

EMERGING  
CREDIT  
RATING  
LIMITED

# BANGLADESH AUTOMOBILE INDUSTRY



## Table of Contents

Introduction: .....	1
Industry Overview: .....	1
Automobile Companies & Brands in Bangladesh:.....	3
Global & Domestic Sales Status: .....	3
Government Regulation: .....	4
Analysis of Bangladesh Automobile Industry:.....	5
SWOT Analysis: .....	5
Conclusion: .....	7
Bibliography .....	8
Appendix:.....	10

# BANGLADESH AUTOMOBILE INDUSTRY

Nabihatul Afrooz<sup>1</sup> Subrata Howlader<sup>2</sup> and A.B.M. Qudrot-E-Khuda<sup>3</sup>

## Introduction:

Transportation plays a very important role in the development of a society as demand for transportation increases along with development. It is one of the major industrial sectors of an economy. Over the

Automobile Industry Heads	Current Scenario
Local Demand	\$ 2.5 Bn
Raw material source(Local: Imported)	5:95
Future Investment possibility	\$ 2.5-3 Bn
Future employment option	1.5m
Import situation	2.01 Bn

**Source: Board of Investment Bangladesh**

years, Bangladesh achieved considerable economic growth (GDP more than 7 percent) with the stable unemployment rate and a rise in foreign investments. As a result, the purchasing power of individuals has risen along with the demand for cars, motorbikes and commercial vehicles. The demand ranges from luxury inter-district buses to small sedans. To meet these demands, Bangladesh has to depend on imported vehicles as they are not manufactured in Bangladesh. A huge number of vehicles are imported every year, which includes reconditioned cars, spending a huge amount of foreign currency (Board of Investment Bangladesh, 2017). The wide variety of brands of vehicles, whether commercial-heavy or light motor vehicles, are imported by Bangladesh and the countries of origin mainly include countries like Japan, India, South Korea, China, Germany, France, Malaysia, UK and USA (International Trade Centre, 2002). Among the importing countries, Japan and India are the top sellers of vehicles to Bangladesh. To restrict the import of vehicles, the government has imposed taxes on imported vehicles increasing the price which made it harder to afford by the middle-income earners. This calls for an initiative to be taken to develop the automobile industry to manufacture vehicles at a reasonable price.

Bangladesh needs to put some effort to expand heavy industry as it can contribute to economic development. The development in shipbuilding industry is an encouragement indicating that there is a huge potential in developing other areas of heavy industry and automobile manufacturing is one of them. The market condition is matured enough to go for manufacturing import-substitute vehicles of different categories, bus, mini-bus, truck and especially sedan for personal use.

## Industry Overview:

Bangladesh is making a spectacular progress in almost every sector that would contribute to its economic and political growth, including the manufacture of world class electronics, steel,

<sup>1</sup> Research Associate, Research Department, Emerging Credit Rating Limited, Email: [nabiha@emergingrating.com](mailto:nabiha@emergingrating.com)

<sup>2</sup> Research Associate, Department of Research, Email: [subrata@emergingrating.com](mailto:subrata@emergingrating.com)

<sup>3</sup> Junior Research Associate, Research Department, Emerging Credit Rating Limited, Email: [qudrot@emergingrating.com](mailto:qudrot@emergingrating.com)

and glass. The one sector where Bangladesh is almost entirely sluggish is the automotive sector (Ferdous, 2016).

However, Bangladesh has been producing auto-rickshaws since the 1980s and the local production of the motorcycle has begun since early 2000. Bangladesh is also manufacturing locally designed three-wheeler motor vehicle, Mishuk, utilizing an engine from Honda. Over the last two decades, as the use of vehicles has increased significantly with the increasing population, improved infrastructure along with the increased mobility of people from one place to another for jobs and improved living standard, the demand for automobiles has been also increasing in Bangladesh. Bangladesh mostly has to depend on import of cars from abroad as there is no official automobile industry in the country (International Trade Centre, 2002).

The sales of Toyota cars, imported from Japan, are constantly increasing in Bangladesh. Even for commercial vehicles, this is still the most used brand. In the case of motorbikes, the Indian brand Bajaj is most popular in Bangladesh. Recently Bangladeshi Brand Walton is also coming in focus (with annual production of 200,000 units) for motorcycles (Board of Investment Bangladesh, 2017). Even though there is a lack of local car manufacturers, a state-run company named Pragoti Industries Limited has been manufacturing vehicles for Japanese company Mitsubishi at a low rate. The demand for motorbikes has sizably increased, as two-stroke engine vehicles were banned in the country creating the potential for motorbike manufacturing industry (Habib, 2016). The country is currently assembling the Mitsubishi Pajero Sport, Hino bus, and also the Tata bus and motorcycles.

The market of Bangladesh is alluring to investors at home and abroad and has the potentiality of making a significant profit. There are foreign companies who are showing interest in investing in the automobile industry in Bangladesh. Many big companies like Tata Motors have come forward with investment initiatives. Tata Motors, in partnership with Bangladesh-based Nitol Motors, launched its Prima range of heavy commercial vehicles (CVs) in Bangladesh (The Daily Observer, 2015).

The first Bangladeshi car has been made naming Sobari (Meaning: 'For All' in Bangla). The Sobari family car has been made in Obhoynagor, in Jessore district, and costs only 6 lakhs and 45 thousand taka. Apart from the engine, which was made in India, everything else in the Sobari family car has been made locally (Kamal, 2014). Then again, a Swedish automobile giant Volvo Group will market new generation trucks in Bangladesh, in a joint venture with Indian Eicher Motors. With the launch, the Eicher brand enters a new phase of growth and consolidation in the commercial vehicle market. The distributorship of Eicher Trucks in Bangladesh is managed by Runner Motors Limited, an arm of Runner Group (Business Intelligence Bangladesh , 2017).

Moreover, PHP, a business conglomerate based in Chittagong, signed a deal with Malaysian automobile manufacturer Proton to set up an industry with a capacity of manufacturing 1,200 cars per year. The company is investing TK 400 crore in the project employing several hundreds of workers with 50 engineers (Dhaka Tribune, 2015). Furthermore, in 2015 three car manufacturing companies - Zinwa, BMG, & KRW, from South Korea have collaborated with Ena Group to manufacture battery-driven auto car (automobile) in BSCIC industrial

estate in Rajshahi city. There will be Lithium battery in the car which will run at least 100 kilometers, charging only once. It will cost around US \$18,000 or Tk.1, 200,000.

Even Society of Indian Manufacturers (SIAM), an apex industry body representing leading vehicle and vehicular engine manufacturers in India, is forwarding their helping hand towards Bangladesh to strengthen their automobile manufacturing base. SIAM hosted the first-ever three days Indo-Bangladesh Automotive Show in the city to unite automotive industries of both countries (The Daily Sun, 2016).

## Automobile Companies & Brands in Bangladesh:

In Bangladesh, there are few large car plants which assemble the Mitsubishi Pajero Sport, Hino bus, Tata bus & motorcycles etc. (Wikipedia, 2017). Some top automobile assembling & manufacturing companies are Uttara Motors Ltd, Nitol Motors Ltd., S.R Motors Ltd., Akij Motors, Pragoti, Bangladesh Machine Tools Factory, Aftab Automobiles, TVS Auto Bangladesh Limited, HS Enterprise, TATA Motors Bangladesh (Joint Venture with Nitol- Niloy Motors Ltd), Atlas Bangladesh Ltd., Walton Hi-Tech Industries Limited, Runner Automobiles, Singer Bangladesh Limited, Bangladesh Honda Private Limited, Rangs Motor's Ltd., Rahimafrooz Globatt Limited, Chisti Engineering & Mechanical Works, Jonata Auto Mobile Parts, Ifad Autos Ltd .

Some Automobile products in Bangladesh & their Brand name are given below:

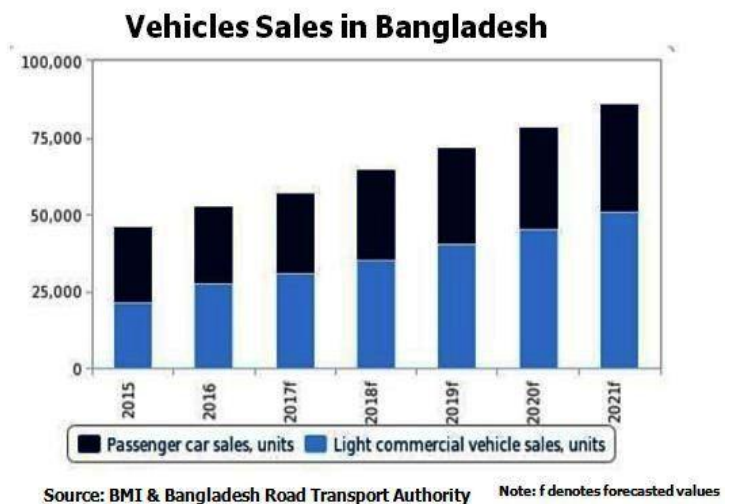
Products	Brand Name
<b>Heavy Bus</b>	Hino, Isuzu, Volvo, Scania, Hyundai, Tata, Mercedes Benz, Man etc.
<b>Mini Bus</b>	Hino, Mitsubishi, Isuzu, Toyota, Sawraj Mazda, Tata, Eicher etc.
<b>Microbus</b>	Nissan, Mitsubishi, Toyota etc.
<b>Heavy Truck</b>	Hino, Tata, Bed Ford, Isuzu, Ashok Leyland
<b>Mini Truck</b>	Hino, Tata, Mitsubishi, Isuzu, Toyota, Eicher, Sawraj, Mazda etc.
<b>Motor Car</b>	Toyota, Mercedes-Benz, Nissan, Mitsubishi, Ford, Daewoo, Proton Saga, Proton Wira, Hyundai, BMW, Maruti Suzuki etc.
<b>Four Wheels</b>	Toyota, Tata, Mitsubishi, Nissan etc.
<b>Auto Tempo</b>	Bajaj, Krishan
<b>Scooter</b>	Bajaj, Krishan
<b>Motor-cycle</b>	Honda, Xingfu, Jialing, Zongshen, Yamaha, Suzuki, Hero, TVS Victor, Bajaj, Vespa etc.
<b>Light &amp; Heavy Commercial Vehicles</b>	Nissan, Daewoo, Hyundai, Volvo, Ashok Leyland, Tata, Hino, Mitsubishi etc.
<b>Farm &amp; Agricultural Vehicles</b>	Hyundai, Daewoo, Dongfang, Dong- chang etc.

## Global & Domestic Sales Status:

In the Global perspective, in 2016, there has been growth in the sales of cars which has been led by China, the largest growing economy in the world, who gained 13 percent sales with 3.2 million additional vehicles. Among other major economies, the European Union and

US market gained 1.1 million or 7 percent and 70,000 or 0.4 percent sales, respectively (Scutt, 2017). The overall sales of vehicles have increased from 90 million in 2015 to 94 million in 2016 (OICA, 2017). According to the world cars brand ranking 2017, using data from Mobility Database, it has been found that Toyota, the market leader, achieved 1.35 million units sales (+8.7 percent) along with 9.5 percent global market share in the first two months of 2017, followed by Volkswagen with 1.036 million sales (+2.1 percent) and Ford 896,000 sales (-2.9 percent) (Focus2Move, 2017).

Nevertheless, Bangladesh is also facing a rise in the demand for motorized vehicles. In 2015, a total of 0.32 million vehicles has been registered in Bangladesh according to the list given in the official website of Bangladesh Road Transport Authority (BRTA). In 2016, there has been an increase of registered vehicles totaling 0.42 million vehicles. For the last couple of years, it has been increasing as per the data. The latest update shows that in the first two months of the year 2017, 69,198 registered vehicles have been listed (Appendix: Table- 1).



## Government Regulation:

Automobile manufacturers & assemblers of Bangladesh needs to follow the section 84 (Power to make rules) of The Motor Vehicles Ordinance, 1983 by the Government of Bangladesh. Under this section (Ministry of Law, Justice and Parliamentary Affairs, 2017):

- The Government may make rules regulating the construction, equipment, & maintenance of motor vehicles & trailers, & the establishment, registration, operation & supervision of motor vehicles repairing workshop
- Without prejudice to the generality of the foregoing power, rules may be made under this section governing any of the following matters either generally in respect of motor vehicles or trailers of a particular class or in particular circumstances, namely:-
  - a. the width, height, length & overhang of vehicles & of the loads carried;
  - b. seating arrangement in public service vehicles & the protection of passengers against the weather;
  - c. the size, nature, & condition of tyres;
  - d. brakes & steering gear;
  - e. the use of safety glass;
  - f. signaling appliances, lamps, & reflectors;
  - g. speed governors;
  - h. the emission of smoke, visible vapor, sparks, ashes, grit or oil;
  - i. the reduction of noise emitted by or caused by vehicles;

- j. prohibiting or restricting the use of audible signals at certain times or in certain places;
- k. prohibiting the carrying of appliances likely to cause annoyance or danger;
- l. the periodical testing & inspection of vehicles by prescribed authorities;
- m. the particulars, other than registration marks, to be exhibited by vehicles & the manner in which they shall be exhibited;
- n. the use of trailers with motor vehicles;
- o. registration, control & supervision of establishment undertaking repair works of motor vehicles & the conditions governing such establishment;
- p. any other matter which is to be or may be prescribed by rules.

In Bangladesh, around 80 percent of the cars are imported from Japan. In Bangladesh, as the vehicle moves on the left-hand side of the road, so, imported vehicles should be right handed driven. According to the regulation of Bangladesh government, import of used cars, jeeps, microbus, minibus including other old vehicles & tractors are allowed. In Bangladesh, imported vehicle should not be more than four years old. It should be JAAI (Japan Auto Appraisal Institute) certified. In Bangladesh, a used vehicle taxes are levied on vehicles when imported. Only Diplomats get duty free import of one used vehicle in Bangladesh. In Bangladesh Ports for shipment of vehicles are in Chittagong & Dhaka port based (Japan Used Car Portal, 2017).

In Bangladesh, most of the cars have been imported. Present supplementary duties for imported regular & hybrid car are given below:

Car CC	Supplementary Duty	
	Regular Car	Hybrid Car
<b>1500</b>	45%	30%
<b>1501-2000</b>	100%	60%
<b>2001-2700</b>	200%	150%

The motorcycle assembling & manufacturing companies have to pay 20 percent supplementary duty on imported parts & components. It will help motorcycle assemblers to integrate backward more easily. The importers of Human Hauler have to pay 25 percent customs duties & 30 percent supplementary duty (Ministry of Finance, 2017).

## Analysis of Bangladesh Automobile Industry:

### SWOT Analysis:

#### Strengths

- 1. Evolving Industry:** Automobiles symbolizes autonomy & economic development. It allows citizens to live, work & travel in ways that were unthinkable a century ago. Almost each automobile journey ends with either an economic matter or several other benefits to the quality of life.

- 2. Transferring Growth to Asian Markets:** Even though American & European market is the rhythm of the automobile industry. However, the spotlight is shifting to developing markets like China, India, Bangladesh & other Asian nations. This is because of the increase in disposable earnings, shifting the way of life & constant economic situation.
- 3. Increasing Demand of Luxury Commercial Automobiles:** Automobile companies like VOLVO, BMW, Scania, Hyundai, & Mercedes-Benz are betting high & are aiming to the developing countries due to the rise in demand of luxury public transportation system.
- 4. Manufacturing Benefits to Control Expenditure:** Automobile companies are building their plants in developing nations like Bangladesh, India, & China as they have economical labor force which leads to lower manufacturing cost.

## Weaknesses

- 1. Efficient Labor Crisis:** The crisis of efficient labor is a major weakness for the automobile industries in Bangladesh.
- 2. Higher Investment & Switching Cost:** The initial investment is very high in the automotive sectors. If someone starts their business then they can't easily leave to other business. This is one of the major weaknesses for this sector.
- 3. Environmental Concern:** Vehicles are the main reason of air pollution in Dhaka city. Mainly vehicles that run on diesel, pollutes the air in large level. In Bangladesh, there is perhaps no single electric car charging station & the environmental awareness is not that much. So it may take a long time for Bangladesh to start importing electric cars.
- 4. Policy Support:** Government policies & initiatives are not enough for the growth of automobile industry. Regulations like excise duty, higher taxes & volatility in the fuel prices are some factors which always affect the growth of the industry.

## Opportunities

- 1. Strategic Alliances:** Making strategic alliances can be a smart strategy for automobile companies. By using specialized capabilities & partnering with other companies, they can differentiate their products.
- 2. Foreign Investment:** Many foreign investors have nominated Bangladesh as a country of safe investment. But no car industry has been established. This is a huge opportunity for automobiles industry to increase its production line in the country.
- 3. Increasing Demand:** Since the population of this country is increasing day by day, the demand for the automobile is also increasing. At the same time, the number of middle-class families with more disposable income is increasing. This is also an opportunity.



## Threats

- 1. Intense Competition:** In Bangladesh, the number of competitors in the automobile sector is increasing day by day. This is a major threat towards the advancement of the industry.
- 2. Volatility in the fuel Prices:** From the passengers perspective, fluctuations in the fuel prices remains the determining factor for its growth.
- 3. Economic Uncertainty:** Macroeconomic uncertainty, depression, idleness & other economic issues which may frighten the automobile industry in Bangladesh for a long period of time.
- 4. Higher Cost:** Higher fixed cost, raw material price, higher investment in research & developments are important factors for the growth of the industry.
- 5. Government Regulations:** The rules & regulations imposed by the government are not so inspiring for the automobile industry. The ever increasing tax rate is also another threat for the automobile industry.
- 6. Political Unrest:** The political unrest not only creates a threat to the automobile industry but also almost all industries in Bangladesh.

## Conclusion:

Bangladesh is moving towards achieving the sustainable development goal by implementing and taking necessary steps for it. The government is giving efforts and taking compulsory actions in the way of policy making. The government is concerned for the automobile industry. The Automobile Policy Guideline and Roadmap 2012-2021 has been completed by the Ministry of Industries (MoI) aiming to boost up local automobile manufacturing sector and increase national GDP. In the government's policy guideline emphasis has been given on efforts of developing trading companies gradually as well as focused on assembling and manufacturing units, like Semi-Knocked Down (SKD), Complete Knocked Down (CKD) and locally Complete Built Unit (CBU). A strong preference has been given to the favored development of the government's current assembling units along with more private investment in motorcycle manufacturing and heavy vehicle assembling. The roadmap has also targeted further private investment in collaboration with foreign companies (The Financial Express Bangladesh, 2013).

## Bibliography

- Board of Investment Bangladesh. (2017). *Automobile*.
- Business Intelligence Bangladesh . (2017, April 22). Retrieved from bibd.info:  
<http://bibd.info/volvo-optimistic-on-bangladesh-automobile-market/>
- Dhaka Tribune. (2015, March 21). PHP to manufacture car for the first time in Bangladesh.
- Ferdous, S. T. (2016, March 16). *Carmudi Bangladesh*. Retrieved from  
<https://www.carmudi.com.bd/journal/covering-new-grounds-why-bangladesh-needs-its-own-automotive-industry/>
- Focus2Move. (2017, April 3). *Focus2Move*. Retrieved from <http://focus2move.com/world-cars-brand-ranking/>
- Habib, M. M. (2016, March 7). Bangladesh on four wheels.
- International Trade Centre. (2002). *Supply and demand survey on automotive components – Bangladesh*. International Trade Centre UNCTAD/WTO.
- Japan Used Car Portal. (2017). Retrieved from [jctjapan.wordpress.com](http://jctjapan.wordpress.com):  
<https://jctjapan.wordpress.com/import-rules-and-regulations-for-japanese-used-vehicles-in-bangladesh/>
- Kamal, K. U. (2014, April 22). First Bangladeshi manufactured family car is here!
- Ministry of Finance. (2017). *Budget Brief 2016-2017*. Ministry of Finance , Bangladesh.
- Ministry of Law, Justice and Parliamentary Affairs. (2017). *The Motor Vehicles Ordinance,1983*. Government of Bangladesh.
- OICA. (2017). *Organisation Internationale des Constructeurs d'Automobiles (International Organization of Motor Vehicle Manufacturers)*. Retrieved from  
<http://www.oica.net/category/sales-statistics/>
- Scutt, D. (2017, January January). *Business Insider Australia*. Retrieved from  
<http://www.businessinsider.com/2016-was-a-record-breaking-year-for-global-car-sales-and-it-was-almost-entirely-driven-by-china-2017-1>
- The Daily Observer. (2015, May 23). *Tata Motors unveils Prima range in Bangladesh*. Retrieved from The Daily Observer: <http://www.observerbd.com/2015/05/23/90319.php>
- The Daily Sun. (2016, December 29). India keen to help Bangladesh have strong vehicle manufacturing bases.
- The Financial Express Bangladesh. (2013, January). [www.thefinancialexpress-bd.com](http://www.thefinancialexpress-bd.com). Retrieved from <http://print.thefinancialexpress-bd.com/old/print.php?ref=MjBfMDFfMTIfMTNfMV85MF8xNTczNzQ=>

Wikipedia. (2017, March). <https://en.wikipedia.org>. Retrieved from [https://en.wikipedia.org/wiki/Automotive\\_industry\\_in\\_Bangladesh](https://en.wikipedia.org/wiki/Automotive_industry_in_Bangladesh)

## Appendix:

**Table1: Year wise Number of Registered Motor Vehicles in Bangladesh**

Sl. No	Type of Vehicles	Upto-2010	2011	2012	2013	2014	2015	2016	2017/Feb	Grand Total
1	Ambulance	2793	219	181	243	338	480	378	66	4698
2	Auto Rickshaw	126763	20423	23545	15697	19897	20000	11173	1182	238680
3	Auto Tempo	14266	175	626	395	500	1095	1322	119	18498
4	Bus	27778	1761	1439	1107	1488	2391	3833	818	40615
5	Cargo Van	3522	489	282	687	608	399	1017	158	7162
6	Covered Van	5658	2354	1421	2271	2869	2354	3340	690	20957
7	Delivery Van	17063	1004	774	894	1176	1719	2181	366	25177
8	Human Hauler	6520	1152	715	385	225	1142	3487	810	14436
9	Jeep(Hard/Soft)	32286	2134	1569	1314	1870	3601	4892	729	48395
10	Microbus	66379	4051	3044	2537	4313	5224	5804	939	92291
11	Minibus	25644	276	249	148	256	323	472	89	27457
12	Motor Cycle	759257	114616	101588	85808	90685	240358	332057	53675	1778044
13	Pick Up (Double/Single Cabin)	32240	10460	7625	6553	9554	10257	11371	1906	89966
14	Private Passenger Car	219830	12950	9224	10472	14699	21062	20304	3942	312483
15	Special Purpose Vehicle	6371	396	226	227	172	296	620	215	8523
16	Tanker	2706	317	195	226	362	324	394	68	4592
17	Taxicab	44380	75	172	51	374	88	44	2	45186
18	Tractor	20600	5200	3494	1885	1522	1699	2576	449	37425
19	Truck	82871	7327	4335	5129	8136	6330	7275	1920	123323
20	Others	1317	7	1	1080	1595	2073	3870	1055	10998
<b>Total</b>		1498244	185386	160705	137109	160639	321215	416410	69198	2948906

**Source: Bangladesh Road Transport Authority**

**Table 2: Year-wise Number of Registered Motor Vehicles in Dhaka**

Sl. No	Type of Vehicles	Upto-2010	2011	2012	2013	2014	2015	2016	2017/Feb	Grand Total
1	Ambulance	1374	137	114	190	254	358	287	49	2763
2	Auto Rickshaw	7664	112	111	60	56	428	582	8	9021
3	Auto Tempo	1662	1	1	0	0	0	0	0	1664
4	Bus	16783	1501	1218	971	1364	2221	3479	727	28264
5	Cargo Van	3231	477	278	676	603	398	1001	155	6819
6	Covered Van	4277	1910	1170	1850	2352	1855	2316	554	16284
7	Delivery Van	11990	839	577	709	901	1464	1898	329	18707
8	Human Hauler	2718	569	145	115	109	502	787	74	5019
9	Jeep(Hard/Soft)	19520	1698	1241	1107	1582	3109	4217	593	33067
10	Microbus	46202	3540	2643	2227	3842	4569	5169	800	68992
11	Minibus	9490	136	103	83	135	103	164	25	10239
12	Motor Cycle	210081	34708	32810	26331	32894	46764	53738	10079	447405
13	Pick Up (Double/Single Cabin)	20481	7258	5149	4908	7295	7916	8482	1394	62883
14	Private Passenger Car	163004	11423	8187	9231	12972	18422	18010	3417	244666
15	Special Purpose Vehicle	759	60	28	78	50	66	224	49	1314
16	Tanker	817	152	90	136	163	146	209	46	1759
17	Taxicab	36011	52	43	4	302	54	30	1	36497
18	Tractor	9923	4169	2841	1634	1443	1637	2510	445	24602
19	Truck	26922	4205	2824	3522	5767	4424	4553	1120	53337
20	Others	168	0	0	660	967	1307	2567	687	6356
<b>Total</b>		593077	72947	59573	54492	73051	95743	110223	20552	1079658

**Source: Bangladesh Road Transport Authority**

## About ECRL

Emerging Credit Rating Limited (hereinafter referred to as ECRL) began its journey in the year 2009 with the motive to deliver credible superior & quality credit rating opinion in various industry segments around Bangladesh. ECRL obtained credit rating license from Bangladesh Securities and Exchange Commission (BSEC) in June 2010 as per Credit Rating Companies Rules 1996 and also received Bangladesh Bank Recognition as an External Credit Assessment Institutions (ECAI) in October 2010.

Emerging Credit Rating Limited's team is oriented towards the continuous improvement of processes, striving for an important role in the leadership of the business world. Every individual in ECRL is committed to providing topmost ingenious Credit Rating Services and Comprehensive Research Services in Bangladesh. ECRL's rating services and solutions reflect independence, professional, transparency and impartial opinions, which assist businesses in enhancing the quality of their decisions and helping issuers access a broader investor base and even smaller known companies approach the money and capital markets. The Credit Rating process is an informed, well-researched and intended opinion of rating agencies on the creditworthiness of issuers or issues in terms of their/ its ability and willingness of discharging its financial obligations in a timely manner. Issuers, lenders, fixed-income investors use these risk assessments for the purpose of lending to or investment in a corporation (such as a financial institution, an insurance company, a non-banking corporation or a corporate entity) as well as evaluating the risk of default of an organization's financial obligations in terms of loan or debt.

**Dr. Jamaluddin Ahmed**  
FCA, PhD  
Chairman

**NKA Mobin**  
FCA, FCS, CFC  
MD and CEO

**Arifur Rahman**  
FCCA  
Chief Rating Officer

## Editorial Overview

*ECRL Research provides insights, opinions and analysis on Bangladesh and International Economies. ECRL Research conducts surveys and produces working papers and reports on Bangladesh's different socio-economic issues, industries, and capital market. It also provides training programs to professionals from financial and economic sectors on a wide array of technical issues.*

## Research Team

**Al Mamun**  
Senior Research Associate  
Email: [al.mamun@emergingrating.com](mailto:al.mamun@emergingrating.com)

**Subrata Howlader**  
Research Associate  
Email: [subrata@emergingrating.com](mailto:subrata@emergingrating.com)

**Nabihatul Afrooz**  
Research Associate  
Email: [nabiha@emergingrating.com](mailto:nabiha@emergingrating.com)

**A.B.M. Qudrot-E-Khuda**  
JR. Research Associate  
Email: [qudrot@emergingrating.com](mailto:qudrot@emergingrating.com)

### Emerging Credit Rating Ltd.

Shams Rangs, House 104, Park Road  
Level-A1, A2 & A5  
Baridhara, Dhaka-1212  
Tel: +880 2 986 0911, +880 2 986 0897  
Fax: +880 2 986 0828  
Email: [info@emergingrating.com](mailto:info@emergingrating.com)  
Web: [www.emergingrating.com](http://www.emergingrating.com)