



# Ru Ru Jalbidhyut Pariyojana Ltd.

(Upper Hugdi Khola Hydro Power Project)

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## Statement of Financial Position as at 31st Asar, 2080 (July 16, 2023)

Particulars	Amount in NPR		
	This Quarter Ending (Asar End 2080)	Previous Quarter Ending (Chaitra End 2079)	Corresponding Previous Year Quarter Ending (Asar End 2079)
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipments	4,863,775	4,121,399	4,240,656
Intangible Assets	537,557,475	538,219,303	554,796,899
Investment Property	14,123,311	14,123,311	14,123,311
Project Development Cost	8,097,968	-	-
Financial Assets Measured through Other Comprehensive Income	110,000,000	-	-
Trade and other Receivables	28,500	13,500	13,500
<b>Total Non-Current Assets</b>	<b>674,671,029</b>	<b>556,477,513</b>	<b>573,174,366</b>
<b>Current Assets</b>			
Inventories	6,525,308	8,744,538	4,795,473
Prepayments	2,575,094	111,569,882	35,589,159
Financial Assets Measured at Amortised Cost	-	-	71,500,000
Trade and other Receivables	52,066	216,499	-
Receivable from Contract with Costumer	93,115,078	94,474,130	104,780,553
Cash and Cash Equivalents	30,490,200	44,225,840	27,512,752
<b>Total Current Assets</b>	<b>132,757,746</b>	<b>259,230,889</b>	<b>244,177,937</b>
<b>Total Assets</b>	<b>807,428,775</b>	<b>815,708,402</b>	<b>817,352,303</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share Capital	493,323,655	493,323,655	448,476,050
Reserve and Surplus	159,243,164	157,613,967	138,266,699
<b>Total Equity</b>	<b>652,566,819</b>	<b>650,937,622</b>	<b>586,742,749</b>
<b>Non Current Liabilities</b>			
Financial Liabilities			
Borrowings	92,730,958	110,773,045	133,930,881
Trade & Other Payables	2,184,965	1,814,347	1,816,873
<b>Total Non Current Liabilities</b>	<b>94,915,923</b>	<b>112,587,392</b>	<b>135,747,754</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	53,055,664	45,480,000	86,432,164
Employee benefit liabilities	1,430,027	1,380,507	1,922,434
Trade and other payables	5,460,342	5,322,881	6,507,202
<b>Total Current Liabilities</b>	<b>59,946,033</b>	<b>52,183,388</b>	<b>94,861,800</b>
<b>Total Equity &amp; Liabilities</b>	<b>807,428,775</b>	<b>815,708,402</b>	<b>817,352,303</b>

## Statement of Profit or Loss and Other Comprehensive Income

For the Period from Shrawan 1, 2079 to Asar 31, 2080 (July 17, 2022 to July 16, 2023)

Particulars	Amount in NPR		
	This Quarter Ending (Asar End 2080)	Upto Previous Quarter (Chaitra End 2079)	Corresponding Previous Year Quarter Ending (Asar End 2079)
Revenue	134,994,497	117,262,165	161,925,539
Cost of sales	(44,843,200)	(34,715,258)	(44,783,391)
<b>Gross profit</b>	<b>90,151,297</b>	<b>82,546,907</b>	<b>117,142,148</b>
Finance income	2,047,510	1,970,320	4,300,978
Finance costs	(12,946,008)	(8,990,764)	(16,549,402)
Other Income	1,426,700	1,426,700	-
Administrative expenses	(9,590,782)	(7,927,806)	(8,759,703)
Impairment losses			
Loss on Sale of Assets	-	-	(12,333)
<b>Profit before taxes and staff bonus</b>	<b>71,088,717</b>	<b>69,025,357</b>	<b>96,121,688</b>
Staff Bonus	(1,421,774)	(1,380,507)	(1,922,434)
<b>Profit before taxes</b>	<b>69,666,943</b>	<b>67,644,850</b>	<b>94,199,254</b>
Income tax expenses			
Current Tax	(853,600)	(839,538)	(1,109,072)
Previous Year Tax			-
Deffered Tax Income / (Expenses)			-
<b>Profit / (loss) for the period</b>	<b>68,813,343</b>	<b>66,805,312</b>	<b>93,090,182</b>
<b>Other comprehensive income</b>			
<b>Total comprehensive income</b>	<b>68,813,343</b>	<b>66,805,312</b>	<b>93,090,182</b>
<b>Reserve and Surplus</b>			
Share Premium	55,510	55,510	55,510
Accumulated profit / (Loss)	206,395,659	204,766,462	138,211,189
Issue of Bonus Share	(47,208,005)	(47,208,005)	
<b>Total</b>	<b>159,243,164</b>	<b>157,613,967</b>	<b>138,266,699</b>

## Fourth 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 fourth Quarter of the financial year 2079-80 have been prepared by the management and reviewed and authorized to be published by 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 form 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	13.95	132.28	132.28	2.21	53.74	11.17%	8.52%
Previous Quarter End	18.06	131.95	131.95	4.97	41.59	10.26%	8.19%
Corresponding Previous Year Quarter End	20.76	130.83	182.25	2.57	37.10	15.87%	11.29%

### 2. Management Analysis

- Direct impact has been caused on the electricity production due to occasional problem in 33 K.V. transmission line of NEA.
- None of 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 16.63% as compared to corresponding previous year quarter ending, Due to Postage bill facilities time over.
- Net Profit has been decreased by 26.08% 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	816	835	789
Minimum Price NPR	698.2	702.4	770.10
Closing Price NPR	754	751.1	770.10
Total Turnover NPR	25,522,005.6	51,764,410.80	37,494,335.85
No. of transactions Day	62	56	65
Total Traded Volume	33799	70225	44,687

### 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.