

2. Installation of Wellhead Compressors at Location-E & G of Titas Gas Field

1. Objectives : The main objective of the project is to increase wellhead gas pressure in maintaining the gas transmission pipeline pressure.

(Taka in lakh)

	Total	LC	FC
2. Project Cost (Estimated) DPP :	49550.00	10280.00	39270.00

3. Location of the Project : Titas gas field, Brahmanbaria Sadar Upazilla, Brahmanbaria.

4. Approval date :

DPP : Approved by MPEMR on 23.03.2021

5. Financing of the Project : Company Own Finance.

6. Implementation Period : March, 2021 to June, 2025.

7. Major Components & Status

i) Engagement of Consultancy Services :

- For engagement of Consultants, a contract was signed with the consulting firm, Pegasus International (UK) Ltd. on 23.05.2021. According to the Contract, local and foreign consultants started work on 13.06.2021.

Under the project, a contract was signed with EPC contractor Consortium of Zicom Equipment Pte. Ltd. Singapore & AG Equipment Company, USA on 12.10.2022 at a total cost of Tk 409,80,98,808.00 including foreign currency USD 4,38,33,778.00 & local currency Tk 32,83,93,900.00. Under the contract, EPC contractor was not able to establish a confirmed Letter of Credit (LC) in favor of Beneficiary Zicom Equipment Pte. Ltd. Singapore. Consequently BGFCL contacted with other foreign banks in Bangladesh such as Standard Chartered Bank (SCB), Citibank N A, Bank Alfalah Limited, State Bank of India (SBI) and The Hongkong and Shanghai Banking Corporation Limited (HSBC) as per decision of PSC meeting held on 18.05.2023. Among the aforesaid banks, Standard Chartered Bank (SCB) and State Bank of India (SBI) sent proposals mentioning the cash margin amount, cost and conditions for establishment of LC. A decision was taken to establish LC of USD 4,38,33,778.00 in favor of Zicom Equipment Pte. Ltd. Singapore in SCB upon encashment of 105% margin at the 704th BGFCL board meeting held on 10.07.2023. According to the decision, the process for establishment of LC in SCB is underway. It is remarkable that the contract will be effective after payment of 10% of the contract price in favor of EPC contractor as advance and submission of the Advance Payment Guarantee after establishment of LC.

- ii) Installation of 6 nos. wellhead compressor of which 3 nos. (2 operational & 1 standby) each having capacity of 40 MMscfd and 3 nos. (2 operational & 1 standby) each having capacity of 25 MMscfd with suction pressure of 350-650 psig & delivery pressure of 1000 psig with associated facilities including installation, testing and commissioning at Location-E & G of Titas gas field.

The work of installing compressors under the project will be under special law.

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