

**সুপার ডিপিএস**  
বিশেষ সংরক্ষিত স্কিম

প্রাক্কলিত মুনাফা:

৩ বছর	৫ বছর	১০ বছর
৯.২৫%	৯.৫০%	১০%

ইসলামী শরীয়াহ'এ এর সুদারহা নীতির ভিত্তিতে পরিচালিত।

**SIBL**  
Social Islami Bank Limited

DHAKA SUNDAY SEPTEMBER 29, 2019, ASHWIN 14, 1426 BS • starbusiness@thedailystar.net

## TYRE MANUFACTURING AWAITS A BOOM WITH TK 3,000CR INVESTMENT

**SAJJADUR RAHMAN**

Bangladesh is on the verge of becoming a saturated market in tyre manufacturing by next year with the inclusion of some local and foreign conglomerates in the business.

Apex Husain Tyre and Gazi Tyre currently meet 5 percent demand for tyres of big buses and trucks in the country while imports meet the rest.

Now Jamuna Group, Meghna Group and CEAT are all set to enter the market with huge investments and produce more tyres than what the country needs.

Their entry will help Bangladesh save around Tk 3,000 crore a year that it spends for tyre imports and create employment for over 5,000 people, industry players said.

GPH Ispat and a few other companies are also planning to go for tyre production.

Jamuna Tyres and Rubber Industries Ltd, a concern of Jamuna Group, has invested over Tk 2,000 crore to produce tyres for big bus, truck, passenger car and motorcycle.

"We will go for commercial production within a few months," said Salih bin Abubacker, director for technical and manufacturing at Jamuna Tyres.

Annually, Jamuna will produce 25 lakh units of tyres, almost enough to meet the country's total demand.

Meghna Rubber Industries Ltd, a wing of Bangladesh's largest bicycle tyre and tube manufacturer Meghna Group, is setting up a new Tk 500 crore plant to produce tyres for big buses and trucks.

"Bangladesh's dependence on imported tyres has prompted us to enter the big wheel segment," said Luthful Bari, director for operations of Meghna Group.

Meghna currently produces tyres for motorcycles, easy bikes, CNG-run three-wheelers, light trucks and rickshaws. The company also exports bicycle tyres and tubes.

Apex Husain Group is in the sector for over two decades and it produces the widest range—104 sizes—of automotive tyres now, said Shahroze Husain, its deputy managing director.

Muhammad Fakhru Islam, controller for accounts and finance of Gazi Tyres, thinks gaining customer confidence is the biggest challenge for them.

"Tyre import duty should be raised by 10 percentage points to 25 percent to promote local manufacturing."



**MONTHLY DEMAND (BUS & TRUCK)**  
**60,000 UNITS**  
(mostly met by imports)

**PER UNIT PRICE**  
Tk 22,000 to  
Tk 27,000

**LOCAL PRODUCERS**



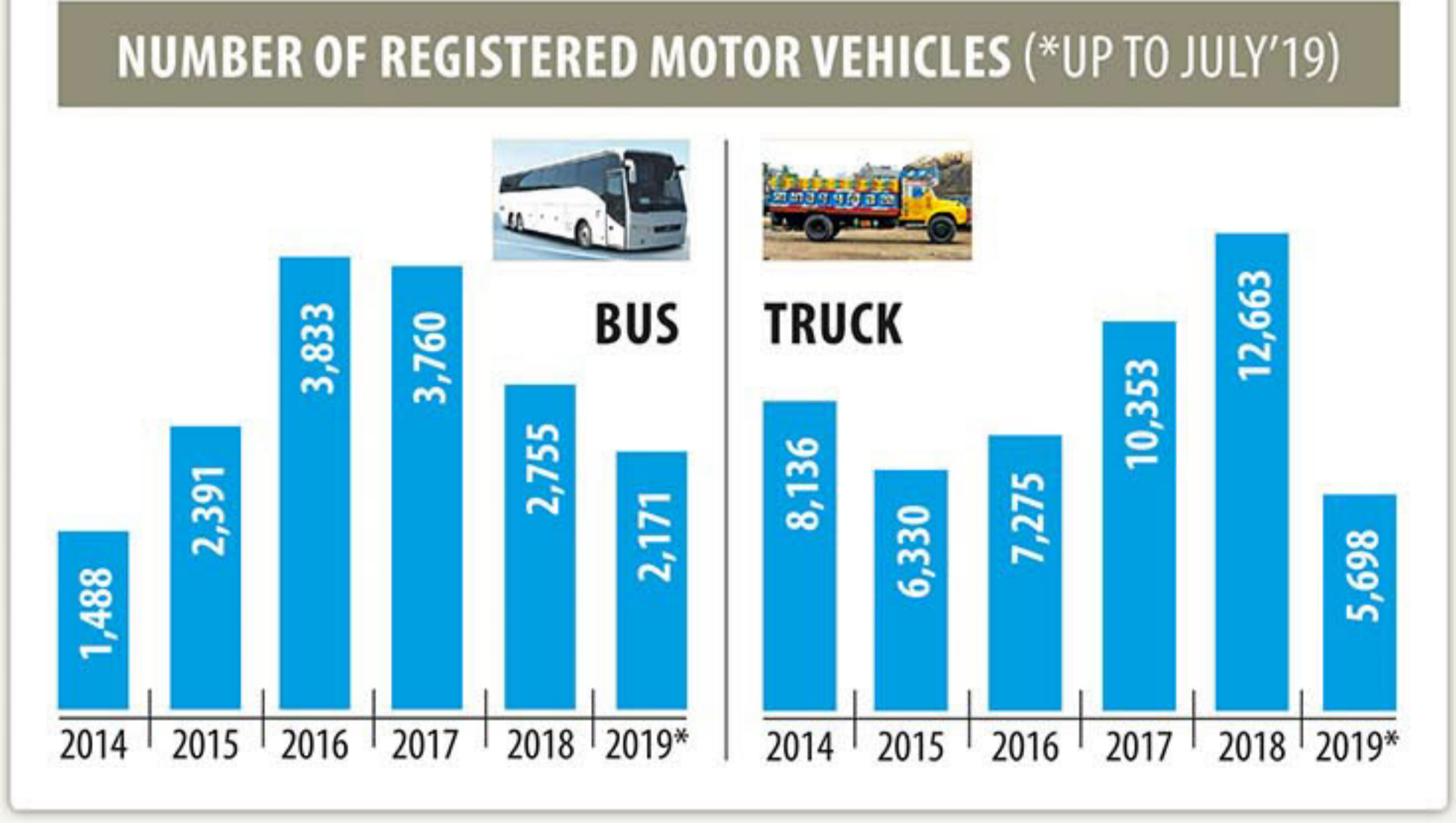
**PER UNIT PRICE**  
Tk 20,000 to  
Tk 22,000

### PRODUCERS IN THE PIPELINE AND THEIR INVESTMENTS

**JAMUNA GROUP**  
Tk 2,000cr

**MEGHNA GROUP**  
Tk 500cr

**CEAT**  
Tk 425cr



**Introducing Rustic Punch Series**  
Matt Wall Tiles 30x60cm  
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## ICB seeks Tk 1,000cr from BB

The fund will be injected into stocks

**AKM ZAMIR UDDIN**

The Investment Corporation of Bangladesh has sought Tk 1,000 crore in financial support from Bangladesh Bank on an "emergency basis" to inject liquidity into the ailing capital market as part of its concerted efforts to bring back investor confidence.

The largest financial investor in the capital market sent a letter to Governor Fazle Kabir on September 19 seeking his cooperation in the form of either credit or financial support.

Between June 27 and September 26, the DSEX, the Dhaka Stock Exchange's benchmark index, shed 461 points or 9.29 percent to reach 4,968, which is below the psychological mark of 5,000, while investors lost Tk 23,925 crore.

The government has recently instructed the ICB to provide required support to the market amid the ongoing volatility which has dampened investor confidence, according to the letter signed by ICB Managing Director Md Abul Hossain.

"The state-owned financial institution has been investing a large amount of fund

**AT A GLANCE**

- The BB gave ICB Tk 600cr in loans in 2011 to prop up stocks
- Another Tk 300cr was provided in 2017
- ICB now has a fund crisis due to the ailing capital market
- Stocks' freefall can be contained if it gets the fund, ICB says

in the market to contain the freefall of stock prices. Long-term credit or financial support will now be required to prop up the market," it read.

There is no scope for the ICB to mobilise funds through sale of shares as the ongoing situation of the capital market is highly fragile, it added.

The ICB has also expressed gratitude for the central bank's strong efforts to perk up the capital market, especially the two instances it provided credit support which were invested on time.

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### HOUSING PROBLEM OF SINGLE PEOPLE

## China firm to shell out Tk 300cr to build 100 hostels in Dhaka

**MD FAZLUR RAHMAN**

A Chinese company plans to invest Tk 300 crore to establish 100 hostels for singles who are struggling to find a safe and convenient place to live in Dhaka.

Neways International Company Ltd has already set up six hostels in the capital: one each in Uttara, Badda, Baridhara, Shahabagh, and two in Mirpur. Five of them are for males and one for females.

"The rest will be set up within three years," Zhang Zhimin, chief operating officer of the company, told The Daily Star in an interview in his Nikunja office on Tuesday.

There is a compact chamber for every inhabitant, he said. "Each of them has roughly the length and width of a single bed, with sufficient space for a hotel guest to crawl in and sit on the bed." The rent is Tk 233 to Tk 266 a day, Zhimin said.

The hostel offers multi-functional beds, a luxurious lobby, 24-hour security, reading room, personal locker, three times meals and an air-conditioned environment.

Guests will be provided with washing machine and dryer, Wi-Fi, housekeeping services, hair dryer, smart TV, gym and a playing zone.

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Living quarters and a reading room, inset, in two of six hostels set up by a Chinese company in the capital.

## Lodge stock complaints online

### BSEC platform goes live tomorrow

**AHSAN HABIB**

Investors will be able to file stock market-related complaints online on the Bangladesh Securities and Exchange Commission's (BSEC) website from tomorrow, a move aimed at expediting its redress mechanism.

To open on a separate window, the system -- Customer Complaint Address Module -- promises delivering remedies in three weeks.

This is a massive shift considering the fact that it takes anywhere between three to four months, even more in some cases, to get solutions

through the current practice of physically registering grievances via letters and applications.

Investors will need a beneficiary owner's account number, email address and mobile number to file objections and be able to attach any supporting document.

The stock market regulator will send the complaints to the related office through emails setting specific timeframes for responses and solutions.

Investors will be provided a complaint ID and be able to check the status of complaints anytime. Those unsatisfied with responses will be able to make further appeals with

the regulator. Meanwhile, the BSEC will continue to receive complaints through physical means.

"The new system will ease the delivery system of solutions and will be more transparent and swift," said a top official of the regulator.

Remedies may take additional time only when there is a demand for regulatory punishment of any stakeholder, he said.

The online system will also lead to the creation of a database. "With the database, the BSEC will be able to evaluate entities of the stock market," said another official.

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## EBL expands wings to China

**STAR BUSINESS REPORT**

Eastern Bank Ltd (EBL), a leading private bank of Bangladesh, will open its first representative office in Guangzhou of China today to explore the growing business opportunities between the two Asian economies.

The bank in a statement yesterday said this was the first footprint of any Bangladeshi financial institution in China, the world's second largest economy after the United States of America.

"We are best known for our strength in international business and trade finance, and our core competencies include commendable creditworthiness and access to global market through the largest

correspondent banking network," said Ali Reza Iftekhar, managing director and CEO of EBL.

"As Bangladesh's economy is growing fast, we feel we can contribute more to the economy with our expertise in international business and trade finance," he said.

Guangzhou will be the EBL's third overseas office after Hong Kong and Myanmar. The bank first went to Hong Kong with its finance company -- EBL Finance (HK) Ltd -- in 2013. The EBL says its Hong Kong office has been a successful venture with sound professional management and a skilled team earning profits regularly.

With an initial capital of Tk 1.47 crore only, it made an accumulative profit of nearly Tk 42.5 crore till

January 31, 2018, and out of that amount, Tk 23.5 crore has been repatriated to Bangladesh.

The EBL has recently opened a renminbi account (Chinese currency Nostro account with the Bank of China) as the Bangladeshi bank has started LC (letter of credit) business in the yuan.

The EBL said it maintains excellent banking relations with Chinese banks and corporate houses operating in Bangladesh.

Also, the bank is working with the major Chinese banks including the Bank of China, China Construction Bank, Industrial and Commercial Bank of China, and Agricultural Bank of China.

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