

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



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.

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Drugmakers’ spending on doctors raises medicine prices

BIDS study says; manufacturers deny the claim

STAR BUSINESS REPORT

Medicine prices are high in Bangladesh as drug-makers have to spend big to convince doctors to prescribe their products, a new study finds.

Sometimes, drug manufacturers even send the full families of doctors abroad to spend holidays or to attend a big seminar, according to the study presented at the two-day BIDS Research Almanac 2019.

The Bangladesh Institute of Development Studies (BIDS) organised the event to discuss the findings of different researchers at the Hotel Lakeshore in Dhaka.

Drug-makers sometimes give gifts to doctors or transfer a big amount of funds to doctors’ accounts so that they feel encouraged to recommend their medicines, said Nazneen Ahmed, senior research

fellow of the BIDS.

The prices of medicines go up in the domestic market when pharmaceuticals companies include the sums spent for the gifts in their cost of production, she said.

She spoke while presenting a paper on “Pharmaceutical industry of Bangladesh: prospects and challenges.”

Contacted, SM Shafiuzzaman, secretary-general of the Bangladesh Association of Pharmaceutical Industries (BAPI), said they do give pens to physicians, but the items do not fuel the prices of medicines.

“For example, if you go to a doctor’s chamber and see that there is no fan and if a Tk 1,200 fan is given, will the prices of medicine rise?”

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Africa a potential market for software companies

MUHAMMAD ZAHIDUL ISLAM

Africa could be a prospective market for Bangladesh’s software companies as the demand for locally developed IT solutions is increasing gradually in the world’s second-largest continent, entrepreneurs say.

To use the untapped potential, Dream71 Bangladesh Ltd has started exporting software to some West African countries from the central African country.

The leading Bangladeshi software and app developer has recently teamed up with a local partner in Cameroon to do business in the continent where DataSoft Systems

Bangladesh made foray into two years ago.

In May this year, Dream71 struck an agreement with Melt Group, a company specialising in recruitment, selection, workforce management, staffing and professional training, for various ventures in Africa.

Melt Group has presence in 11 countries with 16 branch offices. The company will use Dream71’s software, Peoplebook HR, to hire employees, maintain log and carry out other human resource activities, said Rashad Kabir, managing director of the Bangladeshi company.

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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

USD 1,300,000,000

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