



## Bangladesh to pay through the nose

Warn experts over power purchase agreement with Adani, say getting out of the unfair deal won't be easy

RAMISA ROB and ASIFUR RAHMAN

Gain is for Gautam Adani and loss for Bangladesh: that is how the electricity purchase deal with the Indian business tycoon may turn out to be.

Now at the centre of a scandal over stock market manipulation and fraud that, within a few weeks, contributed to an epic fall from the position of Asia's richest person, Adani has literally taken Bangladesh for a fortune-ride through the controversial deal. Though officially

still kept under tight wraps, the agreement has lately been published by a news portal and a number of whistleblowers in public interest.

"This appears to be the most expensive, lopsided contract to replenish the pockets of the ex-richest man in Asia, at the expense of the people in Bangladesh," Tim Buckley, a Sydney-based energy expert with 30 years of expertise in the field, told The Daily Star over the phone recently.

Knowingly or unknowingly, Bangladesh Power Development Board (BPDB) rushed to sign a deal

that only allows Adani Power to mint money at every single phase, from coal purchase to electricity export. The document, in essence, lays bare how Bangladesh is forced to stay in the agreement even if Adani breaches the contract, according to the experts who analysed a copy of the deal obtained by The Daily Star.

For the next 25 years, Bangladesh will partially bear what was initially thought to be Adani Power's tax burden even though the Indian conglomerate got a tax exemption

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Firefighters working at Beltola slum in the capital's Mohakhali where a fire burnt down over 50 shanties yesterday afternoon. Many of the residents lost all their belongings, including cash, in the fire. PHOTO: COLLECTED

### A CONTRACT IN QUESTION

BPDB signed a 25-year deal to import 1,496 MW of electricity from Adani Power on November 5, 2017.

#### TAX EXEMPTIONS FOR ADANI POWER

- Excise Duty 12.5 %
- Service Tax 15%
- CST on equipment 2%
- VAT on equipment 5.5 % to 14.5 %

Duty-free import of goods, development and maintenance

100% exemption from income tax in the first 5 years and 50% for next 5 years

Adani will save \$1 billion in 25 years on Clean Energy Cess, a form of carbon tax. But the actual savings will be much more than that due to tax exemptions.

#### COST FOR BPDB

Current capacity charge is \$450 million a year even if electricity is not imported



Adani saves costs but charges Bangladesh the same amount, in turn raking in more profits

PHOTO: STAR

## A year on, EC yet to earn trust

MOHIUDDIN ALAMGIR

Since its formation a year ago, the new Election Commission has largely failed to gain the opposition parties' trust, said political analysts.

When Chief Election Commissioner Kazi Habiburul Awal in September unveiled a work plan for the next national election, he said gaining the political parties' confidence was a major challenge.

But despite opposition from major political parties like the BNP and the Jatiya Party, the EC in August announced that Electronic Voting Machines would be used

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## PRICES OF RAMADAN ESSENTIALS

## It forces' monitoring won't do any good

Says FBCCI president

STAFF CORRESPONDENT

Deployment of joint forces to keep watch on the essentials market during Ramadan would not yield the desired outcome, said the president of the country's apex trade body yesterday.

Joint forces were engaged in monitoring the market during the tenure of the last caretaker government.

"Because of them, the number of big commodities businessmen has come down from 25 to 5. After a few days [if joint force is deployed], no one would be able to find these five either," said Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industry.

Jashim Uddin's comment came at a dialogue organised by the

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## Grand Inauguration

### 4 1st Ever in Bangladesh Brand New Ultramax Dry Bulk Carriers

Meghna Group of Industries (MGI) proudly inaugurates the first ever 4 brand new Ultramax Dry Bulk Carriers of the country- **M.V. Meghna Victory**, **M.V. Meghna Prestige**, **M.V. Meghna Hope** and **M.V. Meghna Progress**. On February 26, 2023, **Mr. Khalid Mahmud Chowdhury**, M.P., Honorable Minister of State, Ministry of Shipping, Government of the People's Republic of Bangladesh graced the launching ceremony as chief guest. **Rear Admiral M Shahjahan**, NPP, BCGMS, NDC, PSC, BN, Chairman, Chittagong Port Authority was present as special guest. **Commodore Md Nijamul Haque**, OSP, NGP, PSC, BN, Director General, Department of Shipping, Government of the People's Republic of Bangladesh, **Mr. Md. Mahbub ur Rahman**, Chief Executive Officer, HSBC Bangladesh, **Mr. Mahbubul Alam**, President, Chittagong Chamber of Commerce & Industry and **Mr. Mohammed Mahtabur Rahman**, Chairman, NRB Bank Limited and Al Haramain Perfumes Group of Companies were present as guests of honor. The program was presided over by Chairman & Managing Director of Meghna Group of Industries (MGI) **Mr. Mostafa Kamal**. HSBC Bangladesh is arranging financing of USD 71 Million for these 4 ships against Sinasure (Chinese ECA) guarantee. We are delighted to contribute to the continuous development of Bangladesh.

