

Challenges, Opportunities, and Threats of Textile Sector in Bangladesh: A Look into the Dacca Dyeing and Manufacturing Company Limited

Md. Golam Mostafa*

Abstract: The textile sector is the most important one in Bangladesh. It is the largest manufacturing sector in the country. The study focuses the present situation of this country's warrants a new vision to accelerate and sustain growth, alleviate poverty, take advantage of new opportunities, threats and meet challenges of the future and how to play its rightful role in a competitive global market. The study was based on primary and secondary data followed by the statistical test like mean value, standard deviation, coefficient of variance, t-test etc. The textile sector, whose contributions to industrial GDP and employment are the highest in Bangladesh. DDMCL (Dacca Dyeing and Manufacturing Company Limited) has excellent production, sales and financial performance due to favourable local and foreign sales and satisfactory earning profit. The bright future of the garment sector has created a good demand for our yarn and fabrics and taps this opportunity; we need congenial business environment and backward linkage industries for the survival of our textile sector. In spite of that, in this study attempts has been made to find out some problems and identifying the challenges, opportunities and threats of DDMCL for the global market. This might be a good lesson for other Textile Industries of Bangladesh.

1. Introduction

The industrial sector plays a pivotal role for accelerated economic growth as well as rapid employment generation. The annual average growth rate of the manufacturing sector during the First Plan (1973-78), Two Year Plan (1978-80), Second Plan (1980-85) and the Third Plan (1985-90) were 7.35, 6.21, 0.93 and 4.22 percent respectively. In fact, the rates of growth of this sector went down significantly. During the Fourth Plan (1990-95) period the annual growth rate of this industrial sector was 7.05 percent which largely failed to achieve the targeted growth rate of 9.02 percent.

The main focus of Textile sector during the Fourth Plan period was oriented towards generation of employment, priority to private sector investment, promotion of export-oriented industries, rationalization of tariffs, providing monetary and fiscal incentives, product diversification and horizontal market expansion. In 1997-2002, no provision was kept for creation of any new capacity in textiles under the public sector and private sector was given the exclusive performance to invest in the field of spinning, weaving, knitting, dyeing and finishing and garments making. Private investment at various stages of the textile industries will be encouraged with particular emphasis on development of quality through technological improvement. This will be done not with a view to maximizing the backward linkage of ready-made garments manufacturing but also with the view to enabling the exports of fabric and yarn.

* Associate Professor, Department of Management, Rajshahi University,

The Dacca Dyeing and Manufacturing Company Limited (DDMCL) is a public limited company incorporated on 31st December 1963 under the Companies Act 1913 now adopted in Bangladesh as Companies Act 1994 having an authorized capital of Tk. 1.00 billion. The company owns and operates an industrial plant at Tongi, Gazipur. Dacca Dyeing is specialised textile unit presently producing 100% cotton Sheeting, high quality Towel, Bed sheet, Bedcover, Napkin, Table Cloth, Pillowcase, all sorts of Household Linen etc. fabrics of different constructions to meet requirements of overseas buyers and garments manufactures.

2. Objectives of the Study

The specific objectives of this study are as follows:

- a. To analyze for the global challenges, opportunities and threats to Dacca Dyeing and Manufacturing Co. Ltd.
- b. To analyze the present situation of the other dyeing and textile industries of Bangladesh.
- c. To examine the problems of dyeing, textile and garment sectors of this country.
- d. To give some suggestions that can help to overcome the problems and face the global challenges of the concerned mill.

3. Rationale of the Study

The textiles sector, whose contributions to industrial GDP and employment are the highest and which supplies one of the basic needs of the economy have focused during the Fifth Five Year Plan. In pursuance of the implementation of the GATT 1994 and with the phasing out of Multi-Fibre Agreement (MFA) by the year 2005, the facilities that are being enjoyed by Bangladesh as a least developed country for export of its textiles products have phased out progressively. In the globalized trade scenario, the Textile and Clothing sectors have to pursue the following objectives:

- a. To attain self-sufficiency in fabrics by ensuring availability of 17.0 meters of fabrics per capita per annum from the year 2005 and to meet the requirement of RMG industry through establishing backward linkages;
- b. To ensure direct export of textile goods by expanding production of quality fabrics at competitive prices;
- c. To establish linkages among the various textile sub-sectors, both upstream and downstream, by ensuring their healthy and harmonious development, to undertake and implement various integrated and related plans and programmers for the development of spinning, weaving knitting, hosiery, dyeing, finishing and the export-oriented RMG industry etc. on a priority basis and in keeping with the goals and objectives of the Fifth Five Year Plan.
- d. To create a congenial industrial environment for attracting local and foreign investment in the expansion of local textile industry by taking all the necessary measures and to provide various incentives.

4. Methodological Aspects

The data have been collected on primary as well as on secondary basis. The secondary data were used in the study. Those were collected from various publications, Bangladesh Economic review and the annual reports, audit reports and web site of the company. The study covers ten years of duration from 1995-2004. The present study was carried out on the opinions of twenty executives' (ten from head office and another ten from the plant level) of the selected company through a set of questionnaire. The collected data have been analyzed through statistical techniques viz. mean value, standard deviation, coefficient of variance, correlation, t-test, graph etc.

5. Industrial Development of Bangladesh

Bangladesh has been late in the process of industrialization. The industries sector plays a pivot role for accelerated economic growth as well as rapid employment generation. Before liberation (1971), some simple process industries like jute, textiles, sugar mills, pulp and paper mills, a small fertilizer plant, a cement factory, a mini steel mill, a few pharmaceutical units, bottling and packaging and several minor dockyards comprised the industrial base of the country. After liberation, within the overall objective of attaining a self-reliant economy, the First Five Year Plan (1973-1978) of the country adopted an import substitution strategy for industrialization with emphasis on domestic production of basic needs and investment goods. During the last twenty five years, the nation's industrialization efforts were channeled mainly through the public sector. A major portion of public investments was devoted to new capacity creation in chemical fertilizers and in the establishment of several basic engineering industries, while both the public and private sectors invested in textiles and clothing. Some investments were also made in balancing, modernization and expansion of some of the existing jute and textile mills.

6. Textiles and Clothing Sectors

The Fifth Five Year Plan (1997-2002) shows that the textiles sector, whose contributions to industrial GDP and employment are the highest and which supplies one of the basic needs of the economy would be continued. In pursuance of the implementation of the GATT (1994) and with the phasing out of Multi-Fibre Agreement (MFA) by the year 2005, the facilities that are being enjoyed by Bangladesh as a least developed country for export of its textile products would be phased out progressively. In the globalized trade scenario, the sub sector will have to pursue the following objectives:

- i. To ensure direct export of textile goods by expanding production of quality fabrics at competitive prices;
- ii. To create enabling environment and to provide the means by which the textile industry can serve as the prime mover of industrialization for generating employment, increasing export earning and encouraging contribution to national income by enhancing value addition;
- iii. To establish linkages among the various textile sub sectors, both upstream and downstream, by ensuring their healthy and harmonious development, to undertake and implement various integrated and related plans and programmers for the development of spinning, weaving knitting hosiery, dyeing, finishing and the export-oriented RMG industries. On a priority basis and in keeping with the goals and objectives;

- iv. To create a congenial industrial environment for attracting local and foreign investment in the expansion of local textile industry by taking all the necessary measures and to provide various incentives.

Textile is the most important and large industrial sector of Bangladesh. The performance of running textile mills under BTMC (Bangladesh Textile Mills Corporation) has been far from satisfactory and they have failed to contribute positively to the national economy. Therefore, the loss-making public sector mills are closing down one after another. Other side, the lion share of textile sector industries conducted by private owners. Presently, there are 220 number of cotton spinning mills in the country, private sector has 195 mills among them. BTMC has only 25 old spinning mills. Within this, a good number of industrial units have been conducted by service charges. In the fiscal year 2002-03 the employees of closed down 8 mills of BTMC have taken golden handshake. At this time within the year 2003-04 the employees of 4 mills out of 8 mills already have paid off their dues. Remaining 25% of 4 mills withdrew from the Privatisation Commission to give responsibility to Ministry of Textile and Jute for privatisation. Besides this in 2003-04, three mills under BTMC and one mill that was handed over to former owners, have been laid down to the liquidation cell by termination. In spite of private sector textile mills producing expected quantity and quality products. Many of the private sector textile mills are running successfully, utilised their capacity and earn maximum profit.

On the other hand, Readymade Garments business also is the major export oriented business in Bangladesh since a long time. Due to cheap skilled labour and quality readymade garments products, exporting all kinds of garment product all over the world, mainly in Europe, America and Canada. But USA has reportedly hardened its stand against the entry of duty-free textiles from Bangladesh without assigning any clear reason. With the withdrawal of MFA, many feared that the garment industries in Bangladesh would be hard hit and million of workers would lose their jobs. Now if the USA remains stick to her standing decision of not allowing Bangladeshi textiles free of duty, really hard days lie ahead.

The present policy of the Government is to privatise public sector textile mills in phases. In pursuance of this policy, the maximum are already sold, laid off and hand over in process. Ministry of Textiles (MOT), Bangladesh Handloom Board (BHB), Bangladesh Sericulture Board (BSB), Department of Textile (DOT) will carry out promotional activities by implementing several development projects.

Bangladesh Textile Mills Association, the platform of the country's textile mills owners, defended its stance over the allegations regarding the misuse of bonded warehouse facilities and issuance of Utilisation Declaration (UD) that ignited a nerve war between BTMA (Bangladesh Textile Mills Association) and the garments sector trade bodies i.e., BGMEA and BKMEA. The BGMEA (Bangladesh Garment Manufacturers and Exporters Association) should instead address the root causes for our lack of competitiveness, the lawlessness, the ports, the corrupt customs etc. The BKMEA (Bangladesh Knitwear Manufacturers' and Exporters Association) is a sub sector of the readymade garment industry (RMG). They observed that if the knitwear exporters would stop using the BTMA products they would fail to export their products in the international market due to their high price. They also said that in the present customs process it was quite impossible to import excess textile goods through UD. Textile and RMG sector has earned only disrepute from the foreign quarters and that destroyed the image of textile sector abroad through the altercation. The three core trade bodies are getting involved into quarrel. BTMA, BGMEA and BKMEA

should work jointly for the greater interest of the RMG sector and face the challenge of globalisation.

Bangladesh will have to switch over gradually to high value products. Adequate marketing skills will have to be developed so as to eliminate dependence on the middlemen. Facilities such as textile design training schools have to be built. Development of fashion industry has to be encouraged. Marketing assistance should be provided by the government to garments industry. Bangladesh will have to shift its emphasis from political diplomacy to economic diplomacy and all Bangladesh missions abroad have to be geared up for rendering to the entrepreneurs all necessary services in connection with marketing of products and access to needed technology. And Bangladesh government also have to take up the US decision about the export of duty free textiles with the USA counterpart immediately.

7. Overall Performance of DDMCL

The utter misfortune the twin tower incident of 11 September 2001 has totally shattered the entire world economic scenario and consequently the quantum of business in terms of value and volume reduced to a significantly lower level. As a result the export trade of the DDMCL deteriorated very badly during 2001-2002. The abnormal situation in the world market export sales reduced by 21.50% but local sales increased by 49% because of maximum efforts given for developing the local sales in order to maintain the cash flow of the company. In 2002-2003 the economic recession all over the world, the total 179 looms have been operated. The production capacity of the factory also been enhanced by at least 3 times and accordingly the turn over of the company was increased and still being improved day by day. At present (2003-2004) 215 looms (35 nos. terry looms and 180 nos. woven looms) are in operation. The grey fabrics production of this company has been increased to 2,019 million yds. as against 1,374 million yds. of last year. According to the achievement the turn over of Tk. 174,446 million as against Tk. 108,679 million of the previous year, the overall performance of DDMCL during last ten years are shown below:

Table 1: Overall Performance of DDMCL

(Value in lac Taka)

Years	Production	Sales		Net Profit/(Loss)	Dividend paid	Dividend as % of net profit
		Export	Local			
1994-1995	79.09	94.40	114.28	-24.30	0	0.00 %
1995-1996	76.24	110.45	90.61	12.41	8.00	64.46 %
1996-1997	151.57	396.50	92.34	90.54	44.00	48.60 %
1997-1998	110.92	257.27	115.62	33.63	22.00	65.42 %
1998-1999	168.72	340.85	230.45	45.58	44.00	96.53 %
1999-2000	532.42	174.43	480.92	68.50	44.00	64.23 %
2000-2001	1015.64	439.58	264.63	49.31	44.00	89.23 %
2001-2002	775.37	345.08	394.25	41.35	22.00	53.20 %
2002-2003	1098.90	731.60	325.06	48.73	30.80	63.21 %
2003-2004	1615.47	1486.70	257.75	46.56	22.00	47.25 %
Mean	562.43	437.69	236.59	41.23	30.28	59.21
SD	542.22	412.75	135.55	30.78	16.64	26.24
CV	96.41	94.30	57.29	74.65	54.95	4.43
t-value	3.28 **	3.35 **	5.52 **	4.24 **	5.76 **	7.14 **

Source: Annual Reports during the period of 1998 and 2004, DDMCL.

Note: ** denoting the significance at 1% level.

As per the observation (Table 1), Mean value, SD, CV of all the variables are not irrelevant. Production of DDMCL is gradually improved but only break through in 2001-2002. Similarly, Local and foreign sales are usual on the whole. The company always walks on profit but only in 1994-1995 it had run on loss. In that case, the company gave the dividend to the shareholders from time to time and dividend as percentage of net profit which was near about the mean value. T-value shows that the significant variations are found at 1% level of significance of all the variables. So, it is mentioned that the overall performance of DDMCL is thought to be satisfactory.

Table 2: Comparative Production of DDMCL and other Textiles of Bangladesh

(Figures in lac Mitre)

Years	DDMCL	Other Textiles	DDMCL as % of other textiles
1994-1995	0.90	NA	NA
1995-1996	0.87	NA	NA
1996-1997	1.72	109.00	1.58 %
1997-1998	1.26	102.60	1.23 %
1998-1999	1.92	105.70	1.82 %
1999-2000	6.06	124.10	4.88 %
2000-2001	11.55	147.30	7.84 %
2001-2002	8.82	161.40	5.46 %
2002-2003	12.50	180.30	6.93 %
2003-2004	18.38	263.00	6.99 %

Source: Annual Reports of DDMCL and Bangladesh Economic Survey, 2005.

Table 2 indicates that in comparative production of DDMCL as percentage (%) of other textiles of Bangladesh are gradually improving. So, this situation is also satisfactory for this company.

Table 3: Operating and other expenses of DDMCL

(Figures in thousand Taka)

Years	Cost of goods sold	Administrative Expenses	Selling and Marketing Expenses	Financial Expenses
1995	20724	1880	1096	69
1996	16328	1901	580	47
1997	37294	3344	622	651
1998	28208	3620	792	1238
1999	44018	3700	856	1995
2000	50413	3520	850	4180
2001	54747	4188	862	8168
2002	56282	4305	950	10618

2003	80937	9470	4493	8781
2004	134335	15265	11080	8911
Mean	52328.60	5119.30	2218.10	4465.80
SD	34545.37	4139.46	3323.42	4215.74
CV	6.60	8.09	14.98	9.44
t-value	4.79 **	3.91 **	2.11	3.35 **

Source: Annual Reports during the period of 1998 and 2004, DDMCL.

Note: ** denoting the significance at 1% level.

From the above table, the average cost is highest in 'cost of goods sold' and lowest in 'selling and marketing expenses' but the expenses of all the categories have gradually increased. T-value shows that all the expenses are significant at 1% level of significance but only selling and marketing expenses are not significant. So, operating and other expenses of DDMCL are not satisfactory at all, the costs should be reduced.

BMRE: The Company has taken BMRE (Balancing, Modernization, Rehabilitation and Expansion) program continuously when necessary for further development. The relevant machineries are already installed such as 1995 (Dornier looms, Stentering Machine, Weaving, Generator, etc.) and such as 2005 (Printing Machines, Rest Dyeing and Finishing Machines, etc.). The Garment section, Design studio and Laboratory have already been set up in a new building. The erection and installation of printing and other auxiliary machines have already started commercial operation.

Marketing and Sales: The company's consistency with its market reputation has been supplying its products to the reputed institutions i.e., International Hotel, Hospital, Corporation etc. continuing satisfactory. Similarly, in the international market, demand of the company's new range of products has increased considerably. Its products entered into markets of Germany, Sweden, France and even United States of America. The company acquired some more markets in Canada, Denmark, Netherlands, Belgium and Ireland in addition to the previous market of UK, Italy. More buyers throughout the world are now in good contact with the Company. Presently, the company controls the market with its products locally 38.18% and foreign 61.82%. (Executives' opinions) The company participated Heim textile International Fair 2003 held on 8-12 January 2003 and more overseas buyers and participating in the Heim textile fair in the 2005 at Frankfurt, Germany to expand export market. On the other hand, after commencement of commercial operation including printing machines the product mix are more diversified and the company is able to explore the export market in the new areas. In the domestic market DDMCL have already started delivery of wider width bed linen without stitching many show rooms (sales and display centre) at various districts for smoothing distribution of products and getting very positive response.

Human Resources: A strategy of human resources development is a precondition to the strategy of employment generation. The essential elements of the human resources development strategy are skill formation and raising the technical capacity of the production through education and training, research and extension and an institution all set-up with appropriate linkages between all these elements. A proper combination of man and machine can lead to organization success. But trained people are not available in the country as such the management organized fewer training

program in the factory to train the newly recruited employees so that the production can run smoothly and efficiently. After completion this type of training the new male and female workers mainly in preparatory, weaving and stitching department has been a success and as a result of the working environment in the factory has improved tremendously. But the training programs are not for all the employees regularly because of the factory has not own training institution or facilities.

Future Plan: The companies plan should be taken time to time where necessities for the new age. Management already decided to include one spinning unit (Rotor and Ring spun) with this project so that the required standard quality of yarn is made available within the premises by which superior quality fabric can easily be produced from the weaving shed and will achieve highest possible efficiency with a resultant reduction in the cost of production. The company expects better efficiency and sophisticated products and beyond try to meet the growing demand have home and abroad satisfactory.

Challenges: The development of a textiles market has many challenges. The importance of the impact of globalization is increasing on the Bangladesh economy including industrial growth rate, investment performance, export and import levels, balance of payments situation, small-scale industries and environment. The challenges are being addresses with vigour and the forced opening up of the economy and gradual removal of barriers.

Opportunities: A need for a solution to achieve a given goal can more constructively be regarded as an opportunity. Many areas, in business cycle provide an opportunity for quality improvement such as: design, technology, vendors, control of quality, education and training. Identification of these areas may not help much in quality improvement unless the detailed analysis of individual cause of variation has been examined and then exact relationship can be known. Increase demand and consistent growth rate indicates that DDMCL has great opportunities to utilize its' capacity with quality dyeing products as desired by local and foreign markets. Increasing health consciousness of consumers goes to use natural dyeing and textile products from artificial one. So, trend might increases the global market.

Threats: International competitiveness is essential to ensure better quality and competitive price for DDMCL. In Bangladesh uniqueness and attractiveness of design and prints are encouraging many consumers to buy towel, bed sheet, napkin, tablecloth etc.

8. Reasons for Challenges, Opportunities and Threats

There are certain technical factors and unusual situation which affect proper capacity utilization. An attempt has been made to identify the reasons for challenges and threats of DDMCL.

Opinions of Executives': The analysis contains the opinions of ten executives of the Factory and Head office of DDMCL interviewed with the respective interview schedule. Opinions of the executives are classified follow 5 points Likert's scale and scoring follows highest as '5' and lowest as '1' score.

Table 4: Textile Industry of Bangladesh

Opinions	Mean	SD	CV	t-value
Present state of textile industries in Bangladesh	3.90	0.77	19.68	23.29**
Quality of imported textiles	3.81	0.87	22.91	20.00**
Possibilities of expanding this sector further	4.62	0.67	14.48	31.64**

Source: Executives' opinions.

Note: ** denotes significance at $p \leq 0.01$.

Table 4 mentions that mean value of Textile Industries is highest i.e., 4.62 for 'possibilities of expanding this sector further' and lowest is 3.81 for 'quality of imported textiles'. SD and CV values are not unusual. T-values have significant variation at 1% level of significance for all the variables.

Table 5: Overall activities of DDMCL

Opinions	Mean	SD	CV	t-value
Product image in growing market	4.52	0.51	11.31	40.51**
Company follow the international standard specification	4.52	0.81	17.98	25.49**
Methods of monitoring the quality of the company's product	4.00	0.77	19.36	23.66**
Utility of the products in the overall development of this country	4.14	0.73	17.55	26.11**
Advertisement for the people know about the company's products	4.14	0.65	15.80	29.00**

Source: Executives' opinions.

Note: ** denotes significance at $p \leq 0.01$.

It is evident from the table 5 that mean value is highest i.e., 4.52 for 'product image in growing market' and 'company follow the international standard specification' because the value is similar for the two variables. Lowest mean value is 4.00 for 'method of monitoring the quality of this product'. Where t-value indicates that overall activities of DDMCL have significant variation at 1% level of significance for all.

Table 6: SWOT factors of DDMCL

Opinions	Mean	SD	CV	t-value
1. Availability of management competence	4.10	0.72	17.52	25.53**
2. Management efforts to control threats	3.60	0.82	22.80	19.62**
3. Effectiveness of industrial policies	3.40	0.68	20.02	22.34**
4. Business is progressing	4.50	0.51	11.40	39.23**
5. Management can enjoy any opportunities	3.70	0.47	12.71	35.19**
6. Your prospect from this company	3.90	0.72	18.41	24.29**
7. Business threats as adverse	2.90	0.55	19.05	23.47**
8. Companies growth last ten years	3.50	0.51	14.66	30.51**
9. Feasible business strength	3.90	0.85	21.85	20.47**

Source: Executives' opinions.

Note: ** denotes significance at $p \leq 0.01$.

It is revealed in the table 6 that mean value, SD and CV analysis of SWOT factors are highest in 'business is progressing', 'feasible business strength' and 'management efforts to control threats', respectively. T-value has significant variations in all variables at 1% level of significance. So, all the variables of SWOT factors are more effective.

From the analyses, which are executives' opinions of DDMCL, has significant role for this industry and also experienced for other textile industries of Bangladesh. These are:

- a. Almost 56% respondents viewed that irregular water, gas and electricity supply are not sufficient enough. (Appendix, Table 7)
- b. Motivational activities, training and welfare facilities are inadequate for all level. About 10 % respondents informed that the mill cannot provide adequate these facilities. (Appendix, Table 7)
- c. Correlation of SWOT factors indicates significant variation within the executives' opinions at 5% and 1% level of significance in most of the cases. (Appendix, Table 8)
- d. There are many problems in the mill, which are related to global challenges of textile industry:
 - i. High prices quality products;
 - ii. High rated gas, electricity and oil prices;
 - iii. Political unrest;
 - iv. Inadequate sales centre for the local market etc.

9. Conclusion

Presently the apparel export sector is multi-billion dollar manufacturing and export oriented industry in Bangladesh. The success of ready-made garment exports from the country over the last 30 years that has surpassed the most optimistic expectations. Necessity of cloth was felt with the commencement of civilization. Its demand not only increased in items of quantity but also flourished too many splendour varieties. It is the largest sector in terms of its contribution to employment, income generation and foreign exchange earnings. Recently, the number of export oriented textile mills double from 2002, also doubling the employment in the garments sector as well as the textile sector. But they faced the trend of smuggling through the porous border, import on false declaration and under invoicing increased at an alarming rate in the last few years. The blames also angered both BGMEA and BKMEA as the manufacturers and exporters of garments, including knitwear, mainly import textiles as raw materials. The uprising ready-made garments industry and its export earnings are a big success for Bangladesh. It is necessary to develop the textile sectors for a developing and surviving export oriented garments industry.

DDMCL always confident of scrapping the old equipment, induction of new equipment, the trained manpower and the newly installed machinery to increase the volume of production enabling to secure new markets and thereby increasing the sales. The demand for the new range of products in the export and local market remains very high. Increase in productivity and efficiency is expected to have a positive impact in the cash flow of the company.

The management and staff of DDMCL always committed to steady growth of the Company. It is able to maintain the positive trend of the company and continues to improve the performance. Consequently the company is to utilize its full efforts to achieve the target of production as well as the export and local sales. However, the team is working hard to make the company more profitable with increased productivity with rational production cost; now the company is one of the best textile mills in this country.

Bangladesh Textiles Mills Association (BTMA) proposed to the government to set up a Central Bonded Warehouse (CBWH) as well as SAARC commutation, which would benefit both the textiles and garment sectors of Bangladesh. Earlier the cabinet decision rejected the proposal but they decided to increase facilities quickening the land and seaport formalities helping reduce the "lead time". As a whole Printing, Dyeing and Garment industries of Bangladesh have no treatment plant for the waste products or flow out water. Therefore, there is a fall on its adverse impact on environment.

We, therefore conclude that the DDMCL has bright future to contribute through production of quality yarn and fabrics for meeting our garment's demand. This depends on sincere efforts of our human resources engaged in the textile industries and wide participation in global market through consciousness, product development and diversification.

10. Implications of the Study

The study found some limitations and problems through corrective measures. Thus for global challenges of DDMCL, the relevant steps are stated below:

1. Establishment of modern training institutes that train up employees for the dyeing, textile and other garment sectors of Bangladesh.
2. Reduce government duties and taxes for all textile equipments and materials.
3. Set up spinning mill to overcome the yarn problems and establish new machineries and plant.
4. Production related expenses are not similar in all level. Specially, selling and marketing expenses should be reduced.
5. Establish treatment plant for the waste products or flow out water to fresh and also proper draining system.
6. Insure continuous water, gas and electricity supply. Auto-generator system should be in corrupted production process.
7. Social awareness, motivational facilities and also political stability should be developed/increased.
8. SWOT analysis should be developed both internal and external environment for easier functioning of the company.
9. Communication should be developed by own transport facilities to reach the products in the whole country through the sales centre.
10. Backward linkage industries should be developed in order to develop our garments sector to increase the demand of yarns and local fabrics.

The company wants to strategically penetrate the market need to understand the challenges, opportunities and threats.

References

1. Annual Reports (1996-2004). The Dacca Dyeing and Manufacturing Co. Ltd., Dhaka.
2. Executive Summary (2004). Contribution of the RMG Sector to the Bangladesh Economy, CPD, Dhaka.
3. Ishaque, M. (1987). "An Analysis of the Problems of Working Capital Management of Bangladesh Textile Mills Corporation", Management Development, Vol. 16, No. 3, July-September, pp. 32-45.
4. Islam, O. (2004). "Human Resource Management Practice in Cotton Textiles: A Study of Northern Bangladesh", Institute of Bangladesh Studies, Rajshahi University, December, unpublished Ph.D. Thesis.
5. Ministry of Finance (2005). Bangladesh Economic Survey (Bengali version), Government of the People's Republic of Bangladesh, June.
6. Ministry of Planning (1995). National Accounts Statistics, Planning Division, Government of the People's Republic of Bangladesh, June.
7. Ministry of Planning (1997). Fifth Five Year Plan, Planning Commission, Government of the People's Republic of Bangladesh, June.
8. Rabbani (2005). US Decision Seems Irrational. Retrieved from World Wide Web: <http://www.nation.ittefaq.com/artman/exec/view.cgi/38/23926>
9. Staff Reporter (2005). Smuggled, Illegally Imported Fabrics Flood Market. Retrieved from World Wide Web: <http://bangladesh-web.com/news/view.php?hid>
10. Weirich, H., and Koontz, H. (1994). Management, 10th Edition. McGraw-Hill, New York.

Appendix

Table 7: Some problems of DDMCL as opined by the respondents

Sl. No.	Problems	Respondents
1	Unskilled labour of this company	20 %
2	Lack of quality yarn	35 %
3	Lack of Textile equipments	22 %
4	Lack of raw materials	22 %
5	High rated VAT, tax and custom duties	35 %
6	Critical foreign trade policy by the government	22 %
7	Irregular water, gas and electricity supply	56 %

Source: Executives' opinions.

Table 8: Correlation's of SWOT factors of DDMCL

Opinion	O1	O2	O3	O4	O5	O6	O7	O8	O9
O1	1.000	.786**	-.086	.714**	.717**	.837**	-.504*	-.143	.361
O2		1.000	.302	.500*	.764**	.643**	-.093	-.500*	-.060
O3			1.000	.000	-.263	-.345	.672**	.000	-.290
O4				1.000	.655**	.714**	-.557*	-.200	.602**
O5					1.000	.842**	-.527*	-.655**	.184
O6						1.000	-.822**	-.143	.499*
O7							1.000	-.186	-.693**
O8								1.000	.361
O9									1.000

Source: Executives' opinions (Table 6)

Note: O =Opinion, ** Correlation is significant at the 0.01 level and

* Correlation is significant at the 0.05 level

