



# Ru Ru Jalbidhyut Pariyojana Limited

(Upper Hugdi Khola Hydro Power Project)

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

## Unaudited Statement of Financial Position as at 30 Chaitra, 2078

Amount in NRs.

Particulars	This Quarter Ending (Chaitra End 2077)	Previous Quarter Ending (Poush End 2077)	Corresponding Previous Year Quarter Ending (Chaitra End 2076)
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipments	4,285,953	4,414,490	3,003,271
Intangible Assets	560,322,764	565,848,630	582,426,227
Investment Property	14,123,311	6,583,500	6,583,500
Trade and other Receivables	13,500	13,500	-
<b>Total Non-Current Assets</b>	<b>578,745,528</b>	<b>576,860,120</b>	<b>592,012,998</b>
<b>Current Assets</b>			
Inventories	7,018,793	7,018,793	5,115,636
Prepayments Financial Assets	2,978,833	1,717,161	7,252,516
Trade and other Receivables	95,837,158	102,474,011	72,679,444
Cash and Cash Equivalents	101,705,753	97,673,210	66,834,994
<b>Total Current Assets</b>	<b>207,540,537</b>	<b>208,883,175</b>	<b>151,882,590</b>
<b>Total Assets</b>	<b>786,286,065</b>	<b>785,743,295</b>	<b>743,895,585</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share Capital	448,476,050	448,476,050	366,934,900
Reserve and Surplus Share Advance	126,096,195	111,747,050	122,758,768
<b>Total Equity</b>	<b>574,572,245</b>	<b>560,223,100</b>	<b>489,693,668</b>
<b>Non Current Liabilities</b>			
Financial Liabilities			
Borrowings	190,031,887	201,228,625	193,198,836
Trade & Other Payables	972,071	972,071	-
<b>Total Non Current Liabilities</b>	<b>191,003,958</b>	<b>202,200,696</b>	<b>193,198,836</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	11,370,000	11,370,000	55,000,000
Employee benefit liabilities	1,662,629	1,345,921	-
Trade and other payables	7,677,233	10,603,578	6,003,081
<b>Total Current Liabilities</b>	<b>20,709,862</b>	<b>23,319,499</b>	<b>61,003,081</b>
<b>Total Equity &amp; Liabilities</b>	<b>786,286,065</b>	<b>785,743,295</b>	<b>743,895,585</b>

## Unaudited Statement of Profit or Loss and other Comprehensive Income For the period ended 30 Chaitra, 2078

Particulars	This Quarter Ending (Chaitra End 2077)	Previous Quarter Ending (Poush End 2077)	Corresponding Previous Year Quarter Ending (Chaitra End 2076)
Revenue	132,146,561	99,652,924	120,295,745
Cost of sales	(32,366,431)	(19,984,863)	(31,826,013)
<b>Gross profit</b>	<b>99,780,130</b>	<b>79,668,061</b>	<b>88,469,732</b>
Finance income	2,369,308	909,354	91,853
Finance costs	(12,080,859)	(8,404,637)	(19,760,808)
Other Income	500	500	-
Administrative expenses Impairment losses	(6,937,608)	(4,877,206)	(5,303,126)
Loss on Sale of Assets	-	-	-
<b>Profit before taxes and staff bonus</b>	<b>83,131,471</b>	<b>67,296,072</b>	<b>63,497,651</b>
Staff Bonus	(1,662,629)	(1,345,921)	(1,269,953)
<b>Profit before taxes</b>	<b>81,468,842</b>	<b>65,950,151</b>	<b>62,227,698</b>
Income tax expenses			
Current Tax	(585,129)	(224,419)	(915,574)
Previous Year Tax	-	-	-
Deferred Tax Income / (Expenses)	-	-	-
<b>Profit / (loss) for the period</b>	<b>80,883,713</b>	<b>65,725,732</b>	<b>61,312,124</b>
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income</b>	<b>80,883,713</b>	<b>65,725,732</b>	<b>61,312,124</b>

# Third 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 third 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 76,231,516.47 is pending between Nepal Electricity Authority and the company so 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 upto 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 per share	Earnings Per Share	Net Worth per share	Book Value	Current Ratio	P/E Ratio	ROE	ROA
This Quarter End	24.05	128.12	175.32	10.02	38.88	14.08%	10.29%
Previous Quarter End	29.31	124.92	175.20	8.96	35.28	11.73%	8.36%
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 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 2.88% as compared to corresponding previous year quarter ending.
- Net Profit has been increased by 17.67% 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:

Particulars Ending	This Quarter Ending	Previous Quarter	Corresponding previous Year Quarter Ending
Maximum Price NPR	945	1,035	N/A
Minimum Price NPR	902	1,000	N/A
Closing Price NPR	935	1,034	N/A
Total Turnover NPR	169,904,862	113,270,349	N/A
No. of transactions Day	58	59	N/A
Total Traded Volume	162,666	111,671	N/A

## 5. Challenges

- 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 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.