

Behind Every Successful Woman Is She, Herself.

Happy Women's Day!

Neera

Prime Bank



INDUSTRY AT A GLANCE



New ideas, businesses leading to increased demand



Mainly used by businesses to pick up or deliver small consignments



Five or six of the 14-16 automakers in the country have assembly plants

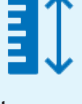


Rest are sole distributors or importers of select international brands




Indian firms secured foothold by entering Bangladesh in 1980s


BY THE NUMBERS




Light commercial vehicle market size was Tk 1,200cr in 2021




Annual sales were 11,000 units for past 3 years




LCVs control 42% of commercial vehicle market




Market share peaked in 2021 at 45%




Energypac assembles 2,500 LCVs annually



Nitol-Niloy controls 31pc of commercial vehicle market



Commercial vehicle market is worth Tk 4,300cr now



Chinese and Indian brands cater to 83% of LCV demand

Light commercial vehicle market expanding

JAGARAN CHAKMA

The market for light commercial vehicles (LCVs) is growing steadily thanks to the rising number of small and medium enterprises and young entrepreneurs running businesses all over Bangladesh, according to market players.

The LCV market size reached about Tk 1,200 crore in 2021 with annual sales averaging 11,000 units for the past three years.

LCVs control 42 per cent of the commercial vehicle market on average, but in 2021, the segment's market share edged up to 45 per cent on the back of 6 per cent growth in sales, industry analysts said.

"The demand for LCVs is growing as the number of SMEs and online businesses in the country has risen in line with the receding pandemic situation," said Humayun Rashid, executive director of Energypac, the sole local distributor of Chinese automaker JAC Motors.

Besides, a number of expatriates who returned home amid the ongoing coronavirus pandemic are purchasing LCVs, such as small covered vans and pickup trucks, to use them for commercial purposes.

"This had led to the increased

demand for these vehicles," Rashid added.

Light commercial vehicles are mainly used by businesses to pick up or deliver small consignments but they also double as human haulers.

Rashid went on to say that with the expansion of poultry and agro-based businesses in the northern part of Bangladesh, many entrepreneurs are

built by Japanese brand Isuzu Motors. So, customers prefer these vehicles for their superior output and commercial viability.

"The younger generation is doing business with new ideas for different sectors, such as e-commerce and agro products, which are growing rapidly," said Abdul Matlub Ahmad, chairman of Nitol-Niloy Group.



engaged in either sending their products all over the country or supplying feed and other inputs.

In both cases, the entrepreneurs make use of LCVs to pick up or make deliveries. Energypac's assembly plant cranks out about 1,000 pickup trucks and 1,500 small covered vans per year.

Rashid says JAC Motors manufactures cheaper and more fuel-efficient vehicles thanks to the use of modern engines

"This trading class is purchasing light commercial vehicles across Bangladesh," Subrata Ranjan Das, executive director of ACI Motors, which distributes Chinese commercial vehicle brand Foton in Bangladesh, said the demand for LCVs is rising fast riding on growing small businesses and emerging traders in line with steady economic growth.

Regarding the future of LCVs in Bangladesh, he said the gradual development of four and six-lane highways will result in higher sales.

For example, the completion of the Padma Multipurpose Bridge will connect the south-western districts of the country with the northern and eastern regions.

"This will help the LCV market grow," Das said, adding that the new automobile policy should support the industry by setting different rules on emissions, standards, import of reconditioned vehicles, and so on.

Indian automakers such as Tata, Mahindra, Ashok Leyland and Chinese brands like JAC and Foton cater to 83 per cent of the domestic LCV market while other brands cater to the rest.

However, the presence of Japanese and Chinese truck manufacturers is very insignificant as Indian companies

Fair on jute's many uses begins

STAR BUSINESS REPORT

A three-day exhibition on the diversified use of jute began in Dhaka yesterday with the objective of encouraging people to use products made out of the environmentally-friendly fibre.

The event is taking place a year past being put on hold in 2021 in the face of rising infections amidst the coronavirus pandemic.

Some 33 organisations are participating in the fair with a diverse array of products.

"Hold as many fairs as possible. This will increase demand for jute goods and boost sales of entrepreneurs," said Textiles and Jute Minister Golam Dastagir Gazi inaugurating the fair at Jute Diversification Promotion Centre near



Textiles and Jute Minister Golam Dastagir Gazi goes round a three-day fair organised by the Jute Diversification Promotion Centre on its premises in Dhaka. The event began yesterday, marking National Jute Day 2022, to showcase the diversified use of jute fibre.

Exports to Russia, Ukraine hit snag

166 TEUs of goods left lying in ICDs

REFAYET ULLAH MIRDHA and DWAIPAYAN BARUA

Russia and Ukraine-bound exports, especially garments, are now faced with an uncertain future as shipping lines are understandably not too eager to carry goods to war zones.

Major container shipping companies have temporarily suspended accepting bookings to both countries since Russia's invasion of Ukraine on February 24.

This has left some 166 TEUs (twenty-foot equivalent units) of containers packed with garment items lying idle over the past couple of days in 19 off docks in Chattogram.

The exporters are also worried over whether they would be able to secure payments from retailers and brands of the two countries for their efforts. This includes those who already exported goods to the destinations prior to the invasion.

Danish shipping giant Maersk, Switzerland-based MSC and France's CMA CGM on February 24 released operation updates announcing suspension of vessel calls to Ukraine until further notice.

READ MORE ON B3

NBR extends duty benefit for raw sugar import

STAR BUSINESS REPORT

The National Board of Revenue (NBR) has extended its reduced tariff benefit for importing raw sugar until May 15 so that consumers can buy the sweetener at reasonable prices during the upcoming month of Ramadan.

As such, refiners can import raw sugar by paying 20 per cent regulatory duty instead of the previous 30 per cent, according to a notification from the NBR issued yesterday.

The move comes after the previous concessionary benefit for importing raw sugar with 20 per cent regulatory duty expired on February 28.

"We have extended the reduced regulatory duty benefit to help keep sugar prices within the purchasing capacity of general consumers," an NBR official said.

In its notification, the revenue authority informed that the benefit came into effect from March 1.

READ MORE ON B3

Audit firms asked to report NBFi anomalies instantly

AKM ZAMIR UDDIN

The Bangladesh Bank has instructed chartered accounting firms to immediately inform it about any major financial anomalies they unearth while carrying out audits into non-bank financial institutions (NBFIs).

On February 28, the central bank issued a letter to NBFIs where it gave the instruction to 43 chartered accountant firms in tandem.

The firms are listed with the BB to audit into 34 NBFIs operating in the country. A copy of the letter was also sent to the firms.

The move comes as a good number of NBFIs are struggling to survive due to large-scale scams committed in recent years. But the inspection teams of the central bank could not detect the scandals in time.

Had there been sufficient time, the central bank could have moved to protect the non-banks from the ongoing bad state of affairs, said a BB official.

READ MORE ON B3

STOCKS			
	DSEX ▲	CSCX ▼	
	0.86% 6,638.63	0.67% 11,667.62	

COMMODITIES			
	Gold ▲	Oil ▲	AS OF FRIDAY
	\$1,970.67 (per ounce)	\$115.06 (per barrel)	

CURRENCIES				
	USD	EUR	GBP	CNY
BUY TK	85.05	92.04	112.38	13.22
SELL TK	86.05	95.84	116.18	13.90

ASIAN MARKETS				
	MUMBAI	TOKYO	SINGAPORE	SHANGHAI
	▼ 1.40% 54,333.81	▼ 2.23% 25,985.47	▼ 0.83% 3,226.78	▼ 0.96% 3,447.65