



# Ru Ru Jalbidhyut Pariyojana Limited

(Upper Hugdi Khola Hydro Power Project)

Ka.Ma.Na.Pa. -1 Hattisar, Kathmandu, Tel: +977-1-4419393/94

## Statement of Financial Position as at Poush 30, 2078

Amount in NRs.

Particulars	This Quarter Ending (Poush End 2078)	Previous Quarter Ending (Ashwin End 2078)	Corresponding Previous Year Quarter Ending (Poush End 2077)
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	4,414,490	4,371,876	2,886,172
Investment Property	565,848,630	571,374,496	587,952,092
Intangible Assets	6,583,500	6,583,500	6,583,500
Trade and other Receivables	13,500	13,500	-
<b>Total Non-Current Assets</b>	<b>576,860,120</b>	<b>582,343,372</b>	<b>597,421,764</b>
<b>Current Assets</b>			
Inventories	7,018,793	7,018,793	5,115,636
Prepayments	1,717,161	1,522,215	6,195,533
Trade and other Receivables	102,474,011	98,724,760	75,895,683
Cash and Cash Equivalents	97,673,210	88,816,420	26,668,800
<b>Total Current Assets</b>	<b>208,883,175</b>	<b>196,082,188</b>	<b>113,875,652</b>
<b>Total Assets</b>	<b>785,743,295</b>	<b>778,425,560</b>	<b>711,297,418</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share Capital	448,476,050	448,476,050	326,164,400
Reserve and Surplus	111,747,050	79,355,687	116,396,431
<b>Total Equity</b>	<b>560,223,100</b>	<b>527,831,737</b>	<b>442,560,831</b>
<b>Non Current Liabilities</b>			
Financial Liabilities	201,228,625	212,425,362	206,429,048
Borrowings	972,071	972,071	-
<b>Total Non Current Liabilities</b>	<b>202,200,696</b>	<b>213,397,433</b>	<b>206,429,048</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	11,370,000	11,370,000	55,000,000
Employee benefit liabilities	1,345,921	680,864	-
Trade and other payables	10,603,578	25,145,526	7,307,537
<b>Total Current Liabilities</b>	<b>23,319,499</b>	<b>37,196,390</b>	<b>62,307,537</b>
<b>Total Equity &amp; Liabilities</b>	<b>785,743,295</b>	<b>778,425,560</b>	<b>711,297,418</b>

## Statement of Profit or Loss and other Comprehensive Income

For the period from Shrawan 1st to Poush 30, 2078 (July 16, 2021 to January 14, 2022)

Particulars	This Quarter Ending (Poush End 2078)	Previous Quarter Ending (Ashwin End 2078)	Corresponding Previous Year Quarter Ending (Poush End 2077)
Revenue	99,652,924	51,590,582	92,536,558
Cost of sales	(19,984,863)	(9,918,245)	(18,885,152)
<b>Gross profit</b>	<b>79,668,061</b>	<b>41,672,337</b>	<b>73,651,406</b>
Finance income	909,354	109,711	29,056
Finance costs	(8,404,637)	(4,674,838)	(13,719,912)
Other Income	500	500	-
Administrative expenses	(4,877,206)	(3,064,509)	(3,882,074)
Impairment losses	-	-	-
Loss on Sale of Assets	-	-	-
<b>Profit before taxes and staff bonus</b>	<b>67,296,072</b>	<b>34,043,201</b>	<b>56,076,476</b>
Staff Bonus	(1,345,921)	(680,864)	(1,121,570)
<b>Profit before taxes</b>	<b>65,950,151</b>	<b>33,362,337</b>	<b>54,956,906</b>
Income tax expenses			
Current Tax	(224,419)	(27,190)	(7,119)
Previous Year Tax	-	-	-
Deffered Tax Income / (Expenses)	-	-	-
<b>Profit / (Loss) for the Period</b>	<b>65,725,732</b>	<b>33,335,147</b>	<b>54,949,787</b>
Other comprehensive income	65,725,732	33,335,1474	54,949,787

## Second 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 second 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 7,22,28,677.16 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	29.31	124.92	8.96	35.28	11.73%	8.36%
Previous Quarter End	29.73	117.69	5.27	35.15	6.32%	4.28%
Corresponding Previous Quarter End	16.85	135.69	1.83	N/A	12.42%	7.73%

### 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 7.69% as compared to corresponding previous year quarter ending.
- Net Profit has been increased by 19.61% 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	1,035	1,135	NA
Minimum Price NPR	1,000	1,029	NA
Closing Price NPR	1,034	1,045	NA
Total Turnover NPR	113,270,349	582,449,305	NA
No. of transactions Day	59	57	NA
Total Traded Volume	111,671	449,252	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.

### 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 second 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.