

SME Clusters in Bangladesh



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Preface

Currently, the issue of clustering is a critical concern for rapid industrialization in general and development of SMEs in particular. Growth of SMEs also depends on successful integration both vertical and horizontal. SMEs alone can not move further without mutual supports from others. SMEs in the country are facing lot of challenges to expand their capacities. The useful way to expand the capacity of SMEs is accumulation of colocated industries in particular area and address their common problems. SMEF underscores the importance of clustering and came forward to enhance their productivities. In order to design the appropriate program for further development, the SME Foundation felt the need to identify the existing and potential clusters scattered around the country.

With these views in mind the SME Foundation intended to conduct a study on SME cluster mapping throughout the country for better designing of development interventions for the SMEs. The forms of co-operation within the cluster in terms of sharing of resources, information, technical expertise and knowledge helped reduce transaction costs. This in turn can strengthen the competitiveness as well as facilitating learning and technical innovation and help face the challenges of globalization.

This publication covers various issues of possible interventions like policy advocacy, capacity building, access to finance, access to Information and Communication Technology (ICT), technology development, technology up-gradation and transformation, business support services and so on for the development of SMEs in our country.

This publication is developed based on data collected from the field level study. The prime objective of the study was to identify the SME clusters throughout the country and develop mapping of those identified clusters. The priority listed eleven SME booster sectors, defined by SME Policy Strategy-2005, were considered as the scope of the study. The detailed analyzed data of the study revealed the recommended actions of cross-cutting nature for the development of SME subsectors. The approach and methodology followed to accomplish the study objectives included desk research and review of available reports and research findings, collection of primary and secondary data, key informant interviews, stakeholders' consultation, expert opinions, review of international best practices, data analysis and reporting. This cluster mapping is a continuous work. Because of our limitation, this time some limited indicators were taken under consideration.

We hope this publication would be useful for policy makers and other development workers, who are working for industrialization in general and SME development in particular.

Md. Mujibur Rahman
Managing Director (In charge)
SME Foundation



Acknowledgement

The Board of Directors of SME Foundation (SMEF) felt the need of identifying and mapping of SME clusters scattered around the country to monitor and ensure sustainable vibrant SME sector in Bangladesh.

We deeply acknowledge the support and cooperation extended by the key stakeholders of SMEF who deserve heartfelt thanks for their guidance in findings the clusters scattered all over Bangladesh. We also express our sincere gratitude to the business leaders who provided guidelines, among them, names of Mrs. Rokeya Afzal Rahman, President, Bangladesh Federation of Women Entrepreneurs (BFWE), Mr. Enayet Hossain Choudhury, President of BEMMA, Mrs. Salima Ahmad, President of BWCCI, Mr. Sheikh Md. Abdus Sobhan, President of NASCIB, Mr. Abdur Razzaque, Director of FBCCI and President of BEOIA, Mr. Shamim Ahmed, President of BPGMEA, Mrs. Poly Rashid, President of BBHOA, Mir Maniruzzaman, Executive Director of LFMEAB and Mr. Md. S.U. Haider, President, Banglacraft are worth mentioning.

We also express our gratitude to the senior government officials who provided useful guidelines, among them, names of Mr. Fakhrul Islam, Chairman of BSCIC, Mr. Abu Taher Khan, GM of BSCIC, Mr. AKM Rafiqul Islam, Deputy Secretary (SME Cell), Ministry of Industries are mentionable. Also, we are grateful to the officials of local BSCIC Industrial Estates and DC offices, the representatives of local Chambers of Commerce, local economic reporters / Journalists and NASCIB for extending immense support and cooperation in identifying the clusters. Our thanks and gratitude goes to those individuals who extended cooperation in obtaining data for preparation of this report.

Our thanks also go to the representatives of BBS, CPD and BEI for their valuable contribution in the process of study implementation. Our sincere appreciation also goes to all other stakeholders and leaders of business community, whose support was invaluable in the compilation of data. Thanks to Young Consultants (YC) for collecting primary data with supervision of SMEF officials.

Finally, SMEF acknowledges the valuable contribution of all the members of the study team who relentlessly worked to make this study a success.



Disclaimer

This Study has been carried out as a baseline Study on the presence of Small and Medium Enterprise (SME) clusters in Bangladesh. Source of data collected is mainly unofficial/ informal through close involvement and active guidance of the officials of relevant government and private bodies (DC Office, BSCIC, SMEF, all the districts chambers of commerce and industry, NASCIB, Press club, other national business associations, etc.) and the entrepreneurs as well. In most cases, rigorous attempts have been made to collect realistic data and information for which multiple sources have been considered and consulted. However, it should be noted that this report was prepared on the basis of information provided by the respondents.



Executive Summary

Because of its far reaching implications in economy, the cluster concept is regarded critical for industrialization process. SME cluster plays pivotal role in employment creation, income generation at grassroots level as well as eradicating poverty. Clustering can assume ground breaking role in shaping up the future of the country's overall economy.

In this backdrop, SME Foundation (SMEF) took the initiative to locate these small industrial cluster situated around the country. The main objective of mapping these clusters is to formulate an appropriate policy and designing intervention programs that eventually would lead to further expansion and development of these enterprises. Identifying the SME clusters is first of its kind in Bangladesh initiated by SMEF. Using the social capital of cooperative behaviour the country can move further to set up a strong industrial base. Bangladesh has had global reputation and recognition of pioneering in microfinance and setting up micro enterprises but it missed the boat to follow the global trend to catch up in setting SMEs in right direction. To meet the gap, SMEF came up and started to identify the status of SMEs around the country.

In order to develop a standard report, relevant literature from secondary sources were reviewed and best practices around the world were collected. A number of ideal cases collected from literature, at different geographical location have been represented here to understand the policy implication to develop the cluster. It was focused on latest cluster research work of leading experts and economists. The literature of Michael Porter, John Humphrey and Hubert Schmitz were carefully scanned—even that of Alfred Marshall was referred in appropriate context.

This approach helped acquire knowledge of the different perspectives of cluster mapping in the context of Bangladesh.

A countrywide survey was conducted in October 2011. In addition to conducting interviews using the structured questionnaire, all the relevant stakeholders were consulted from time to time to accomplish this task. The methodological procedure followed to accomplish the study objectives including desk research, collection of primary data through a structured questionnaire study, key informant interviews, stakeholders' consultation and review of international best practices. The collected data were analyzed by using Statistical Package for Social Science (SPSS) and the cluster location maps also presented in GIS software.

The Study felt it necessary to have an idea about the enterprises within the clusters. Hence, a stratified random sampling technique was applied for selecting clusters where 'sector' and 'division' were the basis of the stratification. The proportional allocation of clusters was considered for determining the number of clusters identified in each 'sector' and from each 'division'. Detailed methodology has been incorporated in the approaches and methodology, chapter.

The study mainly focused on 11 (eleven) SME booster sectors defined by the SME Policy Strategies 2005. The enterprises under the non-booster sectors have also been identified simultaneously. Thus, the objectives of the study were to identify the clusters of the SME booster sectors located throughout the country and mapping the clusters by incorporating the factors determining the status of its enterprises in terms of location, number of units, products/services, employment pattern, annual turnover, market shares, growth potential and HS codes (if any).

The study was conducted across the country considering all the aspects that were determining factors in defining and mapping the clusters in a meaningful way. Although some of the aspects may have overlapped with others in the process of accumulating information but nevertheless, such overlapping opened up new avenue(s) of facts that deserve attention. Thus the mapping of the clusters was conducted on the basis of, a) Division-wise mapping of clusters b) District-wise



mapping of clusters c) Sector-wise mapping of clusters and d) SME booster sectors and non-booster SME sectors mapping of clusters. Individual profiles have been created for all the 177 clusters identified under SME booster (129 Clusters) and non-booster SME sectors (48 clusters) that can be found along with the corresponding maps in Annexes. Moreover, a basic database on all the clusters identified has been developed using Microsoft Access.

The findings of the mapping of SME Clusters have given us quite interesting information. However, for a brief overview, let us have a short resume of what transpired out of the study. There are about 177 clusters in Bangladesh, of which 129 fall under SME Booster sectors and 48 under Non-booster SME sectors. There are about 69,902 enterprises operating in these 177 clusters employing a workforce of about 1,937,809, of which 74% are male and the rest 26% are female. Total approximate annual turnover in these clusters has been estimated at Tk. 295150.66 millions. Average number of workforce per cluster was 394, whereas workforce engaged per enterprise was 28 and male-female ratio of the workforce in all these clusters was 74:26. In the booster sectors, there are 34 clusters in Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture, 31 clusters in light engineering and metal working, 22 clusters in knitwear and RMG, 16 clusters in Designer, aesthetically-challenging, personal wear and effects, 13 clusters in Leather making and leather goods, 5 clusters in healthcare and diagnostic, 3 clusters in plastic and other synthetic products, 3 clusters in electronics and electrical, and 2 clusters in educational services sector. No clusters have been found in software development and Pharmaceutical/Cosmetics/Toiletries sectors. In case of non-booster sectors, 48 clusters have been found of which 38 belonged to handicraft and 10 belonged to Handloom sectors. These clusters can be grouped division-wise, Dhaka division has 38%, Rajshahi has 18%, Chittagong has 15%, Khulna 12%, Rangpur 7%, and Barisal 6% and Sylhet 4% clusters. There are 55,812 enterprises in the all the SME Booster sectors whereas there are 14,090 enterprises in the Non-booster SME sectors.

In term of provision of production and availability of utility services the study revealed that 51% enterprises in the clusters depend on local source for raw materials, 38% on both local and imported raw materials and 7% depend on only imported raw materials. 48% enterprises sell their output locally, 43% sell nationally and the rest 9% sell internationally. 85.9% lands inside the clusters belonged to private parties and the rest are either government owned or both government and private. 100% units in the clusters do have electricity connection whereas 70% do have water connection and 30% have gas connection. 98.9% clusters have inside road connectivity. 93.2% have link to national highway, 80.8% have link to railway, 46.9% have link to river port, 22% have link to sea port and 40.1% have link to airport. 83% units inside the clusters have trade license, 69.5% have TIN and 48.6% have VAT registration. 97% of the units do not have any financial support from any authority. None of the firm's operation was that big to impact environment negatively, whatever negative impact do some units create are so insignificant that should not be taken into account. The units do face some sort of challenges of which external harassment topped the list.

This study revealed important information for the policy interventions on SME clusters throughout the country. Among the SME booster sectors Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture, Light Engineering and Metal working, Knitwear and Readymade Garments, Designer, aesthetically-challenging, personal wear and effects and Leather-making and Leather Goods are sectors those deserve the highest attention. Since the highest numbers of clusters (116) are concentrated in these sectors and the enterprises within the clusters, despite facing innumerable challenges and obstacles, are demonstrating growth with high potentials.

The factors that were considered for determining the overall status of the clusters were very much primary. Considering the time limitation no indepth information related to the enterprises could be



collected. Some basic indicators like: location of clusters, number of enterprises, number of employees and ratio of male and female workers, annual turnover, market shares and connectivity, sources of raw materials, land, infrastructure and utility services, regulatory practice and external assistance for development, environmental issues and steps on pollution reduction , access to finance, presence of associations and interaction with service providers were considered.

The mapping of clusters considering the above-mentioned factors has many positive impacts on the SMEs in Bangladesh. One of the most important things achieved through this process is building awareness among entrepreneurs about clusters and the advantages of being in one. Most of the small and medium entrepreneurs, who would never have known about the SMEF, came to know about it because of this study. However, the report also points out the ‘expectations’ of the SME entrepreneurs from the SME Foundation.

Favorable and unfavorable conditions for the enterprises within the identified clusters have been pointed out in this report applying SWOT (Strength, Weakness, Opportunities and Threats) analysis. The entrepreneurs, members of local and national Chambers and other Associations, local business leaders and other stakeholders made suggestions regarding challenges faced by the SMEs that they believe would contribute in the growth of the clusters. An analysis of the matter can be found in the report.

In the concluding chapter recommendations and suggestions were made for the development and growth of the SMEs in Bangladesh.



Introduction and Background

1.1 Background

The continuous efforts for survival, expansion and improvements by Small and Medium Enterprises (SMEs) in the economy of Bangladesh have resulted in occupying the dominant source of industrial employment. In Bangladesh, about 90% of the industrial units are SMEs¹. This strong presence puts the SMEs in a significant position on the national economy. SMEs assume to play a pivotal role in the creation of employment, value addition to gross domestic products, foreign exchange earnings and poverty reduction along with creation of capital in the overall economy. Therefore, if the diverse needs of SMEs are addressed properly, it will help to reshape the future economy of Bangladesh in a better direction towards sustainable growth. Realizing this potential, the Government of Bangladesh has been formulating SME Policy Strategy and Guidelines from time to time. In line with the national policy objective, the Small and Medium Enterprise Foundation (SMEF) has devised a plan of mapping SME Clusters across the country in order to initiate appropriate development interventions with a pragmatic approach.

This report is the outcome of the SME Cluster Mapping Study commissioned by SME Foundation that covered various issues of possible interventions like policy advocacy, capacity building, access to finance, access to Information and Communication Technology (ICT), technology development, technology up-gradation and transformation, business support services etc. for the development of SMEs in the country. Hence, the SME Foundation felt the need to identify the existing and potential clusters scattered in the country in order to design appropriate interventions program for further development. The mapping of small² and medium³ enterprise (SME) clusters scattered all over Bangladesh has been considered as one of the pre-requisites in order to take up any strategy towards creating a vibrant SME sector in Bangladesh that can contribute significantly to the national economy. Importance of SME clusters located across the country cannot be ignored while promoting SMEs. Initially, the study aimed to identify only the SME clusters as they have been defined, however, clusters of micro enterprises⁴ were also included thereafter. In general, clusters can be defined as sectoral and geographical concentration of enterprises, having common opportunities and threats.

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1. National Private-Sector Survey of Enterprises in Bangladesh 2003
 2. In Manufacturing, small industry will be deemed to comprise enterprise with either the value (replacement cost) of fixed assets excluding land and building between Tk. 5 million and Tk. 100 million, or with between 25 and 99 workers. For Services, “Small industry” will correspond to enterprise with either the value (replacement cost) of fixed assets excluding land and building between Tk. half a million and Tk. 10 million, or in between 10 and 25 workers.
 3. In Manufacturing, medium industry will be deemed to comprise enterprise with either the value (replacement cost) of fixed assets excluding land and building between Tk. 100 million and Tk. 300 million, or in between 100 and 250 workers. For Services, medium industry will correspond to enterprise with either the value (replacement cost) of fixed assets excluding land and building between Tk. 10 million and Tk. 150 million, or in between 50 and 100 workers.
 4. In Manufacturing, micro industry will be deemed to comprise enterprise with either the value (replacement cost) of fixed assets excluding land and building between Tk. half a million and TK. 5 million, or with between 10 and 24, or small number of workers.



Mapping of SME clusters is a relatively new phenomenon in the economic research domain across the world. In Bangladesh, the SME cluster mapping is also relatively new approach to derive a better understanding of the presence, profile and economic performance of the clusters. Benefits of SME cluster development can be analyzed in various contexts, a) it can give rise to external economies (e.g. specialized suppliers of raw materials, components and machinery, sector specific skills, etc.); b) it can favor the emergence of specialized technical, administrative and financial services; and c) it can create a conducive ground for the development of inter-firm cooperation and specialization as well as cooperation among public and private local institutions to promote local production, innovation and collective learning.

1.2 Rationale

This study is the first of its kind in Bangladesh through which almost all existing and potential SME clusters have been identified and mapped with their clusters in the country. The principal reason for carrying out this study was to define and locate the SME clusters throughout Bangladesh. There are thousands of small and medium enterprises that continue to survive and even expand - playing a significant role in the country's overall economy. These small and medium enterprises are generating millions of Taka in revenue and employing thousands of skilled, semi-skilled and non-skilled workers. Considering the locations and products and services they produce, it only makes sense to unify them under the appropriate clusters since SME Foundation has plan to take up initiatives to elevate the overall conditions of these enterprises, especially the ones identified within SME booster sectors.

While conducting the desk research and review of available data and study findings, the study team looked into the overall conditions of industrial clusters in different regions of the world like South East Asia, Far East Asia, Africa, North and South America and Europe. It is interesting to note here that, industrial clusters have been defined differently in different parts of the world and there is no universal definition of cluster of SMEs. As a result, the study team set criteria to define a cluster in Bangladesh before initiating activities to identify clusters, based on thorough review of situations prevailing in other countries. What the experts in different countries did was defining the clusters according to criteria that suit best in their own economies. In fact, though the small and medium enterprises clusters have been defined for the first time in Bangladesh. As such, it was only rational to adopt certain criteria that suit our national economy best. In this process, the study team felt the need to involve both the officials of SMEF as well as the representatives of the key stakeholders. Moreover, in the process of mapping these clusters most of the relevant information like products, location, employment, revenue/turnover, sourcing of raw materials, technical skills, access to finance, local and national/international markets, HS codes (where applicable) etc. have been collected. Without this information, it would have been impossible to come up with an acceptable and appropriate scenario of clusters that would really define them such as to put them in the right place of the national economy. Therefore, this study provides a comprehensive guideline in finding such criteria to define clusters. An important aspect of this study that makes it more worthy of its cause is that it involves all the stakeholders in the process of defining, identifying and mapping of SME clusters through consultation.

1.3 Objective

The primary objective of the study was to identify the SME clusters and mapping of the clusters in particular. More specifically, the objectives were to:

- Identify the clusters of SME booster sectors (as mentioned in the SME Policy Strategy 2005 adopted by the Govt. of Bangladesh) located throughout the country; and
- Mapping the clusters considering H.S Code (if any), principal location, product/service name, number of enterprises, employment pattern, turnover, growth potential etc.



1.4 Scope of Work

The study aimed at conducting a detailed identification and mapping of SME clusters located throughout the country considering the selected booster sectors. While identifying the clusters, the study paid particular attention on the SME booster sectors that include eleven sectors, namely, Electronics and electricals; Software-development; Light engineering and metal-working; Agro-processing/ agri-business/ plantation agriculture/ specialist farming/ tissue-culture; Leather-making and leather goods; Knitwear and ready-made garments; Plastics and other synthetics; Healthcare & diagnostics; Educational services; Pharmaceuticals/cosmetics/toiletries; Designer, aesthetically-challenging, personal wear and effects. In this regard, EPZ has been kept out of mapping as there exist diverse nature of factories in EPZ which do not fall under similar types of industry, as classified in the cluster definition.

The study was mainly conducted in a manner as to collect data from primary sources, namely, SME clusters all across the country through field visits and personal interviews. However, available secondary data and the findings of the previous researches and studies were used to understand the international best practices and also to derive inputs for customizing with local context specially in case of setting criteria to identify and define clusters. The study primarily concentrated on the preparation of the following:

- List of all identified clusters (emerging/matured/declining);
- Mapping of all clusters (division/district/upazilla-wise);
- Profile of all clusters (division/district/upazilla-wise);
- Product-wise mapping (division/district/upazilla-wise) highlighting symbols and location.

The study findings also brought in the perspective of micro and SME definitions under the latest Industrial Policy of Bangladesh i.e. National Industrial Policy 2010. Designing Process of the questionnaire was a comprehensive one that incorporated all relevant and available information on the clusters. Attempts were made to interview the appropriate respondents who were the representatives of local chambers of commerce and business associations, leading members of NASCIB and their officials, officials of BSCIC, local bankers, NGO officials, entrepreneurs and employees running micro and SMEs. Detailed profile of each and every cluster identified has been prepared incorporating required information and data for future convenience. Basic data on the individual clusters have been formatted using Microsoft Access database.

The study also made extensive efforts to find H.S Code of the products (as far as applicable), estimate the number of firms and employment both male and female, trained or not trained, skilled and unskilled, estimated investment and turnover, principal location, market, source of raw materials, off-site and on-site infrastructure, utilities, business trend, environment pollution situation, social security and threats, labor compliance, historical background-naturally grown community based or policy induced clusters, past interventions, current practice of government regulations (licensing, income tax, VAT, etc.), stage of development, growth potentials etc.

The maps of various clusters have been prepared in a way so that different identified clusters in different divisions, districts and upazillas can be found easily from the map. Different symbols have been used for the purpose of indicating the products in map of identified clusters. Similarly, location-wise maps have been prepared. A field study has been carried out on 380 enterprises using a structured questionnaire to understand the business scenario of the SMEs operating within the clusters identified. Owners or key promoters or head of operation and employees were interviewed to collect relevant data.

1.5 Study Team

An eight-member team of experts with sound academic background, long experience and competence was engaged to conduct the study. All of them are closely acquainted with SMEs and



other business sector and investment climate of Bangladesh. The study team was blended with experts having required knowledge and expertise in all spheres of SME development and promotion like policy strategy, institutional capacity building, skill development, market promotion and diversification, quality certification, law and environmental compliance, access to finance, formation of business association, technology transfer and innovation, ICT application, business regulation and investment climate etc.

1.6 Challenges Faced and Limitation of the Study

The study team faced several challenges of different magnitude as mentioned below:

- At the outset, major challenge was faced in defining Cluster in absence of any previous study or study on Cluster in Bangladesh where a precise definition of Cluster in country context has been applied. Therefore, rigorous steps were taken in articulating an appropriate definition of SME clusters in view of international perspective. This process eventually took significant time and efforts since the research findings were validated through a national consultation meeting, attended by major stakeholders of SME development in Bangladesh.
- Level of efforts has further increased to accommodate the request to identify micro enterprise-based clusters, non-booster SME sectors including cottage industries-based sector.
- Gap between the information provided by the stakeholders and practical scenario on SME Clusters.
- In a few cases, the respondent(s) did not show interest in providing information, as they had bitter experience from research and studies undertaken by other organizations in different areas in the past. As such, it was difficult to make them understand how such study and mapping would be beneficial to them.
- Inaccessibility to the financial information of the enterprises.
- Lack of access to information.
- This report includes only those enterprises which are within the identified 177 SME clusters of different sectors throughout the country. Hence, the number of enterprises investigated represent different sectors as a sample case, not all enterprises in different sectors of the country.



Chapter Two

Approach and Methodology Followed

2.1 Approach and Methodology Followed

The approach and methodology followed to accomplish the study included desk research, review of available reports and research findings, collection of primary and secondary data, key informant interviews, stakeholders' consultation, expert opinions, review of international best practices, collected data analysis and reporting. All the important tasks and services were performed in consultation with SME Foundation, from time to time.

Relevant data, previous research findings, published articles, research reports, relevant policy documents and publications of development partners (UNIDO, SEDF, KATALYST, etc.), Bangladesh Bank, SMEF, BSCIC, other concerned government and private organizations, were collected and consulted. A good number of studies and academic research conducted in different parts of the world (Asia, Africa, Europe, North and South America) were also identified and downloaded through website browsing. Those documents were reviewed to create a basis of proposing an acceptable definition of SME cluster, set criteria for cluster identification and find ways to involve the stakeholders in the process.

A series of meeting and brainstorming sessions were held among the members of the study team as well as with the concerned officials of deferent stakeholders where major issues relating to the study were discussed. Relevant important issues like policy review, Geographical Information System (GIS) mapping tools and techniques, sampling techniques, implementation strategy, questionnaire and checklist to be used, outline of stakeholders' consultation meeting, etc. were discussed. Immense care was taken in the process of setting criteria to identify and define clusters following the guidelines provided.

The representatives of different government and private sector stakeholder organizations took part in the consultation process that include representatives from Bangladesh Bureau of Statistics (BBS), Bangladesh Electrical Merchandise Manufacturers' Association (BEMMA), Bangladesh Plastic Goods Manufacturers and Exporters Association (BPGMEA), the officials of the Ministry of Industries (MoI), Bangladesh Bank (BB), Centre for Policy Dialogue (CPD) and BASIC Bank Limited. A total 13 key informants were interviewed who are the representatives of chambers of commerce, trade associations, relevant government bodies, government officials, sector experts, chamber officials, business community leaders and many others. The list of organizations included Bangladesh Small and Cottage Industries Corporation (BSCIC), National Association of Small and Cottage Industries of Bangladesh (NASCIB), Bangladesh Women Chamber of Commerce and Industry (BWCCI), Bangladesh Federation of Women Entrepreneurs (BFWE) and Sector Associations of plastics, footwear and leather goods, light engineering, electrical goods, handicrafts, software and others. Draft questionnaire prepared for cluster identification study was reviewed in the stakeholders' meeting and the questionnaire was finalized accordingly.

A total of 10 Field Investigators were recruited, trained, employed and assigned for the data collection from the field across the country covering all 64 districts. Microsoft Access format synchronized with the key elements of the Questionnaire was applied to prepare database on individual clusters. Such database gives manifold benefits for example: categorizing clusters into



different groups i) Natural cluster/Induced cluster, ii) Technology based cluster: Modern Technology or Indigenous Technology, iii) Linkage wise: Vertical/Horizontal, iv) Marketwise: Domestic/Export, v) Growth wise: Dynamic/Static, etc. The study team has applied Geographical Information System (GIS) while mapping the identified clusters.

In selection process of the enterprises for study, dispersed location of the clusters identified has been considered to cover representation of all identified sectors and geographic locations. As far definition of cluster is concerned in the study: a cluster is a concentration of enterprises producing similar products or services and is situated within an adjoining geographical location around 5 km radius and having a common strengths, weaknesses, opportunities and threats. Stratified sampling method has been applied and the basis of the stratification is 'Sector' and 'Division'. Proportional allocation has been considered for determining the number of clusters from each sector and from each division. Following systematic random sampling technique the sample size has been determined. Once the primary data collected against individual clusters as well as enterprises, SPSS software has been applied to compose and analyze those data.

Upon analyzing the data, necessary tables and charts have been generated for report writing with analytical findings. To validate the study findings, a power point presentation was used in a stakeholders' meeting and the outcome of the discussion has been articulated in the report as appropriate.



Chapter Three

Theoretical Perspective and International Practices

3.1 What is cluster ?

It is difficult to present an universal definition of cluster. According to Humphrey (1995 & 1999) and Schmitz (1995) cluster has no generally accepted definition. The term 'cluster' is used quite indiscriminately for a broad range of business arrangements. In its broadest sense, the term 'cluster' only depicts local concentrations of certain economic activities (Altenburg 1999: 1694). The term cluster is used in two somewhat different ways in the industrial development literature. Porter (1990:761) uses the term to designate a group of firms engaged in similar or related activities within a national economy. Moreover, he marked the cluster in broader phenomena and did not consider geographical proximity as a defining characteristic of cluster. According to Schmitz (1992), a cluster is a geographic and sectoral agglomeration of enterprises.

Most definitions, according to Altenburg (1999), of clusters thus add some ingredients to the basic notion of spatially concentrated firms and focus on external effects and interaction:

- positive external effects emanating from the existence of a local pool of skilled labor and the attraction of buyers;
- forward and backward linkages between firms inside the clusters;
- intensive information exchange between firms, institutions, and individuals in the cluster, which gives rise to a creative milieu;
- joint action geared to creating locational advantages;
- the existence of a diversified institutional infrastructure supporting the specific activities of the cluster;
- a socio-cultural identity made up of common values (Altenburg 1999: 1694).

Moreover, clustering can be analyzed from theoretical perspective first. In his Principles of Economics, Marshall (1920) showed how clustering could help enterprises (especially small ones) to compete. He noted that the agglomeration of firms engaged in similar or related activities generated a range of localized external economies that lowered costs for clustered producers. Such advantages included a pool of specialized workers, easy access to suppliers of specialized inputs and services and the quick dissemination of new knowledge. These external economies help explain the growth of contemporary industrial clusters and Marshall's century-old work is a standard reference in literature review.

Critics argued that Marshallian external economies are not sufficient to explain cluster development. In addition to incidental external economies, there is often a deliberate force at work, namely the conscious pursuit of joint action. This is what emerges from research on industrial clusters in advanced and in developing countries (Brusco, 1990; Cooke and Morgan, 1998; Rabellotti, 1997; Tandler and Amorim, 1996 cited in Humphrey and Schmitz, 1999;).

3.2 Definition of Clusters in Bangladesh Economic Context

Taking into account the characteristics of globally acceptable definition and considering the current socio-economic context of Bangladesh, a more elaborate and acceptable definition was formulated upon completion of desk research and consultation process i.e.



“A cluster is a concentration of enterprises producing similar products or services and is situated within an adjoining geographical location having common strengths, weaknesses, opportunities and threats”.

Key criteria selected to define a SME cluster in Bangladesh are:

- Products or services should be similar or homogenous along with related products
- Enterprises must be production or service units including forward and backward linkage industries
- Number of units: 50 or above
- Adjoining geographical location: several villages, wards, unions and industrial estates
- Scattered within an area of 5 kilometer radius

3.3 Why SME Cluster is Critical?

Michel Porter (1990) argued that importance of proximity is underscored not just of suppliers but also of rivals and customers for dynamic business development. Humphrey (1995) identified how ‘collective efficiency’ worked well to make clustering concept successful in doing successful industrialization process in developing countries. Later, in his work Hubert (1999) brought together the incidental and deliberate effects into the concept of collective efficiency defined as the competitive advantage derived from external economies and joint action. Hubert further argued that cooperating firms are found to be performing better - but insufficient. There are two main areas of deficiency. First, the collective efficiency framework does not adequately capture external linkages; for example, the nature of linkages with foreign buyers can be crucial to the cluster's development. Second, a strategic response to external challenges may require more than joint action of local enterprises thus raising wider issues of local governance (Hubert and Nadvi 1999).

According to Porter 1990, Humphrey and Hubert (1995) clustering seems to enable firms, especially small and medium-sized enterprises (SMEs), to grow and upgrade more easily. SMEs may even become players in world markets if a high degree of inter firm specialization and their proximity to other firms performing complementary functions offset the disadvantages of being small. Clusters often create positive externalities which help managerial and technical learning. Empirical evidence shows that clustering is especially common among traditional small-scale and labor-intensive activities.

Upgrading these activities contributes to a more balanced firm size structure and a more labor-intensive growth pattern. These features of clustering have attracted the interest of policymakers in developing countries and development assistance agencies. Recently, numerous bilateral and multilateral agencies (including the World Bank, UNIDO, UNCTAD, and ILO) have begun to recognize the benefits of clustering and to reframe their SME and private sector development programs (Altenburg 1999).

3.4 Policy Issues

In recent years industrial clusters have attracted a great deal of attention to the experts and economists. Policy makers are considering the clusters a big potential for employment generation. In addition clustering of SMEs, specially in emerging economies, has made a series of success stories in competing global markets. Moreover, what makes clusters so attractive for policy makers that are the opportunities for collective efficiency (Schmitz 1995) emanating from positive external economies, low transaction costs, and joint action. Pure agglomerations of unrelated firms do not give rise to collective efficiency (*ibid*).

3.5 Lesson from Global Clustering Experiences

Some selected clustering experiences from sub-continent with European and Latin American are presented here.



3.5.1 India: Ikat Handloom Weaving Cluster

The Ikat handloom cluster of Barpalli in Orissa consists of seven villages of the Barpalli block and one village of Bijepur block, both located in the district of Bargarh in Sambalpur. The cluster accounts for nearly 68 % of the total looms of the district. The growth of weaving activity dates back to the advent of the Bhulia Meher community in 1726, which were quickly followed by the Costa Mehers (tussar weavers) and Kuli Mehers (less skilled weavers). An impetus to the weaving activity came with the establishment of the Sambalpuri Bastralaya in 1942, which supplied dyed yarn to the production unit at Barpally from where it used to be made available to the weavers. Meanwhile, the state government supported the creation of cooperative societies in the region and provided support in the form of subsidies, rebate, technical assistance etc.

Major Constraints of the cluster are Limited Access to and Mismanagement of Credit, Lack of Appropriate Technologies, Problem of Access to Raw Materials, Limited Innovation Capacity; Limited Access to markets, and Social Issues - Health, Gender etc.

Improved Productivity, Mechanization of Pre-loom Processes, Skills Upgraded, Fostering Social Development, and Empowering Women. UNIDO has promoted skill upgradation of semi-skilled Kuli weavers. As a result, 145 Kuli weaving families are using their own tie and dye yarn for weaving instead of buying them from the market, and are also selling these yarns directly in the market. Weavers are now producing higher end products which earn them a margin 60 % higher than low cost products.

3.5.2 Indonesian: Cottage Industry Cluster

In Indonesian industrialization process, cottage industry clustering is considered as a seedbed for industrialization. The study of Weijland 1999 shows the importance of clustering at early stages of development, when clustering is still largely a rural phenomenon and may serve as a survival strategy. It showed that dimly poor but clustered rural microenterprises may have a seedbed function for industrial development. In addition it showed that clustering policy had brought about some success in Indonesia. Data on more than 4,000 rural clusters provide insights in the various forces behind cluster gestation, prosperity and dissolution. According to data of the Ministry of Industry, some 10,000 out of the 70,000 Indonesian villages are registered as industrial clusters. Clustering used to occur spontaneously, but at present it is also encouraged by private and/or public institutions. Many clusters are located in densely populated, poverty stricken regions and serve local demand, but there are also many clusters surviving in sparsely populated areas where they serve wider markets. The more thriving clusters are likely to be found in the vicinity of roads, or even better, at crossroads. Heinen and Weijland (1989) found that clusters within a short distance of rural centers turned out to be the largest and wealthiest. The most isolated clusters were the poorest, but they had relatively more members than the semi-isolated ones, where the workers could commute to the larger rural centers and therefore tended to abandon their traditional crafts.

3.5.3 Italy: Lessons from SME Cluster

The rapid growth of SME-based industries in Italy was associated with the concentration of firms in particular sectors and localities. Such clusters were able to establish a strong position in world markets in a number of so-called traditional products - shoes, leather handbags, knitwear, furniture, tiles, musical instruments, food processing - and also in the industries which supply machinery to these sectors. The close proximity of raw materials suppliers, equipment suppliers, component producers, sub-contractors and final goods producers, together with a combination of both intense rivalries between firms and cooperation in producers' associations seemed to be able to drive the whole cluster forward.

However, drawing policy lessons from the Italian experience is not as easy as it appears at first sight. The role of policy in the Italian and other European districts has been given great attention in the literature. Particular emphasis has been placed on the role of local and regional governments in providing a framework in which clusters of SMEs can flourish. Brusco (1990), Best (1990), Murray



(1991) and Pyke (1992) as cited in Humphrey (1995) stress the importance of the local State in institution-building, the promotion of consortia of firms and, in particular, the development of collective service centers.

3.5.4 Latin American Survival SME Cluster

Many Latin American clusters consist almost exclusively of micro and small firms in activities with low barriers to entry, such as production of garments, shoes, furniture, and auto repair. Often these firms cluster in poor areas, where open or disguised unemployment is high, either in small towns of rural areas or on the outskirts of big cities. Examples of the former are the shoe clusters in San Mateo Atenco and San Franciscodel Rinc on in Mexico as well as furniture making in Sarch in Costa Rica.

3.5.5 Pakistan: Medical Instrument Cluster in Sialkot

In Sialkot (Punjab, Pakistan), a cluster of surgical instrument manufacturers operates, consisting of approximately 230 producers and 2000 subcontracting firms. The cluster produces around 10,000 different varieties of surgical, veterinary, and manicuring instruments mainly for foreign markets including the United States and Western Europe, with three-quarters of the cluster's output destined for these two regions. While the U.S. mainly imports Sialkot's disposable instruments, Europe principally imports the re-useable variety. This output of the cluster is economically important, as it produces approximately 150,000 pieces annually with the value of production estimated at Rs 22 billion.

The origins of the cluster are quite interesting, having started more than 100 years ago. In the 1930s, the cluster began exporting regionally to countries such as Egypt and Afghanistan, and supplied Allied forces during World War II. The industry expanded after World War II, but strong pro-labor legislation that was passed in 1973 led to dramatically increased labor costs for firms with more than 10 employees, leading the industry to shift to extensive sub-contracting, referred to as "vendorization." Greater cooperation with buyers emerges as statistically the most significant factors associated with firm growth, even when accounting for firm size. Horizontal joint action, particularly through the trade associations, has been a key arena for local cooperation and has greater cluster-wide advantage.



Chapter Four

Overview of SME Clusters in Bangladesh

4.1 SME Clusters Identified in Bangladesh

In order to identify SME clusters in Bangladesh, the study was carried out in all 64 districts of the country by applying a structured questionnaire, approved by SMEF. Simultaneously, the study team also interviewed 13 key informants who are the senior officials of different government offices like BSCIC, SME cell of the Ministry of Industries, representatives of NASCIB, Chambers of Commerce and Industry, Sector Associations, Women Entrepreneurs Association as recommended by the SMEF. Key informants informed the study team about the presence of existing and potential clusters in the different parts of the country.

Based on the selected criteria of clusters approved by SMEF, a total number of 177 SME clusters were identified that include 129 clusters under SME booster sectors and 48 under non-booster SME sectors in 51 districts of the country. The study team could not find any cluster of 'Software development' and 'Pharmaceutical/Cosmetics/Toiletries'. However, there are cottage-industry based clusters involved in bamboo and cane works, pottery, Monipuri-handloom etc. which were excluded from the list of SME clusters for being family-based cottage industries.

The study included some potential clusters whereas some clusters have been excluded/ dropped from the list. The study included the list of 38 Clusters identified but not taken them into consideration for being cottage industries in nature. In few cases, although the total number of enterprises in the cluster is less than 50, they appeared to have significant contribution to the economy in terms of export expansion, employment generation, growth, utilization of local resources, use of indigenous technology etc. So, these clusters were also included in the mapping process. Final study reveals the following information on the clusters as shown in **Table 4.1:**

Table 4.1: Summary of Cluster Study

Total number of Clusters in Bangladesh	177
Number of Clusters under SME Booster Sectors	129
Number of Clusters under Non-booster SME sector	48
Total number of enterprises/venture (approximate)	69,902
Total Annual Turnover (Tk. in millions)[approximate]	295150.66
Total number of employee and workers (approximate)	1,937,809
Male (74%)	1,433,979
Female (26%)	503,830
Average number of Employees and workers / Enterprise	28
Average number of Employees and workers /Cluster	10,948
Average number of Enterprise /Cluster	394

Note: Number of enterprises, employees and turnover are only for identified clusters.

A list of total clusters identified, segregated into SME Booster and Non- Booster SME Sectors, has been prepared and presented in Table 4.2 below:



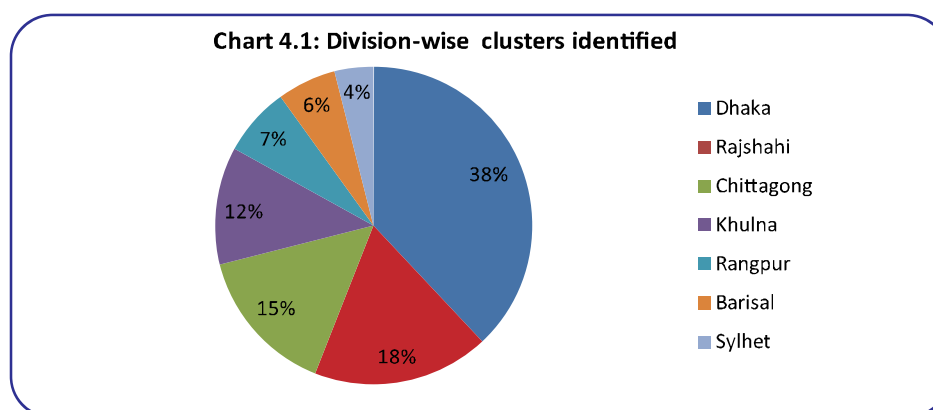
Table-4.2: Summary of Clusters Identified in the Country

Sl. No.	Name of Sector	No. of Clusters	Percentage
A	<u>SME Booster Sectors:</u>		
1	Agro-Processing/Agri-business/Plantation	34	19.2%
2	Light Engineering and Metal Working	31	17.5%
3	Knitwear & Readymade Garments	22	12.4%
4	Designer, aesthetically-challenging, personal wear and effects	16	9.0%
5	Leather Making & Leather Goods	13	7.3%
6	Healthcare & Diagnostics	5	2.8%
7	Plastics & Other Synthetics	3	1.7%
8	Electronics & Electrical	3	1.7%
9	Educational Services	2	1.1%
10	Software Development	0	-
11	Pharmaceutical/Cosmetics/Toiletries	0	-
	Total (A):	129	72.7%
B	<u>Non-Booster SME Sectors:</u>		
1	Handicrafts & Miscellaneous Sectors	38	21.5%
2	Handloom & Specialized Textiles	10	5.6%
	Total (B):	48	27.1%
	Grand Total (A+B):	177	100% (rounded off)

After modification of the list of identified clusters the total number of clusters identified stands at 177 and these are located in 51 districts. Therefore, 13 districts have no cluster as reported by the Field Investigators. The district-wise list of total clusters identified in the country is enclosed as Annex-I.

4.2 Division-wise Clusters Identified in Bangladesh

Clusters have been found in all the seven divisions of the country. However, out of 64 districts, clusters are located only in 51 districts, i.e. in 13 districts of the country SME clusters have not been developed for different reasons. Districts where Clusters have not been developed include Netrokona, Rajbari, Narail, Meherpur, Lalmonirhat, Sunamganj, Barguna, Bhola, Patuakhali, Noakhali, Bandarban, Rangamati and Khagrachari. The total number of division-wise Clusters identified may be observed at a glance in the following Figure/Chart 4.1:

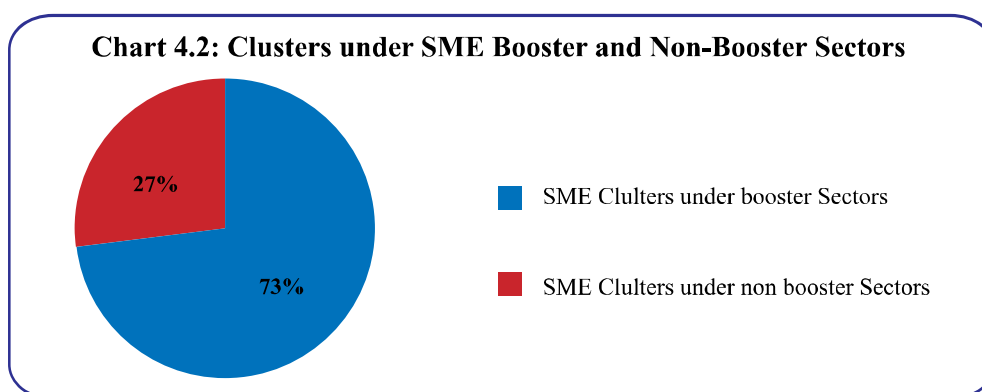


4.3 Clusters Identified under SME Booster Sectors and Non-Booster SME Sectors

Identified clusters which do not fall under the broad category of “SME Booster Sectors” are listed under the “Non-Booster SME Sectors”. Again, the clusters under non-booster SME sectors have

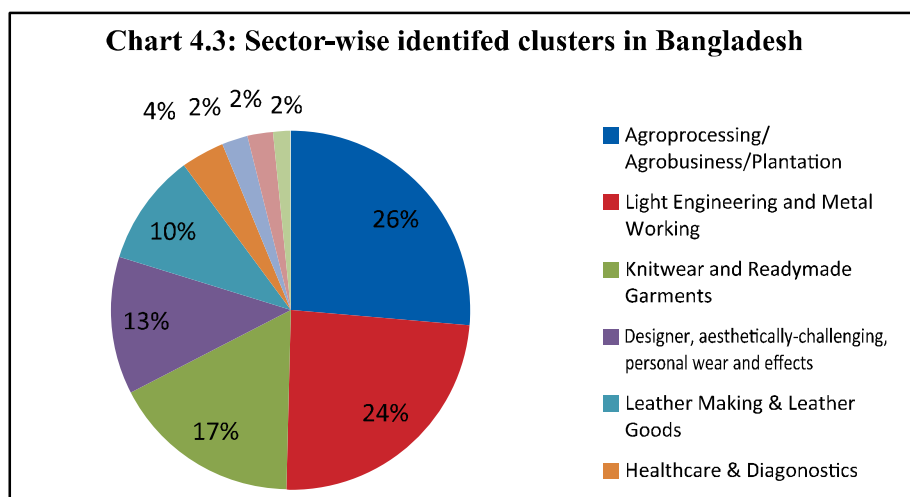


been divided into two broad categories; such as, handloom and specialized textiles, handicraft and miscellaneous industries. Handloom products, such as, Saree, Lungi, Towel etc. and power-loom products, such as, bed-sheets, pillow-covers etc. are listed under the category of Handloom and Specialized Textiles. Clusters having enterprises which are producing handicrafts and printing materials, potteries, mats (sheetal-patti), wooden furniture, bakery products, cricket bats, river-vessels etc. have been included in the category of “Handicraft & Miscellaneous Sectors”. It can be observed from the Table-4.2 above that out of a total of 177 clusters identified in the country, 129 (73%) of them fall under the classification of “SME-Booster Sectors” and the remaining 48 (27%) clusters are found under Non-Booster SME Sectors. This segregation of two broad classifications of clusters can be reviewed in the Chart 4.2 placed below:



4.4 Sector-wise Clusters Identified under SME Booster Sectors

Based on 129 Clusters identified under the SME booster sectors, 34 (26%) Clusters were found in the Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture; 31 (24%) in Light Engineering and metal working; 22 (17%) in Knitwear and RMG; and 16 (13%) in Designer, aesthetically-challenging, personal wear and effects and 13 (10%) in Leather making and leather goods. The remaining 13 (10%) Clusters belong to industrial classification of Healthcare and diagnostics, Plastics and synthetics, Electronics and Electrical and Education Services. As mentioned earlier that no Cluster was found in Software Development and Pharmaceutical/Cosmetics/Toiletries industry sectors. The number of Clusters identified under booster sectors can also be viewed in Chart 4.3 presented below:



4.5 Description of Clusters Identified in SME Booster Sectors

4.5.1 Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture

Thirty four Clusters have been identified in this sector and these are located in 20 districts of the country. There are approximately 10,612 enterprises in these 34 Clusters, engaged in processing of different kinds of agro-based items and food products. Out of 34 Clusters identified, 22 (65%) are rice mill Clusters, 3 (9%) salt mills, 2 (6%) oil mills and the rest are one each of lentil mill, bakery and confectionery, sweetmeat, dried fish, flower processing, agor and ator and flour mill. Individual profile of each of these 34 Clusters can be seen in Annex-2.

4.5.2 Light Engineering and Metal Working

Twenty nine Clusters belonging to light engineering and metal working sector have been identified in the country. They are located in 18 districts. Out of these 31 Clusters, 18 (58%) are auto and machinery parts manufacturers and repairing workshops, and the rest of the enterprises are engaged in making of bathroom fittings, steel furniture, steel frames, assembling and repairing of vehicles etc. In total, there are approximately 7,392 enterprises operating in these 31 Clusters. More details on these 31 light engineering Clusters can be seen in the individual profiles of the Clusters.

4.5.3 Knitwear and Readymade Garments

Twenty two knitwear and RMG Clusters have been identified in 14 different districts of the country. Among these Clusters, 7 (32%) are engaged in production of knitwear and the rest 15 (68%) Clusters have enterprises which are mainly tailoring houses making different types of readymade garments for the local as well as international market. Approximately 21,682 enterprises are operating in the 22 Clusters identified in different districts of Bangladesh. More insights on these Clusters can be seen in Annex-2.

4.5.4 Designer, aesthetically-challenging, personal wear and effects

In total 16 Clusters have been identified in this SME Booster sector that includes jewellery shops, jamdani saree etc. The identified Clusters in this sector are located in 10 different districts of Bangladesh. Approximately 4,900 enterprises are running businesses in these Clusters. More details on these clusters may be seen in Annex-2.

4.5.5 Leather Making and Leather Goods

In total 13 Clusters have been identified in this SME booster sector, located in 7 districts of the country. Out of these 13 clusters, 7 are situated in Dhaka district. Among these one is engaged in processing of raw leather and production of leather goods. The rest 6 Clusters are making Shoes using locally available leather and other raw materials to cater the demand of the local market. It has been found out that an approximately 9,015 enterprises identified in these 13 clusters. More information on these Clusters is provided in Annex-2.

4.5.6 Healthcare and Diagnostics

In total 5 Clusters have been identified in this SME Booster Sector. They are also located in 5 different districts of the country namely Mymensingh, Tangail, Satkhira, Rajshahi and Rangpur. Out of 5 Clusters, 4 (80%) are diagnostics centre and clinic and one is a medical bandage making Cluster that is located in Satkhira. There are in total 455 (approximately) enterprises operating in these 5 identified Clusters. More particulars are given in Annex-2.

4.5.7 Plastics and Other Synthetics

Three Clusters have been found in this sector. Two out of 3 Clusters are located in Dhaka district, and they are producing different types of plastic products including toys. The third one is located in Munshiganj district that manufactures Mono Filament Net. It has been estimated that approximately 1,270 enterprises are operating in these 3 Clusters. More information on the clusters is provided in Annex-2.



4.5.8 Electronics and Electrical

Only 3 Clusters have been identified in this SME Booster Sector. All the Clusters are located in Dhaka and enterprises in these Clusters manufacture different kinds of electronics and electrical goods. Approximately 286 enterprises are operating in these Clusters. More particulars can be observed in Annex-2.

4.5.9 Educational Services

Only 2 Clusters have been identified in this service sector. Both Clusters are having coaching and foreign education service centres; one is located in Dhaka district and another is in Tangail. It has been estimated that roughly 200 coaching and foreign education-counseling centers are operating in these 2 Clusters. More information is given on these 2 Clusters in Annex-2.

4.5.10 Software development

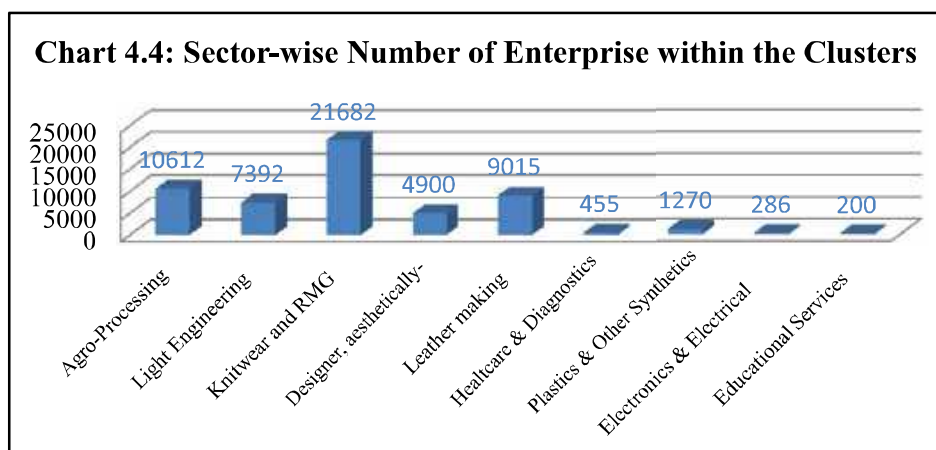
No cluster was found in this sector.

4.5.11 Pharmaceutical/Cosmetics/Toiletries

No cluster was found in this sector.

4.6 Number of Enterprises in Clusters under SME Booster Sectors

Approximately 55,812 enterprises belonging to 9 SME booster sectors are operating in 129 identified Clusters scattered in 51 districts of the country. Highest number of enterprises i.e. 21,682 has been found in knitwear and readymade garments sector. The second highest number of enterprises i.e. 9015 are found in Leather making and Leather Goods sector, and the third highest i.e. 7,392 are found in the Light Engineering and metal working sector. The number of enterprises operating in the identified Clusters of each SME booster sectors can be seen at a glance in the following Chart (Chart 4.4):



4.7 Clusters Identified under SME Non-Booster Sectors

4.7.1 Handloom and Specialized Textile Sector

In total 10 Clusters have been identified in these Non-Booster Sectors in 10 different districts of the country. Most of them are handlooms producing cotton sarees, lungis, 3-pieces, silk fabrics, and specialized textile products such as, bed-sheets, pillow-covers, blankets and nakshikathas. There are in total approximately 7,890 enterprises operating in Handloom and Specialized Textile Sectors. Detailed information in these two non-SME booster sectors is given in Annex-2.

4.7.2 Handicraft and Miscellaneous Sectors

A total of 38 Clusters have been identified in the Non-Booster Sectors located in 26 districts of the country. Out of 38 identified, 10 (27%) Clusters are of wooden furniture and sawmills; 7 (19%) are



of pottery making and 6 (16%) are engaged in bamboo and cane works. Four Clusters identified are making Mat i.e. sheetal patti. The study also identified some other Clusters that are producing diversified products, such as, cricket-bats, glass bottles, ator and agarbati and some are engaged in flower cultivation and marketing, printing, stone-crushing etc. It has been estimated that in total approximately 6,200 enterprises are operating in Handicraft and Miscellaneous Sectors. More information is provided on these clusters in Annex-2.

4.8 Description of Products within the Identified Clusters

Wide range of products and services are produced by the enterprises within the Clusters. It is indeed a very difficult job to capture all the products. Significant regional and inter-sector differentials of product range were observed. Table 4.3 furnishes major products and services under different sectors:

Table 4.3: Description of Products within the Identified Clusters

Sector	Products/Services
Agro-processing/agri-business/ plantation agriculture/ specialist farming/ tissue-culture	Rice, khud, kura, lakri, oil, khail etc.
Light Engineering and Metal Working	Door and window grille, door and window frame, collapsible gate, iron and steel furniture, Motor parts, engine repair, pump, Machine tools, Agricultural equipments, automobile body building, repairing, and coloring, ship breaking etc.
Knitwear and RMG	Pants, jackets, ladies' three piece sets, towels/gamchas, shirts, tape/nima, frocks, baby set, suit, cloth/thaan cloth, pluspain base etc.
Designer, aesthetically- challenging, personal wear and effects	Gold and Silver ornaments, hair spa, hair protein, party makeup, facial, eye-brow pluck, Herbal facial, hair cut, orange facial etc.
Leather making and Leather goods	Gents shoes, ladies shoes, baby shoes, sandal shoes, Slippers etc.
Healthcare & Diagnostics	X-ray, ultra-sonogram, ECG, different pathological tests, hematological tests, biochemical tests, echo-cardiogram, CT scan, surgery etc.
Plastics & Other Synthetics	Mugs, Bowls, Buckets, Bodna, and many other home appliances, plastic goods producing moulds etc.
Electronics & Electrical	Electrical Board, Switch, Socket, Holder, Cut-out, Anti cut-out, Coil, Battery, TV, Pluspain base, electric wire etc.
Educational Services	education services/counseling etc.
Handloom & Specialized Textiles	Blouse, Sari, scarf orna, three piece, farnet, towel, panjabi, cushion cover, bed sheet, pillow case etc.
Handicraft & Miscellaneous Sectors	dining table, chatai, chaluni, dhol, tabla, cage, kula, candle stand, cup-plate, clay piggy-bank, flower vase, different dices, mud cover, tub, oil-based perfume, incense sticks, curry and rice cooking pot, bamboo goods, tray set, bowl set, file set, ruler set, cylinder set, partition set, Boxed bed, normal bed, dressing table, reading desk, computer desk, Sofa set, dining table, chairs, etc.

The H.S. Code of these products and services can be seen in the Annex-3.



Key Findings of Clusters Identification Study

5.1 Location of Clusters and Number of Enterprises

Depending on their locations, some Clusters are having hundreds of manufacturing units whereas some clusters have a bare minimum number of enterprises. Besides, the manufacturing and service units are all scattered throughout places; they are not localized in an orderly fashion that may be perceived as what is referred to as “Localization of Industry” in classical economics. Moreover, enterprises have grown over the years in an unstructured fashion that indicates lack of proper planning of floor space. Each of the Clusters depend on different means of sustainability but nevertheless, they serve predominantly the local markets thus occupying their shares in the national economy.

5.2 Source of Raw Materials used by the Enterprises within Clusters

The study reveals that about 51% clusters are based on local raw materials, about 7% use only imported raw materials and in 38% clusters, the enterprises use both local and imported raw materials. Table 5.1 below shows the sector-wise raw materials used and their sources.

Sector	Raw Material Used	Sources		
		Local	Imported	Both
Agro-processing/agri-business/plantation agriculture/ specialist farming/tissue-culture	Paddy, wheat, yeast, sugarcane, salt, husk, sesame, mustered etc.	102	-	-
Light Engineering and Metal Working	SS pipe, steel, iron, scrap, GI pipe, aluminum, flat and angle bar, copper, led, color etc.	40	33	57
Knitwear and RMG	Elastic/rubber, thread, gum, foam, sticker, lace/ribbon, bale, chemical, cloth, cotton, soda, jori/puti color, zipper, paper, button, necklace, metal, buckram, fabrics, navy blue RX etc.	124	27	25
Designer, esthetically-challenging, personal wear and effects	Copper, zinc, acid, sohaga, massage cream, face pack, orange pack, foundation, hair polish, nail polish, spa pack, half silk, herbal pack, beauty pack, lip pack etc.	36	54	0
Leather making and Leather goods	Rexine, solution, sole, rubber/elastic, thread, gum, foam, sticker, pasting, aica/gum, synthetic, chemical, plastic, cellulite, animal skin, color etc.	80	9	1
Healthcare and Diagnostics	X-ray film, ECG roll, Ultra sonogram paper, different chemicals, surgical equipments etc.	-	38	-
Plastics and other Synthetics	Plastic, uranium powder, steel etc.	11	1	-
Electronics and Electrical	Plastic, coloring mud, copper, zinc, uranium powder, screw, copper rod, picture tube, remote, steel, carbon, iron, brass, PVC etc.	9	11	-
Educational Services	Not applicable	-	-	-
Handloom and Specialized Textiles	Thread, ribbon/lace, cellulite, wool, half silk, jori/puti, polyester, color, paper etc.	30	27	23
Handicraft and Miscellaneous Sectors	Bamboo, cane, wire, plastic, wood, mud, color mud, soda, khoir, date leaf, agar tree, different type of timbers etc.	132	5	-



Enterprises in the agro processing sector use 100% local raw materials, on the other hand, health care sector use 100% imported raw materials. We also attempted to know what type of machinery the enterprises use and whether the machinery are imported or locally produced.

5.3 Total Number of Enterprises in All Clusters

Out of 177 Clusters, 170 clusters are falling under manufacturing sector and only seven Clusters are falling under the services sector. Furthermore, the findings of the field study reveal that there are 69,902 enterprises operating within these 177 clusters identified. Of these enterprises, only 655 units are of services category, mainly from Healthcare and Diagnostic centers (455 units in 5 Clusters) and private education-counseling centers (200 units in 2 Clusters).

5.4 Workforce Distribution Pattern

SMEs are one of the most vital sectors in terms of job creation. The total number of work force employed in all these 177 Clusters is approximately 1,937,809 persons, of which 1,433,979 are males and 503,830 are females. Chart 5.1 shows sector-wise number of workers in all clusters:

The maximum number of male workers in one Cluster is around 300,000 while that of female is around 100,000 with mean per Cluster for male is 8,102 and female is 2,846. Chart 5.2 and Table 5.2 below presents the breakdown of workers within the Clusters:

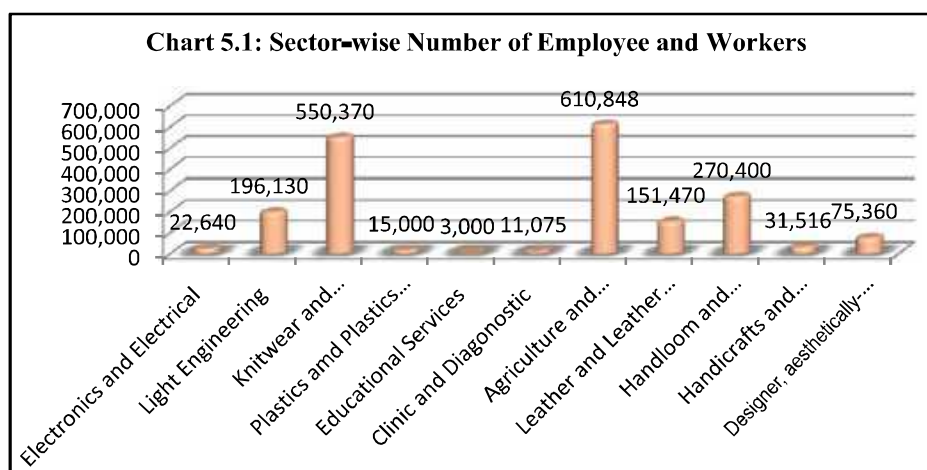
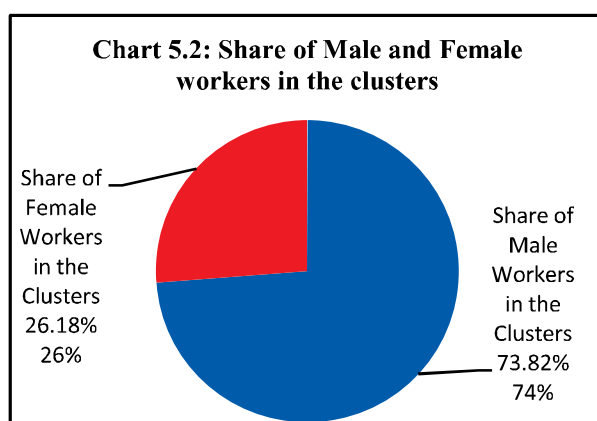


Table 5.2: Breakdown of workers within the Cluster



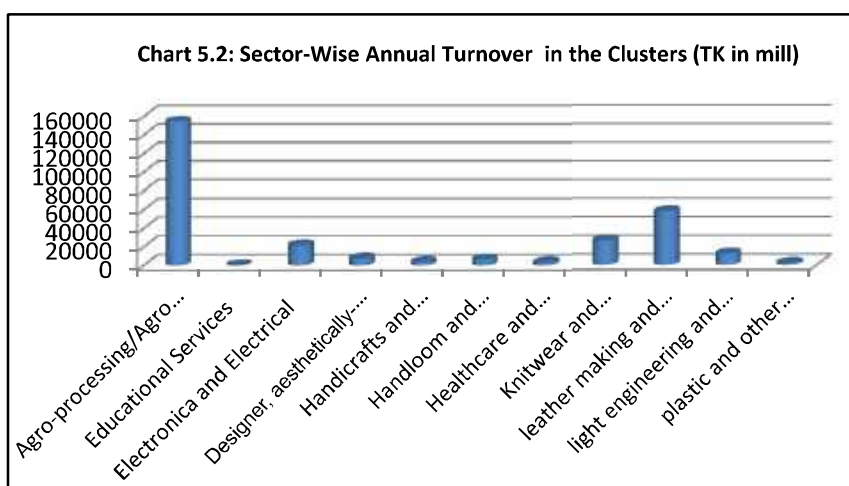
Number of workers	Min	Max.	Sum	Mean
No. of Male Workers	0	300,000	1,433,979	8,102
No. of Female Workers	0	100,000	503,830	2,846
Total	0 (100%)	400,000	1,937,809	10,948

Note: Some identified clusters have 100% male or 100% female workers. As such '0' in the table indicated 100% of male/female as applicable



5.5 Business Turnover and Markets

Analytical data showed that the total turnover in all 177 clusters amounted to around Tk. 295,150 million while the maximum quantum from one Cluster amounts to around Tk. 150,000 million per annum. The average mean turnover stood at Tk. 2130.886 million. With regard to market of 177 Clusters it has been found that 48% of the products are sold in the local market, while 43% are sold nationally and the rest 9% are sold in international markets. The average mean market share of one Cluster's product is around 41% to local markets, 46% to national market and 8% to international markets whereas data from others covering five percent are missing. Chart 5.3 below shows picture on the annual turnover where electronic and electrical sector ranked the top, followed by agriculture and related sectors. However, this graph might not reflect the real scenario since in many cases accurate data on business turnover could not be accessed or due to unwillingness of the respondents to disclose financial figures.



5.6 History of Cluster Development and Current Trend

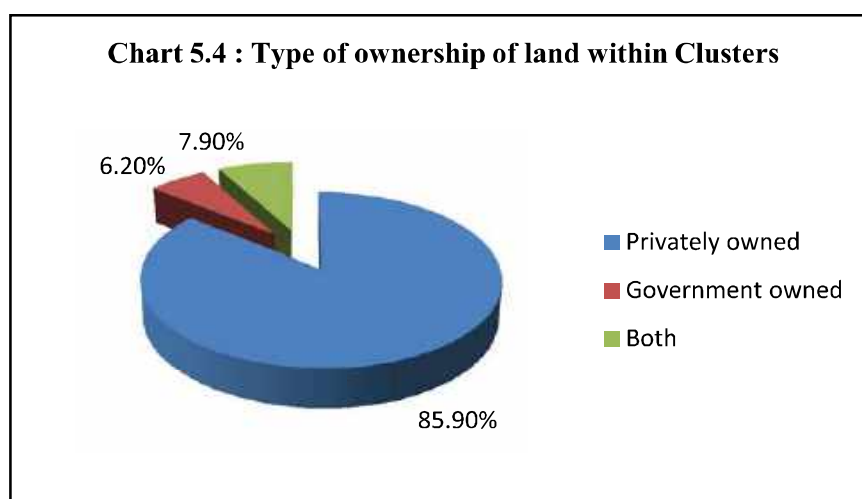
In-depth interviews and discussion with the local entrepreneurs and business leaders revealed that 173 Clusters developed naturally, taking the advantage of community based indigenous skills and local favorable situation whereas only 4 Clusters developed due to policy support from the government. In terms of percentage, it could be safely concluded that 97.7% of the Clusters developed by their own while only 2.3% developed due to policy support of the government from time to time. It is evident here that policy induced Clusters had very insignificant role in the overall growth and flourishing of SME in Bangladesh. Out of 177 clusters 136 (77%) have been found to be growing due to factors such as higher demand of the products, higher profit margin and easy access to raw materials and presence of huge skilled labor force. On the other hand, 30 Clusters (17%) have been found to be declining due to fall in demand of the products, emergence of substitute products, shortages of power and higher cost of raw materials. Only 11 Clusters (6%) have been found stagnant which need policy and other business support.

5.7 Land Ownership of the Clusters

Attempts have been made to estimate the area of land occupied by different Clusters the respondents could not provide any satisfactory answers about the area of land occupied by the enterprises of the respective clusters. However, pattern of ownership of these lands could be assessed. It is assumed that total land area covering all 177 clusters of different product lines is quite large. Graphical presentation and land ownership of clusters identified can be seen in the Chart 5.4. Of the 177 clusters 152 Clusters do have their own land (private land) which accounts for 85.9% while 11 Clusters were set-up on the government land and only 14 Clusters do have land



jointly owned by the government and the private parties. The percentage of government land is only 6.2% while that of jointly owned one stands at 7.9%.



From the study it was found that 126 Clusters do have excess land for expansion or for new industrial set-up and 48 clusters do not have any extra land for expansion. And data for land expansion is missing for three cases. Chart/Figure 5.5 shows the availability of land for expansion of Clusters for attracting new enterprises:



Although land is available, expansion of such Clusters will largely depend on other important factors of business like access to market, access to finance, availability of skilled manpower and finally, access to utilities and access to off-site infrastructure like roads and highways, sea and river ports.

5.8 Provision of Utilities within the Clusters

Investigation was carried out on the availability of main elements of utilities such as, electricity, water, gas and others. Almost all the Clusters have access to electricity connection. However, the quantum and frequency of availability of electricity supply is a highly questionable issue. In terms of water supply 123 Clusters (70%) do have access to water connection and 54 (30%) do not have any water connection. Regarding gas connection only 60 Clusters (34%) have access to gas connection. Authorities should immediately take appropriate action at least to partially ensure adequate supply of gas for a specified period of time to ensure production process to continue. 117



(66%) Clusters do not have gas connection and as such, at least they are free from no gas or inconsistent flow of gas anxiety.

5.9 Infrastructural Facilities

Most of the clusters have roads inside the clusters. Out of 177 clusters 2 clusters have been found to be without road inside the clusters. As such, 98.9% clusters have road inside whereas only 1.1% clusters do not have such facility. In terms of asphalt road 120 clusters do not have asphalt road while 57 clusters have asphalt road inside. As such, 67.8% clusters do not have asphalt road while 32.2% have asphalt road inside. In terms of carpeting of road 142 clusters have carpeted road while 35 clusters do not have any carpeted road. In terms of percentage 80.2% cluster have carpeted road and 19.8% do not have carpeted road. In terms of brick soled road, only 57 clusters have it while 120 clusters do not have any such facility. As such, 32.2% clusters have brick soled road and 67.8% clusters do not have brick soled road inside them. In terms of drainage system only 62.1%, i.e. 110 out of 177 clusters have the facility where as 37.85%, i.e. 67 out of 177 clusters do not have the facility to drain out water.

Most of the clusters have connectivity with national railway, national high way, river ports, sea ports as well as airports. A deeper analysis reveals that 165 clusters or 93.2% of 177 clusters have link with national highway, 143 clusters or 80.8% of 177 clusters have link with railway, 83 clusters or 46.9% of 177 clusters have link with river port, 39 clusters or 22% of 177 clusters have link with sea ports and 71 clusters or 40.1% of 177 clusters have link with airport to facilitate transportation of their output.

5.10 Degree of Regulatory Practices

5.10.1 Trade License

Although Trade License has been a mandatory document to carry on trade and commerce in Bangladesh, the study indicated that production units operating in 147 Clusters (83%) do have trade license and the operating units in the rest 30 Clusters (17%) do not have any trade license.

5.10.2 Tax Identification Number (TIN) and Value Added Tax (VAT)

In Bangladesh, TIN is not mandatory unless one's turnover exceeds taxable income. Firms whose turnover do not exceed taxable income ceiling need not to pay tax.

Many firms operate on small scale and as such, they do not feel the necessity of having TIN and VAT registration. Entrepreneurs running these enterprises have never been involved in the process of taxation and they have a negative attitude toward paying taxes. A positive awareness creation campaign can be initiated to remove such stay away factor.

5.11 External Support and Assistance for Cluster Development

An investigative approach was made to solicit the quantum of external support and assistance received in the development process of all these Clusters. Responses provided a scenario, wherefrom it can be concluded that external support and assistance was almost nil in the Cluster development process. It was observed that no significant government financial support extended so far in the process of Cluster development. In terms of support from NGOs, the figures were negligible. Only 5 clusters received financial support for development while 172 clusters (97%) did not receive any financial support. Even in case of support from private and financial institutions, the scenario was not very encouraging. Only 8 out of 177 clusters so far have received some financial help from the private sector.

5.12 Support Skill Management

On-the-job training of unskilled workers is being given since most of the factories allow apprenticeship program. No formal training is given on regular basis to the workers, neither by the entrepreneurs nor by any other agency including the government. However, most of the functional



units felt that technical training through appropriate agencies would improve the productivity of the workers. Apart from productivity improvement, other areas of training like costing and pricing, quality control, sales and marketing, etc. are badly needed and these would increase their competitiveness. Although there are Clusters having business associations or trade bodies, their operational activities are mostly confined to collecting subscription and issuing membership certificates. Any initiative regarding skill development or other development has been a far cry.

5.13 Environmental Pollution

With globalization of trade the concern for protection of environment has gained momentum. To keep pace with the on-going trend the study made an attempt to evaluate the environmental degradation due to operation of various manufacturing units within the Clusters. Since the size of enterprises is comparatively small in the Clusters, their level of pollution also remains within insignificant range. It was observed that many of the manufacturing units do not cause any environmental pollution. Although some do pollute but their nature of adverse impact on the environment is very negligible. Irrespective of form of pollution it was found that 63.3% Cluster do not impact negatively on the environment while 36.7% (65 Clusters) do have some form of adverse impact with a very minimal amount.

5.13.1 Water, Sound and Air Pollution

Water is being used by the enterprises in many Clusters. Various types of chemicals are mixed with water to treat the raw materials or for production processes. Units operating in only 14 Clusters were found to have some concern regarding negative impact of discharge of untreated water. In terms of percentage, it turned out to be 8% only and the rest 92% of the units do not go for containment of discharging polluted water because they are not polluting the environment. Regarding sound pollution, it has been assumed that 15% of the units operating in 177 clusters are aware about sound pollution, whereas 152 clusters or 85% remain unaware of the issue. Bangladesh being an LDC possesses the character of all LDCs where sound pollution does not have any relevance to be of major concern. As such, pollution of sound does not come under the purview of the entrepreneurs. Air pollution issue also remains confined to some manufacturing units where leather is tanned or some raw materials are processed. Out of units operating in 177 Clusters, units in only 143 Clusters had some concern about air pollution. In percentage term 81% clusters do have some concern for air pollution while 19 % do not have any.

5.13.2 Steps toward Mitigating Environmental Pollution

Investigation pertaining to mitigation of environmental pollution reveals that most of the Clusters need not to have any pollution control instrument installed in their factories. Out of 177 Clusters only one Cluster was found to have a single unit of 'Effluent Treatment Plant' that remains inoperative most of the time due to high cost of chemicals for treatment of contaminated water and acute shortage of technicians.

5.14 Presence of Trade/Business Associations

The study also made an attempt to identify the presence of trade and business association among the enterprises operating within identified clusters. The findings of the study reveal that trade and business associations exist within 65% of the clusters and 33% clusters do not have any such forum and the rest 2% remained silent.

5.15 Access to Finance

Although financial support is very much needed for the expansion of the SMEs, it seems to be a mirage to most of the units operating in all 177 clusters. Interview with the representatives of 177 Clusters indicated that enterprises of 145 Clusters at times borrow from banks and financial institutions. This mean 82% of the units in the Clusters borrow if the terms and conditions are



affordable to them. 18% Enterprises could not have any loan from commercial Banks, NGOs even from NBF1. Hence this sensitive area remains highly neglected and even some operating units expressed serious concern about the possible harassments by NGOs in case of loan default. Furthermore, cumbersome and lengthy documentations, high interest rate as well as the hassles to face the bank officials deter them from seeking loan from banks or financial institutions. As such, intention to procure improved technology or expansion program remains much like a dream.

5.16 Improved Communication and Research and Development Support

The issue of improved communication has always been neglected as opined by the respondents and no serious effort has been made so far to accomplish an improved communication system. Investigation revealed that there was no instance of any attempt for improved communication system in 154 Clusters. Only 23 Clusters thought about it but never venture into it.

Same situation is observed in the case of Research and Development support. None of the 177 Clusters is taking any mentionable attempt for combined R&D support. As such, innovation and creation of new ideas or products remains almost unexplored within the Clusters.

5.17 Strengths, Weaknesses, Opportunities and Threats of Identified Clusters

It will not be rational to generalize the strengths, weaknesses, opportunities and threats of the identified clusters because these characteristics vary from cluster to cluster due to their geographical location, nature of products, market location, availability of workers, development of infrastructural facilities, etc. Therefore, the SWOT of each cluster is unique. However, an attempt has been made to identify some basic features which are more or less common to all clusters identified through the study as explained below:

5.17.1 Strengths

- Enjoying economies of concentration
- Easy access to local raw material
- Access to trade bodies' support
- Accelerate demand for products
- Easy to manage and administer
- Close and better supervision service
- Lower cost of production
- Small capital outlet
- Promoting cultural affinity by opting traditional production process
- Inculcating a sense of bond through similar type of production process

5.17.2 Weaknesses

- Absence of required infrastructural facilities and utility services
- Unplanned development of enterprises with limited scope for expansion
- Unskilled and uneducated work-force with no formal training
- Absence of skill development initiatives/ institutions
- Shortage of finance/ limited access to finance due to lack of collaterals
- Limited access to new and latest technology
- Lack of common approach to address problems of environmental pollution
- Traditional production process
- Economies of scale missing or unattainable in some cases
- Limited scope of product diversification



- Limited product range
- Mostly family based businesses, so shortage of expertise at time
- Absence of research and development supports
- Absence of central warehousing facilities for raw materials and finished goods

5.17.3 Opportunities

- Initiation of planned interventions by the government and development agencies could be possible
- Growing demand for goods and services in the local and national market
- Slow but gradual improvement in infrastructural facilities and power supply
- SME Foundation is initiating different planned development interventions
- It is expected that the government will provide policy supports to the clusters
- Potential global markets for traditional products
- Workers easily trainable
- Public-private partnership can be applied in creating supportive infrastructure for SMEs
- Common research and development center/laboratory facilities can be set under PPP
- Scope of market linkage among the large and small firms in many sectors
- Scope of supply and value chain creation among enterprises

5.16.4 Threats

- Import of cheaper products due to open market policy
- Non-availability of required capital for modernization
- Uncertain availability of utilities connection and supply
- Arrival of better quality substitute products
- Trade diversion rather than trade creation
- Introduction of high technology to competing industries
- Shrinking local and national markets due to imported products
- Increased concern of environment pollution may limit growth of enterprises
- Continuation of economic recession in the importing countries
- Political unrest and instability in the country



Chapter Six

Mapping of Identified Clusters in Bangladesh

6.1 SME Clusters Mapping in Bangladesh

The overall scenario after mapping the SME clusters in Bangladesh appears to be scattered in all the 7 administrative divisions but concentrated mainly in 51 districts. The present study emphasized on the SME booster sectors (non booster sectors have also been identified) pertaining to their location, numbers of enterprises, infrastructural conditions and utility services, access to finance and interaction with service providers, scope of expansion and development assistance, market shares of products and services and the clusters' trends in terms of growing, declining or stagnant. The overall map of SME Clusters is presented below (Map-1):

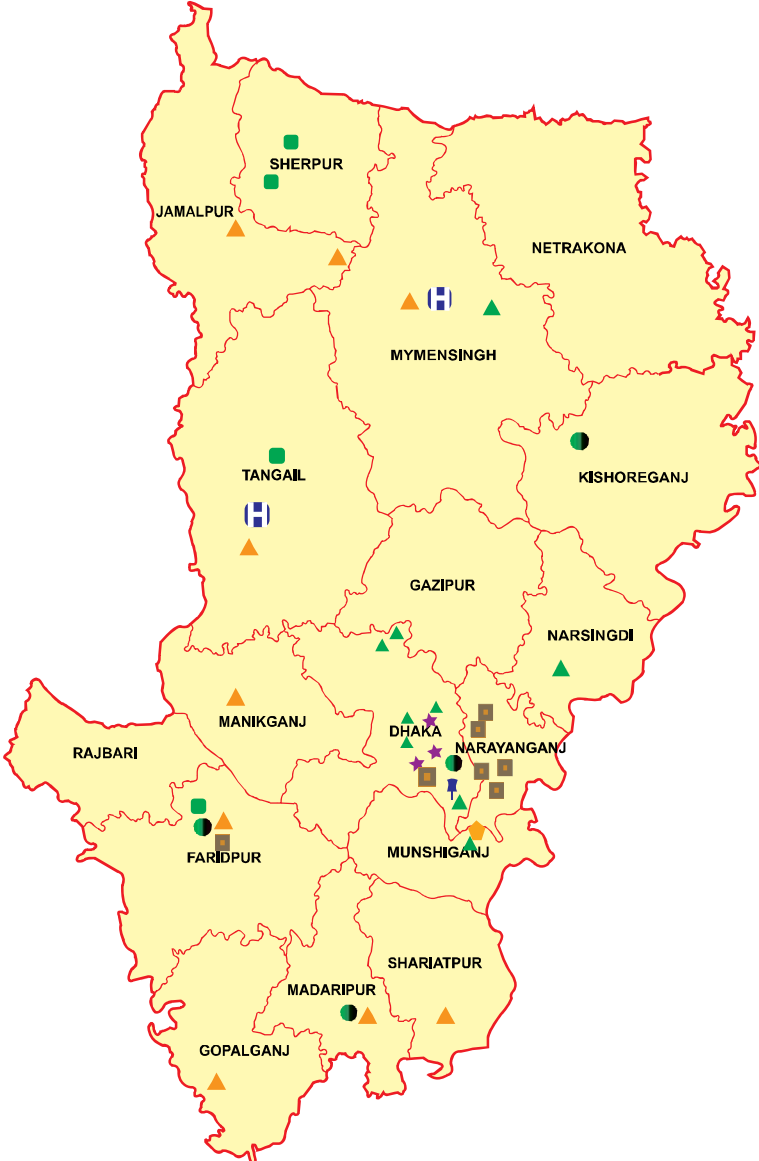


6.2 Division-wise Mapping of Identified Clusters

All the seven administrative divisions of Bangladesh have presence of clusters whether they fall under SME booster sectors or not. The lowest concentration of clusters is seen in Sylhet (4%) and in Barisal division (6%). Dhaka division, on the other hand, has the highest concentration of clusters accommodating 38% of all the 177 clusters. Rajshahi division occupies the second position in the list having a concentration of 18% of the clusters whereas Chittagong division comes in third (15%), Khulna division comes in fourth (12%) and Rangpur division comes in the fifth (7%) position. The mapping of these division-wise clusters facilitates in identifying the accumulation of specific sectors in different regions of the country along with information pertaining to the factors that contributed and/or contributing to their growth, decline or stagnation. The division wise cluster mapping was driven with the perspective of gathering useful information related to the identified clusters in every particular division indicating the status of all the important factors that contribute to the trends of the enterprises.



DHAKA DIVISION

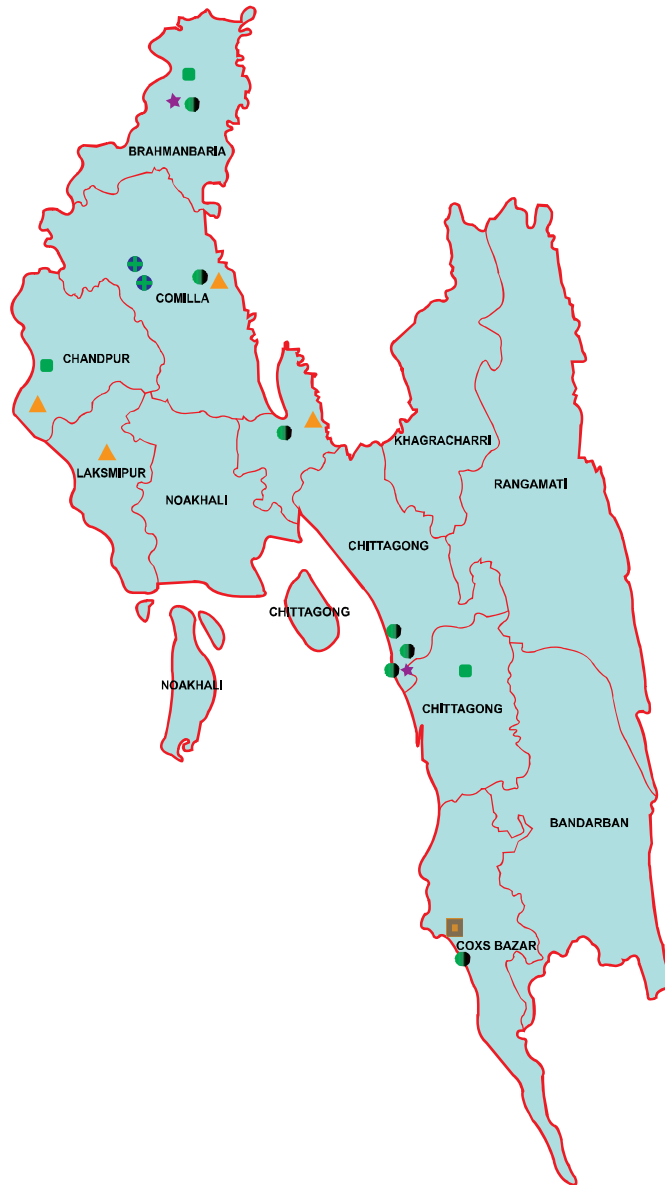


Legend

- ▲ Plastics and other Synthetics
- Light Engineering and Metal Working
- ★ Leather Making and Leather Goods
- ▲ Knitwear and Readymade Garments
- ⊞ Healthcare and Diagonestic
- Designer, aesthetically-challenging, personal wear and effects
- Handloom and Specialized Textile
- ▲ Handicrafts and Miscellaneous Sector
- ⊞ Electronics and Electrical
- ▲ Educational Services
- Agro-processing/agri-business/plantation agriculture/ specialist farming/tissue-culture



CHITTAGONG DIVISION

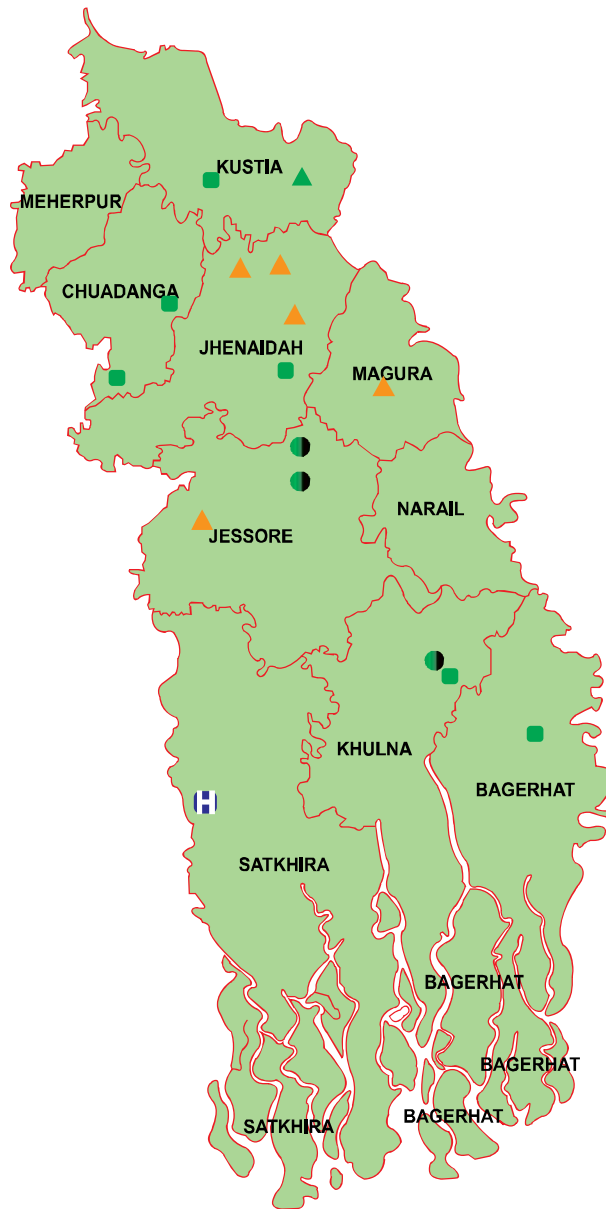


Legend

- | | |
|---|--|
| ◆ Plastics and other Synthetics | ● Handloom and Specialized Textile |
| ● Light Engineering and Metal Working | ▲ Handicrafts and Miscellaneous Sector |
| ★ Leather Making and Leather Goods | ⚡ Electronics and Electrical |
| ▲ Knitwear and Readymade Garments | 🎓 Educational Services |
| 🏥 Healthcare and Diagonestic | 🌱 Agro-processing/agri-business/plantation agriculture/
specialist farming/tissue-culture |
| 👔 Designer, aesthetically-challenging,
personal wear and effects | |



KHULNA DIVISION

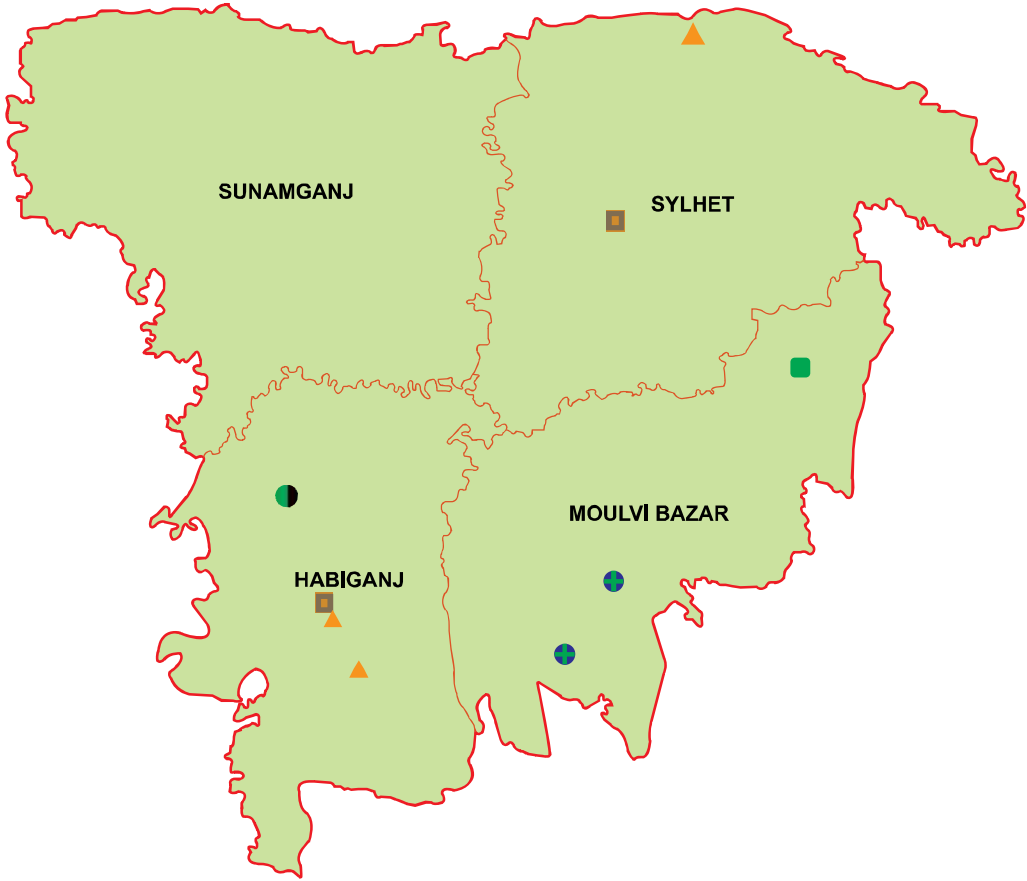


Legend

- | | |
|--|--|
| ◆ Plastics and other Synthetics | ● Handloom and Specialized Textile |
| ● Light Engineering and Metal Working | ▲ Handicrafts and Miscellaneous Sector |
| ★ Leather Making and Leather Goods | ⚡ Electronics and Electrical |
| ▲ Knitwear and Readymade Garments | 🏫 Educational Services |
| 🏥 Healthcare and Diagnostic | ■ Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture |
| 👔 Designer, aesthetically-challenging, personal wear and effects | |

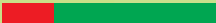


SYLHET DIVISION

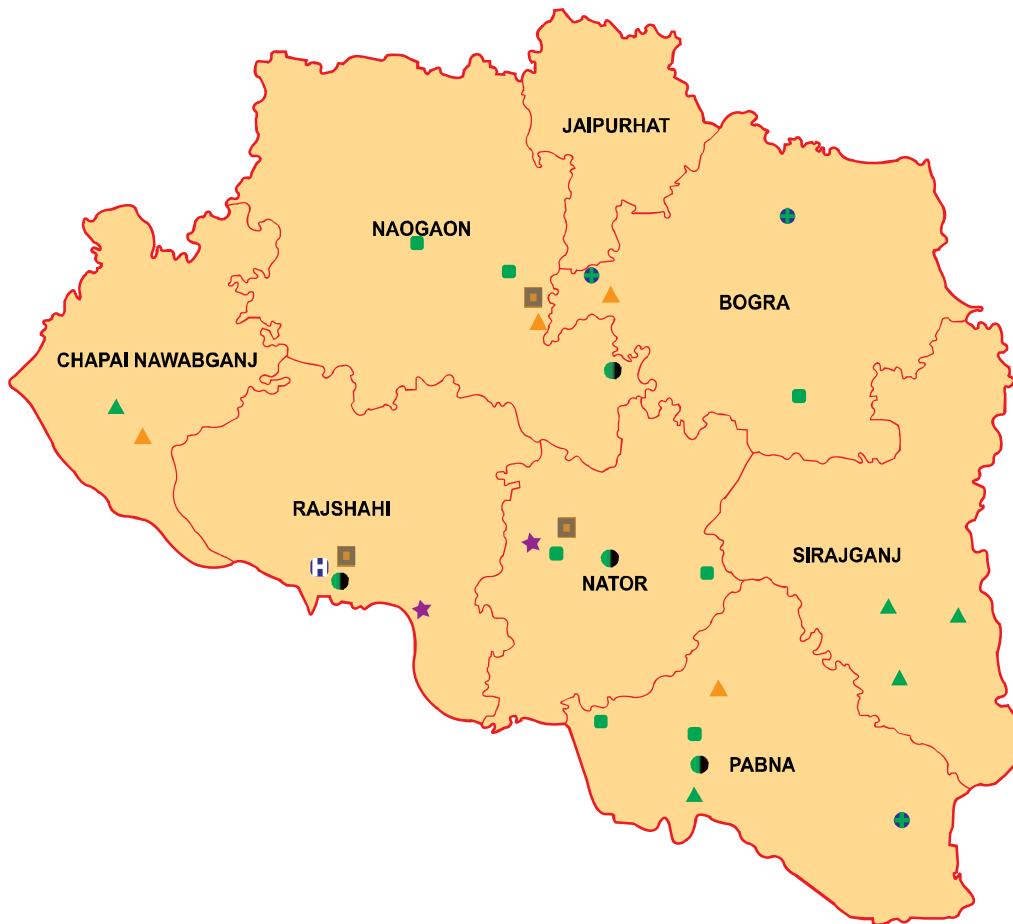


Legend

- ◆ Plastics and other Synthetics
- Light Engineering and Metal Working
- ★ Leather Making and Leather Goods
- ▲ Knitwear and Readymade Garments
- ⊞ Healthcare and Diagonestic
- Designer, aesthetically-challenging, personal wear and effects
- Handloom and Specialized Textile
- ▲ Handicrafts and Miscellaneous Sector
- ⚡ Electronics and Electrical
- ⌚ Educational Services
- Agro-processing/agri-business/plantation agriculture/ specialist farming/tissue-culture



RAJSHAHI DIVISION



Legend

- Handloom and Specialized Textile
- ▲ Handicrafts and Miscellaneous Sector
- Light Engineering and Metal Working
- ★ Leather Making and Leather Goods
- ▲ Knitwear and Readymade Garments
- Healthcare and Diagnostic
- Designer, aesthetically-challenging, personal wear and effects
- Electronics and Electrical
- Educational Services
- Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture



BARISAL DIVISION



Legend

- | | |
|---|--|
| ◆ Plastics and other Synthetics | ● Handloom and Specialized Textile |
| ● Light Engineering and Metal Working | ▲ Handicrafts and Miscellaneous Sector |
| ★ Leather Making and Leather Goods | ⚡ Electronics and Electrical |
| ▲ Knitwear and Readymade Garments | 🎓 Educational Services |
| 🏥 Healthcare and Diagnostic | 🌱 Agro-processing/agri-business/plantation agriculture/
specialist farming/tissue-culture |
| 👗 Designer, aesthetically-challenging,
personal wear and effects | |



RANGPUR DIVISION



Legend

- ◆ Plastics and other Synthetics
- Light Engineering and Metal Working
- ★ Leather Making and Leather Goods
- ▲ Knitwear and Readymade Garments
- ⊞ Healthcare and Diagnostic
- Designer, aesthetically-challenging, personal wear and effects
- Handloom and Specialized Textile
- ▲ Handicrafts and Miscellaneous Sector
- ⊞ Electronics and Electrical
- ⊞ Educational Services
- Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture



6.3 District-wise Mapping of Identified Cluster

Among the 177 clusters identified throughout the country, 129 belong to SME booster sectors while 48 clusters fall in the non-booster sectors scattered within 51 districts of Bangladesh. No clusters were found in 13 districts. Dhaka occupies the first position in the list hosting 23 clusters alone containing a total of 10,457 enterprises while Bagerhat stays at the bottom with only one cluster containing 30 enterprises. One vibrant cluster in the district of Manikganj was identified with 5000 enterprises. A few other clusters were identified in different districts that comprise either 3000 or 4000 units. There are different scenarios in terms of the concentration of the enterprises that have implications leading to availability of raw materials, skilled workers and/or technicians, access to finance and/or other service providers and scope of further expansion of the cluster(s) related to the small and medium enterprises at the district levels. The mapping of these clusters district wise reflects different scenarios in each district at times overlapping the sector wise overall conditions of the enterprises. The information presented through this mapping would pave the path for further research on sector wise concentration of clusters within the different districts that may provide a framework of reference for policy recommendations in the future.

6.4 Sector-wise Cluster Mapping

Of all the clusters that fall under SME booster sectors, Agro-processing/ agri-business/ plantation agriculture/ specialist farming/ tissue-culture enterprises sector has the highest number of accumulation with 34 clusters nationwide (in booster sector) which is 19%⁵ of all the 177 identified clusters. Interestingly, Handicrafts and Miscellaneous, which is a non-booster sector, has the highest number of clusters (38) representing the highest percentage (21.5%) nationwide among all the identified clusters placing it in the first position on the combined list of SME booster and non-booster sectors. With a total of 31 clusters (17%) Light Engineering comes in the 3rd position and Knitwear and RMG comes in the 4th with 22 clusters (12%). The 5th position is occupied by Designer, aesthetically-challenging, personal wear and effects with 16 clusters (9%); Leather and Leather Goods comes in the 6th position, which is an important booster sector, with 13 clusters (7%); yet another non-booster sector, Handloom and Specialized Textiles, with 10 clusters (6%) comes in 7th position. Healthcare and Diagnosis comes in the 8th with 5 clusters (3%) and Plastics and Synthetics and Electronics and Electrical goods sector jointly occupied 8th position (2%) and Educational Services is in the 9th position (1%).

No clusters were identified (or found) under two SME booster sectors namely, (i) Software Development and (ii) Pharmaceuticals and Cosmetics/Toiletries. Different factors played roles in shaping this overall scenario of the sector wise clusters throughout the country. The sector wise mapping of the clusters envisages the future trends of these clusters in light of the information accumulated. This will definitely be a source of important guidelines for further policy research and decision making process in regards to the SME booster and non-booster sectors.

The present study emphasized on the SME booster sectors (non booster sectors have also been identified) pertaining to their location, numbers of enterprises, infrastructural conditions and utility services, access to finance and interaction with service providers, scope of expansion and development assistance, market shares of products and services and the clusters' trends in terms of growing, declining or stagnation.

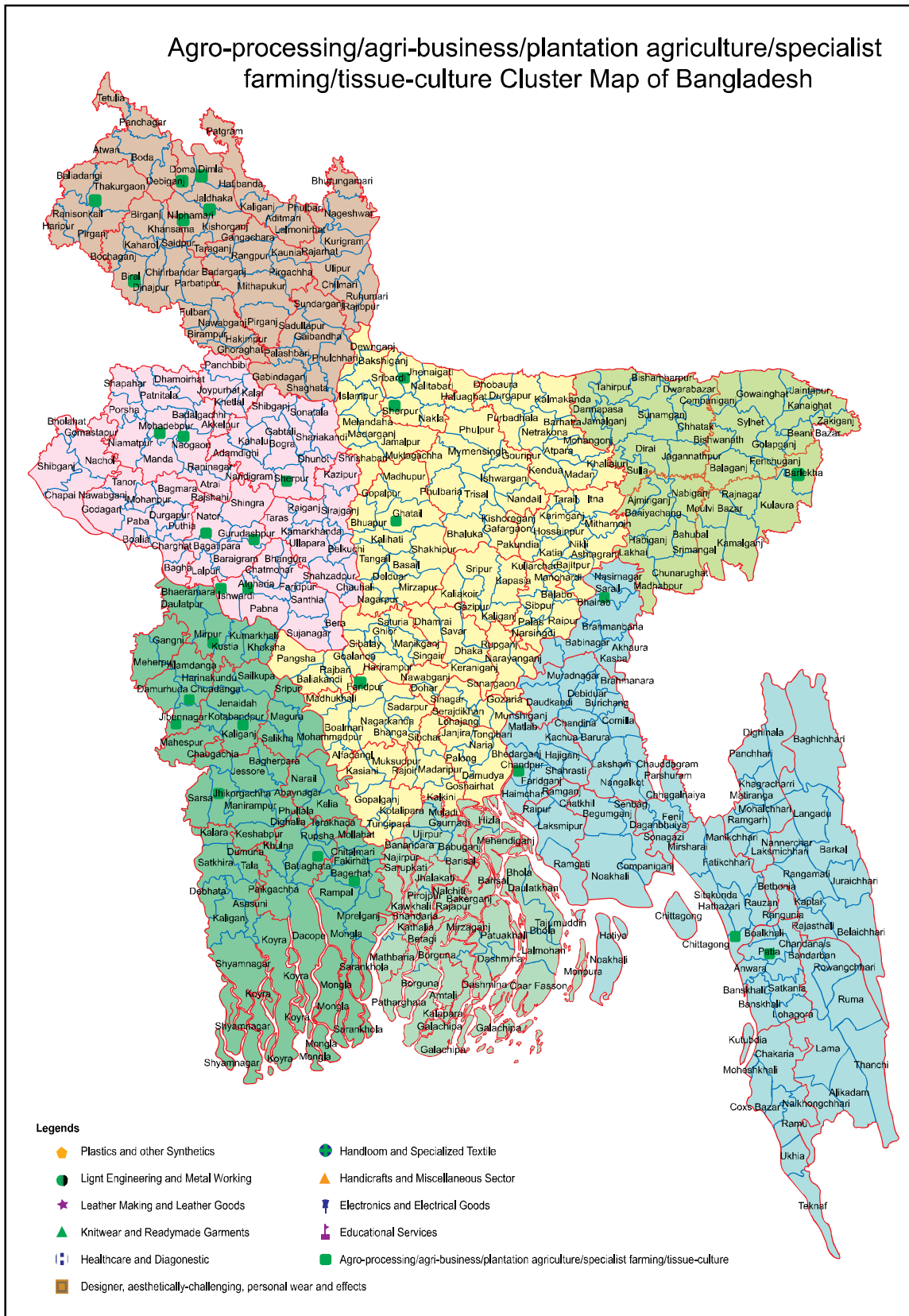
Of all the enterprises located within the 177 clusters identified, very few receive any development or technical assistance from the government or from non-governmental organizations. There are environmental issues as well; a lot of the manufacturing units do pollute the environment of their surroundings in insignificant magnitude. Access to raw materials and availability of skilled workers as well as land and waterways connectivity primarily contributed in flourishing of these clusters all over the country. The entrepreneurs of these enterprises continuously face many challenges in order to survive, earn revenue and be competitive. With a carefully devised intervention program that can be administered with no hassles, these clusters may further rest on solid foundations and thereby contribute meaningfully in the overall economy of Bangladesh. **Profile of individual clusters can be seen in Annex-4.**

5. Percentage rounded off.



6.5 Product wise Mapping of Identified Cluster

Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture Cluster Map of Bangladesh



Light Engineering and Metal Working Cluster Map of Bangladesh



Legends

- ◆ Plastics and other Synthetics
- Handloom and Specialized Textile
- Light Engineering and Metal Working
- ▲ Handicrafts and Miscellaneous Sector
- ★ Leather Making and Leather Goods
- ▼ Electronics and Electrical Goods
- ▲ Knitwear and Readymade Garments
- Educational Services
- Healthcare and Diagnostic
- Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
- Designer, aesthetically-challenging, personal wear and effects

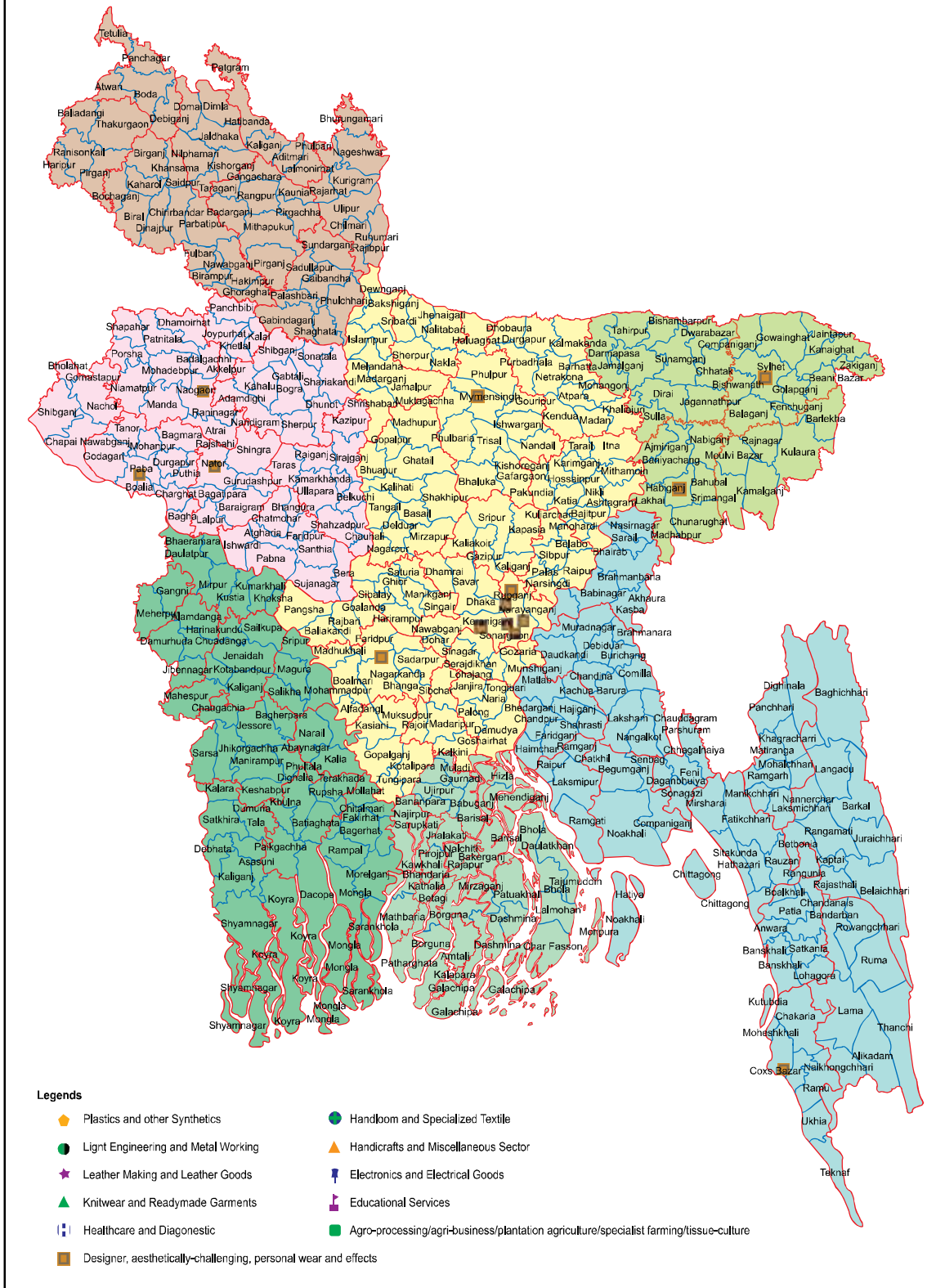
50 SME Clusters in Bangladesh



Knitwear and RMG Cluster Map of Bangladesh



Designer, aesthetically-challenging, personal wear and effects Cluster Map of Bangladesh



Leather Making and Leather Goods Cluster Map of Bangladesh



Legends

- ◆ Plastics and other Synthetics
- ◆ Light Engineering and Metal Working
- ◆ Leather Making and Leather Goods
- ◆ Knitwear and Readymade Garments
- ◆ Healthcare and Diagnostic
- ◆ Designer, aesthetically-challenging, personal wear and effects
- ◆ Handloom and Specialized Textile
- ◆ Handicrafts and Miscellaneous Sector
- ◆ Electronics and Electrical Goods
- ◆ Educational Services
- ◆ Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture



Healthcare & diagnostics Cluster Map of Bangladesh



Legends

- ◆ Plastics and other Synthetics
- Lignt Engineering and Metal Working
- ★ Leather Making and Leather Goods
- ▲ Knitwear and Readymade Garments
- Healthcare and Diagonestic
- Designer, aesthetically-challenging, personal wear and effects
- Handloom and Specialized Textile
- ▲ Handicrafts and Miscellaneous Sector
- Electronics and Electrical Goods
- Educational Services
- Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture



Plastics and Other Synthetics Cluster Map of Bangladesh

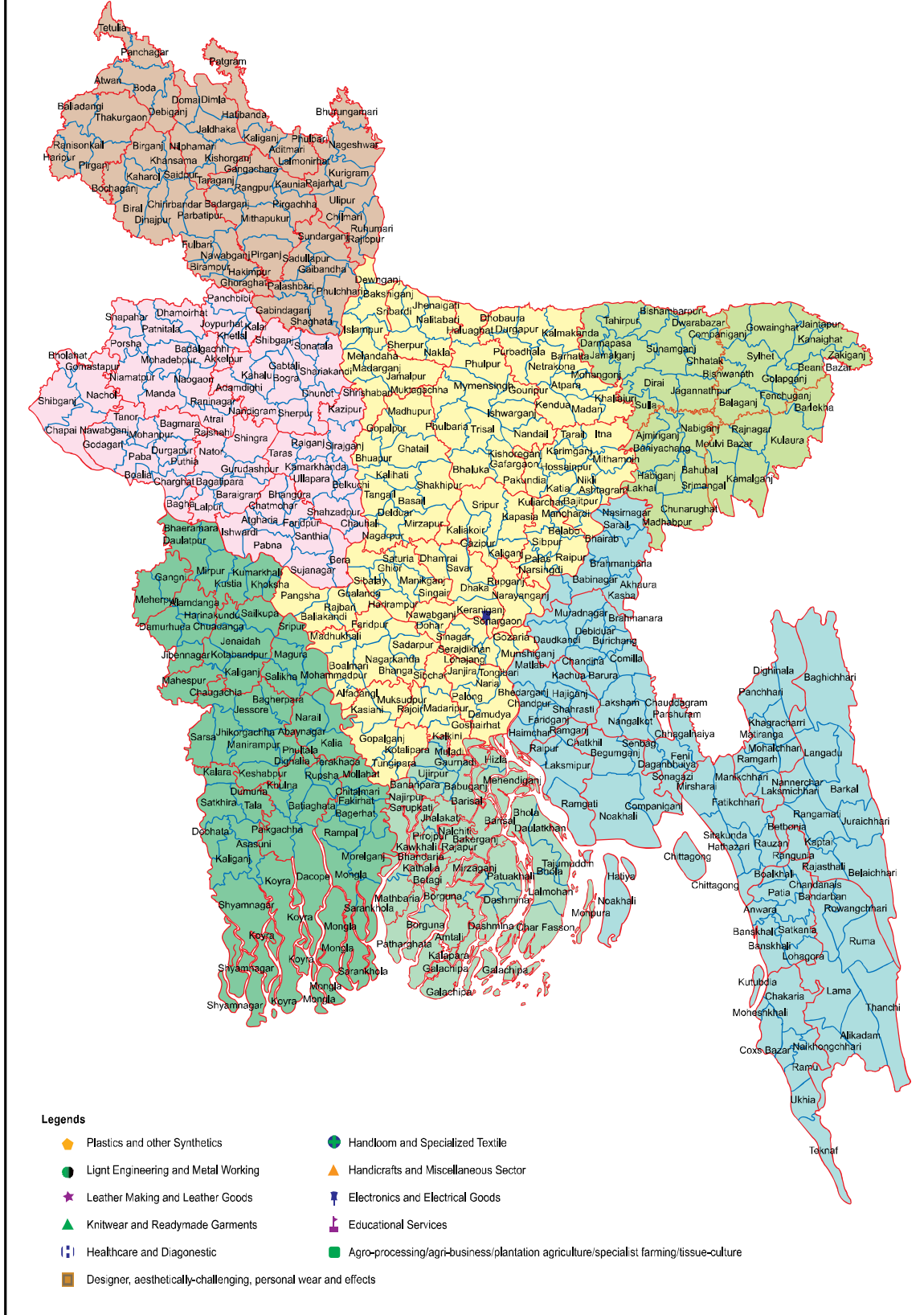


Legends

- ◆ Plastics and other Synthetics
- Light Engineering and Metal Working
- ★ Leather Making and Leather Goods
- ▲ Knitwear and Readymade Garments
- Designer, aesthetically-challenging, personal wear and effects
- Handloom and Specialized Textile
- ▲ Handicrafts and Miscellaneous Sector
- ⚡ Electronics and Electrical Goods
- Educational Services
- Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
- Healthcare and Diagnostic



Electronics and Electricals Cluster Map of Bangladesh

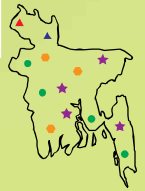


Educational Services Cluster Map of Bangladesh



Legends

- Plastics and other Synthetics
- Handloom and Specialized Textile
- Light Engineering and Metal Working
- ▲ Handicrafts and Miscellaneous Sector
- ★ Leather Making and Leather Goods
- ⚡ Electronics and Electrical Goods
- ▲ Knitwear and Readymade Garments
- ⚡ Educational Services
- ⚡ Healthcare and Diagnostic
- Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
- Designer, aesthetically-challenging, personal wear and effects



Chapter Seven

Overview of the Enterprises within the Identified Clusters

7.1 Selection of Enterprise for Indepth Study

Total of 380 enterprises were studied and data were collected by personal interview method from mainly the entrepreneurs of the enterprises (82%) and only 18% from other than owners. Objective of this enterprise study was to gather firsthand knowledge about the overall situation of enterprises in general and some specific issues like products, product markets, business trend, and machinery and required raw materials, affiliation with trade bodies, opinion regarding different problems faced and their solutions in particular. Considering the dispersed location of the Clusters we selected the enterprises keeping in mind the maximum representation of all identified sectors and geographic locations.

The sample size for in-depth enterprise study has been determined using the formula:

$$n = P(1 - P) \left(\frac{Z}{E} \right)^2$$

where,

P = proportion = 0.5 (assumed 0.5 to ensure maximum sample size)

Z = 1.96 (significant value at 95% confidence)

E = admissible error = 0.05 (0.05 or 5% is considered as standard value)

Putting these values we get the total sample size is around 384 hence, we decided to study 380 enterprises.

In the first phase of the work we have identified a total of 177 industrial clusters all over the country. And in the second phase we have selected 380 enterprises to collect data for in-depth study. To have an idea about the enterprises within a cluster we must interview a sizable number of enterprises from each of the selected cluster. Again large number of enterprises from each cluster will minimize the number of selected clusters. Hence we need a tradeoff between number of clusters and number of enterprises from each of the selected clusters. Considering above constraint we decided to select 10 (TEN) enterprises from each of the selected clusters so that we need to select a total of 38 clusters to reach required 380 enterprises.

Selection of 38 clusters from 177 identified clusters:

Stratified sampling method was applied for selecting clusters where 'Sector' and 'Division' were the basis of the stratification. Then proportional allocation was considered for determining the number of clusters from each 'sector' and from each 'division' using the formula:

$$n_h = \frac{n}{N} N_h$$

where, number of clusters will be selected from hth stratum

n = total number of clusters to be selected = 38

N = total number of identified clusters = 177

Number of identified clusters in hth stratum



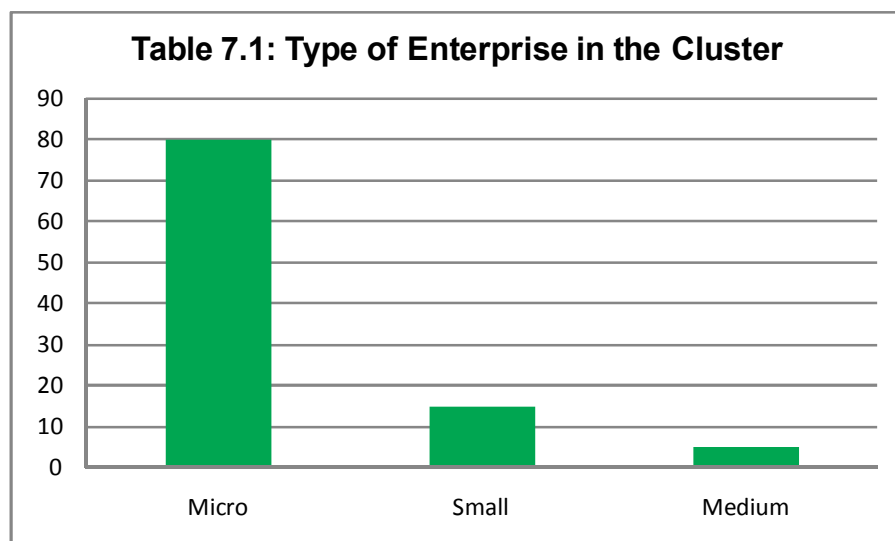
Selection of 10 enterprises from each of the selected 38 clusters

From each of the selected 38 clusters again we have selected 10 enterprises by systematic random sampling method.

7.2 Major Findings of Enterprise level Indepth Study

7.2.1 Type of the Enterprises

Out of a total of 380 enterprises, 80% were micro enterprises, around 15% were small and the remaining 5% were medium enterprises. Share of different types of enterprises studied is shown in **Figure 7.1:**



7.2.2 Products / Services, Capacity Utilization and Annual Turnover

Wide range of products and services are produced by the enterprises. It is indeed a very difficult job to capture all the products. Significant inter-sector differentials of product range were observed. Table 7.1 below shows sector-wise products/services, level of capacity utilization and average annual turnover per enterprise. The table reveals that all the sectors have unutilized production capacity indicating that the enterprises have scope to increase their production.

Mean and standard deviation of annual turnover for each sector has been presented in Table 7.1. Large value of standard deviation indicates wide variation of annual turnover of different enterprises within the sector. The maximum average annual turnover is Tk.108.54 million per enterprise was observed in Agro-processing sector while the minimum Tk.1.42 million in handloom and specialized textile sector. It is to be noted that some of the respondents refused to disclose their annual turnover. We have excluded them while calculating the mean and standard deviation.

Table 7.1: Products and Services, Capacity Utilization and Annual Turnover

Sector	Products/Services	Capacity utilization (%)	Annual Turnover (Tk. in millions)		
			Mean	Standard deviation	N
Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture	File set, rice, khuc, kura, lakri, oil, khail, production of rice	80-100	108.54	262.09	58



Sector	Products/Services	Capacity utilization (%)	Annual Turnover (Tk. in millions)		
			Mean	Standard deviation	N
Light Engineering and Metal Working	Door and window grille, door and window frame, collapsible gate, iron and steel furniture, Motor parts, engine repair, pump, Machine tools, Agricultural equipments, Automobile body building, repairing, and coloring, ship breaking. Marine parts, sheet metal products, Molding & casting, Paddy Thresher, sheet metal products, auto rice mill parts, shrimp hatchery machine & parts	20 -100	30.50	139.39	51
Knitwear and RMG	thread, pant, jacket, baby shoe, three piece, towel/gamcha, shirt, tape/ nima, frock, baby set, suit, cloth/thaan cloth, plus pain base,	30 – 90	7.06	9.15	30
Designer, aesthetically-challenging, personal wear and effects	Gold, Silver, hair spa, hair protein, party makeup, facial, eye-brow pluck, Herbal facial treatment, hair cut, orange facial etc.	50 -100	3.15	4.58	21
Leather making and Leather goods	gents shoe, ladies shoe, baby shoe, sandal shoe, Slipper,	50 -100	8.62	21.09	11
Healthcare and Diagnostics	X-ray, ultra sonogram, ECG, different pathological test, hematological test, biochemical test, echo-cardiogram, CT scan, surgery	10-70	6.04	6.18	10
Plastics and Other Synthetics	Mug, Bowl, Bucket, Bodna, and many other home appliances, plastic goods producing modules.	100	4.22	6.55	8
Electronics and Electrical	Electrical Board, Switch, Socket, Holder, Cut-out, Anti cut-out, Coil, Battery, TV, Plus pain base, electric wire	100	NA	NA	
Educational Services	education services	-	15.57	14.77	10
Handloom and Specialized Textiles	Blouse, Sari, orna, ladies' three piece sets, farnet, towel, panjabi, cushion cover, bed sheet, pillow cover	30-100	1.42	2.37	27
Handicraft and Miscellaneous Sectors	dining table, chatai, chaluni, dhol, tabla, khacha, kula, candle stand, cup-plate, clay piggy-bank, flower vase, different dices, mud cover, tub, oil-based perfurre, incense sticks , curry and rice cooking pot, barr-box goods, tray set, bowl set, flower vase, file set, ruler set, cylinder set, partition set, boxed bed, normal bed, wardrobe, dressing table, Sofa set, dining table.	50-100	3.08	11.47	50

From the table it is also evident that health care sector is the most capacity unutilized sector. The reason may be due to the fact that they installed costly instruments for providing a particular service to the clients and they do not get enough clients whom they can serve.

7.2.3 Year of Establishment of the Enterprises

Out of the total 380 enterprises 5% were established before independence of the country.

More than 31% were established during last decade. **Table 7.2** shows the distribution of enterprises based on their year of establishment.



Table 7.2: Year of Establishment

Year	Number	Percent
Before 1971	19	5.0
1971 – 1980	25	6.6
1981 – 1990	61	16.1
1991 – 2000	107	28.2
2001 – 2011	118	31.1
No reply	50	13.2
Total	380	100

7.2.4 Business Trends of Enterprises

About 69% of the respondents opined that their enterprises are enjoying growing trend, while 13% reported that their enterprises are experiencing declining trend and remaining 18% opined that their business is neither declining nor growing i.e. experiencing stagnation. Business trend of the enterprises according to the opinion of the respondents are presented in Table 7.3 below:

Table 7.3: Trend of Enterprises

Business Trend	Number	%
Growing	262	69
Declining	50	13
Stagnant	68	18
Total	380	100.0

7.2.5 Type of Technology Used

From the Table 7.4 shown below, it is evident that 50% of the enterprises use traditional technology, 28% reported to use modern technology and 3% reported to applying improved technology. It is also evident from the table that some enterprises (16%) use both traditional and modern technology, this could happen in case of growing business situation. It is also observed that some people did not share their situation.

Table 7.4: Type of Technology Used

Technology Type	Frequency	Percent
Traditional	189	49.7
Modern	105	27.6
Improved	13	3.4
Combination of both	60	15.8
No response	13	3.4
Total	380	100.0

7.2.6 Markets and Marketing

Table-7.5 shows the distribution of the enterprises according to their product markets. From table it is observed that 89% enterprises sell their products within the country and only 11% export to the international market. It is to be noted that 40% of the enterprises sell their products in local markets and 49% sell in national market. There are enterprises selling their products in both national and international markets.

Table 7.5: Market of Products/Services

Market	No. of respondents	
	Number	%
Local	153	40
National	186	49
International	41	11
Total	380	100

We asked the respondents whether they face any problem in selling their goods/services. In response majority of them replied in negative. Out of 380 respondents, only 83 (21.8%) reported that they face problem in selling and/or marketing their products (Table 7.6).

Table 7.6: Marketing Problems Faced

Opinion	No. of respondents	
	N	%
Yes	83	21.8
No	297	78.2
Total	380	100.0

We also asked them regarding the specific problems they are facing. The main problems mentioned by the respondents are: (i) they are not getting real price of the product, (ii) Administrative harassment (bribe), (iii) Poor communication network, (iv) Poor law and order situation and (v) Availability of similar imported goods.

In order to curb the above mentioned problems, respondents suggested a number of measures that include: (i) improved communication network, (ii) eliminating the middleman so that the producer and the consumer can have direct connection while selling and buying the products, (iii) governmental assistance in



promoting local products in the national and international market and imposition of restriction on import of similar foreign products, (iv) technical and managerial support and training by governmental agencies and (v) financial support.

7.2.7 Access to Infrastructure and Utilities

We collected data regarding availability of essential utility services like electricity, water and gas in the enterprises. Relevant data has been presented in Table 7.7. The table reveals that about 96% of the enterprises have electricity connection, 68% have water supply facility and 22% have gas connection.

Table 7.7: Access to Utility Services

Utilities	No. of Respondents	
	Number	%
Electricity	364	96%
Water	258	68%
Gas	82	22%

We also asked the respondents whether they are satisfied with the available utility services. In reply 52% mentioned that they are satisfied and the remaining 48% were not satisfied. We wanted to know whether the respondents are satisfied with the existing infrastructural facilities within the cluster. Majority (55%) replied in affirmative and remaining 45% replied in negative. In reply of question regarding degree of satisfaction in using utilities, Table 7.8 presents the following scenario:

Table 7.8: Degree of Satisfaction with Utilities

Degree of satisfaction	No. of Respondents	
	N	%
Satisfied	209	55%
Not Satisfied	171	45%
Total	380	100.0

When the respondents were asked to mention the prevailing infrastructural problems of the cluster only 150 respondents replied and the problems mentioned by them are related to the electricity: (i) load shedding, (ii) high price, and

(iii) service is not up to the mark. Problems relating to gas as mentioned by the respondents are: (i) high price and (ii) low pressure (insufficient supply). In case of water supply the only problem that was mentioned by the respondents is insufficient water supply. The respondents also put forward some suggestions to overcome the infrastructural problems prevailing in the clusters. Suggestions are: (i) Improvement of road to facilitate better transport, (ii) Government should take initiatives to establish industrial cluster in a spacious place, (iii) uninterrupted supply of utility services (electricity, gas) should be ensured, (iv) Financial support from Government and non-government organizations.

7.2.8 Source of Raw Materials

We attempted to know what type of raw materials the enterprises use; and whether the raw materials are imported or locally produced. Table 7.9 shows the sector wise raw materials used and their sources. From the table we can see that many of the raw materials are locally produced; some use imported and some use both imported and local raw materials. From table it is evident that agro processing sector use 100% local raw materials while on the other hand health care sector use 100% imported raw materials.



Table 7.9: Sector-wise Raw Materials Used and their Sources

Sector	Raw Materials	Sources		
		Local	Imported	Both
Agro-Processing/ Agri-business/ Plantation	Rice, husk, sesame seed, mustard etc.	102	-	-
Light Engineering and Metal Working	SS pipe, steel, iron, scrap, GI pipe, aluminum, flat and angle bar, copper, led, color etc.	40	33	57
Knitwear and RMG	Elastic/rubber, thread, gum, foam, sticker, lace/ribbon, bale, chemical, cloth, cotton, soda, jori/puti color, zipper, paper, button, necklace, metal, buckram, fabrics, navy blue RX etc.	124	27	25
Designer, aesthetically- challenging, personal wear and effects	Copper, zinc, acid, sohaga, massage cream, face pack, orange pack, foundation, hair polish, spa pack, half silk, herbal pack, beauty pack, lip pack etc.	36	54	0
Leather making and Leather goods	Rexine, solution, sole, rubber/elastic, thread, gum, foam, sticker, pasting, aica/gum, synthetic, chemical, plastic, cellulite, animal skin, color etc.	80	9	1
Healthcare & Diagnostics	X-ray film, ECG roll, Ultra sonogram paper, different chemicals etc.	-	38	-
Plastics & Other Synthetics	Plastic, uranium powder, steel etc.	11	1	-
Electronics & Electrical	Plastic, coloring mud, copper, zinc, uranium powder, screw, copper rod, picture tube, remote, steel, carbon, iron, brass, PVC etc.	9	11	-
Educational Services				
Handloom & Specialized Textiles	Thread, ribbon/lace, cello light, wool, half silk, cooked rice decanted water, jori/puti, polyester, color, paper etc.	30	27	23
Handicraft & Miscellaneous Sectors	Bamboo, cane, wire, plastic, wood, mud, color mud, soda, khoir, date leaf, agar tree, different type of wood etc.	132	5	-

7.2.9 Degree of Regulatory Practices

In this study, we attempted to know whether the enterprises possess valid trade license, tax identification number, and value added tax registration certificate. Study findings in these regards are not encouraging because a good portion of studied enterprises reported that they do not have trade license (27%), while 45% reported that they do not have TIN and 56% do not have VAT registration certificate. Table 7.10 shows the distribution of studied enterprises that shows whether they possess valid trade license, TIN and VAT registration certificate.

Table 7.10: Presence of Trade License, TIN and VAT Registration Certificate

Issues	Response of the respondents							
	Yes		No		N/A		Total	
	N	%	N	%	N	%	N	%
Whether enterprises have Trade license?	274	72.1	102	26.8	4	1.1	380	100
Whether enterprises have TIN?	205	53.9	169	44.5	6	1.6	380	100
Whether enterprises have VAT registration certificate?	136	35.8	213	56.1	31	8.2	380	100

We wanted to know whether the enterprises face any regulatory constraints to operate their businesses. Only 11% respondents reported that they are facing regulatory constraints but majority of the respondents (89%) reported that they do not face any problem while running their businesses.



When we asked the respondents to mention the type of problems they are facing, in reply they mainly mentioned that they are facing difficulties from different government agencies particularly police department, tax and VAT collecting authorities, and BSTI authorities. Table 7.11 shows the distribution of enterprises that facing problems and the type of problems they are facing.

Table 7.11: Regulatory Constraints faced by Enterprises

Whether face regulatory constraints	No. of respondents	
	N	%
Yes	43	11.3
No	337	88.7
Constraints faced by the respondents (multiple answers)		
Non-cooperation & harassment from police	27	63
Non-cooperation and harassment from NBR personnel (regarding TAX and VAT)	3	7
Robbery and/or hijacking	5	12
Mobile court	2	4
Not allow to continue business after 8.00 pm	9	21
	43	

7.2.10 Access to Finance

Within the scope of the study we wanted to know whether the enterprises belonging to SME sector have financial transaction with financial institutes and whether they have borrowed any loan. Relevant data has been presented in Table 7.12. In the following table, we can see that 60% of the respondents mentioned that they have financial transaction with financial institutes and about 37% have borrowed loan.

Table 7.12: Loan & Transactions with FIs

	No. of respondents		
		N	%
Transaction with FIs	Yes	228	60.0
	No	152	40.0
Received loan from FIs	Total	380	100.0
	Yes	140	36.8
	No	240	63.2
	Total	380	100.0

We made an attempt to know the type of financial institutes they have transactions. Table 7.13 shows the distribution of respondents according to broad categories of the financial institutions they have transactions. About 40% respondents reported that they have financial transaction with private banks, 29.4% with Government banks

and 13.2% with NGOs. Thirty nine of 228 have transactions with more than one financial institution.

Table 7.13: Transactions with different FIs

Financial Institutions	No. of Respondents	
	Number	%
Government Bank	67	29.4
Private Bank	92	40.4
NGOs	30	13.2
More than one Bank	39	17.1
Total	228	100.0

Respondents who have borrowed loan from bank were asked whether they face any obstacles to borrow loan and type of obstacles. Table 7.14 shows the distribution of respondents according to the obstacles they mentioned for getting bank loan. More than 60.7% loan borrowers identified Collateral as the main obstacle of borrowing loan followed by documentation (22.8%). Lengthy process was adjudged by 11.4% respondents as an obstacle. About 21% respondents mentioned some other reasons which include mainly high interest rate and non cooperation of bank officials.



Table 7.14: Obstacles faced borrowing loans

Obstacles faced	No. of Respondents	
	Number	%
Collateral	85	60.7
Lengthy process	16	11.4
Documentation	32	22.8
Others	29	20.7
No problem	8	5.7
Total	140	

We also asked the respondents to suggest the way to make easy access to bank loan for the entrepreneurs. Majority of the respondents (43.4%) suggested providing loans with minimum interest rate. Other suggestions are to provide loans without collateral (18.2%) and easy conditions and hassle free (6.1%). A good percentage of respondents (41.6%) have no idea how to make loans easily accessible for them.

Table 7.15: Suggestions to Ease bank loans

Suggestions	No. of Respondents	
	Number	%
Minimum interest rate	165	43.4
Loan without mortgage	69	18.2
Loan with easy conditions and fast	23	6.1
No idea	158	41.6
Total	380	

7.2.11 Environmental Issues

Table 7.16 below shows that only 18% respondents think that they need to take clearance from the Department of Environment. The table also shows that among the respondents who need DOE's clearance, 73% reported to collect the clearance from the Department of Environment and 18% respondents mentioned that they needed the clearance from DOE but did not collect it. The reasons for not collecting includes: (i) they do not know how to collect it, (ii) non-cooperation from the officials of Department of Environment and (iii) financial constraints:

Table 7.16: DOE's Clearance

Clearance from DOE is needed	No. of respondents	
	N	%
Yes	68	17.9
No	312	82.1
Total	380	100.0
Clearance from DOE is collected	No. of respondents	
	N	%
Yes	50	73.4
No	18	26.4
Total	68	100.0

7.2.12 State of Quality Control, Assurance and Certification

From Table 7.17 below, we observe that about 12% respondents mentioned that they have quality control department within their establishment. Only about 8% respondents reported that they have quality control laboratory within their facilities to ensure quality of the products they produce. Only 22 respondents out of 380 reported that they have sufficient number of skilled technician in the quality control laboratory. Only 21 out of 380 respondents reported that they have quality certification from BSTI, etc.



Table 7.17: Quality Aspect of Enterprises

Issues	No. of respondents		
		N	%
QC Department	Yes	45	11.8
	No	335	88.2
	Total	380	100.0
QC Laboratory	Yes	29	7.6
	No	351	92.4
	Total	380	100.0
Skilled technician in QC Laboratory	Yes	22	75.9
	No	7	24.1
	Total	29	100
Quality certification	Yes	21	5.5
	No	359	94.5
	Total	380	100.0

7.2.13 Knowledge and Use of Renewable Energy

We attempted to know whether the respondents are familiar with renewable energy. We found that 177 out of 380 have knowledge about renewable energy and remaining 203 have no idea about it. Renewable energy sector is flourishing these days and its contribution to energy sector is increasing significantly. We wanted to know whether the studied enterprises have opportunity to use renewable energy in their enterprises. Table 7.18 shows the data relating to the knowledge and uses of renewable energy as mentioned by the respondents. The table reveals that about 46.6% (177 respondents) have knowledge about renewable energy and only 12.9% (49 respondents) reported that there is scope of using renewable energy in their enterprises.

Table 7.18: Knowledge and use of renewable energy

Issues	Opinion	No. of respondents	
		Number	Percent
Knowledge about renewable energy	Know about renewable energy	177	46.6
	Do not Know about renewable energy	203	53.4
	Total	380	100.0
Scope to use renewable energy	Have scope	49	12.9
	Do not have scope	331	87.1
	Total	380	100

7.3 Manpower Engaged, Skill Level and Scope of Training

7.3.1 Manpower Engaged

The study also made an attempt to assess the number of work force involved and their quality and skill levels, identify scope of training and presence of training institutes. The study findings reveal that the average number of total employee per enterprise is 27 persons with standard deviation 74 persons. Thirty nine (11%) enterprises reported that they have no male employees while 155 (43%) and 312 (87%) reported to have no female and child employees. Number of employees employed in the studied enterprises is given in table 7.19.



Table 7.19: Number of Workers Employed

No. of workers	No. of respondents							
	Total		Male		Female		Children (under 16 years)	
	No.	%	No.	%	No.	%	No.	%
0	-	-	39	11	155	43	312	87
1 to 24	284	79	268	74	186	52	43	12
25 – 99	59	16	48	13	10	3	4	1
100 and above	16	5	4	.1	8	2	-	-
Total*	359	100.0	359	100.0	359	100.0	359	100.0
Mean	27.36		14.11		12.17		1	
SD	74		23		64		5	
Maximum	800		250		700		50	

Note: We have excluded 20 enterprises from service sectors (health care and education services) and we could not collect data from one enterprise regarding employment. Hence total respondent is 359.

7.3.2 Skill level of the Workers

We made an attempt to know about the skill level of the workers working in the enterprises studied and the respondents reported that most of the workers are skilled. Average number of skilled workers per enterprise found to be 20. Average number of semi-skill and unskilled employees reported to be 5 and 2 respectively. Table 7.20 shows the frequency distribution of the employed workers in the studied enterprises according to their skill level. From table we can see that 5% respondents reported that they have no skilled manpower while, 40.5% and 72.6% respondents reported that they have no semi-skilled and unskilled employees respectively. It was also observed from the study that unskilled manpower is mostly employed in Agro-processing sector.

Table 7.20: Skill level of Workers

No. of workers	Skilled		Semi-Skilled		Un-Skilled	
	No.	%	No.	%	No.	%
0	18	5.0	153	40.5	275	72.6
1 – 10	242	63.7	183	48.2	93	24.5
11 – 20	63	16.6	29	7.6	5	1.3
21 - 50	39	10.3	10	2.6	6	1.6
51 - 100	8	2.1	3	.8		
above 100	9	2.4	1	.3		
Total	379	100.0	379	100.0	379	100.0

[Note: Data missing for one enterprise]

7.3.3 Access to Training and Presence of Training Facilities

We made an attempt to know whether the employees received any formal training, or they need any formal training and do they have any training facilities in their area. In reply majority of the respondents reported that their workers do not have any formal training; they need not to be trained and there is no training facility/ training institute within their industrial cluster. Table 7.21 shows the data relating to these issues. It is observed that about 91% respondent reported that their workers have no formal training and importantly 72% opined that their workers need no formal training as well.



Table 7.21: Formal Training and Presence of Training Facilities

Issues	Opinion of the respondents					
	Yes		No		Total	
	N	%	N	%	N	%
Whether workers received any formal training?	36	9.5	344	90.5	380	100.0
Whether workers need any formal training?	102	26.8	275	72.4	377	100.0
Whether any training institute exists in the area?	25	6.6	355	92.9	380	100.0

Proper incentive should be included if there is any training course designed for the workers and it should be on cost sharing basis in order to ensure effectiveness and commitment from the entrepreneurs. We also asked them what type of training is needed for their workers. In reply, they mentioned different kinds of training but most of them opined that their workers need “technical” training. Among others, they mentioned management training, moral and motivational training, etc.

7.4 Marketing Support from Development Partners, NGOs and Government

We asked the respondents whether they have received any marketing support from any development partners, Government organizations, and non-government organizations. Out of 380 respondents only 18 (4.7%) replied in the affirmative indicating that the SME sector in Bangladesh did not get proper attention from any quarter (Table 7.22). The main problems mentioned by the respondents are: (i) lack of opportunity to attend in trade fair, (ii) No direct contact with buyers of the product, and (iii) limited financial support.

Table 7.22: Marketing Support Received help from GO/NGOs

Opinion	No. of respondents	
	Number	%
Yes	18	4.7
No	362	95.3
Total	380	100.0

7.5 Affiliation with Business Associations, Trade Bodies and Chambers of Commerce

We made an attempt to know whether the respondents are associated with any trade bodies and advantages received (if any) by being associated with the trade bodies. Table 7.23 shows that only 56.6% respondents are associated with some trade bodies and the remaining 43.4% were not associated with any such association. Further attempt has been made through categorization of these organizations into three broad groups: (i) local business owners association, (ii) National business owners association and (iii) Chamber of commerce and industries. Majority of the respondents (83.7%) reported to be associated with local trade/business owners association, 14.9% are associated with national business/trade organizations and the remaining 8.8% with FBCCI and/or DCCI. Those who are associated with trade bodies mentioned that there are some advantages to be associated with trade organizations. Among others the advantages mentioned by them are: (i) organizationally empowered, (ii) financial help in terms of low interest loan, (iii) easy marketing of the products, (iv) protection from giving bribe or undue money to others, (v) collecting dues, (vi) availability of raw materials, etc. Table 7.23 shows the percentage distribution of respondents based on the advantages they mentioned.



Table 7.23: Association with Trade Association, Chambers of Commerce & Industry

Issues	No. of respondents		
		N	%
Whether associated with any trade bodies	Yes	215	56.6
	No	165	43.4
	Total	380	100.0
Type of trade body (multiple)	Local	180	83.7
	National	32	14.9
	FBCCI DCCI	19	8.8
	Total	215	
Whether received any advantages by being associated with the organization	Yes	122	56.7
	No	93	43.3
	Total	215	100
Advantages of being associated with trade bodies (multiple answer)	a. Organizationally empowered	73	59.8
	b. Financial help in terms of low interest loan	27	22.1
	c. Easy marketing of the products	21	17.2
	d. Protection from giving bribe and undue money to others	14	11.5
	e. Collecting dues	4	3.3
	f. Availability of raw materials	6	4.9
	Total	122	

7.6 Perception about SME Cluster and its Benefits

The main objective of this study is to identify SME cluster throughout the country and to know problems and prospects of the SME clusters. So, it is important to know the perception of the industry owners towards SME cluster. We wanted to know whether the enterprise owners know about the SME cluster. Only 18% of the respondents have idea about industrial cluster. Even though the respondents are in an industrial cluster but most of them do not know about it. After explaining the meaning of the SME cluster 24% could understand that they are included in an SME cluster. When they were asked about the advantages of being included in cluster, many of them denied answering this question as because they have no idea about the cluster. Those who replied, they mentioned following advantages: (i) marketing of the products is easier, (ii) labor availability, (iii) availability of raw materials, (iv) any type of problems can be faced collectively, (v) customers get many products in same place, (vi) competition among entrepreneurs etc. Table 7.24 below shows data relating to the perception of respondents regarding SME clusters.

Table 7.24: Perception about SME Cluster

Issues	No. of Respondents		
	Response	Number	%
Have idea about SME cluster	Yes	70	18.4
	No	310	81.6
	Total	380	100.0
Aware that he is included in an SME cluster	Yes	92	24.2
	No	288	75.8
	Total	380	100.0
Advantages of being included in an SME cluster (multiple answer)	- Marketing is easier	105	27.6
	- Labor availability	28	7.4
	- Availability of raw material	24	6.3
	- Problems faced collectively	56	14.7
	- Customers get many product in a small area	81	21.3
	- No benefit	19	5.0
	- No answer	138	36.3



7.7 Knowledge about SME Foundation and Expectation from SME Foundation

In this study we also wanted to know whether the respondents are familiar with SME Foundation and its activities, whether they received or expect any help, and type of help they expect from SME Foundation. Table 7.25 shows the distribution of respondents according to their knowledge and expectation from SME Foundation. From table 7.25 we see that only 19% respondents are familiar with SME foundation and remaining 81% are not. It is also evident from table that only 7% (27 out of 380) respondents reported that they received help from SME foundation. Type of help received from SME foundation as mentioned by the respondents is mainly: (i) training, (ii) help in borrowing loan, and (iii) product marketing. Most of the respondents (336 out of 380) reported that they expect help from SME Foundation and the expected help as mentioned by the respondents are given in Table 7.25. From table it is observed that 40% respondents expect financial support, 23% for improved infrastructure support from SME Foundation followed by low interest loan (19.9%). It is important to note that a good percentage of respondents expect that SME foundation will help them in getting raw materials and marketing the products and services indicating that they are facing problems in collecting raw materials and marketing their products.

Table 7.25: Perception about SME Foundation

Issues	No. of Respondents		
	Response	Number	%
Know about SMF Foundation	Yes	73	19.2
	No	307	80.8
	Total	380	100.0
Received any help from SMF Foundation	Yes	27	7.1
	No	353	92.9
	Total	380	100.0
Expect any help from SMF Foundation	Yes	336	88.4
	No	44	11.6
	Total	380	100.0
Type of help expect from SME foundation (multiple answer)	- Low interest loan	67	19.9
	- Product marketing support	59	17.6
	- Administrative and legal support	20	5.9
	- Supply of raw materials	53	17.8
	- Arranging technical training	42	12.5
	- Technological support	6	1.8
	- Financial support	131	40.0
	- Improved Infrastructural support	77	22.9
Total	336		



Conclusion and Recommendations

8.1 Conclusion

In spite of the limitations of the study, the main finding is identification of at least 177 clusters. Further studies must be followed up at regular interval to make it updated. Required policies ensuring positive impacts on the overall scenario of the SMEs in Bangladesh need to be formulated that would facilitate in capacity building of appropriate institutional structures. This in turn would lay down the foundation for building up market institutions.

Stable regulatory and administrative policies would help systematically attaining competitiveness among the small and medium enterprises that consequently would ensure quality products and services for export. If the international standard and quality norms can be integrated with these SME clusters identified in Bangladesh, this would eventually bring multiple economic benefits. Therefore, supportive policy environment coupled with adequate resource allocation need to be ensured to achieve desired growth of these enterprises within the cluster.

Also, the investment climate for SMEs in Bangladesh has to be more attractive. Sound investment climate implies positive consequence and strengthens the capacities of the SMEs that in turn would lead to greater positive impacts on the GDP and poverty reduction.

In order to accommodate the best possible investment climate, the obstacles are to be removed with efficiency and accuracy so that a two way satisfactory interaction between these identified clusters and the regulatory institutions is established.

8.2 Recommendations

Initiatives in implementing the following recommendations would be a rational approach in this matter:

- a. The expansion and development of the identified clusters would require a pragmatic approach such as a *separate policy* for the enterprises within the clusters. It is absolutely necessary to understand the particular environment these SMEs are operating in and furnish tailored policies that would enable them to cope with the adversities and opportunities alike.
- b. In order to enhance the capacity building of the identified clusters and enterprises as well, concerned authorities and the entrepreneurs may be encouraged to participate in formation of *association of enterprises within the clusters*. All the enterprises interacting through their cluster associations would be able to address their common threats and opportunities as well as adopt their policies through consensual decisions given the resources limitations or constraints.
- c. One of the most important pre-requisites for the clusters to flourish and even to survive is to have adequate number of skilled workers. SMEs within important booster sectors are operating with workers who have a *gap* of knowledge on latest development in the field. Such gaps are to be reduced through serious initiatives by the government and private sectors. Needs assessment study should be carried to identify areas of *skill development*. Thus training and orientation of all appropriate categories should be encouraged and sponsored upon conducting a training needs assessment.
- d. *Establishing common facilities* within one roof accessible by the enterprises may be recommended to ensure cost competitive services. Lesson may be taken from other Asian



countries like South Korea, China, Japan, Taiwan, India, Vietnam, Philippines, etc. These common facilities may be established under public-private partnership for important sectors like light engineering, electronics and electrical, plastic, leather, handicrafts, etc. For example, a central mould making center can be set-up under PPP for delivering services to individual plastic industries.

- e. **Access to finance** is a very important aspect that the authorities should pay special attention to and make it a painless process for the entrepreneurs. Innovative means of financing should be arranged for SMEs in order to ensure continued and uninterrupted operations. For example, factoring, venture capital finance, collateral free financing, credit guarantee scheme, equity and entrepreneurship financing, movable property based financing, etc. should be encouraged for micro and small enterprises. SME Foundation should extend possible support in promoting these finances for SMEs in better terms and conditions.
- f. The overall efficiency and productivity of these enterprises within the cluster cannot be improved unless uninterrupted **utility services** (electricity, water, gas etc.), **effective connectivity** (roads and highways, river transports, railway, etc.), **abatement of environmental pollutions and waste management** are ensured. Ensuring all these means building solid **infrastructure** and the government will have to play the most vital role in this regard.
- g. **Technological support** has become a crucial factor for the survival and development of industries in competitive world. **Combined testing labs, support for technology transfer, product design and development centre**, etc. are a few of the important elements that deserve serious considerations both in governmental and non-governmental levels for sustainable growth of the SMEs in Bangladesh.
- h. In order to maximize the market share of the enterprise either at national or at global level, a good network of **market linkages** is needed. SMEF should take initiative to support marketing of the SME products in national and international markets.
- i. The entrepreneurs need easy and quick access to cheaper raw materials that require **combined warehousing facility** and **improved supply chain**. Micro entrepreneurs can be particularly encouraged through setting up **value chain support**.
- j. There is no alternative to a sound regulatory system that functions properly. Since **Trade license, TIN and VAT Registration** are requirements in running any business in Bangladesh, it is important to implement these **regulatory practices** as well as enforcement of custom duty and avoidance of double taxation in every sector. A considerable number of small and medium enterprises are against compliance to these regulatory obligations. **Strict enforcement** by the concerned authorities would bring discipline in that sphere. Through enforcement the government's revenue earning can be increased in one hand contribution by the government for creating better infrastructure can be greater on the other. Occasional and sector wise tax rebate (where appropriate) may have a positive impact on the overall economy. SMEF may initiate study on **compliance of regulatory practices to measure potential economic benefits** against possible support (subsidies, tax rebate, incentive, etc.) by the government.
- k. SMEF should create a **panel of management consultants and technical experts** who would be rendering cost effective expert services to the enterprises within the clusters. In this regard, necessary technical assistance and funding can be explored for designing programs on '**cost-sharing**' basis from the development partners. For example, **matching grant scheme, voucher system**, etc.
- l. Possible collaborative programs can be taken up with relevant national and international



institutions, namely, UNIDO, ITC-UNCTAD, WIPO, WTO, Asian Productivity Organizations, CBI, SIPPO, various technology transfer centers, etc. can be approached for future collaborative projects in the area of market development and technology.

- m. BSTI, DPDT and other similar organizations should have special program to expedite all regulatory clearance processes and the Ministry of Industries could be requested to initiate appropriate actions in this regard. Provision of BSTI *testing and certification facility* at division and district level can be explored to ease these processes for SMEs.
- n. Appropriate steps should be made to identify factors affecting the performance of declining and stagnant clusters and thereafter, the concerned authorities take suitable remedial measures to overcome the bottlenecks of stagnating and declining clusters.
- o. Appropriate policy initiatives have to be taken to ensure providing possible non-fiscal incentives to the units opting for use of ICT tools for improved operation.
- p. SME Foundation needs to undertake a comprehensively resource planning exercise taking into account the above issues to be addressed and make a list of actions in order of priority; and propose allocation of resources accordingly. Simultaneously, SMEF should also sensitize the ‘cluster based SME development approach’ to the concerned authorities.



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List of Identified MSME Clusters

Sl. No.	Division	District	Upazila	Union	Village	Enterprise	Sector
1	Barisal	Barisal	Bakerganj	Koloshkathi	Koloshkathi	55	Handicrafts and Miscellaneous Sector
2	Barisal	Barisal	Bakerganj	Niyamoti	Chamta	200	Handicrafts and Miscellaneous Sector
3	Barisal	Barisal	Barisal Sadar	Dokkhin Chakbazar	9 No. Ward	50	Light Engineering and Metal Working
4	Barisal	Jhalokathi	Jhalokathi	Jhalokathi	Kath potti	50	Handicrafts and Miscellaneous Sector
5	Barisal	Jhalokathi	Rajapur	Mothbari	Hailakathi	82	Handicrafts and Miscellaneous Sector
6	Barisal	Pirojpur	Pirojpur Sadar	Tona	8 No. Ward	70	Handicrafts and Miscellaneous Sector
7	Barisal	Pirojpur	Nazirpur	Deulbari	3 No. Ward	150	Handicrafts and Miscellaneous Sector
8	Barisal	Pirojpur	Nesarabad	Shutiakathi	Koudikhora	55	Handicrafts and Miscellaneous Sector
9	Barisal	Pirojpur	Nesarabad	Baldia	Ward-1,2,8	52	Handicrafts and Miscellaneous Sector
10	Barisal	Pirojpur	Nesarabad	Sutiakathi	Kourimara	55	Handicrafts and Miscellaneous Sector
11	Chittagong	Brahmanbaria	Sarail	Kotrapara	Kotrapara	370	Agro-processing/agri-business/plantation agriculture/specialist faming/tissue-culture
12	Chittagong	Brahmanbaria	Brahmanbaria	Brahmanbaria	Pirbari	100	Leather Making and Leather Goods
13	Chittagong	Brahmanbaria	Brahmanbaria	Brahmanbaria	Purbo Medda	60	Light Engineering and Metal Working
14	Chittagong	Chandpur	Chandpur	Chandpur	Puranbazar	49	Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
15	Chittagong	Chandpur	Chandpur	Haimchar	Paschim Char Krishnapur	50	Handicrafts and Miscellaneous Sector
16	Chittagong	Chittagong	Chittagong Port	Chittagong City Corp.	Majhirghat, 30 No. Ward	54	Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
17	Chittagong	Chittagong	Potia	Potia	Indrapool, 1 No. Ward	50	Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
18	Chittagong	Chittagong	Chittagong City Corp.	Chittagong City Corp.	Purbo-Madarbari	275	Leather Making and Leather Goods
19	Chittagong	Chittagong	Chittagong City Corp.	Chittagong City Corp.	Pathantuli-Chwmohoni-Kodomtoli	70	Light Engineering and Metal Working
20	Chittagong	Chittagong	Double Mooring	Chittagong City Corp.	Pathantuli-Kalabagan-Commerce college road	50	Light Engineering and Metal Working
21	Chittagong	Chittagong	Pachlaish	Chittagong City Corp.	Muradpur-Bibirhat-Sholoshahar-Nasirabad	135	Light Engineering and Metal Working
22	Chittagong	Chittagong	Pahartoli	Chittagong City Corp.	Pahartoli-Saraipara-Colonel hat	135	Light Engineering and Metal Working
23	Chittagong	Chittagong	Shitakunda	Chittagong City Corp.	Fouzdarhat-Bhatiyari-Shitakunda	2000	Light Engineering and Metal Working



Sl. No.	Division	District	Upazila	Union	Village	Enterprise	Sector
24	Chittagong	Comilla	Kotwali	Comilla City Corp.	Gangchar, Balur Tola	56	Handicrafts and Miscellaneous Sector
25	Chittagong	Comilla	Sadar Dakkhin	Bijoypur, baropara	Baropara, Nowapara, Uttar Bijoypur, Gachkul	700	Handicrafts and Miscellaneous Sector
26	Chittagong	Comilla	Chandina	Chandina	Sonapur	2500	Handloom and Specialized Textile
27	Chittagong	Comilla	Chandina	Babra	Bara	1500	Handloom and Specialized Textile
28	Chittagong	Comilla	Comilla	Comilla City Corporation	Station road	75	Light Engineering and Metal Working
29	Chittagong	Cox's Bazar	Cox's Bazar Sadar	Cox's Bazar Sadar	Islampur	30	Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
30	Chittagong	Cox's Bazar	Moheshkhali	South Rakhainala	Moheshkhali	60	Designer, aesthetically-challenging, personal wear and effects
31	Chittagong	Cox's Bazar	Cox's Bazar	Cox's Bazar	Anderson road	50	Light Engineering and Metal Working
32	Chittagong	Feni	Chagolnaiya	Chagolnaiya	Zero Point to Dakbangla	200	Handicrafts and Miscellaneous Sector
33	Chittagong	Feni	Feni Sadar	Feni sadar	Old Sunagaji Bustand-Academy	100	Light Engineering and Metal Working
34	Chittagong	Feni	Feni Sadar	Feni sadar	Lalpul	40	Light Engineering and Metal Working
35	Chittagong	Laksmipur	Laksmipur Sadar	Ramgoti	Station Road	200	Handicrafts and Miscellaneous Sector
36	Dhaka	Dhaka	Tejgoan		Farmgate	50	Educational Services
37	Dhaka	Dhaka	Jatrabari		Uttar Dhonia, Matoail, Kazla	100	Electronics and Electrical
38	Dhaka	Dhaka	Kodomtoli	Kodomtoli	Juraine	120	Electronics and Electrical
39	Dhaka	Dhaka	Shyampur	Shyampur	Electronics Indusy Area	66	Electronics and Electrical
40	Dhaka	Dhaka	Pallabi	Dhaka	Mirpur	945	Designer, aesthetically-challenging, personal wear and effects
41	Dhaka	Dhaka	Khilkhet	Khilkhet	Nikunja	112	Knitwear and Readymade Garments
42	Dhaka	Dhaka	Mirpur	Mirpur	Shialbari, Shenpara, Parbota	500	Knitwear and Readymade Garments
43	Dhaka	Dhaka	Muhammadpur, Adabor		Shyamoli, Mohammadpur	175	Knitwear and Readymade Garments
44	Dhaka	Dhaka	Hazaribag	Dhaka City Corp.	48 no Ward	195	Leather Making and Leather Goods
45	Dhaka	Dhaka	Hazaribag	Hazaribag	58 No ward	80	Leather Making and Leather Goods
46	Dhaka	Dhaka	Kamrangirchar	Kamrangirchar	Kamrangirchar	800	Leather Making and Leather Goods
47	Dhaka	Dhaka	Kotwali	Dhaka City Corp.	Siddique Bazar, Nawabganj, Hazaribagh	1500	Leather Making and Leather Goods
48	Dhaka	Dhaka	Kotwali	Kotwali	Suritola	300	Leather Making and Leather Goods



Sl. No.	Division	District	Upazila	Union	Village	Enterprise	Sector
49	Dhaka	Dhaka	Lalbag	Nawabganj	Club Bari, Nawabganj,	3000	Leather Making and Leather Goods
50	Dhaka	Dhaka	Pallabi	Pallabi	Polashnagar, Lalmath, Mirpur-11, Balumath	120	Leather Making and Leather Goods
51	Dhaka	Dhaka	Jatrabari	Uttar Jatrabari	84, 85 No Ward	300	Light Engineering and Metal Working
52	Dhaka	Dhaka	Kamrangirchar, Lalbagh	Kamrangirchar, Lalbagh	Lalbag, Kamrangirchar, Rahamatganj	200	Light Engineering and Metal Working
53	Dhaka	Dhaka	Kotowalli	Sutrapur	Wari	300	Light Engineering and Metal Working
54	Dhaka	Dhaka	Kotwali, Sutrapur		Narinda, Shah Shaheb Lane, Shamibagh, Gendaria	250	Light Engineering and Metal Working
55	Dhaka	Dhaka	Sutrapur	Sutrapur	Tipu Sultan road, Gualhat, Jurpur lane	500	Light Engineering and Metal Working
56	Dhaka	Dhaka	Sutrapur		Bonogram, Juginagar, BCC road, Nobabpur, Benkin St	300	Light Engineering and Metal Working
57	Dhaka	Dhaka	Chakbazar	Chakbazar	Islambag	1100	Plastics and Other Synthetics
58	Dhaka	Dhaka	Kamrangirchar	Sultanganj	Sultanganj	100	Plastics and Other Synthetics
59	Dhaka	Faridpur	Faridpur Sadar	Faridpur Sadar	Gualchamot, Shuvarampur, Kanaipur	60	Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
60	Dhaka	Faridpur	Faridpur Sadar	Faridpur Sadar	Niltuli, Mujib Sarak	111	Designer, aesthetically-challenging, personal wear and effects
61	Dhaka	Faridpur	Faridpur Sadar	Faridpur	Kanapari	150	Handicrafts and Miscellaneous Sector
62	Dhaka	Faridpur	Faridpur Sadar	Faridpur Sadar	Hazratola, Gualchamot	250	Light Engineering and Metal Working
63	Dhaka	Faridpur	Faridpur Sadar	Faridpur Sadar	Puran and Notun Bus Stand	50	Light Engineering and Metal Working
64	Dhaka	Gazipur	Gazipur Sadar	Kunabari	Kunabari	130	Knitwear and Readymade Garments
65	Dhaka	Gazipur	Gazipur Sadar	Kunabari	Kunabari	60	Knitwear and Readymade Garments
66	Dhaka	Gopalganj	Gopalganj	Gopalganj	Notun bazar	50	Handicrafts and Miscellaneous Sector
67	Dhaka	Jamalpur	Jamalpur Sadar	Jamalpur Sadar	3 No. Ward	60	Handicrafts and Miscellaneous Sector
68	Dhaka	Jamalpur	Jamalpur Sadar	Jamalpur Sadar	3,4,5 No. Ward	50	Handicrafts and Miscellaneous Sector
69	Dhaka	Kishoreganj	Bhairab	Bhairab	Chondigor, Majhirchar, Shimulkandi, Kaliganj	2500	Leather Making and Leather Goods
70	Dhaka	Kishoreganj	Kishoreganj Sadar	Kishoreganj Sadar	Nosua, Hoibotnagar	180	Light Engineering and Metal Working
71	Dhaka	Madaripur	Madaripur Sadar	Madaripur Municipality	Puran bazar, Mothkhula, 2, 3 No. Ward	70	Handicrafts and Miscellaneous Sector



Sl. No.	Division	District	Upazila	Union	Village	Enterprise	Sector
72	Dhaka	Madaripur	Madaripur Sadar	Madaripur Sadar	Probinbazar	55	Light Engineering and Metal Working
73	Dhaka	Manikganj	Gheor	BaroThia	Rishipara	100	Handicrafts and Miscellaneous Sector
74	Dhaka	Munshiganj	Munshiganj Sadar		Shakhari Bazar	5000	Knitwear and Readymade Garments
75	Dhaka	Munshiganj	Munshiganj Sadar	Munshiganj Sadar	Panchashor, Rampal	70	Plastics and Other Synthetics
76	Dhaka	Mymensingh	Mymensingh Sadar	Mymensingh Sadar	Gadinarpar	150	Designer, aesthetically-challenging, persona wear and effects
77	Dhaka	Mymensingh	Mymensingh Sadar	Mymensingh Sadar	7, 9 & 10 No. Ward	100	Handicrafts and Miscellaneous Sector
78	Dhaka	Mymensingh	Mymensingh Sadar	Mymensingh Sadar	Charpara	75	Healthcare and Diagonostic
79	Dhaka	Mymensingh	Gouripur	Gouripur	6 No. Ward	100	Knitwear and Readymade Garments
80	Dhaka	Narayanganj	Narayanganj City Corp.	Narayanganj City Corp.	18 no ward	65	Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
81	Dhaka	Narayanganj	Rupganj	Taraboo	1-9 No. Ward	1364	Fashion
82	Dhaka	Narayanganj	Rupganj	Rupganj	BSCIC Jamdani Polli	399	
83	Dhaka	Narayanganj	Rupganj	Murapara	Bainadi, Masimpur, Masudabad	170	Designer, aesthetically-challenging, persona wear and effects
84	Dhaka	Narayanganj	Rupganj	Rupganj	Ichakhali	81	Designer, aesthetically-challenging, persona wear and effects
85	Dhaka	Narayanganj	Siddirganj	Siddirganj	Siddirganj	150	Designer, aesthetically-challenging, persona wear and effects
86	Dhaka	Narayanganj	Sonargaon	Shadipur	Bargaon, Kaziparagaon, Shadipur	450	Designer, aesthetically-challenging, persona wear and effects
87	Dhaka	Narayanganj	Sonargaon	Kanchpur	5-9 No. ward	145	Designer, aesthetically-challenging, persona wear and effects
88	Dhaka	Narayanganj	Narayanganj City Corp.	Narayanganj City Corp.	14 No. Ward	1000	Knitwear and Readymade Garments
89	Dhaka	Narayanganj	Narayanganj City Corp.	Narayanganj City Corp.	1-15 No. Ward	100	Knitwear and Readymade Garments
90	Dhaka	Narayanganj	Narayanganj Sadar	Narayanganj City Corp.	BSCIC Hosiery Industrial Estate	2500	Knitwear and Readymade Garments
91	Dhaka	Narsingdi	Narsingdi Sadar	Narsingdi Sadar	Sadar	100	Handloom and Specialized Textile



Sl. No.	Division	District	Upazila	Union	Village	Enterprise	Sector
92	Dhaka	Narsingdi	Narsingdi Sadar	Narsingdi Sadar	Madhobdi	300	Knitwear and Readymade Garments
93	Dhaka	Narsingdi	Narsingdi Sadar	Narsingdi Sadar	Narsingdi Sadar	90	Knitwear and Readymade Garments
94	Dhaka	Shariyatpur	Damuddya	Darul aman	Pal para	70	Handicrafts and Miscellaneous Sector
95	Dhaka	Sherpur	Sherpur	Sherpur	3 No. Ward, Digharpar	60	Agro-processing/agri-business/ plantation agriculture/specialist farming/tissue-culture
96	Dhaka	Sherpur	Sherpur	Sherpur	Nouhata	50	Agro-processing/agri-business/ plantation agriculture/specialist farming/tissue-culture
97	Dhaka	Tangail	Ghatail,Kalihati	Dhigor, Kalihati	Hamidpur	150	Agro-processing/agri-business/ plantation agriculture/specialist farming/tissue-culture
98	Dhaka	Tangail	Ghatail	Dhigor	Galotti	50	Agro-processing/agri-business/ plantation agriculture/specialist farming/tissue-culture
99	Dhaka	Tangail	Tangail Sadar	Tangail Sadar	Tangail Sadar	150	Educational Services
100	Dhaka	Tangail	Kalihati	Bolla, Nobabbari, Paikra	Bolla, behalbari, Bolodkura, Tenguria	2000	Handloom and Specialized Textile
101	Dhaka	Tangail	Tangail Sadar	Tangail Sadar	Belta, Bajitpur, Kabilapara	500	Handloom and Specialized Textile
102	Dhaka	Tangail	Tangail Sadar	Tangail Sadar	Tangail Sadar	50	Healthcare and Diagonostic
103	Dhaka	Tangail	Delduar	Pathrail	Chondigram	2000	Knitwear and Readymade Garments
104	Khulna	Bagerhat	Bagerhat Sadar	Bagerhat Municipality	Nagarbazar	35	Agro-processing/agri-business/ plantation agriculture/specialist farming/tissue-culture
105	Khulna	Chuadanga	Chuadanga Sadar	Kutubpur, Shankorchandra	Sorujganj Bazar	56	Agro-processing/agri-business/ plantation agriculture/specialist farming/tissue-culture
106	Khulna	Chuadanga	Jibonnagar	Jibonnagar	Jibonnagar	86	Agro-processing/agri-business/ plantation agriculture/specialist farming/tissue-culture
107	Khulna	Jessore	Jhikorgacha	Godkhali	Godkhali	4000	Agro-processing/agri-business/ plantation agriculture/specialist farming/tissue-culture
108	Khulna	Jessore	Jhikorgacha	Shimulia	Shimulia	1775	Handicrafts and Miscellaneous Sector
109	Khulna	Jessore	Jessore Sadar	Jessore Sadar	Bokchar	900	Light Engineering and Metal Working
110	Khulna	Jessore	Jessore Sadar	Jessore Municipality	Old Bus stand	200	Light Engineering and Metal Working
111	Khulna	Jhenaidah	Jhenaidah	Shakirdah	Dariyapur	55	Handicrafts and Miscellaneous Sector
112	Khulna	Jhenaidah	Jhenaidah sadar	Purahati	Modhupur	70	Handicrafts and Miscellaneous Sector
113	Khulna	Jhenaidah	Shilokupa	Garaganj	Birahimpur	150	Handicrafts and Miscellaneous Sector
114	Khulna	Jhenaidah	Jhenaidah Sadar	Jhenaidah Sadar	Hamdaho Bus stand	55	Light Engineering and Metal Working
115	Khulna	Jhenaidah	Jhenaidah Sadar	Hatgopalpur	Hatgopalpara	55	Agro-processing/agri-business/ plantation agriculture/specialist farming/tissue-culture
116	Khulna	Jhenaidah	Jhenaidah Sadar	Bakanda	Narayanpur	55	Agro-processing/agri-business/ plantation agriculture/specialist farming/tissue-culture



Sl. No.	Division	District	Upazila	Union	Village	Enterprise	Sector
117	Khulna	Khulna	Rupsha	Rupsha	Rupsha	45	Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
118	Khulna	Khulna	Rupsha	Rupsha	Rupsha	40	Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
119	Khulna	Khulna	Khulna City Corporation	Khulna Municipality	Khulna Stadium Market	50	Leather Making and Leather Goods
120	Khulna	Khulna	Khulna City Corporation	Khulna City Corporation	19 no Ward	100	Light Engineering and Metal Working
121	Khulna	Kushtia	Kustia Sadar	Bottola	Khajanagar	379	Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
122	Khulna	Kushtia	Kumarkhali	Kumarkhali	Kumarkhali	1000	Knitwear and Readymade Garments
123	Khulna	Magura	Magura sadar	Moli	Kechuadubi	65	Handicrafts and Miscellaneous Sector
124	Khulna	Satkhira	kaliganj	Nolta	Nolta Sharif	100	Healthcare and Diagonostic
125	Rajshahi	Bogra	Sherpur	Sherpur	Meruba Bottola	2640	Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
126	Rajshahi	Bogra	Adamdighi	Nasrotpur	Shihari	100	Handicrafts and Miscellaneous Sector
127	Rajshahi	Bogra	Adamdighi	Nashatpur	Saoil	250	Handloom and Specialized Textile
128	Rajshahi	Bogra	Bogra sadar	Lahiripara	Jogaipur	100	Handloom and Specialized Textile
129	Rajshahi	Bogra	Sonatola	Balua	Choto Balua	100	Knitwear and Readymade Garments
130	Rajshahi	Bogra	Bogra sadar	Bogra sadar	Railway Market	300	Light Engineering and Metal Working
131	Rajshahi	Chapai Nawabganj	Chapai Nawabganj	Islampur	Islampur	250	Handicrafts and Miscellaneous Sector
132	Rajshahi	Chapai Nawabganj	Shibganj	Nayanavanga	Harinagar	100	Knitwear and Readymade Garments
133	Rajshahi	Joypurhat	Joypurhat	Joypurhat Municipality	Kanjanpur Malipara, 2 no ward	70	Handicrafts and Miscellaneous Sector
134	Rajshahi	Naogaon	Naogaon Sadar	Hapania	Hapania	200	Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
135	Rajshahi	Naogaon	Mohadebpur	Mohadebpur	Mohadebpur	100	Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
136	Rajshahi	Naogaon	Naogaon Sadar	Naogaon	Sonapoti	200	Designer, aesthetically-challenging, persona wear and effects
137	Rajshahi	Naogaon	Naogaon Sadar	Chondipur	Shimulia	500	Handicrafts and Miscellaneous Sector
138	Rajshahi	Naogaon	Naogaon Sadar	Naogaon	Municipality area	160	Light Engineering and Metal Working
139	Rajshahi	Natore	Gurudashpur	Gurudashpur	Cachkor Bazar	200	Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture



Sl. No.	Division	District	Upazila	Union	Village	Enterprise	Sector
140	Rajshahi	Natore	Natore	Natore	Nimtola	33	Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
141	Rajshahi	Natore	Natore	Natore	Lalbazar	275	Designer, aesthetically-challenging, persona wear and effects
142	Rajshahi	Natore	Natore	Natore	Station road	55	Leather Making and Leather Goods
143	Rajshahi	Natore	Natore	Natore	Madrashamore, Chakrampur	187	Light Engineering and Metal Working
144	Rajshahi	Pabna	Ishwardi	Dashuria	Joy Nagar	550	Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
145	Rajshahi	Pabna	Pabna sadar	Dugachi	Ananta	100	Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
146	Rajshahi	Pabna	Chatmohar	Mulgram	Kubirdea	70	Handicrafts and Miscellaneous Sector
147	Rajshahi	Pabna	Sathiya	Sathiya	Kashinathpur	500	Handloom and Specialized Textile
148	Rajshahi	Pabna	Pabna sadar	Pabna sadar	Parbotiganj	800	Knitwear and Readymade Garments
149	Rajshahi	Pabna	Pabna sadar	Pabna sadar	Ramchandrapur	200	Light Engineering and Metal Working
150	Rajshahi	Rajshahi	Rajshahi City Corporation	Rajshahi City Corporation	Asam Colony Power House More	200	Designer, aesthetically-challenging, persona wear and effects
151	Rajshahi	Rajshahi	Rajshahi	Rajshahi	Laxmipur Mor	50	Healthcare and Diagonostic
152	Rajshahi	Rajshahi	Charghat	Nimpara	Kaluhati	40	Leather Making and Leather Goods
153	Rajshahi	Rajshahi	Rajshahi	Rajshahi	Vodra	50	Light Engineering and Metal Working
154	Rajshahi	Sirajganj	Belkuchi	Belkuchi	Chandangati	2000	Knitwear and Readymade Garments
155	Rajshahi	Sirajganj	Shajadpur	Shahjadpur	Monirampur	3000	Knitwear and Readymade Garments
156	Rajshahi	Sirajganj	Ullapara	Durganagar	Balmabari	2000	Knitwear and Readymade Garments
157	Rangpur	Dinajpur	Dinajpur Sadar	Dinajpur sadar	Pulhata	500	Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
158	Rangpur	Gaibandha	Gobindaganj	Kochashahar	Dharaikandi	115	Knitwear and Readymade Garments
159	Rangpur	Kurigram	Kurigram Sadar	Kurigram Sadar	Krishnapur, Kumarpara	40	Handicrafts and Miscellaneous Sector
160	Rangpur	Nilphamari	Dimla	Dimla	Baburhat	100	Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
161	Rangpur	Nilphamari	Domar	Domar	Poschim Buragari	50	Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
162	Rangpur	Nilphamari	Jal Dhaka	Jal Dhaka	Jal Dhaka	100	Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
163	Rangpur	Nilphamari	Nilphamari Sadar	Nilphamari sadar	Barabazar	100	Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
164	Rangpur	Nilphamari	Syedpur	Syedpur	Munipara,Noya Tola,	500	Knitwear and Readymade Garments



Sl. No.	Division	District	Upazila	Union	Village	Enterprise	Sector
165	Rangpur	Panchagarh	Tetulia	Debnagar, Bhojanpur	Balubari, Nijbari, Satmera Debnagar	150	Handicrafts and Miscellaneous Sector
166	Rangpur	Rangpur	Rangpur Sadar	Rangpur Sadar	Dhap, Jail road	180	Healthcare and Diagonostic
167	Rangpur	Rangpur	Rangpur Sadar	Rangpur Sadar	Nishbetganj, Radhakrishna	110	Handicrafts and Miscellaneous Sector
168	Rangpur	Thakurgaon	Thakurgaon	Mohammadpur	Shibganj	100	Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
169	Sylhet	Habiganj	Habiganj	Habiganj	Bangla bazar	140	Designer, aesthetically-challenging, personal wear and effects
170	Sylhet	Habiganj	Habiganj	Habiganj	Court station road	50	Handicrafts and Miscellaneous Sector
171	Sylhet	Habiganj	Shahestaganj	Nurpur, 6 no union	Suraboi, Rajpura	80	Handicrafts and Miscellaneous Sector
172	Sylhet	Habiganj	Habiganj	Habiganj	Baniyachang	90	Light Engineering and Metal Working
173	Sylhet	Moulvibazar	Borolekha	Sujanagar	Sujanagar	100	Agro-processing/agri-business/plantation agriculture/specialist farming/tissue-culture
174	Sylhet	Moulvibazar	Kamalganj	Alinagar	Mongalpur	90	Handloom and Specialized Textile
175	Sylhet	Moulvibazar	Kamalganj	Kamalganj	Humikganj	350	Handloom and Specialized Textile
176	Sylhet	Sylhet	Sylhet	Shibganj	Adittyapara	60	Designer, aesthetically-challenging, personal wear and effects
177	Sylhet	Sylhet	Gowainghat	West Jaflong	Bollaghat	40	Handicrafts and Miscellaneous Sector



Product-wise SME Clusters

S.L No	Name of the product	Sector	Village	Union	Upazila	District
1	Ata, Flour, Suji, Vushi, Filter		18 no ward	Narayanganj City Corporation.	Narayanganj City Corporation.	Narayanganj
2	Rice		Dhigor, Kalihati	Ghatail, Kalihati	Tangail	Tangail
3			Galotti	Dhigor	Ghatail	Tangail
4			Nouhata	Sherpur	Sherpur	Sherpur
5			3 no. Digharpar	Sherpur	Sherpur	Sherpur
6			Sorujganj Bazar	Kutubpur, Shankorchandra	Chuadanga Sadar	Chuadanga
7			Jibonnagar	Jibonnagar	Jibonnagar	Chuadanga
8			Khajanagar	Bottola	Kushtia Sadar	Kushtia
9			Hatgopalpara	Hatgopalpur	Jhenaidah Sadar	Jhenaidah
10			Narayanpur	Bakanda	Jhenaidah Sadar	Jhenaidah
11			Cachkor Bazar	Gurudashpur	Gurudashpur	Natore
12			Hapania	Hapania	Naogaon Sadar	Naogaon
13			Mohadebpur	Mohadebpur	Mohadebpur	Naogaon
14			Pulhata	Dinajpur sadar	Dinajpur	Dinajpur
15			Shibganj	Mohammadpur	Thakurgaon	Thakurgaon
16			Poschim Buragari	Domar	Domar	Nilphamari
17			Jal Dhaka	Jal Dhaka	Jal Dhaka	Nilphamari
18			BaburHat	Dimla	Dimla	Nilphamari
19			Barabazar	Nilphamari sadar	Nilphamari sadar	Nilphamari
20			Kotrapara	Kotrapara	Sorail	Brahmanbaria
21			Puranbazar	Chandpur	Chandpur	Chandpur
22			Meruba Bot tola	Sherpur	Sherpur	Bogra
23			Joynagar	Dashuria	Ishwardi	Pabna
24		Lentils		Gualchamot, Shuvarampur, Kanaipur	Faridpur Sadar	Faridpur Sadar
25	Sweets		Nimtola	Natore	Natore	Natore
26	Ator, Agor		Sujanagar	Sujanagar	Barlekha	Maulvibazar
27	Oil		Ananta	Dugachi	Pabna sadar	Pabna
28	Coconut oil		Bagerhat Sadar	Bagerhat Sadar	Bagerhat Sadar	Bagerhat
29	Salt		Islampur	Cox's Bazar Sadar	Cox's Bazar Sadar	Cox's Bazar
30			Indrapool, 1 no ward	Potia	Potia	Chittagong
31			Majhirghat, 30 no ward	Chittagong City Corp.	Chittagong Port	Chittagong
32	Bakery and Confectionery		Rupsha	Rupsha	Rupsha	Khulna
33	Fish		Rupsha	Rupsha	Rupsha	Khulna



S.L No	Name of the product	Sector	Village	Union	Upazila	District
34	Flower		Godkhali	Godkhali	Jhikargacha	Jessore
35	Light Engineering product such as repairing parts, agricultural machinery	Light Engineering and Metal Working	Lalbag, Kamrangirchar, Rahamatganj	Kamrangirchar, Lalbag	Kamrangirchar, Lalbag	Dhaka
36			Tipu Sultan road, Gualhat, Jurpur lane	Sutrapur	Sutrapur	Dhaka
37			Narinda, Shah shaheb lane, Shamibag, Gendaria		Kotwali, Sutrapur	Dhaka
38			Bonogram, Juginagar, BCC road, Nobabpur, Benkin St		Sutrapur	Dhaka
39			Puran and Notun Bus Stand	Faridpur Sadar	Faridpur Sadar	Faridpur
40			9 no	Dokkhin Chakbazar	Barisal Sadar	Barisal
41			Vodra	Rajshahi	Rajshahi	Rajshahi
42			Madrashamore, Chakrampur	Natore	Natore	Natore
43			Municipality area	Naogaon	Naogaon Sadar	Naogaon
44			Pathantuli-Kalabagan-Commerce college road	Chittagong City Corporation	Double Morring	Chittagong
45			Pahartoli-Saraipara-Colonel hat	Chittagong City Corporation	Pahartoli	Chittagong
46			Muradpur-Bibirhat-Sholoshahar-Nasirabad	Chittagong City Corporation	Pachlaish	Chittagong
47			Fouzdarhat-Bhatiyari-Shitakunda	Chittagong City Corporation	Shitakunda	Chittagong
48			Old Sonagazi Bustand-Academy	Feni Sadar	Feni Sadar	Feni
49	Lalpul	Feni Sadar	Feni Sadar	Feni		
50	Purbo Medda	Brahmanbaria	Brahmanbaria Sadar	Brahmanbaria		
51	Station Road	Comilla City Corporation	Comilla	Comilla		
52	Railway Market	Bogra sadar	Bogra sadar	Bogra		
53	Ramchandrapur	Pabna sadar	Pabna	Pabna		
54	Wari	Sutrapur	Sutrapur	Dhaka		
55	19 no Ward	Khulna City Corporation	Khulna	Khulna		
56	Habiganj	Habiganj	Habiganj	Sylhet		



S.L No	Name of the product	Sector	Village	Union	Upazila	District
57	Motor car parts Manufacturing, Repairing, Painting		Bokchar	Jessore Sadar	Jessore Sadar	Jessore
58	Metal (Bathroom fittings)-Light Engineering		84, 85 no ward	Uttar Jatrabari	Jatrabari	Dhaka
59	Steel Furniture, Grill, File cabinet, Cabinet drawers, Show case, Hospital equipment.		Probinbazar	Madaripur Sadar	Madaripur Sadar	Madaripur
60			Hazratola, Gualchamot	Faridpur Sadar	Faridpur Sadar	Faridpur
61			Hamdaho Bus stand	Jhinaidah Sadar	Jhenaidah Sadar	Jhenaidah
62			Chittagong City Corporation	Chittagong City Corporation	Chittagong	Chittagong
63			Nosua, Hoibotnagar	Kishoreganj Sadar	Kishoreganj Sadar	Kishoreganj
64	Light Engineering, Textile Parts, Stone Breaking Machine,		Jessore Municipality	Jessore Sadar	Jessore	Khulna
65	Marine engine parts repairing		Anderson Road	Cox's Bazar Sadar	Cox's Bazar	Cox's Bazar
66	Iron bar, Rod board		Khulna City Corporation	Khulna City Corporation	Khulna	Khulna
67	Embroidery-Garments related forward linkage products	Knitwear and Readymade Garments	Nikunja	Khilkhet	Khilkhet	Dhaka
68	Embroidery		Shyamoli, Mohammadpur		Muhammadpur, Adabor	Dhaka
69	Screen Printing, Dyeing and Printing, Grey Fabrics		Shialbari, Shenpara, Parbota	Mirpur	Mirpur	Dhaka
70			Narsingdi Sadar	Narsingdi Sadar	Narsingdi	Narsingdi
71			Madhobdi	Narsingdi Sadar	Narsingdi	Narsingdi
72	Children wear, Woman wear		Shakhari Bazar		Munshiganj Sadar	Munshiganj
73			14 no ward	Narayanganj City Corporation	Narayanganj City Corporation	Narayanganj
74			1-15 no ward	Narayanganj City Corporation	Narayanganj City Corporation	Narayanganj
75			Choto Balua	Balua	Sonatola	Bogra
76	Vest, Underwear, Baby set, Ladies Cardigan, Muffler		BSCIC Hosiery Industrial Estate	Narayanganj City Corporation	Narayanganj Sadar	Narayanganj
77	Knitwear		Kunabari	Kunabari	Gazipur Sadar	Gazipur
78	Sweater		Kunabari	Kunabari	Gazipur Sadar	Gazipur



S.L No	Name of the product	Sector	Village	Union	Upazila	District	
79	Sweaters, Hats, Socks		Dharaikandi	Kochashahar	Gobindaganj	Gaibandha	
80	Jhute (Spare), Garments (half-pant)		6 no ward	Gouripur	Gouripur	Mymensingh	
81	Clothes		Kumarkhali	Kumarkhali	Kumarkhali	Kushtia	
82	Loom and Silk		Harinagar	Nayanavanga	Shibganj	Chapai Nawabganj	
83	Short pant, three quarters, Trousers, Jacket, Full pant		Munipara, Noya Tola, Mistripara, Babupara, Hatipara	Syedpur	Syedpur	Nilphamari	
84	Sharee, Lungi		Balmabari	Durganagar	Ullapara	Shirajganj	
85			Monirampur	Shahjadpur	Shajadpur	Shirajganj	
86			Chandangati	Belkuchi	Belkuchi	Shirajganj	
87			Hosiery	Parbotiganj	Pabna sadar	Pabna sadar	Pabna
88	Sharee, Dupatta, Three Piece, Panchari		Chondigram	Pathrail	Delduar	Tangail	
89	Benarosi Sharee, Fulkoli, Opera, Katan Brufet, Three Piece		Designer, aesthetically-challenging, personal wear and effects	2,3 & 5 no ward	Pallabi	Pallabi	Dhaka
90	Jamdani Sharee, Panjabi			1-9 no ward	Taraboo	Rupganj	Narayanganj
91				BSCIC Jamdani polli	Rupganj	Rupganj	Narayanganj
92				5-9 no ward	Kanchpur	Sonargaon	Narayanganj
93		Bargaon, Kaziparagaon, Shadipur		Shadipur	Sonargaon	Narayanganj	
94		Bainadi, Masimpur, Masudabad		Murapara	Rupganj	Narayanganj	
95		Ichakhali		Rupganj	Rupganj	Narayanganj	
96		Siddirganj		Siddirganj	Siddirganj	Narayanganj	
97		Jewelry		Gadinarpar	Mymensingh Sadar	Mymensingh Sadar	Mymensingh
98	Niltoli, Mujib Sarak			Faridpur Sadar	Faridpur Sadar	Faridpur	
99	Lalbazar			Natore	Natore	Natore	
100	Sonapotti			Naogaon	Naogaon Sadar	Naogaon	
101	Bangla bazaar			Habiganj	Habiganj	Habiganj	
102	Boutique	Asam Colony Power House More		Rajshahi City Corporation	Rajshahi City Corporation	Rajshahi	
103	Wool's chadar, Bed cover, Muffler, Koti, Bag, Cap	Adittyapara	Shibganj	Sylhet	Sylhet		
104	Chadar, Bed, Tailoring	Moheshkhali	South Rakhainala	Moheshkhali	Cox's Bazar		
105	Leather goods	Leather making and Leather Goods	48 No. Ward	Dhaka City Corp.	Hazaribag	Dhaka	



S.L No	Name of the product	Sector	Village	Union	Upazila	District
106	Shoe		Siddique Bazar, Nobabganj, Hazaribag	Dhaka City Corporation	Kotwali	Dhaka
107			Polashnagar, Lalmath, Mirpur-11, Balumath	Pallobi	Pallabi	Dhaka
108			Suritola	Kotwali	Kotwali	Dhaka
109			Khulna Stadium market	Khulna Municipality	KCC	Khulna
110			Pirbari	Brhmanbaria	Brahmanbaria	Brahmanbaria
111			Kaluhati	Nimpara	Charghat	Rajshahi
112			Station road	Natore	Natore	Natore
113			Sandle (Rexin and Leather)		Club Bari, Nawabgang,	Nobabganj
114	Kamrangirchar	Kamrangirchar			Kamrangirchar	Dhaka
115	58 No ward	Hazaribag			Hazaribag	Dhaka
116	Purbo-Madarbari	CCC			CCC	Chittagong
117	Raw Material of shoe, footwear Packet		Chondigor, Majhirchar, Shimulkandi, Kaliganj	Bhairab	Bhairab	Kishoreganj
118	Healthcare services	Healthcare and Diagnostic	Tangail Sadar	Tangail Sadar	Tangail Sadar	Tangail
119			Charpara	Mymensingh Sadar	Mymensingh Sadar	Mymensingh
120			Laksmipur Mur	Rajshahi	Rajshahi	Rajshahi
121			Dhap, Jail road	Rangpur Sadar	Rangpur Sadar	Rangpur
122	Bandage, Gauge		Nolta Sharif	Nolta	kaliganj	Satkhira
123	Plastic Materials	Plastics and Other Synthetics	Islambag	Chakbazar	Chakbazar	Dhaka
124	Plastic Items		Sultanganj	Sultanganj	Kamrangirchar	Dhaka
125	Mono Filament Net		Panchashor, Rampal	Munshiganj Sadar	Munshiganj Sadar	Munshiganj
126	Electrical and Electronics Accessories	Electronics and Electrical	Uttar Dhonia, Mataul, Kazla		Jatrabari	Dhaka
127			Electronics Indusy Area	Shyampur	Shyampur	Dhaka
128	Coaching Center	Educational Services	Tangail Sadar	Tangail Sadar	Tangail Sadar	Tangail
129			Farmgate		Tejgoan	Dhaka
130	Textile Grey Fabric	Handloom and Specialized Textile	Sadar	Nashingdi Sadar	Narsingdi	Narsingdi
131	Handloom products		Bolla, behalbari, Bolodkura, Tenguria	Bolla, Nobabbari, Paikra	Kalihati	Tangail
132	Handloom products		Belta, Bajitpur, Kabilapara	Tangail Sadar	Tangail Sadar	Tangail
133	Sharee, Lungi		Kashinathpur	Sathiya	Sathiya	Pabna
134	Hand-knitted textile		Humikganj	Kamalganj	Kamalganj	Moulvibazar



S.L No	Name of the product	Sector	Village	Union	Upazila	District
135	Three piece, Bed cover, Sharee, Orna		Mongalpur	Alinagar	Kamalganj	Moulvibazar
136	Thread		Bara	babra	Chandina	Comilla
137			Sonapur	Chandina	Chandina	Comilla
138	Chadar, Gamsa		Jogaipur	Lahiripara	Bogra sadar	Bogra
139	Blanket, Towel, Chador		Saoil	Nashatpur	Adamdighi	Bogra
140	Beauty Parlor	Handicrafts and Miscellaneous sector	3,4,5 no ward	Jamalpur Sadar	Jamalpur Sadar	Jamalpur
141			7,9 & 10 no ward	Mymensingh Sadar	Mymensingh Sadar	Mymensingh
142	Handicraft and Nakshi Katha		3 no Ward	Jamalpur Sadar	Jamalpur Sadar	Jamalpur
143			Shimulia	Shimulia	Jhikorgacha	Jessore
144			Islampur	Islampur	Chapainawabganj	Chapainwabganj
145	Handicraft		Kechuadubi	Moli	Magura sadar	Magura
146	Pottery		Chamta	Niyamoti	Bakerganj	Barisal
147			8 no ward	Tona	Pirojpur Sadar	Pirojpur
148			Pal para	Darul aman	Damuddya	Shariyatpur
149			Suraboi, Rajpura	Nurpur, 6 no union	Shahestaganj	Habiganj
150			Baropara, Nowapara, Uttar Bijoypur, Gachkul	Bijoypur, baropara	Sadar Dakkhin	Comilla
151			Krishnapur, Kumarpara	Kurigram Sadar	Kurigram Sadar	Kurigram
152			Koloshkathi	Koloshkathi	Bakerganj	Barisal
153	Bamboo Goods		Modhupur	Purahati	Jhenaidah Sadar	Jhenaidah
154			Dariyapur	Shakirdah	Jhenaidah	Jhenaidah
155			Rishipara	BaroThia	Gheor	Manikganj
156			Kanjanpur Malipara, 2 no ward	Joypurhat Municipality	Joypurhat	Joypurhat
157			Kubirear	Mulgram	Chatmohar	Pabna
158	Wooden Furniture		Notun bazar	Gopalganj	Gopalganj	Gopalganj
159			Kanapari	Faridpur	Faridpur Sadar	Faridpur
160			Kath potti	Jhalokathi	Jhalokathi Sadar	Jhalokathi
161			Court station road	Habiganj	Habiganj	Habiganj
162			Koudikhora	Shutiakathi	Nesarabad	Pirojpur
163			Station Road	Ramgoti	Laksmipur Sadar	Laksmipur
164			Puran bazar, Mothkhula, 2, 3 no ward	Madaripur Municipality	Madaripur Sadar	Madaripur
165			Zero Point to Dakbangla	Chagolnaiya	Chagolnaiya	Feni
166	Wood for furniture		Gangchar, Balur Tola	Comilla City Corp.	Kotwali	Comilla



S.L No	Name of the product	Sector	Village	Union	Upazila	District
167			Kourimara	Sutiakathi	Nesarabad	Pirojpur
168	Cricket Bat		Ward-1,2,8	Baldia	Nesarabad	Pirojpur
169	Dhal, Kula, Chatai		Birahimpur	Gariganj	Shailkupa	Jhenaidah
170	Madur, Pati		Shimulia	Chondipur	Naogaon Sadar	Naogaon
171	Hogla's pati, Mora, Bera		3 no ward	Deulbari	Nazirpur	Pirojpur
172	Shitol pati, Mota pati		Hailakathi	Mothbari	Rajapur	Jhalokathi
173	Shitol Pati, Dhari, Hogla		Paschim Charkrishnapur	Haimchar	Chandpur	Chandpur
174	Carpet		Nishbetganj, Radhakrishna	Rangpur Sadar	Rangpur Sadar	Rangpur
175	Glass Pipet		Shihari	Nasrotpur	Adamdighi	Bogra
176	Stone Breaking Machine		Balubari, Nijbari, Satnera Dremnagar	Demnagar, bajaranpur	Tetulia	Panchagar
177	Stone Products		Bollaghat	West Jaflong	Gowainghat	Sylhet



H.S. Codes of Products Manufactured by units Operating in 177 SME Clusters

Sector	Product	HS Code
Educational Services	Coaching Centres	99.54.00
Leather Making and Leather Goods	Leather of Bovine animals, Goat skin, leather of other animals, Patent leather, Trunk, Suitcase, Vanity case, Executive case, Brief case, School bags, Spectacles case, Binocular case, Camera case, Musical case, Shopping bags, Footwear of various types made of leather.	4103.10, 4104.10, 4105.11, 4105.12, 4106.11, 4107.10, 4109.00, 4111.00, 4201.00, 4202.11, 4202.12, 4202.19, 4202.29, 4202.31, 4202.32, 4202.39, 4202.91, 4202.92, 4202.99, 4203.10, 4203.21, 4203.29, 4203.30, 4203.40, 6401.10, 6404.11, 6404.20, 6405.10, 6406.10
Electronics & Electrical	Electric motor, Rotary convertor, Spares of electrical Equipments, Transformer, Accumulator, Electromechanical domestic appliances, lighting & signaling equipment, Portable electric lamp, Circuit breaker, Electronics, Integrated circuit & multifarious types of electric goods.	8501.10, 8501.20, 8501.30, 8501.31, 8501.32 to 8501.64, 8502.11 to 8502.40, 8503.00, 8504.10 to 8504.90, 8507.10 to 8507.90, 8 509.10 to 8509.90, 8512.10 to 8512.90, 8513.10 to 8513.90, 8516.10 to 8516.40, 8536.10 to 8536.90, 8518.10 to 8518.40, 8542.11 to 8542.
Light Engineering and Metal Working	Agricultural machinery parts, Welding rod, Lathe Machine, Motor Parts, Automobile parts, Repairing of various Machines, Grille manufacturing, steel furniture, Manufacturing of machinery parts, Marine equipment parts manufacturing, Hospital equipment, manufacturing of Spade, Shovels, Picks, Other tools used in agriculture, Hand Saw, blades for Saw of all Kinds, Wrenches, Spanners, Hand tools, Hand operated mechanical appliances, Scissors, Articles of base metals, Machinery and mechanical parts and spares of various types as per order.	7207.11, 7207.12, 7207.19, 7208.11to 7208.32, 7210.11, 7210.12, 7210.20, 7211.11, 7211.12, 7212.10, 7212.21, 7213.10, 7212.10, 7212.21, 7213.10, 7213.20, 7213.31, 7213.39, 7214.10 7214.20, 7216.10, 7216.21, 7218.10, 7219.11, 7219.12, 7219.13, 7219.14, 7228.10, 7301.10, 7302.10, 7302.20, 7302.30, 7302.40, 7303.00, 7304.10, 7302.20, 7305.11, 7305.12, 7302 7305.20, 7305.31, 7306.10, 7306.20, 7307.11, 7308.10, 7308.20, 7308.30, 7308.40, 7309.00, 7310.10, 7310.21, 7311.00, 7314.11, 7315.11, 7316.00, 7317.00, 7318.11, 7318.12, 7319.10, 7319.20, 7319.30, 7320.10, 7320.20, 7321.11, 7321.12, 7321.13, 7 322.11, 7323.10, 7324.10, 7324.21, 7325.10, 7326.11, 7326.19, 8201.10, 8201.20, 8201.30, 8201.40, 8201.50, 8201.60, 8201.90, 8202.10, 8202.20, 8202.31, 8202.32, 8202.40, 8204.11, 8204.212, 8204.20, 8205.10, 8205.20, 8205.30, 8205.30, 8205.40, 8205.51, 8205.59, 8205.60, 8205.70, 8205.80, 8207.11, 8207.12, 8207.20, 8207.30, 8207.40, 8207.50, 8207.60, 8207.70, 8207.90, 8208.10, 8208.20, 820830, 8208.40, 8208.90, 8209.00,



Sector	Product	HS Code					
		8210.00, 8113.00, 8301.20, 8302.10, 8302.60, 8306.10, 8308.20, 8311.30, 8413.11, 8413.70, 8418.30, 8421.21, 8423.10, 8425.11, 8425.42, 8430.20, 8452.10, 8458.11, 8461.20, 8462.91, 8470.10	8211.10, 8214.10, 8301.30, 8302.20, 8303.00, 8306.21, 8309.10, 8409.91, 8413.19, 8414.51, 8418.50, 8421.21, 8423.20, 8425.19, 8427.10, 8424.10, 8453.10, 8458.91, 8461.30, 8464.00, 7470.21	8211.91, 8214.20, 8301.40, 8302.30, 8304.00, 8306.29, 8309.90, 8409.99, 8413.30, 8414.59, 8419.20, 8422.11, 8424.10, 8428.10, 8442.20, 8459.00, 8461.40, 8464.10, 8470.30	8211.92, 8215.10, 8301.50, 8302.41, 8305.10, 8307.10, 8412.10, 8413.30, 8414.80, 8421.11, 8422.20, 8424.20, 8425.31, 8429.11, 8454.10, 8460.00, 8461.50, 8454.20, 8470.40	8211.93, 8215.20, 8301.60, 8302.42, 8305.20, 8307.90, 8311.10, 8412.21, 8413.40, 8418.10, 8421.12, 8422.30, 8423.30, 8425.39, 8429.19, 8454.90, 8460.11, 8452.00, 8465.10, 8470.50	8111.94, 8301.10, 8301.70, 830350, 8305.90, 8308.10, 8311.20, 8412.31, 8413.50, 8418.21, 8421.19, 8422.40, 8424.81, 8425.41, 8430.10, 8442.50, 8458.00, 8461.10, 8462.10, 8470.00, 8472.10
Knitwear & Readymade Garments: (Knit)	Knit fabrics, Men and Boys over coat, Women & Girls Over coat, Men & Boys suite, Jacket, Trouser, Women & Girls jacket & trouser, Men's and Boy's shirt, Women's & girl's shirt Men's & Boy's under pant and pajama, Women's & girls panties & pajama, T-shirt, Jerseys, pull over, Cardigan, Baby's wear.	6001.10, 6101.20, 6102.90, 6103.23, 6104.12, 6104.39, 6105.90, 6108.21, 6110.20, 6111.90, 6112.41, 6117.20	6001.21, 6102.30, 6103.11, 6103.29, 6104.13, 6105.10, 6107.11, 6108.22, 6111.30, 6112.11, 6112.49	6001.22, 6101.90, 6103.12, 6103.31, 6104.19, 6105.20, 6107.12, 6108.29, 6110.90, 6111.10, 6115.11	6001.29, 6102.10, 6103.19, 6103.33, 6104.22, 6105.90, 6107.19, 6109.10, 6111.10, 6112.19, 6116.10	6002.10, 6102.20, 6103.21, 6103.39, 6104.29, 6106.10, 6108.11, 6109.90, 6111.20, 6112.31, 6116.92	6101.10, 6102.30, 6103.22, 6104.11, 6104.23, 6106.20, 6108.19, 6110.10, 6111.30, 6112.39, 6117.10
Knitwear & Readymade Garments : (Woven)	Men's & Boy's overcoat, Women's & Girl's Overcoat, Men's & Boy's jacket, Women's & Girl's Jacket, Men's & Boys Shirts,	11, 6204.12, 6205.10,	6204.13, 6205.20,	6204.19, 6205.30,	6204.29, 6205.90,	6204.32, 6206.10,	



Sector	Product	HS Code					
	Women's & Girl's Shirts, Men's & Boy's under pants and pajama, Women's & Girl's Panties & pajama, Baby's wear Blanket, Travelling Bags.	6206.20, 6207.19, 6208.19, 6209.30, 621132, 6213.10, 6215.20, 6301.10,	6206.30, 6207.21, 6208.21, 6209.90, 621142, 6214.10, 6215.90, 6301.20,	6206.40, 6207.22, 6208.29, 6211.11, 6212.10, 6214.20, 6216.00, 6301.30,	6206.90, 6207.29, 6209.10, 6211.12, 6212.20, 6214.30, 6217.10, 6301.40,	6207.11, 6208.11, 6209.20, 6211.12, 6212.30, 6215.10, 6217.90, 6301.90.	
Plastics & Other Synthetics	Tubes, Pipes, hoses, fittings, floor coverings, wall & Ceiling covers, self adhesive plates, sheets, tapes, strip, plates, sheets, baths, shower-baths, wash basin, bidets, Lavatory pans, seats & covers, cisterns, sanitary ware of plastic, articles of packing goods, plastic stoppers lids, caps, Table ware, kitchenware, other household items, toilet articles, builders' ware, school supplies, articles of apparel Accessories, gloves, fittings of furniture etc.	3917.10, 3917.39, 3920.10, 3920.61, 3922.10	3817.21, 3917.40, 3920.20, 3920.62, 3922.20,	3917.22, 3918.10, 3920.30, 3920.63, 3922.90,	3917.23, 3918.90, 3920.41, 3920.69, 3923.10,	3917.31, 3919.10, 3920.42, 3920.71, 3923.21,	3917.32, 919.90, 3920.59, 3920.72, 3923.29, 3924.90, 3926.20,
Agro-processing/agri-business/ plantation agriculture/specialist farming/tissue-culture	Rice, wheat, mustard oil, coconut oil, Ator, Agor Molasses, Salt.	1006.10, 1102.15, 1302.31,	1006.20, 1513.19, 2501.00	1006.30, 1514.10,	1006.40, 1514.90,	1101.00, 1703.10,	1102.10, 1703.90,
Hand loom & Specialized Textiles:	Handloom products, Blanket, Bed linen of different types, Carpet, Mat, Terry towel, Shop towel, Kitchen towel.	5802.11, 5804.10, 5806.20, 5808.90, 5811.00, 6302.10, 6302.39, 6303.11, 6304.19, 6306.11, 5701.90, 5702.42, 5702.99, 5704.90, 5906.10,	5802.19, 5804.21, 5805.31, 5809.00, 6301.10, 6302.21, 6302.40, 6303.12, 6304.91, 6306.12, 5702.10, 5702.49, 5703.10, 5705.00, 5906.91,	5802.20, 5804.29, 5805.32, 5810.10, 6301.20, 6302.22, 6302.51, 6303.19, 6304.92, 6306.21, 5702.20, 5702.51, 5703.20, 5901.10, 5707.00,	5802.30, 5804.30, 5807.10, 5810.91, 6301.30, 6302.29, 6302.53, 6303.91, 6304.97, 6306.22, 5702.31, 5702.52, 5703.30, 5901.90, 5908.00.	5803.10, 5805.00, 5808.10, 5810.92, 6301.40, 6302.31, 6302.60, 6303.92, 6304.99, 6306.29, 5702.32, 5702.59, 5703.90, 5903.10, 6001.21	5803.90, 5806.10, 5808.10, 5810.99, 6301.90, 6302.32, 6302.99, 6304.11, 6305.10, 5701.10, 5702.41, 5702.92, 5704.10, 5905.00,
Health care & Diagnostic Centers	Provision of medical services such as X-Ray, ECG, Ultra sonogram, Lab test of different kinds.	3002.00, 3006.10,	3003.00, 3006.20,	3004.00, 3006.30,	3005.10, 3006.40,	3005.90, 3006.50,	3006.10, 3006.60.
Designer, aesthetically-challenging, personal wear and effects	Jewellery, Beauty parlor, Banaroshi Saree, Jamdani Saree.	7113.11, 7116.10,	7114.11, 7116.20,	71.14.19, 7 117.11,	7114.20, 7117.19,	7115.10, 7117.90	7115.90,



Brief Description of Identified SME Clusters in Bangladesh

Barisal

1	Cluster Name : Pottery Cluster, Barisal	Location : Koloshkathi, Bakerganj, Barisal
	Cluster Product : Clay Bowls, Tubs, Piggy banks etc.	No. of Enterprise : 55

A cluster comprising 55 production units of pottery has been identified at Koloshkathi, Bakerganj of Barisal. The raw materials used for production are clay, sand and water- all of which are locally procured. Approximately 1200 skilled and semi-skilled workers are employed of which 58% are males and 42% females. The products are sold 10% locally and 90% nationally. The cluster experienced a natural growth but at present it is in a declining stage. The reason for this trend is decreasing demand for the products. The total land area of the cluster is unknown; however all of its lands are privately owned. There is land available for further expansion of the cluster. There is electricity but no water. The roads inside the cluster are asphalt as well as concrete. There is no functioning drainage system inside the cluster.

None of the units inside the cluster have any trade license, TIN and VAT Registration. The cluster never received any assistance of any form from any source for its development.

No environmental pollution occurs during production process. There is no ETP set up inside the cluster. There is no trade association inside the cluster.

The entrepreneurs borrow from Grameen Bank and ASA, an NGO, at a very high interest rate. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the **Annex-1/1**:

2	Cluster Name : Pottery Cluster, Barisal	Location : Niyamati, Bakerganj, Barisal
	Cluster Product : Clay Pots and Bowls, Tubs and Figurines	No. of Enterprise : 200

A cluster of about 200 pottery units has been identified in Niyamati, Bakerganj of Barisal. A total number of 1200 workers are employed in the cluster of which 60% are males and 40% females. They use clay, water and paint as raw materials for production all of which are procured locally. The market shares for the products are 30% local and 70% national. The first unit started operating in 1911 and it became a cluster in 1960. The cluster experienced a natural growth but at present it is in a declining stage. The reason for such trend is decreasing demand for the products. The land area of the cluster is unknown; however, all the land inside the cluster is owned privately. There is no land available for further expansion of the cluster. There is electricity but no running water and asphalt road only inside the cluster. There is no drainage system as well. The distance to national highway is 2 km.

None of the units inside the cluster have any trade license, TIN and VAT Registration. No assistance of any kind has ever been offered by any source(s) for the development of the cluster.

No pollution occurs during the production process. There is no ETP set up in the cluster. No business association has been found inside the cluster.

The entrepreneurs have no access to financing from banks or NGOs. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the **Annex-1/2**:



3	Cluster Name : Light Engineering Cluster	Location : Dakkhin Chakbazar, Barishal Sadar
	Cluster Product : Machinery parts	No. of Enterprise : 50

A cluster having production units of light engineering has been identified at Dakkhin Chakbazar, Barishal Sadar. Inside the cluster there are 50 manufacturing units producing light engineering machinery parts of different types such as grill gate, file cabinet, metal furniture etc. using furnace oil, welding rod and plain sheet as the basic raw materials that are locally procured. There are 350 workers (100% male) currently employed in the production units operating inside the cluster. The total turnover stands at around Tk. 7.5 million per year. The products are sold 90% in the local market and 10% nationally. The 1st producing unit was setup in 1965 and the 50th was in 2011. The cluster has experienced a natural growth without the support of any governmental or non-governmental organizations. Present trend shows that the cluster is a growing one; one of the factors behind such trend is increasing demand for their products.

Cluster is set up on a land area of 3-5 square km, mostly owned by the individual entrepreneurs. There is additional land available for expansion. The area is well connected to electricity and water. There are brick layerd inside the cluster but there is no drainage facility. The distance to national highway and river port from the cluster is 2 km and 0.5 km respectively.

The units operating inside the cluster have trade license, TIN and VAT registration but the exact percentages of the enterprise that have trade license, TIN and VAT registration is unknown. No external support was given for cluster development except finance from commercials bank(s). Banks are providing loan at high interest. The cluster has no interaction with any research institute, Law firm, accountants and ICT consultants.

The units inside the cluster do not pollute the environment. There is a trade association inside the cluster and 80% of the units are members of the association. Key numeric data on the cluster can be seen in the **Annex-1/3**:

4	Cluster Name : Wooden Cluster, Jhalokathi	Location : Ward-08 & 09, Kathpotti, Jhalokathi
	Cluster Product : Wooden Doors and Wooden Furniture	No. of Enterprise : 50

A cluster comprising production units of wooden doors and related items has been identified at ward nos. 08 and 09 of Kathpotti of Jhalokathi sadar. Inside the cluster there are 50 manufacturing units producing wooden doors and wooden furniture using timber and ply board as the basic raw materials of which 70% of the timbers and 30% of the ply boards are locally procured. There are 800 workers (100% male) currently employed in the production units operating inside the cluster. The total turnover stands at around Tk. 6 million per year. 100% output are sold inside the country as 60% in local and 40% in national market. The 1st unit was setup is 1990 and the 50th one is 2009. The cluster has experienced a natural growth without Govt. support. Present trend shows that the cluster is a stagnant one; a factor behind such trend is decreasing demand for wooden doors and related products as there are alternatives in the market that are more cost effective. This cluster is located on a land area of 500 bighas mostly owned by the proprietors of the units. There is additional land available for expansion. The area is well connected to electricity and water and there is drainage facility as well. The distance to national highway and river port from the cluster is 2 km and 1 km respectively.

The units operating inside the cluster have trade license (80%), TIN (80%) and VAT registration (60%). No external support was given for cluster development except financing from the banks and NGOs.

A trade association operates inside the cluster with 60% to 80% units being member of the association.



Most of the units do have access to finance through NBFIs and also from NGOs. The cluster has no interaction with any research institute, business development services, and advisory firms. Key numeric data on the cluster can be seen in the **Annex-1/4**:

5	Cluster Name : Sheetal Patti Cluster, Jhalokathi	Location : Mothbari, Jhalokathi
	Cluster Product : Mats (Sheetal Pati)	No. of Enterprise : 82

A cluster comprising 82 production units of Sheetal Pati (mats) has been identified at Mothbari of Jhalokathi. There are about 400 skilled workers employed in the cluster of which 40% are males and 60%, females. They use the buckles and leaves of certain tree as their raw material for the production that are procured locally. The market shares of the product are 20% local and 80% national. The annual turnover is around Tk. 14.4 million. The cluster experienced a natural growth but at present it is in a stagnant state. The main reason for this trend is shortage of skilled workers.

The cluster is spread in and around 1 kilometer of land some of which privately owned and some owned by the government. Land is available for further expansion of the cluster. 10% of the units are connected with electricity and there is no other utility services available inside the cluster. There are brick roads inside the cluster; however, there is no drainage system. The distances to national highway and a river port are 3 km and 0.5 km respectively.

None of the units inside the cluster has any trade license, TIN or VAT Registration. No assistance of any kind had been offered from any source for the development of the cluster. However, cash incentives were given and assistance for participation in trade fair was provided by the Ministry. No environmental pollution occurs during production. There is a trade association of the entrepreneurs and 60 – 80% of the units are members.

The entrepreneurs have no access to financing through banks or NGOs. Key numeric data on the cluster can be seen in the **Annex-1/5**:

6	Cluster Name : Pottery Cluster, Pirojpur	Location : Tona, Kotwali, Pirojpur
	Cluster Product : Clay Pots, Tubs & Figurines	No. of Enterprise : 70

A cluster comprising 70 pottery units was identified at Tona, Kotwali of Pirojpur. These units produce clay pots and tubs as well as figurine and show pieces. More than 750 skilled semi skilled workers are employed in this cluster of which 50% are male and 50% female. The annual turn-over of this cluster is Tk. 250 million. The market shares of these products are local 20% and international 80%. This cluster is operational since 1950. This cluster covers 210 kathas of lands all under private ownership and it has all types of utilities like electricity, gas, water and roads. There is no additional land available for further expansion of the cluster.

None of the manufacturing units have valid trade license, TIN and VAT registration. There is no environmental pollution. They are financed by various FIs, especially by banks.

Key numeric data on the cluster can be seen in the **Annex-1/6**:

7	Cluster Name : Bamboo and Cane Cluster	Location : Daulbari, Nazirpur, Pirojpur
	Cluster Product : Bamboo and Cane	No. of Enterprise : 150

A cluster comprising 150 Bamboo and cane products manufacturing units has been identified at Daulbari, Nazirpur of Pirojpur District. There are around 500 workers employed in these cluster of which 20% are males and 80%, females. The total turnover of these units is around TK 0.78 million. 20% of the products are sold in the local market and 80% in the national market. The first manufacturing unit was setup in 1920-1930 and the establishment of the 50th one is unknown. The



cluster had a natural growth without governmental support. This is a growing cluster because of the cheap availability of raw materials and demand for the products. Total land area of the cluster is around 1km. There is enough land available for expansion of the cluster. Inside the cluster there is electricity and brick layered roads but the drainage facility is not functioning well. The national highway and waterways are 10 km and 12 km away respectively from the cluster.

None of the units have any trade license, TIN and VAT Registration. The cluster has access to bank loans. However, support like skill development, transfer of Technology, traders access to International market, participation in trade fairs, availability of cash incentives, support for product design and development, fiscal incentives, support in the form of subsidy, and access to loans on easy terms have been missing in the cluster.

There is no business association inside the cluster. Although the enterprises have access to finance from the banks, the interest rates are high (at least 10% - 12%); the interest rate for NGO loans is even higher, up to maximum of 22%. The cluster has no interaction with any research institute or service provider like audit firm and tax and VAT consultants. The manufacturing units do not pollute the environment; a certificate to this effect is available. Key numeric data on the cluster can be seen in the **Annex-1/7:**

8	Cluster Name : Saw mill Cluster	Location : Kourikhara, Nesarabad, Pirojpur
	Cluster Product : Timbers, Logs & Furniture	No. of Enterprise : 55

A cluster of saw mills has been identified at Kourikhara, Nesarabad (Swarupkati) of Pirojpur District. Inside the cluster there are 55 manufacturing units producing timbers and logs of different sizes and shapes as well as wooden furniture. These units use wood and ply boards as the basic raw materials of which 80% of the wood and 20% of the ply boards are locally procured. There are 300 workers (95% male and 5% female) currently employed in the production units operating inside the cluster. The total turnover stands at around Tk. 1.92 million per year. Outputs are sold inside the country. The 1st producing unit was setup in 1961 and the 50th one was in 2008. The cluster has experienced a growth through Govt. support. Present trend shows that the cluster is a growing one; factors behind such trend are increasing demand timbers and logs and accessibility of raw materials.

The cluster is located on a land area of approximately 225000 Square feet, mostly owned by the government. There is additional land available for expansion. The area is well connected to electricity and water and there is drainage facility inside the cluster. The distance to national highway and river ways from the cluster is 1 km

The units operating inside the cluster have trade license (100%), TIN (25%) and VAT registration (25%). Government support was given for cluster development with special accommodation by BSCIC. Most of the units do have access to finance with granted loan from NBFIs as well as from NGOs at high interest rates. The cluster has no interaction with any research institute, business development services and advisory firms.

There is no trade association inside the cluster. Key numeric data on the cluster can be seen in the **Annex-1/8:**

9	Cluster Name : Handicraft & Miscellaneous	Location : Ward No. 1,2,8 Baldia, Nesarabad, Pirojpur
	Cluster Product : Cricket Bats	No. of Enterprise : 52

A cluster comprising 52 cricket bat producing units has been identified at Ward No. 1,2,8 Baldia, Nesarabad in Swarupkati of Pirojpur district. The raw materials used for production are wood, emulsion and rubber all of which are locally procured. The cluster employs 440 skilled and semi-skilled workers of whom 300 are males and 116 are females. The annual turnover is Tk. 1.9



million. The market share for the products are 2% local, 60% national and 38% international. The first unit started operating in 1990 and the 50th one was established in 2005. The cluster grew naturally without the help of any organization. At present it is in a growing stage and the reason for the growth is increasing demand for the products.

The cluster has a land area of 1.6 acres all of which is privately owned. There is land available for further expansion of the cluster. The units have access to electricity but no gas and running water. There are dirt roads inside the cluster and a functioning drainage system. The cluster is in close proximity of a river that gives it the convenience of quick access to river transports. A river port is just 3 kilometers away and the distance to national highway and an airport is 51 km.

About 75% of the enterprises have trade license while none of them have any TIN or VAT registration. The cluster never received any assistance from any organization for its development; however, some of the units have access to low cost financing. Some of the entrepreneurs borrow from the banks at high interest rate of 20%. The cluster has no interaction with any other service provider(s). No business association among the units was found. Key numeric data on the cluster can be seen in the **Annex-1/9**:

10	Cluster Name : Wood Cluster, Pirojpur	Location : Kourikara, Nesarabad, Pirojpur
	Cluster Product : Wooden Furniture	No. of Enterprise : 55

A cluster comprising 55 saw mill units was identified at Kourikara, Sutiakathi, Nesarabad (Swarupkati). These units produce different types of wooden furniture and also cut down the tree to prepare wood. More than 400 skilled workers are employed in this cluster of which 100% are males. The annual turn-over of this cluster is Tk. 1.9 million. The market shares of these products are local 20%, and national 80%. This cluster is operational since 1960. This cluster covers 210 kathas of lands all under private ownership. There is no additional land available for further expansion of the cluster. The enterprises are connected with electricity. There are dirt roads inside the cluster; however there is no drainage facility. Distances to national highway and a river port are 4 km and 2 km respectively.

50% manufacturing units have valid trade license 10% have TIN and 5% have VAT registration. There is a business association (inactive at present) among the enterprises of which about 33% of the units are members. The entrepreneurs borrow from the banks. Key numeric data on the cluster can be seen in the **Annex-1/10**:



Chittagong Division

11	Cluster Name : Rice Mill Cluster	Location : West Kottapara, Sorail, Brahmanbaria
	Cluster Product : Rice	No. of Enterprise : 370

A cluster of Rice mills has been identified at west Kottapara of Sorail in the district of Brahmanbaria. The total number of operating units are 370. These mills use paddy as raw materials for their production and most of the raw materials required are local. A total number of 11,100 people work in these mills of which 50% are males and 50% females. The total amount of turnover stands at around Tk. 185 million a year. Outputs are sold locally 25% and nationally 75%. The 1st mill in the cluster was setup in 1980 and the establishment date of the 50th one is unknown. The cluster was formed naturally without any support from any institution including the Govt. Present trend shows that the cluster is a growing one; factors behind such trend are ever increasing demand for rice and the lucrative nature of the business.

Total land area in the cluster is around 14800 decimal, which is mainly owned by the owners of the mills. There is enough land available for expansion of the cluster. The power supply has taken an acute proportion. There are brick layered and concrete roads inside the cluster; the area has a drainage system for draining out hot water. The distance from the cluster to national highway is 0.5 km, railway station is 7-8 km and a river port is 8 km.

Most of the units inside the cluster posses trade license, TIN and VAT registration but exact percentages of enterprises that have trade license, TIN and VAT registration is unknown. Till to date no support has been received for development of the cluster. The cluster in the past never received any co-operation in terms of skill development, technology transfer, access to international market, participation in trade fair, cash incentive, product design and development, fiscal incentives, subsidy, grants and access to finance at low rate interest etc.

The enterprises inside the cluster do pollute the environment in an insignificant amount. There is a trade association inside the cluster of which more than 80% of the units are members.

The mills have 100% access to finance from the banks. They have link with service providers such as law firms, TAX and VAT consultants and audit firms. Key numeric data on the cluster can be seen in the **Annex-1/11**:

12	Cluster Name : Leather Cluster, Brahmanbaria	Location : Pirbari, Brahmanbaria
	Cluster Product : Leather shoes	No. of Enterprise : 100

In Pirbari of Brahmanbaria Sadar there has been a cluster of Leather shoe manufacturing. The total number of operating units is 100. These units use sole, leather, rubber and foam as raw materials for their production and most of the raw materials required are locally procured. A total numbers of 10000 skilled and semi-skilled workers are employed in this cluster of which 100% are males. The total amount of turnover stands at around Tk. 18.2 million per year in the cluster. Outputs are sold locally 25% and nationally 75%. The 1st unit in the cluster was setup in 1968 and the 50th one in 1975. The cluster was formed naturally without any support from any institution including the Govt. Present trend shows that the cluster is a growing one. Main factor behind this trend is increasing demand for the products.

Total land area in the cluster is around 198 decimal which is mainly owned by the owners of the enterprises. There is enough land available for expansion of the cluster but the power supply has taken an acute proportion. There are brick roads inside the cluster. The area has no drainage system. The distance from the cluster to national highway is 6 km, railway station is 1.5 km and a river port is 18 km.



Most of the units inside the cluster possess Trade license (100%) and very few have TIN (10%) and VAT registration (10%). Till to date no support has been received for development of the cluster. The cluster in the past never received any co-operation in terms of skill development, technology transfer, access to international market, participation in trade fair, cash incentive, product design and development, fiscal incentives, subsidy, grants and access to finance at low rate interest etc.

The units inside the cluster do pollute the environment through bad smell and contaminated air. They do not have ETP. There is a trade association inside the cluster (Brahmanbaria shoe owners association) of which 60-80% of the units are members.

The units have no access to finance from the banks. There is no link with any research institute except link with service providers such as law firms, TAX and VAT consultants and audit firms. Key numeric data on the cluster can be seen in the **Annex-1/12:**

13	Cluster Name : Light Engineering	Location : East Medda, Brahmanbaria
	Cluster Product : Agricultural machinery	No. of Enterprise : 60

There has been a cluster of Light engineering located at East Medda of Brahmanbaria Sadar. The total number of operating mills is 60. These are specialized in manufacturing of thresher, withering machine and sheet metal products. There are also some auto lathe workshops to offer repair services to automobiles. A total number of 300 people work in these mills of which 100% are males.

The total amount of turnover stands at around Tk. 50 million per year. Produced rice is sold locally 50%, nationally 40% and internationally 10%. The 1st mill in the cluster was setup in 1960 and the 50th one in 2000. The cluster was formed naturally without any support from any institution including the Govt. At the moment the trend in the cluster is on the growing because of ever increasing demand for rice and the lucrative nature of the business. Total land area in the cluster is around 5500 decimal, which is mainly owned by the owners of the mills. There is enough land available for expansion of the cluster but the power and water supply have taken acute proportions. There are brick roads inside the cluster; the area has a drainage system for draining out effluents and chemical contaminated water. However, the distance from the cluster to national highway is 22 km and a railway station is 14 km.

Most of the units inside the cluster posses trade license, TIN and VAT registration. Till to date no support has been received for development of the cluster. The cluster in the past never received any co-operation in terms of skill development, technology transfer, access to international market, participation in trade fair, cash incentive, product design and development, fiscal incentives, subsidy, grants and access to finance at low rate interest etc.

There is a trade association inside the cluster of which more than 80% of the units are members.

The entrepreneurs have 100% access to finance from the banks. There is no link with any research institute except link with service providers such as law firms, TAX and VAT consultants and audit firms. Key numeric data on the cluster can be seen in the **Annex-1/13:**

14	Cluster Name : Rice Mill Cluster	Location : Puranbazar, Chandpur.
	Cluster Product : Rice	No. of Enterprise : 49

In Puranbazar of Chandpur Sadar there has been a cluster of Rice mills. The total number of operating mills is 49. These mills use paddy as raw materials for their production and most of the raw materials required are locally procured. A total number of 2000 people work in these mills 99% of whom are male and 1%, female.

The total amount of turnover of the cluster stands at around Tk. 0.12 million per year. Produced rice is sold 30% locally and 70% nationally. The 1st mill in the cluster was setup in 1978 and the



establishment date of the 50th one is unknown. The cluster was formed naturally without any support from any institution including the Govt. Present trend shows that the cluster is a growing one; factors behind such trend are increasing demand for rice and the lucrative nature of the business.

Total land area in the cluster is around 5000 decimal which is mainly owned by the owners of the mills. There is no land available for expansion of the cluster. The power, water and gas supply have taken an acute proportion. There are brick roads inside the cluster; the area has a drainage system for draining out hot water. The distance from the cluster to national highway is 8 km, railway station is 4 km and river port is 0.5 km.

Most of the mills inside the cluster possess Trade license, TIN and VAT registration. Till to date no support has been received for development of the cluster. The cluster in the past did not receive co-operation in terms of introduction to international buyers and training on export and import trade.

The mills inside the cluster do pollute the environment in an insignificant amount. There is a trade association inside the cluster of which 80% of the units are members.

The entrepreneurs have 100% access to finance from the banks. The cluster has no interaction with any research institute except with service providers such as law firms, TAX and VAT consultants and audit firms. Key numeric data on the cluster can be seen in the **Annex-1/14**:

15	Cluster Name : Mat Cluster	Location : West Charkrishnapur, Chandpur.
	Cluster Product : Mat, Hogla	No. of Enterprise : 50

A cluster comprising 50 mats, hogla producing units has been identified at West Charkrishnapur of Chandpur. There have been 250 skilled workers employed of which 20% are males and 80%, females. These units use buckle and leaves of a certain tree as raw materials that are procured locally. The products are sold 50% locally and 50% nationally. The annual output is only Tk. 0.1 million. The first unit started functioning in 1960 and the establishment date of the 50th one is unknown. The cluster is in a declining stage. The reason for this trend is alternative source of livelihood that the workers find more lucrative and prestigious.

The total land area of the cluster is spread around 3 kilometers most of which is under private ownership. There is land available for further expansion of the cluster. The cluster has electricity and water as well as brick layered and concrete roads. There is no functioning drainage system in the cluster. The distances to national highway, railway station and river port are 18 km, 18 km and 18 km respectively.

None of the enterprises have any trade license, TIN and VAT Registration. There was no technical assistance from any source for the development of the cluster. The cluster did not receive any assistance in the form of introduction to international buyers.

No trade association has been found inside the cluster.

None of the enterprises have any access to any bank financing or financing through other financial institutions. Key numeric data on the cluster can be seen in the **Annex-2/15**:

16	Cluster Name : Salt manufacturing Cluster	Location : Majhirghat, Chittagong City
	Cluster Product : Salt	No. of Enterprise : 54

A cluster comprising of production units of salt refining has been identified at ward no. 30 of Majhirghat in Chittagong City. Inside the cluster there are 54 salt refining units using mud mixed salt as the basic raw material which is locally procured. There are 7500 workers (100% male) currently employed in the production units operating inside the cluster. The total turnover stands at



around Tk. 500 million per year. Outputs are sold throughout the country. The 1st producing unit was setup in 1927 and the 50th one was in 1961. The cluster has experienced a natural growth. Present trend shows that the cluster is a growing one; factor behind such trend is increasing demand for sea salt.

The cluster is located on a land area spread around 4 square km, owned partly by the proprietors of the units and partly by the government. There is additional land available for expansion. The area is well connected to electricity, gas and water. There are concrete roads inside the cluster as well as drainage facility. The distances to national highway, railway station, river port and air port from the cluster are 0.5 km, 2 km, 0.5 km and 10 km respectively.

All the units operating inside the cluster possess trade license but none of them have TIN and VAT registration. No external support was given for cluster development.

The units inside the cluster do not pollute the environment. There is a trade association inside the cluster of which 80% units are members.

Financial support was taken from the banks for the development of the units in the cluster at an interest rate of approximately 16%. The cluster has no interaction with any research institute or service providers. Key numeric data on the cluster can be seen in the **Annex-1/16**:

17	Cluster Name : Salt Washing Cluster	Location : Indrapool, Potia
	Cluster Product : Salt	No. of Enterprise : 50

A cluster comprising of salt washing units has been identified at Indrapool, Potia of Chittagong. Inside the cluster there are 50 manufacturing units (washing units) using mud mixed salt as the basic raw materials that are locally collected from salt bed.

There are 12500 workers (100% males) currently employed in the production units operating inside the cluster. The total turnover is undisclosed. Outputs are sold throughout the country. The 1st producing unit was setup in 1960 and the 50th one was in 2000. The cluster has experienced a natural growth. Present trend shows that the cluster is an growing one; factor behind such trend is increasing demand for sea salt.

The Cluster is located on a land area of 1500 decimal, mostly owned by the proprietors of the units. There is additional land available for expansion. The area is well connected to electricity, gas and water. There are concrete roads inside the cluster as well as drainage facility. The distances to national highway and railway station from the cluster are 0.5 km and 3 km respectively.

Most of the units operating inside the cluster posses' trade licenses and TIN number but their exact percentages is unknown. None of units inside the cluster have trade licenses. No external support was given for cluster development except financing from the banks.

The units inside the cluster do not pollute the environment. There is a trade association inside the cluster (Indrapool salt mills owners association) of which more than 80% of the units are members.

Financial support was taken from the Bank for the development of the units in the cluster at an interest rate of approximately 16%. The cluster has no interaction with any research institute or service providers. Key numeric data on the cluster can be seen in the **Annex-1/17**:

18	Cluster Name : Leather Cluster	Location : East Madarbari, Double Mooring, Chittagong
	Cluster Product : Shoes, Sandals	No. of Enterprise : 275

Approximately 275 shoe manufacturing units located in East Madarbari, Double Mooring of Chittagong City producing different kinds of shoes, sandals for ladies, gents and babies have been identified. There are around 8000 skilled and semi-skilled workers employed in this cluster of which 95% are males and only 5%, females. The first unit started operating in 1990. The market



shares of these products are 100% local. The annual turnover is around Tk. 180 million. This cluster is a growing one because of increasing demand for the shoes produced and availability of skilled laborers.

The area of this cluster is near about 200 decimal of land under private ownership. There is no chance of expansion because of non availability of land. The cluster does have electricity, water, road and a functioning sewerage system.

Almost 100% of enterprises have trade license and TIN but none of the units have VAT Registration. The cluster did not receive any technical support from the government and /or any other development partners.

No trade association has been found inside the cluster.

Some of the entrepreneurs borrow loan from BRAC bank individually at the interest rate of 14-16%. The cluster has no interaction with any other service provider(s). Key numeric data on the cluster can be seen in the **Annex-1/18:**

19	Cluster Name : Light Engineering	Location : Pathantuli - Badamtoli, Chittagong
	Cluster Product : Steel furniture, File cabinets, shoe racks, Hospital Equipments etc.	No. of Enterprise : 70

A cluster of light engineering and metal works has been identified at Pathantuli-Badamtoli, Chittagong City comprising more than 70 manufacturing units. There are around 9000 skilled and semi-skilled workers employed in this cluster of which 100% are males. The market shares of these products are 100% national with an annual turnover of about 30 million. The 1st unit of this cluster was formed 80 years ago and during 1975 it turned into a cluster. This cluster is a growing one because of increasing demand for the manufactured products and availability of skilled laborers.

The area of this cluster is about 400 decimal of land under both government and private ownership. There is scope for cluster expansion because of availability of land. The cluster has electricity, water, gas, road connection and sewerage system.

Almost 100% enterprise have trade license and more than 90% have TIN and VAT Registration. The cluster does not receive any technical support from the government or any other development partners.

Serious noise pollution exists here and no abatement measure has yet been taken. There is no trade association inside the cluster.

Some of the entrepreneurs borrow from the banks at an interest rate of 15-16% and from NGO at 25%. The cluster has no interaction with any other service providers. Key numeric data on the cluster can be seen in the **Annex-1/19:**

20	Cluster Name : Light Engineering	Location : Pathantuli-Kalabagan Chittagong
	Cluster Product : Automobile Parts & Agro Machinery	No. of Enterprise : 50

A cluster of light engineering producing automobile and agro machinery parts has been identified at Pathantuli-Kalabagan of Chittagong City. The cluster comprises 50 manufacturing units. There are around 1200 skilled and semi-skilled workers employed in this cluster of which 100% are males. The market shares of these products are 100% national where annual turn-over is near about Tk. 24 million. The 1st unit of this cluster was set-up during 1930-1940 and in 1978 it turned into a cluster. This cluster is a growing one because of increasing demand for the items produced and availability of skilled laborer and technicians.

The area of this cluster is about 400 decimal of land under both government and private ownership. There is scope for cluster expansion because of availability of land. The cluster has electricity, water, gas, road connection and sewerage system.



Almost 100% of the enterprisers have trade license and more than 80% have TIN and VAT Registration. The cluster does not receive any technical support from the government or any other development partners.

The manufacturing process creates some air and noise pollution no measure has been taken for its abatement yet. There is no trade association inside the cluster.

Some of the entrepreneurs borrow from the banks individually at interest rate of 15-16% and from NGOs at 25%. The cluster has no linkage to the any other service providers. Key numeric data on the cluster can be seen in the **Annex-1/20**:

21	Cluster Name : Light Engineering	Location : Muradpur-Panchlaish, Chittagong
	Cluster Product : Different types of machinery parts	No. of Enterprise : 135

The light engineering sector of Muradpur-Panchlaish of Chittagong City comprises about 135 manufacturing units. There are around 2000 skilled and semi-skilled workers employed in this cluster of which 100% are males. The market shares of these products are 100% local with an annual turn-over of Tk. 40 million. The 1st unit of this cluster was set-up in 1930 and during 1975 it turned into a cluster. This cluster is a growing one because of increasing demand for the items produced and availability of skilled laborers and technicians.

The area of this cluster is about 500 decimal of land under both government and private ownership. There is a scope for cluster expansion because of availability of land. The cluster has electricity, water, gas, and road and sewerage system.

Almost 100% of the enterprises have trade license and 80% have TIN and VAT Registration. The cluster did not receive any technical support from the government or any other development partners.

Some noise pollution occurs during manufacturing process but no abatement measure has been taken yet. There is no trade association inside the cluster.

Some of the entrepreneurs borrow loan from the banks individually at an interest rate of 15-16% and from NGOs at 25%. The cluster has no linkage to the any other service providers. Key numeric data on the cluster can be seen in the **Annex-1/21**:

22	Cluster Name : Light Engineering	Location : Pahartoli Shoraipara-Colonel Hat, Ctg.
	Cluster Product : Automobile parts and instruments	No. of Enterprise : 135

The light engineering cluster of Pahartoli Shoraipara-Colonel Hat, Chittagong City comprises about 135 manufacturing units. There are around 1500 skilled and semi-skilled workers employed in this cluster of which 100% are males. The market shares of these products are 100% local with an annual turn-over of about Tk. 30 million. The 1st unit of this cluster was established in 1930 and during 1975 it turned into a cluster. This cluster is a growing one because of increasing demand for the items produced and availability of skilled laborers and technicians.

The area of this cluster is about 400 decimal of land under both government and private ownership. There is a chance of cluster expansion because of availability of land. The cluster has electricity, water, gas, road and sewerage system.

Almost 100% of the enterprisers have trade license and 80% have TIN and VAT Registration. The cluster did not receive any technical support from the government or any other development partners.

Some noise and air pollution occur during manufacturing process; no abatement measure has been taken yet. No trade association was found inside the cluster.



Some of the entrepreneurs borrow from the banks individually at an interest rate of 15-16%. Key numeric data on the cluster can be seen in the **Annex-1/22:**

23	Cluster Name : Light Engineering & Ship Breaking	Location : Shitakundu, Chittagong
	Cluster Product : Iron, Sheet Metal, light Engineering etc.	No. of Enterprise : 2000

There are about 2,000 light engineering units located in Shitakundu, Chittagong. About 40,000-50,000 skilled and semi-skilled workers are employed in this cluster of which 100% are males. The market shares of these products are 50% local and 50% national. This cluster is a growing one because of increasing demand for the steel, iron and sheet metal it produces and availability of skilled laborers.

The area of this cluster is about spread around 5 square km of land under both government and private ownership. There is a scope for cluster expansion because of availability of land. The cluster has electricity, water and gas along with a functional sewerage system. However, there is no concrete road inside the cluster.

Most of the enterprises have trade license but their exact percentages is unknown. Moreover, none of them have TIN and VAT Registration. The cluster did not receive any technical support from the government or any other development partners.

Some noise and air pollution occurs during manufacturing process but no abatement measure has been taken yet. No trade association was found inside the cluster.

Some of the entrepreneurs borrow from the banks at 15% - 18% interest. Key numeric data on the cluster can be seen in the **Annex-1/23:**

24	Cluster Name : Saw Mill Cluster	Location : Kotwali, Comilla
	Cluster Product : Timbers and logs	No. of Enterprise : 56

A cluster having production units of Saw Mills has been identified at Kotwali of Comilla City. Inside the cluster there are 56 manufacturing units producing timbers and logs of different size and shape using tree as the basic raw materials which are locally procured. There are 250 skilled and semi-skilled workers (100% male) currently employed in the production units. The total turnover stands at around Tk. 42.5 million per year. 100% outputs are sold inside the country. The 1st producing unit was setup in 1950 and the establishment date of the 50th one was unknown. The cluster has experienced a natural growth without Govt. support. Present trend shows that the cluster is a growing one; factor behind such trend is increasing demand for logs and timbers.

The cluster is set up on a land area of 600 decimal, mostly owned by the proprietors of the saw mills. There is no additional land available for expansion. The area is well connected to electricity, water and gas. There is a functioning sewerage system inside the cluster. The distances to national highway, railway station and airport from the cluster are 3 km, 1 km and 1 km respectively.

The units operating inside the cluster have trade license, TIN and VAT registration. No external support was given for cluster development.

The units inside the cluster do pollute the environment with sound pollution. There is a trade association (Comilla Saw Mills Owners Association) inside the cluster, of which 80% units are members of the association.

Banks are providing loan at an interest rate of 16%-16.5%. The cluster has no interaction with any research institutes, Law firm, audit and accountants and ICT consultants. Key numeric data on the cluster can be seen in the **Annex-1/24:**



25	Cluster Name : Pottery Cluster	Location : Bijoypur- Baropara, Comilla Sadar (South)
	Cluster Product : Clay Pots, Tubs and Utensils	No. of Enterprise : 700

A cluster having production units of pottery products has been identified at Bijoypur- Baropara of Comilla Sadar (south). Inside the cluster there are 700 manufacturing units producing pottery using mud clay as the basic raw material which is locally procured.

There are 3000 workers (50% males and 50% female) currently employed in the production units operating inside the cluster. The total turnover stands at around Tk. 3 million per year. 20% of the outputs are sold inside the country (5% local and 15% national market) and 80% outputs are sold in International market. The 1st producing unit was setup in 1962 and the establishment date of the 50th one is unknown. The cluster has experienced a natural growth without Govt. support. Present trend shows that the cluster is a declining one; factors behind such trend are decreasing demand in the market and replacement of pottery by aluminum utensils.

The cluster is set up on a land area spread around 3 square km, mostly owned by the individuals. There is land available for further expansion of the cluster. The area is well connected to electricity, water and gas. There is drainage facility inside the cluster. The distances to national highway and railway station from the cluster are 2 km and 4 km respectively.

The units operating inside the cluster do not have trade license, TIN and VAT registration. External support was given for cluster development by the government in the form of skill development training, technology transfer and product development assistance.

The units inside the cluster do not pollute the environment. There is a trade association inside the cluster (Bijoypur Ruddopal pottery cooperative society Ltd.) of which 20-40% of the units are members.

BSCIC is providing loan at a low interest rate of 10%. The cluster has no interaction with any research institute, Law firm, audit and accountants and ICT consultants. Key numeric data on the cluster can be seen in the **Annex-1/25**:

26	Cluster Name : Cotton Thread	Location : Sonapur, Chandina, Comilla
	Cluster Product : Cotton Yarn for Handloom	No. of Enterprise : 2500

A cluster having production units of Cotton Yarn has been identified at Sonapur, Chandina of Comilla. Inside the cluster there are 2500 manufacturing units producing cotton yarn with Charka (wheel) using cotton as the basic raw material which is locally procured. There are 3000 skilled and semi-skilled workers (100% female) currently employed in the production units operating inside the cluster. The total turnover stands at around Tk. 9 million per year. 100% of the outputs are sold in local markets. The 1st producing unit was setup during British colonial period (1800) and it became a cluster long before the country became independent. The cluster has experienced a natural growth. Present trend shows that the cluster is a declining one; factor behind such trend is scarcity of raw material.

The cluster is set up on a land area spread around 5 square km, mostly owned by the individual owners of the producing units. There is available land for expansion of the cluster. The area is well connected to electricity. There is no drainage facility inside the cluster. The distances to national highway and a railway station from the cluster are 5 km and 25 km respectively.

The units operating inside the cluster do not have trade license, TIN and VAT registration. External support was given for cluster development by the government in the form of efficiency development training, technology transfer and product development assistance.

The units inside the cluster do not pollute the environment. There is no trade association inside the cluster.



No financial support was taken from the banks or NGOs for the cluster development. The cluster has no interaction with any research institute, Law firm, audit and accountants and/or ICT consultants. Key numeric data on the cluster can be seen in the **Annex-1/26:**

27	Cluster Name : Cotton Thread	Location : Borora, Chandina, Comilla
	Cluster Product : Cotton Yarn for Handloom Fabrics	No. of Enterprise : 1500

A cluster having production units of cotton yarn for handloom has been identified at Borora, Chandina of Comilla. Within the cluster there are 1500 manufacturing units producing cotton yarn with Charka (wheel) using cotton as the basic raw material which is locally procured. There are 1500 skilled and semi-skilled workers (100% female) currently employed in the production units operating inside the cluster. The total turnover stands at around Tk. 6.3 million per year. 100% of the outputs are sold locally inside the country. The 1st producing unit was setup during British colonial period (1800) and it has become a cluster way before the country became independent. The cluster has experienced a natural growth. Present trend shows that the cluster is a growing one; factor behind such trend is the demand for traditional handloom fabrics and clothes.

The cluster is set up on a land area spread around 1 square km, mostly owned by the individual owners of the units. There is available land for expansion. The area is well connected to electricity. There is no drainage facility inside the cluster. The distance to national highway and a railway station from the cluster is 3 km and 20 km respectively.

The units operating inside the cluster do not have trade license, TIN and VAT registration. External support was given for cluster development by the government in the form of efficiency development training, technology transfer and product development assistance.

The units inside the cluster do not pollute the environment. There is no trade association inside the cluster.

No financial support was taken from the banks or NGOs for the development of the cluster.

The cluster has no interaction with any research institute, Law firm, audit and accountants or ICT consultants. Key numeric data on the cluster can be seen in the **Annex-1/27:**

28	Cluster Name : Light Engineering	Location : Station Road, Comilla City
	Cluster Product : Paddy threshers, sheet metal	No. of Enterprise : 75

A cluster having production units of light engineering has been identified at Station Road Comilla. Inside the cluster there are 75 manufacturing units producing and repairing machinery parts such as paddy threshers, sheet metal etc using welding rod, cast-iron and steel as the basic raw materials that are locally procured, the units also offer auto lathe repair services.

There are 500 skilled workers (100% male) currently employed in the production units operating inside the cluster. The total amount of turnover stands at around Tk. 100 million per year. Outputs are sold inside the country (55% local and 45% national market). The 1st producing unit was setup in 1958 and the 50th one was in around 2003-2004. The cluster has experienced a natural growth and without Govt. support. Present trend shows that the cluster is a growing one; factors behind such trend are increasing demand for low cost motor vehicle parts and availability of skilled workers.

Total land area in the cluster is spread around 1 square km, mostly owned by the owners of the workshops. There is no additional land available for expansion. The area is well connected to electricity and water. There are brick layered and concrete roads inside the cluster but there is no drainage facility. The distances to national highway, railway station and airport from the cluster are 4-8 km, 0.5 km and 4 km respectively.



Some of the units operating inside the cluster have trade license and TIN but their exact percentages are unknown, moreover, none of them have VAT Registration. The cluster received financial assistance from Krishi Bank Ltd. No technical assistance has been offered by the government or any other institution for the development of the cluster.

The units inside the cluster do not pollute the environment. There is a trade associations (Station Road Business Owners Association) of which more than 80% of the units are members.

Agriculture Bank (Krishi Bank) is providing loan at an interest rate of 15%-17%. The cluster has no interaction with any research institute, Law firm, audit and accountants and ICT consultants. Key numeric data on the cluster can be seen in the **Annex-1/28**:

29	Cluster Name : Salt Cluster, Cox's Bazaar	Location : Islampur, Cox's Bazaar
	Cluster Product : Salt	No. of Enterprise : 30

A cluster comprising 30 salt manufacturing units has been identified in Islampur of Cox's Bazaar. About 1800 skilled and semi-skilled workers are employed in the cluster of which 100% are males. The raw material used for production is sea salt which is locally procured. The annual turnover of the cluster was unknown. Products are sold 20% in the local markets and 80% nationally. The cluster experienced a natural growth and at present it is in a declining stage. The reason for this trend, according to some entrepreneurs, is the government policy.

The exact area of the land of the cluster was unknown; however, there is land available for further expansion of the cluster. The cluster is well connected with electricity and running water. There are asphalt roads but no drainage system inside the cluster. The distances to national highway and the nearest airport are 1 km and 5 km respectively.

Most of the units inside the cluster have trade license, TIN and VAT Registration.

No environmental pollution occurs during production process. There is a business association (Cox's Bazar Salt Mills Owners Association) of which more than 80% of the units are members.

Some of the entrepreneurs borrow from the banks at an interest rate of 17% -18%. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the **Annex-1/29**:

30	Cluster Name : Hand Loom Cluster	Location : Moheshkhali, Cox's Bazaar
	Cluster Product : Bed-sheet & Pillow-cover	No. of Enterprise : 60

In Moheshkhali upazilla of Cox's bazaar there has been a cluster of Loom. The total number of operating units is 60. These units use yarn and grey fabrics as raw materials which are mostly locally procured. A total number of 84 employee work in these units of which 30% are males and 70%, females.

The interviewee was reluctant to release information pertaining to the total turnover of the cluster. Almost 100% of the products are sold locally. The year of setting up of the 1st unit and 50th unit in the cluster was mostly unknown to the most of the respondents because these units have been operating in this area for long time. The cluster was formed naturally without any support from any institution including the Govt. At the moment the trend in the cluster is on the growing due to increasing demand for the products.

Total land area in the cluster is around 3 sq. km, which is mainly owned by the owners of the units. The area is well connected to electricity. The distances to national highway, seaport and airport from the cluster are 10 km, 10 km and 10 km respectively.

None of the units inside the cluster posses any trade license, TIN and VAT registration. Till to date no support has been received for development of the cluster. The cluster in the past never received any co-operation in terms of skill development, technology transfer, access to international market,



participation in trade fair, cash incentive, product design and development, fiscal incentives, subsidy, grants and access to finance at low rate interest etc.

There is no trade association in the cluster.

The entrepreneurs do not have access to any loans from the banks or other financial institutions. Key numeric data on the cluster can be seen in the **Annex-1/30:**

31	Cluster Name : Light Engineering	Location : Anderson Road, Cox's Bazaar
	Cluster Product : Marine Engine Repairing	No. of Enterprise : 50

There are 50 marine engine repairing units at Anderson road of Cox's Bazaar Sadar. More or less 400 skilled and semi-skilled workers are employed in this cluster of which 100% are males. The market shares of these products are 100% national with an annual turnover of approximately Tk. 0.25 million. The 1st unit of this cluster was set-up in 1968 and in 1980 it turned into a cluster. This cluster is a growing one because of increasing demand of the services provided and availability of skilled labor.

This cluster is spread over 10 km land under both government and private ownership. There is scope for cluster expansion because of availability of land. The cluster has electricity, water, gas and good road connectivity but there is lack of sewerage system.

Almost all the enterprises have trade license and TIN and VAT Registration. The cluster did not receive any technical support from the government or any other development partners.

There is trade association inside the cluster.

Some of the entrepreneurs borrow from the banks at interest rate of 17-18%. The cluster has no interaction with any other service providers. Key numeric data on the cluster can be seen in the **Annex-1/31:**

32	Cluster Name : Wood Cluster, Feni	Location : Dakbanglow More, Chagolnaiya-Feni.
	Cluster Product : Wooden Furniture	No. of Enterprise : 200

A cluster having production units of wooden furniture have been identified at zero point – Dakbanglow More, Chagolnaiya-Feni. Inside the cluster there are 200 manufacturing units producing wooden furniture using wood, locks and wax as the basic raw materials which are locally procured. There are 1500 workers (100% males) currently employed in these production units. The total turnover stands at Tk. 36 million per year. Outputs are sold inside the country. The 1st producing unit was setup in 1965 and the 50th one was in 1985. The cluster has experienced a natural growth. Present trend shows that the cluster is a growing one; factor behind such trend is increasing demand of their products.

The cluster is located on a land area spread around 3 square km, mostly owned by the proprietors of the units. There is additional land available for expansion. The area is well connected to electricity, gas and water. There is drainage facility inside the cluster. The distances to national highway and railway station from the cluster are 10 km and 12 km respectively.

50% of the units do have Trade license, TIN and Vat registration. No external support was given for cluster development.

The units inside the cluster do not pollute the environment. There is a trade association inside the cluster (Chagolnaiya Wood Business Association) of which more than 80% of the units are members.

No financial support was taken from the banks and NGOs for the development of the units in the cluster. The cluster has no interaction with any research institute or service providers. Key numeric data on the cluster can be seen in the **Annex-1/32:**



33	Cluster Name : Light Engineering	Location : Chagolnaiya, Feni
	Cluster Product : Auto engine repair service	No. of Enterprise : 100

There are about 100 light engineering units located in Chagolnaiya, Feni. About 600 skilled and semi-skilled workers are employed in this cluster of which 100% are males. The market shares of these products are 100% local with an annual turnover of about Tk. 60 million. The 1st unit of this cluster was set-up before 1971 and in 1975 it turned into a cluster. This cluster is a growing one because of increasing demand for the auto parts it produces and availability of skilled laborers and technicians.

The area of this cluster is about 200 decimal of land under government ownership. There is a scope for cluster expansion because of availability of land. The cluster has electricity, water, gas and road along with a functioning sewerage system.

Almost 95% of the enterprises have trade license and 25% have TIN and VAT Registration. The cluster does not receive any technical support from the government or any other development agencies.

No trade association has been found inside the cluster.

Some of the entrepreneurs borrow from the banks. The cluster has no linkage to any other service provider(s). Key numeric data on the cluster can be seen in the **Annex-1/33**:

34	Cluster Name : Light Engineering Cluster, Feni	Location : Lalpul, Feni Sadar
	Cluster Product : Auto parts	No. of Enterprise : 40

There are about 40 light engineering units located at Lalpul area of Feni Sadar. About 200 skilled and semi-skilled workers are employed in this cluster of which 100% are male. The market shares of these products are 100% local with an annual turnover of about Tk. 3 million. The 1st unit of this cluster was set-up in 1970 and it turned into a cluster in 1975. At present this cluster is in a stagnant state. The reason behind this trend is shortage of skilled technicians.

The area of this cluster is about 2 square km of land under both government and private ownership. There is a scope for cluster expansion because of availability of land. The cluster has electricity, water, gas, and road along with a functional sewerage system.

Almost 100% enterprise have trade license and 25% have TIN and VAT Registration. The cluster did not receive any technical support from the government or any other of its development partners.

No trade association was found inside the cluster

Some of the entrepreneurs borrow from the banks at different interest rate. The cluster has no linkage to any other service providers. Key numeric data on the cluster can be seen in the **Annex-1/34**:

35	Cluster Name : Handicrafts Cluster	Location : Laxmipur Sadar, Laxmipur
	Cluster Product : Wooden furniture	No. of Enterprise : 200

A cluster comprising 200 wooden furniture producing units has been identified in Laxmipur Sadar. They use wood, burnish and color as the basic raw materials for production that are locally procured. The cluster employs about 2000 skilled and semi-skilled workers all of whom are males. The annual turnover is around 36 million taka and the market share the products is 100% local. The cluster grew naturally and at present it is in a growing stage. The reason for the growth is increasing demand for the products. Total land area of the cluster is about 300 decimals all of which is privately owned. There is land available for further expansion of the cluster. The cluster has



electricity and water supply; however there is a functioning drainage system and the roads are concrete. Distances to national highway and railway station are 2 km and 40 km respectively.

Almost 50% of the enterprises have trade license and TIN but none of them have VAT registration. This cluster never received any technical or development assistance from any source(s). No environmental pollution occurs during the production process. No business association has been found among the enterprises. The entrepreneurs do not borrow from the banks or any other FIs. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the **Annex-1/35**



Dhaka Division

36	Cluster Name : Educational Services	Location : Farmgate, Dhaka City
	Cluster Product : Coaching Centers	No. of Enterprise : 50

A cluster consisting of 50 units of educational service providers, namely, coaching centers has been identified at Farmgate area and its vicinity (Green Road, Panthapath, Indira Road and Kathal Bagan) of Dhaka City. These units provide coaching on different subjects of study that are relevant in national curriculum as well as European, Australian and North American educational institutions. About 1,500 personnel are employed in the cluster of which 80% are males and 20%, females. The interviewees were reluctant to disclose information on annual turnover although some of them mentioned that the business is losing money. The market share is 80% local and 20% national. The first unit started operating in 2001 and the 50th one was established in 2010. The cluster grew naturally and at present it is still growing. The reason for the growth is the demand for services as well as the lucrative nature of the business.

The cluster is scattered in and around 5 square km of area where individually a unit may occupy space of 500 sq. ft. to 10,000 sq. ft. depending on the size of the business. All the units operate on privately owned premises. Almost all the units are well connected with electricity, gas and running water. The cluster has carpeted and concrete roads all over. However, there is no more land available for further expansion of the cluster. All the units have valid trade license as well as TIN and VAT Registration. The cluster never received any assistance for its development. Nevertheless, training was provided for skill development and improvement while participating in education fairs benefitted a lot of the units. The entrepreneurs do not borrow from the banks or from the NGOs. Most of the units have linkage with service providers like law firms, audit and accounting firms etc. There is no Business association among the operating units. Key numeric data on the cluster can be seen in the **Annex-1/36**:

37	Cluster Name : Electronics Accessories	Location : Dhonia, Matoail and Kajla, Jatrabari
	Cluster Product : Electronics Accessories	No. of Enterprise : 100

There are 100 electronic accessories manufacturing units located at Uttar Dhonia, Matoail near Jatrabari in Dhaka. More than 10,000 skilled and semi skilled workers are engaged in production activities with the ratio of males 60% and females 40%. The annual turn-over is around Tk. 150,00 million. The market shares of these products are 40% local, 50% national and 10% international. This cluster is spread around 5 square km land of private ownership having all types of utilities like electricity, gas, water and roadway but there is no sewerage system and the cluster has no chance of expansion. Almost 60% manufacturing units have valid trade license, 50% TIN and 30% VAT registration. The enterprises never received any technical or development assistance from any source(s). There is no business association among the enterprises. The entrepreneurs do not borrow from the banks or from the NGOs. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the **Annex-1/37**:

38	Cluster Name : Electronics Accessories	Location : Juraine, Kodomtoli
	Cluster Product : Electronics Accessories	No. of Enterprise : 120

A cluster comprising 120 production units of electrical accessories has been identified in Kodomtali of Dhaka. The raw materials used for production are all imported. The cluster employs 1000 skilled and semi-skilled workers of which 60% are males and 40%, females. The annual



turnover is about Tk. 10000 million. The market shares for the products are 40% local, 50% national and 10% international. The cluster experienced a natural growth and at present it is in a growing stage. The reason behind such trend is increasing demand for the products.

The cluster has a land area of 3100 decimal, most of which is privately owned. There is no more land available for further expansion of the cluster. The enterprises are connected with electricity and water but the services are often interrupted. There is, however, a functioning drainage system. The cluster has concrete roads and is just 2 kilometers away from national highway. The nearest river port is at a 5 km distance.

About 60% of the enterprises have trade license while 50% have TIN and 30% have VAT Registration. The cluster received skill development assistance and aid to participate in trade fair by SME Foundation. No environmental pollution occurs during the production process. There is a business association among the enterprises of which 40% – 60% units are members. The entrepreneurs do not borrow from the banks. The cluster has interaction with BPC and SMEF. Key numeric data on the cluster can be seen in the **Annex-1/38**

39	Cluster Name : Electronic Cluster, Dhaka	Location : BSCIC I/E, Shyampur, Dhaka
	Cluster Product : Electronics goods	No. of Enterprise : 66

In BSCIC I/E, Shyampur of Dhaka there is a cluster of Electronics and Electrical products. The total number of operating units is 66. These units use copper, aluminium, blade, backlight, coil, copper coil and capacitor as raw materials for their production and most of the raw materials required are local as well as of foreign origin. A total number of 2,640 people work in these units of which 90% are males and 10%, females. The total amount of turnover stands at around Tk 165 million per year in the cluster, outputs are sold 90% nationally and 10% internationally. The 1st unit in the cluster was setup in 1995 and the set up date of the 50th one was unknown. The cluster was formed through planning of BEMMA. Present trend shows that the cluster is a growing one; factor behind such trend is the availability of investors who are attracted to manufacturing for profit. Total land area in the cluster is around 1000 decimal, which is mainly owned by the proprietors of the enterprises. There is not enough land available for expansion of the cluster. The power, gas and water supply has taken an acute proportion. There are concrete roads inside the cluster. The area has drainage system. The distance from the cluster to national highway is 2 km and railway is 13 km. Units inside the cluster possess trade license and TIN but do not have VAT registration. No support has ever been received for development of the cluster. The cluster in the past did not receive any co-operation from any governmental and/or non governmental agencies. The units inside the cluster do not pollute the environment. There is a trade association inside the cluster (Bangladesh Electrical Merchandise Manufacturer Association), where 80% units are members of the association. Financial support is taken from the Banks for the development of the cluster. There is no link with any research institute and no link with service providers also. Key numeric data on the cluster can be seen in the **Annex-1/39**:

40	Cluster Name : Fashion Products	Location : Mirpur, Dhaka
	Cluster Product : Banarashi, Katan saree & Opera saree	No. of Enterprise : 945

A large number of manufacturing units (approximately 945) produce Banarashi Saree, Fulkoli, Opera Katan etc at Mirpur, Dhaka by using cotton, silk and other imported raw materials. More than 40,000 skilled and non-skilled workers are involved with the manufacturing process, where 90% workers are male. The market shares of this product are: local 35%, national 60% and international 5%. The 1st unit in the cluster was formed in 1947 and by 1971 it turned into a cluster due to drive of the private entrepreneurs but now a days it is gradually declining due to high raw material cost.



This cluster developed in refugee camp areas the lands of which are owned by GOB. There is hardly any scope for the cluster to expand because of non-availability of land. The cluster has facilities like electricity, gas, water and concrete road but there is lack of sufficient sewerage facilities in and around the cluster. Only 3% manufacturing units have trade license and they do not have any TIN and VAT Registration. The cluster never received any technical or development assistance from any source(s). These are green industries hence no environmental pollution occurs. No trade association has been found inside the cluster. The units have no interaction with any research institute or service provider, except with audit firm and tax and VAT consultants. Key numeric data on the cluster can be seen in the **Annex-1/40**:

41	Cluster Name : Embroidery Cluster	Location : Khilkhet, Dhaka
	Cluster Product : Embroidery (Garment related forward linkage)	No. of Enterprise : 112

A total of 112 Embroidery units have been identified at Khilkhet of Dhaka City Corporation. These units produce garment related forward linkage products. More than 5,000 skilled and semi skilled workers are involved in the process of production in these facilities of which 60% are male and 40% are female. The annual turn-over of this cluster is Tk. 750 million. The market shares of these products are: local 20% and international 80%. This cluster was formed during the period of 1995-1998 and continued to flourish till 2004-2005. These units developed naturally and are now in growing stage. This cluster covers 300 decimal of land all under private ownership and enjoys all types of utilities like electricity, gas, water and roadway. All manufacturing units have valid trade license, TIN and VAT registration. The cluster received assistance from the government and non-governmental organizations in terms of technology transfer, introduction to foreign buyers, participation in trade fair(s), cash incentives, fiscal incentives and product design and development etc. No environmental pollution occurs within this cluster. No trade association has been found inside the cluster. Each entrepreneur inside the cluster has access to loan up to Tk. 2.5 million through commercial banks. The cluster has interaction with law firms, audit & accounting firms, tax and VAT consultants. Besides, the cluster maintains linkage with the Ministry of Commerce, BGMEA, FBCCI, BKMEA, BTMEA and BOI. Key numeric data on the cluster can be seen in the Annex-1/41:

42	Cluster Name : Screen Printing, Dhaka	Location : Shialbari- Rupnagar residential area, Mirpur
	Cluster Product : Screen printing	No. of Enterprise : 500

In Shialbari-Rupnagar residential area, Mirpur of Dhaka there is a cluster of screen printing .The total number of operating units are approximately 500. These units use chemical as raw material for their production that are both of local and international origin. A total of 2500 people work in these units, 75% of them are male and 25%, female. The total amount of turnover is unknown per year in the cluster; Outputs are sold 10% nationally and 90% internationally. The 1st unit in the cluster was setup in 1990 and the formation date of the 50th one was unknown. The cluster was formed naturally without any support from any institution. Present trend shows that the cluster is a growing one; factors behind such trend are increasing demand for the products due to use of improved modern technology. Total land area in the cluster is around 5 square km, which is mainly owned by the owners of the units. There is land available for expansion of the cluster. The power, gas and water supply has taken an acute proportion. There are concrete and bricks layered roads inside the cluster. The area has drainage system. The distance from the cluster to national highway is 0.5 km, railway is 15 km and air port is 15 km respectively. Most of the units inside the cluster possess trade license (100%), TIN (100%) and VAT registration (90%). No external support was given for cluster development by the government in the forms of Skill development training and Technology transfer. The units inside the cluster do pollute the environment such as water pollution. There is a trade association inside the cluster (Bangladesh Garments Printers Association), where 80% of the



units are members of the association. Financial support was taken from the Bank(s) for the development of the cluster. There is no link with any research institute or link with any service provider. Key numeric data on the cluster can be seen in the Annex-1/42:

43	Cluster Name : Fashion Products	Location : Shyamoli, Dhaka City Corporation
	Cluster Product : Embroidery on garments	No. of Enterprise : 175

There are 175 Embroidery units located at Shyamoli of Dhaka City Corporation. More than 5,000 skilled and semi-skilled workers are employed of which the ratio of male and female are 60% and 40% respectively. These units produce embroidery works on garments. The annual turn-over of this cluster is Tk. 160 million. The market shares of these products are: local 20% and international 80%. This cluster was formed during 1992-1993 and flourished during 2003-2004. These units have developed due to government intervention and they continue to grow at present. The reason for this trend is the high demand for their products both locally and internationally.

This cluster covers 400 decimal of land all under private ownership but there is no opportunity for cluster expansion due to shortage of land. The cluster is well connected with all types of utilities like electricity, gas, water, and roadway and sewerage system. Most of the units operating inside the cluster have valid trade license; TIN and VAT registration but their exact percentage is unknown. The cluster never received any technical or development assistance from any source(s). There is no environmental pollution. No business association has been found inside the cluster. They are financed by various FIs especially by banks at regular interest rates. The cluster has no interaction with any research institute or service provider. Key numeric data on the cluster can be seen in the Annex-1/43:

44	Cluster Name : Leather Cluster	Location : Hazaribagh, Dhaka City Corporation
	Cluster Product : Leather goods	No. of Enterprise : 195

There are 195 leather and leather goods producing units located at Hazaribagh of Dhaka City Corporation. More than 30,000 workers are involved with the manufacturing process of tanned leather where 98% workers are male. The market shares of this product are: national 10% and international 90%. The 1st unit in the cluster started functioning in 1950 and by 1968 it turned into a cluster due to drive of the private entrepreneurs. At present it is gradually growing due to increase in export. The area of this cluster is around 5000 decimal under private ownership. There is hardly any scope for this cluster's expansion because of non-availability of land. The cluster has facilities like electricity, gas, water and concrete road but there are very limited sewerage facilities. 100% of these units have trade license, TIN and VAT Registration. The cluster receives support from both the Government and development partners and donor agencies in terms of skill development training, technology transfer, participation in trade fairs, introduction to foreign buyers, product design and development, product marketing, cash incentives etc. Water and air pollution occurs during manufacturing process but there is no ETP installation. A trade association namely, Bangladesh Tanners Association has been found inside the cluster of which more than 80% units are members. Sometime the entrepreneurs borrow from the banks. The units have relationship with research institutes, service providers, law firms and tax and VAT consultants. Key numeric data on the cluster can be seen in the Annex-1/44:

45	Cluster Name : Leather Cluster, Dhaka	Location : Hazaribagh, Dhaka
	Cluster Product : Shoes and Sandals	No. of Enterprise : 80

In Hazaribagh of Dhaka there has been a cluster of Leather and Rexine shoe manufacturing. The total number of operating units is 80. These units use sole, leather, pasting and rexine as raw materials for their production and most of the raw materials are local. A total number of 3000 skilled and semi-skilled workers are employed in this cluster of which 50% are male and 50%



female. The total amount of turnover stands at around Tk 400 million per year in the cluster; Outputs are sold locally 15%, nationally 80% and 5% internationally. The 1st unit in the cluster was setup in 1960 and the 50th one was in 1990-95. The cluster was formed naturally without any support from any institution. Present trend shows that the cluster is a growing one; factor behind such trend is increasing demand for shoes. Total area in the cluster is around 2 square km, which is mainly owned by the owners of enterprises. There is not enough land available for expansion of the cluster. The power, water and gas supply have taken an acute proportion. There are concrete roads inside the cluster. The area has drainage system. The distance from the cluster to national highways is 3-4 km, a railway station is 10 km and air port is 25-30 km away. Most of the units inside the cluster possess Trade license, TIN and VAT registration. No support has ever been received for development of the cluster. The cluster in the past never received any co-operation in terms of skill development, technology transfer, access to international market, participation in trade fair, cash incentive, product design and development, fiscal incentives, subsidy, grants and access to finance at low interest rates etc. The units inside the cluster do pollute the environment such as bad smell and polluted air. They do not have ETP. There is no trade association inside the cluster. The units have access to finance from banks at an interest rate of 15% - 17%. Key numeric data on the cluster can be seen in the Annex-1/45:

46	Cluster Name : Leather Cluster, Dhaka	Location : Kamrangir Char, Dhaka
	Cluster Product : Rexin and leather shoes	No. of Enterprise : 800

A rexine shoe manufacturing cluster was found in Kamrangir Char of Dhaka. The total number of operating units is 800. These units use sole, pasting and rexin as raw materials for their production and most of the raw materials required are local. A total numbers of 4800 people work in this cluster of which 100% are male. The total amount of turnover stands at around Tk. 300 million per year in the cluster; Outputs are sold locally 30%, nationally 45% and 25% internationally. The 1st unit in the cluster was setup in 1994 and the 50th one was in 2000. The cluster was formed naturally without any support from any institution. Present trend shows that the cluster is a growing one; factor behind such trend is increasing demand for shoes. Total landed area in the cluster is around 3 square km, which is mainly owned by the owners of enterprises. There is enough land available for expansion of the cluster. The power and water supply have taken an acute proportion. There are brick and concrete roads inside the cluster. The area has no drainage system. The distance from the cluster to national highways is 10 km, railway station is 5-6 km, airport is 25 and river port is 4 km. Units inside the cluster possess Trade license (50%) but do not have TIN and VAT registration. No support has ever been received for development of the cluster. The cluster in the past never received any co-operation in terms of skill development, technology transfer, access to international market, participation in trade fair, cash incentive, product design and development, fiscal incentives, subsidy, grants and access to finance at low rate interest etc. The units inside the cluster do not pollute the environment. There is a trade association inside the cluster, where around 20% of the units are members. The units have access to finance from NGOs. There is no link with any research institute or link with service providers such as law firms, TAX and VAT consultants and audit firms. Key numeric data on the cluster can be seen in the Annex-1/46:

47	Cluster Name : Shoe Cluster, Dhaka	Location : Siddique Bazar, Dhaka City Corporation
	Cluster Product : Shoes	No. of Enterprise : 1500

It was found that there are approximately 1500 shoe manufacturing units located at Siddique Bazar, Kazi Alauddin Road, Aga-Sadek lane, Nawabganj and Hajaribagh area of Dhaka City. This Cluster produces all kinds of shoes by using local and imported leathers. Around 50,000 skilled and semi skilled workers are employed in this cluster of which 90% are females. The market shares of these shoes are: local 50%, national 40% and 10% international. The cluster had a natural growth without



any support from Government. This is a growing cluster because of improved technology and huge demand for their products.

Each unit has a land area of around 400-1000 square feet, owned by the manufacturing unit. There has been no chance of expansion because of non-availability of land. The cluster has facilities like electricity, gas, water and concrete road but sewerage system is insufficient. Almost 80% manufacturing units have trade license, 50% TIN. They have no VAT Registration. The cluster does not receive any technical assistance from any source.

These shoe manufacturing units pollute environment through dust particles and poor disposal of waste during different manufacturing process but they have no ETP. A trade association namely, “Bangladesh Leather and Rexin Shoe manufacturers Association” was found in the cluster of which almost 80% of the units are members. None of the entrepreneurs inside the cluster borrow from the banks. The units have relationship with only Tax and VAT consultants and audit firms. Key numeric data on the cluster can be seen in the Annex-1/47:

48	Cluster Name : Shoe Cluster, Dhaka	Location : Suritola, Dhaka
	Cluster Product : Leather and Foam Shoes	No. of Enterprise : 300

In Suritola of Dhaka there has been a cluster of Leather shoe manufacturing. The total number of operating units is 300. These units use soles, leather and foam as raw materials for their production and most of the raw materials required are locally procured. A total number of 3600 people work in this cluster of which 100% are male. The total amount of turnover stands at around Tk. 75 million per year in the cluster; Outputs are sold nationally 100%. The 1st unit in the cluster was setup in 1950 and the establishment date of the 50th one was unknown. The cluster was formed naturally without any support from any institution. Present trend shows that the cluster is a declining one. Total landed area in the cluster is 120 decimal, which is mainly owned by the owners of the enterprises. There is not enough land available for expansion of the cluster. The power and water supply have taken an acute proportion. There are brick layered roads inside the cluster. The area has drainage system. The distance from the cluster to national highways is 1 km, a railway station is 3 km and river port is 3 km away. 5% of the units inside the cluster possess trade license but do not have TIN and VAT registration. No support has ever been received for development of the cluster. The cluster in the past never received any co-operation in terms of skill development, technology transfer, access to international market, participation in trade fair, cash incentive, product design and development, fiscal incentives, subsidy, grants and access to finance at low rate interest etc. The units inside the cluster do pollute the environment such as bad smell and polluted air. They do not have ETP. There is trade association inside the cluster where 20% of the units are members. No financial support was taken from the Banks or NGOs for the cluster development. There is no link with any research institute or link with service providers such as law firms, TAX and VAT consultants and audit firms. Key numeric data on the cluster can be seen in the Annex-1/48:

49	Cluster Name : Shoe Cluster, Dhaka	Location : Club Bari, Nawabganj, Dhaka
	Cluster Product : Shoes	No. of Enterprise : 3000

Approximately 3000 shoe manufacturing units are located at Club Bari, Nawabganj of Dhaka. There are around 30,000 workers in this cluster, where 90% workers are male and only 10% are female. The market shares of these products are: 60% local and 40% national. The 1st unit of this cluster was set-up during 1950. This cluster is a growing one because of increasing demand of shoes. The area of this cluster is about 5 square km of land under private ownership. Annual turnover of the cluster is approximately 500 million. There is a scope for cluster expansion because of availability of land. There are electricity, water and gas and road facility within the cluster. Almost 10-20% of the enterprises have trade license and 5% possess TIN and none have VAT



registration. The cluster does not receive any technical support from others. Environmental pollution occurs, especially air pollution. The entrepreneurs borrow from banks and NGOs with interest rate of 15% and 18% respectively. The cluster has no linkage to any service provider. Key numeric data on the cluster can be seen in the Annex-1/49:

50	Cluster Name : Shoe Cluster, Dhaka	Location : Pallabi, Dhaka
	Cluster Product : Shoes	No. of Enterprise : 120

In Mirpur- Pallabi of Dhaka there has been a cluster of Leather shoe manufacturing. The total numbers of operating units are 120. These units use sole, leather and rexin as raw materials for their production and most of the raw materials required for production are local. A total number of 720 people work in this cluster of which 60% are male and 40% female. The total amount of turnover stands at around Tk. 480-500 million per year in the cluster; Outputs are sold locally 30% and nationally 70%. The 1st unit in the cluster was setup in 1947 and the establishment date of the 50th one was unknown. The cluster was formed naturally without any support from any institution. Present trend shows that the cluster is a growing one, factor behind such trend is due to transfer of technology and expertise induces others to go for new establishment. Total land area in the cluster is spread over around 5 square km, which is mainly owned by the owners of the enterprises. There is not enough land available for expansion. The power, water and gas supply have taken an acute proportion. There are brick and concrete roads inside the cluster. The area has drainage system. The distance from the cluster to national highways is 3 km, railway station is 10 km and airport is 10 km respectively. Units inside the cluster possess Trade license (40%), TIN (40%) and none of them have VAT registration. No support has ever been received for development of the cluster. The cluster in the past never received any co-operation in terms of skill development, technology transfer, access to international market, participation in trade fair, cash incentive, product design and development, fiscal incentives, subsidy, grants and access to finance at low rate interest etc. The units inside the cluster do not pollute the environment. There is no trade association inside the cluster. The enterprises have access to finance from NGOs. There is no link with any research institute or link with service providers such as law firms, TAX and VAT consultants and audit firms. Key numeric data on the cluster can be seen in the Annex-1/50:

51	Cluster Name : Light Engineering Cluster	Location : Jatrabari, Dhaka
	Cluster Product : Metal pieces, Bathroom fittings, etc.	No. of Enterprise : 300

A cluster having production units of light engineering has been identified in ward # 84 & 85, Jatrabari of Dhaka District. The total number of operating units are 300. These units use sheet, zinc and nickel as raw materials for their production and raw materials required are both local and of foreign origin. There are 2000 workers (100% male) currently employed in the production units operating inside the cluster. The total turnover stands at around Tk 330 million per year approximately. Outputs are sold inside the country. The 1st producing unit was setup in 1980 and the setup date of the 50th one was unknown. The cluster has experienced a natural growth. Present trend shows that the cluster is a declining one. The reason behind such trend is presumably the cluster being located in a residential area.

Cluster is set up on a land area of around 1700 decimal, mostly owned by the proprietors of enterprises. There is no additional land available for expansion. The area is well connected to electricity and water. There are brick layered roads inside the cluster. There is no drainage facility inside the cluster. The distance to national highway and railway way station from the cluster is 0.5 km and 3 km respectively. The units operating inside the cluster have trade license (70%), TIN (50%) and VAT registration (40%). No external support was given for cluster development except bank loans. The units inside the cluster do pollute the environment like sound pollution. There is a



trade association (Metal Owners Association, North Jatrabari) inside the cluster, where 40-60% units are members. Banks are providing loan at an interest rate of 18%-19%. There is no communication between the cluster and research institute, Law firm, audit and accountants and ICT consultants. Key numeric data on the cluster can be seen in the Annex-1/51:

52	Cluster Name : Light Engineering	Location : Lalbagh and Adjacent Areas, Dhaka
	Cluster Product : Agriculture machineries and others	No. of Enterprise : 200

A cluster having production units of light engineering has been identified at Lalbagh and adjacent areas in Dhaka city. Inside the cluster there are 200 manufacturing units producing and repairing agriculture machineries using steel and scrubs as the basic raw materials that are procured locally. There are 1000 workers (90% male) currently employed in the production units operating inside the cluster. The total turnover stands at around Tk. 30 million per year approximately. Outputs are sold inside the country (95% national market) and 5% international market. The 1st producing unit was setup in 1955 and the date of establishment of the 50th one was unknown. The cluster has experienced a natural growth. Present trend shows that the cluster is a growing one; factor behind such trend is increasing demand for the items produced. The cluster is set up on a land area spread over 4 square km, mostly owned by the individual owners. There is additional land available for expansion. The area is well connected to electricity, gas and water. These are brick and concrete roads inside the cluster. There is no drainage facility inside the cluster. The distance of national highway, river port and railway station from the cluster is 2 km, 3 km and 5 km respectively. The units operating inside cluster have trade license (80%), TIN (50%) but no VAT registration. External support was given for cluster development by the government in the forms of skill development training, cash incentives and fiscal incentives. The units inside the cluster do pollute the environment like sound pollution. There is a trade association (Bangladesh Engineering Industry Owners Association) inside the cluster, where above 40-60% units are member. Banks are providing loan. There is a link between the cluster and research institute such as BUET, BITAC and SME foundation and also link with the service providers like Business Development Services and advisory firm. Key numeric data on the cluster can be seen in the Annex-1/52:

53	Cluster Name : Light Engineering Cluster	Location : Wari & Adjacent Area
	Cluster Product : Monogram, Folder Sheet, Rankin Sheet etc.	No. of Enterprise : 300

A cluster having production units of light engineering has been identified at Wari and Adjacent areas in Dhaka district. Inside the cluster there are 300 manufacturing units producing and repairing agriculture machinery using steel and scrubs as the basic raw materials which are of foreign origin. There are 1500 workers (100% male) currently employed in the production units operating inside the cluster. The total turnover stands at around Tk 360 million per year approximately. Most of the outputs are sold inside the country (95% national market) and 5% in the international market. The 1st producing unit was setup in 1997 and the setup period of the 50th one was unknown. The cluster has experienced a natural growth. Present trend shows that the cluster is a growing one; factor behind such trend is increasing demand for the products and influx of highly motivated entrepreneurs attracted to this new business. Cluster is set up on a land area spread over 4 square km, mostly owned by the individuals. There is additional land available for expansion. The area is well connected to electricity, gas and water. There are brick layered roads inside the cluster. There is drainage facility inside the cluster. The distance to national highway, river port and railway station from the cluster is 2 km, 2 km and 4 km respectively. The units operating inside the cluster have trade license (100%), TIN (100%) and VAT registration (50%). External support was given for cluster development by the government in the form of skill development training, Cash incentives and fiscal incentives. The units inside the cluster do pollute the environment like sound



pollution .There is a trade association (Bangladesh Engineering Industry Owners Association) inside the cluster, where about 40-60% units are member. Banks are providing loan. There is a link between the cluster and research institute such as BUET, BITAC and SME foundation and also link with the service providers like business Development Service and advisory firm. Key numeric data on the cluster can be seen in the Annex-1/53:

54	Cluster Name : Light Engineering	Location : Narinda, Dholaikhal, Dhaka
	Cluster Product : Agriculture Machinery	No. of Enterprise : 250

A cluster having production units of light engineering has been identified at Narinda and the vicinity of Dholaikhal, Gandaria in Dhaka city. Inside the cluster there are 250 manufacturing units producing and repairing agriculture machinery using steel and scrubs as the basic raw materials which are both local and of foreign origin. There are 1250 workers (100% male) currently employed in the production units operating inside the cluster. The total turnover stands at around Tk 30 million per year approximately. Most of the outputs are sold inside the country (95% national market) and 5% in the international market. The 1st producing unit was setup in 1950 and the setup period of the 50th one was unknown. The cluster has experienced a natural growth. Present trend shows that the cluster is a growing one; factor behind such trend is increasing demand of their products. Cluster is set up on a land area spread over 3 square km, mostly owned by the individuals. There is additional land available for expansion. The area is well connected to electricity, gas and water. There are brick roads inside the cluster. There is drainage facility inside the cluster. The distance of national high way, river port and railway station from the cluster is 4 km, 2 km and 4 km respectively. The units operating inside the cluster have trade license (80%), TIN (50%) but do not have VAT registration. External support was given for cluster development by the government in the form of skill development training, Cash incentives and fiscal incentives. The units inside the cluster do pollute the environment like sound pollution. There is a trade association (Bangladesh Engineering Industry Owners Association) inside the cluster, where about 40-60% units are members. Banks are providing loan. There is a link between the cluster and research institute such as BUET, BITAC and SME foundation and also link with the service providers like Business Development Service and advisory firm. Key numeric data on the cluster can be seen in the Annex-1/54:

55	Cluster Name : Light Engineering Cluster	Location : Tipu Sultan Road and Adjacent Areas, Dhaka
	Cluster Product : Agriculture machineries	No. of Enterprise : 500

A cluster having production units of light engineering has been identified at Tipu Sultan Road and adjacent areas in Dhaka City Corporation area. Inside the cluster there are 500 manufacturing units engaged in producing and repairing of replacement auto parts, Die and Mould, agriculture sawlow engine liner and piston, pharmaceutical machine, textile parts, sanitary product, pit furnace foundry, machine tools, rail parts etc using steel and scrubs as the basic raw materials which are of foreign origin. There are 2500 workers (99% male) currently employed in the production units operating inside the cluster. The total turnover stands at around Tk 60 million per year approximately. Outputs are sold inside the country (95% national market) and 5% in international market. The 1st producing unit was setup in 1945 and the setup period of the 50th one was unknown. The cluster has experienced a natural growth. Present trend shows that the cluster is a growing one; factor behind such trend is increasing modernization of the country's agricultural sector. Cluster is set up on a land area of spread over 4 square km, mostly owned by the individuals. There is additional land available for expansion. The area is well connected to electricity, gas and water. There are brick and concrete roads inside the cluster. There is drainage facility inside the cluster. The distance of national highway, river port and railways from the cluster is 1 km, 3 km



and 3 km respectively. The units operating inside the cluster have trade license (80%), TIN (50%) but do not have VAT registration. External support was given for cluster development by the government in the forms of skill development training, Cash incentives and fiscal incentives. The units inside the cluster do pollute the environment with sound pollution. There is a trade association (Bangladesh Engineering Industry Owners Association) inside the cluster, where about 40-60% units are member. Banks are providing loan to the entrepreneurs. There is a link between the cluster and research institute such as BUET, BITAC and SME Foundation and also link with the service providers like Business Development Service and advisory firm. Key numeric data on the cluster can be seen in the Annex-1/55:

56	Cluster Name : Light Engineering Cluster	Location : Sutrapur, Bonogram, Dhaka
	Cluster Product : Light Engineering Products	No. of Enterprise : 300

A cluster comprising 300 light engineering units producing spare parts of textile, jute, paper and pulp industry, agriculture shallow engine filter etc has been identified in Kotowali Thana of Dhaka city spreading throughout Bonogram Road, Juginagar and BCC Road. The raw materials used for the production are steel, tool bits and other metals that are locally procured. The cluster employs about 1500 skilled and semi-skilled workers of which 99% are males. The annual turnover is not known; however, the market share is 100% local. The first unit started operating in 2001 and the 50th one was established in 2005. This cluster experienced a natural growth and at present is in a growing stage as the products are in high demand. Easy accessibility to raw materials is another factor contributing to its growth.

The cluster spreads out within an area of 5 kilometers. Some more land is available for expansion. The units are well connected with electricity, water and gas but there is drainage problem in some areas. Distances to national highway, railway station and river port are all within 2-5 kilometers. 80% enterprises have valid trade license while 50% of them have TIN and 30% have VAT Registration. The cluster never received any technical or development assistance from any source(s).

Insignificant amount of environmental pollution occurs during the production process. There is a trade association inside the cluster of which about 40% of the units are members. The entrepreneurs do not borrow from the banks. Key numeric data on the cluster can be seen in the Annex-1/56:

57	Cluster Name : Plastic Cluster, Dhaka	Location : Islambagh, Lalbagh, Dhaka
	Cluster Product : Plastic products	No. of Enterprise : 1100

In Islambagh of Lalbagh-Dhaka there is a cluster of Plastic and other synthetics. The total number of operating units is 1,100. These units use plastic and various colors as raw materials for their production and most of the raw materials required are local as well as of foreign origin. A total number of 2000 people work in these units of which 90% are male and 10% female. The total amount of turnover stands at around Tk. 180 million per year in the cluster. Outputs are sold 35% locally and 65% nationally. The 1st unit in the cluster was setup in 1980 and the 50th one was in 1990-92. The cluster was formed naturally without any support from any institution. Present trend shows that the cluster is a growing one; factor behind such trend is increasing demand, as it appears to be a fairly profitable business. The cluster is spread around 4 square km, which is mainly owned by the railway district council. There is enough land available for expansion of the cluster. The power and water supply has taken an acute proportion. The area has no drainage system. The distance from the cluster to national highway is 4 km, railway is 8 km and river port is 3 km. Units inside the cluster possess Trade license, TIN and VAT registration. No support has ever been received for development of the cluster. The cluster in the past did not receive any co-operation from any governmental and/or non governmental agencies. The units inside the cluster do not



pollute the environment. There is a trade association inside the cluster (Bangladesh Plastic Business Association), where 40-60% units are members of the association. Financial support is taken from the Banks by the entrepreneurs. There is no link with any research institute and no link with service providers as well. Key numeric data on the cluster can be seen in the Annex-1/57:

58	Cluster Name : Plastic Cluster, Dhaka	Location : Kamrangirchar, Dhaka
	Cluster Product : Plastic and Synthetic goods	No. of Enterprise : 100

In Sultanganj, Kamrangirchar of Dhaka there is a cluster of Plastic and other synthetics. The total number of operating units is 100. These units use pad, LLDPE, LDPE, HDPE, PP, recycled EVA, PVC and bottle grade as raw materials for their production and most of the raw materials required are of foreign origin. Approximately 1000 people work in these units where 80% workers are male and 20% females. The total amount of turnover is unknown per year in the cluster, outputs are sold 50% locally and 50% nationally. The 1st unit in the cluster was setup in 1995 and the 50th one was in 2000. The cluster was formed naturally without any support from any institution. Present trend shows that the cluster is a growing one; factor behind such trend is expansion of existing facilities.

Total land area in the cluster is around 5 square km, which is mainly owned by the owners of the enterprises. There is enough land available for expansion of the cluster. The power and water supply has taken an acute proportion. There are concrete roads inside the cluster. The area has drainage system. The distance from the cluster to national highway is 10 km and railway station is 20 km and river port is 5 km.

Units inside the cluster possess trade license (90%), TIN (20%) and VAT registration (20%). No support has ever been received for development of the cluster. Financial support was taken from the Bank. There is no link with any research institute and no link with service providers as well. The units inside the cluster do not pollute the environment. There is no trade association inside the cluster. Key numeric data on the cluster can be seen in the Annex-1/58:

59	Cluster Name : Agro Processing Cluster	Location : Faridpur Sadar
	Cluster Product : Pulse	No. of Enterprise : 60

Approximately 60 pulse mills have been identified that are located in Faridpur Sadar. There are around 1800 skilled and non-skilled workers employed in this cluster of which 40% are male and 60% female. The market shares of these products are 10% local and 90% national. The annual turnover is around Tk.7.8 million. The 1st unit was set-up during 1978 and the 50th one during 1984-1985. The cluster had a natural growth without any support from the government. This is a growing sector because of increasing demand for various kinds of lentils and other pulses.

The area of this cluster is about 60000 decimal of land under private entrepreneurs that are used to cultivate the grains used as the raw materials. There is chance of expansion because of the availability of land. The cluster does have electricity, water, road and sewerage facilities. None of the units within this cluster possess trade license, TIN and VAT Registration. The cluster does not receive any technological support from any governmental or non-governmental organization.

Some of the entrepreneurs borrow from the bank at 13-15% interest rate and they have no interaction with any other financial institution or service provider. These manufacturing units do not pollute environment. There has been no ETP installation inside the cluster.

Key numeric data on the cluster can be seen in the Annex-1/59:



60	Cluster Name : Jewelry Cluster, Faridpur	Location : Faridpur Sadar
	Cluster Product : Gold and Silver Ornaments	No. of Enterprise : 111

A cluster of Jewelry manufacturing enterprises has been found in Faridpur Sadar. The total number of operating units is 111. These units use gold, silver and acid as raw materials for their production and most of the raw materials required are of foreign origin. Approximately 800 people work in this cluster 100% of whom are male.

The total amount of turnover stands at around Tk.16.65 million per year. The market share is 100% local. The 1st enterprise in the cluster was setup in 1920 and the 50th one was in 1950. The cluster was formed naturally without any support from any institution including the govt. Present trend shows that the cluster is a declining one; factors behind such trend are increasing price of gold that limits the purchasing power of a vast majority of people.

Total land area in the cluster is around 310 decimal, which is mainly owned by the owners of the enterprises. However there is also an insignificant portion of government land. There is no scope for expansion due to non availability of land. The cluster has electricity, water, roadway and sewerage facilities.

Most of the enterprises inside the cluster possess Trade license, TIN and VAT registration. Till to date no support has been received for development of the cluster from any governmental or non-governmental organizations. No environmental pollution occurs.

Some of the entrepreneurs borrow from the bank and they have no interaction with any other financial institutions or professional service providers. Key numeric data on the cluster can be seen in the Annex-1/60:

61	Cluster Name : Saw Mills Cluster	Location : Kanaipur, Faridpur
	Cluster Product : Timbers, Logs and Wooden Furniture	No. of Enterprise : 150

A cluster comprising saw mills has been identified at Thanapara-Kathpatti of Faridpur. Inside the cluster there are 150 manufacturing units producing wooden timbers and logs of different size and shape using tree as the basic raw materials which are locally procured. Some of the units produce wooden furniture as well.

There are 2000 workers (99% male and 1% female) currently employed in the production units operating inside the cluster. The total turnover stands at around Tk. 12 million per year. Outputs are sold inside the country. The 1st producing unit was setup in 1980 and the 50th one was in 1995. The cluster has experienced a natural growth. Present trend shows that the cluster is a declining one; factor behind such trend is restriction on acquiring raw materials.

The cluster is located on a land area of 990 decimal, mostly owned by the proprietors of the units. There is additional land available for expansion. The area is well connected to electricity and water. There are roads and drainage facility inside the cluster. The distance to national highway and railways from the cluster is 0.5 km and 2 km respectively.

The units operating inside the cluster have trade license (95%), TIN (20%) and VAT registration (20%). No external support was given for cluster development except financing from banks and NGOs. The units inside the cluster do not pollute the environment. There is no trade association inside the cluster.

Key numeric data on the cluster can be seen in the Annex-1/61:



62	Cluster Name : Light Engineering Cluster	Location : Faridpur Sadar
	Cluster Product : Steel Frames and Furniture	No. of Enterprise : 250

There are about 250 light engineering units that are located at Faridpur Sadar producing steel frames, auto replacement parts, furniture and some other house hold items from steel. A total of 2500 skilled and semi-skilled workers are employed of which 100% are male. The annual turn-over of this cluster is Tk. 60 million. The 1st unit was established in 1972 and it turned into a cluster in 1988. This is a growing cluster because of increasing demand for their products.

The entire cluster comprises of around 1250 decimal of land by both private and public ownership and there is a fair chance of expansion due to availability of land. This cluster is facilitated by all types of utilities like electricity, water, and roadway and sewerage system.

Most of the manufacturing units have valid trade license but exact percentage is unknown and 20% of the units have VAT registration and TIN. None of the units in the cluster received any kind of technical support from any private professional service providers. Some environmental pollution does during the production process.

Some of the entrepreneurs borrow from the banks. The cluster has no linkage with other service provider(s). Key numeric data on the cluster can be seen in the Annex-1/62:

63	Cluster Name : Light Engineering Cluster	Location : Bus Stand, Faridpur Sadar
	Cluster Product : Auto and Machinery Parts	No. of Enterprise : 50

There are about 50 light engineering units located at Bus Stand, Faridpur Sadar. Total 350 skilled workers are employed in the cluster and all of them are male. The annual turn-over of this cluster is Tk. 2.8 million. The 1st unit was established in 1960 and it turned into a cluster in 1990.

The cluster covers about 250 decimal of land by both private and public ownership and there is no chance of expansion due to lack of land availability. This cluster is facilitated by all types of utilities like electricity, water and roadway and sewerage system.

All manufacturing units have valid trade license, TIN and 30% of the units have VAT registration and they get some technical support from some private professional services. No environmental pollution occurs.

Some of the entrepreneurs borrow from the bank and some borrow from NGOs. They do not receive any financial support from any governmental or non-governmental organization. Key numeric data on the cluster can be seen in the Annex-1/63:

64	Cluster Name : Knitwear Cluster, Gazipur	Location : Konabari, Gazipur Sadar
	Cluster Product : Knitwear products	No. of Enterprise : 130

There are approximately 130 knitwear manufacturing units located at Konabari area of Gazipur district. There are around 8000 skilled and semi-skilled workers employed in this cluster of which 90% are male and 10% female. These units are 100% export oriented. This cluster was developed without any government support during the 1990s and still it is in a growing phase. This cluster covers 5 square km land of private ownership having all types of utilities like electricity, gas, water, and roadway and sewerage system. There is no more land available for further expansion of the cluster. All manufacturing units have trade license, TIN and VAT Registration. The cluster did not receive any technical assistance from any source. Only few entrepreneurs borrow from the banks, others do have their own sources of financing. The cluster has interaction with service providers for export processing. Key numeric data on the cluster can be seen in the Annex-1/64:



65	Cluster Name : Sweater Cluster, Gazipur	Location : Gazipur Sadar
	Cluster Product : Pullovers, Cardigans, Turtle-necks etc.	No. of Enterprise : 60

There are 60 sweater manufacturing units located at Gazipur sadar. More than 6,000 skilled and non skilled workers are employed in the cluster out of which 75% are male and 25%, female. These are 100% export oriented manufacturing units. The 1st unit was established during 1990s by a private enterprise and now it is a growing cluster due to increasing potentials and opportunities of business. This cluster covers 5 square km land of private ownership having all types of utilities like electricity, gas, water, roadway and sewerage system. There is land available for further expansion of the cluster. Most of the manufacturing units have valid trade license but their exact percentage is unknown, around 50% and 20% of the units have TIN and VAT registration respectively. Only few entrepreneurs borrow from the banks, others have sources of financing of their own. The cluster has linkage with export related service providers. Key numeric data on the cluster can be seen in the Annex-1/65:

66	Cluster Name : Saw Mills Cluster, Gopalganj	Location : Notunbazar, Gopalganj Sadar
	Cluster Product : Timbers and Logs and Wooden Furniture	No. of Enterprise : 50

A cluster of automatic saw mills producing different sized timbers and logs as well as wooden furniture has been identified at Notunbazar of Gopalganj. There are 50 manufacturing units operating inside the cluster that use tree logs and wood as the basic raw materials that are locally procured.

There are 300 skilled workers (most of them are male) currently employed in the production units operating inside the cluster. The total turnover stands at around Tk. 4 million per year. Outputs are sold inside the country. The 1st producing unit was setup in 1950 and the 50th one was in 1980. The cluster has experienced a natural growth. Present trend shows that the cluster is a declining one; factor behind such trend is restriction on acquiring raw materials- tree.

Cluster is on a land area of spread around 726 decimal owned by the proprietors of the units as well as government. There is no additional land available for expansion. The area is well connected to electricity and water. There is drainage facility inside the cluster. The distance of national high way from the cluster is 2 km.

The units operating inside cluster have trade license but their exact percentage is unknown and 20% units have both TIN and VAT registration. No external support was given for cluster development except financing from banks and NGOs.

The units inside the cluster do not pollute the environment. There is no trade association inside the cluster.

Key numeric data on the cluster can be seen in the Annex-1/66:

67	Cluster Name : Beauty Parlor Cluster	Location : Jamalpur Sadar
	Cluster Product : Health and Beauty Services	No. of Enterprise : 60

There are about 60 beauty parlors located at Jamalpur Sadar. A total of 2100 skilled and non skilled workers are employed in the cluster and all of them are female. The annual turn-over of this cluster is Tk. 20 million. The 1st unit started operating in 1983 and it turned into a cluster in 2011. It is a growing cluster because of increasing demand of its services. The area of the cluster is about 150 decimal of land under private ownership. This cluster has electricity, water and concrete roadway facility but there is lack of proper sewerage system. There is no land available for further expansion



of the cluster. All the units have valid trade license, TIN but no VAT registration and they are not getting any kind of technical support from other sources. Some of the entrepreneurs borrow from the bank. The cluster has no linkage with any service provider(s). Key numeric data on the cluster can be seen in the Annex-1/67:

68	Cluster Name : Nakshi katha Cluster, Jamalpur	Location : Jamalpur Sadar
	Cluster Product : Nokshi Katha (Embroidered Quilts)	No. of Enterprise : 50

A cluster having production units of Nakshi Katha (embroidered quilts) was identified at ward no 03 of Jamalpur Sadar. Inside the cluster there are 50 manufacturing units producing Nokshi katha, using cloth and cotton as the basic raw materials which is locally procured. There are 500 workers (male 210 and female 1890) currently employed in the production units operating inside the cluster. The total amount of turnover produces stands at around Tk. 2.75 million per year. 100% outputs are sold inside the country. The 1st producing unit was setup in 1983 and the 50th one in 2010. The cluster has experienced a natural growth without Govt. support. Present trend shows that the cluster is a growing one, factors behind such trend is increase in demand of the products in the local market. Cluster is based on a land area of 300 decimal, mostly owned by the proprietors of the factories. There is no availability of land for further expansion. The area is well connected to electricity. There is drainage facility inside the cluster. The distance of national high way and train station from the cluster is 0.5 km and 1 km respectively. The units operating inside cluster have trade license, TIN and VAT registration but their exact percentage is unknown. No external support was given for cluster development except source of finance from Banks. There is only one business association where more than 80% operating units are members. Most of the units do have access to finance. There is no communication between the cluster and research institute but have little communication with the Business development services and advisory firms. Key numeric data on the cluster can be seen in the Annex-1/68:

69	Cluster Name : Leather Cluster, Kishorganj	Location : Bhoirab, Kishoreganj
	Cluster Product : Foot wear	No. of Enterprise : 2500

A footwear producing cluster has been identified at Bhoirab, Kishorganj that produces different types of shoes. The total number of manufacturing units is 2500. Approximately 25,000 people work in these units of which 100% are male. The 1st unit was set-up in 1990 under private entrepreneurship and it turned into cluster in 2003 with the establishment of the 50th unit. This cluster is now in growing stage due to increasing demand for foot wears produced. Total land area in the cluster is around 3 square miles under private ownership. There is scope for expansion as land is available for further use and the cluster has electricity, water, road and sewerage system. Almost 80% of the units have trade license and 5% of them have TIN and VAT registration. A private organization supports them in terms of Trade fair participation. Some water pollution occurs and no abatement strategy has been taken yet. Some entrepreneurs borrow from the banks. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/69:

70	Cluster Name : Light Engineering	Location : Nagua & Hybatnagar, Kishorganj
	Cluster Product : Steel furniture, Grill gate, Machinery	No. of Enterprise : 180

There are about 180 light engineering units located at Nagua, Kishorganj which are producing Auto paddy thresher, sheet metal products –furniture, cabinet and grill gate etc. Approximately 8200 workers are employed in this cluster (100% male). The annual turn-over of this cluster is Tk. 18



million. These units started functioning in 1975 and turned into a cluster in 1990. Each unit covers about 8 decimal of land by private ownership and there is possibility of expansion. The cluster is facilitated by all types of utilities like electricity, water, road way but lacks proper sewerage system. All manufacturing units have valid trade license and 70% of them have TIN and VAT registration. There are no environmental pollution caused by the production units. Some of the entrepreneurs borrow from the bank but they have no interaction with any other service providers. Key numeric data on the cluster can be seen in the Annex-1/70:

71	Cluster Name : Saw Mills Cluster, Madaripur	Location : Puran Bazar, Madaripur
	Cluster Product : Timbers and Logs and Wooden Furniture	No. of Enterprise : 70

A saw mills cluster comprising 70 production units has been identified at Puran Bazar of Madaripur. A total number of 700 skilled and semi-skilled workers are employed in the cluster of which 665 are males and 35 are females. Raw materials used for production in the cluster are natural wood that are procured locally. The annual turnover is around Tk. 52.5 million. Products are sold 30% in the local market and 70% nationally. The first unit started operating in 1985 and the 50th one was established in 2004. The cluster experienced a natural growth and at present it is at a growing stage. Reason behind such trend is the increasing demand for the products.

The land area of the cluster is around 3500 decimal. There is no more land is available for further expansion of the cluster. The cluster has electricity and running water. There are concrete roads and drainage system as well. The cluster is well connected to river port. The distances to national highway and railway station are 2 km and 20 km respectively.

Almost all the units inside the cluster have trade license; however, 60% of the units have TIN and 50% of them have VAT registration. The cluster received technical assistance from the government for its development through the SME Foundation in terms of skill development. There is a trade association inside the cluster of which more than 80% of the units are members. The entrepreneurs have access to bank financing. Some of the units also borrowed from the NGOs. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/71:

72	Cluster Name : Light Engineering Cluster	Location : Madaripur Sadar
	Cluster Product : Steel furniture, Grille etc.	No. of Enterprise : 55

There are about 55 light engineering units producing steel furniture and grilles that are located at Madaripur Sadar. A total of 550 skilled and semi-skilled workers are employed in the cluster out of which 522 are male and 28 are female. The annual turn-over of this cluster is Tk. 41.25 million. The 1st unit started operating in 1988 and the place turned into a cluster in 2005.

The cluster covers about 300 decimal of land by both private and public ownership and there is no chance for this cluster to expand due to lack of land availability. This cluster has all types of utilities like electricity, water and roadway and sewerage system. Most of the manufacturing units have valid trade license and TIN but their exact percentage is unknown, however 50% of them have VAT registration. No environmental pollution during the production process.

Some of the entrepreneurs borrow from the bank but they have no interaction with any other kind of service providers. Key numeric data on the cluster can be seen in the Annex-1/72:



73	Cluster Name : Bamboo and Cane Cluster	Location : North Shibbari, Ghior, Manikganj
	Cluster Product : Bamboo and cane products	No. of Enterprise : 100

A cluster of bamboo and cane works has been identified in North Shibbari of Ghior, Manikganj. The total numbers of operating units are 100. These units use bamboo and cane as raw materials for their production and most of the raw materials required are locally procured. A total number of 400 skilled workers are employed in these units of which 60% are male and 40%, female. The total amount of turnover stands at Tk. 0.60 million per year. Outputs are sold 60% locally and 40% nationally. The 1st unit in the cluster was setup in 1860 and the establishment date of the 50th one was unknown. The cluster was formed naturally without any support from any institution. Present trend shows that the cluster is a declining one; the main factor behind such trend is scarcity of raw materials in the area. Total land area in the cluster is around 1 square km, which is mainly owned by the owners of the enterprises. There is enough land available for expansion of the cluster. The power supply has taken an acute proportion. There are brick layered roads inside the cluster. The area has no drainage system. The distance from the cluster to national highway is 8 km and railway is 60 km. Units inside the cluster do not have trade license, TIN and VAT registration. Till to date no support has been received for development of the cluster.

The units inside the cluster do not pollute the environment. There is no trade association inside the cluster.

Financial support was taken from the NGOs for the development of the units in the cluster. The cluster has no interaction with any research institute and/or any service providers. Key numeric data on the cluster can be seen in the Annex-1/73:

74	Cluster Name : Garments Cluster, Munshigonj	Location : Shakharibazar, Munshigonj
	Cluster Product : Children's and Women's Wear	No. of Enterprise : 5000

There are 5 separate clusters of children's and women's wear operating in 5 separate places such as Panchasar, Mirkadim, Mahikhali, Bajro Jogini and Rampal in the Munshigonj district. In all these 5 clusters there are around 5000 manufacturing units producing children's and women's wear. These manufacturing units procure their raw materials from local sources. There are around 80,000 workers employed in these clusters and all of them are male. No female worker has been employed in these clusters. Total volume of turn over that accrues from these five clusters has been around Tk 5 billion. 10% of the outputs are sold in the local market whereas 90% are marketed nationally. The manufacturing units do not export these output. The first production unit started in 1961 and the 50th one started operation in 1988. The cluster has been developed naturally without any government support. It has been observed that the cluster has all the potentials of a growing. Since manufacturing of children's and women's wear has been a profitable business, entrepreneurs took self initiative to setup manufacturing units followed by other potential investors, resulting in formation of clusters over the years. There are about 50000 decimal of land all owned under private proprietorship covering the clusters. Additional land is still available for expansion of the clusters. The area is well connected with electricity and gas. Inside the cluster asphalt roads are also available.

100% of manufacturing units have trade license, but none has TIN and Vat registration, No significant help was made available to them, expect sum of Tk. 25,000/-each was provided by BSCIC. No support has ever been provided for Technology transfer, access to international markets, participation in trade fairs, cash incentives, product design & development, fiscal incentives, provisions of subsidiary, easy access to loan etc. The manufacturing units don't have any interaction with any research institute or service provider. It appears that these 5 clusters continue to exist, operate and grow at their own initiatives. Key numeric data on the cluster can be seen in the Annex-1/74:



75	Cluster Name : Fishing net Clusters	Location : Munshigonj Sadar
	Cluster Product : Mono filament fishing nets	No. of Enterprise : 70

It was found that there is a cluster of fishing net manufacturing units located at Panchasar, Rampal and Munshigonj Sadar Union.

There are 70 manufacturing units in the cluster. These units produce fishing nets using imported nylon chips and local ropes. There are around 12000 workers employed in these cluster of which 7200 are male and 4800 female. The total turnover of this cluster is around Tk. 2.1 million. 2% of the products are sold in the local market 95% in the national market and 2% in international market. The first manufacturing unit was setup in 1978 and the 50th one was setup in 1990. The cluster had a natural growth without support from the Government. This is a growing sector because of improved technology and increase in demand of fishing equipments. Each manufacturing unit has a land area of around 10 decimal. There is enough land available for expansion of the cluster. Inside the cluster there is electricity and gas connection with brick layered and asphalt roads as well as drainage facility. The national highway is only 2 km from the cluster.

All the manufacturing units have trade license, TIN and 50% of them have VAT Registration. Outside support, especially in the form of loan, is available for the development of the cluster. However, support like skill development, technology transfer, access to international market, participation in trade fairs, availability of cash incentives, support for product design and development, fiscal incentives, support in the form of subsidy and access to loans on easy terms have been missing in the clusters. The manufacturing units do not pollute the environment. A certificate to this effect is also available. There is a business association inside the cluster having more than 80% manufacturing units as its members. The units do have access to finance, but they are to pay very high interest on the borrowed loan. The units have does not inter-relationship with any research institute or service provider, except with audit firm and tax and VAT consultants. Key numeric data on the cluster can be seen in the Annex-1/75:

76	Cluster Name : Jewelry Cluster, Mymensingh	Location : Gangirpar, Mymensingh Sadar
	Cluster Product : Gold ornaments	No. of Enterprise : 150

There are about 150 gold ornaments manufacturers located at Gangirpar, Mymensingh Sadar. About 1200 skilled workers (goldsmiths) are employed in the cluster all of whom are men. The first unit was established during 1947 and it turned into a cluster in 1989. Because of increasing demand for their manufactured ornaments, this cluster is gradually growing. Each unit, on an average, occupies about 1 decimal of land by private ownership and there is no chance of expansion due to shortage of land. This cluster is facilitated by electricity, gas, water and sewerage system. All manufacturing units have valid trade license, TIN and 50% of them have VAT registration and they are not getting any kind of technical support from others. Some of the entrepreneurs borrow from the bank but have no interaction with any other service providers. Key numeric data on the cluster can be seen in the Annex-1/76:

77	Cluster Name : Beauty Parlor Cluster	Location : Mymensingh Sadar
	Cluster Product : Health and Beauty Services	No. of Enterprise : 100

There are about 100 beauty parlors located at the vicinity of New Market of Mymensingh Sadar. A total of 500 skilled and semi-skilled workers are employed within the cluster all of whom are female. The annual turn-over of this cluster is Tk. 3.6 million.

The first unit started doing business in 1989 and it turned into a cluster in 2006. It is a growing cluster because of increasing demand for the services they provide. Each unit covers about 5



decimal of land by private ownership and there is no chance of expansion due to lack of land availability.

This cluster is facilitated by electricity and sewerage system. All the operational units have valid trade license, TIN and VAT registration but the exact percentage of the units is unknown. They are not getting any kind of technical support from others. Some of the entrepreneurs borrow from the bank but have no interaction with any service providers. Key numeric data on the cluster can be seen in the Annex-1/77:

78	Cluster Name : Healthcare Cluster, Mymensingh	Location : Mymensingh Sadar
	Cluster Product : Diagnostic and Healthcare	No. of Enterprise : 75

There are about 75 diagnostic and health care units that are located at Mymensingh sadar. A total of 1275 health care professionals, skilled and semi-skilled workers are employed in this cluster of whom 1148 are men and 127 are women. The annual turn-over of this cluster is Tk. 47.25 million. The first diagnostic and health care unit was established in 1990 and it turned into a cluster in 2005. Each unit covers about 3 decimal of land by private ownership and there is no chance of expansion due to shortage of land. This cluster has all types of utilities like electricity, water, roadway but it lacks of proper sewerage system. All the units have valid trade license, TIN and 50% of them have VAT registration. They get some technical support from some privately owned professional services from time to time. There are no environmental pollution issues with these health care facilities. Some of the entrepreneurs borrow from the bank but they do not receive any kind of financial support from any governmental or non-governmental agencies. The cluster has interaction with health related service providers. Key numeric data on the cluster can be seen in the Annex-1/78:

79	Cluster Name : Garment Cluster, Mymensingh	Location : Nawmata-Gouripur, Mymensingh
	Cluster Product : Half pant (Shorts)	No. of Enterprise : 100

There are about 100 half pants manufacturing units located at Nawmata- Gouripur of Mymensingh district. Total 1150 skilled and semi-skilled workers are employed in the cluster of which 500 are male and 650 female. The annual turn-over of this cluster is Tk. 48 million. The first unit was established in 1950 and the vicinity turned into a cluster in 2000. This cluster is gradually growing due to high demand of the product they manufacture. Each unit covers about 1 decimal of land under private ownership. This cluster is facilitated by electricity and concrete road system but there is lack of sewerage system. There is land available for further expansion of the cluster. None of the units in the cluster possess any valid trade license, TIN and VAT registration and they are not getting any kind of technical support or appropriate advice for further development of the cluster. The units inside the cluster have access to bank financing. None of the enterprises have any interaction with any other service provider(s). Key numeric data on the cluster can be seen in the Annex-1/79:

80	Cluster Name : Agro Processing Cluster	Location : Narayanganj City Corporation
	Cluster Product : Flour, Wheat etc.	No. of Enterprise : 65

A cluster having production units of flour, atta (wheat flour) and related products was identified at ward no. 18 of Narayanganj City Corporation. Inside the cluster there are 65 manufacturing units producing flour atta, suzi (grits) and related products, using wheat as the basic raw material. Although a sizable amount of wheat is produced in the country, yet a good amount is imported from other countries as well. There are 5000 workers currently employed in the production units operating inside the cluster. The turnover stands at around Tk 19.5 million per year. 100% output are sold inside the country. The 1st producing unit was setup in 1965 and the 50th one, in 1980. The



cluster has experienced a natural growth without Govt. support. Present trend shows that the cluster is a growing one; factors behind such trend are increase in population and growing demand for wheat based food items. Each factory has a land area of 15 decimal, mostly owned by the proprietors of the factory. There is adequate land for expansion all through the area that is well connected to electricity and water. However the cluster lacks interior roads for movement of goods and personnel. There is drainage facility inside the cluster. The units operating inside the cluster have trade license, TIN and VAT registration but the exact percentages of unit that having trade license, TIN and VAT registration is unknown. No external support was given for cluster development except source of finance from commercial banks. There is only one business association of which more than 80% operating units are members.

Usually the units do have access to finance in the form of bank loan. There is no interaction between the cluster and research institute. Service provides, law firms and TAX & VAT Consultants. Key numeric data on the cluster can be seen in the Annex-1/80:

81	Cluster Name : Jamdani Cluster, Narayanganj.	Location : Tarabo-Rupganj, Narayanganj
	Cluster Product : Jamdani sarees, 3 Piece Sets etc.	No. of Enterprise : 1364

A cluster comprising approximately 1,364 Jamdani saree manufacturing units has been identified at Tarabo, Rupganj thana of Narayanganj district. There are around 14,000 workers in this cluster, where 80% are male and 20% female. These jamdani saree manufacturing units were established over the years through government support. This cluster is growing because of increasing demand of the products. The area of this cluster is about 2000 decimal of land, under govt. ownership. There is no scope for expansion because of non-availability of land. The cluster has electricity, water, road, gas and sewerage facility.

Most of the units have trade license but no TIN and VAT Registration. The cluster receives development support from BSCIC and EPB in terms of cash incentives, bank loan, subsidy and participation in trade fair. No environmental pollution occurs. Only a few entrepreneurs borrow micro loan from banks. This cluster has a linkage with the service providers specially BSCIC and a few banks. Key numeric data on the cluster can be seen in the Annex-1/81:

82	Cluster Name : Jamdani Cluster, Narayanganj	Location : BSCIC Jamdani Village, Rupganj, N.ganj
	Cluster Product : Jamdani sarees, 3 Piece Sets etc.	No. of Enterprise : 399

It was found that there are approximately 399 Jamdani saree manufacturing units located at BSCIC Jamdani Polli Rupganj thana of Narayanganj district. There are around 850 workers in this cluster, where 80% are male and 20% female. These jamdani saree manufacturing units were established over the years through government support.

This cluster is growing because of increasing demand of the products. The area of this cluster is about 2000 decimal of land, under govt. ownership. There is no scope for expansion because of non-availability of land. The cluster has electricity, water, road, gas and sewerage facility. Almost 100% have trade license but no TIN and VAT Registration. The cluster receives development support from BSCIC and EPB in terms of cash incentives, bank loans, subsidy and participation in trade fair.

No environmental pollution occurs. Only a few entrepreneurs borrow micro loan from banks. This cluster has a linkage with the service providers specially BSCIC and a few banks. Key numeric data on the cluster can be seen in the Annex-1/82:



83	Cluster Name : Jamdani Cluster, Narayanganj	Location : Murapara-Rupganj, Narayanganj
	Cluster Product : Jamdani sarees, 3 Piece Sets etc.	No. of Enterprise : 170

It was found that there are approximately 170 Jamdani saree manufacturing units located at BSCIC Murapara, Rupganj thana of Narayanganj district. There are around 1070 workers in this cluster, where all of them are male. These jamdani sarees and 3 piece sets manufacturing units were established over the years by government support. This cluster is growing because of increasing demand for the products. The area of this cluster is about 2000 decimal of land, under govt. ownership. There is no scope for expansion because of non-availability of land. The cluster does have electricity, water, road, gas and sewerage facility.

Almost 100% of the units have trade license but no TIN and VAT registration. The cluster receives development support from BSCIC and EPB in terms of cash incentives, bank loan, subsidy and participation in trade fair. No environmental pollution occurs. Only a few entrepreneurs borrow from banks. This cluster has linkage with the service providers specially BSCIC and a few banks. Key numeric data on the cluster can be seen in the Annex-1/83:

84	Cluster Name : Jamdani Cluster, Narayanganj	Location : Ichakhali-Rupganj, Narayanganj
	Cluster Product : Jamdani sarees, 3 Piece Sets, etc.	No. of Enterprise : 81

It was found that there are approximately 81 Jamdani saree manufacturing units located in Ichakhali, Rupganj thana of Narayanganj district. There are around 810 skilled and semi-skilled workers employed in this cluster of which 60% are male and 40% female. The market shares of these products are 50% national and 50% international. These jamdani saree manufacturing units were established over the years owing to natural cause without government support. However they are now gradually declining due to lack of skilled workers and labor migration to other sectors. The area of this cluster is about 2000 decimal of land under private ownership and BSCIC industrial estate. There is a scope for expansion because of availability of land. The cluster does have electricity, water, road and sewerage facility but lack gas. Almost all the enterprises have valid trade license but their exact percentages is unknown. However none of the units have TIN and VAT Registration. The cluster receives development support from BSCIC and EPB in terms of cash incentives, bank loan, subsidy and participation in trade fair. A limited quantity of dyes and chemicals are used in manufacturing process that pollutes the nearby water bodies but there is no ETP plant installed.

Only a few entrepreneurs borrow micro credit from banks. This cluster has linkage with the service providers specially BSCIC and a few banks. Key numeric data on the cluster can be seen in the Annex-1/84:

85	Cluster Name : Jamdani Cluster, Narayanganj	Location : Siddhirganj, Narayanganj
	Cluster Product : Jamdani sarees, 3 Piece Sets etc.	No. of Enterprise : 150

It was found that there are approximately 150 Jamdani saree and 3 piece sets manufacturing units located at BSCIC Jamdani Polli in Siddhirganj of Narayanganj district. There are around 1500 skilled and semi-skilled workers employed in this cluster of which 100% are male. These jamdani saree manufacturing units were established over the years by government support. This cluster is growing because of increasing demand for the products. The area of this cluster is about 2000 decimal of land, under govt. ownership. There is no scope for expansion because of non-availability of land. The cluster does have electricity, water, road, gas and sewerage facility. Most of the units have trade license but their exact percentage is unknown, however none of the



units have any TIN or VAT Registration. The cluster received development support from BSCIC and EPB in terms of cash incentives, bank loan, subsidy and participation in trade fair. No environmental pollution occurs. Only a few entrepreneurs borrow micro credit from banks. This cluster has a linkage with the service providers specially BSCIC and a few banks. Key numeric data on the cluster can be seen in the Annex-1/85:

86	Cluster Name : Jamdani Cluster, Narayanganj	Location : Shadipur-Sonargaon, Narayanganj
	Cluster Product : Jamdani sarees, 3 Piece Sets etc.	No. of Enterprise : 450

It was found that there are approximately 450 Jamdani saree manufacturing units located at Shadipur, Sonargaon of Narayanganj district. There are around 4500 skilled and semi-skilled workers employed in this cluster of which 80% are male and 20% female. This cluster is growing because of increasing demand of the products. The area of this cluster is about 2000 decimal of land, under govt. ownership. There is no scope for expansion because of non-availability of land. The cluster does have electricity, water, road, gas and sewerage facility. Almost 100% of the units have trade license but none have TIN and VAT Registration. The cluster receives development support from BSCIC and EPB in terms of cash incentives, bank loan, subsidy and participation in trade fair. No environmental pollution occurs.

Only a few entrepreneurs borrow micro credit from banks. This cluster has a linkage with the service providers specially BSCIC and a few banks. Key numeric data on the cluster can be seen in the Annex-1/86:

87	Cluster Name : Jamdani Cluster, Narayanganj	Location : Chandpur-Sonargaon, Narayanganj
	Cluster Product : Jamdani sarees, 3 Piece Sets etc.	No. of Enterprise : 145

It was found that there are approximately 145 Jamdani saree and 3 piece sets manufacturing units located at Chandpur of Narayanganj district. There are around 1450 skilled and semi-skilled workers employed in this cluster of which 80% are male and 20% female. This cluster is growing because of increasing demand for the products. The area of this cluster is about 20 decimal of land, under govt. ownership. There is no scope for expansion because of non-availability of land. The cluster does have electricity, water, road, gas and sewerage facility. Almost 100% of the units have trade license but no TIN and VAT registration. The cluster receives development support from BSCIC and EPB in terms of cash incentives, bank loan, subsidy and participation in trade fair. No environmental pollution occurs.

Only a few entrepreneurs avail micro credit facility. This cluster has linkage with the service providers specially BSCIC and a few banks. Key numeric data on the cluster can be seen in the Annex-1/87:

88	Cluster Name : Garments Cluster	Location : Sadar, Narayanganj
	Cluster Product : Children wear, Shirts, and Pants etc.	No. of Enterprise : 1000

A Garments cluster has been identified within Narayanganj City Corporation producing children's wear, shirts, pants etc. A total of around 25,000 workers are employed of which 90% are male and 10% are female. The annual turn-over is around Tk. 250 millions. The land area inside the cluster is around 4800 decimal, all of which is rented. There is scope for cluster expansion. The cluster has electricity and water connection but gas supply appears to be poor. There is brick layered road inside the cluster. The cluster does have a drainage system. Most of the units inside the cluster do have trade license, TIN and VAT registration but their exact percentages are not available. The units do not receive any external support for cluster development. The units in the past did receive development support for skill development, access to international market, participation in trade



fair, cash incentives. No environmental pollution occurs. The units do have access to bank loans at standard interest rate. The cluster does have link with research organization as well as trade development agencies including link with law firm, audit & account firm, TAX and VAT consultants and Q.C. Key numeric data on the cluster can be seen in the Annex-1/88:

89	Cluster Name : Knitting Cluster	Location : Tanbazar, Narayanganj City Corporation
	Cluster Product : Knitwear	No. of Enterprise : 100

A knit fabric cluster has been identified at BSCIC industrial area of Narayanganj. There are more than 100 manufacturing units operating inside the cluster, producing knit fabrics using cotton yarn as their raw materials that are procured both from foreign and local markets. A total of around 10000 workers are employed inside the cluster of which the male female ratio is around 50:50. The units operators within the cluster declined to provide information on their turnovers. The products of these units are sold to export oriented RMG units. The 1st and the 50th units have been setup in 1980 and 1990 respectively. The cluster developed naturally and has a potential of growth, but at a small rate. The reason behind such growth potential is the availability of competitive labor and gas supply.

The land area inside the cluster is around 1900 decimal, all of which is rented. Even there is enough land available for expansion. The cluster has electricity and water connection but gas supply appears to be poor. There is brick layered road inside the cluster as well as a functional drainage system. Most of the units inside the cluster do have trade license, TIN and VAT registration but their exact percentages are unknown. The units do not receive any extended support for cluster development. The units in the past had development support for skill development, access to international market, participation in trade fair and cash incentives. There is a trade association inside the cluster, where 80% units are members. The units do have access to bank loans for amounts such as Tk.20 million to Tk.100 million at competitive interest rate. The cluster does have link with research organization as well as trade development agencies including link with law firm, audit & account firm, TAX and VAT consultants and Q.C. Key numeric data on the cluster can be seen in the Annex-1/89:

90	Cluster Name : Hosiery Cluster	Location : Sadar, Narayanganj
	Cluster Product : Baby wear, Ladies and Gents under Garments	No. of Enterprise : 2500

A Garments cluster has been identified within Narayanganj City Corporation area. There are about 2500 manufacturing units operating inside the cluster. The units normally produce children's wear, baby suits, ladies cardigans etc. A total of around 20,000 workers, where 60% of them are male and 40% are female are employed in the cluster. The market share is 100% national. The cluster has a potential of growth due to increasing demand of the products. The land area inside the cluster is around 4800 decimal all of which is rented. There is scope for cluster expansion. The cluster has electricity and water connection but gas supply appears to be poor. There is a brick layered road inside the cluster. The cluster does have a drainage system. Most of the units inside the cluster do have trade license, TIN and VAT registration but their exact percentages are not available. No environmental pollution occurs.

The units do have access to bank loans. The cluster has a linkage with FBCCI and also with Audit firm, Tax and VAT consultants as service providers. Key numeric data on the cluster can be seen in the Annex-1/90:

91	Cluster Name : Textile mills Cluster, Narshingdi	Location : Narshingdi Sadar
	Cluster Product : Grey fabric	No. of Enterprise : 100

In the Sadar Union of Narshingdi district a Textile Mills cluster was found. The Cluster comprises of 100 production units engaged in the production of fabrics and textile products using local raw



cotton. A total of 200, 00 skilled and semi-skilled workers are employed in the cluster of which 90% are male and 10% are female. The total turnover of the cluster is around Tk. 600 million. The 1st mill at the cluster was setup in 1985 and by 1990 the 50th one was setup. Natural factors were behind the development of this cluster. Govt. policy had no role in the expansion and development of the cluster; 80% of the products are sold nationally and 20% in international market. Presently the trend in the cluster appears to be stagnant, due to labor unrest and shortage of raw material such as yarn. Each manufacturing unit is set up within 15 decimal of land which is either owned by the owner or rented. In addition, there is enough land available for further expansion of the cluster. Moreover, the area is well connected with national highways, waterways and airways with brick layered and asphalt roads. However, the power and gas supply to the cluster is precarious. Most of the units do have trade license, TIN and VAT registration but their accurate percentages are unknown. Till to date no initiative could be seen for development of the cluster, not even in the form of financing, technology transfer, international market access, participation in trade fair, cash incentives, product development design, fiscal incentives, subsidy, grants and easy accessibility to finance. The manufacturing units are polluting the whole environment as the units go for yarn dyeing inside the cluster. Obviously, a central ETP is a pre-requisite for better environment and abatement of pollution. A trade association operates inside the cluster with 80% units being member of the association.

Although the operating units have access to finance, they are under serious financial pressure due to very high interest rates on the borrowed capital which is between 17% and 18%. There is no linkage between the cluster and any research organization. However they do have interaction with service providing units, such as law firms, audit firms, Tax and VAT consultants and QC consulting firms. The cluster needs intervention for further development and expansion. Key numeric data on the cluster can be seen in the Annex-1/91:

92	Cluster Name : Textile Cluster, Narshingdi	Location : Madhobdi, Narshingdi
	Cluster Product : Grey Fabrics, Poplin etc.	No. of Enterprise : 300

In Madhobdi Upazilla of Narshingdi, a cluster of textile units has been identified. The total number of operating units is 300. A total number of 15,000 skilled and semi-skilled workers are employed in these units of which 70% are male and 30% female. The 1st unit in the cluster was setup in 1980 and the 50th one in 1990. The cluster was formed naturally without any support from any institution including the Govt. At the moment the trend in the cluster is on the decline and many units already have become non functional. Non availability of skilled workers contributed much to such decline. Total land area in the cluster is around 100 decimal which is mainly owned by the private parties, mostly by owners of factories. There is not enough land available for expansion of the cluster and the power and gas supply has taken an acute proportion. There are muddy and brick layered roads inside the cluster. The area has a drainage system for draining out effluents and chemically contaminated water. However, within 5 km radius, one can reach national highway, railway and water ways. Most of the units inside the cluster posses trade license, TIN and VAT registration but their exact percentages are not available. No support has ever been received for development of the cluster. The cluster in the past never received any co-operation in terms of skill development, technology transfer, access to international market, participation in trade fair, cash incentive, product design and development, fiscal incentives, subsidy, grants and access to finance at low rate interest. There is a trade association within the cluster and 60% of the units have membership in it. The units are polluting the environment as contaminated water remains stagnant, and effluents remain stockpiled. No ETP has been operating in the cluster. The units have 100% access to finance from banks and FIS. There is no link with any research institute. However, the units do have link with service providers such as law firms, TAX and VAT consultants and audit firms. Key numeric data on the cluster can be seen in the Annex-1/92:



93	Cluster Name : Dyeing and Printing Cluster	Location : Narshingdi Sadar Union
	Cluster Product : Dyeing and Printing	No. of Enterprise : 90

In Narshingdi Sadar Upazilla a cluster of Dyeing and Printing units has been identified. The total number of operating units is 90. These units use color, dyes and chemical. Most of the raw materials required for dyeing and printing are imported. 45,000 skilled and semi-skilled workers are employed in these dyeing and printing units of which 89% are male and 11% female. The respondent was reluctant to disclose the total turnover of the cluster 80% of the produce are sold locally and 20% nationally. The 1st unit in the cluster was setup in 1980 and the 50th one in 1990.

The cluster was formed naturally without any support from any institutions including the Govt. At present the trend in the cluster is on the decline and many units already have become non functional. Non availability of skilled workers contributed much to such decline. Total land area in the cluster is around 16500 decimal which is mainly owned by the private parties, mostly by owners of factories. There is not enough land available for expansion of the cluster and the power and gas supply has taken an acute proportion. There are muddy and brick soled roads inside the cluster. The area has a drainage system for draining out effluents and chemically contaminated water. However, within 5 km radius, one can reach national highway, railway and water ways.

Most of the units inside the cluster posses Trade license, TIN and VAT registration but their accurate percentages are not available. Till to date no support has ever been received for development of the cluster. The cluster in the past never received any co-operation in terms of skill development, technology transfer, access to international market, participation in trade fair, cash incentive, product design and development, fiscal incentives, subsidy, grants and access to finance at low rate interest. A trade association is there and 60% of the units are members of the association. The units are polluting the environment as contaminated water remains stagnant and effluents remain stockpiled. However, no ETP has been operating in the cluster. The units have 100% access to finance from banks and FI. There is no link with any research institute. However, the units do have link with service providers such as law firms, Tax and VAT consultants and audit firms. Key numeric data on the cluster can be seen in the Annex-1/93:

94	Cluster Name : Pottery Cluster, Shariatpur	Location : Kailara, East Shiddya, Shariatpur
	Cluster Product : Pots, Bowls, Plates etc.	No. of Enterprise : 70

A cluster of approximately 70 pottery units has been identified in Kailara, East Shiddya of Shariatpur. At present the cluster employs 130 skilled and semi-skilled workers out of whom 65 are males and 85 females. They use clay and water as their basic raw materials that are procured locally. The first unit was established in 1905 and the 50th one, in 1960. The cluster grew naturally but now it is in a declining stage. The annual output is estimated at Tk. 2.1 million. Market shares for the products are 50% local and 50% national.

The total land area of the cluster is 140 decimal all of which is privately owned. Land is available for further expansion of the cluster. The enterprises have access to electricity, running water and concrete roads. There is no functioning drainage system inside the cluster. The distances to national highway, railway station and river port are 11 km, 70 km and 30 km respectively.

None of the enterprises inside the cluster have any trade license and TIN or VAT Registration. The units never received any technical assistance from any sources.

No environmental pollution occurs during the manufacturing process. No trade association was found inside the cluster.

The entrepreneurs have access to financing from banks. Some of them have borrowed from the



NGOs at 20% interest rate. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/94:

95	Cluster Name : Auto Rice Mills Cluster, Sherpur	Location : Digharpur, Sherpur
	Cluster Product : Rice	No. of Enterprise : 60

There are about 60 auto rice mill units located at Digharpur of Sherpur district. More than 2,700 skilled and semi-skilled workers are employed in these rice mills of which the numbers of male and female are 1200 and 1500 respectively. The annual turn-over is around Tk.134.78 million. The 1st unit started operating in 1968 by private entrepreneurs and gradually it turned into a cluster in 2007. The market share is 100% local. This cluster covers 7000 decimal of land under private ownership having all types of utilities like electricity, water and roadway but there is lack of sufficient gas and a functioning sewerage system. Land is available for further expansion of the cluster. Almost all manufacturing units have valid trade license and TIN but their accurate percentage is unknown. However, the units do not have any VAT registration. They receive technical support from other sources except from the government. Some environmental pollution occurs due to the rice husking. Only a few entrepreneurs borrow from bank. The entrepreneurs have not received any assistance from any research firm but they do get business support particularly in business promotion and advisory services. Key numeric data on the cluster can be seen in the Annex-1/95:

96	Cluster Name : Auto Rice Mills Cluster, Sherpur	Location : Nawahata, Sherpur
	Cluster Product : Rice	No. of Enterprise : 50

There are about 50 auto rice mill units located at Nawahata of Sherpur district. More than 2,700 workers are employed by these rice mills where male and female are 1,200 and 1,500 respectively. The annual turn-over is around Tk. 96 million. The 1st unit started business during 1973 and the cluster turned into a mature one in 2008. The market share is 100 % local. This cluster covers 7000 decimal of land under private ownership having all types of utilities like electricity, roadway but lack of sufficient gas and appropriate sewerage system.

Almost all manufacturing units have valid trade license and TIN but no VAT registration and they do not receive technical support from other sources except the government. Some environmental pollution occurs due to the rice husking. Only a few entrepreneurs borrow from bank. The entrepreneurs have not received any assistance from any research firm but they do enjoy business support particularly in business promotion and advisory services. Key numeric data on the cluster can be seen in the Annex-1/96:

97	Cluster Name : Auto Rice Mill Cluster, Tangail	Location : Kalihati, Tangail
	Cluster Product : Rice	No. of Enterprise : 150

There are about 150 auto rice mills located at Kalihati thana of Tangail district. More than 2,500 workers are employed in the cluster of which 60% are male and 40% female. The first unit was formed in 1982. The market share is 10% local and 90% national. This cluster covers 5 kilometers of land under private ownership and it has all types of utilities like electricity, water, roadway but lack of sufficient gas and appropriate sewerage system. There is land available for further expansion of the cluster.

Almost all manufacturing units have valid trade license, TIN and VAT registration and they enjoy technical support from others. No development assistance has been offered by any governmental or non-governmental organization. Environmental pollution occurs in the form of contaminated air in the surrounding villages.

Only a few entrepreneurs borrow from the bank. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/97:



98	Cluster Name : Auto Rice Mill Cluster, Tangail	Location : Ghatail, Tangail
	Cluster Product : Rice	No. of Enterprise : 50

There are about 50 auto rice mill units located at Ghatail of Tangail district. More than 1250 workers are employed in these units out of which 700 are male and the rest are female. The first unit was established in 1995 and it turned into a cluster during 2007-08. Annual turnover is Tk. 3.5 million. The product i.e. rice, is marketed 10% locally and 90% nationally. This cluster spread around 4 square km lands of private ownership and is facilitated by all types of utilities like electricity, water and roadway but there is lack of gas and sewerage system. There is land available for further expansion of the cluster. Almost all manufacturing units have valid trade license and TIN but their exact percentages are unknown, however around 80% percent of the units have valid VAT registration. No technical assistance has been provided from others for further development of the cluster.

Some dust pollution occurs in the process of production. Some of the entrepreneurs borrow from the bank. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/98:

99	Cluster Name : Coaching centre and Educational institutes	Location : Tangail Sadar
	Cluster Product : Educational services	No. of Enterprise : 150

There are about 150 coaching centers and educational service provider units that are located in Tangail Sadar. More than 1,500 skilled and unskilled workers are employed in the cluster where 75% are male and 25% female. The first unit was established during 1985. The services are provided in the local market about 90 % and 10% in national arena. It has become a growing sector because of high competitiveness, reliability among the students and guardians.

This cluster spread around 4 square km land of private ownership and is facilitated by all types of utilities like electricity, roadway, gas and sewerage system. There is land available for further expansion of the cluster.

The enterprises have valid Trade Licence but exact information related to TIN and VAT registration was not available. No assistance of any kind has been extended to the cluster for further development. No environmental pollution is caused by these units. The entrepreneurs do not borrow from the banks or any other financial institutions. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/99:

100	Cluster Name : Handloom Cluster, Tangail	Location : Bolla, Nawabbari, Paikra, Tangail
	Cluster Product : Clothes	No. of Enterprise : 2000

There are about 2000 handloom units located at Bolla, Nawabbari, Paikra of Tangail district. More than 50,000 skilled and semi skilled workers are employed out of which 70% are male and 30% are female. The first unit was established 300 years ago. The products are sold in the local market (20 %) and in the national market (80%). This cluster spreads over 6 square km privately owned area. Land is available for further expansion of the cluster. The cluster is connected with electricity but lacks gas, running water and sewerage system. There is no concrete or brick layered road within the cluster.

Almost 10% manufacturing units have valid trade license, TIN and VAT registration. The cluster received technical support from Handloom Board. These manufacturing units pollute water through dyeing process but they have no ETP facilities yet. Some of the entrepreneurs borrow from the banks and almost 20% of handloom owners are indebted to NGOs. They are not supported by any development and service providers yet. Key numeric data on the cluster can be seen in the Annex-1/100:



101	Cluster Name : Handloom Cluster, Tangail	Location : Bajitpur, Kalihati, Tangail
	Cluster Product : Clothes/Handloom products	No. of Enterprise : 500

There are about 500 handloom units located at Belta, Bajitpur, Kabilapara Village, Kalihati upazilla of Tangail district. More than 5,000 workers are employed by these manufacturing units out of which 60% are male and 40% are female. The first unit was established more than 100 years ago by private entrepreneur. Evidently it is a pretty old cluster with 500 production units. The products market shares are 20 % local, 70% national and 10% international market. This cluster covers around 5 square km lands of private ownership and there is a possibility of this cluster being expanded because of availability of land. Utilities like electricity, water and roadway are there but there is lack of gas and sewerage system.

Almost 20-30% of the manufacturing units have valid Trade License but none of them have TIN number. The cluster received no assistance of any kind from any organization for its development.

Some of the entrepreneurs borrow from the bank standard rate. A few years ago Handloom Board donated Tk.10,000/- to each handloom owner but at present this contribution has stopped. They are not supported by any development agency and service providers. Key numeric data on the cluster can be seen in the Annex-1/101:

102	Cluster Name : Hospital and Healthcare Cluster, Tangail	Location : Tangail Sadar
	Cluster Product : Diagnostics and Healthcare	No. of Enterprise : 50

There are approximately 50 diagnostic and health care units located at Tangail Sadar. More than 2,500 skilled and semi-skilled workers are employed in the cluster out of which 40% are male and 60% are female. The 1st diagnostic and health care unit was formed 20 years ago and the establishment date of the 50th unit is not known. This cluster covers 5 square km of land under private ownership and has all types of utilities like electricity, gas, water, road and sewerage system. Most of the units have valid trade license, TIN and VAT registration but their exact percentages are unknown. There is no environmental pollution. Only few entrepreneurs (5%) borrow from the banks at 16%-18% interest rate. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/102:

103	Cluster Name : Clothing Cluster, Tangail	Location : Delduar, Tangail
	Cluster Product : Readymade Garments, Handloom	No. of Enterprise : 2000

There are about 2,000 production units located at Delduar thana of Tangail district producing saree, dupatta (long scarf), Three piece set, Panjabi etc. More than 10,000 skilled and semi skilled workers are employed of which 50% are male and 50% female. The 1st unit was formed approximately 200 years ago but now is on decline due to lack of skilled labor, high cost of raw materials, non-availability of raw materials and lack of marketing strategy. This cluster covers 7 square km lands of private ownership and is facilitated by all types of utilities like electricity, water, roadway but lack of gas and sewerage system.

Most of the manufacturing units have valid trade license, TIN and VAT registration but their accurate percentages are unknown. There is no environmental pollution. Only few entrepreneurs (5%) borrow from the banks at 16%-18% interest rate. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/103:



Khulna Division

104	Cluster Name : Coconut Oil Mills Cluster	Location : Nagerbazar, Bagerhat
	Cluster Product : Processed Coconut Oil	No. of Enterprise : 35

A cluster comprising 35 coconut oil producing units has been identified in Nagarbazar of Bagerhat in Khulna. These enterprises use ripe coconuts as the raw materials for production that are locally procured. About 350 skilled and semi-skilled workers are employed in the cluster of which 300 are males and 50 are females. The annual turnover is Tk.2 million and the products are sold locally and nationally. The cluster experienced a natural growth and at present it is in declining stage. The reasons behind such trend are technological backwardness and declining demand for the product.

The enterprises in this cluster are scattered over 4 kilometers of land most of which is privately owned. There is land available for further expansion of the cluster. The enterprises have access to electricity and water but no gas. The cluster is well connected to the national highway and a river port. All the units in the cluster have valid trade license but none have TIN and VAT Registration. The cluster never received any technical or development assistance from any governmental or non-governmental source(s). Key numeric data on the cluster can be seen in the Annex-1/104:

105	Cluster Name : Rice Mill	Location : Sadarghat Bazar, Chuadanga Sadar
	Cluster Product : Rice	No. of Enterprise : 56

In Chuadanga Sadar upazilla there has been a cluster of Rice mills. The total number of operating mills is 56. These mills use paddy as raw materials for their production and all the raw materials required are local. A total number of 448 people work in these mills of which 40% are male and 60% female. The cluster yields a total amount of turnover around Tk.144 million per year. Produced rice is sold locally 50%, nationally 40% and internationally 10%. The 1st mill in the cluster was setup in 1969 and the 50th one in around 2000. The cluster was formed naturally without any support from any institution including the Govt. At the moment the trend in the cluster is on the growing because of profitable nature of the business and demand for rice is ever increasing as the population of the country keeps growing. Total landed area in the cluster is around 7000 decimal, which is mainly owned by the mill owners. There is enough land available for expansion of the cluster but the power and water supply have taken an acute proportion. There are brick layered roads inside the cluster and the area has a drainage system for draining out effluents and chemical contaminated water. However, the distance from the cluster to national highway is 22 km and railway, 14 km.

Most of the mills inside the cluster posses Trade license, TIN and VAT registration but their accurate percentages are unknown. Till to date no support has been received for development of the cluster. The cluster in the past never received any co-operation in terms of skill development, technology transfer, access to international market, participation in trade fair, cash incentive, product design and development, fiscal incentives, subsidy, grants and access to finance at low rate interest etc. There is a trade association inside the cluster and 80% of the units are member of that association.

The mills have 100% access to finance from Banks. There is no interaction with any research institute except with service providers such as law firms, Tax and VAT consultants and audit firms. Key numeric data on the cluster can be seen in the Annex-1/105:

106	Cluster Name : Rice Mill Cluster	Location : Jibon Nagar, Chuadanga
	Cluster Product : Rice	No. of Enterprise : 86

In Jibon Nagar upazilla of Chuadanga a cluster of rice mills has been identified. The total number of operating mills is 86. These mills use paddy as raw materials for their production and most of the



raw materials required are local. A total number of 1600 people work in these mills of which the ratio of men and women is 50:50.

The total amount of turnover stands at around Tk. 102 million per year; Produced rice is sold locally 40%, nationally 58% and internationally 2%. The 1st mill in the cluster was setup in 1980 and the 50th one in approximately 2003-2004. The cluster came into being naturally without any support from any institution including the Govt. At the moment the trend in the cluster is on the growing because of the profitable nature of the business and demand for rice. Total land area in the cluster is around 3500 decimal, which is mainly owned by the owners of the mills. There is enough land available for expansion of the cluster and the power and water supply have taken an acute proportion. There are brick layered roads inside the cluster; the area has a drainage system. Conveniently, the distance from the cluster to national highway is just 100 yards and railway is 15 kilometers.

Most of the mills inside the cluster posses Trade license, TIN but their exact percentages are not available, however, 80% of the units have VAT registration. Till to date no support has been received for development of the cluster. The cluster in the past never received any co-operation in terms of skill development, technology transfer, access to international market, participation in trade fair, cash incentive, product design and development, fiscal incentives, subsidy, grants and access to finance at low interest rate etc.

There is a trade association inside the cluster of which 80% of the units are members.

The mills have 100% access to finance from banks. There is no interaction with any research institute except with service providers such as law firms, TAX and VAT consultants and audit firms. Key numeric data on the cluster can be seen in the Annex-1/106:

107	Cluster Name : Agro Processing Cluster, Jessore	Location : Jhikorgacha, Jessore
	Cluster Product : Flowers	No. of Enterprise : 4000

Approximately 4000 flower cultivators/farmers producing different types of flowers have been identified at Jhikorgacha area of Jessore district. There are around 40,000 workers employed in this cluster, where 30,000 are male and 10,000 are female. The market shares of these products are 100% local. The annual turnover is around Tk.20 million. The 1st unit of flower cultivation started operating in 1983 and the 50th one came into being around 1984-1985. The cluster had a natural growth without any support from the Government. This is a growing sector because of increasing demand of flowers as well as flower cultivation has proved to be a source of self employment and economic sustainability. The area of this cluster is about 130000 decimal of land under the private entrepreneurs. There is chance of expansion because of availability of land. The cluster does have electricity, water, road and sewerage facility.

None of these units possess trade license, TIN and VAT Registration. The cluster receives technology transfer support from European Commission and Katalyst.

Only a few entrepreneurs borrow from the bank(s) and few of them borrow from NGOs. This cluster has a close connection with the Christian missionaries and NGOs. Key numeric data on the cluster can be seen in the Annex-1/107:

108	Cluster Name : Handicrafts Cluster, Jessore	Location : Jhikorgacha, Jessore
	Cluster Product : Handicrafts	No. of Enterprise : 1775

It was found that there are approximately 1755 families producing handicraft at Jhikorgacha area of Jessore district. This Cluster produces different types of handicrafts by using local raw materials. There are around 2000 workers employed in this cluster of which 100% are female. The market shares of these products are 100% international. The annual turnover is around Tk. 0.2 million. This



is a growing sector because of increasing demand for home decoration items. The area of this cluster is about 5 square km, under the private entrepreneurs. More specifically every house is a manufacturing unit. There is scope for expansion because of availability of land. The cluster has facilities like electricity and water.

There are no trade license, TIN and VAT Registration of these units. The cluster enjoys support from Christian missionaries in terms of skill development program, subsidy, donation and loan.

These manufacturing units do not pollute the environment.

Only a few entrepreneurs could borrow money from banks and NGOs. Key numeric data on the cluster can be seen in the Annex-1/108:

109	Cluster Name : Light Engineering	Location : Bokchar, Jessore Sadar
	Cluster Product : Bodies of motor cars, Repairing, lade and coloring	No. of Enterprise : 900

Approximately 900 light engineering units have been identified that are located at Bokchar area of Jessore Sadar. This cluster produces auto replacement parts, agriculture sawlow engine liner, construction machinery, bodies of motor cars using local raw materials. There are around 20,000-30,000 skilled and semi-skilled workers employed in this cluster of which 100% are male. The market shares of these products are local 50% and national 50%. The cluster had a natural growth without any support from Government. This is a growing sector because of improved technology, skilled laborers and increasing demand of the products and services rendered by the cluster. The area of this cluster is about 6000 decimal. The cluster has available land for expansion and has potential to be a special industrial park. The cluster has facilities like electricity, water, concrete roads and sewerage system. All manufacturing units have trade license. Only 10% entrepreneurs have TIN and only 2% have VAT Registration. The cluster does not receive any technical assistance from any source.

These manufacturing units pollute the environment through noise and tiny dust particles during different manufacturing process. Moreover, they do not have solid waste treatment plant.

Only a few entrepreneurs borrow from the banks and NGOs. The units have no interaction with any research institutes or service providers, except audit firms, Tax and VAT consultants. Key numeric data on the cluster can be seen in the Annex-1/109:

110	Cluster Name : Light Engineering	Location : Jessore Sadar
	Cluster Product : Textile Mills Parts, Concrete Breaking Machine, Medicine Making Machine	No. of Enterprise : 200

Approximately 200 light engineering units producing different types of textile parts, concrete breaking machine and medicine making machine have been identified in Jessore Sadar. There are around 40,000 workers employed in this cluster of which 100% are male. The market shares of these products are 50% local and 50% national. The annual turnover is around Tk.300 million. The 1st unit started operating in 1947 subsequently attracting more and more entrepreneurs gradually turned it into a cluster by 1982. The cluster had a natural growth without any support from the Government. This is a growing sector because of increasing demand of spare parts and machinery they produce; availability of skilled labor force is another factor that contributes to the expansion of the cluster. The area of this cluster is about 50000 decimal of land, under private entrepreneurs. There is probability of expansion because of availability of land. The cluster does have electricity, water, road and sewerage facility.

Most of these units have any trade license but their accurate percentage is unknown, however 30% and 20% of the units have TIN and VAT registration respectively. The cluster does not receive any technological support from any governmental and/or non-governmental sources.

These manufacturing units do not pollute environment.



Only a few entrepreneurs borrow working capital from the bank rate. This cluster has a linkage to related service providers. Key numeric data on the cluster can be seen in the Annex-1/110:

111	Cluster Name : Bamboo & Cane Cluster	Location : Dariapur, Jhenaidah
	Cluster Product : Bamboo & cane products	No. of Enterprise : 55

A cluster of bamboo and cane works has been identified in Dariapur of Jhenaidah. The total number of operating units is 55. These units use bamboos and canes as raw material for their production and most of the raw materials required are locally procured. A total number of 200 skilled workers are employed in these units of which 50% are male and 50%, female.

The total amount of turnover stands at Tk. 0.04 million per year in the cluster. Outputs are sold 100% locally. The 1st unit in the cluster was setup in 1950 and the establishment date of the 50th one was unknown. The cluster was formed naturally without any support from any institution. Present trend shows that the cluster is a growing one; factor behind such trend is increasing demand for bamboo and cane products. Total land area in the cluster is around 900 decimal, which is mainly owned by the owners of the enterprises. There is enough land available for expansion of the cluster. The power and water supply has taken an acute proportion. There are brick roads inside the cluster. The area has a functioning sewerage system. The distance from the cluster to national highway is 4 km and a railway station is 20 km.

Units inside the cluster do not have Trade license, TIN and VAT registration. Till to date no support has been received for development of the cluster. There is no trade association among the enterprises.

Financial support was taken from the NGOs for the development of the units in the cluster. The cluster has no interaction with any research institute and/or any service provider. Key numeric data on the cluster can be seen in the Annex-1/111:

112	Cluster Name : Bamboo works Cluster, Jhenaidah	Location : Modhupur (Daspara), Jhenaidah Sadar
	Cluster Product : Bamboo products	No. of Enterprise : 70

In Modhupur (Daspara) of Jhenaidah Sadar a cluster of bamboo works has been identified. The total number of operating units is 70. These units use bamboo as raw material for their production and most of the raw materials required are procured locally. A total number of 300 skilled workers are employed in these units of which 50% are male and 50%, female.

The total amount of turnover stands at taka 0.02 million per year in the cluster; outputs are sold 100% locally. The 1st unit in the cluster was setup in 1950 and the establishment date of the 50th one was unknown. The cluster was formed naturally without any support from any institution. Present trend shows that the cluster is a growing one; factor behind such trend is increasing demand for the products.

Total land area in the cluster is around 750 decimal, which is mainly owned by the owners of the enterprises. There is enough land available for expansion of the cluster. The power and water supply has taken an acute proportion. There are brick roads inside the cluster. The area has a functioning sewerage system. The distance from the cluster to national highway is 0.5km and a railway station is 20 km.

Units inside the cluster do not have Trade license, TIN and VAT registration. Till to date no support has been received for development of the cluster.

There is no trade association among the enterprises.

Financial support was taken from some NGOs for the development of the cluster. The cluster has no interaction with any research institute and/or any service provider. Key numeric data on the cluster can be seen in the Annex-1/112:



113	Cluster Name : Handicrafts Cluster, Jhenaidah	Location : Shailokopa, Jhenaidah
	Cluster Product : Bamboo and Cane goods	No. of Enterprise : 150

It was found that there are approximately 150 manufacturing units producing baskets and mats (dala and chatai) located in Sailokopa, Jhenaidah. There are around 500 workers in this cluster of which 50% are male and 50% female. The market shares of these products are 100% local. The annual turnover is around Tk.0.22 million. This is a growing cluster because of increasing demand of these products. The area of this cluster is about 250 decimal of land, under private entrepreneurship. There is scope for expansion because of the availability of land. The cluster does have electricity, water, road and sewerage facility.

These units have no trade license, TIN and VAT Registration. There is no environmental pollution and the units do not have any pollution abatement strategy either.

Only a few entrepreneurs are granted microcredit from NGOs. This cluster has no linkage to any other service providers. Key numeric data on the cluster can be seen in the Annex-1/113:

114	Cluster Name : Light Engineering	Location : Jhenaidah Sadar
	Cluster Product : Grille, Steel furniture and lathe machine	No. of Enterprise : 55

It was found that there are approximately 55 light engineering units producing different types of grills and steel furniture in Jhenaidah Sadar. There are around 500 workers employed in this cluster of which 100% are male. The market shares of these products are 100% local. The annual turnover is around Tk.3 million. The 1st unit started operating in 1980 and it turned into a cluster in 1990. The cluster had a natural growth without any support from the Government. This is a growing sector because of increasing demand steel furniture and grills as these are much more affordable than wooden furniture and yet they are fashionable. The area of this cluster is about 100 decimals of land, under private entrepreneurs. There is a scope for expansion because of the availability of land. The cluster does have electricity, water, and road and sewerage facility.

Almost all units have trade license but only 30% have TIN and 10% have VAT Registration of these units.

These manufacturing units pollute environment in different ways and yet these units do not have any pollution abatement mechanism.

Only a few entrepreneurs borrow money from the bank(s). This cluster has a connection to the service providers. Key numeric data on the cluster can be seen in the Annex-1/114:

115	Cluster Name : Rice Mill Cluster, Jhenaidah	Location : Hat Gopalpur, Jhenaidah
	Cluster Product : Rice	No. of Enterprise : 55

Approximately 55 paddy husking mills engaged in production of rice have been identified in Hat Gopalpur, Jhenaidah Sadar. There are around 3000 workers employed in this cluster of which 50% are male and 50% female. The market shares of these products are 100% national. The 1st unit was established in 1960 and by 1980 it turned into a cluster. This is a growing sector because the area has multiple granaries and abundant supply of raw materials. The area of this cluster is about 1200 decimals of land under private ownership. There is scope for expansion because of availability of land. The cluster does have electricity, water, road (dirt roads) and sewerage facility. Distance to national highway is less than 1 km; however, the nearest railway station is 80 km away.

Most of the enterprises have trade license while 55% of them have TIN but none have VAT registration. The cluster doesn't receive any technology support. There is a business association among the enterprises of which more than 80% of the units are members. Some entrepreneurs



borrow from the banks. This cluster has no linkage with other service providers. Key numeric data on the cluster can be seen in the Annex-1/115:

116	Cluster Name : Rice Mill Cluster, Jhenaidah	Location : Narayanpur, Jhenaidah
	Cluster Product : Rice	No. of Enterprise : 55

Approximately 55 rice mills are located in Narayanpur, Jhenaidah. About 5000 workers are employed in this cluster of which 40% are male and 60% female. The market shares of these products are 100% national. The annual turnover is around Tk.108 million. The 1st unit was established in 1975 and by 1985 it turned into a cluster. This is a growing cluster because the area has seen increasing numbers of granaries and abundance of raw materials. The area of this cluster is about 19000 decimal of land, under private ownership. There is scope for expansion because of availability of land. The cluster does have electricity, water, road and sewerage facility.

The units have trade license, TIN but no VAT Registration, although their exact percentages are not available.

Only a few entrepreneurs borrow micro loans from bank(s). This cluster has no linkage to the service providers. Key numeric data on the cluster can be seen in the Annex-1/116:

117	Cluster Name : Bakery & Confectionery Cluster	Location : Rupsha, Khulna
	Cluster Product : Bakery & Confectionery Items	No. of Enterprise : 45

A cluster comprising 45 units of bakery and confectionery has been identified in Rupsha of Khulna. Raw materials used for production are wheat flour, sugar, oil, butter, yeast and natural flavors that are procured locally. About 450 skilled and semi-skilled workers are employed in the cluster of which 400 are male and 50 female. The annual turnover is approximately Tk. 1 million. The others information about the cluster is not available.

Key numeric data on the cluster can be seen in the Annex-1/117:

118	Cluster Name : Fish Processing Cluster, Khulna	Location : Rupsha, Khulna
	Cluster Product : Processed Fish	No. of Enterprise : 40

A fish processing cluster comprising 45 enterprises has been identified in Rupsha of Khulna. These units use raw fish from the ocean and fresh water as raw materials for production. There are about 400 skilled and semi-skilled workers employed in this cluster of which 350 are male and 50 are female. The annual turnover is Tk. 200 million. The other information about this cluster is not available.

Key numeric data on the cluster can be seen in the Annex-1/118:

119	Cluster Name : Leather Cluster, Khulna	Location : Khulna Sadar
	Cluster Product : Shoes, Sandals and Other Footwear	No. of Enterprise : 50

There is a Shoe cluster located at the Stadium Market of Khulna City Corporation producing different types of shoes. The total number of manufacturing units is 50. A total number of 100 people work in these units of which 100% are male. The annual turn-over is around Tk. 8 million and market share is 100% national. The 1st unit was set-up in 1983 under private entrepreneurship. This cluster is now in growing stage due to increasing demand of the products. There is no scope for expansion due to lack of land availability. The cluster has electricity, water, and road and sewerage system.

Almost 95% of the units have trade license and 90% TIN and 100% have VAT registration. The cluster receives no technical support of any kind from governmental or non-governmental sources.



The entrepreneurs do not borrow from the banks or NGOs. The cluster has no interaction with other service provider(s). Key numeric data on the cluster can be seen in the Annex-1/119:

120	Cluster Name : Light Engineering Cluster, Khulna	Location : Khulna City Corporation
	Cluster Product : Iron Bars, Steel Sheets etc.	No. of Enterprise : 100

There is a Light engineering cluster located at Khulna City Corporation area producing different types of iron bars, steel sheets etc. The total number of manufacturing units is 100. Approximately 500 people work in these factories of which 100% are male. The market shares of these products are 20% local and 80% national. The 1st unit was set-up in 1980-1982 under private entrepreneurship. This cluster is now in growing stage due to increasing demand of iron bars and steel sheets. Total land area in the cluster is around 2 square kilometers under private ownership. There is no scope for expansion due to lack of land availability. The cluster has electricity, road and sewerage system.

Almost 80% of the units have trade license, TIN and VAT registration. The cluster does not receive any kind of technical support from any governmental or non-governmental sources.

They are not supported by any FIs and service providers yet. Key numeric data on the cluster can be seen in the Annex-1/120:

121	Cluster Name : Rice Mill Cluster	Location : Khazanagar, Kushtia
	Cluster Product : Rice	No. of Enterprise : 379

A cluster comprising 379 rice mills units has been identified in Khazanagar of Kushtia. There are about 10,000 skilled and semi-skilled workers employed of which 30% are males and 70%, females. They use paddy as the raw material for producing rice that are locally procured. The market shares for the product are 2% local, 90% national and 8% international. The annual turnover is about Tk. 7200 million. The cluster grew out of natural causes and at present it is in a growing stage. The reasons for this trend are ever increasing demand for rice and the lucrative nature of the business. The total land area of the cluster is around 6 km all of which is privately owned. There is land available for further expansion of the cluster. The cluster has electricity but no running water. There are asphalt roads, brick layered roads and concrete roads inside the cluster. The entrepreneurs have taken initiative to build a functioning drainage system. The distance to national highway is 6 km.

Almost all the units inside the cluster have trade license, TIN and VAT Registration but exact percentage is not available. No assistance of any kind for the development of the cluster was offered by any source(s).

There is a business association inside the cluster of which 60 -80% of the units are members.

The entrepreneurs have access to bank financing at an interest rate of 15%. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/121:

122	Cluster Name : Textile Cluster, Kushtia	Location : Kumarkhali, Kushtia
	Cluster Product : Fabrics	No. of Enterprise : 1000

In the Kumarkhali thana of Kushtia district there has been a cluster of textile mills. The cluster comprises of 1000 textile mills. In this cluster fabrics and other textile products are manufactured using local raw cotton. A total number of 20,000 skilled and semi-skilled workers are employed in the cluster of which 70% are male and 30% are female. The total turnover of the cluster is around Tk. 1 billion. The 1st mill at the cluster was setup in 1800 and by 1940 the 50th one came into being. Natural factors were behind the development of this cluster. Govt. policy had no role in the



expansion and development of the cluster. Almost 80% of the products are sold nationally, 10% is sold in the local and 10% in international market.

Presently the trend in the cluster appears to be stagnat, due to lack of support from the government or other private organizations. Cluster is set up within 15 square km of land which is either owned by the mill owners or on a rented premises. In addition, there is enough land available for further expansion of the manufacturing units. Beside the availability of land, the area is well connected with national highway (distance 1 km) and railway station. However, the power supply to the cluster is precarious.

The units do have trade license (40%), TIN (10%) and VAT registration (3-4%). Till to date no initiative could be seen for development of the cluster, not even in the form of financing, technology transfer, international market access, participation in trade fair, cash incentives, product development design, fiscal incentives, subsidy, grants and easy accessibility to finance.

The manufacturing units are polluting the whole environment as the units go for yarn dyeing inside the cluster. A central ETP is a pre –requisite for better environment and abatement of pollution. A trade association operates inside the cluster with 20% units being members of the association

The operating units although have access to finance. They are under serious financial pressure due to very high interest rate on the borrowed capital. There is no interaction between the cluster and any research organization. However, they do have a link with service providing units, such as law firms, audit firms, TAX and VAT consultants, QCF and consulting firms. The cluster needs intervention for further development and expansion. Key numeric data on the cluster can be seen in the Annex-1/122:

123	Cluster Name : Mat cluster, Magura	Location : Kechuadubi, Magura
	Cluster Product : Mats	No. of Enterprise : 65

A cluster comprising 65 mat producing units has been identified at Kechuadubi of Magura. They use buckles and leaves of a certain tree (Mele tree) as raw materials for the production that are locally procured. About 250 skilled workers are employed by the cluster of which 75% are male and 25% female. The annual turnover of the cluster is less than Tk. 0.07 million. All the products are sold locally. The first unit started operating in 1990 and the 50th one was established in 2000. The cluster experienced a natural growth and at present it is in a growing stage. The reason for such trend is increasing demand for the product. The total land area of the cluster is around 2500 decimal all of which is privately owned. There is land available for further expansion of the cluster. The enterprises are connected with electricity and running water. The cluster has asphalt roads and no drainage system. The distances to national highway, railway station and a river port are 1km, 30 km and 2 km respectively.

None of the enterprises have trade license, TIN or VAT registration. The cluster never received assistance of any kind from any source(s) for the development of the enterprises.

There is no trade association inside the units of the cluster.

The entrepreneurs have no access to financing from the banks; however some of the units borrowed micro loans from some NGOs at high interest rate. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/123:

124	Cluster Name : Bandage Gauge production Cluster	Location : Kaliganj, Sathkhira
	Cluster Product : Mats	No. of Enterprise : 100

A cluster comprising 100 bandage gauge producing units has been identified in Kaliganj of Sathkhira. Cotton thread is being used as the raw material for production which is locally procured.



About 500 skilled and semi-skilled workers are employed in the cluster of which 60% are male and 40% female. The annual turnover is Tk. 1 million and the market share for the product is 100% national. The cluster grew of natural causes and at present it is in a declining stage. The reason for such trend is decreasing demand for the product. The total land area of the cluster is about 1 square km all of which is privately owned. There is no land available for further expansion of the cluster. There is electricity and running water inside the cluster. Asphalt roads and concrete roads are there but no drainage system was found. The distance to national highway is 1 km.

Almost all the units have trade license but none of them have TIN or VAT Registration. Technical assistance in the form of technology transfer as well as development aid had been provided by the Handloom Board and the government of Bangladesh.

There is a business association inside the cluster of which more than 80% units are members.

The entrepreneurs have no access to financing from the banks or NGOs. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/124:



Rajshahi Division

125	Cluster Name : Rice Mill Cluster	Location : Sherpur, Bogra
	Cluster Product : Rice	No. of Enterprise : 2640

A cluster consisting of 2640 paddy husking mills has been identified in Sherpur, Bogra that are engaged in the production of rice. There are around 25,000 workers in this cluster of which 50% are male and 50% female. The market shares of these products are 100% national. The annual turn-over is around Tk.4 million. The 1st unit was established during 1980. This is a growing sector because the area has granaries and abundant supply of raw materials. The area of this cluster is about 10 square km of land, under private ownership. There is scope for expansion because of availability of land. The cluster has electricity, water, road and sewerage facility.

Almost 90% of the units have trade license and TIN but none of them have VAT Registration. The cluster does not receive any technological support from governmental or non-governmental organization.

Some environmental pollution occurs due to dust; however, at present some of the units are trying to minimize the pollution by using environment friendly boilers. No trade association has been found inside the cluster.

Only a few entrepreneurs borrow from the banks. This cluster has no interaction with any service providers. Key numeric data on the cluster can be seen in the Annex-1/125:

126	Cluster Name : Glass Bottle Cluster	Location : Shihari, Adamdighi, Bogra
	Cluster Product : Glass Bottles for Homeopathy Medicine	No. of Enterprise : 100

There are approximately 100 glass bottle manufacturing units located at Shihari, Adamdighi of Bogra. There are around 400 skilled and semi-skilled workers employed in this cluster of which 50% are male and 50% female. The market shares of these products are 20% local and 80% national. Annual turnover is about Tk. 5 million. The 1st unit was set-up during 1972. This is a declining cluster because of high raw material cost, small profits and declining demand for glass bottles. The area of this cluster is around 400 decimal of land under private ownership. There is no scope for expansion because of non-availability of land. The cluster has electricity, water and concrete road and limited sewerage facility.

Almost all units have trade license (90%) but no TIN and VAT Registration. The cluster does not receive any technical assistance from any source.

No environmental pollution occurs during manufacturing process. There is no business association of the enterprises in the cluster.

The entrepreneurs borrow loan from NGOs. The units have no interaction with any research institute or service provider. Key numeric data on the cluster can be seen in the Annex-1/126:

127	Cluster Name : Home Textile Cluster	Location : Sanail, Adamdighi, Bogra
	Cluster Product : Blankets, Bed Sheets and Towels etc.	No. of Enterprise : 250

A cluster producing bedding items has been identified at Sanail, Adamdighi in the district of Bogra. There are 250 production units in the cluster employing a total of 1000 skilled and semi-skilled



workers of which the percentage of male and female are 55% and 45% respectively. The products of this cluster are: blankets, bed sheets and towels, gamcha etc the basic materials for which are synthetic and cotton threads that are procured both locally and through import. The market shares of the products are 10% local, 80% national and 10% international. The total annual turnover is approximately Tk. 1.6 million. The cluster experienced a natural growth without the help of any governmental or non-governmental institution(s). The first unit started operating in 1976 and the 50th one was established in 1989. At present it is in a growing stage and reason behind this trend is the demand for the items produced.

The cluster has a total land area of 750 decimal that are entirely privately owned. There is a probability of this cluster's expansion due to availability of land. The cluster has electricity but no gas. There is a functioning sewerage system as well as concrete roads. This cluster is well connected with the national highway (5 km. distance) and a railway station (7 km. distance). The distance to the nearest river port is 70 km. and that of an airport is 30 km. However, the distance to the nearest seaport is 350 km.

Around 40% of the enterprises inside the cluster do have trade licenses but none of them have any TIN and VAT Registration. So far the cluster received no major development assistance from any governmental or non-governmental source(s). However, a few years ago, under some program, the units received grant(s) in the form of subsidy and access to low cost financing.

The units inside the cluster claim that they do not pollute the surrounding environment in any way. There is no trade association of the entrepreneurs in the cluster.

Entrepreneurs of the cluster do have access to financing from the banks. Some of the units have borrowed from some NGOs. This particular cluster has no interaction with any research institute and/or any service provider firm(s). Key numeric data on the cluster can be seen in the Annex-1/127:

128	Cluster Name : Handloom Cluster	Location : Lahiripara, Bogra Sadar
	Cluster Product : Bed sheet, gamcha etc.	No. of Enterprise : 100

There are approximately 100 handloom units located in Lahiripara, Bogra Sadar, producing different types of bed sheet, gamcha etc. There are around 400 workers employed in this cluster of which 50% are male and 50% female. The market shares of these products are local 20% and national 80%. The 1st unit was set-up about 200 years ago. This is a declining cluster because of high raw material cost and lack of working capital. The area of this cluster is around 1 square km of land under private ownership. There is scope for expansion because of availability of land. The cluster has electricity, concrete road but lacks sewerage system.

None of the units in the cluster have any trade license, TIN or VAT Registration. The cluster does not receive any technical assistance from any source.

No environmental pollution occurs during production process. There is no business association among the enterprises of the cluster.

The entrepreneurs borrow money from NGOs. The units have no interaction with any research institute or service provider. Key numeric data on the cluster can be seen in the Annex-1/128:

129	Cluster Name : Garments Tailoring Cluster	Location : Sonatola, Bogra
	Cluster Product : Baby wear	No. of Enterprise : 100

Approximately 100 baby wear producing units have been identified that are located at Sonatola of Bogra district. There are around 2500 skilled and semi-skilled workers employed in this cluster of



which 50% are male and 50% female. The market shares of these products are 30% local and 70% national. This cluster is a growing one because of increasing demand for the items produced. The area of this cluster is around 4 square km of land under private ownership. There is scope for cluster expansion because of availability of land. The cluster has electricity, water, road facility but lacks sewerage system.

Almost 20% of the enterprises have trade license and 20% have TIN but none have VAT registration. The cluster does not receive any technical support from others.

No Environmental pollution occurs during the production process. There is a business association of the enterprises in the cluster.

The entrepreneurs borrow from banks and NGOs with interest rate of around 16% and 20% respectively. Tk. 10,000-1,00,000 loan with interest rate 10% was provided by BSCIC within the last 2 years. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/129:

130	Cluster Name : Light Engineering	Location : Railway Market, Bogra
	Cluster Product : Agro machinery, Motor parts etc.	No. of Enterprise : 300

A cluster comprising approximately 300 light engineering units has been located in Railway Market, Bogra Sadar. There are around 6000 skilled and semi-skilled workers employed in this cluster of which 90% are male and 10% female. The annual turn-over is around Tk.0.6 million. The market shares of these products are local 10%, 80% national and 10% international. The 1st unit was set-up during 1972 and it turned into a cluster during 2000. The Major products are piston and piston ring, liner, seed drill, thresher, shallow tube well, grain dryer, hand pump, centrifugal pump, insecticides sprayer, crankshaft, gear and pinion etc. This is a growing cluster because of advantageous geographical location and the availability of inexpensive skilled laborers and technicians.

The area of this cluster is around 5 square km of land under private ownership. There is no scope for expansion because of non-availability of land. The cluster has electricity, gas, water, concrete road and sewerage system.

Most of the units have trade license (80%) but only 20-30% have TIN and 40% have VAT Registration. The cluster does not receive any technical assistance from any source.

Sound pollution frequently occurs but no pollution abatement strategy has been taken yet. There is no business association among the enterprises of the cluster.

The entrepreneurs borrow loan from the banks. MIDAS and SMEF provided a fund of Tk. 10-15 million at an interest rate of 10%. Key numeric data on the cluster can be seen in the Annex-1/130:

131	Cluster Name : Nakshi Katha	Location : Islampur, Chapai-Nawabganj
	Cluster Product : Nakshi Katha (embroidered quilt)	No. of Enterprise : 250

Approximately 250 Nakshi Katha (embroidered quilt) manufacturing units have been identified in Islampur of Chapai-Nawabganj. There are around 2200 workers employed in this cluster of which only 1% are male and 99% female. The market shares of these products are 98% local and 2% national. The 1st unit was established during 1985 and by 2000 it turned into a cluster. The annual turnover is around Tk. 0.3 million. This is a growing cluster because of the increasing demand for these traditional quilts.

The area of this cluster is around 3 square km of land under private ownership. There is scope for expansion because of availability of land. The cluster does have electricity, water and road but lacks sewerage facility .



All units (100%) have trade license and TIN while 80% have VAT Registration. The cluster doesn't receive any technology support from any source.

No environmental pollution occurs during production process. There is no business association among the entrepreneurs of the cluster. Only a few entrepreneurs borrow loan from bank. This cluster has a linkage with Department of Women and children affairs of GOB in terms of the service providers. Key numeric data on the cluster can be seen in the Annex-1/131:

132	Cluster Name : Handloom Cluster	Location : Harinagar, Shibgonj, Chapai-Nawabganj
	Cluster Product : Silk fabrics	No. of Enterprise : 100

In Harinagar, Shibgonj of Chapai-Nawabganj there is a cluster of handlooms producing silk fabrics and silk sarees. The total number of operating units is 100. These units use silk thread as raw materials for their production and most of the raw materials required are local. A total number of 550 people work in these units where 50% are male and 50% female. The total amount of turnover stands at around Tk. 29.2 million per year in the cluster. The market share is 8% local, 90% national and 2% international. The 1st unit in the cluster was setup in 1981 and turned into a cluster with the establishment of the 50th one in 2000. The cluster was formed naturally without any support from any institution including the Govt. Present trend shows that the cluster is a stagnant one; factors behind such trend are increasing price of thread and lack of government support.

Total land area in the cluster is around 0.5 square km, which is mainly owned by the owners of the units. There is enough land available for expansion of the cluster. The power supply has taken an acute proportion. There are brick layered and concrete roads inside the cluster but no functioning drainage system. The distance from the cluster to national highway is 0.5 km and that of a railway station is 10 km.

Units inside the cluster possess Trade license (80% from union council), TIN (50%) and VAT registration (50%). Till to date no support has been received for development of the cluster. The cluster in the past did not receive any co-operation in terms of introduction to international buyers, Cash incentives, training on export - import trade and others.

The units inside the cluster do not pollute the environment. There is no trade association inside the cluster.

The enterprises in the cluster have access to bank financing. None of the units have any interaction with any research institute and/or service provider. Key numeric data on the cluster can be seen in the Annex-1/132:

133	Cluster Name : Bamboo and Cane Cluster	Location : Khanjanpur, Joypurhat
	Cluster Product : Bamboo Products	No. of Enterprise : 70

A cluster comprising 70 manufacturing units of bamboo products has been identified at Khanjanpur of Joypurhat. There are about 280 skilled and semi-skilled workers employed in these units of which 50% are male and 50% female. They use bamboo as their raw material for production that is locally procured. The annual turnover is about Tk. 0.05 million and the market share for the product is 100% local. The cluster experienced a natural growth without any outside help and it is now in a growing stage. The reasons for this trend are increasing demand for the products and apparent lucrative nature of the business.

The land area of the cluster is about 1 kilometer all of which is privately owned. There is land available for further expansion of the cluster. The cluster has electricity but no running water. There are asphalt, brick and concrete roads inside the cluster. There is no functioning drainage system. The distances to national highway and a railway station are 1 km and 2 km respectively.

None of the enterprises inside the cluster have any trade license, TIN and VAT Registration. The cluster never received any development aid from any source(s).



No trade association has been found inside the cluster.

None of the entrepreneurs have access to financing from the banks; however some of them have borrowed from some NGOs. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/133:

134	Cluster Name : Rice Mill Cluster	Location : Hapania, Naogaon
	Cluster Product : Rice	No. of Enterprise : 200

In Hapania of Naogaon Sadar there has been a cluster of rice mills. The total number of operating units is 200. These mills use paddy as raw materials for their production and most of the raw materials required are local. A total number of 6000 people work in these mills 40% of whom are male and 60% female.

The total amount of turnover stands at around Tk. 1500 million per year. Produced rice is sold 10% locally and 90% nationally. The 1st mill in the cluster was setup in 1978 and the establishment date of the 50th one was unknown. The cluster was formed naturally without any support from any institution including the Govt. Present trend shows that the cluster is a growing one; factors behind such trend are increasing demand of rice as the population in the country continues to grow and the business appears to be a profitable one.

Total land area in the cluster is around 23000 decimal, which is mainly owned by the owners of the mills. There is enough land available for expansion of the cluster. The power and water supply have taken an acute proportion. There are brick layered and concrete roads inside the cluster. The area has a drainage system for draining out hot water. The distance from the cluster to national highway is 0.5 km and a railway station is 3 km.

Most of the mills inside the cluster possess trade license (100%) and TIN (90%) but no VAT registration. Till to date no support has been received for development of the cluster. The cluster in the past did not receive any co-operation in terms of introduction to international buyers and training on export and import trade and others.

The mills inside the cluster do not pollute the environment. There is a trade association inside the cluster (Naogaon District Rice Mills Owners Group) of which 80% of the units are members.

The mills have 100% access to finance from the banks. There is no link with any research institute except service providers such as law firms, Tax and VAT consultants and audit firms. Key numeric data on the cluster can be seen in the Annex-1/134:

135	Cluster Name : Rice Mill Cluster	Location : Mohadebpur, Naogaon
	Cluster Product : Rice	No. of Enterprise : 100

In Mohadebpur of Naogaon District there has been a cluster of Rice mills. The total number of operating mills is 100. These mills use paddy as raw materials for their production and most of the raw materials required are locally procured. A total number of 3500 people work in these mills 45% of whom are male and 55% female. The total amount of turnover stands at around Tk. 1200 million per year. Produced rice is sold 10% locally and 90% nationally. The 1st mill in the cluster was setup in 1980 and the 50th one was in 2000. The cluster was formed naturally without any support from any institution including the Govt. Present trend shows that the cluster is a growing one; factors behind such trend are increasing demand for rice as the population of the country continues to grow as well as the business appears to be profitable.

Total land area in the cluster is around 15000 decimal, which is mainly owned by the owners of the mills. There is enough land available for expansion of the cluster. The power and water supply have taken an acute proportion. There are brick layered and concrete roads inside the cluster. The area has a drainage system for draining out hot water. The distance from the cluster to national



highway is 0.5 km and a railway station is 30 km.

Most of the mills inside the cluster possess trade license and TIN but no VAT registration. Till to date no support has ever been received for development of the cluster. The cluster in the past did not receive any co-operation in terms of introduction to international buyers and training on export and import trade and others.

The mills inside the cluster do not pollute the environment. There is a trade association inside the cluster (Naogaon District Rice Mills Owners Group) of which 80% of the units are members.

The units have 100% access to finance from the banks. There is no link with any research institute except with service providers such as law firms, TAX and VAT consultants and audit firms. Key numeric data on the cluster can be seen in the Annex-1/135:

136	Cluster Name : Jewelry Cluster	Location : Sonapotti, Naogaon Sadar
	Cluster Product : Jewelry	No. of Enterprise : 200

In Sonapotti of Naogaon Sadar there has been a cluster of Jewelry. The total number of operating units is 200. These units use gold and acid as raw materials for their production and most of the raw materials required are of foreign origin. A total number of 2000 people work in these cluster 100% of whom are male.

The total amount of turnover stands at around Tk. 350 million per year in the cluster. Outputs are sold within the country. The 1st enterprise in the cluster was setup in 1950 and the 50th one was in 1980. The cluster was formed naturally without any support from any institution including the Govt. Present trend shows that the cluster is a declining one; factors behind such trend are continuous increasing price of gold and lack of working capital. Total land area in the cluster is around 650 decimal, which is mainly owned by the owners of enterprises. There is enough land available for expansion of the cluster. The power and water supply have taken an acute proportion. There are brick roads inside the cluster. The area has a drainage system for draining out water. The distances from the cluster to national highway and a railway station are 2 km and 4 km respectively.

All of the enterprises inside the cluster possess trade license, and 60% of the enterprise possess both TIN and VAT registration. Till to date no support has been received for development of the cluster.

There is a trade association inside the cluster (Bangladesh Jewelry Owners Association, Naogaon District branch), where 80% of the units are members.

The units have 100% access to finance from the Banks. There is no linkage with any research institute and with service providers such as TAX and VAT consultants and audit firms. Key numeric data on the cluster can be seen in the Annex-1/136:

137	Cluster Name : Mat Cluster	Location : Shimulia-Chandipur, Naogaon Sadar
	Cluster Product : Mats	No. of Enterprise : 500

A cluster comprising of approximately 500 mat manufacturing units was identified at Shimulia-Chandipur, Naogaon Sadar. There are around 1500 skilled and semi-skilled workers employed in this cluster of which 30% are male and 70% female. The market shares of these products are 25% local and 75% national. The annual turnover is around Tk. 5.4 million. The 1st unit in this cluster was set-up during 1940. This cluster is a growing one because of the increasing demand of the exquisite mats produced. The area of this cluster is around 2500 decimal of land under private ownership. There is no scope for cluster expansion because of non availability of land. The cluster has electricity, water, roads but no sewerage system.

The enterprises of this cluster have no trade license TIN and VAT registration. The cluster does not receive any technical support from any source.



No environmental pollution occurs during the production process. There is no trade association among the entrepreneurs of the cluster.

The entrepreneurs of this cluster have no access to bank loans. The cluster has no interaction with any service provider. Key numeric data on the cluster can be seen in the Annex-1/137:

138	Cluster Name : Light Engineering	Location : Naogaon Sadar, Naogaon
	Cluster Product : Machinery parts	No. of Enterprise : 160

A cluster having production units of light engineering has been identified at Naogaon Sadar of Naogaon District. Inside the cluster there are 160 manufacturing units producing Rickshaw and bicycle frame and Fork, agriculture liner and piston, rail parts, rice mill parts, foundry product etc using furnace oil, welding rod and plain sheet as the basic raw materials that are locally procured. There are 1600 workers (100% male) currently employed in the production units operating inside the cluster. The total turnover stands at around Tk. 450 million per year approximately. Outputs are sold inside the country (60% local and 40% national market). The 1st producing unit was setup in 1972 and the 50th one was in 1990. The cluster has experienced a natural growth. Present trend shows that the cluster is a growing one; factor behind such trend is the increasing demand for machinery parts. This area is renowned for light engineering.

Cluster is set up on a land area is around 800 decimal, mostly owned by the proprietors of the enterprises. There is additional land available for expansion. The area is well connected to electricity and water. There are brick layered and concrete roads inside the cluster but there is no drainage facility. The distance to national highway and railway from the cluster is 1 km and 5 km respectively. The units operating inside the cluster have trade license (100%), TIN (70%) and VAT registration (50%). No external support was given for cluster development except bank loans.

The units inside the cluster do pollute the environment like sound pollution. No abatement measure has been taken yet. There is a trade association (Bangladesh Engineering Industry Owners Association, Naogaon branch) inside the cluster of which 80% of the units are members.

Key numeric data on the cluster can be seen in the Annex-1/138:

139	Cluster Name : Rice Mill Cluster	Location : Cachkor bazar, Gurudaspur, Natore
	Cluster Product : Rice	No. of Enterprise : 200

In Cachkor bazar, Gurudaspur of Natore District there has been a cluster of Rice mills. The total number of operating mills is 200. These mills use paddy as raw material for their production and most of the raw materials required are local. A total number of 8000 people work in these mills 90% of whom are male and 10% female.

The total amount of turnover stands at around Tk. 1200 million per year. Produced rice is sold 10% locally and 90% nationally. The 1st mill in the cluster was setup in 1990 and the 50th one was in 2000. The cluster was formed naturally without any support from any institution including the Govt. Present trend shows that the cluster is a growing one; factors behind such trend are increasing demand for rice as the population of the country continues to grow and the business appears to be profitable.

Total land area in the cluster is around 6600 decimal, which is mainly owned by the owners of the mills. There is enough land available for expansion of the cluster. The power supply has taken an acute proportion. There are concrete roads inside the cluster. The area has a drainages system for draining out hot water. The distance from the cluster to national highway is 5 km and a railway station is 30 km.

Most of the mills inside the cluster possess trade license and TIN but none of the units have VAT registration. Till to date no support has been received for development of the cluster. The cluster in



the past did not receive any co-operation in terms of introduction to international buyers and training on export and import trade and others.

The mills inside the cluster do not pollute the environment. There is a trade association inside the cluster (Gurudaspur Rice Mills Owners Association, Natore) of which 80% of the units are members.

The mills have 100% access to finance from banks. There is no link with any research institute except link with service providers such as law firms, TAX and VAT consultants and audit firms. Key numeric data on the cluster can be seen in the Annex-1/139:

140	Cluster Name : Sweetmeat Cluster	Location : Nimtola-Nichabazar, Natore
	Cluster Product : Sweets & Desserts	No. of Enterprise : 33

In Nimtola- Nichabazar of Natore there is a cluster of sweetmeat. The total number of operating units is 33. These units use milk, wheat flour and sugar as raw materials for their production and most of the raw materials required are locally procured. A total number of 300 people work in these units of whom 100% are male. The total amount of turnover stands at around Tk.11 million per year in the cluster; Outputs are sold 75% locally and 25% nationally. The 1st enterprise in the cluster was setup in 1972 and the 50th one was in 2010. The cluster was formed naturally without any support from any institution including the Govt. Present trend shows that the cluster is a growing one; factor behind such trend is increasing demand for sweets and desserts produced in this area that have unique taste and flavor.

Total land area in the cluster is around 15 bighas, which is mainly owned by the owners of the units. There is enough land available for expansion of the cluster. The power and water supply has taken an acute proportion. There are brick layered and concrete roads inside the cluster. The area has no drainage system. The distance from the cluster to national highway is 2 km and railway is 2 km.

All the units inside the cluster possess Trade license, TIN and VAT registration. Till to date no support has been received for development of the cluster. The cluster in the past did not receive any co-operation from any governmental and/or non-governmental organizations.

The mills inside the cluster do not pollute the environment. There is a trade association inside the cluster (Natore Hotel and Sweetmeat Owners Association) of which 80% of the units are members.

No financial support was taken from the Bank or NGOs for the development of the cluster. There is no link with any research institute and no link with any service providers as well. Key numeric data on the cluster can be seen in the Annex-1/140:

141	Cluster Name : Jewelry Cluster, Natore	Location : Lalbazar-Pilkhana, Natore Sadar.
	Cluster Product : Jewelry	No. of Enterprise : 275

In Lalbazar-Pilkhana of Natore Sadar there has been a cluster of Jewelry. The total number of operating units is 275. These units use gold and acid as raw materials for their production and most of the raw materials required are of foreign origin. A total number of 2000 people work in these cluster 100% of whom are male.

The total amount of turnover stands at around Tk. 350 million per year. Outputs are sold 90% locally and 10% nationally. The 1st enterprise in the cluster was setup in 1962 and the 50th one was in 1980. The cluster was formed naturally without any support from any institution including the Govt. Present trend shows that the cluster is a stagnant one; factors behind such trend are increasing price of gold leading to a declining consumption of gold ornaments by common people. Total land area in the cluster is around 400 decimal, that are mainly owned by the owners of enterprises. There is enough land available for expansion of the cluster. The power and water supply have taken an



acute proportion. There are brick roads inside the cluster. The area has a drainage system to drain out water. The distance from the cluster to national highway is 1 km and a railway station is 2-3 km.

Most of the enterprises (80%) inside the cluster possess trade license, TIN and VAT registration. Till to date no support has been received for development of the cluster. The entrepreneurs have 100% access to finance from the banks. There is no link with any research institute except link with service providers such as, TAX and VAT consultants and audit firms.

There is a trade association inside the cluster (Bangladesh Jewelry Owners Association, Natore District branch) of which 80% of the units are members. Key numeric data on the cluster can be seen in the Annex-1/141:

142	Cluster Name : Hide processing	Location : Station gate, Natore
	Cluster Product : Leather	No. of Enterprise : 55

In the Station gate of Natore Sadar there is a cluster of Leather. The total number of operating units is 55. These units use hide and salt as raw materials for their production and all of the raw materials required are locally procured. A total number of 800 people work in these units of whom 100% are male.

The total amount of turnover stands at around Tk. 250 million per year in the cluster. Outputs are sold 100% nationally. The 1st unit in the cluster was setup in 1972 and the 50th one was in 2005-06. The cluster was formed naturally without any support from any institution including the Govt. Present trend shows that the cluster is a growing one; factors behind such trend are increasing demand for tanned leather and the business appears to be a profitable one.

Total land area in the cluster is around 660 decimal, which is mainly owned by the Railway District Council. There is enough land available for expansion of the cluster. The power and water supply has taken an acute proportion. There are brick roads inside the cluster. The area has no drainage system. The distance from the cluster to national highway is 1 km and a railway station is 0.5 km.

All the units inside the cluster possess trade license, TIN and VAT registration. Till to date no support has been received for development of the cluster. The cluster in the past did not receive any co-operation from any governmental and/or non-governmental sources.

The units inside the cluster do pollute the environment such as bad smell and polluted air. There is a trade association inside the cluster (Natore District Tannery Business Group) of which 80% of the units are members.

Financial support was taken from the bank(s) for the development of the cluster. There is no link with any research institute and no link with service providers. Key numeric data on the cluster can be seen in the Annex-1/142:

143	Cluster Name : Light Engineering	Location : Chak Rampur, Natore
	Cluster Product : Machinery parts	No. of Enterprise : 187

A cluster having production units of light engineering has been identified at Chak Rampur of Natore District. Inside the cluster there are 187 manufacturing units producing and repairing machinery parts using furnace oil, welding rod and plain sheet as the basic raw materials that are locally procured.

There are about 700 skilled and semi-skilled workers (100% male) currently employed in the cluster. The total turnover stands at around Tk. 30 million per year approximately. Outputs are sold inside the country (70% local and 30% national market). The 1st producing unit was setup in 1965 and the 50th one in 1980. The cluster has experienced a natural growth. Present trend shows that the cluster is a growing one; factors behind such trend are increasing demand of machinery parts and dependence of the people of North Bengal on this area for new and/or repaired machinery parts.



Cluster is set up on a land area of 4 square km, mostly owned by the individuals. There is additional land available for expansion. The area is well connected to electricity and water. There are brick layered roads inside the cluster but no drainage facility. The distance of national highway and railway station from the cluster are 0.5 km and 2/3 km respectively.

The units operating inside the cluster have trade license (80%), TIN (40%) and VAT registration (40%). No external support was given for cluster development except regular bank financing.

There is a trade association (Bangladesh Engineering Industry Owners Association, Natore) inside the cluster of which above 80% of the units are members.

The cluster has no interaction with any research institute, law firm, audit and accountants and ICT consultants. Key numeric data on the cluster can be seen in the Annex-1/143:

144	Cluster Name : Rice Mill Cluster	Location : Ishwardi, Pabna
	Cluster Product : Rice	No. of Enterprise : 550

A cluster comprising of approximately 550 paddy husking mills for production of rice was identified in Ishwardi, Pabna. Around 8000 skilled and semi-skilled workers are employed in this cluster of which 75% are male and 25% female. The market shares of these products are 10% local and 90% national. The 1st unit was established in 1978 and it turned into a cluster in 2000. This is a growing cluster because the area has a granary along with abundant supply of raw materials as well as effective transportation and communication facilities.

The area of this cluster is about 5 square km of land under private ownerships. There is scope for expansion because of availability of land. The cluster has electricity and gas but no running water and sewerage facility. There are concrete roads inside the cluster. Almost all the units have trade license and TIN but their accurate percentage is unknown, however only 40% of them have VAT Registration. The cluster does receive financial support from the government in terms of cash incentives allocated per boiler that is administered by GIZ. Only a few entrepreneurs borrow from the banks. This cluster has no interaction with any other service provider.

Some environmental pollution occurs because of the dust that is discharged during the production. As a remedy, at present, rice residues (ash) are sold to Mishuk, a local NGO. No trade association has been found inside the cluster. Key numeric data on the cluster can be seen in the Annex-1/144:

145	Cluster Name : Agro-Processing Cluster	Location : Pabna Sadar
	Cluster Product : Oil	No. of Enterprise : 100

A cluster comprising approximately 100 oil mills was identified in Pabna Sadar. Around 700 skilled and semi-skilled workers are employed in this cluster of which 80% are male and 20% female. The market shares of these products are 30% local and 70% national. The annual turnover is Tk. 5 million. The 1st producing unit started operating in 1910 and the establishment date of the 50th one is unknown. This is a growing cluster because the area has a granary and because of the lucrative nature of the business, new entrepreneurs are being attracted.

The area of this cluster is about 5 square km of land under private entrepreneurship. There is scope for expansion because of availability of land. The cluster is well connected with electricity, running water, gas and a functioning sewerage system. There are concrete roads inside the cluster as well.

Almost 90% of the mills have trade license and TIN but none of them have any VAT Registration. The cluster does not receive any technology support from government and others.

Some environmental pollution occurs due to air pollutant like dust particles. No abatement measure has been taken yet. There is no trade association among the enterprises of the cluster.



Only a few entrepreneurs borrow from the bank . This cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/145:

146	Cluster Name : Handicraft & Miscellaneous	Location : Kubirdia, Mulgram, Chatmohar, Pabna
	Cluster Product : Bamboo & Cane Furniture	No. of Enterprise : 70

In Kubirdia, Mulgram, Chatmohor, Pabna there is a cluster of bamboo and cane works. The total number of operating units is 70. These units use bamboo and cane as raw materials for their production and most of the raw materials required are local. A total number of 300 skilled workers are employed in these units of which 50% are male and 50% female. The total amount of turnover stands at Tk.1 million per year. Outputs are sold 40% locally and 60% nationally. The 1st unit in the cluster was setup in 1950 and the establishment date of the 50th one was unknown.

The cluster was formed naturally without any support from any institution. Present trend shows that the cluster is a declining one; factors behind such trend are increasing price of bamboo, decreasing demand of the products, lack of availability of raw materials. Total land area in the cluster is around 1 square km, which is mainly owned by the owners of the enterprises. There is enough land available for expansion of the cluster. The cluster has power supply. The area has no drainage system. The distance from the cluster to national highway is 0.5 km.

Units inside the cluster do not have Trade license, TIN and VAT registration. Till to date no support has been received for development of the cluster. The units inside the cluster do not pollute the environment. There is no trade association inside the cluster. Financial support was taken from the NGOs for the development of the units in the cluster. There is no link with any research institute or with service providers. Annex-1/146:

147	Cluster Name : Handloom Cluster	Location : Sathiya, Kashinathpur, Pabna
	Cluster Product : Saree, Lungi, etc.	No. of Enterprise : 500

A cluster comprising approximately 500 handloom units has been identified at Sathiya, Kashinathpur, Pabna. There are around 7000 skilled and semi-skilled workers employed in this cluster of which 60% are male and 40% female. The products of these units are sold 50% locally, 40% nationally and 10% internationally. The first producing unit started operating in 1950 and the establishment date of the 50th one is unknown. This cluster was developed without any government support and now is in a growing stage reason for growing is demand for the products. This cluster covers 3 square km land of private ownership having utilities like electricity and roadway but it lacks sewerage system.

Almost 20% units have trade license and TIN and 10% have VAT registration. The cluster does not receive any technical assistance from any source. Only a few entrepreneurs borrow from the banks; others have their own sources of financing. The cluster has no interaction with any other service provider.

No environmental pollution occurs during the production process; consequently no pollution abatement strategies have been taken. There has been no trade association among the enterprises inside the cluster.

Key numeric data on the cluster can be seen in the Annex-1/147:



148	Cluster Name : Hosiery Cluster	Location : Pabna Sadar
	Cluster Product : Hosiery	No. of Enterprise : 800

A cluster comprising of approximately 800 hosiery manufacturing units was identified in Pabna Sadar. Around 16,000 skilled and semi-skilled workers are employed in this cluster of which 99% are male and 1% female. The market shares of the products of these manufacturing units are 10% local, 20% national and 70% international. The annual turnover is Tk. 800 million. The 1st unit was set-up in 1989. This cluster was developed without any government support and now is in a growing stage because of increasing demand of its products.

This cluster covers is around 4 square km land of private ownership having all types of utilities like electricity, gas, water, roads and sewerage system. Land is available for further expansion of the cluster.

Almost 90% of the units have trade license, TIN and VAT Registration. The cluster does not receive any technical assistance from any source. Only a few entrepreneurs borrow from the banks, others have their own sources of financing. The cluster has no interaction with any other service provider.

No trade association has been found among the enterprises. Key numeric data on the cluster can be seen in the Annex-1/148:

149	Cluster Name : Light Engineering Cluster	Location : Pabna Sadar
	Cluster Product : Machinery parts, Motor parts, Steel sheets etc.	No. of Enterprise : 200

A cluster comprising approximately 200 light engineering units has been identified at Pabna Sadar. The major products of this cluster is pharmaceutical machine and parts, replacement auto and motorcycle parts, switch gate project, agriculture parts, sheet metal products etc. Around 2000 skilled and semi-skilled workers are employed in this cluster of which 100% are male. The market shares of these products are 100% local. The annual turnover is around Tk. 2 million. The 1st unit in this cluster was set-up in 1975. This cluster is a growing one because of increasing demand for the items produced and easy access to inexpensive skilled workers and technicians.

The area of this cluster is around 5 square km of land under private ownership. There is additional land available for further expansion of the cluster. The cluster is well connected with electricity, gas, water and a functioning sewerage system. Most of the units are connected with concrete roads.

Almost 25% of the enterprises have trade license, TIN and VAT registration. The cluster does not receive any technical support from any source. None of the entrepreneurs of this cluster have any access to any bank loans. The cluster has no interaction with any other service provider.

No environmental pollution occurs during the production process. There is no business association among the enterprises of the cluster. Key numeric data on the cluster can be seen in the Annex-1/149:

150	Cluster Name : Boutique Cluster, Rajshahi	Location : Rajshahi City Corporation
	Cluster Product : Boutique	No. of Enterprise : 200

In Rajshahi City Corporation there is a cluster of boutique industry. The total numbers of operating units is 200. These units use thread, fabrics, button and other related accessories as raw materials for their production and most of the raw materials required are locally procured. A total number of 1500-2000 people work in these units where 2% are male and 98% female.



The total amount of turnover stands at around Tk. 10 million per year in the cluster. The market share are 50% local and 50% national. The 1st unit in the cluster was setup in 1986 and the 50th one was in 2005-06. The cluster was formed naturally without any support from any institution including the Govt. Present trend shows that the cluster is a growing one; factor behind such trend is increasing demand for boutique.

Total land area in the cluster is around 5 square km, which is mainly owned by the owners of the units. There is enough land available for expansion of the cluster. The power and water supply has taken an acute proportion. There is concrete road inside the cluster. The area has no drainage system. The distance from the cluster to national highway is 0.5 km and railway is 1-2 km respectively.

Units inside the cluster possess trade license, TIN and VAT registration. Till to date no support has been received for development of the cluster. The cluster in the past did not receive any co-operation from any source. Financial support was taken from the bank(s) for the development of the cluster at an interest rate of 15%. There is interaction with a research institute like CDS consultants (Bailey road, Dhaka) and also link with service provider such as VAT and tax consultants.

No environmental pollution occurs during the production process. There is a trade association inside the cluster (Women Entrepreneur Association of Bangladesh, Rajshahi), where 20-40% of the units are members of the association. Key numeric data on the cluster can be seen in the Annex-1/150:

151	Cluster Name : Healthcare Cluster, Rajshahi	Location : Lakshmipur Mor, Rajshahi
	Cluster Product : Clinical and Diagnostic Services	No. of Enterprise : 50

In Lakshmipur of Rajshahi there is a cluster of clinical and diagnostic centers. The total number of operating units is 50. These units use regents', chemicals and X-ray film as raw materials for their chemical analysis and most of the raw materials are of foreign origin. A total of 500 technicians, skilled and semi-skilled workers are employed in these units where 50% are male and 50% female. The total amount of turnover stands at around Tk 250 million per year in the cluster; services are provided 80% locally and 20% nationally. The 1st lab in the cluster was setup in 1980 and the 50th one was in 2005. The cluster was formed naturally without any support from any institution including the Govt. Present trend shows that the cluster is a growing one; factors behind such trend are health consciousness and pattern in the medical treatment. Total land area in the cluster is around 5 square km, which is mainly owned by the owners of the units. There is enough land available for expansion of the cluster. The power and water supply has taken an acute proportion. There are brick layered and concrete roads inside the cluster. The area has no drainage system. The distance from the cluster to national highway is 0.5 km, railway is 0.5 km and airways are 5 km respectively.

Units inside the cluster possess trade license, TIN and VAT registration. Till to date no support has been received for development of the cluster. The cluster in the past did not receive any co-operation from any governmental and/or non-governmental sources.

The units inside the cluster do pollute the environment due to improper disposal of medical wastes and chemical related utensils. Nothing was known about any abatement measures. There is a trade association inside the cluster (Bangladesh Private Clinic and Diagnostic Owners Association, Rajshahi) of which 80% units are members.

Financial support was taken from the bank(s) for the development of the cluster. There is no link with any research institute and no link with service providers such as law firm, audit and accounting firm and VAT and tax consultants. Key numeric data on the cluster can be seen in the Annex-1/151:



152	Cluster Name : Leather Cluster, Rajshahi	Location : Charghat, Rajshahi
	Cluster Product : Shoes and Sandals	No. of Enterprise : 40

A cluster comprising 40 production units of leather and pseudo leather products has been identified in Charghat of Rajshahi. There are 450 skilled and semi-skilled workers employed in the cluster of which 300 are male and 150 female. These units use leather, pseudo leather, elastics, nails and emulsions as their raw materials for production that are entirely locally procured. The annual turnover is Tk. 1.9 million and the market shares for the products are 10% local and 90% national. The first unit started operating in 1978 and the establishment date of the 40th one is unknown. The cluster experienced a natural growth and at present it is in a growing stage. The reason for this trend is increasing demand for the products.

The land area of the cluster is around 120 decimal all of which is privately owned. There is land available for further expansion of the cluster. There are electricity and concrete roads inside the cluster but no functional drainage system. Distances to the national highway and a railway station are 10 km and 13 km respectively. About 40% of the units have trade license and only 3% have TIN but none have VAT Registration.

No environmental pollution occurs during the production process. There has been a trade association inside the cluster of which 40% - 60% of the units are members.

The entrepreneurs have access to financing from the banks. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/152:

153	Cluster Name : Light Engineering Cluster	Location : Talaimari, Rajshahi
	Cluster Product : Engineering Workshop/ Lade Machine	No. of Enterprise : 50

A cluster having production units of light engineering has been identified at Talaimari of Rajshahi District. The cluster comprises of 50 manufacturing units producing and servicing light engineering lathe machines using welding rod and iron as the basic raw materials which are locally procured.

There are 300 workers (100% male) currently employed in the production units operating inside the cluster. The total turnover stands at around Tk. 3.65 million per year approximately. Outputs are sold inside the country (95% local and 5% national market). The 1st producing unit was setup in 1980 and the 50th one in 2007-08. The cluster has experienced a natural growth without Govt. support. Present trend shows that the cluster is a growing one; factors behind such trend is increasing demand, most of the people of north Bengal are dependent on this area for producing and servicing light engineering items by lathe machine.

Cluster is set up on a land area spread around 5 square km, mostly owned by the individual owners of the workshops. There is additional land available for expansion. The area is well connected to electricity. There are brick layered roads inside the cluster but there is no drainage facility. The distance to national high way and a railway station from the cluster is 3 km and 1 km respectively. The units operating inside the cluster have trade license (80%), TIN (80%) and VAT registration (60%). No external support was given for cluster development except bank loans for working capital.

The cluster has no interaction with research institute, Law firm, audit and accountants and ICT consultants.

The units inside the cluster do pollute the environment like sound pollution and yet no abatement measure has been taken. There is no trade association inside the cluster. Key numeric data on the cluster can be seen in the Annex-1/153:



154	Cluster Name : Handloom Cluster	Location : Enayetpur, Sirajganj
	Cluster Product : Saree, Lungi etc.	No. of Enterprise : 2000

A cluster comprising approximately 2,000 power loom/handloom units producing saree, lungi, three pieces etc at Enayetpur of Sirajganj district has been identified. There are around 40,000 workers employed in this cluster of which 50% are male and 50% female. The market shares of these products are 80% local and 20% national. The first unit started operating in 1910. This cluster is a declining one because of high cost of raw materials, non-availability of skilled laborers and shortage of electricity.

The area of this cluster is spread around 6 square km of land under private ownership. There is scope for cluster expansion because of availability of land. The cluster has electricity, water and road facility but it lacks sewerage system.

Almost 90% of the enterprises have trade license and 30% have TIN but none have VAT registration. The cluster does not receive any technical support from others. The entrepreneurs borrow from banks and NGOs. The cluster has no interaction with any other service provider.

No Environmental pollution occurs during the production process. There is no trade association among the enterprises of the cluster. Key numeric data on the cluster can be seen in the Annex-1/154:

155	Cluster Name : Handloom Cluster	Location : Shahjadpur, Sirajganj
	Cluster Product : Saree, Lungi etc.	No. of Enterprise : 3000

Approximately 3,000 Handloom units have been identified at Shahjadpur of Shirajganj district. There are around 10,000 skilled and semi-skilled workers employed in this cluster of which 50% are male and 50% female. The market shares of these products are 70% local, 25% national and 5% international.

The first unit started operating in 1910 and the establishment date of the 50th one is unknown. This cluster is a declining one because of lack of working capital, high cost of raw materials and limited availability of skilled laborer as well as shortage of electricity. The area of this cluster is spread around 4 square km of land under private ownership. There is scope for cluster expansion because of availability of land. The cluster has electricity, water and road facility but it lacks sewerage system.

Almost 20% of the enterprises have trade license, 20% have TIN and 5% of the units have VAT registration. The cluster does not receive technical support from others. Some of the entrepreneurs borrow from banks and NGOs. The cluster has no interaction with any service provider.

No environmental pollution occurs during the manufacturing process. There is no trade association among the enterprises of the cluster. Key numeric data on the cluster can be seen in the Annex-1/155:

156	Cluster Name : Handloom Cluster	Location : Ullah Para, Sirajganj
	Cluster Product : Saree, Lungi etc.	No. of Enterprise : 2000

Approximately 2000 handloom units were identified at Ullah Para, Shirajganj. There are around 60,000 workers employed in this cluster of which 50% are male and 50% female. The market shares of these products are 60% local, 30% national and 10% international. The first unit was established in 1930 and the starting date of the 50th one was unknown. This is a growing cluster because of increasing demand for the sarees and lungis produced; the handloom owners



successfully continued the production process which they inherited. The area of this cluster is around 5 square km of land under private ownership. There is no scope for expansion because of non-availability of land. The cluster has electricity and concrete road but a limited number of the units have access to sewerage system.

Only a few units have trade license (10%) and TIN (10%) but none have VAT registration. The cluster does not receive any technical assistance from any source.

No environmental pollution occurs during manufacturing process. There is no business association of the enterprises in the cluster.

The entrepreneurs borrow from the banks and NGOs. The units have no interaction with any research institute or service provider. Key numeric data on the cluster can be seen in the Annex-1/156:



Rangpur Division

157	Cluster Name : Rice Mill Cluster, Dinajpur	Location : Phul hat, BSCIC Dinajpur
	Cluster Product : Rice	No. of Enterprise : 500

In Phul hat BSCIC area of Dinajpur Sadar there has been a cluster of rice mills. The total number of operating units is 500. These units use Paddy to produce rice. The basic raw materials are all locally procured. A total number of 75000 people work in these units of which 80% are male and 20% female. The total number of turnover stands at around Tk. 300 million per year. Only 2% of the products are sold locally and 98% nationally. The 1st unit in the cluster was setup in 1910 and the 50th one in 1930. The cluster developed naturally without the help of any organization. At the present the trend in the cluster is on the declining because of high raw material costs, banking policy and weak govt. policy.

Total land area in the cluster is around 100000 decimal, which is owned by both the owners of factories and the govt. Additional land is there for expansion. The area is well connected to electricity and water. There is drainage facility inside the cluster as well as concrete roads. The national highway runs through the cluster. The distance of railway, seaport and airport from the cluster is 1 km, 350 km and 40 km respectively.

Most of the units inside the cluster possess trade license (100%), TIN (80%) but none have VAT registration. Till to date no support has been received for development of the cluster. The cluster in the past never received any co-operation in terms of skill development, technology transfer, access to international market, participation in trade fair, cash incentive, product design and development, fiscal incentives, subsidy, grants and access to finance at low rate interest etc.

No trade association has been found among the enterprises.

Entrepreneurs have access to bank loan. There is no linkage between the cluster and research institute, business development services and advisory firms. Key numeric data on the cluster can be seen in the Annex-1/157:

158	Cluster Name : Hosiery Cluster, Gaibandha	Location : Gobindaganj, Gaibandha
	Cluster Product : Sweaters, Hats, Socks etc.	No. of Enterprise : 115

A cluster comprising of 115 units all producing sweaters, hats and socks has been identified at Gobindaganj, Gaibandha. There are around 2070 skilled and semi-skilled workers employed in this cluster of which 1670 are male and 400 are female. The annual turnover is Tk. 4.14 million. The products are sold 10% locally and 90% nationally. The 1st unit was set-up in 1965 and it turned into a cluster in 1999. This cluster was developed without any government support and now is in a growing stage because of increasing demand for the products.

This cluster covers spread around 230 decimal of land under private ownership and there is land available for further expansion of the cluster. The enterprises have access to electricity but no gas and running water. The cluster has concrete roads and a functioning sewerage system.

Almost all units have trade license and TIN but their exact number is unknown, however none of them have VAT Registration. The cluster does not receive any technical assistance from any source.

There is air pollution but no environmental abatement measures are taken yet. No trade association has been found inside the cluster.



Only few entrepreneurs borrow from the banks, others have their own sources of financing. The cluster has no interaction with any research institute or related service provider(s). Key numeric data on the cluster can be seen in the Annex-1/158:

159	Cluster Name : Pottery Cluster, Kurigram	Location : Krishnapur, Kumarpara, Kurigram
	Cluster Product : Tubs, Pots, Figurines etc.	No. of Enterprise : 40

A cluster comprising 40 productive units of pottery has been identified at Krishnapur, Kumarpara of Kurigram. A number of 200 skilled and semi-skilled workers are employed in the cluster of which 50% are male and 50% female. They use mud, sand, paint etc. for their raw materials that are locally procured. The annual turnover of the enterprises is about Tk. 0.28 million. The market shares of the products are 50% local and 50% national. The first unit started operating in 1962 and the establishment date of the 40th one is unknown. The cluster is at a stagnant stage. The reason for this trend is the scarcity of raw materials.

The land area of the cluster is most of which is privately owned. Land is available for further expansion of the cluster. The cluster has electricity and water as well as a drainage system. There are dirt roads inside the cluster. The distances to national highway, railway station and river port are 3 km, 2 km and 30 km respectively.

None of the enterprises inside the cluster have any trade license, TIN and VAT Registration. The cluster never received any technical assistance or any other kind of assistance for the improvement of business.

There is no business association among the enterprises.

The entrepreneurs have access to financing from the banks at a regular interest rate. Some of the units also borrow money from the NGOs. The cluster has no interaction with any other service provider(s). Key numeric data on the cluster can be seen in the Annex-1/159:

160	Cluster Name : Rice Mill Cluster, Nilphamari	Location : Baburhat, Nilphamari
	Cluster Product : Rice	No. of Enterprise : 100

A cluster comprising of rice mills has been identified in Baburhat, Nilphamari. The total number of operating units is 100. These units use Paddy to process rice. The basic raw material is mostly locally procured. A total number of 1250 people work in these units of which 40% are male and 60% female.

The annual turnover is around Tk. 24 million. 40% of the products are sold locally and 60%, nationally. The 1st unit in the cluster was setup in 1980 and the 50th one in 2008. The cluster was formed naturally without any support from any institution including the Govt. At present the trend in the cluster is on the growing due to two important factors namely, ever increasing demand for rice and lucrative nature of the business.

Total land area in the cluster is around 16500 decimal, which is mainly owned by the owners of the units. An expansion of the cluster is possible since additional land is available. The area is well connected to electricity along with drainage facility inside the cluster. There is asphalt road inside the cluster as well. The national highway runs through the cluster. The distances to a railway station and a river port from the cluster are 16 km and 5 km respectively. On the other hand, the distances to sea port and airport from the cluster are 400 km and 60 km respectively.

All of the units inside the cluster possess trade license (100%), however, 70% of the units have TIN but none of them have VAT registration. Till to date no support has been received for development of the cluster. The cluster in the past never received any co-operation in terms of skill development, technology transfer, access to international market, participation in trade fair, cash incentive,



product design and development, fiscal incentives, subsidy, grants and access to finance at low rate interest etc.

No trade association has been found inside the cluster.

The entrepreneurs have access to bank loans. The cluster has no interaction with any research institute, business development services or advisory firms. Key numeric data on the cluster can be seen in the Annex-1/160:

161	Cluster Name : Rice Mill Cluster, Nilphamari	Location : Paschim Beragari, Nilphamari
	Cluster Product : Rice	No. of Enterprise : 50

In Paschim Beragari, Nilphamari a cluster of rice mills have been identified. The total number of operating units is 50. These units use Paddy to process rice. The basic raw materials are all locally procured. A total number of 1000 people work in these units of which 60% are male and 40% female.

The total turnover stands at around Tk. 12 million per year. 20% of the products are sold locally and 80%, nationally. The 1st unit in the cluster was setup in 1960 and the 50th one in 1975. The cluster was formed naturally without any support from any institution including the Govt. At present the trend in the cluster is on the growing. The factors that contributed the most in growing this cluster are (i) ever increasing demand for rice and (ii) the perceived profitability of the business by entrepreneurs.

Total land area in the cluster is around 7500 decimal, which is mainly owned by the owners of the units. Additional land is there for expansion, the area is well connected to electricity only. There is drainage facility inside the cluster. The cluster has both carpeted and asphalt roads. The national highway and railway run close by the cluster. The distances to river port, seaport and an airport from the cluster are 30 km, 380 km and 22 km respectively.

All the units inside the cluster posses trade license (100%), TIN (80%) but none of them have VAT registration. The cluster never received any development assistance from any source(s).

The units pollute the environment of the neighboring villages by discharging smoke from the boilers that contaminates air. There is no trade association inside the cluster.

The entrepreneurs have access to bank loans. There is no interaction with the cluster and research institutes, business development services, and advisory firms and related others. Key numeric data on the cluster can be seen in the Annex-1/161:

162	Cluster Name : Rice Mill Cluster, Nilphamari	Location : Jhaldhaka Bazar, Nilphamari
	Cluster Product : Rice	No. of Enterprise : 100

In Jaldhaka Bazar, Nilphamari, a cluster of rice mills has been identified. The total number of operating units is 100. These units use Paddy to process rice. The basic raw materials are all locally procured. A total number of 1000 people work in these units of which 60% are male and 40% female.

The total turnover stands at around Tk. 252 million per year. 20% of the products are sold locally and 80%, nationally. The 1st unit in the cluster was setup in 1975 and the 50th one in 2002. The cluster was formed naturally without any support from any institution including the Govt. At the moment the trend in the cluster is on the growing owing to two major factors: (i) ever increasing demand for rice and (ii) the perceived profitability of the business by entrepreneurs.

Total land area in the cluster is around 3 square km which is mainly owned by the owners of the mills. Additional land is available for expansion. The area is well connected to electricity only.



There is drainage facility inside the cluster as well as roads that are proportionately carpeted and asphalt.

All of the units inside the cluster possess trade license (100%). About 90% of the enterprises have TIN but none have VAT registration. The cluster never received any development or technical assistance from any source(s).

The units pollute the environment of the neighboring villages by emitting smoke from the boilers that contaminates the air. No abatement measure has been taken so far. There is no trade association among the enterprises.

The entrepreneurs have access to bank loans. The cluster has no interaction with any research institute, business development services and advisory firms and other related services. Key numeric data on the cluster can be seen in the Annex-1/162:

163	Cluster Name : Rice Mill Cluster, Nilphamari	Location : Barobazar, Nilphamari
	Cluster Product : Rice	No. of Enterprise : 100

There has been a cluster of rice mills at Barobazar of Nilphamari Sadar. The total number of operating units is 100. These units use husking paddy to process rice. The basic raw materials are mostly locally procured. A total number of 2500 people work in these units of which 60% are males and 40%, females.

The total turnover stands at around Tk. 24.36 million per year. 20% of the products are sold locally and 80%, nationally. The 1st unit in the cluster was setup in 1960 and the 50th one in 1985. The cluster was formed naturally without any support from any institution including the Govt. At present the trend in the cluster is on the growing owing to two important factors namely, ever increasing demand for rice and the lucrative nature of the business. Total land area in the cluster is around 4 square km which is mainly owned by the owners of the units. Additional land is available for further expansion. The area is well connected to electricity and running water but no gas. There is drainage facility inside the cluster along with both carpeted and asphalt roads.

All of the units inside the cluster possess Trade license (100%); however, about 90% of the units have TIN but none of them have VAT registration. The cluster never received any technical or development assistance from any source(s). The entrepreneurs have access to bank loans. The cluster has no interaction with any research institute, business development services and advisory firms.

The units pollute the environment of the surrounding villages by emitting smoke from the boilers that contaminate the air. No abatement measure has been taken so far. There is no trade association among the enterprises. Key numeric data on the cluster can be seen in the Annex-1/163:

164	Cluster Name : Garments Cluster, Nilphamari	Location : Saidpur, Nilphamari
	Cluster Product : Trousers, Pants, Jackets etc.	No. of Enterprise : 500

In Saidpur upazilla of Nilphamari district a cluster of readymade garments has been identified. The cluster comprises of 500 units. In this cluster, short pants, three quarter pants, trousers, jackets and slacks are manufactured using cut pieces of fabrics. A total of 1,000 skilled and semi-skilled workers are employed in the cluster of which 95% are male and 5% female. The total turnover of the cluster is around Tk. 180 million. The 1st unit at the cluster was setup in 1988 and by 1994 the 50th one started operating. Natural factors were behind the development of this cluster. Govt. policy had no role in the expansion and development of the cluster. 85% of the products are sold nationally and 15% in local market. Presently the trend in the cluster appears to be growing due to increasing demand for the products all over the country.



The cluster is set up on spread around 2000 decimal of lands which is either owned by the owners of the units or are rented premises. In addition, there is enough land available for further expansion of the cluster. Beside the availability of land, the area is well connected with national highway, waterways and airways having brick layered and asphalt roads. However, the power and gas supply to the cluster is precarious.

All of the units do have trade license, TIN (90%) and VAT registration (50%). Govt. of Bangladesh has extended some support for the development of the cluster through providing skill development training. Other than this, no initiative could be seen for development of the cluster, not even in the form of financing, technology transfer, access to international market, participation in trade fair, cash incentives, product development and design, fiscal incentives, subsidy, grants and low cost financing.

A trade association operates inside the cluster with 80% units being member of the association.

The operating units although have access to finance, they are under serious financial pressure due to very high interest rate on the borrowed capital. The cluster has no interaction with any research organization or any other service provider(s). Key numeric data on the cluster can be seen in the Annex-1/164:

165	Cluster Name : Stone Crashing Cluster	Location : Tetulia, Panchagarh
	Cluster Product : Crashed Stones	No. of Enterprise : 150

In Tatulia, Panchagarh there is a cluster of stone crashing enterprises. The total number of operating units is 150. These units use boulder as raw material for their production and most of the raw materials required are locally procured. A total number of 1500 skilled and non-skilled workers are employed in these units where 10% workers are male and 90% female.

The total amount of turnover stands at Tk. 9 million per year; outputs are sold 5% locally and 95% nationally. The 1st unit in the cluster was setup in 1930 and the 50th one was in 1970. The cluster was formed naturally without any support from any institution. Present trend shows that the cluster is a growing one; factor behind such trend is the demand for crushed stones and from the workers' perspective, they have no alternative way of livelihood. Total land area in the cluster is around 500 bighas, which is mainly owned by the owners of the enterprises and also the government. There is enough land available for expansion of the cluster. The power supply has taken an acute proportion. There are concrete roads inside the cluster. The area has no drainage system. The distance from the cluster to national highway is 0.5 km and railway station 25 km.

Most of the units inside the cluster possess Trade license but their exact percentages are unknown however none of them have TIN and VAT registration. Till to date no support has been received for development of the cluster. Financial support was taken from the bank and NGOs for the development of the units. The cluster has no interaction with any research institute and/or service providers.

The units inside the cluster do not pollute the environment. There is a trade association inside the cluster, where 80% of the units are members of the association. Key numeric data on the cluster can be seen in the Annex-1/165:

166	Cluster Name : Clinic & Diagnostic Center	Location : Dhap Jail Road, Rangpur
	Cluster Product : Health Related Services	No. of Enterprise : 180

There are 180 diagnostic and health care units located at Jail road of Rangpur Sadar. More than 6300 skilled and semi-skilled workers are employed in the cluster of which 45% are male and 55% female. The 1st diagnostic and health care unit was set-up in 1975 and it turned into a cluster in 1995. Annual turn-over is Tk. 9.72 million. The market shares are 80% local and 20 % national.



The cluster developed naturally and at present it is in a growing stage. The reason for the growth is the demand for the services provided.

This cluster cover is spread around 2 square km of land under private ownership and having all types of utilities like electricity, water, roadway and sewerage system.

All the units have 100% valid trade license, TIN and VAT registration. No technical assistance was provided by the government and/or any other institution.

There are some environmental pollution but no abatement strategy has been taken yet. No trade association has been found inside the cluster.

Only few entrepreneurs borrow from the banks and there is no interaction between the cluster and any other service provider. Key numeric data on the cluster can be seen in the Annex-1/166:

167	Cluster Name : Carpet Cluster	Location : Radhakrishnapur, Rangpur Sadar.
	Cluster Product : Carpets and Doormats	No. of Enterprise : 110

A cluster comprising 110 production units of carpets and doormats has been identified at Radhakrishnapur, Rangpur Sadar. The raw materials needed for the production of these items are coconut fibers, threads and colors that are procured 100% locally. There are 1150 workers (35% males and 65% females) currently employed in the production units operating inside the cluster. The total turnover stands at around Tk. 0.04 million per year. Outputs are sold throughout the country. The 1st producing unit was setup in 1952 and the 50th one was in 2001. The cluster has experienced a natural growth. Present trend shows that the cluster is a growing one; factors behind such trend are increasing demand for the products and easy availability of raw materials.

The cluster is located on a land area of 190 decimals, owned by the owners of the enterprises. There are additional land available for expansion. The area is well connected with electricity. There are brick roads inside the cluster but no drainage facility. The distances to national highway and a railway station from the cluster are 1 km and 3 km respectively.

Very few of the units operating inside the cluster possess trade license (2%), TIN (2%) but none of them have VAT registration. Till to date external support received for development of the cluster is only from BSCIC in the form of skill development training and development assistance.

The units inside the cluster do not pollute the environment. There is no trade association inside the cluster.

Financial support was taken from the NGOs for the development of the units of the cluster. The cluster has no interaction with any research institute, business development services or advisory firms. Key numeric data on the cluster can be seen in the Annex-1/167:

168	Cluster Name : Rice Mill Cluster, Dinajpur	Location : Mohammadpur, Thakurgaon
	Cluster Product : Rice	No. of Enterprise : 100

In Mohammadpur, Thakurgaon Sadar there has been a cluster of rice mill units. The total number of operating units is 100. These units use Paddy to produce rice. The basic raw materials are mostly locally procured. A total number of 2000 people work in these units of which 50% are male and 50% female.

The total number of turnover stands at around Tk. 12 million per year. 30% of the products are sold locally and 70% nationally. The 1st unit in the cluster was setup in 1950 and the 50th one in 1995. The cluster was formed naturally without any support from any institution including the Govt. At present the trend in the cluster is on the stagnant because of problem related to the procurement of raw materials and lack of govt. support.



Total land area in the cluster is around 9900 decimal, which is mainly owned by the owners of the units. Additional land is there for expansion. The area is well connected to electricity and there is drainage facility inside the cluster. Carpeted and asphalt roads can be found inside the cluster. The national highway runs through the enterprises. The distance to a railway station and a river port is about 3 km. On the other hand, the distance to the nearest sea port and airport from the cluster is 350 km and 40 km respectively.

Most of the units inside the cluster possess trade license but their actual percentage is unknown. However, 50% of the enterprises have TIN but none of them have VAT registration. Till to date no support has been received for development of the cluster. The cluster in the past never received any co-operation in terms of skill development, technology transfer, access to international market, participation in trade fair, cash incentive, product design and development, fiscal incentives, subsidy, grants and access to finance at low rate interest etc.

There is no business association among the enterprises. The entrepreneurs have access to bank loan. There is no interaction between the cluster and research institute, business development services and advisory firms or related others. Key numeric data on the cluster can be seen in the Annex-1/168:



Sylhet Division

169	Cluster Name : Designer, aesthetically-challenging, personal wear and effects	Location : Bagla Bazar, Habiganj
	Cluster Product : Gold and Silver Ornaments	No. of Enterprise : 140

There are about 140 gold and silver ornament manufacturers located at Bagla Bazar, Habiganj. A total of 750 skilled workers are employed in the cluster and all (100%) of them are male. The first unit was formed in 1941 and it turned into a cluster in 1970. The annual turnover is not known; however, the market share of the products is 100% local. This cluster is gradually declining. The reason behind such trend is the continuous price hike of gold and silver that limits the consuming capacity of the local people. The cluster is scattered in and around 3 square km of land by private ownership and there is no chance of expansion due to lack of land availability. This cluster is facilitated by electricity, water and sewerage system. There are concrete roads in the cluster as well. Distances to national highway and a railway station are 15 km and 12 km respectively.

All manufacturing units have valid trade license but only 25% of them have TIN and 45% have VAT registration. The cluster does not receive any kind of technical support from others. There is a business association among the enterprises of which more than 80% of the units are members. The entrepreneurs do not borrow from the banks or from the NGOs. There is no linkage with any other service provider(s). Key numeric data on the cluster can be seen in the Annex-1/169:

170	Cluster Name : Saw Mills Cluster, Habiganj	Location : Court Station Road, Habiganj
	Cluster Product : Timbers & Logs, Wooden Furniture etc.	No. of Enterprise : 140

A cluster of saw mills comprising 50 units has been identified at Court Station Road of Habiganj Sadar. These units are engaged in the production of timbers and logs of different sizes and shapes using tree as the basic raw materials which are locally procured. They do manufacture some wooden furniture as well.

There are 600 workers (95% male and 5% female) currently employed in the cluster. The total turnover stands at around Tk. 15 million per year. Outputs are sold inside the country. The actual dates as to when the 1st unit started operating and when it became a cluster are unknown. The cluster has experienced a natural growth. Present trend shows that the cluster is a growing one; factor behind such trend is increasing demand for timbers and logs and wooden furniture as well as access to raw materials.

The cluster is located on a land area of 5 square km, mostly owned by the proprietors of the units. There is additional land available for expansion. The area is well connected to electricity and water. There are pakka roads inside the cluster. There is no drainage facility inside the cluster. The distance to national highway from the cluster is 0.5 km.

The units operating inside the cluster have trade license (100%), TIN (30%) and VAT registration (30%). No external support was given for cluster development except financing from banks and NGOs.

The units inside the cluster do not pollute the environment. There is no trade association among the enterprises.

Financial support was taken from the banks for the development of the units in the cluster at an interest rate of 13%. The cluster has no interaction with any research institute and/or any service provider. Key numeric data on the cluster can be seen in the Annex-1/170:



171	Cluster Name : Pottery Cluster, Habiganj	Location : Surabahi, Shayestaganj, Habiganj
	Cluster Product : Clay Tubs, Pots, Figurines etc.	No. of Enterprise : 80

A cluster comprising 80 pottery production units has been identified at Surabahi, Shayestaganj of Habiganj. About 300 skilled and semi-skilled workers are employed in the cluster of which 40% are male and 60% female. Clay, paint and water are the raw materials used for production that are locally procured. This cluster grew naturally in the year 1950 when the first unit started operating. At present it is in a declining stage. The reason for such trend is declining demand for the items produced. The annual turnover of the cluster is Tk. 0.05 million. 20% of the products are sold locally and 80% sold nationally.

The land area of the cluster is about 2500 decimal. There is no land available for further expansion of the cluster. The enterprises have access to electricity but no running water. There are only dirt roads inside the cluster and there is no drainage system. The cluster is well connected to national highway (1 km) and a railway station (10 km).

None of the enterprises inside the cluster have any trade license, any TIN and/or VAT Registration. The cluster never received any technical assistance or any other assistance from any source(s) for the improvement of business.

No trade association has been found inside the cluster.

None of the entrepreneurs borrow from the banks; however, some of the units have borrowed from the NGOs. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/171:

172	Cluster Name : Light Engineering	Location : Baniyachang, Habiganj
	Cluster Product : Agro machinery, Parts, welding, lathe machine etc.	No. of Enterprise : 90

There are 90 light engineering units producing agro machinery and other machinery parts, welding and lathe machine works etc. located at Baniyachang, Habiganj. A total number of 630 skilled and semi-skilled workers are employed of which all are male. The annual turn-over is around Tk.3 million. The market share is 100% local. The cluster developed naturally the first unit of which started operating in 1941. At present the cluster is in a growing stage. The reason for this trend is the demand for the items produced. This cluster covers 5 square km land of private ownership having all types of utilities like electricity, gas, water, roadway and sewerage system. There is no chance of expansion due to lack of land availability. There are concrete roads inside the cluster. The distance to national highway is 6 km.

Almost 60% of the manufacturing units have valid trade license and none of them have TIN and VAT Registration. The cluster never received any development and/or technical assistance from the government or from any other source(s).

There is some sound pollution. No abatement measure has been taken in response to that. No trade association has been found inside the cluster.

The entrepreneurs do not borrow from the banks or any other financial institution. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/172:

173	Cluster Name : Perfume & Incense Cluster	Location : Sujanagar, Barlekha, Moulovibazar
	Cluster Product : Oil based Perfume (Attar) & Incense Sticks	No. of Enterprise : 100

In Sujanagar, Barlekha of Moulovibazar there is a cluster of oil based perfume and incense sticks. The total number of operating units is 100. These units use bark and wooden pieces of Agar tree,



oil and perfume essence as raw material for production of Attar (oil based perfume) and Agarbatti (incense sticks). The raw materials required for production are locally procured. A total number of 4500 people work in these units of which 75% are male and 25% female.

The total amount of turnover stands at around Tk. 5 million per year in the cluster. Outputs are sold 100% internationally. The 1st unit in the cluster was setup more than 500 years ago and the set up date of the 50th one is unknown. The cluster was formed naturally without any support from any institution. Present trend shows that the cluster is a growing one; factors behind such trend are increasing demand of the products and availability of raw materials.

Total land area in the cluster is around 5 square km, which is mainly owned by the owners of the units. There is enough land available for expansion of the cluster. The power and gas supply has taken an acute proportion. There are brick layered roads inside the cluster. The area has no drainage system. The distance from the cluster to national highway is 3 km and an airport is 80 km.

Units inside the cluster possess Trade license but their percentages are unknown, 10% of the enterprises have TIN but none of them have VAT registration. No external support was given for cluster development by the government in the forms of skill development training, introduction to international buyers and others.

The units inside the cluster do not pollute the environment. There is a trade association inside the cluster, where 40-60% units are members.

Financial support was taken from the banks for the development of the cluster. There is a link with research institute such as agricultural research institute but no linkage with any service provider. Key numeric data on the cluster can be seen in the Annex-1/173:

174	Cluster Name : Silk Cluster, Moulvibazar	Location : Mangalpur, Alinagar, Moulvibazar
	Cluster Product : Three piece sets, Bed covers, Sarees etc.	No. of Enterprise : 90

In Mangalpur of Moulvibazar there is a cluster of Designer, aesthetically-challenging, personal wear and effects. The total number of operating units is 90. These units use thread and fabrics as raw materials for their production that are locally procured. A total number of 500 skilled and semi-skilled workers are employed in these units 20% of whom are male and 80% female. The total amount of turnover stands at around Tk. 2.16 million per year in the cluster, outputs are sold 20% locally, 40% nationally and 40% internationally. The set up dates of the 1st unit and the 50th one are unknown. The cluster was formed naturally without any support from any institution. Present trend shows that the cluster is a growing one; factor behind such trend is increasing demand for the products.

Total land area in the cluster is around 4-5 square km, which is mainly owned by the owners of the units. There is additional land available for expansion of the cluster. The power supply has taken an acute proportion. There are concrete roads inside the cluster. The area has no drainage system. The distance from the cluster to national highway is 30 km, railway is 10 km and an airport is 95 km.

Units inside the cluster possess trade license (40%) but no TIN and VAT registration. No external support was given for cluster development by the government in the forms of efficiency development training, introduction to international buyers and others.

The units inside the cluster do not pollute the environment. There is no trade association inside the cluster.

Financial support was taken from the NGOs for the development of the cluster. There is no link with any research institute but a link with service provider such as NASCIB is established. Key numeric data on the cluster can be seen in the Annex-1/174:



175	Cluster Name : Manipuri Handloom, Moulovibazar	Location : Kamalganj, Moulovibazar
	Cluster Product : Clothes	No. of Enterprise : 350

A cluster comprising 350 units of hand woven clothe manufacturing has been identified in Kamalganj of Moulovibazar. Raw materials used for production are cotton yarn and dye that are both 100% locally procured. The cluster employs about 2000 skilled and semi-skilled workers of which 5% are male and 95% female. The annual turnover is Tk. 1.8 million; the products are sold 85% nationally and 15% internationally. The cluster grew naturally that started operating about 300 years ago. At present it is in a growing stage due to increase in demand for the products.

The estimation of total land area of this cluster was unknown; however, there is land available for further expansion of the cluster. Only 5% of the enterprises have electricity connection. There is a functioning sewerage system. The cluster has dirt roads and brick layered roads. The enterprises are well connected to the national highway.

Only 5% of the enterprises have valid trade license, TIN and VAT registration. The cluster never received any technical or development assistance from any source(s). No association has been found among the enterprises. The entrepreneurs do not borrow from the banks or from other FIs. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/175:

176	Cluster Name : Silk Cluster, Sylhet	Location : Aditya Pur, Sylhet
	Cluster Product : Bed Covers, Scarves, Bags, Hats etc.	No. of Enterprise : 60

In Aditya Pur of Sylhet there is a cluster of Designer, aesthetically-challenging, personal wear and effects. The total number of operating units is 60. These units use rich valued fabrics as raw material for their production and most of the raw materials required are local. A total of 300 people work in these units, 30% of the workers are male and 70% female. The total amount of turnover stands at around Tk. 0.6 million per year. Outputs are sold 40% locally, 25% nationally and 35% internationally. The 1st unit in the cluster was setup in 1950 and the set up date of the 50th one was unknown. The cluster was formed naturally without any support from any institution. Present trend shows that the cluster is a growing one; factor behind such trend is increasing demand for the products.

Total land area in the cluster is around 570 decimal, which is mainly owned by the owners of the units. There is not enough land available for expansion of the cluster. The power, gas and water supply has taken an acute proportion. There are brick roads inside the cluster. The area has no drainage system. The distance from the cluster to national highway is 0.5 km, railway station is 10 km, a river port is 10 km and an airport is 10 km.

Units inside the cluster possess trade license (15%), TIN (15%) and VAT registration (15%). External support was given earlier on for cluster development by the government in the forms of efficiency development training and introduction with international buyers.

The units inside the cluster do not pollute the environment. There is no trade association inside the cluster.

Financial support was taken from the NGOs for the development of the cluster. There is no link with any research institute or link with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/176:



177	Cluster Name : Stone Cluster, Sylhet	Location : Bollaghat, Sylhet
	Cluster Product : Sheel Patta and Show Pieces	No. of Enterprise : 40

A cluster comprising 40 production units that produce typical stone wares has been identified at Sowainghat upazial, Goaghat, of Sylhet. The cluster employs 200 skilled workers all of whom are male. They use black stone and some other stones and clay as raw materials for their production that are locally procured. The annual turnover is around Tk. 3 million and the market share for the products is 100% local. The first unit started operating in 1982 and the 50th one started business in 2010. The cluster experienced a natural growth and at present it is at a growing stage. The reason for such trend is demand for the products and easy access to raw materials.

The cluster has a land area of 50 decimals scattered around within 3 kilometers most of which is privately owned. There is land available for further expansion of the cluster. The enterprises have access to electricity and running water. There are concrete roads inside the cluster but no drainage system. Distance to national highway is just one km.

About 30% of the units have trade license but none of them have any TIN and VAT registration. The cluster never received any kind development assistance from any source(s). The entrepreneurs do not have any access to bank financing or financing from any other source(s). The cluster has no interaction with any other service provider.

No trade association has been found inside the cluster. Key numeric data on the cluster can be seen in the Annex-2/177:



Rajshahi Division

125	Cluster Name : Rice Mill Cluster	Location : Sherpur, Bogra
	Cluster Product : Rice	No. of Enterprise : 2640

A cluster consisting of 2640 paddy husking mills has been identified in Sherpur, Bogra that are engaged in the production of rice. There are around 25,000 workers in this cluster of which 50% are male and 50% female. The market shares of these products are 100% national. The annual turn-over is around Tk.4 million. The 1st unit was established during 1980. This is a growing sector because the area has granaries and abundant supply of raw materials. The area of this cluster is about 10 square km of land, under private ownership. There is scope for expansion because of availability of land. The cluster has electricity, water, road and sewerage facility.

Almost 90% of the units have trade license and TIN but none of them have VAT Registration. The cluster does not receive any technological support from governmental or non-governmental organization.

Some environmental pollution occurs due to dust; however, at present some of the units are trying to minimize the pollution by using environment friendly boilers. No trade association has been found inside the cluster.

Only a few entrepreneurs borrow from the banks. This cluster has no interaction with any service providers. Key numeric data on the cluster can be seen in the Annex-1/125:

126	Cluster Name : Glass Bottle Cluster	Location : Shihari, Adamdighi, Bogra
	Cluster Product : Glass Bottles for Homeopathy Medicine	No. of Enterprise : 100

There are approximately 100 glass bottle manufacturing units located at Shihari, Adamdighi of Bogra. There are around 400 skilled and semi-skilled workers employed in this cluster of which 50% are male and 50% female. The market shares of these products are 20% local and 80% national. Annual turnover is about Tk. 5 million. The 1st unit was set-up during 1972. This is a declining cluster because of high raw material cost, small profits and declining demand for glass bottles. The area of this cluster is around 400 decimal of land under private ownership. There is no scope for expansion because of non-availability of land. The cluster has electricity, water and concrete road and limited sewerage facility.

Almost all units have trade license (90%) but no TIN and VAT Registration. The cluster does not receive any technical assistance from any source.

No environmental pollution occurs during manufacturing process. There is no business association of the enterprises in the cluster.

The entrepreneurs borrow loan from NGOs. The units have no interaction with any research institute or service provider. Key numeric data on the cluster can be seen in the Annex-1/126:

127	Cluster Name : Home Textile Cluster	Location : Sanail, Adamdighi, Bogra
	Cluster Product : Blankets, Bed Sheets and Towels etc.	No. of Enterprise : 250

A cluster producing bedding items has been identified at Sanail, Adamdighi in the district of Bogra. There are 250 production units in the cluster employing a total of 1000 skilled and semi-skilled



workers of which the percentage of male and female are 55% and 45% respectively. The products of this cluster are: blankets, bed sheets and towels, gamcha etc the basic materials for which are synthetic and cotton threads that are procured both locally and through import. The market shares of the products are 10% local, 80% national and 10% international. The total annual turnover is approximately Tk. 1.6 million. The cluster experienced a natural growth without the help of any governmental or non-governmental institution(s). The first unit started operating in 1976 and the 50th one was established in 1989. At present it is in a growing stage and reason behind this trend is the demand for the items produced.

The cluster has a total land area of 750 decimal that are entirely privately owned. There is a probability of this cluster's expansion due to availability of land. The cluster has electricity but no gas. There is a functioning sewerage system as well as concrete roads. This cluster is well connected with the national highway (5 km. distance) and a railway station (7 km. distance). The distance to the nearest river port is 70 km. and that of an airport is 30 km. However, the distance to the nearest seaport is 350 km.

Around 40% of the enterprises inside the cluster do have trade licenses but none of them have any TIN and VAT Registration. So far the cluster received no major development assistance from any governmental or non-governmental source(s). However, a few years ago, under some program, the units received grant(s) in the form of subsidy and access to low cost financing.

The units inside the cluster claim that they do not pollute the surrounding environment in any way. There is no trade association of the entrepreneurs in the cluster.

Entrepreneurs of the cluster do have access to financing from the banks. Some of the units have borrowed from some NGOs. This particular cluster has no interaction with any research institute and/or any service provider firm(s). Key numeric data on the cluster can be seen in the Annex-1/127:

128	Cluster Name : Handloom Cluster	Location : Lahiripara, Bogra Sadar
	Cluster Product : Bed sheet, gamcha etc.	No. of Enterprise : 100

There are approximately 100 handloom units located in Lahiripara, Bogra Sadar, producing different types of bed sheet, gamcha etc. There are around 400 workers employed in this cluster of which 50% are male and 50% female. The market shares of these products are local 20% and national 80%. The 1st unit was set-up about 200 years ago. This is a declining cluster because of high raw material cost and lack of working capital. The area of this cluster is around 1 square km of land under private ownership. There is scope for expansion because of availability of land. The cluster has electricity, concrete road but lacks sewerage system.

None of the units in the cluster have any trade license, TIN or VAT Registration. The cluster does not receive any technical assistance from any source.

No environmental pollution occurs during production process. There is no business association among the enterprises of the cluster.

The entrepreneurs borrow money from NGOs. The units have no interaction with any research institute or service provider. Key numeric data on the cluster can be seen in the Annex-1/128:

129	Cluster Name : Garments Tailoring Cluster	Location : Sonatola, Bogra
	Cluster Product : Baby wear	No. of Enterprise : 100

Approximately 100 baby wear producing units have been identified that are located at Sonatola of Bogra district. There are around 2500 skilled and semi-skilled workers employed in this cluster of



which 50% are male and 50% female. The market shares of these products are 30% local and 70% national. This cluster is a growing one because of increasing demand for the items produced. The area of this cluster is around 4 square km of land under private ownership. There is scope for cluster expansion because of availability of land. The cluster has electricity, water, road facility but lacks sewerage system.

Almost 20% of the enterprises have trade license and 20% have TIN but none have VAT registration. The cluster does not receive any technical support from others.

No Environmental pollution occurs during the production process. There is a business association of the enterprises in the cluster.

The entrepreneurs borrow from banks and NGOs with interest rate of around 16% and 20% respectively. Tk. 10,000-1,00,000 loan with interest rate 10% was provided by BSCIC within the last 2 years. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/129:

130	Cluster Name : Light Engineering	Location : Railway Market, Bogra
	Cluster Product : Agro machinery, Motor parts etc.	No. of Enterprise : 300

A cluster comprising approximately 300 light engineering units has been located in Railway Market, Bogra Sadar. There are around 6000 skilled and semi-skilled workers employed in this cluster of which 90% are male and 10% female. The annual turn-over is around Tk.0.6 million. The market shares of these products are local 10%, 80% national and 10% international. The 1st unit was set-up during 1972 and it turned into a cluster during 2000. The Major products are piston and piston ring, liner, seed drill, thresher, shallow tube well, grain dryer, hand pump, centrifugal pump, insecticides sprayer, crankshaft, gear and pinion etc. This is a growing cluster because of advantageous geographical location and the availability of inexpensive skilled laborers and technicians.

The area of this cluster is around 5 square km of land under private ownership. There is no scope for expansion because of non-availability of land. The cluster has electricity, gas, water, concrete road and sewerage system.

Most of the units have trade license (80%) but only 20-30% have TIN and 40% have VAT Registration. The cluster does not receive any technical assistance from any source.

Sound pollution frequently occurs but no pollution abatement strategy has been taken yet. There is no business association among the enterprises of the cluster.

The entrepreneurs borrow loan from the banks. MIDAS and SMEF provided a fund of Tk. 10-15 million at an interest rate of 10%. Key numeric data on the cluster can be seen in the Annex-1/130:

131	Cluster Name : Nakshi Katha	Location : Islampur, Chapai-Nawabganj
	Cluster Product : Nakshi Katha (embroidered quilt)	No. of Enterprise : 250

Approximately 250 Nakshi Katha (embroidered quilt) manufacturing units have been identified in Islampur of Chapai-Nawabganj. There are around 2200 workers employed in this cluster of which only 1% are male and 99% female. The market shares of these products are 98% local and 2% national. The 1st unit was established during 1985 and by 2000 it turned into a cluster. The annual turnover is around Tk. 0.3 million. This is a growing cluster because of the increasing demand for these traditional quilts.

The area of this cluster is around 3 square km of land under private ownership. There is scope for expansion because of availability of land. The cluster does have electricity, water and road but lacks sewerage facility .



All units (100%) have trade license and TIN while 80% have VAT Registration. The cluster doesn't receive any technology support from any source.

No environmental pollution occurs during production process. There is no business association among the entrepreneurs of the cluster. Only a few entrepreneurs borrow loan from bank. This cluster has a linkage with Department of Women and children affairs of GOB in terms of the service providers. Key numeric data on the cluster can be seen in the Annex-1/131:

132	Cluster Name : Handloom Cluster	Location : Harinagar, Shibgonj, Chapai-Nawabganj
	Cluster Product : Silk fabrics	No. of Enterprise : 100

In Harinagar, Shibgonj of Chapai-Nawabganj there is a cluster of handlooms producing silk fabrics and silk sarees. The total number of operating units is 100. These units use silk thread as raw materials for their production and most of the raw materials required are local. A total number of 550 people work in these units where 50% are male and 50% female. The total amount of turnover stands at around Tk. 29.2 million per year in the cluster. The market share is 8% local, 90% national and 2% international. The 1st unit in the cluster was setup in 1981 and turned into a cluster with the establishment of the 50th one in 2000. The cluster was formed naturally without any support from any institution including the Govt. Present trend shows that the cluster is a stagnant one; factors behind such trend are increasing price of thread and lack of government support.

Total land area in the cluster is around 0.5 square km, which is mainly owned by the owners of the units. There is enough land available for expansion of the cluster. The power supply has taken an acute proportion. There are brick layered and concrete roads inside the cluster but no functioning drainage system. The distance from the cluster to national highway is 0.5 km and that of a railway station is 10 km.

Units inside the cluster possess Trade license (80% from union council), TIN (50%) and VAT registration (50%). Till to date no support has been received for development of the cluster. The cluster in the past did not receive any co-operation in terms of introduction to international buyers, Cash incentives, training on export - import trade and others.

The units inside the cluster do not pollute the environment. There is no trade association inside the cluster.

The enterprises in the cluster have access to bank financing. None of the units have any interaction with any research institute and/or service provider. Key numeric data on the cluster can be seen in the Annex-1/132:

133	Cluster Name : Bamboo and Cane Cluster	Location : Khanjanpur, Joypurhat
	Cluster Product : Bamboo Products	No. of Enterprise : 70

A cluster comprising 70 manufacturing units of bamboo products has been identified at Khanjanpur of Joypurhat. There are about 280 skilled and semi-skilled workers employed in these units of which 50% are male and 50% female. They use bamboo as their raw material for production that is locally procured. The annual turnover is about Tk. 0.05 million and the market share for the product is 100% local. The cluster experienced a natural growth without any outside help and it is now in a growing stage. The reasons for this trend are increasing demand for the products and apparent lucrative nature of the business.

The land area of the cluster is about 1 kilometer all of which is privately owned. There is land available for further expansion of the cluster. The cluster has electricity but no running water. There are asphalt, brick and concrete roads inside the cluster. There is no functioning drainage system. The distances to national highway and a railway station are 1 km and 2 km respectively.

None of the enterprises inside the cluster have any trade license, TIN and VAT Registration. The cluster never received any development aid from any source(s).



No trade association has been found inside the cluster.

None of the entrepreneurs have access to financing from the banks; however some of them have borrowed from some NGOs. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/133:

134	Cluster Name : Rice Mill Cluster	Location : Hapania, Naogaon
	Cluster Product : Rice	No. of Enterprise : 200

In Hapania of Naogaon Sadar there has been a cluster of rice mills. The total number of operating units is 200. These mills use paddy as raw materials for their production and most of the raw materials required are local. A total number of 6000 people work in these mills 40% of whom are male and 60% female.

The total amount of turnover stands at around Tk. 1500 million per year. Produced rice is sold 10% locally and 90% nationally. The 1st mill in the cluster was setup in 1978 and the establishment date of the 50th one was unknown. The cluster was formed naturally without any support from any institution including the Govt. Present trend shows that the cluster is a growing one; factors behind such trend are increasing demand of rice as the population in the country continues to grow and the business appears to be a profitable one.

Total land area in the cluster is around 23000 decimal, which is mainly owned by the owners of the mills. There is enough land available for expansion of the cluster. The power and water supply have taken an acute proportion. There are brick layered and concrete roads inside the cluster. The area has a drainage system for draining out hot water. The distance from the cluster to national highway is 0.5 km and a railway station is 3 km.

Most of the mills inside the cluster possess trade license (100%) and TIN (90%) but no VAT registration. Till to date no support has been received for development of the cluster. The cluster in the past did not receive any co-operation in terms of introduction to international buyers and training on export and import trade and others.

The mills inside the cluster do not pollute the environment. There is a trade association inside the cluster (Naogaon District Rice Mills Owners Group) of which 80% of the units are members.

The mills have 100% access to finance from the banks. There is no link with any research institute except service providers such as law firms, Tax and VAT consultants and audit firms. Key numeric data on the cluster can be seen in the Annex-1/134:

135	Cluster Name : Rice Mill Cluster	Location : Mohadebpur, Naogaon
	Cluster Product : Rice	No. of Enterprise : 100

In Mohadebpur of Naogaon District there has been a cluster of Rice mills. The total number of operating mills is 100. These mills use paddy as raw materials for their production and most of the raw materials required are locally procured. A total number of 3500 people work in these mills 45% of whom are male and 55% female. The total amount of turnover stands at around Tk. 1200 million per year. Produced rice is sold 10% locally and 90% nationally. The 1st mill in the cluster was setup in 1980 and the 50th one was in 2000. The cluster was formed naturally without any support from any institution including the Govt. Present trend shows that the cluster is a growing one; factors behind such trend are increasing demand for rice as the population of the country continues to grow as well as the business appears to be profitable.

Total land area in the cluster is around 15000 decimal, which is mainly owned by the owners of the mills. There is enough land available for expansion of the cluster. The power and water supply have taken an acute proportion. There are brick layered and concrete roads inside the cluster. The area has a drainage system for draining out hot water. The distance from the cluster to national



highway is 0.5 km and a railway station is 30 km.

Most of the mills inside the cluster possess trade license and TIN but no VAT registration. Till to date no support has ever been received for development of the cluster. The cluster in the past did not receive any co-operation in terms of introduction to international buyers and training on export and import trade and others.

The mills inside the cluster do not pollute the environment. There is a trade association inside the cluster (Naogaon District Rice Mills Owners Group) of which 80% of the units are members.

The units have 100% access to finance from the banks. There is no link with any research institute except with service providers such as law firms, TAX and VAT consultants and audit firms. Key numeric data on the cluster can be seen in the Annex-1/135:

136	Cluster Name : Jewelry Cluster	Location : Sonapotti, Naogaon Sadar
	Cluster Product : Jewelry	No. of Enterprise : 200

In Sonapotti of Naogaon Sadar there has been a cluster of Jewelry. The total number of operating units is 200. These units use gold and acid as raw materials for their production and most of the raw materials required are of foreign origin. A total number of 2000 people work in these cluster 100% of whom are male.

The total amount of turnover stands at around Tk. 350 million per year in the cluster. Outputs are sold within the country. The 1st enterprise in the cluster was setup in 1950 and the 50th one was in 1980. The cluster was formed naturally without any support from any institution including the Govt. Present trend shows that the cluster is a declining one; factors behind such trend are continuous increasing price of gold and lack of working capital. Total land area in the cluster is around 650 decimal, which is mainly owned by the owners of enterprises. There is enough land available for expansion of the cluster. The power and water supply have taken an acute proportion. There are brick roads inside the cluster. The area has a drainage system for draining out water. The distances from the cluster to national highway and a railway station are 2 km and 4 km respectively.

All of the enterprises inside the cluster possess trade license, and 60% of the enterprise possess both TIN and VAT registration. Till to date no support has been received for development of the cluster.

There is a trade association inside the cluster (Bangladesh Jewelry Owners Association, Naogaon District branch), where 80% of the units are members.

The units have 100% access to finance from the Banks. There is no linkage with any research institute and with service providers such as TAX and VAT consultants and audit firms. Key numeric data on the cluster can be seen in the Annex-1/136:

137	Cluster Name : Mat Cluster	Location : Shimulia-Chandipur, Naogaon Sadar
	Cluster Product : Mats	No. of Enterprise : 500

A cluster comprising of approximately 500 mat manufacturing units was identified at Shimulia-Chandipur, Naogaon Sadar. There are around 1500 skilled and semi-skilled workers employed in this cluster of which 30% are male and 70% female. The market shares of these products are 25% local and 75% national. The annual turnover is around Tk. 5.4 million. The 1st unit in this cluster was set-up during 1940. This cluster is a growing one because of the increasing demand of the exquisite mats produced. The area of this cluster is around 2500 decimal of land under private ownership. There is no scope for cluster expansion because of non availability of land. The cluster has electricity, water, roads but no sewerage system.

The enterprises of this cluster have no trade license TIN and VAT registration. The cluster does not receive any technical support from any source.



No environmental pollution occurs during the production process. There is no trade association among the entrepreneurs of the cluster.

The entrepreneurs of this cluster have no access to bank loans. The cluster has no interaction with any service provider. Key numeric data on the cluster can be seen in the Annex-1/137:

138	Cluster Name : Light Engineering	Location : Naogaon Sadar, Naogaon
	Cluster Product : Machinery parts	No. of Enterprise : 160

A cluster having production units of light engineering has been identified at Naogaon Sadar of Naogaon District. Inside the cluster there are 160 manufacturing units producing Rickshaw and bicycle frame and Fork, agriculture liner and piston, rail parts, rice mill parts, foundry product etc using furnace oil, welding rod and plain sheet as the basic raw materials that are locally procured. There are 1600 workers (100% male) currently employed in the production units operating inside the cluster. The total turnover stands at around Tk. 450 million per year approximately. Outputs are sold inside the country (60% local and 40% national market). The 1st producing unit was setup in 1972 and the 50th one was in 1990. The cluster has experienced a natural growth. Present trend shows that the cluster is a growing one; factor behind such trend is the increasing demand for machinery parts. This area is renowned for light engineering.

Cluster is set up on a land area is around 800 decimal, mostly owned by the proprietors of the enterprises. There is additional land available for expansion. The area is well connected to electricity and water. There are brick layered and concrete roads inside the cluster but there is no drainage facility. The distance to national highway and railway from the cluster is 1 km and 5 km respectively. The units operating inside the cluster have trade license (100%), TIN (70%) and VAT registration (50%). No external support was given for cluster development except bank loans.

The units inside the cluster do pollute the environment like sound pollution. No abatement measure has been taken yet. There is a trade association (Bangladesh Engineering Industry Owners Association, Naogaon branch) inside the cluster of which 80% of the units are members.

Key numeric data on the cluster can be seen in the Annex-1/138:

139	Cluster Name : Rice Mill Cluster	Location : Cachkor bazar, Gurudaspur, Natore
	Cluster Product : Rice	No. of Enterprise : 200

In Cachkor bazar, Gurudaspur of Natore District there has been a cluster of Rice mills. The total number of operating mills is 200. These mills use paddy as raw material for their production and most of the raw materials required are local. A total number of 8000 people work in these mills 90% of whom are male and 10% female.

The total amount of turnover stands at around Tk. 1200 million per year. Produced rice is sold 10% locally and 90% nationally. The 1st mill in the cluster was setup in 1990 and the 50th one was in 2000. The cluster was formed naturally without any support from any institution including the Govt. Present trend shows that the cluster is a growing one; factors behind such trend are increasing demand for rice as the population of the country continues to grow and the business appears to be profitable.

Total land area in the cluster is around 6600 decimal, which is mainly owned by the owners of the mills. There is enough land available for expansion of the cluster. The power supply has taken an acute proportion. There are concrete roads inside the cluster. The area has a drainages system for draining out hot water. The distance from the cluster to national highway is 5 km and a railway station is 30 km.

Most of the mills inside the cluster possess trade license and TIN but none of the units have VAT registration. Till to date no support has been received for development of the cluster. The cluster in



the past did not receive any co-operation in terms of introduction to international buyers and training on export and import trade and others.

The mills inside the cluster do not pollute the environment. There is a trade association inside the cluster (Gurudaspur Rice Mills Owners Association, Natore) of which 80% of the units are members.

The mills have 100% access to finance from banks. There is no link with any research institute except link with service providers such as law firms, TAX and VAT consultants and audit firms. Key numeric data on the cluster can be seen in the Annex-1/139:

140	Cluster Name : Sweetmeat Cluster	Location : Nimtola-Nichabazar, Natore
	Cluster Product : Sweets & Desserts	No. of Enterprise : 33

In Nimtola- Nichabazar of Natore there is a cluster of sweetmeat. The total number of operating units is 33. These units use milk, wheat flour and sugar as raw materials for their production and most of the raw materials required are locally procured. A total number of 300 people work in these units of whom 100% are male. The total amount of turnover stands at around Tk.11 million per year in the cluster; Outputs are sold 75% locally and 25% nationally. The 1st enterprise in the cluster was setup in 1972 and the 50th one was in 2010. The cluster was formed naturally without any support from any institution including the Govt. Present trend shows that the cluster is a growing one; factor behind such trend is increasing demand for sweets and desserts produced in this area that have unique taste and flavor.

Total land area in the cluster is around 15 bighas, which is mainly owned by the owners of the units. There is enough land available for expansion of the cluster. The power and water supply has taken an acute proportion. There are brick layered and concrete roads inside the cluster. The area has no drainage system. The distance from the cluster to national highway is 2 km and railway is 2 km.

All the units inside the cluster possess Trade license, TIN and VAT registration. Till to date no support has been received for development of the cluster. The cluster in the past did not receive any co-operation from any governmental and/or non-governmental organizations.

The mills inside the cluster do not pollute the environment. There is a trade association inside the cluster (Natore Hotel and Sweetmeat Owners Association) of which 80% of the units are members.

No financial support was taken from the Bank or NGOs for the development of the cluster. There is no link with any research institute and no link with any service providers as well. Key numeric data on the cluster can be seen in the Annex-1/140:

141	Cluster Name : Jewelry Cluster, Natore	Location : Lalbazar-Pilkhana, Natore Sadar.
	Cluster Product : Jewelry	No. of Enterprise : 275

In Lalbazar-Pilkhana of Natore Sadar there has been a cluster of Jewelry. The total number of operating units is 275. These units use gold and acid as raw materials for their production and most of the raw materials required are of foreign origin. A total number of 2000 people work in these cluster 100% of whom are male.

The total amount of turnover stands at around Tk. 350 million per year. Outputs are sold 90% locally and 10% nationally. The 1st enterprise in the cluster was setup in 1962 and the 50th one was in 1980. The cluster was formed naturally without any support from any institution including the Govt. Present trend shows that the cluster is a stagnant one; factors behind such trend are increasing price of gold leading to a declining consumption of gold ornaments by common people. Total land area in the cluster is around 400 decimal, that are mainly owned by the owners of enterprises. There is enough land available for expansion of the cluster. The power and water supply have taken an



acute proportion. There are brick roads inside the cluster. The area has a drainage system to drain out water. The distance from the cluster to national highway is 1 km and a railway station is 2-3 km.

Most of the enterprises (80%) inside the cluster possess trade license, TIN and VAT registration. Till to date no support has been received for development of the cluster. The entrepreneurs have 100% access to finance from the banks. There is no link with any research institute except link with service providers such as, TAX and VAT consultants and audit firms.

There is a trade association inside the cluster (Bangladesh Jewelry Owners Association, Natore District branch) of which 80% of the units are members. Key numeric data on the cluster can be seen in the Annex-1/141:

142	Cluster Name : Hide processing	Location : Station gate, Natore
	Cluster Product : Leather	No. of Enterprise : 55

In the Station gate of Natore Sadar there is a cluster of Leather. The total number of operating units is 55. These units use hide and salt as raw materials for their production and all of the raw materials required are locally procured. A total number of 800 people work in these units of whom 100% are male.

The total amount of turnover stands at around Tk. 250 million per year in the cluster. Outputs are sold 100% nationally. The 1st unit in the cluster was setup in 1972 and the 50th one was in 2005-06. The cluster was formed naturally without any support from any institution including the Govt. Present trend shows that the cluster is a growing one; factors behind such trend are increasing demand for tanned leather and the business appears to be a profitable one.

Total land area in the cluster is around 660 decimal, which is mainly owned by the Railway District Council. There is enough land available for expansion of the cluster. The power and water supply has taken an acute proportion. There are brick roads inside the cluster. The area has no drainage system. The distance from the cluster to national highway is 1 km and a railway station is 0.5 km.

All the units inside the cluster possess trade license, TIN and VAT registration. Till to date no support has been received for development of the cluster. The cluster in the past did not receive any co-operation from any governmental and/or non-governmental sources.

The units inside the cluster do pollute the environment such as bad smell and polluted air. There is a trade association inside the cluster (Natore District Tannery Business Group) of which 80% of the units are members.

Financial support was taken from the bank(s) for the development of the cluster. There is no link with any research institute and no link with service providers. Key numeric data on the cluster can be seen in the Annex-1/142:

143	Cluster Name : Light Engineering	Location : Chak Rampur, Natore
	Cluster Product : Machinery parts	No. of Enterprise : 187

A cluster having production units of light engineering has been identified at Chak Rampur of Natore District. Inside the cluster there are 187 manufacturing units producing and repairing machinery parts using furnace oil, welding rod and plain sheet as the basic raw materials that are locally procured.

There are about 700 skilled and semi-skilled workers (100% male) currently employed in the cluster. The total turnover stands at around Tk. 30 million per year approximately. Outputs are sold inside the country (70% local and 30% national market). The 1st producing unit was setup in 1965 and the 50th one in 1980. The cluster has experienced a natural growth. Present trend shows that the cluster is a growing one; factors behind such trend are increasing demand of machinery parts and dependence of the people of North Bengal on this area for new and/or repaired machinery parts.



Cluster is set up on a land area of 4 square km, mostly owned by the individuals. There is additional land available for expansion. The area is well connected to electricity and water. There are brick layered roads inside the cluster but no drainage facility. The distance of national highway and railway station from the cluster are 0.5 km and 2/3 km respectively.

The units operating inside the cluster have trade license (80%), TIN (40%) and VAT registration (40%). No external support was given for cluster development except regular bank financing.

There is a trade association (Bangladesh Engineering Industry Owners Association, Natore) inside the cluster of which above 80% of the units are members.

The cluster has no interaction with any research institute, law firm, audit and accountants and ICT consultants. Key numeric data on the cluster can be seen in the Annex-1/143:

144	Cluster Name : Rice Mill Cluster	Location : Ishwardi, Pabna
	Cluster Product : Rice	No. of Enterprise : 550

A cluster comprising of approximately 550 paddy husking mills for production of rice was identified in Ishwardi, Pabna. Around 8000 skilled and semi-skilled workers are employed in this cluster of which 75% are male and 25% female. The market shares of these products are 10% local and 90% national. The 1st unit was established in 1978 and it turned into a cluster in 2000. This is a growing cluster because the area has a granary along with abundant supply of raw materials as well as effective transportation and communication facilities.

The area of this cluster is about 5 square km of land under private ownerships. There is scope for expansion because of availability of land. The cluster has electricity and gas but no running water and sewerage facility. There are concrete roads inside the cluster. Almost all the units have trade license and TIN but their accurate percentage is unknown, however only 40% of them have VAT Registration. The cluster does receive financial support from the government in terms of cash incentives allocated per boiler that is administered by GIZ. Only a few entrepreneurs borrow from the banks. This cluster has no interaction with any other service provider.

Some environmental pollution occurs because of the dust that is discharged during the production. As a remedy, at present, rice residues (ash) are sold to Mishuk, a local NGO. No trade association has been found inside the cluster. Key numeric data on the cluster can be seen in the Annex-1/144:

145	Cluster Name : Agro-Processing Cluster	Location : Pabna Sadar
	Cluster Product : Oil	No. of Enterprise : 100

A cluster comprising approximately 100 oil mills was identified in Pabna Sadar. Around 700 skilled and semi-skilled workers are employed in this cluster of which 80% are male and 20% female. The market shares of these products are 30% local and 70% national. The annual turnover is Tk. 5 million. The 1st producing unit started operating in 1910 and the establishment date of the 50th one is unknown. This is a growing cluster because the area has a granary and because of the lucrative nature of the business, new entrepreneurs are being attracted.

The area of this cluster is about 5 square km of land under private entrepreneurship. There is scope for expansion because of availability of land. The cluster is well connected with electricity, running water, gas and a functioning sewerage system. There are concrete roads inside the cluster as well.

Almost 90% of the mills have trade license and TIN but none of them have any VAT Registration. The cluster does not receive any technology support from government and others.

Some environmental pollution occurs due to air pollutant like dust particles. No abatement measure has been taken yet. There is no trade association among the enterprises of the cluster.



Only a few entrepreneurs borrow from the bank . This cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/145:

146	Cluster Name : Handicraft & Miscellaneous	Location : Kubirdia, Mulgram, Chatmohar, Pabna
	Cluster Product : Bamboo & Cane Furniture	No. of Enterprise : 70

In Kubirdia, Mulgram, Chatmohor, Pabna there is a cluster of bamboo and cane works. The total number of operating units is 70. These units use bamboo and cane as raw materials for their production and most of the raw materials required are local. A total number of 300 skilled workers are employed in these units of which 50% are male and 50% female. The total amount of turnover stands at Tk.1 million per year. Outputs are sold 40% locally and 60% nationally. The 1st unit in the cluster was setup in 1950 and the establishment date of the 50th one was unknown.

The cluster was formed naturally without any support from any institution. Present trend shows that the cluster is a declining one; factors behind such trend are increasing price of bamboo, decreasing demand of the products, lack of availability of raw materials. Total land area in the cluster is around 1 square km, which is mainly owned by the owners of the enterprises. There is enough land available for expansion of the cluster. The cluster has power supply. The area has no drainage system. The distance from the cluster to national highway is 0.5 km.

Units inside the cluster do not have Trade license, TIN and VAT registration. Till to date no support has been received for development of the cluster. The units inside the cluster do not pollute the environment. There is no trade association inside the cluster. Financial support was taken from the NGOs for the development of the units in the cluster. There is no link with any research institute or with service providers. Annex-1/146:

147	Cluster Name : Handloom Cluster	Location : Sathiya, Kashinathpur, Pabna
	Cluster Product : Saree, Lungi, etc.	No. of Enterprise : 500

A cluster comprising approximately 500 handloom units has been identified at Sathiya, Kashinathpur, Pabna. There are around 7000 skilled and semi-skilled workers employed in this cluster of which 60% are male and 40% female. The products of these units are sold 50% locally, 40% nationally and 10% internationally. The first producing unit started operating in 1950 and the establishment date of the 50th one is unknown. This cluster was developed without any government support and now is in a growing stage reason for growing is demand for the products. This cluster covers 3 square km land of private ownership having utilities like electricity and roadway but it lacks sewerage system.

Almost 20% units have trade license and TIN and 10% have VAT registration. The cluster does not receive any technical assistance from any source. Only a few entrepreneurs borrow from the banks; others have their own sources of financing. The cluster has no interaction with any other service provider.

No environmental pollution occurs during the production process; consequently no pollution abatement strategies have been taken. There has been no trade association among the enterprises inside the cluster.

Key numeric data on the cluster can be seen in the Annex-1/147:



148	Cluster Name : Hosiery Cluster	Location : Pabna Sadar
	Cluster Product : Hosiery	No. of Enterprise : 800

A cluster comprising of approximately 800 hosiery manufacturing units was identified in Pabna Sadar. Around 16,000 skilled and semi-skilled workers are employed in this cluster of which 99% are male and 1% female. The market shares of the products of these manufacturing units are 10% local, 20% national and 70% international. The annual turnover is Tk. 800 million. The 1st unit was set-up in 1989. This cluster was developed without any government support and now is in a growing stage because of increasing demand of its products.

This cluster covers is around 4 square km land of private ownership having all types of utilities like electricity, gas, water, roads and sewerage system. Land is available for further expansion of the cluster.

Almost 90% of the units have trade license, TIN and VAT Registration. The cluster does not receive any technical assistance from any source. Only a few entrepreneurs borrow from the banks, others have their own sources of financing. The cluster has no interaction with any other service provider.

No trade association has been found among the enterprises. Key numeric data on the cluster can be seen in the Annex-1/148:

149	Cluster Name : Light Engineering Cluster	Location : Pabna Sadar
	Cluster Product : Machinery parts, Motor parts, Steel sheets etc.	No. of Enterprise : 200

A cluster comprising approximately 200 light engineering units has been identified at Pabna Sadar. The major products of this cluster is pharmaceutical machine and parts, replacement auto and motorcycle parts, switch gate project, agriculture parts, sheet metal products etc. Around 2000 skilled and semi-skilled workers are employed in this cluster of which 100% are male. The market shares of these products are 100% local. The annual turnover is around Tk. 2 million. The 1st unit in this cluster was set-up in 1975. This cluster is a growing one because of increasing demand for the items produced and easy access to inexpensive skilled workers and technicians.

The area of this cluster is around 5 square km of land under private ownership. There is additional land available for further expansion of the cluster. The cluster is well connected with electricity, gas, water and a functioning sewerage system. Most of the units are connected with concrete roads.

Almost 25% of the enterprises have trade license, TIN and VAT registration. The cluster does not receive any technical support from any source. None of the entrepreneurs of this cluster have any access to any bank loans. The cluster has no interaction with any other service provider.

No environmental pollution occurs during the production process. There is no business association among the enterprises of the cluster. Key numeric data on the cluster can be seen in the Annex-1/149:

150	Cluster Name : Boutique Cluster, Rajshahi	Location : Rajshahi City Corporation
	Cluster Product : Boutique	No. of Enterprise : 200

In Rajshahi City Corporation there is a cluster of boutique industry. The total numbers of operating units is 200. These units use thread, fabrics, button and other related accessories as raw materials for their production and most of the raw materials required are locally procured. A total number of 1500-2000 people work in these units where 2% are male and 98% female.



The total amount of turnover stands at around Tk. 10 million per year in the cluster. The market share are 50% local and 50% national. The 1st unit in the cluster was setup in 1986 and the 50th one was in 2005-06. The cluster was formed naturally without any support from any institution including the Govt. Present trend shows that the cluster is a growing one; factor behind such trend is increasing demand for boutique.

Total land area in the cluster is around 5 square km, which is mainly owned by the owners of the units. There is enough land available for expansion of the cluster. The power and water supply has taken an acute proportion. There is concrete road inside the cluster. The area has no drainage system. The distance from the cluster to national highway is 0.5 km and railway is 1-2 km respectively.

Units inside the cluster possess trade license, TIN and VAT registration. Till to date no support has been received for development of the cluster. The cluster in the past did not receive any co-operation from any source. Financial support was taken from the bank(s) for the development of the cluster at an interest rate of 15%. There is interaction with a research institute like CDS consultants (Bailey road, Dhaka) and also link with service provider such as VAT and tax consultants.

No environmental pollution occurs during the production process. There is a trade association inside the cluster (Women Entrepreneur Association of Bangladesh, Rajshahi), where 20-40% of the units are members of the association. Key numeric data on the cluster can be seen in the Annex-1/150:

151	Cluster Name : Healthcare Cluster, Rajshahi	Location : Lakshmipur Mor, Rajshahi
	Cluster Product : Clinical and Diagnostic Services	No. of Enterprise : 50

In Lakshmipur of Rajshahi there is a cluster of clinical and diagnostic centers. The total number of operating units is 50. These units use regents', chemicals and X-ray film as raw materials for their chemical analysis and most of the raw materials are of foreign origin. A total of 500 technicians, skilled and semi-skilled workers are employed in these units where 50% are male and 50% female. The total amount of turnover stands at around Tk 250 million per year in the cluster; services are provided 80% locally and 20% nationally. The 1st lab in the cluster was setup in 1980 and the 50th one was in 2005. The cluster was formed naturally without any support from any institution including the Govt. Present trend shows that the cluster is a growing one; factors behind such trend are health consciousness and pattern in the medical treatment. Total land area in the cluster is around 5 square km, which is mainly owned by the owners of the units. There is enough land available for expansion of the cluster. The power and water supply has taken an acute proportion. There are brick layered and concrete roads inside the cluster. The area has no drainage system. The distance from the cluster to national highway is 0.5 km, railway is 0.5 km and airways are 5 km respectively.

Units inside the cluster possess trade license, TIN and VAT registration. Till to date no support has been received for development of the cluster. The cluster in the past did not receive any co-operation from any governmental and/or non-governmental sources.

The units inside the cluster do pollute the environment due to improper disposal of medical wastes and chemical related utensils. Nothing was known about any abatement measures. There is a trade association inside the cluster (Bangladesh Private Clinic and Diagnostic Owners Association, Rajshahi) of which 80% units are members.

Financial support was taken from the bank(s) for the development of the cluster. There is no link with any research institute and no link with service providers such as law firm, audit and accounting firm and VAT and tax consultants. Key numeric data on the cluster can be seen in the Annex-1/151:



152	Cluster Name : Leather Cluster, Rajshahi	Location : Charghat, Rajshahi
	Cluster Product : Shoes and Sandals	No. of Enterprise : 40

A cluster comprising 40 production units of leather and pseudo leather products has been identified in Charghat of Rajshahi. There are 450 skilled and semi-skilled workers employed in the cluster of which 300 are male and 150 female. These units use leather, pseudo leather, elastics, nails and emulsions as their raw materials for production that are entirely locally procured. The annual turnover is Tk. 1.9 million and the market shares for the products are 10% local and 90% national. The first unit started operating in 1978 and the establishment date of the 40th one is unknown. The cluster experienced a natural growth and at present it is in a growing stage. The reason for this trend is increasing demand for the products.

The land area of the cluster is around 120 decimal all of which is privately owned. There is land available for further expansion of the cluster. There are electricity and concrete roads inside the cluster but no functional drainage system. Distances to the national highway and a railway station are 10 km and 13 km respectively. About 40% of the units have trade license and only 3% have TIN but none have VAT Registration.

No environmental pollution occurs during the production process. There has been a trade association inside the cluster of which 40% - 60% of the units are members.

The entrepreneurs have access to financing from the banks. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/152:

153	Cluster Name : Light Engineering Cluster	Location : Talaimari, Rajshahi
	Cluster Product : Engineering Workshop/ Lade Machine	No. of Enterprise : 50

A cluster having production units of light engineering has been identified at Talaimari of Rajshahi District. The cluster comprises of 50 manufacturing units producing and servicing light engineering lathe machines using welding rod and iron as the basic raw materials which are locally procured.

There are 300 workers (100% male) currently employed in the production units operating inside the cluster. The total turnover stands at around Tk. 3.65 million per year approximately. Outputs are sold inside the country (95% local and 5% national market). The 1st producing unit was setup in 1980 and the 50th one in 2007-08. The cluster has experienced a natural growth without Govt. support. Present trend shows that the cluster is a growing one; factors behind such trend is increasing demand, most of the people of north Bengal are dependent on this area for producing and servicing light engineering items by lathe machine.

Cluster is set up on a land area spread around 5 square km, mostly owned by the individual owners of the workshops. There is additional land available for expansion. The area is well connected to electricity. There are brick layered roads inside the cluster but there is no drainage facility. The distance to national high way and a railway station from the cluster is 3 km and 1 km respectively. The units operating inside the cluster have trade license (80%), TIN (80%) and VAT registration (60%). No external support was given for cluster development except bank loans for working capital.

The cluster has no interaction with research institute, Law firm, audit and accountants and ICT consultants.

The units inside the cluster do pollute the environment like sound pollution and yet no abatement measure has been taken. There is no trade association inside the cluster. Key numeric data on the cluster can be seen in the Annex-1/153:



154	Cluster Name : Handloom Cluster	Location : Enayetpur, Sirajganj
	Cluster Product : Saree, Lungi etc.	No. of Enterprise : 2000

A cluster comprising approximately 2,000 power loom/handloom units producing saree, lungi, three pieces etc at Enayetpur of Sirajganj district has been identified. There are around 40,000 workers employed in this cluster of which 50% are male and 50% female. The market shares of these products are 80% local and 20% national. The first unit started operating in 1910. This cluster is a declining one because of high cost of raw materials, non-availability of skilled laborers and shortage of electricity.

The area of this cluster is spread around 6 square km of land under private ownership. There is scope for cluster expansion because of availability of land. The cluster has electricity, water and road facility but it lacks sewerage system.

Almost 90% of the enterprises have trade license and 30% have TIN but none have VAT registration. The cluster does not receive any technical support from others. The entrepreneurs borrow from banks and NGOs. The cluster has no interaction with any other service provider.

No Environmental pollution occurs during the production process. There is no trade association among the enterprises of the cluster. Key numeric data on the cluster can be seen in the Annex-1/154:

155	Cluster Name : Handloom Cluster	Location : Shahjadpur, Sirajganj
	Cluster Product : Saree, Lungi etc.	No. of Enterprise : 3000

Approximately 3,000 Handloom units have been identified at Shahjadpur of Shirajganj district. There are around 10,000 skilled and semi-skilled workers employed in this cluster of which 50% are male and 50% female. The market shares of these products are 70% local, 25% national and 5% international.

The first unit started operating in 1910 and the establishment date of the 50th one is unknown. This cluster is a declining one because of lack of working capital, high cost of raw materials and limited availability of skilled laborer as well as shortage of electricity. The area of this cluster is spread around 4 square km of land under private ownership. There is scope for cluster expansion because of availability of land. The cluster has electricity, water and road facility but it lacks sewerage system.

Almost 20% of the enterprises have trade license, 20% have TIN and 5% of the units have VAT registration. The cluster does not receive technical support from others. Some of the entrepreneurs borrow from banks and NGOs. The cluster has no interaction with any service provider.

No environmental pollution occurs during the manufacturing process. There is no trade association among the enterprises of the cluster. Key numeric data on the cluster can be seen in the Annex-1/155:

156	Cluster Name : Handloom Cluster	Location : Ullah Para, Sirajganj
	Cluster Product : Saree, Lungi etc.	No. of Enterprise : 2000

Approximately 2000 handloom units were identified at Ullah Para, Shirajganj. There are around 60,000 workers employed in this cluster of which 50% are male and 50% female. The market shares of these products are 60% local, 30% national and 10% international. The first unit was established in 1930 and the starting date of the 50th one was unknown. This is a growing cluster because of increasing demand for the sarees and lungis produced; the handloom owners



successfully continued the production process which they inherited. The area of this cluster is around 5 square km of land under private ownership. There is no scope for expansion because of non-availability of land. The cluster has electricity and concrete road but a limited number of the units have access to sewerage system.

Only a few units have trade license (10%) and TIN (10%) but none have VAT registration. The cluster does not receive any technical assistance from any source.

No environmental pollution occurs during manufacturing process. There is no business association of the enterprises in the cluster.

The entrepreneurs borrow from the banks and NGOs. The units have no interaction with any research institute or service provider. Key numeric data on the cluster can be seen in the Annex-1/156:



Rangpur Division

157	Cluster Name : Rice Mill Cluster, Dinajpur	Location : Phul hat, BSCIC Dinajpur
	Cluster Product : Rice	No. of Enterprise : 500

In Phul hat BSCIC area of Dinajpur Sadar there has been a cluster of rice mills. The total number of operating units is 500. These units use Paddy to produce rice. The basic raw materials are all locally procured. A total number of 75000 people work in these units of which 80% are male and 20% female. The total number of turnover stands at around Tk. 300 million per year. Only 2% of the products are sold locally and 98% nationally. The 1st unit in the cluster was setup in 1910 and the 50th one in 1930. The cluster developed naturally without the help of any organization. At the present the trend in the cluster is on the declining because of high raw material costs, banking policy and weak govt. policy.

Total land area in the cluster is around 100000 decimal, which is owned by both the owners of factories and the govt. Additional land is there for expansion. The area is well connected to electricity and water. There is drainage facility inside the cluster as well as concrete roads. The national highway runs through the cluster. The distance of railway, seaport and airport from the cluster is 1 km, 350 km and 40 km respectively.

Most of the units inside the cluster possess trade license (100%), TIN (80%) but none have VAT registration. Till to date no support has been received for development of the cluster. The cluster in the past never received any co-operation in terms of skill development, technology transfer, access to international market, participation in trade fair, cash incentive, product design and development, fiscal incentives, subsidy, grants and access to finance at low rate interest etc.

No trade association has been found among the enterprises.

Entrepreneurs have access to bank loan. There is no linkage between the cluster and research institute, business development services and advisory firms. Key numeric data on the cluster can be seen in the Annex-1/157:

158	Cluster Name : Hosiery Cluster, Gaibandha	Location : Gobindaganj, Gaibandha
	Cluster Product : Sweaters, Hats, Socks etc.	No. of Enterprise : 115

A cluster comprising of 115 units all producing sweaters, hats and socks has been identified at Gobindaganj, Gaibandha. There are around 2070 skilled and semi-skilled workers employed in this cluster of which 1670 are male and 400 are female. The annual turnover is Tk. 4.14 million. The products are sold 10% locally and 90% nationally. The 1st unit was set-up in 1965 and it turned into a cluster in 1999. This cluster was developed without any government support and now is in a growing stage because of increasing demand for the products.

This cluster covers spread around 230 decimal of land under private ownership and there is land available for further expansion of the cluster. The enterprises have access to electricity but no gas and running water. The cluster has concrete roads and a functioning sewerage system.

Almost all units have trade license and TIN but their exact number is unknown, however none of them have VAT Registration. The cluster does not receive any technical assistance from any source.

There is air pollution but no environmental abatement measures are taken yet. No trade association has been found inside the cluster.



Only few entrepreneurs borrow from the banks, others have their own sources of financing. The cluster has no interaction with any research institute or related service provider(s). Key numeric data on the cluster can be seen in the Annex-1/158:

159	Cluster Name : Pottery Cluster, Kurigram	Location : Krishnapur, Kumarpara, Kurigram
	Cluster Product : Tubs, Pots, Figurines etc.	No. of Enterprise : 40

A cluster comprising 40 productive units of pottery has been identified at Krishnapur, Kumarpara of Kurigram. A number of 200 skilled and semi-skilled workers are employed in the cluster of which 50% are male and 50% female. They use mud, sand, paint etc. for their raw materials that are locally procured. The annual turnover of the enterprises is about Tk. 0.28 million. The market shares of the products are 50% local and 50% national. The first unit started operating in 1962 and the establishment date of the 40th one is unknown. The cluster is at a stagnant stage. The reason for this trend is the scarcity of raw materials.

The land area of the cluster is most of which is privately owned. Land is available for further expansion of the cluster. The cluster has electricity and water as well as a drainage system. There are dirt roads inside the cluster. The distances to national highway, railway station and river port are 3 km, 2 km and 30 km respectively.

None of the enterprises inside the cluster have any trade license, TIN and VAT Registration. The cluster never received any technical assistance or any other kind of assistance for the improvement of business.

There is no business association among the enterprises.

The entrepreneurs have access to financing from the banks at a regular interest rate. Some of the units also borrow money from the NGOs. The cluster has no interaction with any other service provider(s). Key numeric data on the cluster can be seen in the Annex-1/159:

160	Cluster Name : Rice Mill Cluster, Nilphamari	Location : Baburhat, Nilphamari
	Cluster Product : Rice	No. of Enterprise : 100

A cluster comprising of rice mills has been identified in Baburhat, Nilphamari. The total number of operating units is 100. These units use Paddy to process rice. The basic raw material is mostly locally procured. A total number of 1250 people work in these units of which 40% are male and 60% female.

The annual turnover is around Tk. 24 million. 40% of the products are sold locally and 60%, nationally. The 1st unit in the cluster was setup in 1980 and the 50th one in 2008. The cluster was formed naturally without any support from any institution including the Govt. At present the trend in the cluster is on the growing due to two important factors namely, ever increasing demand for rice and lucrative nature of the business.

Total land area in the cluster is around 16500 decimal, which is mainly owned by the owners of the units. An expansion of the cluster is possible since additional land is available. The area is well connected to electricity along with drainage facility inside the cluster. There is asphalt road inside the cluster as well. The national highway runs through the cluster. The distances to a railway station and a river port from the cluster are 16 km and 5 km respectively. On the other hand, the distances to sea port and airport from the cluster are 400 km and 60 km respectively.

All of the units inside the cluster possess trade license (100%), however, 70% of the units have TIN but none of them have VAT registration. Till to date no support has been received for development of the cluster. The cluster in the past never received any co-operation in terms of skill development, technology transfer, access to international market, participation in trade fair, cash incentive,



product design and development, fiscal incentives, subsidy, grants and access to finance at low rate interest etc.

No trade association has been found inside the cluster.

The entrepreneurs have access to bank loans. The cluster has no interaction with any research institute, business development services or advisory firms. Key numeric data on the cluster can be seen in the Annex-1/160:

161	Cluster Name : Rice Mill Cluster, Nilphamari	Location : Paschim Beragari, Nilphamari
	Cluster Product : Rice	No. of Enterprise : 50

In Paschim Beragari, Nilphamari a cluster of rice mills have been identified. The total number of operating units is 50. These units use Paddy to process rice. The basic raw materials are all locally procured. A total number of 1000 people work in these units of which 60% are male and 40% female.

The total turnover stands at around Tk. 12 million per year. 20% of the products are sold locally and 80%, nationally. The 1st unit in the cluster was setup in 1960 and the 50th one in 1975. The cluster was formed naturally without any support from any institution including the Govt. At present the trend in the cluster is on the growing. The factors that contributed the most in growing this cluster are (i) ever increasing demand for rice and (ii) the perceived profitability of the business by entrepreneurs.

Total land area in the cluster is around 7500 decimal, which is mainly owned by the owners of the units. Additional land is there for expansion, the area is well connected to electricity only. There is drainage facility inside the cluster. The cluster has both carpeted and asphalt roads. The national highway and railway run close by the cluster. The distances to river port, seaport and an airport from the cluster are 30 km, 380 km and 22 km respectively.

All the units inside the cluster possess trade license (100%), TIN (80%) but none of them have VAT registration. The cluster never received any development assistance from any source(s).

The units pollute the environment of the neighboring villages by discharging smoke from the boilers that contaminates air. There is no trade association inside the cluster.

The entrepreneurs have access to bank loans. There is no interaction with the cluster and research institutes, business development services, and advisory firms and related others. Key numeric data on the cluster can be seen in the Annex-1/161:

162	Cluster Name : Rice Mill Cluster, Nilphamari	Location : Jhaldhaka Bazar, Nilphamari
	Cluster Product : Rice	No. of Enterprise : 100

In Jaldhaka Bazar, Nilphamari, a cluster of rice mills has been identified. The total number of operating units is 100. These units use Paddy to process rice. The basic raw materials are all locally procured. A total number of 1000 people work in these units of which 60% are male and 40% female.

The total turnover stands at around Tk. 252 million per year. 20% of the products are sold locally and 80%, nationally. The 1st unit in the cluster was setup in 1975 and the 50th one in 2002. The cluster was formed naturally without any support from any institution including the Govt. At the moment the trend in the cluster is on the growing owing to two major factors: (i) ever increasing demand for rice and (ii) the perceived profitability of the business by entrepreneurs.

Total land area in the cluster is around 3 square km which is mainly owned by the owners of the mills. Additional land is available for expansion. The area is well connected to electricity only.



There is drainage facility inside the cluster as well as roads that are proportionately carpeted and asphalt.

All of the units inside the cluster possess trade license (100%). About 90% of the enterprises have TIN but none have VAT registration. The cluster never received any development or technical assistance from any source(s).

The units pollute the environment of the neighboring villages by emitting smoke from the boilers that contaminates the air. No abatement measure has been taken so far. There is no trade association among the enterprises.

The entrepreneurs have access to bank loans. The cluster has no interaction with any research institute, business development services and advisory firms and other related services. Key numeric data on the cluster can be seen in the Annex-1/162:

163	Cluster Name : Rice Mill Cluster, Nilphamari	Location : Barobazar, Nilphamari
	Cluster Product : Rice	No. of Enterprise : 100

There has been a cluster of rice mills at Barobazar of Nilphamari Sadar. The total number of operating units is 100. These units use husking paddy to process rice. The basic raw materials are mostly locally procured. A total number of 2500 people work in these units of which 60% are males and 40%, females.

The total turnover stands at around Tk. 24.36 million per year. 20% of the products are sold locally and 80%, nationally. The 1st unit in the cluster was setup in 1960 and the 50th one in 1985. The cluster was formed naturally without any support from any institution including the Govt. At present the trend in the cluster is on the growing owing to two important factors namely, ever increasing demand for rice and the lucrative nature of the business. Total land area in the cluster is around 4 square km which is mainly owned by the owners of the units. Additional land is available for further expansion. The area is well connected to electricity and running water but no gas. There is drainage facility inside the cluster along with both carpeted and asphalt roads.

All of the units inside the cluster possess Trade license (100%); however, about 90% of the units have TIN but none of them have VAT registration. The cluster never received any technical or development assistance from any source(s). The entrepreneurs have access to bank loans. The cluster has no interaction with any research institute, business development services and advisory firms.

The units pollute the environment of the surrounding villages by emitting smoke from the boilers that contaminate the air. No abatement measure has been taken so far. There is no trade association among the enterprises. Key numeric data on the cluster can be seen in the Annex-1/163:

164	Cluster Name : Garments Cluster, Nilphamari	Location : Saidpur, Nilphamari
	Cluster Product : Trousers, Pants, Jackets etc.	No. of Enterprise : 500

In Saidpur upazilla of Nilphamari district a cluster of readymade garments has been identified. The cluster comprises of 500 units. In this cluster, short pants, three quarter pants, trousers, jackets and slacks are manufactured using cut pieces of fabrics. A total of 1,000 skilled and semi-skilled workers are employed in the cluster of which 95% are male and 5% female. The total turnover of the cluster is around Tk. 180 million. The 1st unit at the cluster was setup in 1988 and by 1994 the 50th one started operating. Natural factors were behind the development of this cluster. Govt. policy had no role in the expansion and development of the cluster. 85% of the products are sold nationally and 15% in local market. Presently the trend in the cluster appears to be growing due to increasing demand for the products all over the country.



The cluster is set up on spread around 2000 decimal of lands which is either owned by the owners of the units or are rented premises. In addition, there is enough land available for further expansion of the cluster. Beside the availability of land, the area is well connected with national highway, waterways and airways having brick layered and asphalt roads. However, the power and gas supply to the cluster is precarious.

All of the units do have trade license, TIN (90%) and VAT registration (50%). Govt. of Bangladesh has extended some support for the development of the cluster through providing skill development training. Other than this, no initiative could be seen for development of the cluster, not even in the form of financing, technology transfer, access to international market, participation in trade fair, cash incentives, product development and design, fiscal incentives, subsidy, grants and low cost financing.

A trade association operates inside the cluster with 80% units being member of the association.

The operating units although have access to finance, they are under serious financial pressure due to very high interest rate on the borrowed capital. The cluster has no interaction with any research organization or any other service provider(s). Key numeric data on the cluster can be seen in the Annex-1/164:

165	Cluster Name : Stone Crashing Cluster	Location : Tetulia, Panchagarh
	Cluster Product : Crashed Stones	No. of Enterprise : 150

In Tatulia, Panchagarh there is a cluster of stone crashing enterprises. The total number of operating units is 150. These units use boulder as raw material for their production and most of the raw materials required are locally procured. A total number of 1500 skilled and non-skilled workers are employed in these units where 10% workers are male and 90% female.

The total amount of turnover stands at Tk. 9 million per year; outputs are sold 5% locally and 95% nationally. The 1st unit in the cluster was setup in 1930 and the 50th one was in 1970. The cluster was formed naturally without any support from any institution. Present trend shows that the cluster is a growing one; factor behind such trend is the demand for crushed stones and from the workers' perspective, they have no alternative way of livelihood. Total land area in the cluster is around 500 bighas, which is mainly owned by the owners of the enterprises and also the government. There is enough land available for expansion of the cluster. The power supply has taken an acute proportion. There are concrete roads inside the cluster. The area has no drainage system. The distance from the cluster to national highway is 0.5 km and railway station 25 km.

Most of the units inside the cluster possess Trade license but their exact percentages are unknown however none of them have TIN and VAT registration. Till to date no support has been received for development of the cluster. Financial support was taken from the bank and NGOs for the development of the units. The cluster has no interaction with any research institute and/or service providers.

The units inside the cluster do not pollute the environment. There is a trade association inside the cluster, where 80% of the units are members of the association. Key numeric data on the cluster can be seen in the Annex-1/165:

166	Cluster Name : Clinic & Diagnostic Center	Location : Dhap Jail Road, Rangpur
	Cluster Product : Health Related Services	No. of Enterprise : 180

There are 180 diagnostic and health care units located at Jail road of Rangpur Sadar. More than 6300 skilled and semi-skilled workers are employed in the cluster of which 45% are male and 55% female. The 1st diagnostic and health care unit was set-up in 1975 and it turned into a cluster in 1995. Annual turn-over is Tk. 9.72 million. The market shares are 80% local and 20 % national.



The cluster developed naturally and at present it is in a growing stage. The reason for the growth is the demand for the services provided.

This cluster cover is spread around 2 square km of land under private ownership and having all types of utilities like electricity, water, roadway and sewerage system.

All the units have 100% valid trade license, TIN and VAT registration. No technical assistance was provided by the government and/or any other institution.

There are some environmental pollution but no abatement strategy has been taken yet. No trade association has been found inside the cluster.

Only few entrepreneurs borrow from the banks and there is no interaction between the cluster and any other service provider. Key numeric data on the cluster can be seen in the Annex-1/166:

167	Cluster Name : Carpet Cluster	Location : Radhakrishnapur, Rangpur Sadar.
	Cluster Product : Carpets and Doormats	No. of Enterprise : 110

A cluster comprising 110 production units of carpets and doormats has been identified at Radhakrishnapur, Rangpur Sadar. The raw materials needed for the production of these items are coconut fibers, threads and colors that are procured 100% locally. There are 1150 workers (35% males and 65% females) currently employed in the production units operating inside the cluster. The total turnover stands at around Tk. 0.04 million per year. Outputs are sold throughout the country. The 1st producing unit was setup in 1952 and the 50th one was in 2001. The cluster has experienced a natural growth. Present trend shows that the cluster is a growing one; factors behind such trend are increasing demand for the products and easy availability of raw materials.

The cluster is located on a land area of 190 decimals, owned by the owners of the enterprises. There are additional land available for expansion. The area is well connected with electricity. There are brick roads inside the cluster but no drainage facility. The distances to national highway and a railway station from the cluster are 1 km and 3 km respectively.

Very few of the units operating inside the cluster possess trade license (2%), TIN (2%) but none of them have VAT registration. Till to date external support received for development of the cluster is only from BSCIC in the form of skill development training and development assistance.

The units inside the cluster do not pollute the environment. There is no trade association inside the cluster.

Financial support was taken from the NGOs for the development of the units of the cluster. The cluster has no interaction with any research institute, business development services or advisory firms. Key numeric data on the cluster can be seen in the Annex-1/167:

168	Cluster Name : Rice Mill Cluster, Dinajpur	Location : Mohammadpur, Thakurgaon
	Cluster Product : Rice	No. of Enterprise : 100

In Mohammadpur, Thakurgaon Sadar there has been a cluster of rice mill units. The total number of operating units is 100. These units use Paddy to produce rice. The basic raw materials are mostly locally procured. A total number of 2000 people work in these units of which 50% are male and 50% female.

The total number of turnover stands at around Tk. 12 million per year. 30% of the products are sold locally and 70% nationally. The 1st unit in the cluster was setup in 1950 and the 50th one in 1995. The cluster was formed naturally without any support from any institution including the Govt. At present the trend in the cluster is on the stagnant because of problem related to the procurement of raw materials and lack of govt. support.



Total land area in the cluster is around 9900 decimal, which is mainly owned by the owners of the units. Additional land is there for expansion. The area is well connected to electricity and there is drainage facility inside the cluster. Carpeted and asphalt roads can be found inside the cluster. The national highway runs through the enterprises. The distance to a railway station and a river port is about 3 km. On the other hand, the distance to the nearest sea port and airport from the cluster is 350 km and 40 km respectively.

Most of the units inside the cluster possess trade license but their actual percentage is unknown. However, 50% of the enterprises have TIN but none of them have VAT registration. Till to date no support has been received for development of the cluster. The cluster in the past never received any co-operation in terms of skill development, technology transfer, access to international market, participation in trade fair, cash incentive, product design and development, fiscal incentives, subsidy, grants and access to finance at low rate interest etc.

There is no business association among the enterprises. The entrepreneurs have access to bank loan. There is no interaction between the cluster and research institute, business development services and advisory firms or related others. Key numeric data on the cluster can be seen in the Annex-1/168:



Sylhet Division

169	Cluster Name : Designer, aesthetically-challenging, personal wear and effects	Location : Bagla Bazar, Habiganj
	Cluster Product : Gold and Silver Ornaments	No. of Enterprise : 140

There are about 140 gold and silver ornament manufacturers located at Bagla Bazar, Habiganj. A total of 750 skilled workers are employed in the cluster and all (100%) of them are male. The first unit was formed in 1941 and it turned into a cluster in 1970. The annual turnover is not known; however, the market share of the products is 100% local. This cluster is gradually declining. The reason behind such trend is the continuous price hike of gold and silver that limits the consuming capacity of the local people. The cluster is scattered in and around 3 square km of land by private ownership and there is no chance of expansion due to lack of land availability. This cluster is facilitated by electricity, water and sewerage system. There are concrete roads in the cluster as well. Distances to national highway and a railway station are 15 km and 12 km respectively.

All manufacturing units have valid trade license but only 25% of them have TIN and 45% have VAT registration. The cluster does not receive any kind of technical support from others. There is a business association among the enterprises of which more than 80% of the units are members. The entrepreneurs do not borrow from the banks or from the NGOs. There is no linkage with any other service provider(s). Key numeric data on the cluster can be seen in the Annex-1/169:

170	Cluster Name : Saw Mills Cluster, Habiganj	Location : Court Station Road, Habiganj
	Cluster Product : Timbers & Logs, Wooden Furniture etc.	No. of Enterprise : 140

A cluster of saw mills comprising 50 units has been identified at Court Station Road of Habiganj Sadar. These units are engaged in the production of timbers and logs of different sizes and shapes using tree as the basic raw materials which are locally procured. They do manufacture some wooden furniture as well.

There are 600 workers (95% male and 5% female) currently employed in the cluster. The total turnover stands at around Tk. 15 million per year. Outputs are sold inside the country. The actual dates as to when the 1st unit started operating and when it became a cluster are unknown. The cluster has experienced a natural growth. Present trend shows that the cluster is a growing one; factor behind such trend is increasing demand for timbers and logs and wooden furniture as well as access to raw materials.

The cluster is located on a land area of 5 square km, mostly owned by the proprietors of the units. There is additional land available for expansion. The area is well connected to electricity and water. There are pakka roads inside the cluster. There is no drainage facility inside the cluster. The distance to national highway from the cluster is 0.5 km.

The units operating inside the cluster have trade license (100%), TIN (30%) and VAT registration (30%). No external support was given for cluster development except financing from banks and NGOs.

The units inside the cluster do not pollute the environment. There is no trade association among the enterprises.

Financial support was taken from the banks for the development of the units in the cluster at an interest rate of 13%. The cluster has no interaction with any research institute and/or any service provider. Key numeric data on the cluster can be seen in the Annex-1/170:



171	Cluster Name : Pottery Cluster, Habiganj	Location : Surabahi, Shayestaganj, Habiganj
	Cluster Product : Clay Tubs, Pots, Figurines etc.	No. of Enterprise : 80

A cluster comprising 80 pottery production units has been identified at Surabahi, Shayestaganj of Habiganj. About 300 skilled and semi-skilled workers are employed in the cluster of which 40% are male and 60% female. Clay, paint and water are the raw materials used for production that are locally procured. This cluster grew naturally in the year 1950 when the first unit started operating. At present it is in a declining stage. The reason for such trend is declining demand for the items produced. The annual turnover of the cluster is Tk. 0.05 million. 20% of the products are sold locally and 80% sold nationally.

The land area of the cluster is about 2500 decimal. There is no land available for further expansion of the cluster. The enterprises have access to electricity but no running water. There are only dirt roads inside the cluster and there is no drainage system. The cluster is well connected to national highway (1 km) and a railway station (10 km).

None of the enterprises inside the cluster have any trade license, any TIN and/or VAT Registration. The cluster never received any technical assistance or any other assistance from any source(s) for the improvement of business.

No trade association has been found inside the cluster.

None of the entrepreneurs borrow from the banks; however, some of the units have borrowed from the NGOs. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/171:

172	Cluster Name : Light Engineering	Location : Baniyachang, Habiganj
	Cluster Product : Agro machinery, Parts, welding, lathe machine etc.	No. of Enterprise : 90

There are 90 light engineering units producing agro machinery and other machinery parts, welding and lathe machine works etc. located at Baniyachang, Habiganj. A total number of 630 skilled and semi-skilled workers are employed of which all are male. The annual turn-over is around Tk.3 million. The market share is 100% local. The cluster developed naturally the first unit of which started operating in 1941. At present the cluster is in a growing stage. The reason for this trend is the demand for the items produced. This cluster covers 5 square km land of private ownership having all types of utilities like electricity, gas, water, roadway and sewerage system. There is no chance of expansion due to lack of land availability. There are concrete roads inside the cluster. The distance to national highway is 6 km.

Almost 60% of the manufacturing units have valid trade license and none of them have TIN and VAT Registration. The cluster never received any development and/or technical assistance from the government or from any other source(s).

There is some sound pollution. No abatement measure has been taken in response to that. No trade association has been found inside the cluster.

The entrepreneurs do not borrow from the banks or any other financial institution. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/172:

173	Cluster Name : Perfume & Incense Cluster	Location : Sujanagar, Barlekha, Moulovibazar
	Cluster Product : Oil based Perfume (Attar) & Incense Sticks	No. of Enterprise : 100

In Sujanagar, Barlekha of Moulovibazar there is a cluster of oil based perfume and incense sticks. The total number of operating units is 100. These units use bark and wooden pieces of Agar tree,



oil and perfume essence as raw material for production of Attar (oil based perfume) and Agarbatti (incense sticks). The raw materials required for production are locally procured. A total number of 4500 people work in these units of which 75% are male and 25% female.

The total amount of turnover stands at around Tk. 5 million per year in the cluster. Outputs are sold 100% internationally. The 1st unit in the cluster was setup more than 500 years ago and the set up date of the 50th one is unknown. The cluster was formed naturally without any support from any institution. Present trend shows that the cluster is a growing one; factors behind such trend are increasing demand of the products and availability of raw materials.

Total land area in the cluster is around 5 square km, which is mainly owned by the owners of the units. There is enough land available for expansion of the cluster. The power and gas supply has taken an acute proportion. There are brick layered roads inside the cluster. The area has no drainage system. The distance from the cluster to national highway is 3 km and an airport is 80 km.

Units inside the cluster possess Trade license but their percentages are unknown, 10% of the enterprises have TIN but none of them have VAT registration. No external support was given for cluster development by the government in the forms of skill development training, introduction to international buyers and others.

The units inside the cluster do not pollute the environment. There is a trade association inside the cluster, where 40-60% units are members.

Financial support was taken from the banks for the development of the cluster. There is a link with research institute such as agricultural research institute but no linkage with any service provider. Key numeric data on the cluster can be seen in the Annex-1/173:

174	Cluster Name : Silk Cluster, Moulvibazar	Location : Mangalpur, Alinagar, Moulvibazar
	Cluster Product : Three piece sets, Bed covers, Sarees etc.	No. of Enterprise : 90

In Mangalpur of Moulvibazar there is a cluster of Designer, aesthetically-challenging, personal wear and effects. The total number of operating units is 90. These units use thread and fabrics as raw materials for their production that are locally procured. A total number of 500 skilled and semi-skilled workers are employed in these units 20% of whom are male and 80% female. The total amount of turnover stands at around Tk. 2.16 million per year in the cluster, outputs are sold 20% locally, 40% nationally and 40% internationally. The set up dates of the 1st unit and the 50th one are unknown. The cluster was formed naturally without any support from any institution. Present trend shows that the cluster is a growing one; factor behind such trend is increasing demand for the products.

Total land area in the cluster is around 4-5 square km, which is mainly owned by the owners of the units. There is additional land available for expansion of the cluster. The power supply has taken an acute proportion. There are concrete roads inside the cluster. The area has no drainage system. The distance from the cluster to national highway is 30 km, railway is 10 km and an airport is 95 km.

Units inside the cluster possess trade license (40%) but no TIN and VAT registration. No external support was given for cluster development by the government in the forms of efficiency development training, introduction to international buyers and others.

The units inside the cluster do not pollute the environment. There is no trade association inside the cluster.

Financial support was taken from the NGOs for the development of the cluster. There is no link with any research institute but a link with service provider such as NASCIB is established. Key numeric data on the cluster can be seen in the Annex-1/174:



175	Cluster Name : Manipuri Handloom, Moulovibazar	Location : Kamalganj, Moulovibazar
	Cluster Product : Clothes	No. of Enterprise : 350

A cluster comprising 350 units of hand woven clothe manufacturing has been identified in Kamalganj of Moulovibazar. Raw materials used for production are cotton yarn and dye that are both 100% locally procured. The cluster employs about 2000 skilled and semi-skilled workers of which 5% are male and 95% female. The annual turnover is Tk. 1.8 million; the products are sold 85% nationally and 15% internationally. The cluster grew naturally that started operating about 300 years ago. At present it is in a growing stage due to increase in demand for the products.

The estimation of total land area of this cluster was unknown; however, there is land available for further expansion of the cluster. Only 5% of the enterprises have electricity connection. There is a functioning sewerage system. The cluster has dirt roads and brick layered roads. The enterprises are well connected to the national highway.

Only 5% of the enterprises have valid trade license, TIN and VAT registration. The cluster never received any technical or development assistance from any source(s). No association has been found among the enterprises. The entrepreneurs do not borrow from the banks or from other FIs. The cluster has no interaction with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/175:

176	Cluster Name : Silk Cluster, Sylhet	Location : Aditya Pur, Sylhet
	Cluster Product : Bed Covers, Scarves, Bags, Hats etc.	No. of Enterprise : 60

In Aditya Pur of Sylhet there is a cluster of Designer, aesthetically-challenging, personal wear and effects. The total number of operating units is 60. These units use rich valued fabrics as raw material for their production and most of the raw materials required are local. A total of 300 people work in these units, 30% of the workers are male and 70% female. The total amount of turnover stands at around Tk. 0.6 million per year. Outputs are sold 40% locally, 25% nationally and 35% internationally. The 1st unit in the cluster was setup in 1950 and the set up date of the 50th one was unknown. The cluster was formed naturally without any support from any institution. Present trend shows that the cluster is a growing one; factor behind such trend is increasing demand for the products.

Total land area in the cluster is around 570 decimal, which is mainly owned by the owners of the units. There is not enough land available for expansion of the cluster. The power, gas and water supply has taken an acute proportion. There are brick roads inside the cluster. The area has no drainage system. The distance from the cluster to national highway is 0.5 km, railway station is 10 km, a river port is 10 km and an airport is 10 km.

Units inside the cluster possess trade license (15%), TIN (15%) and VAT registration (15%). External support was given earlier on for cluster development by the government in the forms of efficiency development training and introduction with international buyers.

The units inside the cluster do not pollute the environment. There is no trade association inside the cluster.

Financial support was taken from the NGOs for the development of the cluster. There is no link with any research institute or link with any other service provider. Key numeric data on the cluster can be seen in the Annex-1/176:



177	Cluster Name : Stone Cluster, Sylhet	Location : Bollaghat, Sylhet
	Cluster Product : Sheel Patta and Show Pieces	No. of Enterprise : 40

A cluster comprising 40 production units that produce typical stone wares has been identified at Sowainghat upazial, Goaghat, of Sylhet. The cluster employs 200 skilled workers all of whom are male. They use black stone and some other stones and clay as raw materials for their production that are locally procured. The annual turnover is around Tk. 3 million and the market share for the products is 100% local. The first unit started operating in 1982 and the 50th one started business in 2010. The cluster experienced a natural growth and at present it is at a growing stage. The reason for such trend is demand for the products and easy access to raw materials.

The cluster has a land area of 50 decimals scattered around within 3 kilometers most of which is privately owned. There is land available for further expansion of the cluster. The enterprises have access to electricity and running water. There are concrete roads inside the cluster but no drainage system. Distance to national highway is just one km.

About 30% of the units have trade license but none of them have any TIN and VAT registration. The cluster never received any kind development assistance from any source(s). The entrepreneurs do not have any access to bank financing or financing from any other source(s). The cluster has no interaction with any other service provider.

No trade association has been found inside the cluster. Key numeric data on the cluster can be seen in the Annex-2/177:





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