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Volume-2

A large-scale photograph of a cement factory at night, illuminated by warm yellow lights. The factory features several tall, cylindrical kilns and complex metal structures. In the foreground, there are stacks of cement bags and some industrial equipment. The background shows a dark blue sky and a body of water with some distant lights.

**PROSPECT OF CEMENT
INDUSTRY IN BANGLADESH**

2020

Introduction and Overview of Cement Industry in Bangladesh

Bangladesh Cement Industry in FY2019:

- ✓ **Demand: 32.80 mn tons**
- ✓ **Capacity: 55 mn tons**
- ✓ **Average Production Utilization: 60%**

Construction Sector:
7.50% of GDP



& Growth rate 10.11%

Real estate: **6.31%**



of GDP & Growth rate 4.80%

Cement industry



10.46% (average)

Cement Consumers Segregation

- Government (**45%**),
- Individual Home builders (**25%**)
- Real Estate Developers (**30%**)

Bangladesh is one of the fastest developing countries, with an increase in Gross Domestic Product (GDP) growth to 8.2% in FY 2019 from a GDP growth of 7.9% in FY 2018, driven by increased population, low labor cost, rapid urbanization, fast industrialization & large infrastructure and utility projects which afterwards patronize the rapid growth of cement industry. A portion of this growth is due to the massive infrastructural and real estate projects undertaken by the Government of Bangladesh has made its fair share on GDP, thereby contributing to the growth of the cement industry as well.

The Bangladesh cement industry is primarily driven by the forward linkage industries primarily construction & real estate sector. The size of construction sector stood at BDT 735,954 million with 7.50% contribution in GDP in FY 2018 and the size of real estate sector stood at BDT 619,357 million with GDP contribution of 6.31% in FY 2018¹. The construction and real estate sector had a sectoral growth rate of 10.11% and 4.80% respectively in FY 2017-2018, respectively. The country's increasing population (38.60% urban population²) and urbanization is creating pressure on the infrastructural development which has stimulated the building materials sector and generated considerable demand for cement in the last couple of years. According to Bangladesh Cement Manufacturing Association data, the cement industry has been growing at an average rate of 10.46%. Consequently, the cement industry has been facing an upward growth trend for the last 10 to 15 years, having a growth rate of 14.77% in FY2019. An increased pace of urbanization, increases in purchasing power, and stability in the political arena all contributed towards an increase in cement consumption. A trend has been noted of an increase in cement consumption arising from the people upgrading their homes as well as building new ones. Besides, demand from various industries and large infrastructure projects of both public and private sectors have also played an active role in fostering the growth in demand for quality cement. In addition to that, allocation of budget in Annual Development Programme (ADP) as per the recent budget proposal of FY2020 accounts for BDT 202,721 crore. Since most of these projects involve infrastructural development, it is likely to accelerate demand for cement³.

Cement Category & Raw Materials for Manufacturing

Bangladesh uses Ordinary Portland Cement (OPC) and Portland Composite Cement (PCC) among the five types of cement used around the world. Portland cement is obtained by combining calcareous & argillaceous, or other silica, alumina & oxides of iron-bearing materials, burning them at a temperature of up to about 1450°C, and grinding the resulting clinker to required fineness⁴. Portland Composite Cement (PCC) is mostly composed of clinker (95-100%), with the rest being gypsum (0-5%). PCC has been gaining popularity in the country due to its cost-effectiveness, low environmental impact, and versatility in various applications. The heat generation in PCC is less and slower compared to PC. Moreover, using PCC is basically observed in general construction purposes, where sulphate concentrations in ground waters are higher than normal but not unusually severe (most buildings, bridges in drainage structures)⁵.

The basic raw materials required in cement manufacturing include clinker, gypsum, limestone, iron slag, fly ash and others like clay and soil. ECRL researched listed

1 Bangladesh Bureau of Statistics: Monthly Statistical Bulletin, February 2019

2 Website of Bangladesh Bank

3 <https://cpd.org.bd/wp-content/uploads/2019/06/Presentation-on-CPD-Budget-Dialogue-FY-2019-20.pdf>

4 <http://www.premiercement.com/page/opc-premier.html>

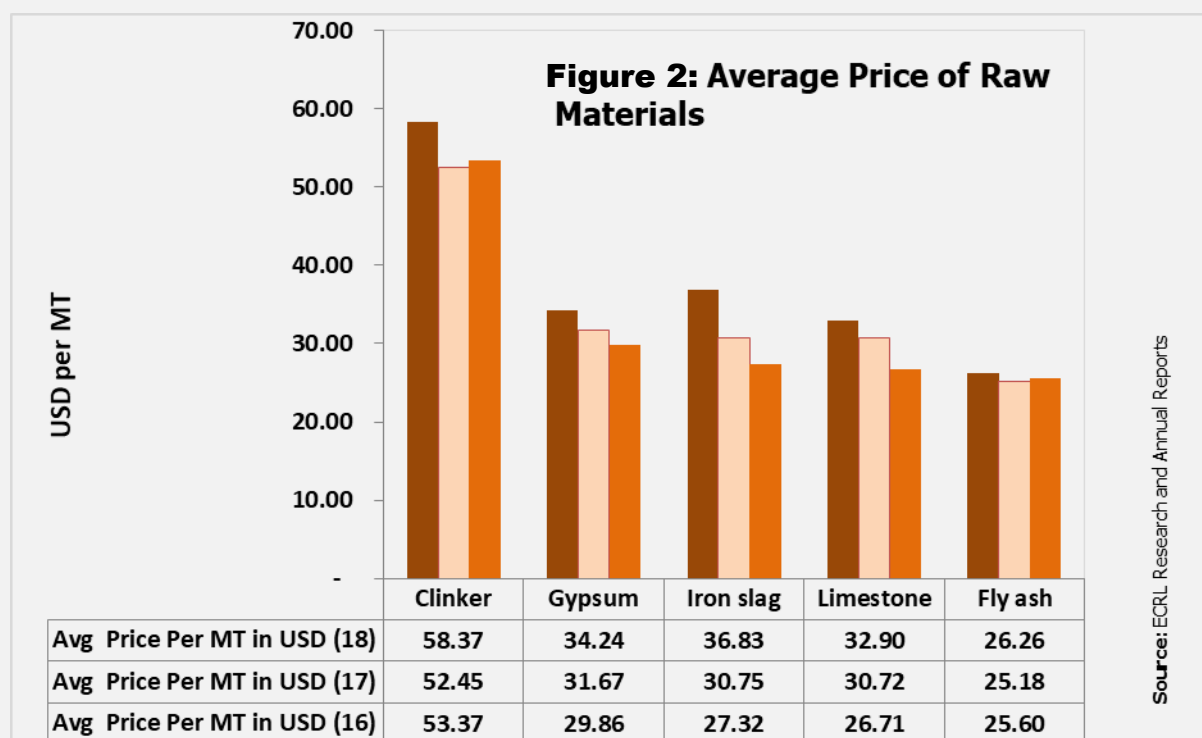
5 Sulphate reaction or attack happens when sulphate reacts with calcium hydroxide and calcium aluminate hydrate in concrete. https://www.researchgate.net/publication/270902185_Sulphate_attack

companies and on average clinker alone takes 74% of the total raw material cost followed by iron slag (11%), limestone (6%), fly ash (5%) and gypsum (3%), leaving the rest at 1%. The table below lists the raw material composition of different companies. The cost percentage had been compared to the percentage of quantity of the materials used which were different due to the fact of variation in prices.

Table: 1 percentage of raw material cost of listed companies (2018)

Company Name	Clinker		Gypsum		Iron slag		Limestone and others		Fly ash	
	% of Amt	% of Qty	% of Amt	% of Qty	% of Amt	% of Qty	% of Amt	% of Qty	% of Amt	% of Qty
Heidelberg Cement Bangladesh Ltd.	72.10	61.59	3.19	4.22	13.69	16.69	4.24	4.98	6.78	12.53
Lafarge Holcim	77.63	65.33	3.94	4.25	0.38	17.23	3.93	4.93	7.75	8.26
Meghna Cement	69.95	56.13	3.27	4.76	17.50	23.20	4.22	6.64	5.06	9.28
Premier Cement	83.65	71.65	2.83	4.64	5.91	9.23	2.80	4.91	4.81	9.58
MI Cement Limited	73.27	62.38	3.87	5.27	16.50	21.03	1.22	2.00	5.14	9.32
Aramit Cement Ltd.	65.09	71.66	3.08	4.89	14.84	19.26	16.99	4.19	0.00	0

Source: Annual Reports, ECRL Research



Raw Material-Sourcing Countries

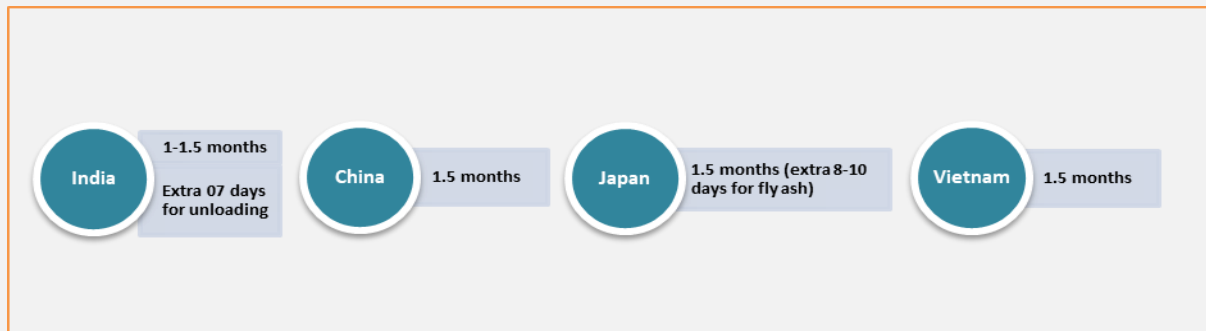
The countries from where the raw materials are mostly sourced include Vietnam, Thailand, Philippines, China, Indonesia, Malaysia, India, Korea, Japan and Oman. Among these countries, the raw materials mostly come from Vietnam, although the percentage is likely to decrease as China will increase import of clinker from Vietnam. China limited their production of clinkers due to environmental concerns and is the largest importer of clinker and cement from Vietnam (1.4% of China's total cement clinker)⁶. Clinkers are mainly sourced from China, Thailand, Vietnam, Indonesia, Malaysia and a small percentage from India as per industry insiders and Bangladesh Cement Manufacturing Association (BCMA). Limestone is imported from China,

⁶ <https://www.caixinglobal.com/2019-05-31/cement-makers-worry-over-rising-threat-from-cheaper-vietnam-101422308.html>

Singapore, Japan, Indonesia, Vietnam, Thailand, etc. whereas, fly ash, gypsum and slag is majorly sourced from India; slag is also imported from China, Japan and Singapore while Gypsum is sourced from China, Indonesia and Japan. BCMA stated that Bangladeshi cement manufacturers are now bringing the materials from Thailand due to its cost per MT and its quality. International market prices for clinkers affect the import value of clinkers in Bangladesh.

Importers of Clinkers

The prominent cement companies usually import their required clinkers by themselves. Companies like Meghna, Bashundhara, Shah, Akij Cement exchange clinkers among themselves whenever required. Although it has been quite frequent in the past years, the tendency of exchange has reduced in recent times. Moreover, large-scale companies also supply the material to small-scale cement manufacturing firms. It comprises roughly 6% of the raw materials as revealed during ECRL research. In this regard, large companies like LafargeHolcim, Meghna and Bashundhara trade clinkers to other cement manufacturers. For this reason, standalone importers mostly import fly ash, gypsum and raw materials other than clinkers. LafargeHolcim Cement has its own production plant of clinkers and does not need to rely on other sources for the supply of clinkers. As per ECRL research, import contracts of multinational companies are usually short term for six months. Other large-scale cement manufacturing firms purchase on spot at the given price. Individual importing companies import cement raw materials (fly ash, gypsum, iron slag, etc.) in bulk. However, small-scale importing traders are reluctant to do so as they have to pay demurrage due to delay at the port while waiting for lighter vessels to be allocated by Water Transport Cell (WTC) for dispatch clearing, resulting in an upsurge in the logistics and freight costs. Majority of the clinkers are imported directly by large manufacturing companies, whereas traders slightly contribute in importing and trading clinkers. However, implementation of the 5% Advance Trader VAT (ATV) on raw materials imposed directly on cement producers - an advantage for the small traders while importing. The current rate, formulated by WTC, of freight for transporting clinker from Chittagong to Dhaka is Tk. 427 per ton.



As per industry insider, the time to source clinkers from India, Japan through ship takes 1-1.5 months although unloading takes extra 07 days. However, yearly more trips can be made while importing fly ashes from India (10-11 trips) compared to importing from China (8-9 trips).

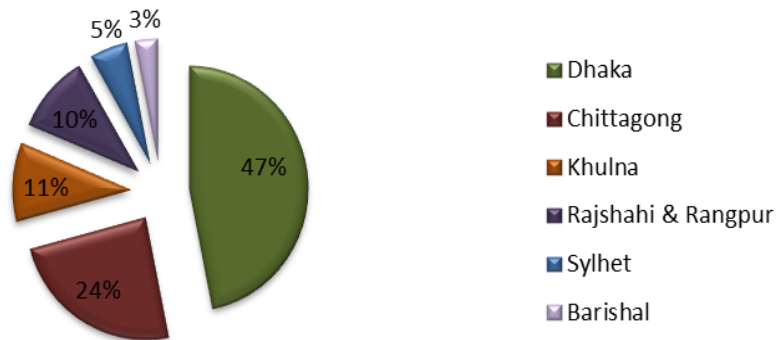
Production Trend of Cement

The economy witnessed a drastic upsurge in the infrastructural development by the government which enhanced the demand for cement. Per capita cement consumption increased to 200.37 kg in FY2019. The production increased to 32.80 million in FY2019. Among the total demand of the cement industry, the public sector contributes the major demand for cement (45%). Implementation of mega projects like Padma Bridge, Metro Rail and Government's initiatives to use RCC pavements in highways may boost the demand up to reach economies scale of production. Moreover, the incentive on remittance by the government will have a positive impact on the inward remittance flow and will increase the income of the family members of the expatriates mostly in rural areas. Thus, the demand of individual home builders will face an upsurge along with rural urbanization. Demand in Dhaka and Chittagong accumulates to $\frac{3}{4}$ th of total national consumption mainly due to individual house builder's demand and mega projects.

Geographical Breakdown of Consumption

The demand of cement is largely dependent on the level of industrial developments of the regions and per capita income of the population. Implementation of mega projects like Padma Bridge, Metro Rail and Government's initiatives to use RCC pavements in highways in the country's capital has drawn 47% of the total consumption in the Dhaka, followed by Chittagong (24%), Khulna (11%), Rajshahi and Rangpur (10%), Sylhet (5%) and Barishal (3%).

Figure 3: Demand in Major Divisions in Bangladesh



Source : ECRL Research & Annual Report

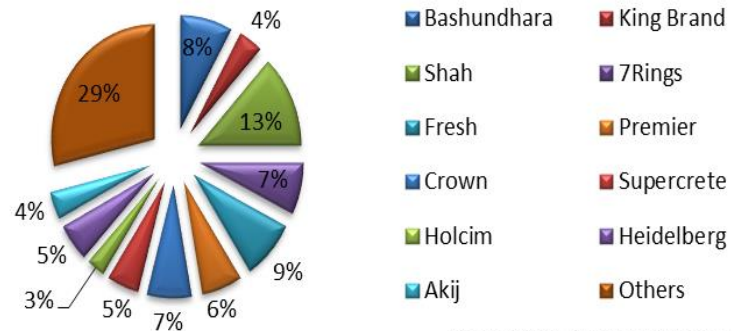
Cement Companies listed with BCMA

Si. No.	Name of The Industry	Si. No.	Name of The Industry
1	Shah Cement Industries Limited	17	Olympic Cement
2	7-Circle Bangladesh Limited	18	Mongla Cement Factory
3	Premier Cement Mills Limited	19	Dubai Bangla Cement Ltd
4	M.I Cement Factory Limited	20	Anawar Cement Mills Ltd
5	Lafarge Holcim Ltd	21	Eastern Cement Industries Ltd
6	Meghna Cement Mills Ltd	22	Aramit Cement Ltd
7	Unique Cement Industries Limited	23	Nawapara Cement Ltd
8	Akij Cement Company Limited	24	MIR Cement Ltd
9	Heidelberg Cement Industries Ltd	25	Aman Cement Ltd
10	Madina Cement Industries Ltd	26	Metrocem Cement Ltd
11	Confidence Cement Ltd	27	Dash Bandhu Cement Mills Ltd
12	Diamond Cement Ltd	28	Chattak Cement Factory Ltd
13	Royal Cement	29	NGS Cement Ltd
14	Ultratech Cement	30	S.Alam Cement Ltd
15	King Cement Ltd	31	Al-Haj Mostofa Hakim Cement
16	Cemex Cement	32	Ayanpure Cement

Source: BCMA

Among the cement companies, the major producers are reflected in the figure below:

Figure 4: Market Share

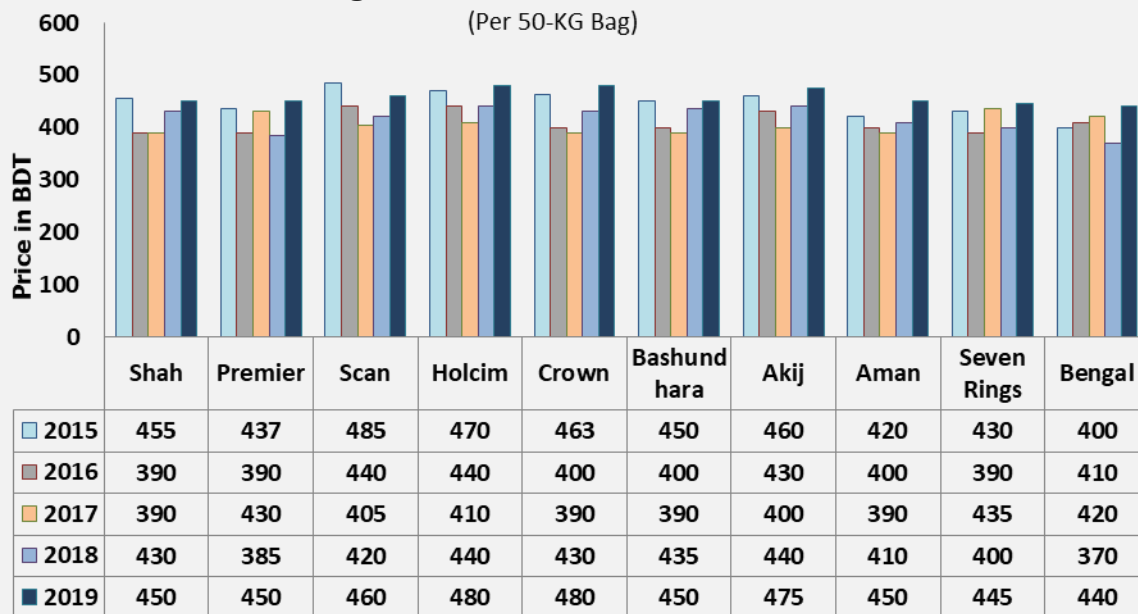


Source: ECRL Research & Annual

Analysis of Retail Price of Cement

The retail price of cement ranges from BDT440 to BDT480 (50kg bag). Any disparity in retail price of the 50-KG bag of cement is displayed in figure 5. According to BCMA, production cost for cement manufacturers may go up on average from 5% advance tax (AT) charged on imported raw materials in FY 2018-2019. Currently, the cement manufacturers pay 15% VAT on cement production. Moreover, it is assumed that cement manufacturers would be unable to increase cement price as the existing rivalry and price war among industry players is already fierce as reflected in figure 5.

Figure 5: Retail Price of Cement



Source: ECRL Research and Market Survey

The distribution channel plays an important role to gain competency and reduce cost. Approximately 12-15% of the cost is attributed to the distribution of the cement beginning from the factory dispatch. The most cost-effective method of moving cement is in bulk by water, though in Bangladesh, around 85% of cement is transported by road and the remainder by barge.

Factors Driving Demand for Cement in Bangladesh

Factors like per capita income of the population, industrial developments in different regions, and mega infrastructural development projects by the government, remittance flow, bank interest rates, etc. Among other factors, weather has been found to be a critical driver of the demand. The demand varies depending on weather conditions as the construction works slows down during monsoon season.

In the proposed government budget, the government will provide incentives to the expatriates for inward remittance (remittance flow in FY 2019 increased by 22.43%), resulting in a possible increase in cement consumption by individual home builders following the proposal in the budget analysis. However, due to change in tax laws and increased gas price, the cement price will face an increase having a resulting impact on the consumption or demand of the economy. To gain extra market share, pricing is a key in the crowded market with excess capacity. Several national level producers practice fluctuating pricing policy between regions to achieve competitive benefits.

The consumers can be segregated in three broad categories: Government, Individual Home builders and Real Estate Developers. Public projects and real estate developers are the key users of cement. Government has started several mega projects including Padma Bridge, along with construction of some wide roads, flyovers and bridges

Cement distribution is influenced by:
market demand,
seasonal surges,
government policies,
political lobbies,
infrastructure and technology used.

which will have an impact on the demand level of cement. In the last 11 years, remittance flow on average has increased by approximately 9.5%⁷. Thus, it has been contributing in the per capita income of people which allowed the individual home builders to choose modern housing structures. The real estate sector is also growing significantly, having a growth rate of 4.5% approximately over the last 5 years and observed 4.8% in FY2018.

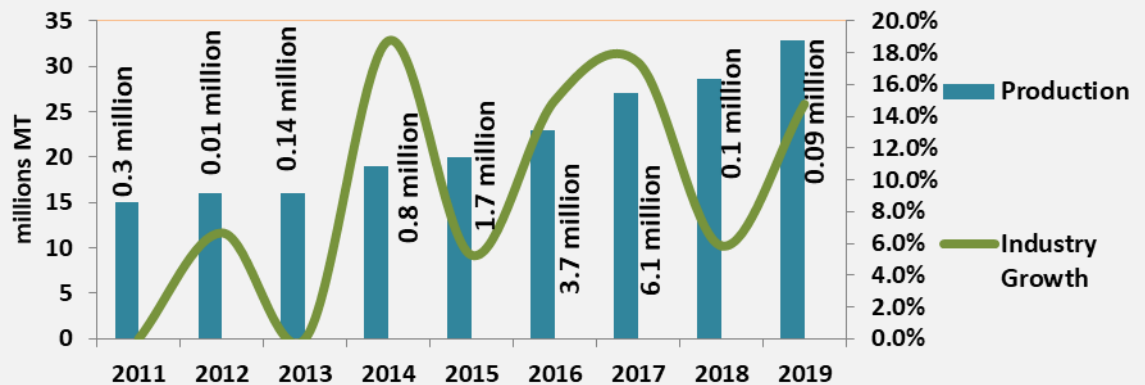
Factors Confronting the Cement Industry

Seasonal Impacts towards the Cement Industry

The peak season for the cement market is during January to April, extending till May. During this time of the year it is considered an ideal time for the construction works as little or no rainfall and thus the demand for cement is significantly high as well. However, June to September can be deemed as a dull season. As the rainfall is most evident during this time of the year, the demand or sales is sluggish for the cement industry. It is considered an ideal time for curing which is a crucial step in the concrete based construction work as it increases strength and durability. The rainfall keeps the surface moist which allows the hydration process to take place.

Over the years, there had been seasonal variations in Bangladesh. The severity of the disaster is compared with the cement production to analyze any impact. In 2015, 2016 and 2017, there had been severe casualties from floods and landslides which however, did not have a significant impact on the growth of the cement production.

Figure 6: Seasonal Impact

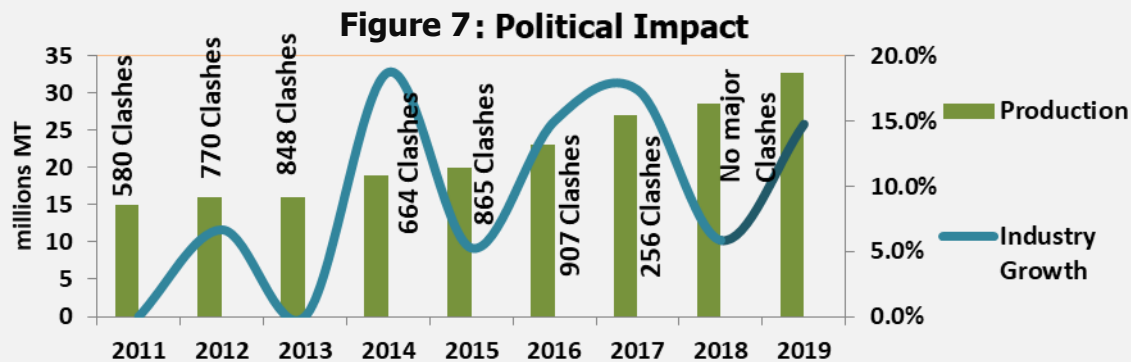


Source: ECRL Research, BCMA, News Paper Articles and Relief Web

Political Impacts towards the Cement Industry

Political clashes or unrest has some impact on the production of cement. In 2013, clashes increased in number and it was before the elections when the clashes between political parties arose. Similarly, in 2015, Bangladesh economy lost more than BDT 5,000 crore with loss to realtors of BDT 36 crores a day as Bangladesh witnessed political unrest, blogger attacks, attack on foreign nationals, attacks on minorities, and many more. Even though the clashes increased after that, the industry had witnessed positive growth. However, in 2018 student road safety protests turned violent and there were clashes between student and law enforcements. The growth in 2018 slowed down as a result, and gradually picked up pace in 2019.

⁷ Bangladesh Bank



Source: ECRL Research, BCMA and News Paper Articles

Environmental Impacts towards the Cement Industry

The ecological stress is attributed in all stages of production, use and demolition. The emissions of airborne pollution, consisting of dust, gas and noise, begin from the blasting in quarries and till the time of mixing, using, and demolition of the concrete when it loses its strength. While collection of limestone also causes emission, calcinations of limestone during clinker production also emit carbon dioxide. An approximate of 5% of the global anthropogenic carbon dioxide comes from cement industry and for every ton of Portland cement produces around 0.9 tons of carbon dioxide.⁸ The packaging stage causes hazard by creating dust, Therefore, there is a specific parameter for packaging and cement companies needs to have Environmental Clearance Certificate (ECC).

As people are getting conscious about the environment, researches are going on for sustainable renewable energy proceeds for mitigating the problem. As per carbon dioxide reduction strategies by the cement sector, the main aim is to reduce carbon dioxide per ton rather than by the plant in general. Research for energy efficient and environmentally friendly cement production is going on and approaches include installation of fuel-efficient kiln, substitution for supplementary materials for producing Green cement, like pozzolans. Companies like MI Cement and Meghna Cement, who have adopted VRM (Vertical Roller Mill) technology which is energy efficient, produces quality cement along with being environment friendly⁹.

⁸https://www.researchgate.net/publication/319976537_ECONOMY-WIDE_MATERIAL_FLOW_ANALYSIS_OF_CEMENT_INDUSTRY_IN_BANGLADESH

⁹ <http://www.bashundharacement.com/vrm-the-latest-technology>

COVID-19 and its Impact towards the Cement Industry

The world has encountered one of the worst global crises in history, as December 2019 saw the emergence of a new virus named coronavirus, (also known as COVID-19) in Wuhan, China. Within the span of 5 months, the virus spread throughout the globe, resulting in a global pandemic and subsequently disrupting businesses and consumer behavior in almost every sector in domestic economies across the globe, including Bangladesh.

The coronavirus pandemic has left substantial negative implications in the construction sector of Bangladesh, where the real estate sector contributes to 5% of the country's Gross Domestic Products (GDP), equivalent to approximately USD 15 billion. The global pandemic forced the government to declare a nationwide lockdown from March 2020, thereby completely disrupting the construction sector, as multiple individual and government projects were put on hold. As the sector relies heavily on backward linkage industries like the cement industry, the shutdown of projects eventually leading to cement manufacturers and suppliers to keep their operation on hold. Furthermore, multiple small and medium enterprises that avail bank facilities to finance their working capital requirements were at risk of becoming defaulters due to lack of funds from not being able to sell their inventory of cement to pay off their bank debts. Moreover, the temporary closure of companies and a shortage of fund would result in their workers not being paid, thereby putting around 1 million in the local labor workforce to being made redundant. The state of the cement sector was approaching rock bottom; however, the nationwide lockdown was rescinded from June 2020.

The lifting of the lockdown enabled all of the halted projects to commence from where they were left off, thereby reinstating the demand for materials from backward linkage industries such as cement. The resumption of business operations has led to business revenues to gradually climb back to its initial state, while the industry is steadily recovering from the repercussions caused by the pandemic.

Budget and Future Demand of the Industry

Remittance and Budget allocation increased for 14 mega infrastructural projects

The government's consumption of cement has witnessed substantial growth in the last couple of years, infrastructural development in the budget of FY 2019-2020 will be contributing funds for mega projects in Bangladesh¹⁰ which will contribute positively in the cement demand and output. Among the other divisions of government sectoral allocation of the budget, several sectors of allocation include Rural Development Division, Water Supply and Housing, Energy and Mineral Resources Division, Power Division, Expatriates' Welfare and Overseas Employment, etc. The major allocation in the ADP by top five sectors is 70.1% of the total allocation from ADP. The sectors include Transport, Physical Planning, Water Supply & Housing; Education & Religious Affairs; Science, Information & Communication Technology (SICT). However, the major concentration of the five sectors is on the Transport sector which is 26% of the total. Moreover, increase in remittance flow with rural development has contributed to the cement sector as people are building homes using bricks instead of tins. Government proposals to provide incentive (2% cash incentive) to the expatriates is likely to contribute to the remittance flow. In addition to that, allocation of budget in Annual Development Programme (ADP) as per the recent budget proposal of FY2020 accounts for BDT 202,721 crore. Since most of these projects involve infrastructural development, it is likely to accelerate cement demand¹¹. Some of the mega projects receiving budget allocation include¹²:

¹⁰https://imed.portal.gov.bd/sites/default/files/files/imed.portal.gov.bd/page/a32b7292_af23_4447_8441_cffde5f5ed03/74e.pdf

¹¹ <https://cpd.org.bd/wp-content/uploads/2019/06/Presentation-on-CPD-Budget-Dialogue-FY-2019-20.pdf>

Industry Concern



Due to increase in ATV to 5% in FY2018-2019 from 4% in 2017-2018 and increase in supplementary duty (10%), the import price of cement raw materials will likely to rise which is a concerning fact for the cement producers.



Moreover, as per interview of ECRL with the industry insiders, large importers are planning to have a setup of at the Chattak border to easily import clinkers or limestone from the Meghalaya quarry.



Bangladesh imports mostly from Vietnam and price hike in Vietnam with China restricting its clinker production are pushing importers to look for more raw materials source with low cost and good quality.



Small importing firms who do not have own vessels (lighter), are facing high cost during dispatch clearance in the inland port due to longer waiting period for WTC regulations. Thus, it is crowding out small firms in the long run.



Although bringing raw materials from India should be cost effective, but the transportation or logistics cost of bringing raw materials by road are higher compared to waterways. Moreover, as per industry insiders the cost of logistics or transportation varies between USD 18 - USD20 (approx.)



Bringing clinker from Meghalaya through waterways is not viable, as the water at the Meghalaya border is not deep enough to bring heavy vessels. Hence, importers have to hire many smaller vessels to transport which is not cost efficient.

Cement companies are **struggling to achieve economies scale** since they have increase **production capacity without market demand survey.**

¹² <https://www.thedailystar.net/supplements/news/10-mega-projects-five-pick-pace-finally-1774909>

Industry Outlook¹³

Surplus capacity

Cement industry has surplus capacity and it will increase in the future which will create intense competition in the market.

Growing Industry

The cement industry is growing over the last ten to fifteen years. At present, the average growth rate of cement industry is 10.46%.

Potential Growth

Potential growth as BDT 43,919 crore is allocated for 14 projects (all infrastructure including fast-track and based on project size) which is 21.7% of total ADP of FY20.

Ecneec Projects

Eight projects had been approved by The Executive Committee of National Economic Council (Ecneec) of worth BDT 5,142.06 crore including road constructions in important upazila and union in Dhaka Division worth BDT 2,606 crore¹²

Remittance Flow

Remittance flow increased in FY 2018-2019 by 21.81% which will positively have impact on this sector. Moreover Government proposed 2% incentive on remittance inward flow.

Govt. Duty

However, cement price is likely to go up due to tax and VAT measures proposed by government on import of raw materials.

¹³ <https://www.thedailystar.net/country/ecneec-approves-8-bangladesh-development-projects-1772272>

Conclusion

Although a booming sector with great potential, cement industry has some prospective risk factors as well. Currently, the industry is experiencing overcapacity of cement production. Average capacity utilization rate of cement industry as a whole has been around 60% over last five years. Moreover, almost all the major industry players are making huge capacity expansion. Roughly, 30% capacity is likely to be added to the current capacity by the end of 2019. If the demand does not go up in line with the capacity enhancement, huge surplus capacity of cement production will remain unused in coming years. This can lead to a fall in cement prices, and the industry could face a downturn, leading to reduced profitability.

As most of the raw materials for cement manufacturing are imported, it creates the risk of an industrial slump if the supplies get cut-off due to disruptions like hostile political conditions, among others. As observed by ECRL, factors like political clashes have significant impact on the production of cement, although seasonal impact is observed to be less impactful. Furthermore, acquiring the aforementioned materials incurs cost of transportation and logistics. In order to reduce the transport and associated cost of raw materials it is more economical for cement plants to be closer to the limestone or raw materials quarries rather than closer to the consumer.

According to industry experts, the future outlook of cement industry remains promising, with an estimated growth in demand driven by mega projects and residential sector. Industrial construction, major infrastructural projects and increased activity in economic zones are also hastening growth. Thanks to rapid urbanization, industrialization, large-scale infrastructural and Governmental development projects as well as construction of various commercial and residential buildings, demand for cement has noticeably improved throughout the years and such progress is anticipated to prolong in the future. However, the coronavirus pandemic caused disarray in the Bangladesh cement industry, as the lockdown caused multiple construction projects to be on hold. Nonetheless, with the lockdown lifted from June 2020, the market has gradually picked up from its dire state. Despite the novel coronavirus still ongoing, construction projects have resumed, thereby restoring the demand for cement prior to the lockdown period. Although the growth may not replicate the projection made prior to the pandemic, the industry will eventually return to its initial state of growth.

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SOURCES OF INFORMATION

WTC

Interview about
the vessel uses in
importing clinker

**ANNUAL
REPORTS**

BCMA

Interview about the
industry insights and
collected some inside
information

BIWTA

Interview about
clinker import



Bangladesh Bank

Collected demographic and industry related data



BBS

Collected demographic and industry related data



Industry Expert

Interview

About ECRL

Emerging Credit Rating Limited (from now on referred to as ECRL) began its journey in 2009 to deliver credible superior & quality credit rating opinions in various industry segments around Bangladesh. ECRL obtained a credit rating license from Bangladesh Securities and Exchange Commission (BSEC) in June 2010 as per Credit Rating Companies Rules 1996 and received Bangladesh Bank Recognition as an External Credit Assessment Institution (ECAI) October 2010. Our drive to deliver the promised quality has helped ECRL complete **15950 rating assignments** from the time of inception to **Aug 25, 2019**.

Emerging Credit Rating Limited's team is oriented towards the continuous improvement of processes, striving for an essential role in the leadership of the business world. Every individual in ECRL is committed to providing the 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 to enhance the quality of their decisions and help issuers, access a broader investor base. 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 to discharging its financial obligations promptly. Issuers, lenders, fixed-income investors use these risk assessments for 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.

Dhaka Office

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
Web: www.emergingrating.com

Chattagram Office

Al Madina Tower, 6th Floor
88-89, Agrabad C/A, Chittagong
Tel: +880 1833 330056, +880 1833 330061
Email: chittagong@emergingrating.com
Web: www.emergingrating.com

Khulna Office

Mollick Shopping Complex
99 Khan -a- Sabur Road,
Khulna - 9100
Tel: +880 1833 330060
Email: khulna@emergingrating.com
Web: www.emergingrating.com