SAHCO INTERNATIONAL LTD.

G.P.O. Box No : 631 Amin Court (2nd Floor) 62-63, Motijheel Commercial Area

Dhaka-1000, Bangladesh.

Tel: 9550910, 9550675, 9560996

Fax: 88-02-956-1917

Email: sahco@bdcom.com Ref: Date: May 09, 2001

Mr. Zhang Chun Chief Representative in Bangladesh China National Machinery & Equipment Import & Export Corporation 1st Floor, Gulshan Tower, Gulshan Circle-2, Gulshan, Dhaka.

Sub: Re-tender of Khulan 210MW Thermal Plant Project of BPDB.

Dear Mr. Zhang Chun,

I would like to request you to kindly recall our earlier discussion and correspondence regarding the subject project.

From my experiences of implementing several giant projects in Bangladesh, I have tried my level best to make you fully aware of the difficulties in promoting and materializing a business of considerable magnitude specifically in Bangladesh. Now a days, it has become an open secret that without close contacts at all levels of the Employer, strong persuasion and political influence of the local agent, it is quite impossible to materialize a business of such a big project like Khulna 210MW Power Plant Project.

On the other land, you are aware that Power Plants of Raojan 2x210MW Thermal Power Station could not earn good reputation in Bangladesh as your former local agent did not maintain good relation with BPDB as well as local media. As a result, objections are coming up from different corners including Ministries against the implementation of Khulna 210MW Power Plant Project with the same Power Plants of same manufacturer. Question has also arisen regarding single bid.

Due to such strong objections raised by the said corners and Ministries, BPDB has recommended to the Ministry for re-tender of the subject project yesterday allowing 40 days time for bid submission. Your existing new local agent has utterly failed to convince and influence BPDB to ask for technical Clarifications from you to make your bid technically responsive as well as stop the recommendation for re-tendering by BPDB.

Through our earlier correspondence and discussions, I tried to make you understand about our capability in implementing such big projects in Bangladesh and requested you to utilize our services for smooth implementation of the Khulna 210MW Power Plant Project. But I did not receive any positive response from your

side. May I request you to recall that the concerned Minister advised you for taking the support & services of SAHCO for the project before submission of the tender. But even then, there was no response from your end. Still we are keeping close watch on the progress of the project step by step.

I am confident that if you confirm that you are agreeable to utilize our services even at this worst situation, I will be able to mange the Government and the implementing Authority to recommend for acceptance of your bid, in spite of having so many obstacles regarding bad reputation of your Raozan Power Plants as well as single bid.

In view of the above, you are requested to kindly discuss the matter with your head office and confirm us that you are interested to utilize our services for the subject project, so that I can take immediate steps for changing the decision of BPDB Board, stop that re-tender and finally arrange the award of the contact under suitable terms and conditions for you.

With Kindest Regards
Alhaj Syed Abul Hossain
Managing Director