Early Warning System

IFC-38482

Bengal Hotel

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Quick Facts

Countries	Bangladesh
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2017-05-26
Borrower	BENGAL HOTELS AND RESORTS LIMITED
Sectors	Construction
Investment Type(s)	Loan
Investment Amount (USD)	$ 18.00 million
Project Cost (USD)	$ 75.00 million

Project Description

BHRL has purchased a 2,860 m2 plot of land and is developing a greenfield 350 room business hotel on the Gulshan–Tejgaon link road in Dhaka, Bangladesh (the Project). The Company has commissioned a lead project management consultant and general contractor (PMC). The detailed design of the hotel is under progress. The hotel will have two basements and 25 floors with a built-up area of approximately 37,000 m2.

As one of the conditions of its clearance from the local regulatory approval body (Rajuk), the Company has given 483 m2 of land, adjacent to the hotel property, for development of a multistoried (10 stories) parking facility by the local regulatory approval body.Two floors of this parking facility for exclusive use for hotel guests under a lease agreement, renewable every five years. The hotel will be operated under the Swissotel brand, owned earlier by FRHI Holdings Ltd. (also the parent of Fairmont and Raffles brands) and acquired in December 2015 by AccorHotels (Accor).

The hotel will have typical facilities of a top of the line hotel including multiple food and beverage outlets, swimming pool, spa and banqueting operations for 600 guests. The construction of the hotel is expected to commence in January 2018 and the hotel is expected to be fully operational in July 2020.

Investment Description

- International Finance Corporation (IFC)

Bengal Hotels and Resorts Limited (BHRL or the Company) is a group company of the Bengal Group (the Group), a well-established, 46 year old, family-owned business house. The Group comprises of six separate legal entities engaged primarily in the production and sale of household plastic products, garments accessories, food & agro products, flexible packaging and a media company.

BHRL, incorporated on April 2013, is 100% owned by the owners of Bengal Group. Shareholding structure of BHRL is: Mr. Humayun Kabir (16%), Mr. Jashim Uddin (17%), Mr. Morshed Alam (20%) and other family members. Established in 1969, Bengal Group is a family owned business house in Bangladesh. The Group now comprises of six companies with business interests in plastics, garments accessories, media, food & agro, flexible packaging and a media company. Each company is a separate legal entity and the Group does not have a holding structure.

Total Project cost of US$75 million. IFC will invest up to US$18 million as A loan and would mobilize another US$18 million from a development finance institution (DFI).

Contact Information

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ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/