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gone too
soonLiving in
a state of
constant fearIndia
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in economy:
Debapriya

CAPACITY PAYMENTS FOR POWER PLANTS

One third goes to three firms

Govt paid Tk 35,046cr to 55 companies between July 2019 and March 2022

ZYMA ISLAM

Thirty-five percent of all capacity payments the government made to independent power producers (IPPs) over the last three years went to two private companies and a joint venture.

The firms — United Group, Summit Group and Bangladesh-China Power Company Ltd — together got at least Tk 12,353 crore between July 2019 and March 2022, Power Division data show.

After vetting, the Power Division on July 17 submitted the data to the parliamentary standing committee on the power, energy and mineral resources ministry.

The government paid a total of Tk 35,046 crore in capacity payments to IPPs owned by 55 companies during the July 2019-March 2022 period. The amount is over Tk 5,000 crore more than the Padma Bridge construction cost.

As per the agreement with power plants, the government has to pay "capacity charges" based on the plant's capacity and establishment costs. The capacity charge is factored into the per unit cost of the electricity sold to the government. But even if no electricity is produced or bought, the government must make these minimum payments to the power plants.

Summit Group Chairman Aziz Khan said these payments are to ensure that a sufficient supply capacity is always on standby to meet present and/or future demands.

Bangladesh-China Power Company Ltd, which owns the coal-fired Payra power plant, and Summit Group received the largest chunks of all capacity payments during this period.

TOP 5 COMPANIES WHO RECEIVED MOST CAPACITY PAYMENTS

COMPANY	PAYMENTS BETWEEN 2019 AND MARC 2022	% OF ALL
Bangladesh-China Power Company (Pvt) Ltd 1,320MW (Unit-1)	Tk 4,442.95cr	12.68%
Summit	Tk 4,406.35cr	12.57%
United	Tk 3,504.40cr	10.00%
Sembcorp	Tk 1,645.71cr	4.70%
APR Energy	Tk 1,461.34cr	4.17%

The Payra plant received about Tk 4,443 crore while Summit Group's earnings from capacity charges were Tk 4,406 crore during this period, which are each about 12.6 percent of the total payouts.

United Power Generation and Distribution, the power subsidiary of United Group, got the third largest share, 10 percent of the total payment or Tk 3,504 crore.

Analysing the government data, The Daily Star learnt that the other 50 or so companies each got less than 5 percent of the Tk 35,046 crore, with the majority getting less than one percent.

The payments to United Group were made for United Anawara 300MW, United Ashuganj Energy Ltd, United Payra 150MW, United Mymensingh Power Ltd, and United Jamalpur 115MW.

The payments to Summit Group were made for Summit Meghnaghat Power Ltd, Summit Bibiyana II Power Company Ltd, Summit Gazipur II Power Ltd, Summit Barisal Power Ltd, Summit Purbanchal Power Ltd, and Summit Narayanganj Power Units I and II Ltd.

Bangladesh China Power Company Ltd got the payments for the massive 1,320MW Payra power plant. The plant was ready for operations last year, but it cannot be used because the government is yet to complete the transmission line that would supply power from Mongla to Dhaka's Aminbazar.

Not taking Payra power plant into consideration, since this is a massive outlier of all 120 power plants in the country, Summit's Meghnaghat Power Ltd was paid the most. It received Tk 1,677 crore over the last three years.

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2022
She has grown by a year now but still there is no answer. *Inset*, Safa appealed to the state last year to return her missing father Mahfuzur Rahman Sohel to her. But the demand is still not met. The second grader, all in tears, spoke at a human chain in front of the BNP central office in Nayapaltan yesterday, marking the International Day of the Victims of Enforced Disappearances. Mahfuzur, a Chhatra Dal leader, disappeared about nine years ago.

PHOTO: AMRAN HOSSAIN

**Nagad Finance gets BB nod
Question raised about fate of Post Office's
MFS brand**

AKM ZAMIR UDDIN

Does the crowded, troubled non-bank financial sector need another player? The Bangladesh Bank deems so as it yesterday gave the primary licence to Nagad Finance plc, where Nagad Ltd Managing Director Tanvir A Mishuk and Executive Director Mohammad Aminul Haque are directors.

"The central bank board gave the letter of intent to Nagad Finance with some conditions," BB Spokesman Md Serajul Islam told The Daily Star.

He, however, did not elaborate on the conditions.

The promoters behind Nagad Finance first applied for a multipurpose licence to run as an NBFI, mobile financial service (MFS) provider and microcredit lender at once in November last year. The name of the proposed company was Amar Fintech.

The central bank rejected the application as such a licence does not exist.

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Wrong policies, no accountability

Opposition MPs blast govt over price hikes, graft, money laundering

STAFF CORRESPONDENT

Opposition lawmakers in parliament yesterday blasted the government over what they said was its failure to check rising commodity prices, widespread corruption and money laundering.

Participating in the general discussion on a proposal, they blamed the government's wrong policies, mismanagement, corruption and inefficiency in every sector for the "sorry state of the country".

They said there was no accountability anywhere in the government.

Treasury bench lawmakers, however, said the current situation, including price hikes of essentials, was the result of a global crisis stemming from the Russia-Ukraine war.

MPs belonging to the ruling Awami League's allies, including Workers Party and Jatiya Samajtantrik Dal, remained cautious while criticising the government.

Jatiya Party MP Mujibul Haque Chunni placed the proposal titled "Parliament is of the opinion that short and long-term sustainable measures taken by the government to deal with the problems of Covid-19, global unrest, Ukraine-Russia war, climate change, natural disasters, energy crisis, rising commodity prices should be informed to the nation through discussion in the House."

He slammed the government for its wrong policy in power production while another lawmaker of the party, Kazi Firoz Rashid, said syndicates of corrupt businessmen are also responsible for the current crisis.

Another JP lawmaker Shameem Haider Patwari said now it is time for the government to admit mistakes so that those are not repeated.

BNP lawmaker Rumeen Farhana said the government's development

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Govt to fix prices of commodities

Items include rice, flour, lentil, onion, cement; legal action against manipulators

STAFF CORRESPONDENT

The government is going to fix the prices of several commodities, including rice, lentil and flour, to check price manipulation by unscrupulous traders in the local market.

Bangladesh Trade and Tariff Commission (BTTC) will determine fair prices of rice, lentil, flour, atta and onion as well as mild steel products and cement within 15 days, Commerce Minister Tipu Munshi said yesterday.

The BTTC now fixes the prices of edible oil and sugar after periodic market reviews. It will follow the same pricing method for the seven commodities, he told reporters after a meeting with businesspeople at the Secretariat.

"Legal action will be taken if anyone charges more than the fixed prices." The Directorate of National Consumers Rights Protection, and Bangladesh Competition Commission will not only fine the culprits, but also sue them, he said.

"If the market monitoring authorities only slap fines, the unscrupulous traders will again engage in price manipulation after paying the fines ... The officials will now file cases against them."

The prices of some commodities increased recently in the local market following the rise in their prices in the international market, fuel price hike and depreciation of the taka against the US dollar, Munshi mentioned.

Though the prices of some goods have come down in the global market, the people here are yet to get any benefit because a section of unscrupulous traders is manipulating the local market, he added.

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Bismillahir Rahmanir Rahim

12th Death Anniversary

Today is the 12th death anniversary of Late Alhaj Giashuddin Ahmed. On this day of remembrance, we the family members, directors, officers and employees of Popular Jute Exchange Limited as well as other sister concerns fondly recall the memories of his industrious & benevolent life, and pray for the salvation and eternal peace for his departed soul.

Late Alhaj Giashuddin Ahmed

POPULAR JUTE EXCHANGE LIMITED
1, Tolaram Road, Narayanganj, Bangladesh.

SPORT

Zadran blows
Tigers away

AFP, Sharjah

Najibullah Zadran tore into the Bangladesh attack with six sixes to lead Afghanistan into the Asia Cup Super 4 with a crushing seven-wicket win on Tuesday.

Chasing 128 for victory, Afghanistan were in trouble at 62/3 when Najibullah (43) joined Ibrahim Zadran (42) for an unbeaten stand of 69 as they won by nine balls to spare in Sharjah.

Earlier, spinners Mujeeb Ur Rahman and Rashid Khan took three wickets each as Bangladesh, who opted to bat first, were restricted to 127-7.

Bangladesh next face Sri Lanka on Thursday, with the winner joining Afghanistan in Super 4.

"This raises the question of what exactly the Israeli authorities are trying to hide."

Outgoing UN rights chief Mi. chelle Bachelet blasts Israel for failing to issue or renew visas for her staff in the Palestinian territories

