

Staff reporter

State-owned Bangladesh Power Development Board (PDB) on Sunday signed a contract with an Indian company, Larsen & Toubro Limited (L&T), for the construction of the 225 MW combined cycle (dual fuel) power plant at Shikalbaha in Chittagong.

Larsen & Toubro will install the plant as EPC contractor at a cost of Tk 17.07 billion (equivalent to US\$ 202.22 million). As per the contract, construction of the project's simple cycle unit will be completed in next 18 months while the combined cycle unit will start operation in next 30 months from the effective date of contract.

Addressing the contract signing ceremony at Bidyut Bhaban in the city, State Minister for Power and Energy Nasrul Hamid said many more reputed Indian companies like the Reliance Group are also keen to invest and jointly set up power plants in Bangladesh considering its good investment climate.

"Singaporean companies are offering us to set up joint venture plants. We'll work with major Chinese companies as well," he said urging the PDB officials to work with utmost professionalism to show its highest competence.

The function was also addressed by Kuwait's Charge de Affairs in Dhaka Nasser al Onaizi, Power Secretary Monwar Islam, PDB chairman Abduhu Ruhullah, Petrobangla chairman Dr. Hussain Monsur, and Larsen & Toubro's whole-time director Shailendra Roy.

PDB officials said the Shikalbaha plant will be located in Chittagong near PDB's existing power plant. They hope that once the plant is constructed, it will play a pivotal role in addressing the nagging power crisis in Chittagong and adjoining areas.

Four development partners in the Middle-East (Saudi Arabia, Kuwait, UAE and OPEC Fund) are financing the project with a fund of US\$ 167.73 million (equivalent to Tk 13.75 billion).

Of the total project cost, the Kuwait Fund for Arab Economic Development (KFAED) will provide \$ 53 million, Saudi Fund \$ 53.33 million, UAE's Abu Dhabi Fund for Development (ADFD) \$ 31.04 million and the OPEC Fund \$ 30 million. apart from the government's contribution of \$ 82.34 million. The government has already signed necessary agreements with the co-financiers. The proposed Shikalbaha 225 MW Dual Fuel (Gas & FO) Power Plant has been a long standing project which had to face complications in arranging the donors' financing.

On February 19 last year, the Executive Committee of the National Economic Council (ECNEC) approved the project aimed at meeting growing demand of power in greater Chittagong region.

In the project, JVCA of Development Consultant Pvt., India; Sief Engineering Consultants, Kuwait; and Karigari Paramarsha, Bangladesh will work as consultant of the PDB.

Nasrul Hamid said the government is working under the leadership of Prime Minister Sheikh Hasina with a vision to build Bangladesh as a unique nation in the world.

He said Bangladesh has never failed to pay any debt in its history and it has consistently been maintaining an economic growth of over 6 percent.

The state minister mentioned that the PDB has already proved its efficiency in implementing so many projects, which drew the attention of big international companies.

Power Secretary Monwar Islam urged the officials of the Larsen & Toubro to transfer its technology and maintain quality and timeline in implementing the project.

L&T's Shailendra Roy said his company has been one of the largest companies in India working for many years in different sectors from service to engineering.

He said Larsen & Toubro has also been engaged as EPC contractor of the Bherama power

plant.