कम्पनी ऐन २०६३ अन्तर्गत स्थापित (शेयरमा सिमित दायित्व भएको)

ANKHUKHOLA HYDROPOWER

आँखुखोला जलविद्युत कम्पनी लिमिटेड

का.म.न.पा. वडा नं. १, नारायणचौर नक्साल, काठमाण्डौ

फोन नं. : ०-१४४२९७८९ फ्याक्स नं. : ०१-४४२९७८९

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Unaudited Financial Results (Quarterly)

As at Third Quarter 30 -12- 2075 of the Fiscal Year 2075/2076

Particulars	This Quarter Ending As on 30-12-2075	Previous Quarter Ending As on 30-09-2075	Corresponding Previous Year Quarter Ending As on 30-12-2074
	Nrs.	Nrs.	Nrs.
Capital & Liabilities			
Equity Holder's Fund			
Sources of Fund			
Share Capital	800,000,000	800,000,000	600,000,000
Reserve & Surplus	(213,849,686)	(185,725,551)	(296,705,054)
Total Equity Holder's Fund	**586,150,314**	**614,274,449**	**303,294,946**
Secured Loan			
Long term Loan	**1,402,982,532**	**1,402,982,532**	**1,534,683,532**
Total	**1,989,132,846**	**2,017,256,981**	**1,837,978,478**
Asssets			
Non Current Assets			
Property, Plant & Equipment	2,426,871,657	2,426,871,657	2,427,564,413
Less: Accumulated Depreciation	(453,306,791)	(433,064,435)	(373,437,211)
Net Non Current Assets	**1,973,564,866**	**1,993,807,221**	**2,054,127,203**
Investment (at Cost)	**6,600,000**	**6,600,000**	**6,600,000**
Current Assets			
Cash & Bank Balance	8,922,743	2,144,114	1,588,614
Loans, Advances, Prepaid and Deposit	8,797,109	10,048,889	21,425,038
Receivable from NEA	166,181,382	158,906,130	139,584,852
Total Current Assets	**183,901,234**	**171,099,133**	**162,598,504**
Less: Current liabilities & Provisions			
Bank Overdraft	26,700,000	24,352,053	24,293,515
Sundry Creditors and Payables	3,022,609	2,969,168	130,814,898
Other Payable	145,210,645	126,928,152	230,238,815
Total Current Liabilities & Provisions	**174,933,254**	**154,249,373**	**385,347,229**
Net Current Assets	**8,967,980**	**16,849,760**	**(222,748,725)**
Total	**1,989,132,846**	**2,017,256,981**	**1,837,978,478**

Particulars	This Quarter Ending 30-12-2075	Previous Quarter Ending 30-09-2075	Corresponding Previous Year Quarter Ending 30-12-2074
	Nrs.	Nrs.	Nrs.
Income From Sale of Electricity	159,065,764	123,032,266	160,825,252
Interest Income	127	86	117
Other Income	9,376,213	8,688,613	126,985
Total Income	**168,442,104**	**131,720,964**	**160,952,354**
Less:			
Administrative & General Expenses	9,218,436	6,556,732	4,744,446
Generation & Distribution Expenses	19,963,946	12,539,599	23,484,131
Finance Expenses	104,647,607	70,130,738	106,926,831
Depreciation & Amortization	60,727,068	40,484,712	61,202,237
Total Expenses	**194,557,058**	**129,711,781**	**196,357,645**
Net Profit/(Loss)	**(26,114,953)**	**2,009,182**	**(35,405,291)**
Staff Bonus Provision	-	-	-
Net Profit Before Tax	**(26,114,953)**	**2,009,182**	**(35,405,291)**
Income Tax Provision	-	-	-
Net Profit after tax of the Year	**(26,114,953)**	**2,009,182**	**(35,405,291)**

Major Financial Highlights			
Earning per share (in Rs.)	(3.26)	Net Worth Per Share (In Rs.)	73.27
Current Ratio	1.05	Market Value Per Share (In Rs.)	79.00

THIRD QUARTER DISCLOSURE AS OF 30th Chaitra 2075 (13th April 2019) AS PER SECURITIES REGISTRATION AND ISSUANCE REGULATION Annexure-14 (Related to Sub regulation 2 of regulation 22

1. FINANCIAL STATEMENTS

- The unaudited financial statements for the Third quarter and financial ratios have been published along with this report.
- Pursuant to life of the project, the company has deducted depreciation so that all the investments made on electricity generation, transmission or distribution is paid back in 30 years from the Date of Commercial Operation. In case of other fixed assets, depreciation has been calculated based on Written Down Value (WDV) as per the provisions of Income Tax Act, 2058.
- Till the end of Chaitra 2075, Ankhu Khola Hydropower Project (8.4 MW) has generated total revenue of Rs. 159,065,764 against total revenue of Rs. 160,825,252 on Third quarter of FY 2074/75.
- Due to power evacuation problem at Debighat Substation of Nepal Electricity Authority, company has not been able to operate plants at installed capacity of the project (8.4 MW) during the month of Bhadra. As a result of this, the company has suffered revenue loss of approximately Rs. 3 million on first quarter of FY 2075/76.
- Trade receivables include Rs. 131,138,607 for 20% increment in PPA rate (Posted Rate) of the third amendment of Power Purchase Agreement entered on 19th Ashad 2069. The amount of posted rate has not been received since Mangsir 2071. The company has filed a writ petition at Patan High Court against concerned government authorities for posted rate receivables. Honourable High Court has made decision in favour of company and this amount is expected to be received during Fourth quarter of FY 2075/76.
- As decided by Council of Ministers on 8th Chaitra 2067 and approved by Federal Parliament, Nepal on 9th Chaitra, 2067 for projects completed and connected to National Grid by 2079-80, lump sum amount of Rs. 50 lakhs per Mega Watt to be provided as Government Grant. Additional 10% will be provided to those projects which will be completed and connected to National Grid by 2074-75. Ankhu Khola -1 (8.4 MW) has been connected to National Grid on 8th Bhadra 2070. Being installed capacity of 8.4 MW, the company will receive grant of Rs. 4.62 Crore from Nepal Government. This income has not been included in revenue as it is not received yet from Nepal Government.

2 MAJOR FINANCIAL HIGHLIGHTS AND ANALYSIS

Earning Per Share (EPS)	**Rs. 3.26**
Current Ratio	**1.05**
Net worth Per Share	**Rs.73.27**
Market Value Per Share	**Rs. 79.00**
Price Earning Ratio	

Financial Analysis

- Due to decrease in hydrology, the total revenue up to Third quarter is decreased by NPR 1.76 million as compared to total revenue up to Third quarter of FY 2074/75.
- Negative reserve and surplus has increased due to net loss after tax compared to first and second quarter.
- Compared to last year Net Loss After Tax has decreased due to minimization of Generation and Distribution expenses and Finance Expenses.

3 LEGAL PROCEEDINGS

- During the period a writ petition was filed at Patan High Court against concerned government authorities regarding non-payment of 20% increase in Power Purchase Agreement Rate (Posted Rate). Honourable High Court has made decision in favour of company.
- Regarding payment dispute of Ankhu Khola Jalvidhyut Company and Ramechhap Sherpa Construction Pvt. Ltd. (Civil Contractor of the Ankhu Khola Hydropower Project) the proceedings has been carried out through Arbitration and Honourable High Court.

4 ANALYSIS ON SHARE TRANSACTION OF THE COMPANY

- Ankhu Khola Jalvidhyut Company Limited's (AKJCL) shares were actively traded during Third quarter.
- The major highlights of share transaction during the quarter are as follows:-

Maximum Price - NRS. 92	Minimum Price - NRS.75
Closing Price - NRS.79	No. of Transaction Day - 60
Total Transaction - 2780	Total Traded Volume- 55,089
Total Turnover NRS. - 45,28,108.00	

5 PROBLEMS AND CHALLENGES

Internal

- Retention of skilled human resources.
- To maintain operational efficiency on Power plant operation.

External

- Inconsistent regulatory and policy level commitment from the government regulatory agencies in development of hydroelectric projects.
- Delay on regulatory approvals by the government agencies.
- Fluctuating cost of capital.
- Loss due to natural disaster and shut down of Power Plant operations.

Strategies followed by the management

- Use of Internal manpower enhancing training and development.
- Maintaining optimum operational efficiency.

6 CORPORATE GOVERNANCE

The Board of Directors and Management team are committed for strengthening good corporate governance within the company. The company has Financial Administrative Policy, Employee Service regulation and other policies and guidelines for proper functioning of the operations of the Company.

7 DECLARATION

I, the Executive Head of this Company, take the responsibility of accuracy of the information and details mentioned in this report for the period up to Third quarter of F/Y 2075/76, hereby declare that the information and details provided in this report are true, based on facts and complete to the best of my knowledge and that information necessary for taking informed decision by the investors are not concealed.