

BANGLADESH SHOE CITY LTD.

BSCCL

A Private, Vertically Integrated Manufacturing
Platform for Global OEMs

**Footwear • Leather Goods • Accessories • Materials & Components •
Machinery & Tooling**



Developed by Jennys Group

Jennys

**Approved by Bangladesh Investment Development
Authority (BIDA)**



SUMMARY OF BSCL

Topics of Discussion

 **BSCL Vision**

 **BSCL Location**

 **Macro Case**

 **Value Chain**

 **BSCL Facilities**

 **BSCL vs. EPZ**

 **Success Story**

 **Partnership Models**

 **The Team**

 **Annex**



BSCL Vision

Creating the Silicon Valley of Footwear



"To establish a vertically integrated footwear ecosystem, positioning Bangladesh as the global benchmark for sustainable manufacturing excellence."

"Consolidating the entire footwear value chain within a world-class industrial hub, providing global brands with unparalleled speed-to-market and operational efficiency."

- 25+ Establishments, floor space of 5 million Sq.ft
- Potential employment of 50,000+ across the zone
- Yearly Export Contribution of USD \$1B by 2032

BSCL Location

In the Industrial Heartlands of Dhaka, Bangladesh



Address

73, Telirchala, Mouchak, Gazipur
1751, Bangladesh

Land Scale

≈40 Acres of Private Land, or 120
Bigha in Bangladesh Standards

Connectivity

Access to Dhaka to Mymensingh
(N3), Joydebpur (N4) Highways

Hubs

27km away from Hazrat Shahjalal
International Airport (Dhaka)

The Macro Case

Why Manufacturing is shifting to Bangladesh



USD \$70 -110 Labor Cost

Cost-Effective Labor

Wage range across tiers of labor, from semi to senior skilled



65% of Young Population

Demographic Dividend

Median age of 27, 2M new entrant into labor market annually



2-10% Cash Incentive

Fiscal Support

Direct government incentive for leather goods/footwear exports



Duty-Free Access

Global Trade

Unrestricted import/export access to majority of global markets

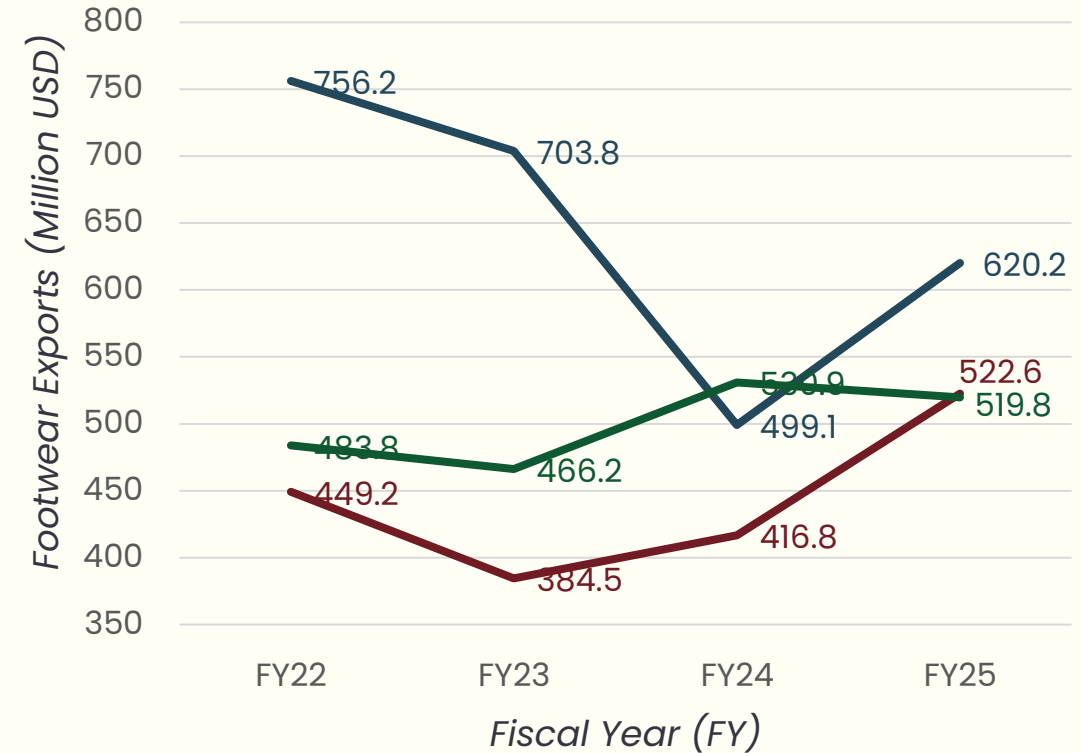


Domestic Supply

Resource Base

Stabilized domestic ecosystem of core materials/components

Footwear/Leather Goods Export Data (FY22-FY25)



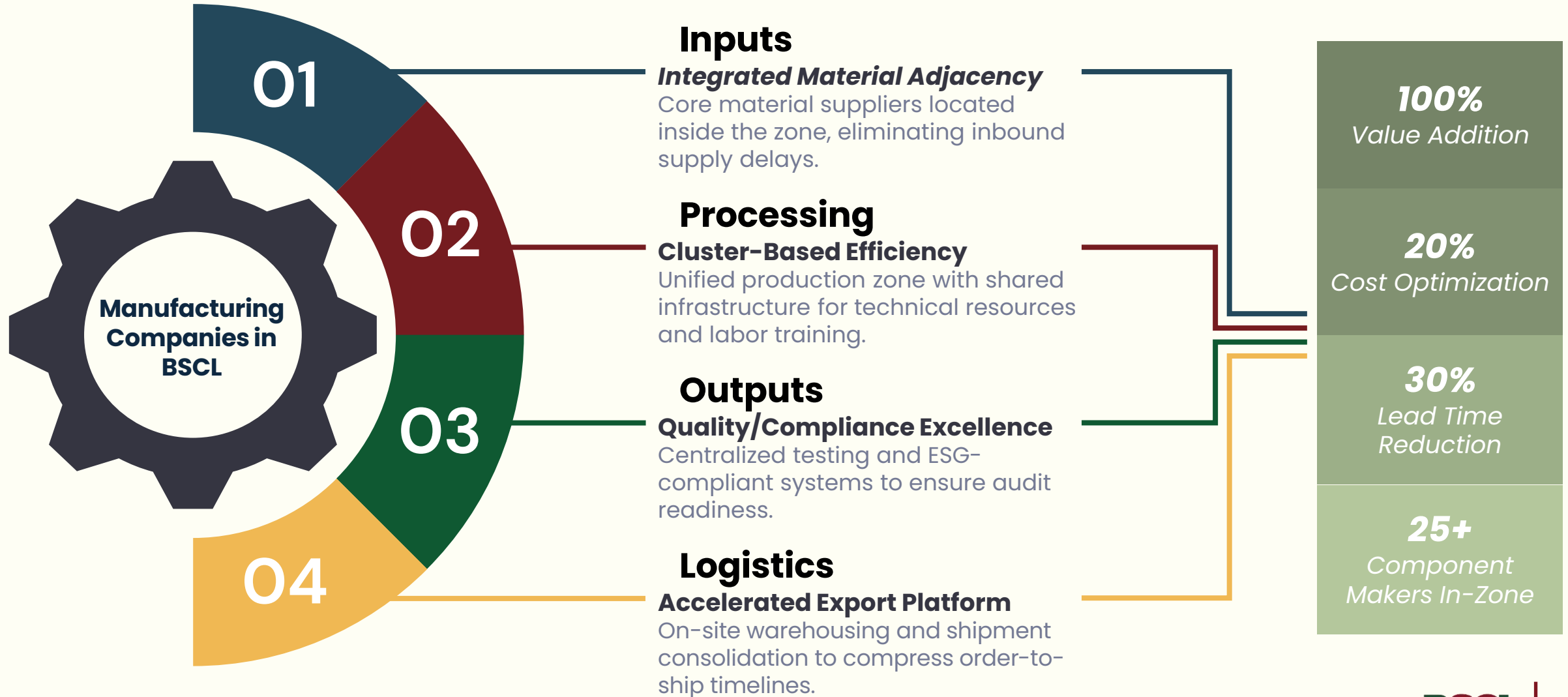
— Leather Footwear Exports (Million USD)

— Non-Leather Footwear Exports (Million USD)

— Leather Goods Exports (Million USD)

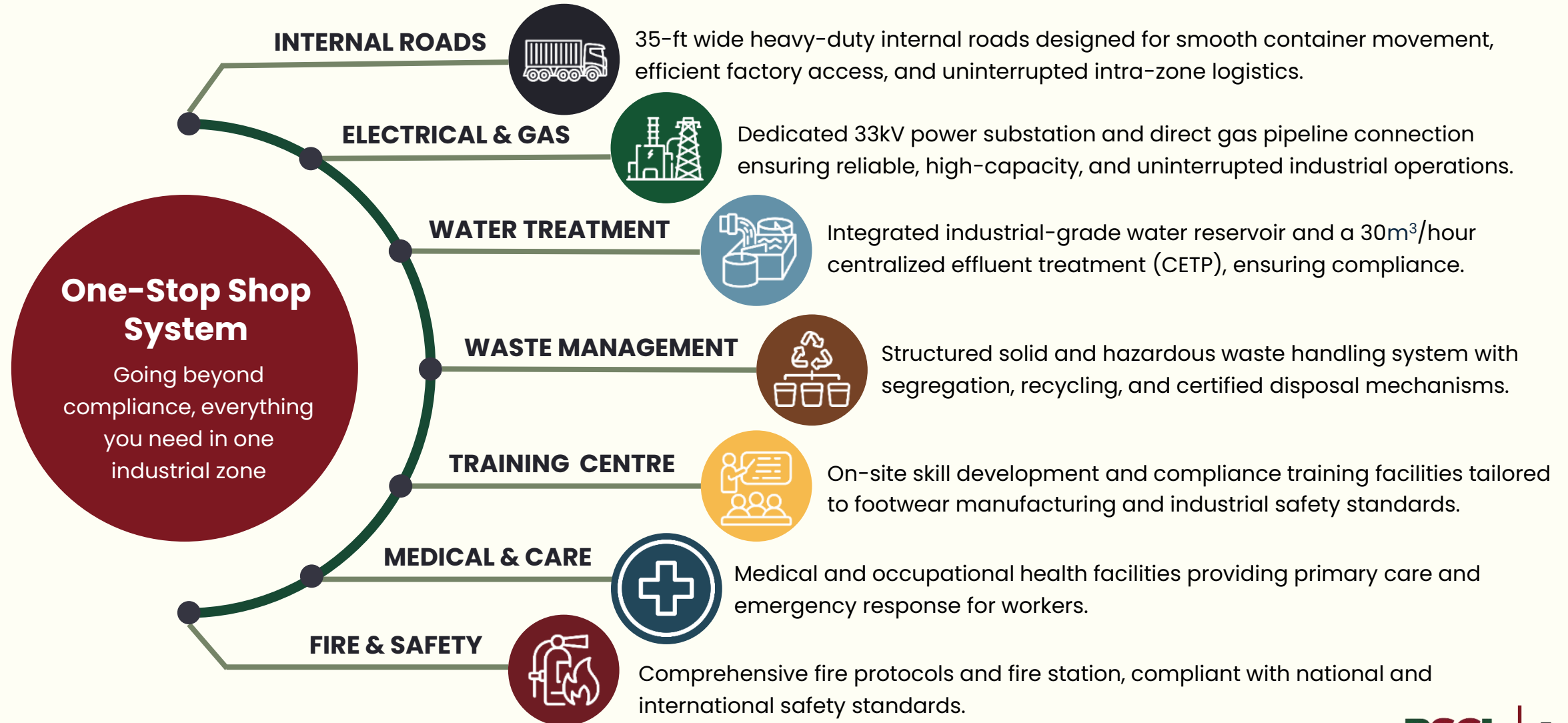
The Value Chain

The Shoe City Integrated Ecosystem



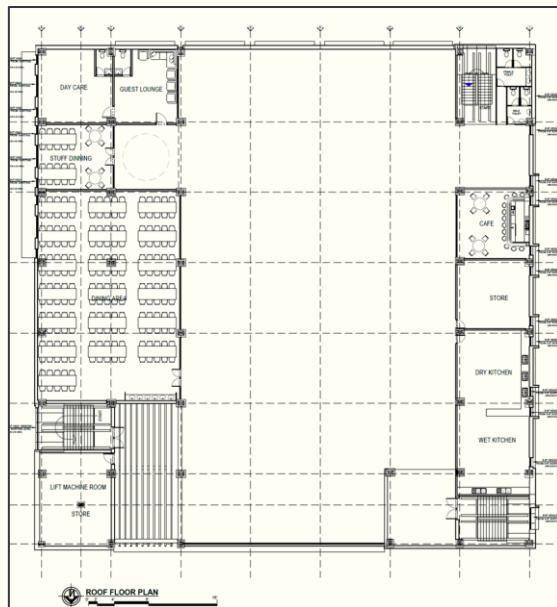
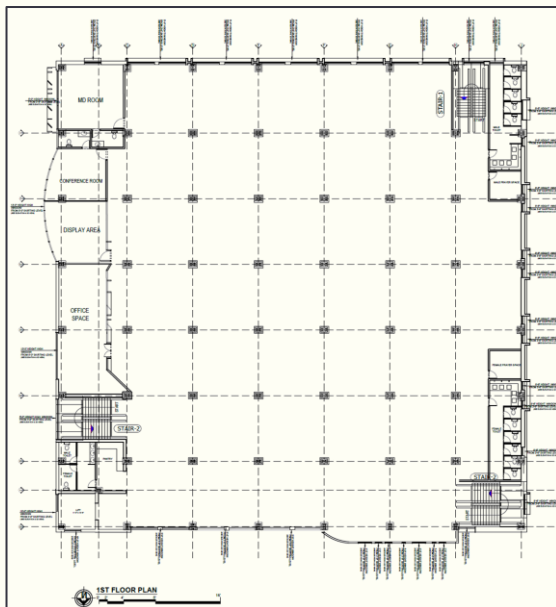
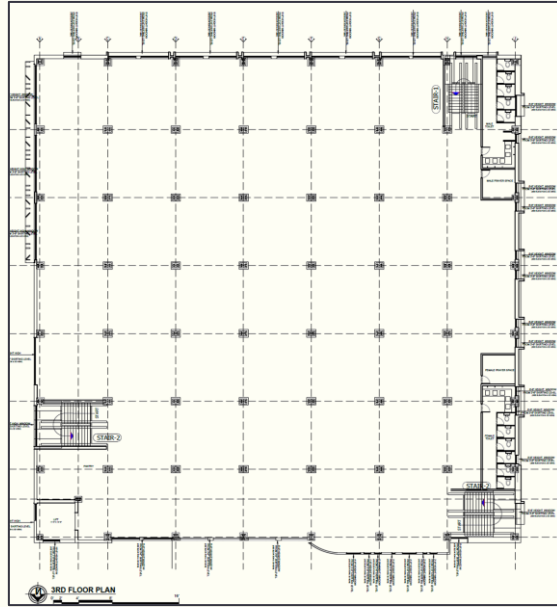
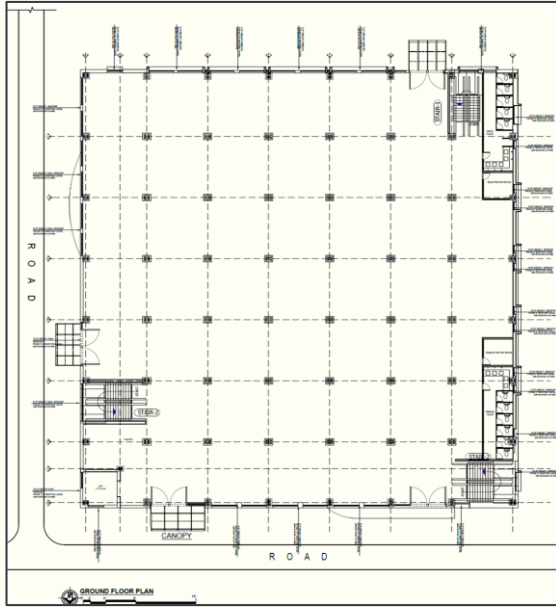
BSCCL Facilities

Creating the Industrial Ecosystem



Current Development

Building Construction



Jennys Shoes Building

Under Construction

5 Floors

140 x 140 ft

19,600 Sq.ft each,

Total 98,000 Sq.ft

Current Development

Overall Development













BSCCL vs. EPZ

Solving Key OEM Challenges

	EPZ	BSCCL	Implication
Time to Operation 	9-24+ Months (Government Red-Tape)	3-12 Months (Plug-and-Play readiness)	Faster setup accelerates revenue generation and shortens ROI cycle
Upfront CAPEX 	High (Investor Funded)	Low (BSCCL financed infrastructure)	Lower capital intensity improves balance sheet efficiency
Revenue Upside 	Indirect Tax Benefits	Direct Claim of Export Incentives	Direct incentive capture enhances margins and cash flow visibility
Market Access 	Restricted Domestic Sales	Hybrid (Export + Domestic Sales Permitted)	Dual-market access strengthens reduces export dependency risk
Operating Model 	Transactional (Landlord/Tenant)	Flexible (JV, Leasing, Partnership)	Flexible partnership models enabling scalable/adaptive growth
ESG Factors 	Individual Responsibility	Centralized (ETP, Medical, Training, Compliance)	Centralized compliance lowers risk and strengthens global credibility

The Success Story

Five-R Footwear Ltd.

PARTNERSHIP

Joint venture with a Chinese multinational footwear producer operating across China, Vietnam, and Indonesia.



FACILITIES

Fully integrated sports/leather footwear manufacturing facilities, audit-ready and compliant with Nirapon, BSCI, and ISO.



PRODUCTION

Established production lines with a capacity of up to 10,000 pairs per day with plans to scale further.



MARKETS/CLIENTS

Exporting to North American and European markets, serving brands like Skechers, Steve Madden, Aldo, Walmart, Lidl, etc.





Partnership Models

Engagement Structure and Flexible Entry Points

Joint Venture

A co-investment partnership leveraging shared capital and local expertise to build a mutually beneficial manufacturing operation.



Ready-Made Factory (RMF)

Pre-constructed, high-standard facility shells designed for rapid deployment and immediate machinery installation.



Built-to-Suit

Custom-built infrastructure developed to meet your specific technical requirements, proprietary layouts, and operations.



Land/Building Leasing

Long-term access to premium industrial plots or shells, offering full operational autonomy and independent management control.



Meet the Team

Management Personnel



Nasir Khan

Founder and
Chairman



Rian Khan

Director



Sonjoy Saha

Project
Director



Shadnam Khan

Consultant



THANK YOU

GET IN TOUCH

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Footwear Manufacturing Labor Wages & Economics – Bangladesh

Government-Mandated Wages | Country Wage Comparison

Government-Mandated Minimum Wages – Footwear

Grade	Skill-Level	BDT/Month	USD/Month
1	Senior-Skilled	13,520	\$111
2	Skilled	11,015	\$90
3	Mid-Semi-Skilled	9,350	\$76
4	Semi-Skilled	8,525	\$70
5	Low-Skilled	7,775	\$64
6	Unskilled	7,100	\$58

*FX rate used: 1 USD = 122.29 BDT

Sources: Minimum Wage Board (MWB); Ministry of Labour & Employment

Country Wage Comparison

Country	Unskilled	Skilled
Bangladesh	58	111
Vietnam	180	300
China	500	600
Taiwan	1000	1200

Bangladesh labor costs for export-oriented

footwear are:

~1/3 of Vietnam

~1/6 of China

<1/10 of Taiwan

Sources: World Bank; Statista; TradingEconomics; National Bureau of Statistics China; Vietnam Confederation of Labor

Imports

Tax | VAT | Duties

Import Tax & Duty Framework for Non-Bonded vs Bonded Warehouse License (Export-Oriented)

Item Category	Non-Bonded Rate	Bonded Rate
Raw Materials (leather, textiles, EVA, rubber, PU, chemicals)	CD: 2–25%; RD: 0–20%; SD: 0–60%; VAT: 15%; AIT: 5%; ATV: 4%	0%
Components & Accessories (eyelets, trims, zippers, logos)	Same as Raw Materials	0%
Spare Parts (machine parts, dies, wear items)	CD: 2–10%; RD: 0–20%; SD: 0–60%; VAT 15%; AIT 5%; ATV 4%	1%
Molds & Tooling (sole molds, injection tooling)	Same as Spare Parts	1%
Capital Machinery (production equipment)	CD: 2–5%; RD: 0–20%; SD: 0–60%; VAT 15%; AIT 5%; ATV 4%	1%
Packaging Materials (branded cartons, tissue, polybags)	Same as Raw Materials	0%
Chemicals & Adhesives	Same as Raw Materials	0%

HS Code Variance:
 - **HS Code:** Harmonized System Code used to classify goods for customs.
 - Import tax rates (**CD, RD, SD**) depend on HS code assigned to each product.

Tax Classifications:
 - **CD:** Customs Duty
 - **RD:** Regulatory Duty
 - **SD:** Supplementary Duty
 - **VAT:** Value Added Tax
 - **AIT:** Advance Income Tax
 - **ATV:** Advance Trade VAT

Notes:
 If bought locally from Non-Bonded: VAT 15%, AIT 3% for Raw Materials, Components, Packaging Materials, Chemical & Adhesives

Sources: Bangladesh National Board of Revenue (NBR) Customs Tariff & VAT Act; BIDA; PwC Bangladesh Import Tax Guide

Exports

Incentives | VAT | Withholding

Export Taxation & Incentive Framework for Bonded Manufacturers

Transaction Type	Taxes/Duties	Export Incentives/Benefits	Notes/Conditions
Direct Exports to foreign buyers	Export Withholding Tax (EWT): 1% of export proceeds	Leather footwear/goods: 10%; Non-leather footwear/bags: 2–3%; Crust/Finished leather: 6% (with ETP)	EWT deducted at source by bank; duty drawback on input taxes available
Deemed Exports (local supply to EPZ/bonded for export)	EWT may apply; VAT waived under conditions	Conditional	Documentation required: foreign-currency L/C, Utilisation Declaration
Local Sale from Bonded Warehouse/Export-Oriented Factory	VAT: 15%; If more than 20% of production sold locally then CD: 0–25%; RD: 0–20%; SD: 0–100%; VAT: 15%; AIT: 0–5%; ATV: ~3% also included.	N/A	80% of production must be exported, only proportionate duties + VAT on imported raw materials for local sales

Sources: Bangladesh National Board of Revenue (NBR) Customs Tariff & VAT Act; Bangladesh Bank Export Incentive Circulars (FY2024–26); Bonded Warehouse Rules (SRO), and BIDA

Corporate Tax Treatment

Corporate Tax Framework for Export-Oriented Manufacturers

Corporate Income Tax (CIT)

Category	Tax Rate
Export-Oriented Company	12%
Green/LEED Certified Factory	10%

Export Withholding Tax

1% deducted at source on export proceeds

- ✓ Adjustable against final corporate tax liability (Tax Payable)
- ✓ Not an additional tax – treated as advance tax

How It Works (Illustrative Example)

Scenario	Revenue	Profit	CIT @12%	Min Tax @1%	Tax Payable	Effective Tax % of Revenue
Strong Margin (10%)	\$100M	\$10M	\$1.2M	\$1.0M	\$1.2M	1.2%
Low Margin (3%)	\$100M	\$3M	\$0.36M	\$1.0M	\$1.0M	1.0%
Loss Year	\$100M	-	\$0	\$1.0M	\$1.0M	1.0%

Minimum Tax on Turnover

1% of Gross Revenue

Companies must pay:

Higher of:

- Corporate Tax (on profit), OR
- 1% of Gross Turnover
- ✓ Applies even in low-profit or loss years
- ✓ Ensures minimum tax contribution

Bangladesh Port Locations

Airports | Seaports | Inland Container Depots

Airports



Hazrat Shahjalal International Airport – Dhaka
Shah Amanat International Airport – Chittagong
Osmani International Airport – Sylhet

Seaports



Port of Chittagong – Chittagong
Port of Mongla – Khulna
Port of Payra – Barishal
Matrabari Seaport – Cox's Bazar (Under-Construction)

Inland Container Depots (ICDs)



Kamalapur ICD – Dhaka (Railway-linked)
Pangaon ICD – Dhaka (River-based)



