



Ru Ru Jalbidhyut Pariyojana Limited

(Upper Hugdi Khola Hydro Power Project)

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Unaudited Statement of Financial Position as at 31st Ashwin 2078

Amount in NRs.

Particulars	This Quarter Ending (Ashwin End 2078)	Previous Quarter Ending (Asadh End 2078)	Corresponding Previous Year Quarter Ending (Ashwin End 2077)
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	4,371,876	4,498,817	3,019,045
Investment Property	571,374,496	576,900,361	593,477,958
Intangible Assets	6,583,500	6,583,500	6,583,500
Trade and other Receivables	13,500	13,500	-
Total Non-Current Assets	582,343,372	587,996,178	603,080,503
Current Assets			
Inventories	7,018,793	6,009,866	2,873,536
Prepayments	1,522,215	1,733,420	7,667,546
Trade and other Receivables	98,724,760	84,188,417	79,387,300
Cash and Cash Equivalents	88,816,420	90,436,693	17,935,439
Total Current Assets	196,082,188	182,368,396	107,863,821
Total Assets	778,425,560	770,364,574	710,944,324
EQUITY AND LIABILITIES			
Equity			
Share Capital	448,476,050	407,705,500	326,164,400
Reserve and Surplus	79,355,687	131,847,913	93,275,871
Total Equity	527,831,737	539,553,413	419,440,271
Non Current Liabilities			
Financial Liabilities	212,425,362	169,622,099	220,179,048
Borrowings	972,071	972,071	-
Total Non Current Liabilities	213,397,433	170,594,170	220,179,048
Current Liabilities			
Financial Liabilities			
Borrowings	11,370,000	55,000,000	65,441,920
Employee benefit liabilities	680,864	1,475,339	-
Trade and other payables	25,145,526	3,741,652	5,883,085
Total Current Liabilities	37,196,390	60,216,991	71,325,005
Total Equity & Liabilities	778,425,560	770,364,574	710,944,324

Unaudited Statement of Profit or Loss and other Comprehensive Income For the period from Shrawan 1st to Ashwin 31st 2078 (July 16, 2021 to October 17, 2021)

Particulars	This Quarter Ending (Ashwin End 2078)	Previous Quarter Ending (Asadh End 2078)	Corresponding Previous Year Quarter Ending (Ashwin End 2077)
Revenue	51,590,582	149,626,443	51,248,477
Cost of sales	(9,918,245)	(42,787,197)	(9,202,555)
Gross profit	41,672,337	106,839,246	42,045,922
Finance income	109,711	317,662	5,289
Finance costs	(4,674,838)	(25,156,618)	(7,528,812)
Other Income	500	-	-
Administrative expenses	(3,064,509)	(7,946,686)	(2,042,273)
Impairment losses	-	(286,651)	-
Loss on Sale of Assets	-	-	-
Profit before taxes and staff bonus	34,043,201	73,766,953	32,480,126
Staff Bonus	(680,864)	(1,475,339)	(649,603)
Profit before taxes	33,362,337	72,291,614	31,830,523
Income tax expenses			
Current Tax	27,190	(80,717)	(1,296)
Previous Year Tax	-	(893,070)	-
Deffered Tax Income / (Expenses)	-	-	-
Profit / (Loss) for the Period	33,335,147	71,317,827	31,829,227
Other comprehensive income			
	33,335,147	71,317,827	31,829,227

First Quarter Disclosure 2078-79 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 2078-79 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.
- 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 663, 07,953.00 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	Net Worth Per Share	Current Ratio	P/E Ratio	ROE	ROA
This Quarter End	29.73	117.27	5.27	35.15	6.32%	4.28%
Previous Quarter End	20.65	132.77	3.04	43.87	9.35%	13.32%
Corresponding Previous Quarter End	39.03	128.60	1.51	-	7.59%	4.48%

2. Management Analysis

- Direct impact has been caused on the electricity production due to problem in 33 K.V. transmission line of NEA repeatedly.
- 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 increased by 0.67% as compared to corresponding previous year quarter ending.
- Net Profit has been increased by 4.73% as compared to corresponding previous year quarter ending.
- 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

- 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	1,135	1,287	NA
Minimum Price NPR	1,029	356	NA
Closing Price NPR	1,045	906	NA
Total Turnover NPR	582,449,305	234,995,242	NA
No. of transactions Day	57	53	NA
Total Traded Volume	449,252	234,243	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 financial and other information detailed in this report for the period up to first quarter of FY 2078/79 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.