. I worked these 3 months under their supervision. My daily working hours were 9.30 AM to 5.30 PM. Especially, I was appointed in cash incentive audit department as well as I tried to take almost every opportunities for learning. I was very happy to work in such an environment where I could apply my academic knowledge to an extent and gathered practical working experience. This delighted me very much.

I got a friendly environment and every Sir, Madam, employees and students of Uttara Branch, AHKC is very polite. I enjoyed every moment during my internship period. I never felt obscure and ambiguous. The lovely and modernized environment of AHKC made my stay enjoyable. My observation and responsibility are in cash incentive audit section for the firm from 4th September to 3rd December 2018.

4.2-Indirect Learning and Direct Learning:

How to behave with colleagues?

In my internship period I learn how to behave with colleagues. I learned if I want to behave good with colleagues than I should come in on time, take reasonable breaks. Talk with every colleague and do not blame others for personal issues. Make sure to dress presentably..

How to behave with client?

In my internship period I learnt that, I should behave professionally to have a successful career. I can behave professionally by arriving to work prepared, having good morals, and honing my skills and always try to give the highest respect to the client.

Time Management:

Good organizational and time management skills are always helpful to any people. It is an essential skill for the workplace.

Here are the some of my learning areas in my internship period:

- ⇒ I learned about who prepare the EXP (Export Permission Form)
- ⇒ I learned about how exporters export their exporting goods
- ⇒ I learned about why Bangladesh Government Provide the Cash incentives and subsidies
- ⇒ I learned about how to calculate the cash incentives and subsidies amount

4.3-Different Aspects of My Job Performance:

As I was intern of AHKC in Uttara branch, I had many duties and responsibilities like:

- Study the cash incentive or subsidy file
- Prepare the cash incentive or subsidy file
- Check the cash incentive or subsidy file
- Input the appropriate data and create the certificate

4.4-About Cash Incentive & Subsidy Audit:

Audit is a formal procedure which is conducted by auditor to find out material misstatement. To do an audit, there must be information in a verifiable form and some standards (criteria) by which the auditor can evaluate the information.

Alternative Cash Incentive audit is one type of observance audit. Results of observance audits are typically reported to someone within the organizational unit being audited rather than to a broad variety of users. Management as contrasting to outside users is the primary group concerned with the extent of observance with certain prescribed actions and regulations. Therefore, a significant portion of work of this type is done by auditors employed by the organizational units themselves. There are exceptions, however. When an organization wants determine whether individuals or organizations are observing with its requirements, the auditor is employed by the organization issuing the requirements.

Cash incentive or subsidy audit involves the activities of checking relevant documents and calculating the amount whether it is satisfying the circulated amount of Bangladesh Bank or not. If the documents are relevant and the amounts are fulfilling the central banks circulated markup then the audit firm will provide the certificate to their clients (relevant financial, non-financial, export oriented organization). Only Bangladesh Bank will provide the cash incentive facilities.

4.5-Procedure of Cash Incentive & Subsidy Audit:

The procedures of executing cash incentive audit are:

- ⇒ The exporter submit applications for the cash incentives submitted,
- ⇒ The bank officially receive the application,
- ⇒ Letter which is issued by the bank towards the concerned partner,
- ⇒ Commencement which is for the cash subsidy audit,
- ⇒ Groundwork of the working paper file,
- ⇒ Crisscross of the workings,
- ⇒ Assessment of the working paper file,
- ⇒ Review and signature of the partner
- ⇒ The submitted certificate to the Bank

4.5.1-Application for Cash Incentives & Subsidies Submitted by the Exporter:

Application for Cash Incentives is submitted by the Exporter along with all necessary documents to the Export Division of the Bank through which the export is made. It is done only after the date of the proceeds realization since it is the proceeds of the exported goods, on receipt of which the exporter becomes eligible to apply for Alternative Cash Incentives of subsidy. Normally application is supported with a number of different documents required by different authorities (Bangladesh Bank, the Bank of the exporter, Auditor etc.) to be submitted with the application. All duplicates must be demonstrated in the files.

4.5.2- The Application Received by the Bank:

The Export Division of the concerned Bank authoritatively receives the application and necessary forms. Then the authorized officer of the Bank needs to demonstrate those documents. He checks all documents submitted to the bank. If he discovers any incompleteness, the applicant must accomplish the file in the required form.

4.5.3- Letter Issued for the Concerned Partner:

Then the Head Office issues a letter requesting the audit firm to widespread audit work according the application for cash subsidies.

4.5.4- Commencement of the Cash Incentive Audit:

The Head Office of the bank receives the letter from the International Division. The audit firm sends auditors to the concerned bank and the cash incentive audit officially commences. On completion of the attestation. The files are sent to the auditors by the authorized officer of the concerned branch of the Bank. Then the auditors starts their work as per the Terms of Reference recommended by the Bangladesh Bank according to the FE Circular no. 291.

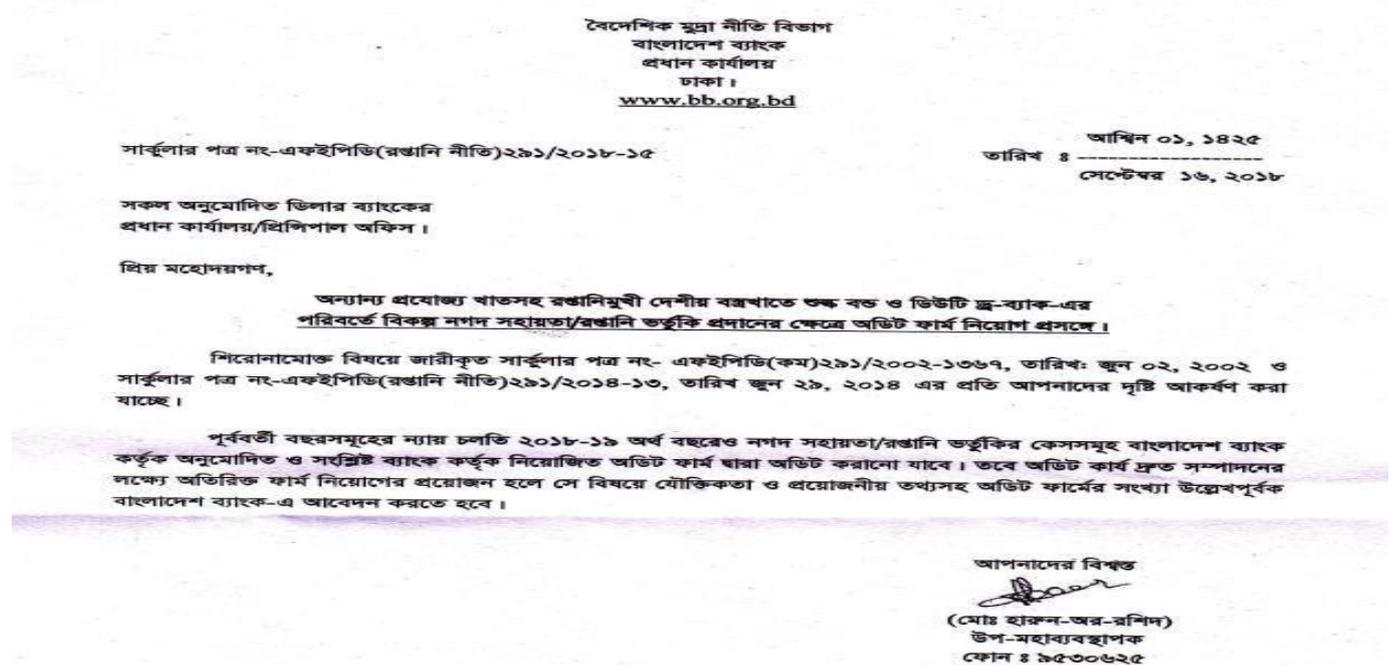


Image 5: FE Circular no. 291

4.5.5- Grounding for File:

The first work is to make a working file for each application. For this purpose, there is a standard format. In the annexure there is a sample copy of this file. Auditors place down that relevant information of the application file in this format. Evidence is presented chronologically in appendix.

4.5.6- Check of the File:

Senior students review this working file and ensure that it is correct & rational. It may ensure the mathematical accuracy of the certified amount. It also may verify that the certified amount is calculated considering all relevant items stated in the circulars.

4.5.7- Review of the File:

Senior students review this working file to ensure that it is correct & rational. He ensures the mathematical accuracy of the certified amount. He also verifies that the certified amount is calculated considering all relevant items mentioned in the Bangladesh Bank circulars. The scan copy for one of the jute sectors file is shown in the appendix part.

4.5.8- Partner's Signature:

Lastly, the concerned Partner finally checks the certificates. If all is correct, then final certificates of cash incentives is signed. Therefore, the final copy of Certificate as per the Attachment-“Ga” is prepared. A separate certificate is prepared for every application. At last the Partner of the firm issues these Cash Subsidy Certificates by appropriately signing them.

4.5.9- The Submitted certificate:

Cash incentive certificate is issued when it is signed. Then this certificate is submitted to the Head Office of the bank. The Head Office of the conveying bank will receive this certificate as well as the certified amount will be paid to the claimant if sufficient fund is available. The certificate will be shown in appendix part.

Chapter-5

RESEARCH PART

5.1-Problem Statement:

The focus of the research is designed to analysis the problematic areas of the cash subsidies which offers by the Bangladesh Government and some major observation of the Jute sectors in Bangladesh.

5.2-Project Time Line:

To prepare this project report I had to spend total 1 month. The project activities have shown in the following:

Description of Activities	1 st week	2 nd week	3 rd week	4 th week
Develop the Research Plan	√			
Developed the Survey Questions		√		
Conduct Survey Research			√	
Data Analysis and Interpretation				√

Table 6: Project Time Line

5.3-Budget Information:

In the internship period from 4th September, 2018 to 3rd December, 2018 in this three months, I had to spend this amount of money shown in the below-

Name	Taka
Transportation Cost (3Months/65 Days*10.00Tk.)	650.00tk.
Lunch (65 Days*50.00Tk.)	3,250.00tk.
Printing	700.00tk.
Others	300.00tk.
Total	5900.00tk.

Table 7: Budget Information

5.4-Research Methodology:

The study requires a systematic procedure from selection of the topic to preparation of the final report. To perform the study, the data source were to be identified and collected classified analyzed, interpreted in a systematic manner and key points were to be found out. The overall process of methodology has been given as below:

Data Sources:

Primary Data:

- ✓ The primary data has been collected from survey through the questionnaire structure. This questionnaire structure has been solved face to face interview with the selected sample.

Secondary Date:

- ✓ For this survey I do not use any secondary data. But I have used some statistical tools for analyzing the result.

5.4.1-Population and Sampling Method:

Population:

- ✓ Population of my study is the existing and active management, students and other peoples who are involved with Jute manufacturing of exporting activities. Total population is 320.

Sampling Method:

- ✓ **Simple Random Sampling:** A total of 32 managements, students and other peoples who are engaged in Jute sectors have been selected randomly.

(I selected simple random sampling in which each member of my population had an equal chance of being included in the sample.)

5.4.2-Research Approach:

- ✓ **Research Approach:** Quantitative (Statistical Test Base)

I have used quantitative research approach because it is most commonly used by the students like me where I have conducted my research by questionnaire survey, observation and structure interviews.

5.4.3-Research Philosophy:

The research philosophy is very important part of research which refers to the belief about the way in which data about the research should be gathered. This research is based on positivism philosophy where transparency of my research has been ensured through usages of true sense to make reproduction of information. The positivism philosophy mainly employs scientific tools and techniques or statistical tools to extract information from observation, survey or, interviews. The research philosophy is anti-positivism philosophy which prefers not to use statistical tools. Moreover according to the positivism research philosophy I have used statistical tools to generate numeric information from questionnaire survey, observation and structured interviews.

5.4.4-Type of Research:

- ✓ **Type of research:** Descriptive

Descriptive type of research is a research in which I have used questionnaire survey to collect specific data from specific group of people (Managements, students and other people who are involve in Jute sector)

5.4.5-Method of Data Collection:

- ✓ **Data Collection Method:** Questionnaire Survey.

It is a set of question presented to the managements and students of AHKC Chartered Accountants and other people who are involve in Jute sector for their responses besides it is best suited for descriptive research.

5.4.6-Data Analysis:

- **Result findings:** MS Word, MS Excel and some Statistical Tools to gain meaningful conclusion.
- **Hypotheses Test:** Z test

The following formula has been followed:

We know that,

$$Z \text{ test (One Tailed Z Test)} = \frac{\bar{X} - \mu}{\sigma / \sqrt{n}}$$

Where,

μ = Mean Value

n = Sample Size

σ = Standard Deviation

\bar{X} = Average.

5.5-Hypothesis Scale (Likert):

To analysis the data a 5 point Likert scale has been used which was developed by Rensis Likert where 1 stands for highly disagreed respondents, 2 stands for only disagreed respondents, 3 stands for the neutral respondents, 4 stands for agreed respondents, and 5 stands for highly agreed respondents.

Opinion	Weight
Strongly Disagree	1
Disagree	2
Neither Agree or Disagree	3
Agree	4
Strongly Agree	5

Table 8: Hypothesis Scale

5.6-Research Limitation:

The main limitations of this research are:

- ✓ Time limitation
- ✓ The data obtained in some cases may be biased
- ✓ The information obtained from the managements and students of AHKC Chartered Accountants and other people who are involve in Jute sector based on questionnaire survey was assumed to be factual
- ✓ Since the survey is based on probability sampling method, it does not disclose the opinion of the entire managements and students of AHKC Chartered Accountants and other people who are involve in Jute sector.

5.7-Hypotehsis Development (List):

List of Hypothesis: With a view to fulfill the research some relevant hypothesis has been formulated for this study:

1. **H_A:** Bangladesh is producing the sufficient quantity of Jute accordance to their capability.
2. **H_A:** For the producing of Jute, the government of Bangladesh is spending the enough money.
3. **H_A:** Jute exporters are victims of corruption.
4. **H_A:** Bangladesh government is providing enough cash subsidy.
5. **H_A:** Jute sector is playing an important role for economic development of Bangladesh.

5.8-Hypothesis Testing:

Likert Scale	H ₁	H ₂	H ₃	H ₄	H ₅
Strongly Disagree	1*5 = 5	1*11 = 11	1*2 = 2	1*8 = 8	1*0 = 0
Disagree	2*14 = 28	2*9 = 18	2*4 = 8	2*10 = 20	2*7 = 28
Neither Agree nor Disagree	3*0 = 0	3*1 = 3	3*5 = 15	3*2 = 6	3*3 = 9
Agree	4*9 = 36	4*3 = 12	4*10 = 40	4*4 = 16	4*10 = 40
Strongly Agree	5*4 = 20	5*8 = 40	5*11 = 55	5*8 = 40	5*13 = 65
Total	89	84	120	90	128
Average X	2.78	2.63	3.75	2.81	4.00
Variance (s)	1.80	2.60	1.50	2.40	1.38
Standard deviation (σ)	1.34	1.61	1.22	1.55	1.17
Z-test value	1.16	0.46	5.68	1.15	7.14

Table 9: Hypothesis Testing

5.9-Graphical Representation:

5.9.1-Hypothesis No. 01

H₀: Bangladesh is not producing the sufficient quantity of Jute accordance to their capability.

H_A: Bangladesh is producing the sufficient quantity of Jute accordance to their capability.

Step 1: To find Total

$$1*5 = 5$$

$$2*14 = 28$$

$$3*0 = 0$$

$$4*9 = 36$$

$$5*4 = 20$$

$$\text{Total} = 89$$

Step 2: To find Average \bar{X}

$$\bar{X} = \text{Total} / \text{Sample size} = 89 / 32 = 2.78$$

Step 3: To find Standard Deviation

$$[\{5(1-2.78)^2\} + \{14(2-2.78)^2\} + \{0(3-2.78)^2\} + \{9(4-2.78)^2\} + \{4(5-2.78)^2\}]$$
$$= 57.47$$

$$\sigma = 57.47 / 32 = 1.80 = \sqrt{1.80} = 1.34$$

Step 4: To find z Value

$$Z \text{ cal } \mu = 2.50$$

$$\frac{\bar{X} - \mu}{\sigma / \sqrt{n}}$$

$$= \{(2.78 - 2.50) / (1.34 / \sqrt{32})\}$$

$$= (0.28 / 0.24)$$

$$Z \text{ value} = 1.16$$

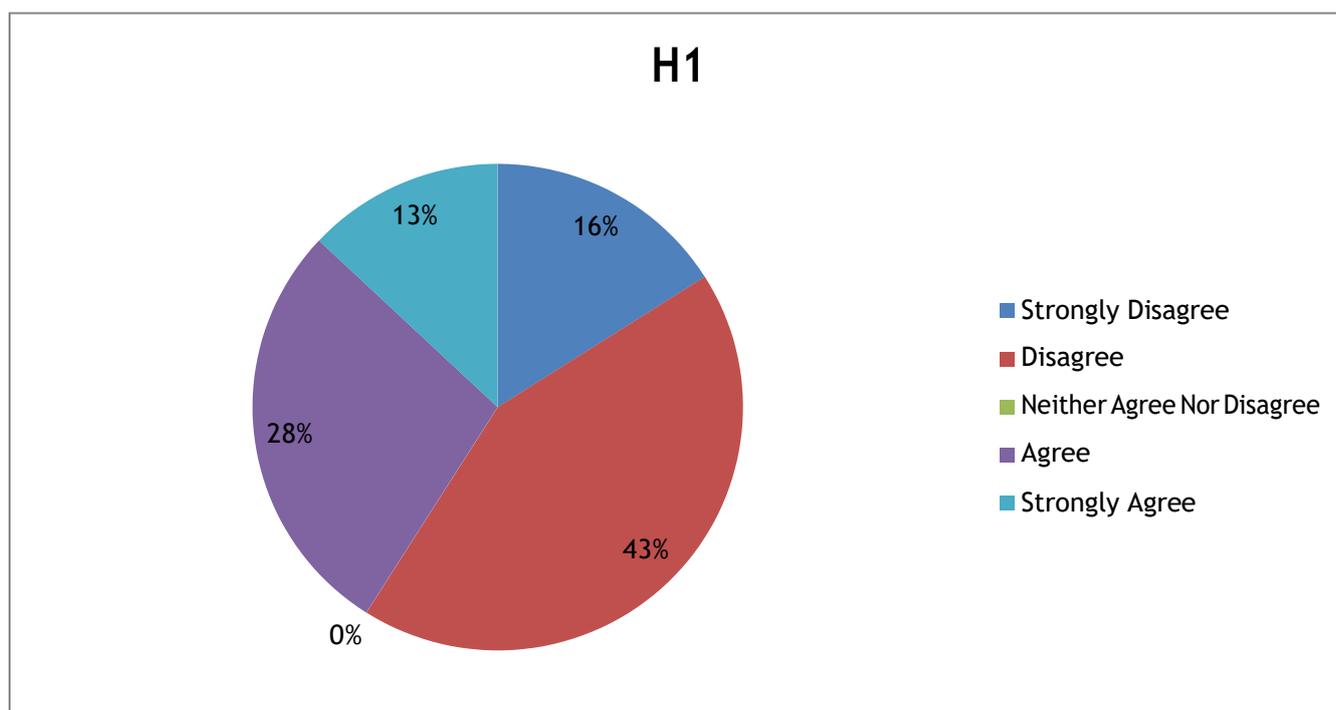


Chart 1: Hypothesis: 1

Interpretation:

⇒ At 5% level of significance, follows Z distribution $Z_{0.05} = 1.645$

⇒ Since $Z_{cal} < Z_{tab}$, null hypothesis is accepted. So at 5% level of significance, we can say that, the Z_{cal} value = 1.16 which is less than the Z_{tab} value = 1.645.

So, we accept the null hypothesis. It can conclude by saying that- Bangladesh is not producing the sufficient quantity of Jute accordance to their capability.

Around 59% respondents had identified that Bangladesh is not producing the sufficient quantity of Jute accordance to their capability.

5.9.2-Hypothesis No. 02

H₀: For the producing of Jute, the government of Bangladesh is not spending the enough money.

H_A: For the producing of Jute, the government of Bangladesh is spending the enough money.

Step 1: To find Total

$$1*11 = 11$$

$$2*9 = 18$$

$$3*1 = 3$$

$$4*3 = 12$$

$$5*8 = 40$$

$$\text{Total} = 84$$

Step 2: To find Average \bar{X}

$$\begin{aligned}\bar{X} &= \text{Total} / \text{Sample size} \\ &= 84 / 32 = 2.63\end{aligned}$$

Step 3: To find Standard Deviation

$$\begin{aligned}&[\{11(1-2.63)^2\} + \{9(2-2.63)^2\} + \{1(3-2.63)^2\} + \{3(4-2.63)^2\} + \{8(5-2.63)^2\}] \\ &= 83.50\end{aligned}$$

$$\sigma = 83.50 / 32 = 2.60 = \sqrt{2.60} = 1.61$$

Step 4: To find z Value

$$Z \text{ cal } \mu = 2.50$$

$$\begin{aligned}&\frac{\bar{X} - \mu}{\sigma / \sqrt{n}} \\ &= \{(2.63 - 2.50) / (1.61 / \sqrt{32})\} \\ &= (0.13 / 0.28) \\ &Z \text{ value} = 0.46\end{aligned}$$

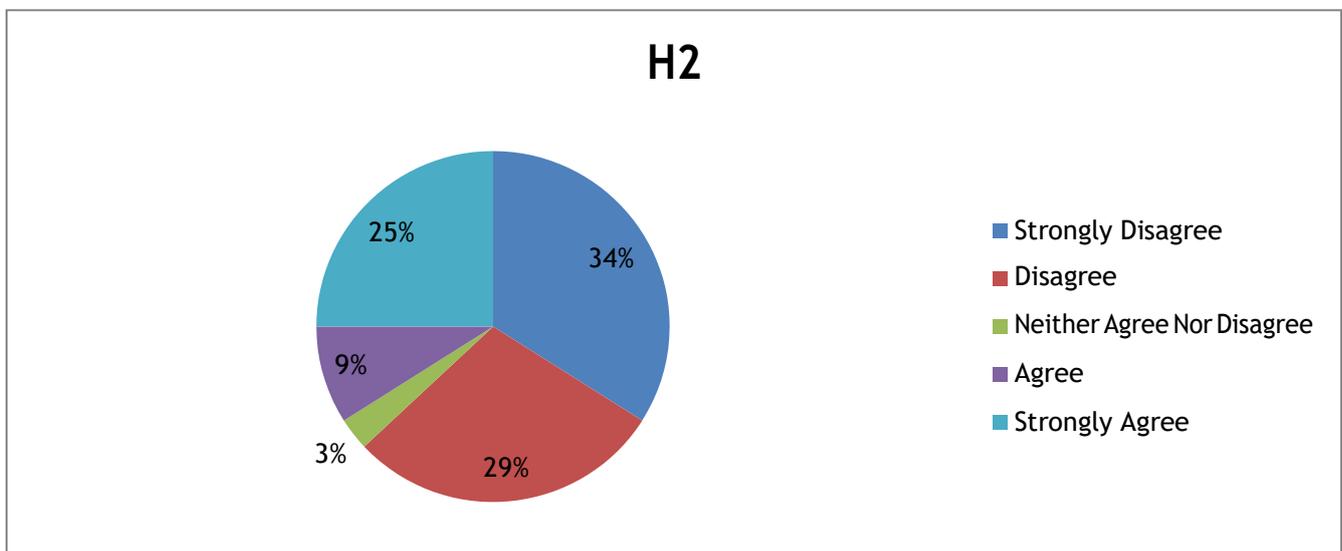


Chart 2: Hypothesis: 2

Interpretation:

⇒ At 5% level of significance, follows Z distribution $Z_{0.05} = 1.645$

⇒ Since $Z_{cal} < Z_{tab}$, null hypothesis is accepted. So at 5% level of significance, we can say that, the Z_{cal} value = 0.46 which is less than the Z_{tab} value = 1.645.

So, we accept the null hypothesis. It can conclude by saying that- For the producing of Jute, the government of Bangladesh is not spending the enough money.

Around 63% respondents had identified that for the producing of Jute, the government of Bangladesh is not spending the enough money.

5.9.3-Hypothesis No. 03

H₀: Jute exporters are not victims of corruption.

H_A: Jute exporters are victims of corruption.

Step 1: To find Total

$$1 * 2 = 2$$

$$2 * 4 = 8$$

$$3 * 5 = 15$$

$$4 * 10 = 40$$

$$5 * 11 = 55$$

$$\text{Total} = 120$$

Step 2: To find Average \bar{X}

$$\begin{aligned} \bar{X} &= \text{Total} / \text{Sample size} \\ &= 120 / 32 = 3.75 \end{aligned}$$

Step 3: To find Standard Deviation

$$\begin{aligned} &[\{2(1-3.75)^2\} + \{4(2-3.75)^2\} + \{5(3-3.75)^2\} + \{10(4-3.75)^2\} + \{11(5-3.75)^2\}] \\ &= 48.00 \end{aligned}$$

$$\sigma = 48.00 / 32 = 1.50 = \sqrt{1.50} = 1.22$$

Step 4: To find z Value

$$Z_{cal} \mu = 2.50$$

$$\frac{\bar{X} - \mu}{\sigma / \sqrt{n}}$$

$$= \{(3.75 - 2.50) / (1.22 / \sqrt{32})\}$$

$$= (1.25 / 0.22)$$

$$Z \text{ value} = 5.68$$

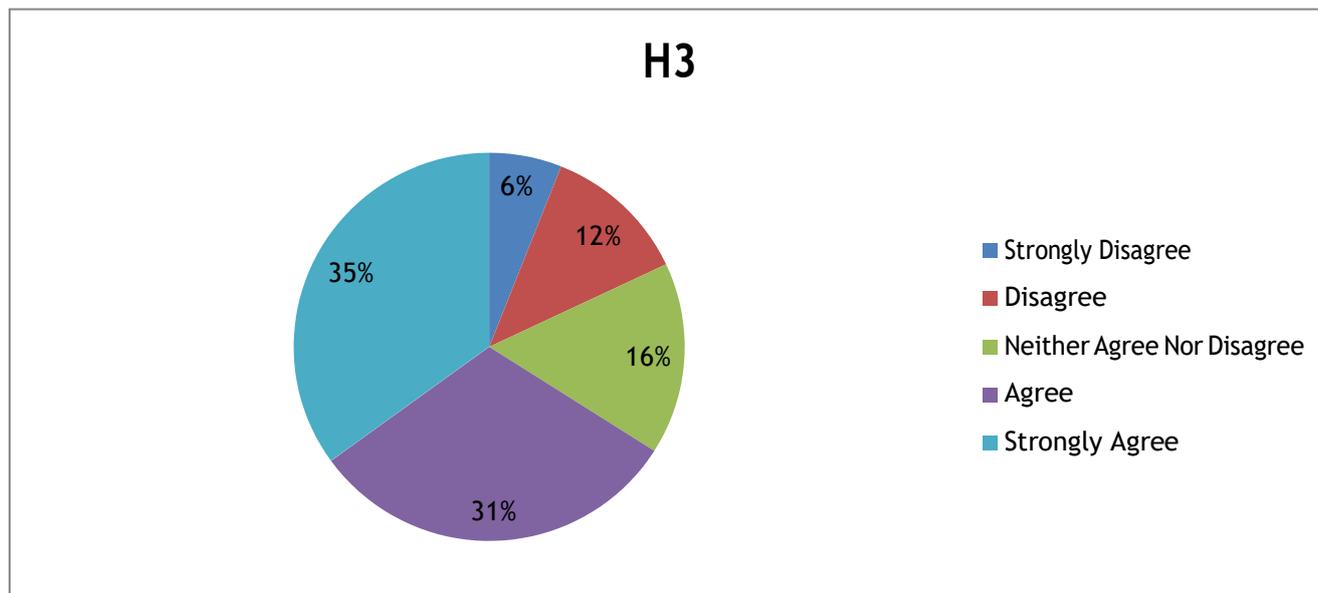


Chart 3: Hypothesis: 3

Interpretation:

⇒ At 5% level of significance, follows Z distribution $Z_{0.05} = 1.645$

⇒ Since $Z_{Cal} > Z_{Tab}$, the null hypothesis is rejected. In 5 point scale the mean value is 3

The null hypothesis is not accepted because Z_{cal} is greater than Z_{tab} . So at 5% level of significance, it can be said that- Jute exporters are victims of corruption.

Around 66% respondents had identified that Jute exporters are victims of corruption.

5.9.4-Hypothesis No. 04

H₀: Bangladesh government is not providing enough cash subsidy.

H_A: Bangladesh government is providing enough cash subsidy.

Step 1: To find Total

$$\begin{array}{r}
 1*8 = 8 \\
 2*10 = 20 \\
 3*2 = 6 \\
 4*4 = 16 \\
 5*8 = 40 \\
 \hline
 \text{Total} = 90
 \end{array}$$

Step 2: To find Average \bar{X}

$$\begin{aligned}
 \bar{X} &= \text{Total} / \text{Sample size} \\
 &= 90 / 32 = 2.81
 \end{aligned}$$

Step 3: To find Standard Deviation

$$\begin{aligned}
 &[\{8(1-2.81)^2\} + \{10(2-2.81)^2\} + \{2(3-2.81)^2\} + \{4(4-2.81)^2\} + \{8(5-2.81)^2\}] \\
 &= 76.88 \\
 \sigma &= \sqrt{76.88 / 32} = \sqrt{2.40} = 1.55
 \end{aligned}$$

Step 4: To find z Value

$$Z \text{ cal } \mu = 2.50$$

$$\frac{\bar{X} - \mu}{\sigma / \sqrt{n}}$$

$$= \{(2.81 - 2.50) / (1.55 / \sqrt{32})\}$$

$$= (0.31 / 0.27)$$

$$Z \text{ value} = 1.15$$

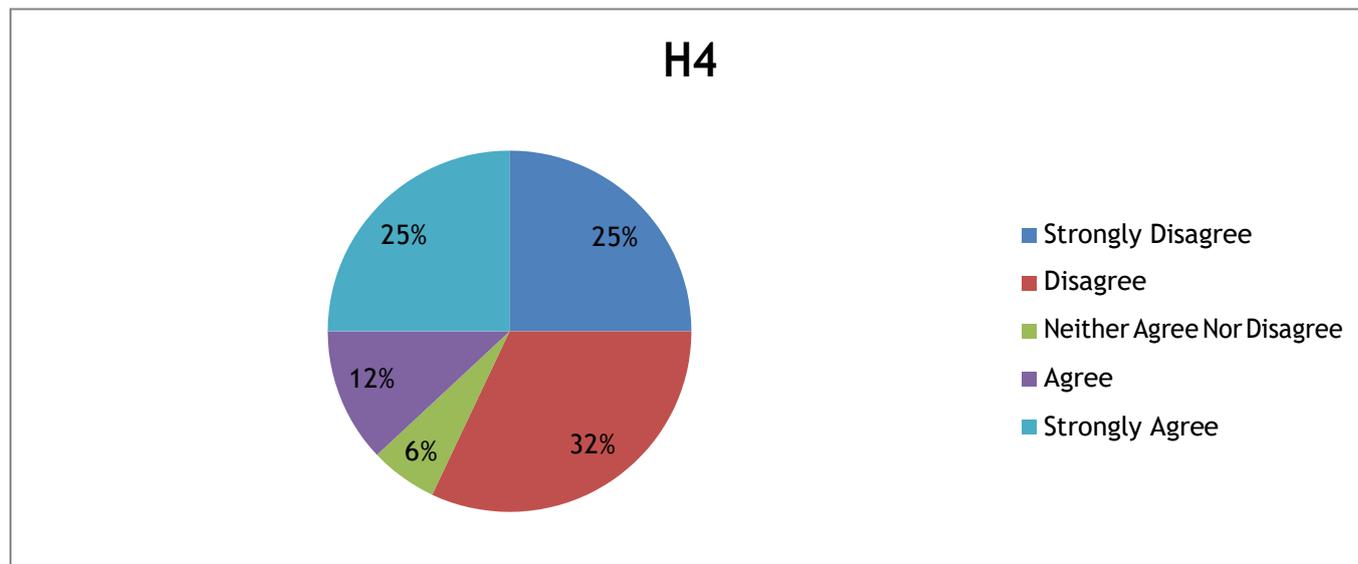


Chart 4: Hypothesis: 4

Interpretation:

⇒ At 5% level of significance, follows Z distribution $Z_{0.05} = 1.645$

⇒ Since $Z \text{ cal} < Z \text{ tab}$, null hypothesis is accepted. So at 5% level of significance, we can say that, the $Z \text{ cal value} = 1.15$ which is less than the $Z \text{ tab value} = 1.645$.

So, we accept the null hypothesis. It can conclude by saying that- Bangladesh government is not providing enough cash subsidy.

Around 57% respondents had identified that Bangladesh government is not providing enough cash subsidy.

5.9.5-Hypothesis No. 05

H₀: Jute sector is not playing an important role for economic development of Bangladesh.

H_A: Jute sector is playing an important role for economic development of Bangladesh.

Step 1: To find Total

$$1 * 0 = 0$$

$$2 * 6 = 12$$

$$3 * 3 = 9$$

$$4 * 10 = 40$$

$$5 * 13 = 65$$

$$\text{Total} = 126$$

Step 2: To find Average \bar{X}

$$\begin{aligned}\bar{X} &= \text{Total} / \text{Sample size} \\ &= 126 / 32 = 4.00\end{aligned}$$

Step 3: To find Standard Deviation

$$\begin{aligned}&[\{0(1-4.00)^2\} + \{6(2-4.00)^2\} + \{3(3-4.00)^2\} + \{10(4-4.00)^2\} + \{13(5-4.00)^2\}] \\ &= 44.00 \\ \sigma &= 44.00 / 32 = 1.38 = \sqrt{1.38} = 1.17\end{aligned}$$

Step 4: To find z Value

$$Z \text{ cal } \mu = 2.50$$

$$\frac{\bar{X} - \mu}{\sigma / \sqrt{n}}$$

$$\begin{aligned}&= \{(4.00 - 2.50) / (1.17 / \sqrt{32})\} \\ &= (1.50 / 0.21) \\ Z \text{ value} &= 7.14\end{aligned}$$

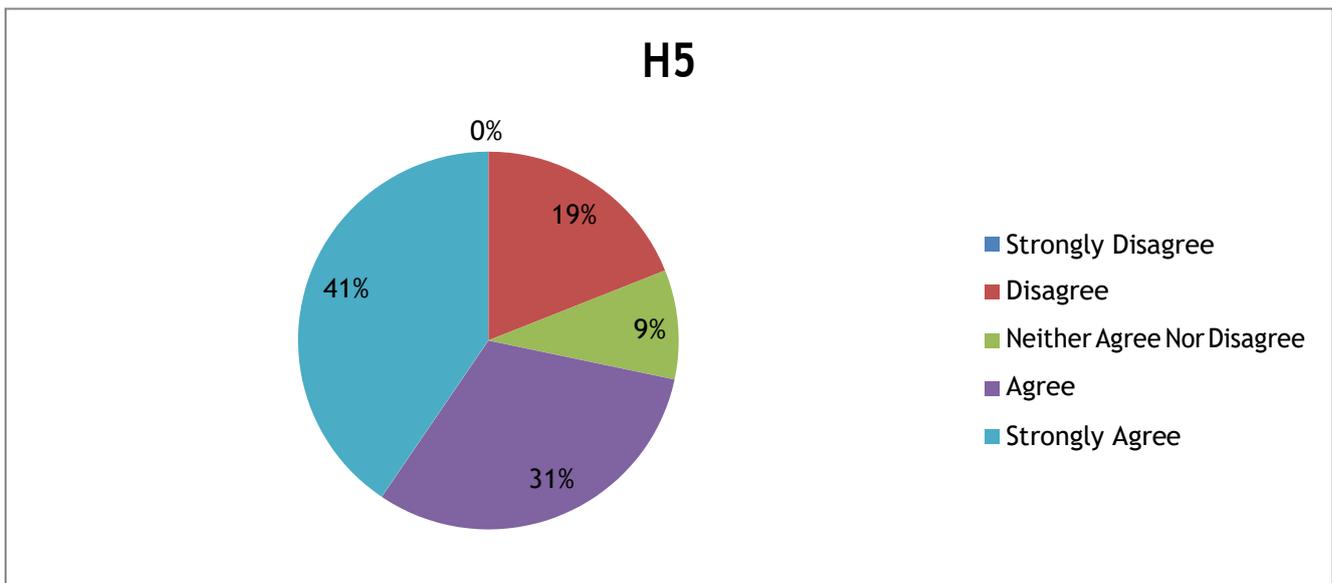


Chart 5: Hypothesis: 5

Interpretation:

⇒ At 5% level of significance, follows Z distribution $Z_{0.05} = 1.645$

⇒ Since $Z_{\text{Cal}} > Z_{\text{Tab}}$, the null hypothesis is rejected. In 5 point scale the mean value is 3

The null hypothesis is not accepted because Z_{cal} is greater than Z_{tab} . So at 5% level of significance, it can be said that- Jute sector is playing an important role for economic development of Bangladesh.

Around 72% respondents had identified that Jute sector is playing an important role for economic development of Bangladesh.

5.10-Findings:

- ⇒ Bangladesh is producing the sufficient quantity of Jute accordance to their capability. In this hypothesis 13% of respondent are strongly agreed, 28% are agreed, 0% respondents are neither agreed nor disagreed and 43% respondents are disagreed and 16% respondents are strongly disagreed. **(Hypothesis no.01)**
- ⇒ For the producing of Jute, the government of Bangladesh is spending the enough money .In this hypothesis 25% of respondent are strongly agreed, 9% are agreed, 3% respondents are neither agreed nor disagreed and 29% respondents are disagreed and 34% respondents are strongly disagreed. **(Hypothesis no.02)**
- ⇒ Jute exporters are victims of corruption. In this hypothesis 35% of respondent are strongly agreed, 31% are agreed, 16% respondents are neither agreed nor disagreed and 12% respondents are disagreed and 6% respondents are strongly disagreed. **(Hypothesis no.03)**
- ⇒ Bangladesh government is providing enough cash subsidy. In this hypothesis 25% of respondent are strongly agreed, 12% are agreed, 6% respondents are neither agreed nor disagreed and 32% respondents are disagreed and 25% respondents are strongly disagreed. **(Hypothesis no.04)**
- ⇒ Jute sector is playing an important role for economic development of Bangladesh. In this hypothesis 41% of respondent are strongly agreed, 31% are agreed, 9% respondents are neither agreed nor disagreed and 19% respondents are disagreed and 0% respondents are strongly disagreed. **(Hypothesis no.05)**

5.11-Recommendation:

- ⇒ The Jute producers are not satisfied with their profit. When they are unable for fulfilling their expectation, that time they are lost their interest for producing Jute. In Bangladesh there has so much provability for producing Jute but, it cannot produce the Jute according to their capacity for not getting sufficient facilities. So, Bangladesh government should increase the facilities for Jute producers.
- ⇒ Bangladesh government should invest more money for developing the Jute sector. This sector has huge chance for exporting throughout the world and earning more and more remittance.
- ⇒ In Bangladesh corruption is common in each and every sector. Jute sector do not miss out from that. Those who export Jute products they need to face the corruption. As a result they lost their interest for exporting. So corruption should be restricted from this sector.
- ⇒ Cash subsidy is providing for motivating the manufacturers for producing the goods. Jute sector is under the cash subsidy. Every year government increases the cash subsidy rate for Jute sector.
- ⇒ Jute sector is one of the best provable sectors, which sector helps more for economic development in Bangladesh. So Bangladesh government should take initiative for developing this sector.

Chapter-6

CONCLUDING PART

6.1-Conclusion:

Cash Subsidy is one of the greatest issues in our economy. It plays a vigorous role in our economic growth. A dramatic change has been seen in several export sector of Bangladesh. There is increased number of Jute mills, factories and projects. All results of cash subsidy are given in the different sectors of Bangladesh. The cash subsidy strengths backward linkages of all sectors. It is a rewarding venture of the Govt. of Bangladesh in promoting the export. It can also supposed that in quota-free world, cash subsidy will act as a substance to the survival of the export sector. Apart from few misuses, the correlation coefficient between cash subsidy and export of different products is highly positive. Cash subsidy can bring in huge foreign currencies for Bangladesh. It was not audited, before payment of cash subsidy previously. But now the amount of cash subsidy is paid after certified the amount by the external auditor. For the payment of cash subsidy it should be reasonable whether the application for cash subsidy and other relevant documents are true and complete. Accountability, true and fairness of the payment of cash subsidy can't be achieved if it is not audited by the external auditor. External auditor can reduce fraud of fund and accountability can ensure only through inspection. When cash subsidy is needed to increase the inflow of foreign currencies into Bangladesh, independent cash subsidy audit is needed to save public money. Deserving exporters will be deprived of cash subsidy if there is lack of independent audit of cash subsidy files and false exporters will enjoy the benefits. Every year there will be disagreeable disbursement of public money as cash subsidy. Therefore, Bangladesh Bank, Auditors, and Bankers must extend their helping hands for solving this problem.

Chapter-7

APPENDIX PART

7.1-References:

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7.3-Appendix A: (Abbreviations)

SWIFT – Society for Worldwide Interbank Financial Telecommunication

TT – Telegraphic Transfer

L/C – Letter of Credit

CI – Commercial Invoice

PL – Packing List

PI – Pro-forma Invoice

BJMA – Bangladesh Jute Mills Association

FOB – Free on Board

CNF – Commission and Freight

TOR – Terms of Reference

7.4-Appendix B:

Survey Questionnaires

Assalamu Alaikum,

I am Md Ashadur Rahman, student of **BBA**; from **IUBAT** (International University of Business, Agriculture & Technology). I am conducting a report on topic, “**A study of cash subsidy on export goods of Jute sector in Bangladesh**”.

For – (BUS-490): Practicum course. I need your valuable opinion. Let me assure you that all the information provided by you will be used only for academic purpose and kept under strict secrecy.

Information of Respondents

Name:			
Gender:	<input type="checkbox"/> Male	<input type="checkbox"/> Female	
Age:	<input type="checkbox"/> 20-25 Years	<input type="checkbox"/> 26-45 Years	<input type="checkbox"/> More than 45 Years
Occupation:	Gmail/Mobile No:		

[Please put a tick mark for the following questions]

1. Bangladesh is producing the sufficient quantity of Jute accordance to their capability.
 1. Strongly Disagree
 2. Disagree
 3. Neither Agree nor Disagree
 4. Agree
 5. Strongly Agree
2. For the producing of Jute, the government of Bangladesh is spending the enough money.
 1. Strongly Disagree
 2. Disagree
 3. Neither Agree nor Disagree
 4. Agree
 5. Strongly Agree
3. Jute exporters are victims of corruption.
 1. Strongly Disagree
 2. Disagree
 3. Neither Agree nor Disagree
 4. Agree
 5. Strongly Agree

4. Bangladesh government is providing enough cash subsidy.
 1. Strongly Disagree
 2. Disagree
 3. Neither Agree nor Disagree
 4. Agree
 5. Strongly Agree
5. Jute sector is playing an important role for economic development of Bangladesh.
 1. Strongly Disagree
 2. Disagree
 3. Neither Agree nor Disagree
 4. Agree
 5. Strongly Agree

[Thanks a lot for your co-operation]

➤ Application Form

এফ.ই.সার্কুল নং- ২৬ তারিখঃ ১০-০৯-২০১৮ ইং

পাটকল সমূহ কর্তৃক পাটজাত পণ্য রপ্তানীর বিপরীতে নগদ
ভর্তুকী পরিশোধের আবেদন পত্র।

ফরম-ক ①
SLM-03/18-B

ক) আবেদনকারী পাটকলের নাম, ঠিকানা, রপ্তানী নিবন্ধন সনদপত্র নম্বরঃ **Hafiz Jute Mills Ltd.,**
99, Agrabad, C/A, Chittagong, EXP. REGNT. NO. E00433 Dt. 08/04/1972

খ) রপ্তানী/চুক্তিপত্রের নম্বর, তারিখ ও এফওবি/সিএন্ডএফ মূল্যঃ **Cont. No. NITCL/P/452/2018 DT-19/07/2018**
US Dollars: \$24,960.00
(স্বনপত্র/চুক্তিপত্রের পাঠযোগ্য সত্যায়িত কপি দাখিল করিতে হইবে)

গ) রপ্তানী চালানের বিবরণঃ

পাটজাত পণ্যের বর্ণনা	পরিমাণ	ইনভয়েন্স মূল্য	জাহাজীকরণ তারিখ	ইএসপি নম্বর	প্রত্যাবাসিত রপ্তানী মূল্য ও প্রত্যাবাসন তারিখ
১	২	৩	৪	৫	৬
32 Bales H. Jute Cloth	18.14 M.Tons	US\$ 23,040.00	31/07/2018	0111/00188/18	US\$ 24,960.00 DT. 30/08/2018

(রপ্তানী ইনভয়েন্স এবং বিল অফ লেডিং এর সত্যায়িত কপি এবং রপ্তানী মূল্য প্রত্যাবাসন সনদপত্র দাখিল করিতে হইবে)

ঘ) নগদ ভর্তুকীয় আবেদন-কৃত অংকঃ

প্রত্যাবাসিত মোট রপ্তানী মূল্য (বৈদেশিক মুদ্রা)	সিএন্ডএফ রপ্তানীর ক্ষেত্রে পরিশোধিত জাহাজ ভাড়া	এক্সপোর্ট ক্রেইম কমিশন বাবত বিদেশে পরিশোধ্য অংক (থাকিলে)	বৈদেশিক মুদ্রায় নীট এফওবি মূল্য ১-(২+৩)	প্রাপ্য নগদ ভর্তুকী ১২ ৪ x ----- ১০০
১	২	৩	৪	৫
US\$ 24,960.00	US\$ 857.00	US\$ 1,063.00	US\$ 23,040.00	US\$ 2,764.80

(সিএন্ডএফ রপ্তানীর ক্ষেত্রে পরিশোধিত জাহাজ ভাড়ার অংক সম্বলিত ফ্রেইট সার্টিফিকেট এর সত্যায়িত কপি দাখিল করিতে হইবে)

ঙ) আমি/আমরা প্রত্যয়ন করিতেছি যে, উপর পরিবেশিত তথ্যাদি সঠিক এবং নির্ভুলঃ আমাদের স্বীয় পাটকলে উৎপাদিত পাটজাত পণ্য রপ্তানীর বিপরীতে ভর্তুকীর আবেদন করা হইতেছে। এই আবেদনপত্রে প্রদত্ত তথ্যাদি/ঘোষণা ভবিষ্যতে অসত্য প্রমানিত হওয়ার ক্ষেত্রে প্রদত্ত ভর্তুকীর সমুদয় বা অংশবিশেষ আমাদের হিসাব হইতে/আমাদের নিকট হইতে ফেরত লওয়া যাইবে। সংশ্লিষ্ট রপ্তানীর বিপরীতে পরবর্তীকালে এক্সপোর্ট ক্রেইম বিদেশে কোনও রেমিট্যান্স সম্পাদনের ক্ষেত্রে এই আবেদনের বিপরীতে পরিশোধিত ভর্তুকী হইতে প্রয়োজনীয় সমন্বয় বাবদ আমাদের হিসাব হইতে/আমাদের নিকট ফেরত লওয়া যাইবে।

তারিখঃ ২১/১০/২০১৮

আবেদনকারী পাটকলের স্বত্বাধিকারী/ক্ষমতা প্রাপ্ত
নিবাহক/অফিসার/স্বাক্ষর

Image: Application Form

➤ **Commercial Invoice (Without Freight & Commission)**

- This paper is called CI (Commercial Invoice). In this paper shows how much export done by exporter. From this paper we take the total invoice value. This paper is prepared by the exporter.

GRAM: INSAFC Chittagong PHONE: Export-716415 Mill- 611143 Mills Address: Bara-Aulia South Sonaichari, Chittagong Bangladesh	HAFIZ JUTE MILLS LTD. (An Enterprise of B.J.M.C.) SATTAR CHAMBER 99, Agrabad C/A, Chittagong. BANGLADESH.	ALLOC NO : H/0035/18-19 DATE : 19-07-2018 DESK : HESSIAN
Invoice No: <u>Exp/02/18-19</u>		Date: <u>22-07-2018</u>
Invoice Of: <u>32 Bales Hessian Jute Cloth.</u>		
To M/S: <u>NIKOO INTERNATIONAL TRADE CO. LTD., MNSN TOWER, (3RD FLOOR) SUITE# 401, 60 DILKUSHA C/A, DHAKA-1000.</u>		
Shipped Per: <u>OEL LANKA V-70/S</u>	From: <u>Chittagong, Bangladesh.</u>	
To: <u>MERSIN, TURKEY</u>	Buyer's Cont. No.: <u>NFTCL-P/452/2018</u>	
Date : <u>19-07-2018</u>	Our Cont. No: <u>H/02/18-19</u>	Date : <u>19-07-2018</u>
Due : <u>July' 2018</u>	SI No.: <u>475/18</u>	Date : <u>19-07-2018</u>
Exp. Form No: <u>0111/00188/18</u>		Date : <u>24-07-2018</u>
B/L No: <u>SSPHCOP8324279</u>		Date : <u>31-07-2018</u>

Marks& Number	Description of goods	Selling prices to Purchase	
		Rate	Amount
PRODUCT OF BANGLADESH HESSIAN CLOTH 40"-10 OZ/40 2000 YDS/ BALE MERSIN BALE NOS. 1-32	1 X 20FT CONTAINER = 32 BALES (64,000 YARDS) HESSIAN JUTE CLOTH 40"-10OZ/40, PORTER AND SHOTS 11X12, PLAIN, PACKING 2000 YARDS PER IRON BOUND BALE. GROSS WT: 18,400.00 KGS NETT WT : 18,144.00 KGS INSURANCE COVERED BY BUYER. TOTAL USDOLLARS: TWENTY THREE THOUSAND FORTY ONLY. CERTIFIED THAT THESE GOODS ARE OF BANGLADESH ORIGIN.	@ USS: 36.00 PER 100 YARDS FOB AT SIGHT.	USS: 23,040.00

Bankers : JANATA BANK LTD., Laldighi East Corporate Branch Chittagong Bangladesh	FOR: HAFIZ JUTE MILLS LTD. FOR: HAFIZ JUTE MILLS LTD. (Signature) Manager (Marketing) Export Department
For JANATA BANK LTD. (Signature) Authorized Officer Laldighi East Corp. Br. Chittagong.	

Image: Commercial Invoice without CNF

➤ **Commercial Invoice (Including Freight & Commission)**

- This paper is another CI (Commercial Invoice), the difference between these two CI is first one total invoice value calculated without freight and commission charges, second one total invoice value calculated with inclusion of freight and commission. Our task is to separate the freight and commission charge from this two Commercial Invoice.

GRAM: INSAFC Chittagong PHONE: Export-716415 Mill- 61143 Mills Address: Bara-Aulia South Sonachari, Chittagong Bangladesh	ALLOC NO : H/0035/18-19 DATE : 19-07-2018 DESK : HESSIAN	HAFIZ JUTE MILLS LTD. (An Enterprise of B.J.M.C) SATTAR CHAMBER 99, Agrabad C/A, Chittagong. BANGLADESH.
Invoice No: <u>Exp/02/18-19</u> Invoice Of: <u>32 Bales Hessian Jute Cloth.</u> To M/S: <u>KUT KOLLEKTIF SIRKETI, KANAVICE, ITHALAT-TOPTAN TICARET, 861 SOKAKI NO. 72 JUT HAN K. I NO. 101, IZMIR, TURKEY. E</u> Through M/S: <u>NIKOO INTERNATIONAL TRADE CO. LTD., DHAKA.</u> Shipped Per: _____ To: <u>MERSIN, TURKEY</u> Date : <u>19-07-2018</u> Due : <u>July' 2018</u> Exp. Form No: <u>0111/ 00188 /18</u> B/L No: _____		Date: <u>22-07-2018</u> From: <u>Chittagong, Bangladesh.</u> Buyer's Cont. No.: <u>NITCL-P/452/2018</u> Our Cont. No: <u>H/02/18-19</u> SI No.: <u>475/18</u> Date : <u>19-07-2018</u> Date : <u>19-07-2018</u> Date : <u>24.07.2018</u> Date : _____
Marks& Number PRODUCT OF BANGLADESH HESSIAN CLOTH 40"-10 OZ/40 2000 YDS/ BALE MERSIN BALE NOS. 1-32	Description of goods 1 X 20FT CONTAINER = 32 BALES (64,000 YARDS) HESSIAN JUTE CLOTH 40"-10OZ/40, PORTER AND SHOTS 11X12, PLAIN, PACKING 2000 YARDS PER IRON BOUND BALE. GROSS WT: 18,400.00 KGS NETT WT : 18,144.00 KGS INSURANCE COVERED BY BUYER. TOTAL USDOLLARS: TWENTY FOUR THOUSAND NINE HUNDRED SIXTY ONLY. CERTIFIED THAT THESE GOODS ARE OF BANGLADESH ORIGIN.	Selling prices to Purchase Rate Amount @ US\$: 39.00 PER 100 YARDS CNF MERSIN, TURKEY. FOB US\$: 23,040.00 FRT US\$: 1,152.00 FBC US\$: 672.00 LBC US\$: 96.00 TOTAL US\$: 24,960.00
Bankers : JANATA BANK Laldighi East Corporate Branch Chittagong Bangladesh		FOR: HAFIZ JUTE MILLS LTD.  MD. GOLAM MOSTAFA DY. MANAGER (MARKETING) HAFIZ JUTE MILLS LTD. CHITTAGONG, BANGLADESH.

MD. MUHAMMAD HAKIM
 Assistant Revenue Officer
 Customs House, Chittagong

voice with including CNF

➤ Purchase Contract

- This is the contract paper which is made between the two parties one is party is exporter and another one is importer. In this contract paper there is a contract number, date and the value how much exporter will export.

(2) (4)

NIKOO INTERNATIONAL TRADE CO. LTD.

Head Office: MNSN Tower (3rd Floor), Suite # 401, 60, Dilkusha Commercial Area, Dhaka-1000, Bangladesh. Phone: 951 3130.

PURCHASE CONTRACT

Cont. No. MITCL-P/452/2018
Date: 19/07/2018

M/s. HAFIZ JUTE MILLS LTD.,
Sattar Chamber, Agrabad,
Chittagong.

Dear Sirs,
We confirm having purchased from you the following goods as per terms and conditions hereunder on A/C of M/S. KAJUTE TEKSTIL SAN VE TIC, TURKEY :

Purchase reference	:	Against BJMC Sales Allocation no.H/0035/18-19 Dated 19.07.2018.
Specification	:	Hessian Cloth 40"-10 oz/40,porter and shot 11x12 ,Plain, packing 2000yards per iron bound bale.
Purchase price	:	US\$36.00 per 100 yards FOB Chittagong. yards \$ 64000.00 x 39 100yards
Quantity	:	32 Bales= 64,000 yards in 1x20ft container.
Shipment	:	July, 2018.
Freight & Insurance	:	Freight to be paid by us and insurance to be covered by buyers.
Inspection	:	By your quality control inspector and a certificate to be provided to us.
Destination	:	Mersin, Turkey.
Exp. Value	:	US\$36.00 FOB + US\$1.80 FREIGHT + US\$1.05 Foreign buyer's comm. + US\$0.15 Local Buyer's comm = US\$39.00 PER 100 yards CNE Mersin.
Payment	:	By CAD at sight.
Special Terms	:	1) Goods must be shipped in 1X20ft container. 2) All care and precaution should be taken so that weight comes accurate at the time of delivery of goods at consignee at destination port.
Other Terms	:	As per current BJMC/BJSA/BJMA FOB/C&F/CIF contract form now in force.

Please acknowledge receipt the same and sending two copies of this contract duly sealed and signed by you.

Thanking you,

For Nikoo International Trade Co. Ltd.
Nikoo International Trade Co. Ltd.
Tawhidul Islam Parvez
Director

For JANATA BANK LTD.
JANATA BANK LTD.
Authorized Officer
Lalghigh East Corp. Br. Chittagong.

Confirmed by Seller's.
MD. GOLAM MOSTAFA
DY. MANAGER (MARKETING)
HAFIZ JUTE MILLS LTD.
CHITTAGONG, BANGLADESH.

Registered office: 1906, Islambagh, South Dhanra, Kadamtali, Dhaka-1236. E-mail: niknobd@gmail.com. Phone: 9513130.

FOR: HAFIZ JUTE MILLS LTD.
Hafiz Jute Mills Ltd.
DY. Manager (Marketing)
Export Department

For JANATA BANK LTD.
JANATA BANK LTD.
Authorized Officer
Lalghigh East Corp. Br. Chittagong.

Image: Purchase Contract Paper

➤ PRC (Proceed Realization Certificate)

- Proceed realization certificate is issued by the bank. This paper is the main source document for checking the cash incentive of subsidy file. Here bank confirmed the every single information which is related to the export.

Print Date: 18-OCT-2018
PRC ID : 230783

Cash Assistance
 Cash Subsidy

Islami Bank Bangladesh Ltd.
Head Office Complex Branch 40 Dikusta C/A, Dhaka
Export Proceeds Realization Certificate Against Direct Export

Name and Address of Exporter: HAFIZ JUTE MILLS LIMITED, 99, AGRABAD C/A, SATTAR CHEMBER, CHITTAGONG B/M: 477385, E.R.C NO: 4333, PRC Issued for: HOC/NIKOO/HAFI/1831/81/18
Date: 30/09/2018

Exp Form NO	Description of Commodity	BL NO & Date	Invoice No & Date	Amount Inv	Foreign Currency	Amount Realized	Bangladesh Taka	Date of Realization	1. Freight paid 2. Insurance 3. Commission	Net FOB Value FOB in FC FOB in BDT	Date of submission to triplicate copy	Schedule
0000110011822018	53101000-UNBLEACHED	SSP466933247 01/10/2018 01/10/2018 TURKEY	01/10/2018 08/08/2018	24,992.00	USD 24,992.00	2,068,888.00	2,068,888.00	30/09/2018	1920.00	1,807,712.00	Aug-2018	A1/01
Total Realized Amount (BDT): 2,066,688.00												

We hereby certify that the particulars mentioned above are correct. We also undertake that in case any discrepancy is detected in this certificate is detected we shall remain responsible for the same and shall abide by any decision taken by the Bangladesh Bank in this regard. We further undertake that if any variance and other export claim relating to the export indicated in the proceeds realization certificate arises we shall abide by any decision of the Bangladesh Bank for deduction of appropriate amount for any further proceeds realization certificate. We will send within "Verification Copy" of the PRC to Bangladesh Bank for post facto checking in the month of OCT-2018

Signature of Head of the Branch
Md. Khorshed Alam
Senior Principal Officer (AS No-3623)
IFBL Head Office Complex C/A, Dhaka
Tel: 9570411, 7144591, 7144441, 7123484

Signature of the Issuing Officer
T.M. NAZMUL HAQUE
Senior Principal Officer, AS-2284
Islami Bank Bangladesh Ltd.
Head Office Complex, Br. Dhaka

Page 1 of 1

Image: PRC (Proceed Realization Certificate)

➤ Freight Certificate

- Freight certificate shows that how much in freight charge by the shipping authority. Here shipping clearly mentioned that for how much freight they charge for against how much quantity.

DATE: 12.08.2018

 **TRIDENT SHIPPING LINE LTD.**
Concord LK. Tower (5th Floor)
Plot No # 2, Block # Cen (A)
North Avenue, Gulshan-2, Dhaka-1212

FREIGHT CERTIFICATE

TO WHOM IT MAY CONCERN

SHIPPER : HAFIZ JUTE MILLS LTD.

BILL OF LADING NO. : SSPHCGP8324279 DATE: 31.07.2018

QUANTITY : 32 BALES (1X20'DV) HESSIAN CLOTH

FEEDER VESSEL : OEL LANKA, VOY- 70/S

FROM : CHITTAGONG

DESTINATION : MERSIN, TURKEY

THIS IS TO CERTIFY THAT THE OCEAN FREIGHT FOR ABOVE SHIPMENT AS FOLLOWS:

OCEAN FREIGHT USD 857.00

FOR: TRIDENT SHIPPING LINE LTD.


AS AGENTS
SETH SHIPPING (S) LTD.
TRIDENT SHIPPING LINE LTD.
Original Signed By
MD. AFZAL HOSSAIN

FOR: HAFIZ JUTE MILLS LTD. For JANATA BANK LTD.
Dy. Manager (Marketing)
Export Department
Authorized Officer
Lalighi East Corp. B.C. Chittagong.

Tel # : +880-2-8818801
9892411 (Hunting Number)
Fax # : +880-2-881086
E-mail : info@trident-bd.com

Image: Freight Certificate

➤ EXP (Export Permission) Form

- This paper is called Export Permission Form. This paper issued by the Bank. Actually exporter uses which bank that bank prepare this EXP Form. For preparing this paper bank collect export related all documents like- Commercial Invoice, Packing List Bill of Lading, Bill of Entry and L/C paper or Contract paper.

EXP FORM

(Statutory declaration to be furnished by exporters under FE Regulation Act, 1947 before shipment of goods. An incorrect declaration constitutes offence under the said Act.)

Second Original

(To be returned to the Authorized Dealer within 14 days from the date of shipment along with customs certification and relative document for negotiation.)

EXP NO.	AD's code	Serial Number	Serial Year
	1 1 1	100188	2018

Name and address of the Authorized Dealer **JANATA BANK LIMITED LALDIGHI EAST, CORPORATE BRANCH, CHITTAGONG, BANGLADESH.**

I/We, the undersigned hereby declare that I/we am/are the sellers/consignors of the goods described below in respect of which this declaration is made out and that the particulars given in the following items are true and that the invoice value declared in SI.No. 5 in case of firm contract is full value as contracted with the buyers; and in case of consignment sale, is a fair value of the goods which are being shipped on consignment sale.

I/We do hereby undertake to repatriate full proceeds of the export within the period specified by the Bangladesh Bank in terms of FER Act.

Sl. No.	Items	Particulars (to be filled in by Exporter)	Code No. (to be filled in by Authorized Dealer)			
1.	Commodity to be exported	MISSIAN JUTE CLOTH	53	10	10	00
2.	Country of destination	TURKEY	2	0	1	5
3.	Port of destination	MERSIN, TURKEY				
4.	Quantity	Unit (bales/tons/lbs. etc.)	32	BALES		
	Volume (Weight/number etc.)	18,400 KGS				
5.	Value	Currency	9	1		
		Incoterm Used				
	Invoice Value	US\$ 24,960.00				
	CMT Value (if applicable)					
6.	Terms of sale (Firm Contract/LC or Consignment sale)	NITCL-4/452/2018 DT. 19.07.2018				
7.	Name & Address of importer/consignee	M/S: KUT KOLLEKTIF SIRKETI, KANAVICE ITHALAT-TOPTAN TICARET, 861 SOKAK NO. 72 JUT HAN K. 1 NO. 101, IZMIR, TURKEY.				
8.	Name of carrying vessel	OEL LARKA V.70/8				
9.	Bill of Lading/Railway Receipt /Airway Bill/Truck Receipt / Post Parcel Receipt	No. 459100032479 Date: 01.08.2018				
10.	Port of shipment/Post Office of despatch	CHITTAGONG				
11.	Land Custom Post	CHITTAGONG				
12.	Shipment date					
13.	Name of the Exporter (in block letter) with address	HAFIZ JUTE MILLS LTD CHITTAGONG.				
14.	CCI & E's Registration Number of the exporter and date	E004333				
15.	Sector (Public or Private) under which the exporter falls	PUBLIC (BJMC).				

For JANATA BANK LTD.

Coded by
Checked by
SHAMSUL ALAM P.A. NO. 928, PPA-414
(Signature of authorized official of the bank)

Authorized Signature and Stamp of the Exporter with date
MD. GOLAM MOSTAFA DY. MANAGER (MARKETING) HAFIZ JUTE MILLS LTD CHITTAGONG, BAN.

For JANATA BANK LTD.
Authorized Officer LalDIGHI East Corp. Br. Chittagong.

Cont'd..... P/2

Image: EXP (Export Permission) Form

Top Sheet Fill Up for Jute Sector

□ As I am the interneer student, basically I worked in the cash incentive audit department. So as I was new my task was to prepare the working files. The following image is about how I was prepared the working files.

Top Sheet		Category:
Bank Ref.No.:	L/DEC/B/23/18	Jute goods
AHKC Ref.No.:	AHKC/JBL/LDEC/B/3129/R	Incentive %:
Applied Amount (Tk):	228,925.00	% of short realization:
Recommended Amount (Tk):	228,925.00	Maximum Duration:
Approved Amount (Tk):	228,925.00	Net Weight:
Reasons for Variation:		Financial Year:

Claim File Summary

Name of Bank: Jamta Bank Ltd.
 Name of Bank Branch: Laldighi East Corporate Branch
 PRC issued Bank Branch: Islami Bank Bangladesh Ltd (Head Office, Dhaka)
 Name of the Applicant: Habiz Jute Mills Limited
 Address of the Applicant: Bara - Aulia South Sonmohani, Chittagong.
 Name of the Exporter: Do.
 Address of the Exporter: Do.

Export L/C-Contract No.: NITCL-P/452/2018
 Date of L/C-Contract: 19.07.2018
 Value of L/C-Contract: \$24,960.00
 Export Permission (EXP) Form No.: 0111-00188-18
 Export Value: \$24,960.00
 Realized Value: \$24,960.00
 Realized Date: 30.08.2018
 Document Date: 06.08.2018
 Application Date: 21.10.2018
 Total Pages of the File: 10 pages

Prepared By: Md Asadul Karim
 Checked By: Beauty
 Date: 12.11.2018
 Reviewed By: _____
 Date: _____
 Certified By: _____
 Date: _____

* Packing list paper has not found.
 * PE Circular 3031 paper has not found.

Calculation Sheet for Jute Goods Sector

A. Realized Value	:	\$24,960.00
1) (-) Freight Charges	:	\$857.00
2) (-) Foreign Commis	:	\$1063.00
3) (-) Excess Realized	:	
4) (-) Excess Shipment	:	\$(920.00)
B. Net FOB Value	:	\$23,040.00
(-) Amount not eligible for cash Subsidy	:	
C. Net Amount eligible for Cash Subsidy	:	\$23,040.00
D. 10% or 7.5% or 5% of C (12%)	:	\$2,764.80
E. Conversion Rate	:	@ 82.00
F. Incentive Taka	:	TK. 228,925.00

Image: Preparing and reviewing the working file

Certificate Prepare by Audit Firm (AHKC)

Certificate

Attachment-Ga

Bank Serial No. JBLO-35/17-18

AHKC/JBL/LO/2951/2018

CERTIFICATION

JUTE GOODS SECTOR FOR THE FINANCIAL YEAR 2017-2018

The applicant **BANGLADESH JUTE MILLS LIMITED** exported against export L/C or Contract number **GFTCL/BJML-01/2017** dated **22.10.2017** for **AED 451,756.25** vide EXP number **0093-19168-17** of Janata Bank Limited, Local Office Branch, Dhaka, containing export value of **US \$ 271,053.75** against which **US \$ 271,053.00** has been repatriated on **27.12.2017** and cash subsidy claimed by applicant is **Tk. 554,412.00**

As per TOR amount payable after audit @ 10% is **Tk. 554,410.00 (Taka Five Lac Fifty Four Thousand Four Hundred Ten)** only which is hereby certified to be true and correct.

Signature _____

Date 29 October 2018

Name of Auditor **Dr. Jamshed S A Choudhury, FCA**
Senior Partner

Name & Address of Audit Firm **Aziz Halim Khair Choudhury**
Chartered Accountants
Phulbari House
House 25 Road 1 Sector 9
Uttara Model Town Dhaka-1230

Image: Certificate

