

CHAPTER 8 INDUSTRY

[According to the BBS, the contribution of the broad industry sector to GDP stood at 29 percent (based on FY 2005-06) in FY 2012-13, which increased to 29.61 percent in FY 2013-14 (provisional estimate). Among the fifteen sectors identified for computing national income, the broad industry sector includes four sectors such as mining & quarrying; manufacturing; construction; electricity & gas and water supply. Among these sectors, the contribution of the manufacturing sector is the highest. According to the provisional GDP data of BBS, in FY 2013-14, the contribution of the manufacturing sector in real GDP is 19.45 percent which was 19 percent in FY 2012-13. The growth in manufacturing sector stood at 8.68 percent in FY 2013-14. It is widely held that industrialisation is the prerequisite for rapid and sustainable economic development and achievement of social progress in a developing country. Therefore, the Government pledges to take initiatives to accelerate environment-friendly growth and develop all important subsectors of the industrial sector. In order to accelerate the pace of industrialisation in the country, the Government announced the National Industrial Policy 2010. The important and underlying objectives of the Industrial Policy 2010 include generation of productive employment, mainstreaming women in the industrialisation process and poverty alleviation. To this end, emphasis is being laid on developing women entrepreneurship, SME and labour-intensive rather than capital-intensive industries. The Government is continuing its efforts to achieve this goal by providing loans and other ancillary supports through banks and other financial institutions. As a result, the volume of both distribution and recovery of industrial loan is on the increase. The EPZs are playing special role in the process of promoting rapid industrialisation and attracting foreign investment. Both investment and exports in the EPZs are increasing gradually. In FY 2013-14, the total amount of investment in EPZs stood at US\$ 402.58 million, which was 22.54 percent higher than the investment made (US\$ 328.53 million) in previous fiscal year. On the other hand, during FY 2013-14, goods worth of US\$ 5,525.30 million (growth: 13.77%) was exported by EPZs which was US\$ 4,856.68 million in FY 2012-13]

The Industry sector plays an important role in the socio-economic development of Bangladesh. According to BBS estimates (base year: 2005-06), the contribution of the broad industry sector to real GDP stood at 29 percent in FY 2012-13, which increased to 29.61 percent in FY 2013-14. Among the fifteen sectors of GDP, the broad industry sector includes four sectors namely mining and quarrying; manufacturing; electricity and gas and water supply; and construction. The contribution of the manufacturing sector is the highest in GDP. In FY 2012-13, the contribution of manufacturing sector in GDP was 19 percent which reached to 19.45 percent in FY 2013-14. The volume and growth performance of the manufacturing sector from FY 2006-07 to FY 2013-14 is shown in Table 8.1 according to the base year 2005-06:

Table 8.1: Volume and Growth Rate of Manufacturing Sector

(At constant prices of 2005-06) (In Crore Tk.)

Type of Industry	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Small & Cottage	16112.9 (9.48)	17264.6 (7.15)	18525.3 (7.30)	20039.5 (8.17)	21176.0 (5.67)	22569.1 (6.58)	24557.9 (8.81)	26179.8 (6.60)
Medium-Large	65499.6 (10.80)	70331.2 (7.38)	74933.6 (6.54)	79631.4 (6.27)	88475.3 (11.11)	97998.3 (10.76)	108436.2 (10.65)	118364.0 (9.16)
Total	81612.5 (10.54)	87595.8 (7.33)	93458.9 (6.69)	99670.9 (6.65)	109651.4 (10.01)	120567.4 (9.96)	132994.1 (10.31)	144543.8 (8.68)

Source: Bangladesh Bureau of Statistics. * Provisional. Note: Figures in parentheses indicate rate of growth.

National Industrial Policy

In order to accelerate the pace of industrialisation in the country, the Government announced the National Industrial Policy 2010. The important and underlying objectives of the policy include generation of productive employment, mainstreaming women in the industrialisation process and poverty alleviation. Proper strategies have been set out in the industrial policy to implement all these aims and objectives. Combined efforts are being put in to implement the policy and necessary steps are being taken to preserve consumer's interest in consultation with concerned ministries and other stakeholders.

In the 'Sixth Five Year Plan (SFYP): 2011-2015' and 'Outline Perspective Plan of Bangladesh (2010-2021): Making Vision 2021 A Reality' pledges have been made to build a modern and vibrant industrial sector with the aim of reducing unemployment, hunger and poverty. Indications have been made in these documents to undertake short, medium and long term programmes to accelerate economic growth.

Quantum Index of Production of Manufacturing Industries

The Quantum Index of Production (QIP) is an important tool for measuring the production performance of manufacturing industries. Data available from Bangladesh Bureau of Statistics (BBS) shows that QIP (2005-06=100), representing medium to large-scale industries, rose to 195.19 in FY 2012-13 from 108.76 in FY 2006-07. In FY 2013-14, the QIP average index stood at 211.29. Table 8.2 shows the index during FY 2006-07 to FY 2013-14.

Table 8.2: Quantum Index of Production for Medium to Large Scale Manufacturing Industries

FY 2006-07 to FY 2013-14 (2005-06=100)

Fiscal Year	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Medium to Large Scale Industries	108.76	117.5	127.47	135.01	157.89	174.92	195.19	211.29

Source: Bangladesh Bureau of Statistics.

A. Small and Medium Enterprises (SMEs)

In order to expand and development of SME sector, Bangladesh Bank has been continuing its refinancing facilities during FY2013-14 for Banks and NBFIs as against their financing to SMEs. It is mentioned that Bangladesh Bank introduced refinancing facilities from Bangladesh Bank Fund, IDA (EGBMP) Fund and ADB-1 Fund, ADB-2 Fund, JICA fund, Women Entrepreneur Fund and New Entrepreneurs Fund in Cottage, Micro and Small Sector. However, refinancing was stopped from IDA fund in September 2009 and ADB-1 Fund in June 2011 as the total allocation has already been used up.

Despite several impediments, all Banks and NBFIs have come forward for financing and development of SMEs under close monitoring and supervision of Bangladesh Bank. During FY 2013-14, banks and NBFIs have disbursed altogether an amount of Tk.90,605.15 crores as credit against 578,018 SMEs which scored a 14.19 percent growth as compared to that of FY 2012-13. On the other hand, an amount of Tk.3,643.11 crore have been disbursed against

28,983 women led SMEs during the same period of FY 2013-14 and the disbursement increased by 47.35 percent than that of FY 2012-13.

In addition to regular financing by Banks and NBFIs to SME enterprises, Bangladesh Bank is injecting medium to long-term finances to enterprises through Banks and NBFIs by dint of its refinance schemes. Bangladesh Bank, with the help of Government and different development partners, is implementing 4 refinance facilities to banks and NBFIs against their disbursed SME credit. All these funds are in revolving nature. Sector and purpose wise details statement of refinancing to SMEs sector are shown in Table 8.3.

Table 8.3: Summary Information on SME Refinancing
(Up to June 2014)

Sl. No	Name of Fund	Amount Refinance (Taka in Crore)				No. of Beneficiary (sector wise)			
		Working Capital	Mid Term Loan	Long Term Loan	Total Loan	Industry	Trade	Service	Total
a)	Bangladesh Bank Fund	384.85	594.13	242.25	1,221.23	5,018	5,913	1,759	12,690
b)	IDA(EGBMP) Fund	80.34	132.47	99.80	312.61	1,368	1,306	486	3,160
c)	ADB-1Fund	144.48	132.27	58.19	334.94	800	2,096	368	3,264
d)	ADB-2Fund	-	568.39	178.56	746.95	3,765	7,435	2,445	13,645
e)	JICA FSPDSME Fund	6.97	39.13	149.77	195.87	185	8	78	271
f)	Women led Enterprises	161.07	423.44	192.82	777.33	3,450	4,789	1,392	9,631
Total		777.71	1,889.83	921.39	3,588.93	14,586	21,547	6,528	42,661

a) Bangladesh Bank Fund

Name of Fund	Amount Refinance (Taka in Crore)				No. of Beneficiary (sector wise)			
	Working Capital	Mid Term Loan	Long Term Loan	Total Loan	Industry	Trade	Service	Total
Bank (20)	349.22	289.00	70.48	708.70	3,111	3,949	818	7,878
Non-Bank(23)	35.63	305.13	171.77	513.30	1,907	1,964	941	4,812
Total	384.85	594.13	242.25	1,221.23	5,018	5,913	1,759	12,690

b) IDA (EGBMP) Fund*

Name of Fund	Amount Refinance (Taka in Crore)				No. of Beneficiary (sector wise)			
	Working Capital	Mid Term Loan	Long Term Loan	Total Loan	Industry	Trade	Service	Total
Bank (17)	73.07	75.73	28.51	177.31	973	1,167	79	2,219
Non-Bank(15)	7.26	56.74	71.30	135.30	395	139	407	941
Total	80.34	132.47	99.80	312.61	1,368	1,306	486	3,160

c) ADB-1 Fund**

Name of Fund	Amount Refinance (Taka in Crore)				No. of Beneficiary (sector wise)			
	Working Capital	Mid Term Loan	Long Term Loan	Total Loan	Industry	Trade	Service	Total
Bank (9)	144.32	90.95	34.17	269.44	657	1,893	155	2,705
Non-Bank(7)	0.16	41.32	24.02	65.50	143	203	213	559
Total	144.48	132.27	58.19	334.94	800	2,096	368	3,264

d) ADB-2 Fund***

Name of Fund	Amount Refinance (Taka in Crore)				No. of Beneficiary (sector wise)			
	Working Capital	Mid Term Loan	Long Term Loan	Total Loan	Industry	Trade	Service	Total
Bank (19)	-	300.88	86.83	387.70	2,246	5,319	1,230	8,795
Non-Bank(13)	-	267.51	91.73	359.25	1,519	2,116	1,215	4,850
Total	-	568.39	178.56	746.95	3,765	7,435	2,445	13,645

e) JICA FSPDSME Fund

Name of Fund	Amount Refinance (Taka in Crore)				No. of Beneficiary (sector wise)			
	Working Capital	Mid Term Loan	Long Term Loan	Total Loan	Industry	Trade	Service	Total
Bank (25)+ Non-Bank(21)	6.97	39.13	149.77	195.87	185	8	78	271

f) Women led Enterprises

Name of Fund	Amount Refinance (Taka in Crore)				No. of Beneficiary (sector wise)			
	Working Capital	Mid Term Loan	Long Term Loan	Total Loan	Industry	Trade	Service	Total
Bank (22)	129.66	260.85	116.26	506.77	2,116	3,539	1,005	6,660
Non-Bank(20)	31.41	162.59	76.57	270.57	1,334	1,250	387	2,894
Total	161.07	423.44	192.83	777.33	3,450	4,789	1,392	9,631

Source: Bangladesh Bank *Disbursement from IDA fund has been completed in June 2011. ** Disbursement from ADB fund-1 has been completed in September 2009. *** Disbursement from ADB fund-2 has been completed in December 2013.

Steps Taken for Development of SMEs

Some important steps have been taken for the development of SMEs during FY 2013-14 are as follows:

- Refinancing to the accredited Banks and NBFIs against their financing to SMEs is continued under Bangladesh Bank Fund, ADB-2 Fund, and JICA Fund.
- Instigating a policy of group based lending up to Tk.50,000 or above to the women entrepreneurs of Cottage and Micro Enterprises.
- Ensuring the opening of a separate ‘Women Entrepreneur’s Dedicated Desk/ SME Help Desk’ in both Head Office and Branches of all Banks and NBFIs.
- Monitoring the adherence of instruction of Bangladesh Bank by Banks/NBFIs for sanctioning loan of Tk. 2.5 million to women entrepreneurs without collateral however, against personal guarantee.
- Necessary steps have been taken for countrywide identifying, financing and development of women led clusters with field visits of officials of Bangladesh Bank. For example, Nakshi Katha in Jamalpur, MonipuriTant, Weaving in Sirajganj and Rangamati, Bamboo Cane in Munshigonj etc.
- Initiatives have been taken for building collaboration between women Entrepreneurs and financing Banks/NBFIs for web marketing of SME products.
- Allocating 15 percent of Bangladesh Bank refinance fund for women entrepreneurs. Instructions were given to Banks and NBFIs to charge reduced interest rate of 10 percent (Bank rate + 5%) to women entrepreneurs on refinance schemes.
- The lower limit of SME credit for refinancing facilities is reduced to Tk.50,000.00.
- The domain and fund allocation of the agro based industries has been extended for the purpose of promoting these industries.
- Banks and NBFIs are advised to consider reasonable grace period on SME sector while formulating their SME credit policies.
- With the help of Banks and NBFIs, Bangladesh Bank continued the arrangement workshops, seminars, meetings, exchange of views, open credit disbursement program, product display, banker-entrepreneur fair etc.

- In order to create and foster 2000 new entrepreneurs with 2000 new projects from all over the country, an initiative has been taken with joint collaboration of DCCI.
- Bangladesh Bank continued its cooperation and communication with international organizations. An MOU has been signed with CIRDAP for cooperation in SME development in Bangladesh. A team of Iranian entrepreneurs visited Bangladesh under this cooperation.
- Joint initiative has been taken with BSCIC for the development of SMEs in Bangladesh. Bangladesh Bank has taken initiatives to make tie between financial institutions and trained entrepreneurs of SCITI of BSCIC.
- Launching of a new reporting system named ‘SME Market Segmentation Database’ with the assistance from IFC for updating SME related information continuously.
- With the assistance of JICA and IFC, a training program was arranged countrywide for entrepreneurs on SME activities. About 1000 entrepreneurs were trained up so far wherein women entrepreneurs have got the preference.
- For the inclusion of blind and other disable entrepreneurs as eligible for financing, the relevant policies of the small enterprise sector re-finance scheme ‘Bangladesh Bank Fund’ were amended.

B. State Owned Enterprises (SOEs)

Bangladesh Small and Cottage Industries Corporation (BSCIC)

Bangladesh Small and Cottage Industries Corporation (BSCIC) has been playing the role for development and promotion of small industries in the private sector. With this aim, BSCIC provides necessary services and facilities to the private entrepreneurs. Various programmes have been implemented intended to provide support in the form of industry facilitating centres, industrial estates, skill development centres, small and cottage industries training industries (SCITI), and design centres under the institutional framework of BSCIC.

Up to June 2014, a total of 9,779 industrial plots have been allotted in favour of 5,678 industrial units in 74 industrial estates of BSCIC throughout the country. At present, as many as 4,104 units are in operation. During FY 2013-14, 92 industrial plots have been allotted in favour of 56 industrial units. Total investment in these 74 industrial estates up to June 2014 is Tk. 18,897.14 crore. These units produced goods worth of Tk. 42,508.82 crore in FY 2013-14, out of which products worth of Tk. 23,746.25 crore were exported. Most of the export proceeds came from hosiery and knitwear products. An amount of Tk. 2,499.78 crore has been paid as revenue to the Government by these industrial units of BSCIC’s industrial estates.

During FY 2013-14, the number of small & cottage industrial units established under direct and indirect assistance from BSCIC stood at 5,941 and 4,630 respectively. The total amount of investment in these industrial units was Tk.1,715.51 crore. Of this investment, a total of Tk. 953.36 crore was financed as loan assistance by Banks, BSCIC and other financial

institutions; Tk. 476.12 crore came as entrepreneurs' equity and the rest Tk. 285.53 crore was invested entirely by the entrepreneurs from their own fund. As an outcome of the above investment, as many as 94,966 individuals got employment and among them women constitute a major part.

Apart from the mentioned activities, BSCIC has imparted training to 10,280 entrepreneurs, technicians, managers and others in FY 2013-14. Moreover, BSCIC helped different large industries to get supply of machinery and spare parts under the sub-contracting programmes. Besides, about 59,960 acres of land in the coastal area of Cox's Bazar and Chittagong districts has been brought under salt cultivation during FY 2013-14 in which about 42,484 salt growers were engaged with the salt production. During this production season 17.53 lakh MT of salt has been produced with direct and indirect assistance from BSCIC. Alongside, BSCIC is also doing some others activities such as providing credit facilities for poverty alleviation, implementing few development projects, establishing industrial park, estate and special economic zone and so on.

Bangladesh Chemical Industries Corporation (BCIC)

Bangladesh Chemical Industries Corporation (BCIC) is currently managing 13 enterprises (medium and large) under its control. Urea and TSP fertilizer, paper and hardboard, cement, glass sheet, insulator, sanitary-ware etc. are produced in the factories of BCIC. Fertilizer Factories constitute about 80 percent of the total volume of production of this corporation. BCIC has 9 Joint Venture enterprises in collaboration with both local and overseas partners.

In FY 2013-14, BCIC produced products worth of Tk. 1,718.25 crore against the production target of Tk. 2,142.92 crore which is 80 percent of target. During the same period, the sales revenue stood at Tk. 2,195.17 Crore. BCIC also paid Tk. 268.67 crore to the national exchequer in the form of duties and taxes in FY 2013-14.

During FY 2013-14 the running factories under BCIC produced 8,38,628 metric tonnes (MT) of Urea, 86,432 MT of TSP, 48,334 MT of DAP, 13,099 MT of paper, 65,435 MT of cement, 1,125.74 MT of sanitary ware, 1,405.66 MT of insulator, 20.10 lakh.sqm of glass sheet and 19.95 lakh.sft of hard board.

In order to increase the production of urea fertilizer, the Government has decided to setup a new urea fertilizer factory named Shahjalal Fertilizer Project (SFP) in Fenchugonj, Sylhet with a production capacity 5.80 lakh MT urea fertilizer per annum and estimated cost of Tk. 5,409.00 crore which is now under construction.

Bangladesh Sugar and Food Industries Corporation (BSFIC)

BSFIC is helping to maintain market equilibrium by marketing sugar and other products to the ordinary consumers. BSFIC has under its control a number of enterprises that include sugar mills, distillery units and engineering workshops. Annual sugar production capacity of 15 sugar mills is 2.10 lakh MT. Production capacity of distillery unit is about 135 lakh proof litres of spirit and that of engineering unit is 1,141 MT. Present annual demand of sugar in the country is about 14.00 lakh MT. Compared to the actual demand of sugar in the country, the production of sugar in sugarcane-based sugar mills under Government supervision is

insufficient. As a result, the shortage of sugar is met by the sugar refineries established in the private sector and by import.

A production target of 1,38,150 MT of sugar, 56.00 lakh proof litres of spirit, 10.12 lakh proof litres of foreign liquor and 1300.00 MT of engineering goods was set in FY 2013-14. Against the target 1,28,268.20 MT (92.85% of target) of sugar, 46.97 lakh (83.88% of target) proof litres of spirit, 9.13 lakh (90.22% of target) proof litres of foreign liquor and 1,055.26 MT (81.17% of target) of engineering goods were produced. The corporation has contributed Tk.75.84 crore to the national exchequer as duty and taxes in FY 2013-14.

Bangladesh Steel and Engineering Corporation (BSEC)

At present 9 industrial units are in operation under BSEC. Of the nine industrial units, 49 percent shares of 3 units such as Atlas Bangladesh Ltd., National Tubes Ltd. and Eastern Cables Ltd. had been off-loaded to private shareholders. Enterprises under BSEC are playing a vital role in delivering products required for electrification, communication and infrastructural development of the country. Products and services of BSEC enterprises mainly include motor cycle, *mishuk* (three wheeler), GI/MS/API pipe, electric cables, tube light, super enameled copper wires, transformers and other electrical items, razor blades, ship repair, assembling of bus, truck, jeep etc.

Goods worth TK. 746.40 crore have been produced during FY 2013-14 in the enterprises of BSEC. In FY 2012-13, products worth Tk. 981.75 crore were produced in the above enterprises. Besides, during FY 2013-14, 9 operating units of BSEC sold goods worth TK. 939.44 crore compared to Tk.1,131.78 crore a year earlier.

During FY 2013-14, actual overall net profit of Tk. 89.78 crore was earned against the target of Tk. 66.99 crore, which is 134 percent of the target. During FY 2012-13, BSEC earned a net profit of Tk. 98.03 crore. The enterprises under the corporation paid a total amount of Tk. 241.32 crore to the national exchequer as duties and taxes in FY 2013-14. It may be mentioned that the BSEC enterprises paid Tk. 434.34 crore to the national exchequer as duties and taxes in FY 2012-13.

Bangladesh Forest Industries Development Corporation (BFIDC)

The activities of BFIDC are divided into two sectors namely industrial and agricultural (rubber) sector. As a profit making state owned enterprises, BFIDC earned a total of Tk. 15.02 crore in FY 2013-14 as profit, which was 51.11 crore a year earlier. Between the two sectors of this corporation, the industrial sector and agriculture sector (rubber) earned Tk. 8.67 crore and Tk. 6.36 crore as profit respectively during the FY 2013-14. In addition, BFIDC contributed an amount of Tk. 52.66 crore to GOB as revenues in FY 2013-14 which was 70.23 crore in the previous fiscal year.

Some other activities of BFIDC such as Bangladesh Rubber Board Act 2013 has been formulated and being executed. Besides, about 2,694.00 acres of land have been replanted by BFIDC during the last 5 years (FY 2009-10 to FY 2013-14). Alongside, a total of 1,055.00 acres of new rubber plantation are being carried on under a self-financed project. In addition, another project named 'Establishment of Rubber Wood Treatment Plant' is under implementation by the corporation.

C. Textile Sub-Sector

The textile industry is the largest labour intensive manufacturing sector of the country, which employs about 5 million people (including apparel industry). In addition of meeting the major domestic demand for textile products, the primary textile industry can now meet 80-85 percent of the knit fabrics required for export-oriented knitwear industry and 25-30 percent fabrics required for export-oriented woven RMG industries. The export of textiles and apparels in FY 2013-14 was about US\$ 25.5 billion, which accounted for around 85 percent of the total export earnings.

Production of Yarn and Fabrics

The industries under textile sector are basically managed and operated under the private sector. There are only 22 spinning mills under public sector whereas the private sector owns as many as 400 cotton and synthetic spinning mills. The production capacities of these units are 2,087 million kg (public sector units: 6.00 million kg and private sector units: 2081.00 million kg). Besides, about 799 weaving mills and 1,065 specialised textiles and power loom (small) units are in operation having annual production capacity of 2,650 million metres and 400 million metres of fabric respectively. There also exist 315 dyeing-finishing units of which 233 are BTMA members and the production capacity of these units is 3,000 million meter. In addition, as many as 1,48,323 handlooms having annual production capacity of 837.00 million metres of fabrics are in operation. Aside from these, there are about 3,000 knitting and knit-dyeing units of which 1,400 are export-oriented. There are also some other fabric manufacturing industries, such as, terry towel, home textiles, silk, sweater, non-woven etc.

In FY 2013-14, the total production of yarn stood at 1,681.98 million kg., of which the share of public sector mills was only 1.98 million kg. During the same period, the total production of fabrics was 7,417.00 million metres, which was produced entirely in the private sector. The year-wise production of yarn and fabrics are shown in Table 8.4.

Table 8.4: Year-wise Production of Yarn and Fabrics in Public and Private Sectors

FY	Yarn Production (Million kg.)			Fabric Production (Million Metre)		
	Public sector	Private Sector	Total	Public sector	Private sector	Total
2001-02	14.43	251.46	265.89	-	2,050.00	2,050.00
2002-03	9.36	340.00	349.36	-	2,200.00	2,200.00
2003-04	9.71	380.00	389.71	-	2,750.00	2,750.00
2004-05	9.48	450.00	459.48	-	3,100.00	3,100.00
2005-06	8.00	538.00	546.00	-	4,090.00	4,090.00
2006-07	8.86	608.86	617.72	-	4,910.00	4,910.00
2007-08	7.95	710.00	717.95	-	5,800.00	5,800.00
2008-09	2.33	376.74	379.07	-	6,380.00	6,380.00
2009-10	1.14	1000.00	1001.14	-	7,200.00	7,200.00
2010-11	2.40	1700.00	1702.40	-	7350.00	7350.00
2011-12	0.93	1640.00	1640.93	-	7200.00	7200.00
2012-13	1.66	1720.00	1721.66	-	7400.00	7400.00
2013-14	1.98	1680.00	1681.98	-	7414.00	7414.00

Source: Ministry of Textiles and Jute

Bangladesh Textiles Mills Corporation (BTMC)

BTMC has been continuing its production activities by introducing 'Service Charge System' since FY 1996-97. In the "Service Charge System", the contracted yarn dealers/parties supply required raw materials to the mills for producing yarn and payment is made to BTMC on the basis of certain service charge rate per unit. The responsibility of marketing of yarn lies on the service charge parties.

At the end of FY 2013-14, 22 Units of 18 Mills (running, closed/laid-off) were under BTMC. At present 4 mills are in operation under the service charge system, 1 mills are in rent and production activities of 11 mills has been suspended due to non-availability of service charge parties. A process is underway to set-up a "Textile Polli" in Khulna Textile Mills Ltd, Khulna and The Chittaranjan Cotton Mills Ltd. Narayanganj. Up to June 2014, BTMC paid Tk.19.37 crore to Government exchequer in the form of Tax and VAT since the introduction of Service Charge System.

In FY 2013-14, a total of 1.98 million kg of yarn was produced in the mills under Service Charge System which was 1.67 million kg a year earlier. After the introduction of Service Charge System, BTMC has discontinued producing fabrics since FY 1997-98 and closed down all the weaving units since then. The year-wise installed capacity and production of BTMC during the period from FY 2001-02 to FY 2013-14 is shown in Table 8.5.

Table 8.5: Year-wise Installed Capacity and Production of BTMC

FY	Spindles (Installed Capacity)	Yarn Production (Million kg)
2001-02	356,384	14.43
2002-03	304,296	9.36
2003-04	199,840	9.71
2004-05	199,840	9.48
2005-06	199,840	7.99
2006-07	195,088	8.87
2007-08	195,088	7.95
2008-09	176,512	2.33
2009-10	176,512	1.14
2010-11	176,512	2.40
2011-12	176,512	0.93
2012-13	168,968	1.67
2013-14	186,264	1.98

Source: Bangladesh Textile Mills Corporation

Most of the mills of BTMC had been laid-off for long period. Necessary reforms have been taken for running profitably those laid-off mills.

Bangladesh Handloom, Sericulture and Silk Industry

Handloom industry used to occupy the second position after agriculture in respect of generating rural employment. According to Handloom Census 2003, the handloom industry can produce 830 million metres of fabrics per year, which can meet considerable domestic demand for clothes. This industry employ about 0.9 million people directly and 0.6 million

people indirectly. There are about 0.51 million handlooms in the country out of which 0.31 million looms are in operation and the remaining 0.20 million are closed due to non-availability of working capital. Value addition of handloom industry is about Tk. 15,000 million per annum.

The handloom industry has been revitalised for overall development and well-being of weavers by providing working capital, raw materials and organisational assistance. Bangladesh Handloom Board (BHB) provided working capital to the poor weavers under a micro-credit programme amounting to Tk. 26.60 million in FY 2013-14. The board has provided a cumulative micro-credit of Tk. 576.90 million up to FY 2013-14. Table 8.6 shows the distribution of loan, recovery and recovery percentage:

Table 8.6: Distribution of Loan, Recovery and Recovery Percentage by Bangladesh Handloom Board

(In Million Taka)

FY	Distribution	Recovery	Rate of Recovery (%)
Cumulative up to (June, 2003)	215.80	70.10	32.48
2003-04	80.70	36.20	44.86
2004-05	91.60	31.20	34.06
2005-06	46.80	36.00	76.92
2006-07	33.10	40.80	123.26
2007-08	6.00	23.40	390.00
2008-09	6.95	24.66	354.82
2009-10	15.92	20.83	130.84
2010-11	13.60	19.70	144.85
2011-12	21.20	19.70	92.92
2012-13	18.63	28.90	155.13
2013-14	26.60	23.90	89.85
Cumulative (Up to June 2014)	576.90	375.40	65.07

Source: Bangladesh Handloom Board, Ministry of Textiles and Jute

In the case of sericulture and silk industry, Bangladesh Sericulture Development Board (BSDB) has been established by merging the three sericulture relevant bodies namely, Bangladesh Sericulture Board (BSB), Bangladesh Sericulture Research and Training Institute (BSRTI) and Bangladesh Silk Foundation (BSF) under the 'Bangladesh Sericulture Board Law 2013'. For the overall development of sericulture and silk industry, various development programmes are being implemented jointly by BSDB or independently by the above three bodies.

At the initiative of both public and private sectors, different projects are being implemented for expansion and development of sericulture and silk in the country. Under these projects, activities like production of disease-free layings (DFLs), cocoons, silk yarn and silk fabrics, setting up of sericulture garden and villages, providing training to the people involved in silk and sericulture industry are being carried out. The production statistics of Disease Free Layings (DFLs), silk cocoon, silk yarn and impart training in public sector from FY 2003-04 to FY 2013-14 are shown in Table 8.7.

Table 8.7: Production of DFL's, Silk Cocoon, Silk Yarn and Silk Fabrics in Public Sector

Fiscal Year	DFL's(No. in Lakh)	Silk Cocoon (Lakh Kg.)	Silk Yarn ('000 kg.)	Impart Training (Persons)
2003-04	3.42	1.22	0.08	420
2004-05	3.22	1.21	0.07	600
2005-06	3.66	1.60	1.30	-
2006-07	3.73	1.63	1.05	-
2007-08	3.46	1.44	0.36	-
2008-09	4.03	1.56	0.75	1280
2009-10	5.50	1.47	1.29	2360
2010-11	4.67	1.76	2.14	1536
2011-12	4.43	1.80	2.66	857
2012-13	4.42	1.22	1.65	641
2013-14	4.17	0.98	1.13	522

Source: Ministry of Textiles and Jute.

D. Jute Sub-Sector

The Jute sub-sector has long been playing a significant role in the national economy of Bangladesh by exporting jute and jute products. A large number of people are involved directly or indirectly in jute cultivation, jute goods production and marketing thereof. Majority of the locally produced raw jute are used in the domestic mills and the remaining jute and jute goods are exported to a large number of overseas countries. In order to make the jute sector of Bangladesh competitive in the global market, the government declared jute goods as the 'Thrust Sector' in the 'Industrial Policy Order 2010' and for integrated development of this sector 'Jute Policy 2011' has been approved.

The production of jute and jute goods mainly depends on internal and on international demand and price. For this reason, production of jute and jute goods, export and prices fluctuate widely. A statement showing jute and jute goods production, domestic consumption, export and export earnings from FY 2003-04 to FY 2013-14 are shown in Table 8.8 and Table 8.9 respectively.

Table 8.8: Raw Jute Production, Consumption and Export

(Quantity in Lakh Bale)

FY	Production	Domestic Consumption (Approx.)	Export	Export Value (In Million Taka)
2003-04	53.50	34.45	19.05	4774.60
2004-05	50.00	32.96	17.04	5592.20
2005-06	50.00	25.53	24.47	9772.70
2006-07	65.91	41.48	24.43	10162.00
2007-08	68.71	40.00	28.71	10334.00
2008-09	51.72	34.22	17.50	9210.00
2009-10	59.45	43.46	15.99	11308.40
2010-11	78.02	56.90	21.12	19067.60
2011-12	78.05	55.20	22.85	15406.60
2012-13	75.72	55.17	20.55	14364.60
2013-14	67.85	58.01	9.84	7060.40

Source: Department of Jute.

Table 8.9: Production, Local Consumption, Export and Export Earning of Jute Goods

(Qty. in lakh MT)

FY	Production	Local consumption (Approx.)	Export	Export earning (In million Taka.)
2003-04	4.99	0.86	3.95	11875.00
2004-05	4.51	1.07	3.91	14231.00
2005-06	6.75	1.80	4.95	20241.00
2006-07	5.84	1.04	4.71	22153.00
2007-08	6.51	0.83	5.34	2526.70
2008-09	5.89	0.85	4.82	20500.00
2009-10	6.95	0.92	5.77	39635.40
2010-11	6.88	1.33	4.79	45694.20
2011-12	7.14	0.45	6.69	51740.00
2012-13	9.77	1.09	8.68	61626.20
2013-14	9.83	1.75	8.08	52242.10

Source: Department of Jute.

Bangladesh Jute Mills Corporation (BJMC)

The jute mills under BJMC generally produce hessian, sacking and carpet backing cloth etc. Some of the jute mills produce high quality jute twine/yarn, geo-jute, cotton bagging, nursery pot, file cover etc., which are exported to many countries of the world. BJMC at present has 27 different categories mills of which 21 jute mills are in operation. During the FY 2013-14, the actual production of these mills was 1.67 lakh MT against the target of 2.63 lakh MT.

BJMC plays a vital role in export of jute goods to many countries and it exported jute products valuing Tk. 6,287.80 million during FY 2013-14. Besides, during FY 2013-14, BJMC sold jute goods as local sales worth Tk. 4,130.50 million. However, BJMC incurred a net loss of Tk. 4,522.30 million in FY 2013-14. On the other hand, in FY 2013-14, the jute mills under BJMC have collected sales tax and various types of taxes and fees amounting to Tk. 269.80 million and deposited them to the exchequer.

Bangladesh Jute Mills Association (BJMA)

At present, there are 131 mills under Bangladesh Jute Mills Association (BJMA) including 38 privatised and 93 mills newly established by the members of BJMA. Among the new mills, 74 are Composite, 4 are Carpet and 15 are non-conventional jute goods producing mills. Out of the 38 privatised mills, 10 mills are in full operation, 12 partially in operation and 16 mills are closed.

During FY 2013-14, the production of jute goods of the mills under BJMA was 2.07 lakh MT. Alongside, BJMA exported jute products valuing Tk. 9,480.20 million during the same period.

Bangladesh Jute Spinners Association (BJSA)

The Jute Spinners Association represents the Jute Spinning Industry in Bangladesh, comprising 96 jute spinning mills under private sector. This industry produces heavy, medium and finer quality of jute yarn and twine. There are 2,29,476 spindles in these mills and yearly production capacity is 6.40 lakh metric. Around 82,000 people are employed in these mills.

During FY 2013-14, the production of Jute Yarn and Twine the mills under BJSA was 5.50 lakh MT. Besides, BJMA exported Jute Yarn and Twine valuing Tk. 35,750.00 million during the same period.

Jute Diversification Promotion Centre (JDPC)

The Government of Bangladesh has established Jute Diversification Promotion Center (JDPC) in the private sector in 2002 for producing and increasing in the uses of diversified jute products. The private sector entrepreneurs have been provided with financial and technical assistance by the Government and financial institutions for taking appropriate initiative. As per recommendation and financial support of JDPC, 12 medium scale industries and 18 small scale jute diversified units were established. It may be mentioned that under CFC finance, a considerable number of small and medium scale jute diversified units were established, which cost about Tk. 5.62 crore.

JDPC has taken up 5 years programme from 2013 to 2017 to established 725 small and cottage industries to produce jute diversified products and it is expected that about 72,400 people will be employed in these industries.

E. Investment Status in the Export Processing Zones

Bangladesh Export Processing Zones Authority (BEPZA) is engaged in attracting and facilitating foreign and local investment in the Export Processing Zones of the country. The cumulative investment in eight EPZs (Chittagong, Dhaka, Mongla, Comilla, Iswardi, Uttara of Nilphamari, Adamjee and Karnafuli) up to June, 2014 stood at US\$ 3,188.07 million. In FY 2013-14, the total amount of investment stood at US\$ 402.58 Million, which was 22.54 percent higher than the investment made (US\$ 328.53 million) in previous fiscal year.

In the case of export, EPZs are playing important role in exporting various products and diversification of products. During FY 2013-14, goods worth of US\$ 5,525.30 million (Growth in 13.77%) was exported which was US\$ 4,856.68 million in FY 2012-13. As on June, 2014, as many as 428 industries are in operation in the EPZs under BEPZA. A total of 3,89,017 Bangladeshi citizens were employed in EPZs till that time in which 64 percent is female. Table 8.10 shows EPZ wise statistics of industries, investment, employment and exports till June, 2014.

Table 8.10: Zone wise Statistics of Industries, Investment, Export and Employment of EPZs (Up to June 2014)

Name of EPZs	Industry		Investment (Million US\$)	Export (Million US\$)	Employment (No.)
	In Operation (No.)	Under Implementation (No.)			
Chittagong EPZ	170	10	1,203.52	19,419.34	182,621
Dhaka EPZ	102	8	1,057.34	16,302.69	88,521
Adamjee EPZ	39	22	267.96	1,220.90	36,007
Comilla EPZ	32	33	201.09	1,098.65	16,474
Karnaphuli EPZ	41	18	307.72	1,395.48	45,645
Ishwardi EPZ	15	12	76.00	231.76	7,194
Mongla EPZ	17	13	13.83	280.15	1,416
Uttara EPZ	12	10	60.59	78.71	11,139
Total	428	126	3,188.07	40,027.67	389,017

Source: BEPZA.

Product wise enterprises, investment and employment in EPZs (up to June, 2014) are shown in Table 8.11.

Table 8.11: Product wise Enterprises, Investment and Employment in EPZs (up to June 2014)

Sl	Product	Enterprise(Nos.)	Investment(Million US\$)	Employment(Nos.)
1	Garments	104	1,071.79	231,373
2	Garments Accs.	84	397.64	19,328
3	Knit & Other Textile	39	255.11	29,816
4	Textile	39	553.26	23,324
5	Footwear & Leather	27	179.87	27,342
6	Elect & Electronics	17	117.60	4,105
7	Terry Towel	18	75.98	7,666
8	Metal Product	13	41.18	2,501
9	Plastic Goods	14	42.05	2,641
10	Tent	9	71.41	10,883
11	Agro Product	9	3.43	295
12	Service Oriented Industries	7	40.39	1,035
13	Caps	5	52.69	8,202
14	Chemical	5	17.50	115
15	Furniture	3	35.10	2,622
16	Rope	2	6.71	550
17	Fishing Reel & Golf	1	34.12	951
18	Power Industry	2	96.05	119
19	Paper Product	2	1.58	108
20	Sports Goods	1	1.47	327
21	Toys	1	10.66	1,082
22	Miscellaneous	26	82.49	14,632
	Gr. Total	428	3,188.07	389,017

Source: BEPZA.

Table 8.12 shows EPZ wise investment and exports during the period from FY 2005-06 to FY 2013-14

Table 8.12: EPZ wise Investment and Export

(In Million US\$)

Name of EPZ		2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
DEPZ	Investment	61.57	87.46	110.34	30.39	64.38	72.38	77.17	68.45	68.45
	Export	918.30	1033.03	1146.50	1190.36	1216.49	1521.78	1614.45	1780.73	1937.52
CEPZ	Investment	35.95	32.62	126.46	47.22	57.52	85.84	101.74	133.84	133.84
	Export	873.03	971.54	1117.17	1188.15	1333.53	1666.88	1883.81	2095.12	2261.61
MEPZ	Investment	0	0.43	2.03	0.96	0.01	0.77	0.08	3.52	3.52
	Export	7.09	1.31	8.26	7.06	7.29	27.93	54.24	74.10	77.28
Com EPZ	Investment	10.62	21.02	9.72	8.20	20.44	36.26	20.07	21.06	21.06
	Export	34.99	46.01	131.38	95.85	95.34	145.46	148.36	176.93	209.41
UEPZ	Investment	0.00	1.24	0.15	0.17	1.69	11.98	5.97	20.62	20.62
	Export	0.00	0.08	0.095	0.24	1.90	6.77	16.03	20.38	33.22
IEPZ	Investment	0.76	0.00	1.43	14.04	12.21	21.40	17.85	5.12	5.12
	Export	2.54	2.23	1.21	0.79	7.54	25.96	41.53	55.71	93.16
AEPZ	Investment	4.00	7.68	33.71	21.07	26.17	37.05	34.55	29.99	29.99
	Export	0.23	9.47	15.10	60.13	103.65	164.68	207.32	274.10	386.23
KEPZ	Investment	-	1.91	18.34	27.90	39.58	47.56	81.83	45.93	45.93
	Export	-	0.00	9.86	39.13	56.81	138.16	245.05	379.61	526.85

Source: BEPZA

In addition to promotion of FDI, exports and employment generation, EPZs have been making special contribution to the development of backward linkage and supportive industries of the country. For this, raw materials are being procured from the industries located outside the EPZs and also 100 percent export oriented enterprises in local market to supply their products to EPZ enterprises.

Up to June 2014, 37 countries including S. Korea, Japan, China, Malaysia, Taiwan, U.S.A, U.K, Italy, Canada, Netherlands, Germany, British Virgin Island, India, Sweden, Singapore, Pakistan, Panama, Switzerland, Belgium, Denmark, France, Thailand, Sri Lanka, Indonesia, Australia, Nepal, Mauritius, Ireland, U.A.E., Turkey, Ukraine, Marshal Island, Kuwait, Rumania, Malta, Spain and Bangladesh have already invested in the EPZ's of Bangladesh.

Apart from industrialisation, export earnings and employment generation, EPZs of BEPZA have also been playing a special role in ensuring the welfare of their workers that include education, medical service and security. Besides these, two daycare centres have been in operation in CEPZ and DEPZ to ensure safety and proper care for the children of female workers.

Now-a-days buyers are increasingly attaching importance to social compliance issues. EPZs are encouraging its investors to comply with the code of conduct. As a result, with better facilities, working conditions are improving and the workers are being benefited.

BEPZA has already taken steps to introduce 5 Central Effluent Treatment Plants (CETP) in five EPZs in order to ensure maximum protection for the environment. Moreover, the process

of approval of projects for setting up of 2 Central Effluent Treatment Plants (CETPs) in two EPZs is also under process. The CETP projects in Chittagong EPZ and Dhaka EPZ are in operation and in Comilla EPZ is under implementation stage.

BEPZA has planned to set up Water Treatment Plants (WTP) in all the EPZ. At present, the WTPs in Adamjee EPZ and Comilla EPZ and Chittagong EPZ are in operation by private companies. Apart from this, Rural Development Academy treats the saline water collected from the Karnaphuli River and then supplies fresh water to the enterprises in Karnaphuli EPZ.

BEPZA has executed the Power Supply Agreements with 6 private companies for producing and supplying electricity to the enterprises in 6 EPZs. The companies are allowed to supply and sale their extra power to the national power grid after meeting the demand of the EPZ enterprises. Providing electricity to the enterprises of Chittagong EPZ and Dhaka EPZ are in operation.

F. Other Industries

Pharmaceutical Industries

Bangladesh, in spite of being a least developed country of Asia, has achieved commendable success in the pharmaceutical sector. Currently, 273 pharmaceutical manufacturing units are producing 24,000 brands of medicine and raw materials of worth Tk. 12,565 crore annually. About 97 percent of total domestic requirement is fulfilled by the local production. In addition, different brands of medicine and raw materials are exported to 92 countries of the world including UK and USA.

The Directorate General of Drug Administration (DGDA) under Ministry of Health and Family Welfare is the drug regulatory authority for manufacture, import with raw and packing materials, licensing, price fixation, registration of all medicines including *Unani*, *Ayurvedic* and homeopathic, sale, distribution and to ensure safe use of medicine marketed in Bangladesh. There are two drug testing laboratories to ensure the drug's quality. For the upgradation of Pharmaceutical Industries, an international standard Drug Testing Laboratory and National Control Laboratory has been established at *Mohakhali*, Dhaka. Besides, National Drug Policy-2005 has been updated and a cumulative law combining Drug Act-1940 and Drug Control Ordinance- 1982 is at the final drafting stage. Moreover, the existing essential drug list and pricing policy are being evaluated for having a revised policy to ensure supply of essential medicines at affordable prices to end users. Alongside, the establishment of an API (Active Pharmaceutical Ingredient) park at *Gazaria Upazila in Munshiganj* district is under implementation to encourage the national and international entrepreneurs engaged in producing the raw materials of drugs. Table 8.13 shows the statistics of export of drugs and raw materials locally.

Table 8.13: Export of Drugs and Raw Materials

(In Crore Taka)

Year	Finished Products	Raw materials	No of countries
2001	31.18	1.10	17
2002	40.69	4.30	32
2003	54.55	8.73	51
2004	140.00	13.89	62
2005	142.10	14.76	67
2006	251.99	14.34	61
2007	234.71	13.03	67
2008	313.11	14.61	71
2009	335.21	11.96	73
2010	327.43	5.12	83
2011	421.23	4.93	87
2012	539.62	11.60	87
2013	603.87	16.06	87
2014 (up to June)	332.13	8.83	92

Source: Directorate General of Drug Administration.

G. Industry Related Activities

Quality Control of Industrial Goods

Bangladesh Standards and Testing Institution (BSTI) is the lone national standard setting body of the country that certifies the quality of products. On the basis of set standard, BSTI tests, analyses and validates the quality and content of goods. It also oversees the standard of weight and measurements on the basis of “One stop service.” BSTI carries out these activities through the head office in Dhaka as well as six regional offices located at six divisional headquarters.

During 2013-14, as many as 2,017 cases were filed under "The Bangladesh Standards and Testing Institution (Amendment) Act, 2003" and an amount of fine worth Tk. 4.05 crore was realized from the offenders by conducting a total of 1096 mobile courts and 745 surveillance teams. During the same period of time, about 1,309 cases were filed under "The Weights and Measures Ordinance 1982" and "The Weights and Measures (Amendment) Act, 2001" and realized Tk. 0.30 crore as fines from the offenders by conducting a number of mobile courts and surveillance teams.

Different laboratories of BSTI have already been awarded accreditation from National Accreditation Board for Testing Laboratories (NABL), India. BSTI has also taken steps to get its Product Certification System accredited fully. In the meantime BSTI has got accreditation for 5 voluntary products from National Accreditation Board for certification Body (NABCB), India. The process of accreditation of another 5 products from NABCB, India is in the final stage. Besides Management System Certification (MSC) is an important addition to BSTI. This System Certification scheme for ISO 9001, ISO 14001 and ISO 22000 has been accredited by Norwegian accreditation body for 5 years. In the interim BSTI has issued 24 different system certificates. A good number of applications for different system certificates now are in the process. Moreover, 6 laboratories of National Metrology Laboratories (NML) of BSTI have been awarded Accreditation jointly by Norwegian Accreditation and Bangladesh Accreditation Board (BAB).

The Government has taken steps to expand the activities of BSTI throughout the country. At the first phase full-fledged BSTI office cum laboratory would be set up in 5 districts- *Faridpur, Comilla, Mymensingh, Cox's Bazar and Rangpur* under a project with GOB funding. A modern Energy Efficient Testing laboratory has been established in the BSTI Head office under the technical and financial assistance of GIZ, Germany. Besides, a regional standards body namely “South Asian Regional Standards Organization (SARSO)” has already been established and CNG Mass verification Lab is under establishing at BSTI campus in Dhaka.

Technical Assistance in Industrial Sector

Bangladesh Industrial Technical Assistance Centre (BITAC) plays an important role in the industrialisation of the country by creating skilled work force through technical training, acquiring and disseminating modern industrial technologies, and designing, manufacturing and repairing import substitute machinery and machinery parts used in local industries.

BITAC generated revenue income amounting to Tk. 23.85 crore in FY 2013-14. A total of 12240 people have been trained in FY 2009-10 to FY 2013-14 through the project ‘**Self-Employment and Poverty Alleviation through Expansion of BITAC Emphasizing Women**’. Moreover, research and development activities by BITAC for an integrated salt processing machine are at final stage. This is being done with a goal to enable local salt industries to compete in international market as well as assisting the Government’s efforts to make properly iodized edible salt available to the common people.

Intellectual Property (Patents, Designs and Trademarks) in Industry Sector

Department of Patents, Designs and Trademarks (DPDT) is a national intellectual property office to administer the issues associated with Intellectual Property. DPDT is entrusted with granting patents for new invention, registering the newly invented Industrial Design and trademark for protecting its rights and encouraging the new inventions and inventors. In FY 2013-14, DPDT has collected about Tk. 10.59 crore as non-tax revenue which was 4.37 percent higher than that of the previous fiscal year.

National Productivity Organisation (NPO)

National Productivity Organisation (NPO) is a national level specialised organisation to promote productivity and thereby accelerate pace of economic development through its multidimensional activities like creation of productivity awareness, human resource development and arrangement of training on productivity, development of productivity infrastructure and implementation of productivity improvement program.

NPO is the only organization responsible for formulation and implementation of productivity policy of the government. NPO also implements the plans and programs of the Tokyo based Asian Productivity Organization (APO) which is an Inter-governmental Regional Organisation for productivity promotion in the Asia and the Pacific Region. During 2013-14, NPO arranged 29 training courses where 884 participants were trained, 3 workshops with 75 participants and 8 research reports has been published. Around 1,25,450 awareness materials have been distributed.

Bangladesh Accreditation Board (BAB)

The international trade environment largely influences the need for accreditation especially on testing and calibration, which is now being provided by Bangladesh Accreditation Board (BAB). It provides recognition of the quality of local products and services through awarding accreditation certificates to different conformity assessment bodies.

BAB awarded accreditation to 16 testing and calibration laboratories of different national and multinational organizations inside the country till now. Moreover, it also started the scheme for accreditation of medical laboratories and certification bodies. Norwegian Accreditation (NA) and Bangladesh Accreditation Board (BAB) jointly awarded accreditation to 6 labs of National Metrology Laboratory (NML) of BSTI. Accreditation of several conformity assessment bodies is also in progress.

Bangladesh Institute of Management (BIM)

Bangladesh Institute of Management (BIM) has been conducting different types of short courses for developing skills of executives and managers of public and private sectors. BIM emphasizes the development of skills of working personnel by training, research and consultancy.

Initially BIM's main emphasis was on conducting training for private sectors management and entrepreneurship development while recently BIM is giving additional efforts to train up more representatives from government sector. On an average BIM is used to train up about 2000 people annually through conducting around 100 short courses and number of diploma courses. A total of 2196 participant was trained through different type of course such as short, 1 year diploma and 6 months diploma courses in 2013.

Office of the Chief Inspector of Boilers

Boilers are used in almost all types of industries, such as power generating plant, chemical and fertilizer factory, paper and sugar mills, food and beverage industries, pharmaceuticals, jute and textile mills, garments factories and rice mills etc.

The main responsibility of this Inspectorate is to investigate each and every boiler installed in different mills and factories all over the country and issue certificates and also to give necessary instructions to ensure safety of the persons and properties associated with the boilers. During FY 2013-14, this Inspectorate collected Tk. 3.40 crore as revenue. A number of 3,954 boilers were inspected and permitted for operation by this Inspectorate. In addition, a total of 337 boilers got registration newly.

H. Industrial Credit

Rapid industrialisation is required to achieve a desired level of economic growth of an agro-based developing country like Bangladesh. Support of promote SMEs alongside the large-scale industries is the goal of the Government. For this purpose, the Government continued to provide loans and other ancillary supports through banks and financial institutions in FY 2013-14. As a result, the volume of industrial loan disbursement and recovery has been increasing gradually. Table 8.13 shows year-wise disbursement and recovery of industrial loans from FY 2001-02 to FY 2013-14.

Table 8.14: Year wise Disbursement and Recovery of Industrial Credit

(In Crore Taka)

Fiscal Year	Disbursement			Recovery		
	Working Capital	Term Loan	Total	Working Capital	Term Loan	Total
2001-02	13,765.12	3,505.15	17,270.27	9,638.34	3,212.97	12,851.31
2002-03	15,671.46	3,961.99	19,633.45	12,283.21	3,835.12	16,118.33
2003-04	18,703.10	6675.99	25,379.09	15,435.00	4,963.44	20,398.44
2004-05	22,175.78	8,704.52	30,880.30	18,189.65	8,546.98	26,736.63
2005-06	28,448.53	9650.02	38,098.55	22,975.95	6759.52	29,735.47
2006-07	31,651.32	12,394.78	44,046.10	23,790.54	9,068.45	32,858.99
2007-08	39,963.49	20,150.82	60,114.31	28,849.60	13,624.20	42,473.80
2008-09	45,028.28	19,972.69	65,000.97	36,597.89	16,302.48	52,900.37
2009-10	59,171.95	25,875.66	85,047.61	45,231.75	18,982.70	64,214.45
2010-11	71,300.35	32,163.20	103,463.55	56,694.99	25,015.89	81,710.88
2011-12	76,674.98	35,278.10	111,953.08	64,400.27	30,236.74	94,637.01
2012-13	103,165.56	42,528.31	145,693.87	85,496.14	36,549.41	122,045.55
2013-14	126,102.59	42,311.32	168,413.91	113,291.25	41,806.69	155,097.94

Source: Bangladesh Bank.

It is observed from the credit disbursement and recovery trends during the period from FY 2001-02 to FY 2013-14 that the credit disbursement and recovery in the industrial sector increased gradually over this period. In FY 2013-14, the amount of credit disbursement and recovery stood at TK.168,413.91 crore and TK.155,097.94 crore respectively which were 15.59 percent and 27.08 percent higher than that of the previous fiscal year. It is expected that this will contribute significantly towards maintaining the growth of the industrial sector of the country and will ensure a sustainable economic development as well.