



Ru Ru Jalbidhyut Pariyojana Ltd.

(Upper Hugdi Khola Hydro Power Project)

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Statement of Financial Position as at Ashwin 31, 2079 (October 17, 2022)

Amount in NPR

Particulars	This Quarter Ending (Ashwin End 2079)	Previous Quarter Ending (Ashad End 2079 Audited)	Corresponding Previous Year Quarter Ending (Ashwin End 2078)
ASSETS			
Non-Current Assets			
Property, Plant and Equipments	4,077,533	4,240,656	4,371,876
Intangible Assets	549,271,034	554,796,899	571,374,496
Investment Property	14,123,311	14,123,311	6,583,500
Trade and other Receivables	13,500	13,500	13,500
Total Non-Current Assets	567,485,378	573,174,366	582,343,372
Current Assets			
Inventories	7,600,345	4,795,473	7,018,793
Prepayments	52,016,436	35,589,160	1,522,215
Financial Assets Measured at Amortised Cost	30,000,000	71,500,000	-
Trade and other Receivables	111,656,548	104,477,855	98,724,760
Cash and Cash Equivalents	39,013,737	27,512,752	88,816,420
Total Current Assets	240,287,066	243,875,240	196,082,188
Total Assets	807,772,444	817,049,606	778,425,560
EQUITY AND LIABILITIES			
Equity			
Share Capital	448,476,050	448,476,050	448,476,050
Reserve and Surplus	172,001,594	138,016,660	79,355,687
Total Equity	620,477,644	586,492,710	527,831,737
Non Current Liabilities			
Financial Liabilities			
Borrowings	133,738,939	133,930,881	212,425,362
Trade & Other Payables	1,814,347	1,814,347	972,071
Total Non Current Liabilities	135,553,286	135,745,228	213,397,433
Current Liabilities			
Financial Liabilities			
Borrowings	45,480,000	86,432,164	11,370,000
Employee benefit liabilities	705,593	1,916,501	680,864
Trade and other payables	5,555,921	6,463,003	25,145,526
Total Current Liabilities	51,741,514	94,811,668	37,196,390
Total Equity & Liabilities	807,772,444	817,049,606	778,425,560

Statement of Profit or Loss and Other Comprehensive Income

For the Period from Shrawan 1, 2079 to Ashwin 31, 2079 (July 17, 2022 to October 17, 2022)

Amount in NPR

Particulars	Upto This Quarter Ending (Ashwin End 2079)	Upto Previous Quarter (Ashad End 2079 audited)	Upto Corresponding Previous Year Quarter Ending (Ashwin End 2078)
Revenue	50,048,056	161,622,841	51,590,582
Cost of sales	(10,949,945)	(44,577,338)	(9,918,245)
Gross profit	39,098,111	117,045,503	41,672,337
Finance income	2,388,563	4,300,978	109,711
Finance costs	(3,396,271)	(16,549,402)	(4,674,838)
Other Income	-	-	500
Administrative expenses	(2,810,770)	(8,959,703)	(3,064,509)
Impairment losses	-	-	-
Loss on Sale of Assets	-	(12,333)	-
Profit before taxes and staff bonus	35,279,633	95,825,043	34,043,201
Staff Bonus	(705,593)	(1,916,501)	(680,864)
Profit before taxes	34,574,040	93,908,542	33,362,337
Income tax expenses			
Current Tax	(589,106)	(1,070,925)	(27,190)
Previous Year Tax	-	-	-
Deferred Tax Income / (Expenses)	-	-	-
Profit / (loss) for the period	33,984,934	92,837,617	33,335,147
Other comprehensive income			
Total comprehensive income	33,984,934	92,837,617	33,335,147
Reserve and Surplus			
Share Premium	55,510	55,510	8,154,120
Accumulated profit / (Loss)	171,946,084	137,961,150	71,201,567
Total	172,001,594	138,016,660	79,355,687

First Quarter Disclosure of FY 2079-80 as per Securities Registration and Issuance Regulation, 2073 (Rule 26(1), Annexure- 14)

1. Financials

- The unaudited interim financial statements (including Statement of Financial Position and Statement of Profit or Loss and other Comprehensive Income) for the first quarter of the financial year 2079-80 have been prepared by the management and reviewed and authorized to be published by Board of Director of the Company.
- Project Assets are amortized over useful life (Operation License period) of 30.10 years. The useful life of project asset is the tenure calculated from commercial date of operation. The amortization expense is included in the Cost of Sales.
- The receivable from Nepal Electricity authority for NPR 75,928,818 is pending as additional amount of 20% for the posted rate in accordance with the agreement entered between Nepal Electricity authority and the Company on 2072-06-07. The final amount of receivable may fluctuate in future.
- The Company's sales of electricity are subject to tax holiday as per section 11(3g) of Income Tax Act, 2058. The Company enjoy the full tax concession for first 10 years of operation and 50% for next five years regarding income generated from electricity generation. The Company enjoy full tax concession upto Chaitra 08, 2081 and 50% tax exemption from Chaitra 09, 2081 to Chaitra 08, 2086.
- Company has Interest income which is not tax exempted as per Section 11 of Income Tax Act, 2058, so tax liability on Interest Income has been calculated at the rate of 25% after deducting the staff bonus on proportionate of interest income to electricity sales.
- Key Financial Ratios

Period	Earnings per share (Annualized)	Net Worth Per Share	Book Value per share	Current Ratio	P/E Ratio	ROE	ROA
This Quarter End	22.73	138.35	180.11	4.64	34.10	5.48%	4.21%
Previous Quarter End (audited)	20.70	130.77	182.18	2.57	37.20	15.83%	11.36%
Corresponding Previous Year Quarter End	29.73	117.27	173.57	5.27	35.15	6.32%	4.28%

2. Management Analysis

- Direct impact has been caused on the electricity production due to occasional problem in 33 K.V. transmission line of NEA.
- No incident or situation has been seen to adversely affect the financial condition of the company. However, problems in machinery equipment, floods, landslides, and natural disasters (out of control) can have an impact on business. In case of the other functions, they are going according to the business plan of the company.
- Revenue has been decreased by 2.99% as compared to corresponding previous year quarter ending.
- Net Profit has been increased by 1.95% as compared to corresponding previous year quarter ending.

3. Legal proceedings

- Case filed by or filed against the company during the Quarter, if any: None
- Case filed by or filed against the company or its promoter or director for violation of prevailing law or commission of criminal offence, if any: None
- Case relating to commission of financial crime against any director or promoter: None

4. Analysis of Share Transactions

- The major highlights of share transactions during the quarter are as follows:

Particulars	This Quarter Ending	Previous Quarter Ending	Corresponding previous Year Quarter Ending
Maximum Price NPR	776.90	789	1,135
Minimum Price NPR	761.10	770.10	1,029
Closing Price NPR	775.00	770.10	1,045
Total Turnover NPR	94,487,192.30	37,494,335.85	582,449,305
No. of transactions Day	66	65	57
Total Traded Volume	108,466.00	44,687	449,252

5. Challenges

- Impact of Climate Change on amount of Rain/Snow Fall in Catchment area
- Lack of domestic suppliers and vendors for hydropower equipment and spare parts

The Company faces the similar challenges and problems as faced by other organizations in the industry. The board of directors from time to time analyses such problems and challenges and formulate the strategy to mitigate such problems and challenges.

6. Corporate Governance

The Company has regular Board meetings. The management team meet regularly for the smooth running of the Company.

7. Declaration from Chairman

I take the responsibility for the accuracy of financial and other information detailed in this report for the period ended and hereby declare that financial and other information detailed in this report are true, based on records and facts, and are complete to the best of my knowledge and that information necessary for taking informed decision by the investors are not concealed.