

Growing demand encouraging local manufacturing

AHSAN HABIB

Thanks to continuous economic growth and increasing connectivity in Bangladesh, the domestic demand for commercial vehicles is soaring rapidly. As a result, local entrepreneurs are investing in establishing assembly plants in the country, which would make the economy more vibrant as well as generate new jobs.

"As Bangladesh's economy is growing rapidly, so too is the demand for commercial vehicles," said Abdul Matlub Ahmad, chairman of Nitol-Niloy Group.

Besides, since the government has taken measures to phase out illegal commercial vehicles such as Nasimons

and Korimons, the demand for legal replacements is surging.

"In fact, the demand has risen to such an extent we are now moving towards manufacturing rather than simply assembling," he added.

The company assembles pickup trucks at a factory of the Nita Company, a joint venture of Nitol-Niloy Group and Tata, in Kishoreganj.

Consumers will benefit more from local manufacturing as prices would be lower and remain unaffected by abrupt changes in the foreign exchange rate.

Regarding the recent trend in commercial vehicle purchases, Ahmad said the market was impacted by the ongoing coronavirus pandemic but the

situation is now getting better.

"I hope 2022 will be a great year for the commercial automobile sector," he added.

Tasken Ahmed, managing director of IFAD Autos, also opined, "since the local infrastructure is improving, the domestic demand for commercial vehicles is rising as well," he added.

Since 1988, IFAD Autos has been distributing commercial vehicles of India's leading automobile manufacturer, Ashok Leyland.

Ahmed went on to say that demand will continue to rise in the coming years.

People in the country's south currently depend on launch services but connectivity of at least seven districts in

the region will change after the Padma Bridge is complete.

"So the demand for commercial vehicles would be higher," he said.

Similarly, the opening of Payra port within a few years will have the same effect while increasing trade with neighbouring countries will also continue to boost demand.

Realising the potential, many companies are trying to assemble their products in Bangladesh.

As such, foreign investment will come to the country and a huge number of jobs will be created, Ahmed added.

The Energypac Power Generation Company recently announced that it would assemble double cabin pickup

in association with a Chinese carmaker at Energypac's state-of-the-art industrial park at Sreepur in Gazipur. They inaugurated the industrial park earlier this year.

"The demand for commercial vehicles moves with the movement of an economy," said SM Jashim Uddin, chief business officer of the motor vehicle division of Energypac Power Generation.

"Seeing a good prospect in our economy, we started our commercial assembly in 2015. Now, we are launching new models like the T8. In the last six months, the sale of commercial vehicles rebounded as the industrial wheel started turning," he added.

Walk the talk

Subrata Ranjan Das

Executive Director,
ACI Motors Limited



Currently, the commercial vehicle market is experiencing a negative growth, but the light commercial vehicle market is growing at 5 percent. However, the industry will certainly experience growth in the future with the opening of the Padma Bridge and as we improve our traffic management system.

To facilitate this growth, the government should review the duties on commercial vehicles. Additionally, they should set up training institutes to encourage more people to become heavy vehicle drivers.

Regarding future plans, ACI Motors is planning to set up an assembling plant for Foton vehicles in Bangladesh as we see a great potential in this market.

Faiaz H Chowdhury

Chief Business Officer (Institutional Sales), Motor Vehicle
Division, Energypac Power Generation Ltd. (EPGL)



The last decade has seen advancement in the automobile industry as luxury, utility and multipurpose vehicles have become quite popular in Bangladesh.

Energypac has been the sole distributor of JAC Motors of Anhui Jianghuai Automobile Group Co. Ltd., since 2006. JAC develops fuel-efficient vehicles, new energy vehicles, and intelligently connected vehicles.

EPGL started assembling commercial vehicles in their state-of-the-art Energypac Industrial Park located in Gazipur in 2015. Over the years, we have introduced many JAC trucks and vehicles in the country. Considering the needs of customers around Bangladesh, we are continuously striving to bring vehicles with latest technology.

Nayeemur Rahman

Head of Business Planning
Uttara Motors Ltd.



Since 1972, Uttara Motors Limited (UML), the flag bearer of Uttara Group of Companies, has been one of the leading automobile companies in Bangladesh.

It has been proudly affiliated with the world famous Isuzu Motors Limited of Japan since 1980 as its sole distributor. It is also the sole distributor of India's SML ISUZU Limited. UML is engaged in assembling of ISUZU and SML brands at its Chattogram factory. UML is committed to provide the best quality service through its experienced service team, well-equipped workshop and trained engineers. It maintains international standards, ensuring quality products and effective help to esteemed clients. We want to make a revolution in the automobile industry of Bangladesh.

MADE IN JAPAN

ISUZU

Trucks & Buses

01701 206175, 01704 169365

ISUZU.COM.BD f y @ /IsuzuBangladesh

Sole Distributor **UTTARA MOTORS**
(An Enterprise of Uttara Group of Companies)

STRONG, POWERFUL & RELIABLE

Sole Distributor **SML ISUZU**

01708 484756, 01704 120591

Sole Distributor **UTTARA MOTORS**
(An Enterprise of Uttara Group of Companies)