

Madhya Bhotekoshi Jalavidyut Company Limited

Ratings

Facilities	Amount (Rs. in Million)	Ratings ¹	Rating Action
Issuer Rating	-	-	Rating Withdrawn
Total Facilities	-	-	

Detailed Rationale & Key Rating Drivers

CARE Ratings Nepal Limited (CRNL) has withdrawn the ratings of "CARE-NP BB- (Is); ISSUER NOT COOPERATING" assigned to Madhya Bhotekoshi Jalavidyut Company Limited (MBJCL) with immediate effect as MBJCL had failed to provide information for monitoring of the ratings. In line with the extant of Securities Board of Nepal (SEBON) guidelines, CRNL has reviewed the rating on the basis of the best available information and kept the rating on Notice of Withdrawal for six months which however, in CRNL's opinion is not sufficient to arrive at a fair rating. Therefore, after the monitoring of the ratings for six months there is no cooperation from the Issuer, accordingly CRNL has withdrawn the ratings.

Users of this ratings (including investors, lenders and the public at large) are hence requested to exercise caution while using the above ratings.

About the Company

MBJCL is a public limited company incorporated on July 29, 2010. It is promoted by Nepal Electricity Authority (NEA) which is a Government of Nepal (GoN) corporation and Chilime Hydropower Company Limited (CHCL, 51% subsidiary of NEA) for setting up 102 MW run-of-river, Middle Bhotekoshi Hydroelectric Project in Sindhupalchowk district of Nepal. The project is constructed under BOOT (Build, Own, Operate and Transfer) mechanism. As per the Generation License, from GoN – Ministry of Energy, dated December 3, 2013, the project shall be handed, on whatever conditions the project is, to the Government of Nepal after expiry of Generation Licence, which is 35 years.

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¹Complete definitions of the ratings assigned are available at www.careratingsnepal.com and in other CRNL publications.

About CARE Ratings:

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Our parent company, CARE Ratings Limited commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI).

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In case of partnership/proprietary concerns, the rating assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.