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# HIDCL

## Newsletter

A bimonthly email newsletter of

**HYDROELECTRICITY INVESTMENT & DEVELOPMENT COMPANY LIMITED**

जलविद्युत लगानी तथा विकास कम्पनी लिमिटेड

CREATING OPPORTUNITIES FOR A BRIGHTER, PROSPEROUS NEPAL THROUGH THE DEVELOPMENT OF HYDROPOWER

## Domestic Investor Meet Organized

- Key domestic financial institutions with sizeable and long term funds participated in the meeting
- Significant domestic resource available to finance middle-mega hydropower projects
- Financial institutions demonstrate keen interest to invest in middle to mega hydropower projects in partnership with HIDCL

A meeting with the senior management of key public sector domestic institutions was organized by HIDCL on 29<sup>th</sup> of Jestha, 2070 in at Hotel Yak n Yeti Hotel in Kathmandu. The basic objective of the event was three fold: to let know the participants basic facts about HIDCL and its business, to review the existing projects and available domestic resource base, and discuss opportunities for financing a mega project of around 400 MW.

The meeting was held under the auspices of the Board of Directors of

the company, and chaired by the chairman of HIDCL. The Chief Executive Officer (CEO) Mr. Deepak Rauniar made a presentation and emphasized that significant domestic financial resources were available for projects.

A discussion session followed thereafter, where queries regarding HIDCL, projects, financing opportunities etc. were made, which were among others also answered by the Board of Directors of HIDCL.

The meeting concluded on the note that significance financial resources are available in the country and institutions with big long term funds were

## KEY INDICATORS

**Authorized Capital:** NRs. 50 Billion

**Issued Capital:** NRs. 10 Billion

**Paid up Capital:** NRs. 8 Billion

**Promoter: Public Shareholding:** 80:20

**Committed Investments:** One Generation (42 MW) and One Transmission Project

**Projects under Review:** 5 Generation Projects of size between 20 to 37 MW for debt financing



interested in investing in hydropower projects. It was suggested that HIDCL was in an ideal position to bridge the gap between finance required by projects and finance available with institutions. An ideal way to do so could be through instruments issued by HIDCL for specific hydropower projects.

## First AGM Held

First Annual General Meeting (AGM) of HIDCL was held in Kathmandu on 2069/12/23. The

AGM discussed overall annual performance of the company and made suggestions on the future direction of the company. The meeting approved the financial reports of Fiscal Year 2068-69; the restructuring of the Board to 7 Directors as: 4 Promoter Directors, 1 Public Director and 2 Independent Expert Directors; and the mandate to also finance hydropower projects in the range of 15MW to 25 MW through bank consortiums with a ceiling of maximum RS.200 Million in a project.



# Financial Closure of 42 MW Mristi Khola Hydroelectricity Project



The financial closure of the 42 MW Mristi Khola Project was concluded on 19<sup>th</sup> May, 2013. Seven banks and financial institutions including HIDCL agreed to provide Nepali Rs. 4.24 Billion to the project through a consortium led by Nabil Bank. HIDCL will be providing 986.1 Million to the project.

The estimated project cost is Rs. 5.8 Billion with a debt equity ratio of 75:25. The project is located in Narchyang Village Development Committee of Myagdi district of Dhaulagiri zone. The project is being developed by M/S Robust Energy Pvt. Ltd. and is expected to be commissioned by 2017 A.D.

## Contribution to the Prime Minister's Relief Fund

On the occasion of the second anniversary of HIDCL, a contribution of Rs.50,000 was made to the Prime Ministers Relief Fund. A cheque of the said amount was handed over to the Chief Secretary of Nepal Government by the Chairman of the Company on 28<sup>th</sup> of Asadh. 2070.



## International Hydroelectricity Investor Meeting in August 28-29

With the objectives of promoting investments in middle-mega hydro projects in Nepal, HIDCL is going to organize a meeting with potential international investors in Kathmandu on August 28-29, 2013. The meeting will focus on investment opportunities in promising middle to mega (above 100MWs) hydropower projects with emphasis on identified storage projects. Key details on promising projects will be presented and discussions on opportunities of financing including project financing options will be discussed in the meeting. The meeting is supported by Ministry of Energy, Ministry of Finance and the office of the Nepal Investment Board: Government of Nepal, and Asian Development Bank.



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Hydroelectricity Investment and Development Company Ltd.

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## New Board at HIDCL

As per the provisions in the Memorandum of Association (MOA) of the company, a new Board has been constituted after the First AGM of the Company, which is as follow:

### Chairman:

Mr. Bishwa Prakash Pandit  
Secretary, Ministry of Energy

### Board Directors:

1. Mr. Baikuntha Aryal  
Joint Secretary, Ministry of Finance
2. Mr. Tek Prasad Dhungana  
Joint Secretary, Ministry of Law, Justice, Constituent Assembly & Parliamentary Affairs
3. Mr. Krishna Prasad Acharya  
Administrator, Employees' Provident Fund
4. Mr. Parakram Sharma  
Independent Director

## HIDCL Vision and Mission

Become the top hydro power investment company in Nepal by mobilizing funds for investment in generation, transmission and distribution of hydroelectricity and free the country from the chronic power shortage and realize its export potentials. (Vision)

Mobilize long term funds from domestic and international financial resource base to cater to the needs of middle to mega hydroelectricity generation, transmission and distribution projects of the country offering quality services to our customers, partners and stakeholders with integrity and professionalism, while creating conducive work environment for the employees and value to our shareholders. (Mission)

## ABOUT HIDCL

Realizing that significant financial and technical constraint existed in the country to develop middle-mega hydropower projects, and there was no focused institution associated with the development of middle-mega hydropower projects, Government of Nepal on 6 July 2011 decided to set up Jalvidhyut Lagani Tatha Bikas Company Limited (JTLBCL) or Hydroelectricity Investment and Development Company Limited (HIDCL) in English, to harness the country's massive hydropower potentials. The objective of the company is as follows:

- invest as either debt or equity in hydroelectricity generation, transmission and distribution projects (projects) in the country
- invest in projects also together with banks and financial institutions
- borrow loan and receive grants from foreign and international financial institutions so as to invest in projects
- issue financial instruments such as bonds, debentures, and certificate of deposit for long term capital mobilization for investment in projects.