




**Quicker
Easier & Safer**

Fund transfer, Utility bill payment,
Top up mobile balance,
Credit card bill payment
& many more




Social Islami Bank Limited

No syndicate in rice market: BIDS study

50 large mills can influence the market, it says

STAR BUSINESS REPORT

There is no syndicate in the rice market but 50 large mills have the capacity to influence the supply and prices of the staple food, finds a study of the Bangladesh Institute of Development Studies (BIDS).

"We have to really think about the big auto rice millers," said BIDS Senior Research Fellow Nazneen Ahmed.

"There are very big auto rice mills and some of them have 400-500 tonnes of daily processing capacity," she said while presenting the findings of the study on the rice market in Bangladesh and the role of key intermediaries at the Research Almanac 2019.

The BIDS organised the two-day event to present the findings of various researches at the Lakeshore Hotel in Dhaka. Former finance minister AMA Muhith inaugurated the event in the morning.

Nazneen, citing food ministry data, said the top 50 rice mills out of 949 auto rice mills have around 20 percent of the total fortnightly rice milling capacity in the country. "We don't know whether they

"We don't know whether they



COLLECTED

Former finance minister AMA Muhith speaks at the inaugural session of “Research Almanac 2019” organised by the Bangladesh Institute of Development Studies at the Lakeshore hotel in Dhaka yesterday.

are engaged in any syndication but what we are trying to say is that they are very big and they can store high quantity of rice legally," she said, suggesting monitoring of the activities of the large mills.

"It is not that they are doing syndication but if they retain rice for two more days or up to 20 days instead of 15 days during any crisis, they can naturally influence the price," said Nazneen.

She said rice and paddy could be

retained by auto rice millers who are part of large corporates. "They are the ones who have natural capacity to have some influence over the market."

The study was carried out among 88 traders in four major rice districts -- Dinajpur, Bogura, Kushtia and Naogaon. In addition, wholesalers in four major rice markets -- Badamtoli, Babubazar, Karwan Bazar, Mohammadpur Krishi Market, and Cantonment Kochukhet Bazar in Dhaka city -- were interviewed. Secondary data were also used for the study.

READ MORE ON B3

CAPACITY OF LARGE MILLERS		
Millers	Total fortnightly milling capacity (in tonnes)	Share in national milling capacity
Top 4 millers	11,648	3%
Top 8 millers	18,552	4%
Top 16 millers	32,465	8%
Top 32 millers	54,100	13%
Top 50 millers	78,686	19%

SOURCE: BIDS STUDY

SOURCE: BIDS STUDY



USD 1,300,000,000
TERM LOAN FACILITIES

FOR GHORASAL POLASH UREA FERTILIZER PROJECT (GPUFP)

Borrower



BANGLADESH CHEMICAL INDUSTRIES CORPORATION (BCIC)

Guarantor



MINISTRY OF FINANCE
GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH

Joint Mandated Lead Arranger
Coordinating Arranger
Lender
Security Agent
Account Bank



21 November 2019
Dhaka, Bangladesh



Together we thrive