
Indian firms flood Nepal with hydropower proposals

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IANS reported that heartened by two Indian investors' entry into Nepal's once closely guarded hydropower sector, more and more Indian companies are now eyeing the Himalayan republic with over two to thirds of the latest applications for license coming from firms in New Delhi, Mumbai, Karnataka and Hyderabad.

As per report, out of the 72 recent applications made at Nepal's Department of Electricity Development, over 60 are from Indian companies including the GMR group that broke the ice in a sector the Indian government itself could not penetrate in the past due to the prevailing political distrust and instability here.

GMR Energy which became the trendsetter by bagging the 300 MW Upper Karnali project despite opposition by local organizations and some sister concerns of the ruling Maoist party is now back to do more business, seeking licenses to develop the 500 MW Tila project and the more modest Karnali Gutu that can generate up to 144 MW.

Jindal Steel and Power that was worsted by GMR in the race for Upper Karnali is also back in the ring, setting its sights on eight new projects. JSPL is seeking to develop one of the biggest deals, the 10,800 MW Karnali Chisapani Storage as well as 7 smaller ones, Upper Arun, Lower Arun, Sapt Gandaki on the Narayani river and 4 projects on the Dudhkoshi that range from 108 MW to 213 MW.

Another bested bidder, Larsen and Toubro is also keen to enter Nepal's hydropower sector and this time is eyeing 7 projects together with Larsen and Toubro Power Development Corporation. These are Upper Arun, Tila, Karnali, Ande Pipal Arun, Chokan Lingam and Lunsun Pepuwa. The other big bidder is Bhilwara Energy which wants to develop 6 power projects namely Upper Trishuli 2A, Karnali 7A, Seti River Jal Vidyut Yojana, Karnali 4, Humla Karnali 1 and Mugu Karnali 1. Others who could be first time entrants in Nepal are Mumbai's Patel Engineering that is eyeing three projects including the ambitious 3,300 MW Saptakoshi Storage, Lanco Infratech, KSK Energy Venture, Athena Projects and Kasargod Power Corporation. Also in the fray are RVK Energy, Maytas Property, MMS Steel and Power and AES India that has teamed up with CG Energy Infrastructure.

Potential Indian investors got another shot in the arm from the new budget tabled by Maoist Finance Minister Baburam Bhattarai last week that pledges to generate 10,000 MW of power in the next decade, encourage Indian investors, dispense with red tape and discourage non serious bidders.

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