



Nepal Investment Summit 2024



Request for Expression of Interest (EOI)

Project Name: Janaki Heritage Hotel and Cultural Village Project

EoI No.: NIS2024/IBN/EoI-03

First Date of EoI Publication: 28th April 2024



ABBREVIATIONS

EOI	Expression of Interest
GoN	Government of Nepal
IBN	Investment Board Nepal
JV	Joint Venture
NIS	Nepal Investment Summit
OIBN	Office of the Investment Board Nepal
PICC	Pokhara International Convention Center
PPP	Public-Private Partnership
RfP	Request for Proposal



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1. BRIEF DESCRIPTION

Investment Board Nepal is a high-powered agency chaired by Rt. Hon. Prime Minister established as a nodal agency for Public Private Partnership (PPP) and investment promotion in Nepal. Since its establishment, IBN has played an instrumental role in implementing transformative infrastructure projects fundamental to bolstering socio-economic development of the country. IBN has provided investment approvals – for both Public-Private Partnership and direct Private Investment projects. Being guided by the long-term vision (2043), the 15th Plan, and other subsequent policies of the Government of Nepal; and international commitments such as Sustainable Development Goals, IBN has been developing credible and bankable projects to garner investment.

The Third Nepal Investment Summit is scheduled for 28th & 29th April 2024. The main objective of the Summit is to promote Nepal as a promising investment destination and to attract domestic and foreign direct investment in various sectors. The summit is expected to bring together prominent national and international speakers, dignitaries, sector specific experts and high-level government officials. During the Summit, various projects shall also be showcased to existing and new investors and developers.

A rigorous exercise has been undertaken to collect, evaluate, screen, and prepare projects for solicitation through EoI, market sounding, and showcasing other projects at different stages in pipeline. This expression of interest is issued at the NIS 2024 as per the Clause 16 of the Public Private Partnership and Investment Regulation 2077. The summit will also be an opportune venue for developers to meet potential investors for equity and debt portions in projects.

Among the projects selected for solicitation, Janaki Heritage Hotel and Cultural Village Project is also one. The project is being developed by the Office of Investment Board Nepal. Located in Janakpur, the project is designed to cater to destination wedding tourism. It includes the development of luxury hotels, cultural villages, and museums that not only showcase the region's heritage, culture, and traditions but also offer essential tourism and hospitality infrastructure. The project's primary goal is to attract Indian tourists, capitalizing on the deep religious connection between India and Nepal. The project aims to position Janakpur as a prime destination for couples seeking unique and culturally rich wedding experiences.

A brief introductory description of the projects is attached to this document.

2. BIDDING PROCESS SCHEDULE

The OIBN shall adhere (tentatively) to the following schedule to evaluate and shortlist from the EOI received for the Request for Proposal.

EOI issue Date: 28th April 2024

Last date of submission of EOI: 2nd June 2024, 12:00 Noon (Nepal Standard Time)

EOI opening date and place: 2nd June 2024, 1:00 PM (Nepal Standard Time), OIBN

Application Evaluation result: 4th August 2024

Interested parties are requested to submit their EOI along with all necessary documents online at www.eoi.investinnepal.gov.np.

Contact Details:

Name of Agency: Office of Investment Board Nepal

Address: ICC Complex, New Baneshwor, Kathmandu

Phone no.: +977-01-4575277, +977-1-14575278; Fax: +977-1-4575281
Email address: info@ibn.gov.np; website: www.ibn.gov.np



The details of the project structuring will be done before the RfP is issued and the details will be provided with the RfP document. OIBN reserves the right to shortlist or not to shortlist any or all of the applicant(s) without assigning any reason whatsoever. A pre-bid conference shall be held only at the RfP stage.

3. PRE-QUALIFYING CRITERIA

The applicants must meet the following pre-qualifying criteria to be considered for further evaluation and shortlisting:

- a) Minimum of 10 years of experience of the applicant or lead partner (in case of JV/consortium) in developing or constructing 3 to 5 star or heritage hotels.
- b) Must have completed construction of at least one of such hotels in the past 5 years whose project cost is not less than NPR 1 billion. The applicant/JV should have successfully completed at least 3 of such projects overall in the past 20 years.
- c) Net worth of the applicant should be equivalent to at least NPR 1 billion as per the last fiscal year's audited balance sheet. In the case of JV/Consortium, the net worth will be calculated based on the percentage share as mentioned in the JV agreement or MOU. If no such share is indicated, the net worth of the lead firm will be considered.

Note: The currency exchange rate of the first date of EOI publication will be considered for conversion of net worth and project scale if reported in currency other than Nepali Rupees.

4. APPLICATION PROCEDURE

The developer/investor who meets the above pre-qualifying criteria can make the application for the project.

- a) Application may be made by a single entity or a group of entities (Consortium or JV) comprising up to three different companies/parties including a lead member.
- b) A consortium/JV may fulfil the pre-qualifying criteria in a joint /cumulative manner, except for the number of years of work experience.
- c) A non-refundable fee of NPR 150,000 shall be payable for each application (PPPIR 2077, Clause 17 (3)) at the time of making the application. Any application submitted without the proof of payment of the fee will be considered non-compliant.
- d) The fee must be deposited or electronically transferred to the following bank account of OIBN:

Account No.: 1420100102100001
Account Name: OFFICE OF THE INVESTMENT BOARD
Bank name: Rastriya Banijya Bank (RBB)
Bank Branch: Baneshwor
SWIFT Code: RBBANPKA



- e) Please use "Company name_Project name" as the reference code for the payment made in the case of the online payment.
- f) After payment of the fee is made, the OIBN shall assign a focal person and may provide additional documents or information relevant to the project (if available).
- g) Applicants should submit the EOI with all required documents online by 2nd June 2024 (12:00 PM Nepal Standard Time).
- h) The Government of Nepal (OIBN or relevant government) shall review the proposal and ask additional information if required.

Note: If the corruption case is being filed to Court against the Natural Person or Board of Director of the firm/institution /company or any partner of JV, such Natural Person or Board of Director of the firm/institution /company or any partner of JV such consultant's proposal shall be excluded during the evaluation.

5. CHECKLIST

Clause 17 of the PPPIR 2077 mentions that the interested investor shall acquire the request for expression of interest from the concerned agency or website and submit the documents as mentioned in the request for proposal document. Following documents and information must be submitted while submitting the EoI.

1. Notarized copy/ies of VAT/PAN registration certificate (for national developer) and official company registration certificate (for international developer).
2. Detailed profile of the developers/investors, including profile of senior management team, and annual report audited financial statements for at least past three years, latest tax clearance certificate.
3. Where the interested party is considering potential consortium partners, an indication of such intention and details of potential consortium partners (to the extent known). The interested party should clearly state the role of the consortium members and detail the scope they would intend to deliver, for example, design services, construction and commissioning services, facilities management services.
4. Evidence of power of attorney.
5. Project concept, plan, and information on financial, economic, social, technical, and environmental feasibility.
6. Method of project implementation, project development modality and work schedule.
7. Business plan with basic financial statements
8. Financial arrangement and source of investment
9. Self-declaration letter on validity and accuracy of the projects and details submitted and corruption charges and against corruption charges.
10. Expected support from GoN, if any.
11. All the documents need to be properly signed and stamped.
12. Other relevant information, if any.

Brief Project Description

1	Project Name	Janaki Heritage Hotel and Cultural Village Project
2	Background	<p>Brief Intro: The Janaki Heritage Hotel and Cultural Village Project in Janakpur is designed to cater to destination wedding tourism. It includes the development of luxury hotels, cultural villages, and museums that not only showcase the region's heritage, culture, and traditions but also offer essential tourism and hospitality infrastructure. The project's primary goal is to attract Indian tourists, capitalizing on the deep religious connection between India and Nepal. The project aims to position Janakpur as a prime destination for couples seeking unique and culturally rich wedding experiences.</p> <p>Sector: Tourism Location: Janakpur Sub-Metropolitan City, Dhanusa District, Madhesh Province, Nepal Area: 3.3 hectare</p> <p>Objective:</p> <ul style="list-style-type: none"> • To position Janakpur as a leading wedding destination, nationally and internationally • To conserve and leverage the region's diverse cultural and religious heritage • To diversify tourism offerings beyond pilgrimage by offering luxury accommodations, cultural experiences, and destination weddings. <p>Project Justification</p> <ul style="list-style-type: none"> • Existing gap in luxury hotels in Janakpur, appealing to high-end tourists • Wedding tourism is gaining traction as a niche segment, with tourists seeking exotic locations for lavish celebrations. • Enhancing wedding and hospitality infrastructure in Janakpur amplifies its historical significance as Lord Ram and Devi Sita's wedding site, elevating Nepal's status as a premier wedding destination. • Janakpur's direct rail connection from India positions it strategically to attract tourists from both Nepal and India
3	Salient Features	<ul style="list-style-type: none"> • Hotel and cultural village featuring traditional Nepali architecture showcasing the rich cultural heritage of the region • luxurious accommodations providing comfortable and elegant stays for wedding guests and couples. • Dedicated wedding venues offering picturesque backdrops for wedding ceremonies and receptions.

		<ul style="list-style-type: none"> • Cultural experiences like traditional dance, music performances, cultural tours add uniqueness to wedding celebrations. • Hotel's restaurants serve a variety of cuisines, customized menus for wedding events. • Incorporation of green and energy-efficient design principles 																
4	Project Components	<ul style="list-style-type: none"> • Heritage resort - 8 story luxury 5-star hotel (150 rooms, restaurant area, meeting rooms, recreation facilities) • 3 banquet halls • Parking facility • Cultural Village at Sirsiya village (12.7 km from Janaki temple) • Ethnic Museum at Makhanpur Vasti (18.66 km from Janaki temple) 																
5	Project Benefits/ Outcome	<ul style="list-style-type: none"> • Janakpur positioned as a prominent wedding destination and a cultural hub • Tourism Promotion and Diversification • Employment Opportunities • Economic Growth Multiplier effect • Improved infrastructure • Culture and Heritage Preservation and Promotion • Sustainable tourism 																
7	Financial Indicators	<table border="1"> <tr> <td>Estimated Project Cost (NPR)</td> <td>NPR 2.53 billion USD 19.02 million (1 USD= 132.99 NPR)</td> </tr> <tr> <td>Equity IRR (%)</td> <td>30%</td> </tr> <tr> <td>NPV (NPR)</td> <td>NPR 1.73 billion USD 13.09 million</td> </tr> <tr> <td>Pay-back period (years)</td> <td>N/A</td> </tr> <tr> <td>Discounted Pay-back period (years)</td> <td>6 years</td> </tr> <tr> <td>Benefit Cost Ratio</td> <td>2.92</td> </tr> <tr> <td>Debt to Equity Ratio</td> <td>61:39</td> </tr> <tr> <td>Assumed Loan Interest Rate (%)</td> <td>9.00%</td> </tr> </table>	Estimated Project Cost (NPR)	NPR 2.53 billion USD 19.02 million (1 USD= 132.99 NPR)	Equity IRR (%)	30%	NPV (NPR)	NPR 1.73 billion USD 13.09 million	Pay-back period (years)	N/A	Discounted Pay-back period (years)	6 years	Benefit Cost Ratio	2.92	Debt to Equity Ratio	61:39	Assumed Loan Interest Rate (%)	9.00%
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8	Project Implementation Modality	<p>Public Private Partnership (PPP)</p> <p>Build Operate Own Transfer</p> <p>Role of Private Sector</p> <ul style="list-style-type: none"> • Plan and design • Finance • Build • Operate • Maintain • Handover to the Government after the concession period 																

		<p>Role of Government</p> <ul style="list-style-type: none"> • Project identification and prioritization • Financial support and incentives • Legal and regulatory approvals • Infrastructure support 														
9	<p>Project Implementation Timeline</p>	<table border="1"> <thead> <tr> <th>Project Stage</th> <th>Tentative completion date</th> </tr> </thead> <tbody> <tr> <td>Project ideation/Concept Note</td> <td>2019</td> </tr> <tr> <td>Desk Study</td> <td>2019</td> </tr> <tr> <td>Pre-feasibility Study</td> <td>March 2023</td> </tr> <tr> <td>Feasibility Study/ DFSR/ DPR</td> <td>2024</td> </tr> <tr> <td>Solicitation</td> <td>2025</td> </tr> <tr> <td>EIA/IEE/BES</td> <td></td> </tr> </tbody> </table>	Project Stage	Tentative completion date	Project ideation/Concept Note	2019	Desk Study	2019	Pre-feasibility Study	March 2023	Feasibility Study/ DFSR/ DPR	2024	Solicitation	2025	EIA/IEE/BES	
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