



Ru Ru Jalbidhyut Pariyojana Limited

(Upper Hugdi Khola Hydro Power Project)

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Unaudited Statement of Financial Position as at 31st Asadh 2078

Amount in NRs.

Particulars	This Quarter Ending (Asadh End 2078)	Previous Quarter Ending (Chaitra End 2077)	Corresponding Previous Year Quarter Ending (Asadh End 2077)
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	4,498,817	3,003,271	3,151,918
Investment Property	6,583,500	6,583,500	6,583,500
Intangible Assets	576,900,361	582,426,227	599,003,823
Total Non-Current Assets	587,982,678	592,012,998	608,739,241
Current Assets			
Inventories	6,009,866	5,115,636	2,719,792
Prepayments	2,757,779	7,252,516	6,088,224
Financial Assets			
Cash and Cash Equivalents	84,188,419	66,834,994	15,751,728
Trade and other Receivables	90,250,193	72,679,444	62,570,373
Total Current Assets	183,206,257	151,882,590	87,130,117
Total Assets	771,188,935	743,895,585	695,869,358
EQUITY AND LIABILITIES			
Equity			
Share Capital	407,705,500	366,934,900	326,164,400
Reserve and Surplus	133,633,168	122,758,768	61,446,647
Total Equity	541,338,668	489,693,668	387,611,047
Non Current Liabilities			
Financial Liabilities			
Borrowings	169,622,099	193,198,836	233,929,048
Total Non Current Liabilities	169,622,099	193,198,836	233,929,048
Current Liabilities			
Financial Liabilities			
Borrowings	55,000,000	55,000,000	68,809,155
Trade and other payables	5,228,170	6,003,081	5,520,110
Total Current Liabilities	60,228,170	61,003,081	74,329,265
Total Liabilities	229,850,269	254,201,917	308,258,313
Total Equity & Liabilities	771,188,935	743,895,585	695,869,358

Unaudited Statement of Profit or Loss and other Comprehensive Income For the period ended 31st Asadh 2078

Particulars	This Quarter Ending (Asadh End 2078)	Previous Quarter Ending (Chaitra End 2077)	Corresponding Previous Year Quarter Ending (Asadh End 2077)
Revenue	149,626,443	120,295,745	146,692,602
Cost of sales	(42,786,770)	(31,826,013)	(42,928,489)
Gross profit	106,839,673	88,469,732	103,764,113
Administrative and other operating expenses	(1,763,726)	(1,362,904)	(2,256,335)
Employee Benefit Expenses	(4,683,046)	(3,531,864)	(4,487,866)
Depreciation and amortisation	(602,268)	(408,358)	(540,506)
Loss on Sale of Asset	(286,651)	-	-
Profit Before Operations	99,503,982	83,166,606	96,479,406
Finance income	317,662	91,853	250,523
Finance costs	(25,156,618)	(19,760,808)	(36,580,845)
Profit Before Staff Bonus	74,665,026	63,497,651	60,149,084
Staff Bonus	(1,493,301)	(1,269,953)	(1,202,982)
Profit before taxes	73,171,725	62,227,698	58,946,102
Income tax expenses	(978,787)	(915,574)	(776,959)
Profit for the period	72,192,938	61,312,124	58,169,143
Other comprehensive income	-	-	-
Total comprehensive income	72,192,938	61,312,124	58,169,143

Fourth Quarter Disclosure 2077-78 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 2077-78 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 remaining 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.
- An additional amount of 20% for the posted rate has been shown as the income in the statement of Profit or Loss and it is in accordance with the agreement entered between Nepal Electricity authority and the Company on 2072-06-07. The reconciliation of receivable from Nepal Electricity authority for NPR 8,41,35,445 is pending between Nepal Electricity Authority and the company so the final amount of receivable may fluctuate in future.
- Key Financial Ratios**

Period	Earnings Per Share (Quarterly)	Net Worth Per Share	Current Ratio	P/E Ratio	ROE	ROA
This Quarter End	20.68	132.77	3.04	43.87	9.35%	13.32%
Previous Quarter End	18.61	133.46	2.49	-	8.24%	12.52%
Corresponding Previous Quarter End	17.83	118.84	1.17	-	8.36%	15.01%

2. Management Analysis

- 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 not invested in any other type of company till the end of this quarter.

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

- Initial Public Offering (IPO) of 407,706 units Ordinary Share is made at Premium of Rs. 20 per share to general public. IPO remained from 2077-12-20 to 2077-12-24. Share allotment made on 2078-01-03, consequently Paid up capital increased by NPR. 40,770,600 and also collected share premium of Rs. 8,154,120.
- Ordinary shares were listed with NEPSE on 2078-01-20 and first trading of share took place on 2078-01-20 at the marketprice of NPR 356.
- The major highlights of share transactions during the quarter are as follows:

	This Quarter Ending	Previous Quarter Ending	Corresponding previous Year Quarter Ending
Maximum Price NPR	1,287	NA	NA
Minimum Price NPR	356	NA	NA
Closing Price NPR	906	NA	NA
Total Turnover NPR	234,995,242	NA	NA
No. of transactions Day	53	NA	NA
Total Traded Volume	234,243	NA	NA

5. Challenges

Internal

- Retention of skilled human Resources
- Managing Operational Efficiency

External

- Impact of Climate Change on amount of Rain/Snow Fall in Catchment area
- Difficulty in smooth office operation due to COVID-19 pandemic
- 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. An audit committee and a risk management committee will be formed in the coming days in compliance with Companies Act, 2063 and Corporate Governance Guidelines, 2074 issued by Securities Exchange Board of Nepal.

7. Declaration from Chairman

I take the responsibility for the accuracy of the financials and other information detailed in this report for the period up to fourth quarter of the FY 2077/78 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.