



Ru Ru Jalbidhyut Pariyojana Ltd.

(Upper Hugdi Khola Hydro Power Project)

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Statement of Financial Position as at 30th Chaitra, 2079 (April 13, 2023)

Amount in NPR

Particulars	This Quarter Ending (Chaitra End 2079)	Previous Quarter Ending (Poush End 2079)	Corresponding Previous Year Quarter Ending (Chaitra End 2078)
ASSETS			
Non-Current Assets			
Property, Plant and Equipments	4,121,399	4,226,472	4,285,953
Intangible Assets	538,219,303	543,745,168	560,322,764
Investment Property	14,123,311	14,123,311	14,123,311
Trade and other Receivables	13,500	13,500	13,500
Total Non-Current Assets	556,477,513	562,108,451	578,745,528
Current Assets			
Inventories	8,744,538	7,712,893	7,018,793
Prepayments	111,569,882	74,056,921	2,978,833
Financial Assets Measured at Amortised Cost	-	-	-
Trade and other Receivables	216,499	158,244	-
Receivable from Contract with Costumer	94,474,130	103,464,812	95,837,158
Cash and Cash Equivalents	44,225,840	76,611,730	101,705,753
Total Current Assets	259,230,889	262,004,600	207,540,537
Total Assets	815,708,402	824,113,051	786,286,065
EQUITY AND LIABILITIES			
Equity			
Share Capital	493,323,655	493,323,655	448,476,050
Reserve and Surplus	157,613,967	150,416,834	126,096,195
Total Equity	650,937,622	643,740,489	574,572,245
Non Current Liabilities			
Financial Liabilities			
Borrowings	110,773,045	122,594,834	190,031,887
Trade & Other Payables	1,814,347	1,769,347	972,071
Total Non Current Liabilities	112,587,392	124,364,181	191,003,958
Current Liabilities			
Financial Liabilities			
Borrowings	45,480,000	45,480,000	11,370,000
Employee liability liabilities	1,380,507	2,281,372	1,662,629
Trade and other payables	5,322,881	8,247,009	7,677,233
Total Current Liabilities	52,183,388	56,008,381	20,709,862
Total Equity & Liabilities	815,708,402	824,113,051	786,286,065

Statement of Profit or Loss and Other Comprehensive Income

For the Period from Shrawan 1, 2079 to Chaitra 30, 2079 (July 17, 2022 to April 13, 2023)

Amount in NPR

Particulars	This Quarter Ending (Chaitra End 2079)	Upto Previous Quarter (Poush End 2078)	Corresponding Previous Year Quarter Ending (Chaitra End 2078)
Revenue	117,262,165	91,550,881	132,146,561
Cost of sales	(34,715,258)	(20,886,118)	(32,366,431)
Gross profit	82,546,907	70,664,763	99,780,130
Finance income	1,970,320	1,627,876	2,369,308
Finance costs	(8,990,764)	(6,708,894)	(12,080,859)
Other Income	1,426,700	1,426,700	500
Administrative expenses	(7,927,806)	(5,416,691)	(6,937,608)
Loss on Sale of Assets	-	-	-
Profit before taxes and staff bonus	69,025,357	61,593,754	83,131,471
Staff Bonus	(1,380,507)	(1,231,875)	(1,662,629)
Profit before taxes	67,644,850	60,361,879	81,468,842
Income Tax expenses			
Current Tax	(839,538)	(753,700)	(585,129)
Previous Year Tax	-	-	-
Deffered Tax Income / (Expenses)	-	-	-
Profit / (loss) for the period	66,805,312	59,608,179	80,883,713
Other comprehensive income			
Total comprehensive income	66,805,312	59,608,179	80,883,713
Reserve and Surplus			
Share Premium	55,510	55,510	8,154,120
Accumulated profit / (Loss)	204,766,462	197,569,329	103,592,930
Issue of Bonus Share	(47,208,005)	(47,208,005)	-
Total	157,613,967	150,416,834	111,747,050

Third 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 third 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 contract with costumer represented the amount receivable from Nepal Electricity authority against the sale of electricity and classified as per the NFRS 15 "Revenue from contract with costumers"
- 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(3gha) 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 up to 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	18.06	131.95	131.95	4.97	41.59	10.26%	8.19%
Previous Quarter End	24.17	130.49	130.49	4.68	31.67	9.26%	7.23%
Corresponding Previous Year Quarter End	22.28	133.46	173.57	2.49	N/A	12.52%	8.24%

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.
- The company has transferred the survey license (Ownership) of the Humla Karnali -1 and Humla Karnali-2 hydropower projects to its own name for the purpose of the operating new project. The Company has applied to DoED for the generation license as well.
- Revenue has been decreased by 11.26% as compared to corresponding previous year quarter ending, Due to Postage bill facilities time over.
- Net Profit has been decreased by 17.41% as compared to corresponding previous year quarter ending Due to Postage bill facilities time over.

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	835	858	945
Minimum Price NPR	702.4	705.6	902
Closing Price NPR	751.1	765.50	935
Total Turnover NPR	51,764,410.80	42,948,764.20	169,904,862
No. of transactions Day	56	52	58
Total Traded Volume	70225	55,947	162,666

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.