



जलविद्युत लगानी तथा विकास कम्पनी लिमिटेड
Hydroelectricity Investment & Development Company Limited

Expression of Interest (EOI)



For Issue Management and Underwriting of Initial Public Offering of 20 Million units of Ordinary Shares

Hydroelectricity Investment & Development Company Limited (HIDCL) invites eligible Issue Manager/s to indicate their interest in providing the Issue Management and Underwriting Services. Interested Issue Manager/s must provide information indicating that they are qualified to perform the Issue Management Services and Underwriting Services as one package. Interested parties may associate with other Issue Manager/s to enhance their qualifications and are encouraged to do so.

Issue Manager/s will be selected in accordance with the procedures set out in the Public Procurement Act 2063, Procurement Rules 2064 and company's Financial By-Laws.

The Issue Manager/s and its team shall possess significant knowledge and proven experience in managing public issue and underwriting, their operation and preparation of documents necessary for approval from SEBON and final listing of shares at Nepal Stock Exchange and other tasks as per the requirement. In order to be short listed, the Issue Manager/s are requested to follow the EOI documents.

Interested Issue Manager/s may collect EOI documents from the company's registered office or directly download from www.hidcl.org.np. They may obtain further information at the address below during office hours 9:00 to 17:00 hours local time.

Expression of Interest must be delivered to the address below by 17:00 hours local time on or before 26th Ashoj, 2071.

Only short listed Issue Manager/s will be invited to submit Financial Proposal.

Hydroelectricity Investment and Development Company Limited

Babarmahal, Kathmandu, Nepal

Tel: +977-1-4257024/25

Fax. No: +977-1-4261060, E-mail: info@hidcl.org.np



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Hydroelectricity Investment & Development Company Limited

Hydroelectricity Investment & Development Company Limited (HIDCL)


Babarmahal, Kathmandu, Nepal

Expression of Interest (EOI) Document

For

Issue Management and Underwriting of Initial Public Offering of
20 Million units of Ordinary Shares

21st September, 2014





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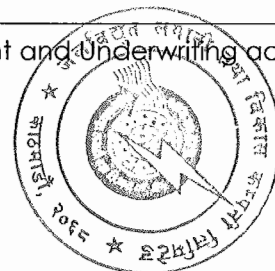
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I. Notice Inviting Expression of Interest

Hydroelectricity Investment & Development Company Limited

Invites Expression of Interest (EOI) for Initial Public Offer (IPO) Management Services

A. Background

Following Government of Nepal's decision, Jalvidhyut Lagani Tatha Bikas Company Limited or Hydroelectricity Investment and Development Company Ltd. (HIDCL) in English was formally established on 11 July 2011. Engaged in a mission to mobilize funds from domestic and international resource base to cater to the needs of investments in middle to mega hydroelectricity generation, transmission and distribution projects, offering timely and quality services to our customers and partners with integrity and professionalism, and creating value to our shareholders, HIDCL envisages to become the top hydropower investment company of the country.

HIDCL has vision to 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, provide energy security and realize its export potentials. The company has mandate to invest in project either through debt or equity. Mostly, it invests in hydroelectricity generation, transmission and distribution projects through banks and financial institutions. It also can borrow loan and receive grants from foreign and international financial institutions so as to invest in projects. The major sources of fund comes from issuing financial instruments such as bonds, debentures, and certificate of deposit.

HIDCL is a public investment company with Rs. 50 Billion authorized capital, Rs. 10 Billion Issued Capital and Rs.8 Billion Paid up Capital and Rs. 2 billion is set aside for general public. To achieve the above vision of the company, strengthen its capital base and





Law

encourage public to be part of hydropower development, HIDCL is seeking **Expression of Interest (EOI)** from the licensed Issue Manager/s for the assignment “**Issue Management and Underwriting of Initial Public Offering of 20 Million units of Ordinary Shares**”.

B. The objective and Scope of Works of the assignment:

B.I. Objective of the Assignment

The objective of the assignment “**Issue Management and Underwriting of Initial Public Offering of 20 Million units of Ordinary Shares**” is to manage the upcoming Initial Public Offering of HIDCL professionally and provide optimum reach to the investors.

B.II. Scope of work

The scope of work is classified into various categories as follows:

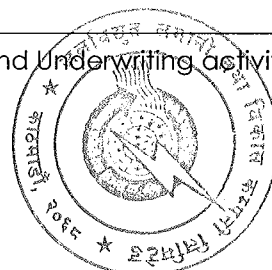
Category 1 – Issue Management

Category 2 – Underwriting

Category 1: Issue Management

Issue Manager will perform following activities under category 1:

- a. The Issue Manager/s will take the entire responsibility to handle the Public Issue of HIDCL.
- b. The Issue Manager/s will undertake the responsibility of marketing the public Issue of NPR 2,000,000,000/- (Rupees Two Billion Only) equity share capital, consisting of the Initial Public Offering (IPO) of 20,000,000 Common Stock of HIDCL.
- c. The Issue Manager/s, in consultation with HIDCL, shall make necessary arrangements for drafting, designing and printing of prospectus and application forms and identifying collection centers. Simultaneously, the Issue Manager/s shall make further arrangements for publishing statutory notices such as Issue announcement, opening of the Issue, closing of the





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Hydroelectricity Investment & Development Company Limited

Issue, allotment, refund, certificate distribution notices etc. in the national dailies. All the materials related to the Issue shall be issued under the name of HIDCL.

- d. To provide a nationwide coverage, the Issue Manager/s, besides their own premises, will appoint BFIs & Merchant Bankers as collection centers for the distribution and collection of application forms, if and when necessary. To collect the subscription money, the Issue Manager/s shall open Joint bank account in their name or make a special arrangement with the Bankers to the Issue and other financial institution in Kathmandu valley or any other part of the country, whenever necessary.
- e. The Issue Manager/s shall provide the allotted share capital fund to HIDCL on the following office day from the allotment day.
- f. The Issue Manager/s in joint consultation with HIDCL shall arrange investor's forum, press conference, and other media activities, if so desired by HIDCL.
- g. The Issue Manager/s, on behalf of HIDCL shall conduct all correspondence regarding the Issue with the concerned authorities and a copy of such correspondence shall be provided to HIDCL.
- h. The Issue Manager/s shall endeavor to ensure that share application and other related documents are properly completed and submitted by the applicants, including the collection centers other than the Issue Manager/s. And that all necessary details such as name, address, number of shares applied for is clearly completed up and signature of applicants are obtained where necessary.
- i. The Issue Manager/s shall fulfil any other duties arise based on the necessity while performing Issue Management activities.





Category 2: Underwriting

Issue Manager/s will carry out the function of underwriter and shall underwrite 50 percent of Initial Public Offering of Rs. 2 billion.

- Issue Manager/s has to fulfil the regulatory requirement for underwriting activities. The Issue Manager/s can do underwriting with its fund or arrange joint partners.
- The Issue Manager/s should agree to buy unsubscribed portion of the above-referred underwritten shares of HIDCL, in case the above-referred portion of shares are wholly or partially unsubscribed by the general public.
- If the Issue Manager/s required to buy the shares of HIDCL, the Issue Manager/s should agree to provide HIDCL with the obligated share amount as and when required by HIDCL.

The expected date of commencement of the assignment is Mangsir, 2071.

B. Expression of Interest (EOI)

Hydroelectricity Investment & Development Company Limited (HIDCL) invites eligible Issue Manager/s to indicate their interest in providing the Issue Management and Underwriting Services. Interested Issue Manager/s must provide information indicating that they are qualified to perform the Issue Management Services and Underwriting Services as one package. Interested parties may associate with other Issue Manager/s to enhance their qualifications and are encouraged to do so.

Issue Manager/s will be selected in accordance with the procedures set out in the Public Procurement Act 2063, Procurement Rules 2064 and company's Financial By-Laws.

The Issue Manager/s and its team shall possess significant knowledge and proven experience in managing public issue and underwriting, their operation and preparation of documents necessary for approval from SEBON and final listing of shares at Nepal Stock Exchange and other tasks as per the requirement. In order to determine the capability and experience of the Issue Management Service provider companies seeking to be short listed, the information submitted should include the following:





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- Company profile and organizational structure
- Annual turnover for last five years ending Ashad end 2071
- Value of IPO and underwriting assignment undertaken in the last five years
- No of IPO and underwriting assignment undertaken in the last five years
- Underwriting capacity and required underwriting arrangement for this assignment
- Planned Professional involved for this assignment

Interested parties may collect EOI documents from the company's registered office or directly download from www.hidcl.org.np. They may obtain further information at the address below during office hours 9:00 to 17:00 hours local time.

Expression of Interest must be delivered to the address below by 17:00 hours local time on or before 26th Ashoj, 2071.

Only short listed parties will be invited to submit Financial Proposal.

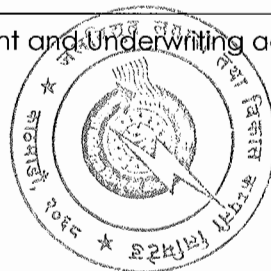
Hydroelectricity Investment and Development Company Limited

Babarmahal, Kathmandu, Nepal

Tel: +977-1-4257024/25

Fax. No: +977-1-4261060, E-mail: info@hidcl.org.np

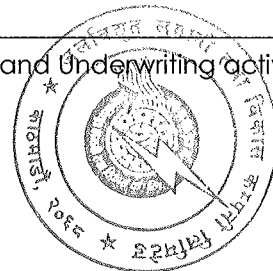
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II. Instructions for Submission of Expression of Interest

1. Expression of Interest may be submitted by a Company or group of companies licensed by Securities Board of Nepal to conduct Merchant Banking Services including Underwriting.
2. EOI can be submitted jointly or collectively by forming the association or Joint Venture of two or more Issue Manager/s.
3. Any Issue Manager/s, whether it is an association of Joint Venture or individual, can participate in only one application for EOI. If any Issue Manager/s participate in more than one application, all such applications consisting of that firm shall be rejected.
4. EOI must be submitted for both assignment as one package and the required underwriting arrangement of 1 Billion Nepalese Rupee has to be arranged by the same applicant/s.
5. Expression of Interest should contain the following information:
 - (i) A covering letter addressed to the Chief Executive Officer, Hydroelectricity Investment & Development Company Limited on the official letter head of the company duly signed by the authorized signatory.
 - (ii) Applicants shall provide the following information in the respective formats given in the EOI document:
 - Detail of the Applicant as per format (Annex-1)
 - Annual turnover detail of the applicant from Merchant Banking Service assignments for the consecutive 5 years ending Ashad end, 2071 as per format (Annex-2)
 - Details of Similar Assignments (Issue Management and Underwriting) taken in the previous 5 years (Annex-3)
 - Details of related professional staff and their field of expertise with updated CV (Annex-4)
 - Description of the methodology and work plan for performing the assignment (Annex-5)
 - Activity (Work) Schedule (Annex-6)
6. If EOI is submitted by the association or Joint Venture of two or more Issue Manager/s then the above information except Application letter, methodology & work plan and activity schedule should be provided in respective formats by each member of the association or Joint venture.





7. Issue Manager/s may submit the additional information with their application but short listing will be based primarily on the evaluation of information requested and included in the formats provided in the EOI document.

8. Issue Manager/s may collect EOI documents from the company's registered office or directly download from www.hidcl.org.np. They may obtain further information at the address below during office hours 9:00 to 17:00 hours local time.

Hydroelectricity Investment & Development Company Limited

Babarmahal, Kathmandu, Nepal

Phone: +977-1-4257024/25

Email: info@hidcl.org.np

9. The Expression of Interest (EOI) document must be duly completed and submitted at the following address in sealed envelope which is clearly marked as '**EOI Application for Short-listing for Issue Management and Underwriting Services**'

10. The completed EOI document must be submitted on or before the date mentioned in the 'Invitation Notice' at the following address. In case the submission falls on public holiday the submission can be made on the next working day. Any EOI document received after the closing time for submission of proposal shall not be considered for evaluation.

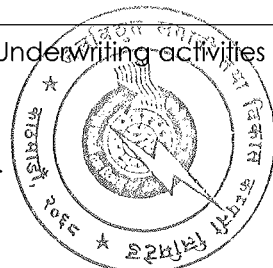
The Chief Executive Officer

Hydroelectricity Investment & Development Company Limited

Babarmahal, Kathmandu, Nepal

Phone: +977-1-4257024/25

Email: info@hidcl.org.np





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Hydroelectricity Investment & Development Company Limited

IV. EOI Formats

Annex-1

Applicant's Information

(In case of the association or joint venture of two or more Issue Manager/s to be filled separately for each Issue Manager)

1. Name of Company :
2. Type of Constitution :
(Public Ltd/ Public Sector/Joint Venture):
3. Date of Incorporation / Commencement of Business (Please specify):
4. Place of Incorporation:
5. Details of Services Provided:
6. Registered Office/Place of Business:
7. Telephone No; Fax No; E-Mail Address
8. Name of Authorized Contact Person / Designation/ Address/Telephone:

(Provide Company Profile with description of the background and organization of the Company and, if applicable, for each joint venture partner for this assignment.)



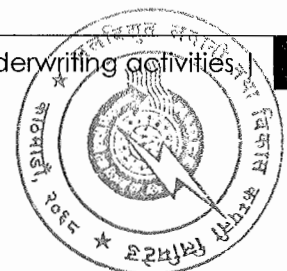


Annex-2

Applicants Annual Turnover from Issue Management Assignments

(In case of the association or joint venture of two or more Issue Manager/s to be filled separately for each Issue Manager)

Fiscal Year	Issue Management (Annual Turnover in NRs.)	Underwriting (Annual Turnover in NRs.)
Total		





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Annex-3

Details of similar assignments undertaken in the previous five years

(In case of the association or joint venture of two or more Issue Manager/s to be filled separately for each Issue Manager)

Assignment Name:		
Name of Client:		
Address:		
Start Date (Month/Year):	Completion Date (Month/Year) :	Total Issue Size :
Name of Associate Issue Managers, If Any:		Total underwriting amount :
Total Underwriting contribution by your company :		
Narrative Description of Project : (Actual assignment, nature of activities performed and location)		

Issue Manager's Name: _____





Annex-4

Details of related professional staff and their field of expertise

(In case of the association or joint venture of two or more Issue Manager/s to be filled separately for each Issue Manager)

A. Managerial Staffs

S.N.	Name of Staff	Field of Expertise	Qualification	Years of Experience

B. Support Staffs

S.N.	Name of Staff	Field of Expertise	Qualification	Years of Experience





FORMAT OF CURRICULUM VITAE (CV) FOR PROPOSED PROFESSIONAL STAFF

Proposed Position: _____

Name of Issue Manager: _____

Name of Staff: _____

Profession: _____

Date of Birth: _____

Years with Issue Manager/Entity: _____ Nationality: _____

Membership in Professional Societies: _____

Detailed Tasks Assigned: _____

Key Qualifications:

[Give an outline of staff member's experience and training most pertinent to tasks on assignment. Describe degree of responsibility held by staff member on relevant previous assignments and give dates and locations. Use about half a page.]

Education:

[Summarize college/university and other specialized education of staff member, giving names of schools, dates attended, and degrees obtained. Use about one quarter of a page.]

Employment Record:

[Starting with present position, list in reverse order every employment held. List all positions held by staff member since graduation, giving dates, names of employing organizations, titles of positions held, and locations of assignments. For experience in last ten years, also give types of activities performed and client references, where appropriate. Use about two pages.]

(Handwritten signatures)





Languages:

[For each language indicate proficiency: excellent, good, fair, or poor in speaking, reading, and writing.]

Certification:

I, the undersigned, certify that to the best of my knowledge and belief, these data correctly describe me, my qualifications, and my experience.

_____ Date: _____

[Signature of staff member and authorized representative of the Issue Manager]
Day/Month/Year

Full name of staff member: _____

Full name of authorized representative: _____



Description of the methodology and work plan for performing the assignment



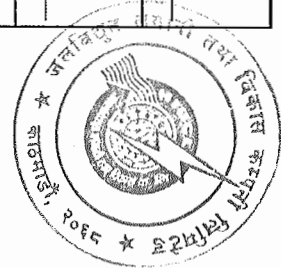


Activity (Work) Schedule

A. Assignment details

	[1st, 2nd, etc. are months from the start of assignment.]												
	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	
Activity (Work)													

(Handwritten signatures)



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B. Completion and Submission of Reports

Reports	Date
1. Inception Report	
2. Interim Progress Report (a) First Status Report (b) Second Status Report	
3. Draft Report	
4. Final Report	

