

**BPC Golden Jubilee and Ground Breaking - 25<sup>th</sup> March 2017**  
**Speech by Padma Jyoti, Chairman, BPC Ltd.**

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On behalf of BPC family I extend a very warm welcome to all of you. It truly warms our heart that you have come to share this important moment of Golden Jubilee with us.

Celebrating a jubilee is a difficult task. It makes you wonder whether you should reflect on your past, or talk about your future. At BPC we decided that while we celebrate our past journey of fifty years, we must also look to the future by showing our commitment through concrete action.

First allow me to reflect on how did we get here.

I am very privileged to be associated with a company like BPC Limited. If you look at its ownership structure, it is wonderful to see thousands of public shareholders active through the stock exchange, a group of leading private sector companies, Government of Nepal, Nepal Electricity Authority, foreign investors and all BPC employees as co-owners of our company. I don't think any other power company has this kind of diverse ownership and enduring partnership.

BPC is not only in generation business, it distributes electricity directly to 50,000 households in four rural districts and sells the rest of energy to NEA; it does a highly respectable job of designing and providing engineering services to hydropower projects in Nepal and abroad; it carries out research through studies of hydraulic models and sediment behaviour; and it builds and maintains hydro electrical and mechanical equipment. I think we can claim to be a unique well balanced Nepalese company engaged in different aspects of hydropower industry.

The BPC Board believes in responsibility and transparency in its conduct of business. This approach is not always the speediest one giving quick results in a country like Nepal. Maybe we at BPC believe - what is the use of running, when you are not on the right road. So we continue this legacy with a belief that hydropower is long term business, and in the long run this is what will benefit us as a responsible and successful company.

We take pride not only when we distribute dividends to our shareholders and bonus to our employees; we take equal pride in having received the award for the "Best Presented Financial Statements" continuously for the last eight years for transparency from the Institute of Nepal Chartered Accountants, and winning the awards for corporate governance for four years from South Asian Federation of Accountants. The Blue Planet Award we got from International Hydropower Association (IHA) in association with UNESCO for excellence in sustainable practices and exemplary community relations has a special place in our hearts.

There are many who travelled shoulder to shoulder with us in our journey of 50 years. To them we owe our gratitude and special thanks. I must start with Mr Odd Hoftun, the visionary Norwegian, who laid the foundations of BPC. Our Norwegian partners IKNI/IKNN in BPC and NHE, Statkraft and BKK of Norway in Himal Power Limited, the Norwegian Embassy and Norad; former senior colleagues and staff like PP Adhikari, late Balaram Pradhan, Ratna Sansar Shrestha, Gyanendra Pradhan, Anup Upadhyay, Murali Sharma, Egil Hagen, Binay Bhandari, RB Karki, Ranjan Lohar and many more such dedicated people; Government of Nepal, DOED, Ministry of Energy, NEA, our Bankers and financial institutions, our consumers, the people and the community of our project areas, illustrious former and present members of the Board, our very supportive shareholders, the highly professional management team led by CEO Mr Uttar Kumar Shrestha and our great employees and management teams not only at BPC but also at all our subsidiary companies. Each one of you has contributed to BPC and without you this long journey would have been very tiring indeed. We salute you, and we thank you.

No doubt there is much in our past to be proud of. However when we look at the work we still need to do in future, it makes us very humble. Allow me to talk a little about where we are going in future.

Two separate teams of our senior directors and colleagues have just come back from our two new project sites. They came back yesterday after ground-breaking ceremonies which launched construction at the sites.

First, the Kabeli project in Panchthar /Taplelung districts in the far eastern Nepal. Kabeli has a capacity of 37.6 MW and will produce 205 gigawatt hours by the year 2020. Kabeli is an excellent example of partnership of Nepalese and International companies and institutions, contributing equity and debt. This project is an example of synergy between local experience and international expertise.

InfraCo Asia, based in Singapore, is our valuable joint venture partner. I am very pleased to welcome the high level InfraCo team of Mr. Allard Nooy, Mr. Ian McAlistor, Ms Claudine Lim, Mr. Vivek Gupta, Ms Claire Delahunty. A special welcome to Mr. TN Thakur Director of InfraCo. We at BPC greatly value our partnership with you and thank you for adding so much expertise to the project. InfraCo receives funding from governments of Australia, Switzerland and the United Kingdom. Kabeli project has the support and funding from the World Bank, the International Finance Corporation (including the Canadian Climate Change Program), Nepal's HIDCL and NIC Asia Banks. Thank you all for providing such support to Nepal in developing its renewable energy sector. My BPC colleague Mr Pradeep Shrestha chairs the Kabeli Board. Mr Sher Singh Bhat leads the management team as CEO. Kabeli is a good example of international partnership for developing projects in Nepal.

The second project which has accomplished ground-breaking is Nyadi in Lumjung district in western Nepal. Nyadi has a capacity of 30 MW and will add 168 gigawatt hours to our country's needs by 2020. Nyadi was developed along a slightly different model. It is a partnership of BPC with Ledco a company started by the local community from the project area. Its financing is local from a consortium of Nepalese banks led by Everest Bank with participation of Nabil, Global IME, Himalayan, Sunrise and HIDCL Banks. My BPC colleague Mr Rajib Rajbhandari is the Chairman of the Nyadi Board. Mr. Mrigendra Pradhan as CEO leads the management team. We are happy to see that it is progressing well.

We are constructing Kabeli and Nyadi under EPC contract to minimize overall risks and contain long term costs. We are happy to welcome Mr. Liu, Chairman of Zhejiang Hydropower Construction and Installation Company (ZHCIC) and his team from China as the contractor entrusted with the construction of these two projects. We wish Zhejiang a successful contract and hope they will be able to expand business further in Nepal.

So today on our Golden Jubilee, we announce, with great humility and a sense of responsibility, that we have started the construction of two more new projects. The countdown has begun, to the year 2020, when we will add 67.6 MW to generation capacity and 374 gigawatt hours to the national grid for the service of the nation. With this BPC will serve additional 260,000 households who will benefit from reliable and affordable power supply.

As we gain confidence and as our country creates a suitable environment, we are already studying the Lower Manang Marsyangdi project of one hundred MW and a few other promising projects. We are also readying to mobilise resources through FPO in the stock exchange for our growth.

Finally, you must have noticed the rather young slogan and somewhat trendy icon we have created for this golden jubilee. BPC remains young in heart and energetic in spirit. BPC is saying "iLight happiness, iLight smiles, and iLight future". We are also saying iLight development, industry, jobs and growth. BPC wants to go into future on a well-lit path, where we will light the lives of many more of our Nepalese brothers and sisters.

We need the support and blessings of each one of you in our future journey. The presence of so many luminaries and well-wishers tonight greatly inspires us and tells us that we are off to a very auspicious start. Thank you very much.