कम्पनी ऐन २०६३ अन्तर्गत स्थापित (सेयरमा सिमित दायित्व भएको)

Ankhu Khola Jalvidhyut Company Limited

Anamnagar, Kathmandu | website: www.aankhukholahydro.com.np

Unaudited Financial Reports (Quarterly)

As at 3rd Quarter (2079.12.30) of Fiscal year 2079/080

Particulars	This Quarter Ending As on 30-12-2079	Previous Quarter Ending As on 30-09-2079	Corresponding Previous Year Quarter Ending As on 30-12-2078
Assets	**Nrs.**	**Nrs.**	**Nrs.**
Non-Current Assets	**1,800,542,088**	**1,807,568,367**	**1,824,175,987**
Property, Plant & Equipment	1,800,542,088	1,807,568,367	1,824,175,987
Financial Assets	**6,600,000**	**6,600,000**	**6,600,000**
Investment in Associates	-	-	-
Other Equity Investments	6,600,000	6,600,000	6,600,000
Deffered Tax	-	-	-
Total Non-Current Assets	**1,807,142,088**	**1,814,168,367**	**1,830,775,987**
Current Assets			
Inventories	-	-	-
Financial Assets			
Trade Receivables	91,918,703	100,510,248	97,003,367
Cash & Cash Equivalents	5,378,722	6,577,935	10,518,190
Other Current Assets	7,358,524	8,594,880	9,238,455
Total Current Assets	**104,655,949**	**115,683,062**	**116,760,012**
Assets Held for Sale	-	-	-
Total Assets	**1,911,798,037**	**1,929,851,429**	**1,947,535,999**
Equity & Liabilities			
Equity			
Equity Share Capital	800,000,000	800,000,000	800,000,000
Other Equity	(230,037,468)	(212,031,267)	(232,904,579)
Total Equity	**569,962,532**	**587,968,733**	**567,095,421**
Non-Current Liabilities			
Financial Liabilities			
Borrowing	1,234,970,818	1,235,770,818	1,280,229,419
Deffered Tax	-	-	-
Total Non-Current Liabilities	**1,234,970,818**	**1,235,770,818**	**1,280,229,419**
Current Liabilities			
Financial Liabilities			
Borrowings	56,800,000	56,000,000	44,000,000
Trade Payables	5,394,522	4,912,667	5,120,136
Other Financial Liabilities	44,670,165	45,111,114	51,084,914
Current tax Liabilities (Net)	-	-	-
Provisions	-	-	-
Other Liabilities	-	88,097	6,108
Total Current Liabilities	**106,864,687**	**106,111,879**	**100,211,159**
Total Liabilities	**1,341,835,505**	**1,341,882,697**	**1,380,440,578**
Total Equity & Liabilities	**1,911,798,037**	**1,929,851,429**	**1,947,535,999**
Particulars	**This Quarter Ending As on 30-12-2079**	**Previous Quarter Ending As on 30-09-2079**	**Corresponding Previous Year Quarter Ending As on 30-12-2078**
Revenue	**154,521,541**	**122,326,871**	**173,796,639**
Cost of Sales			
Generation & Distribution Expenses	39,247,455	25,204,339	30,416,217
Gross Profit	**115,274,086**	**97,122,532**	**143,380,422**
Depreciation	21,078,837	14,052,558	21,129,888
Other Income	1,788,747	1,755,988	676,291
Administrative & General Expenses	7,250,745	5,102,386	6,125,392
Gain/(loss) on sale of Non-Current Assets Held for Sale	-	-	-
Profit from Operation	**88,733,251**	**79,723,576**	**116,801,433**
Finance Income	15	15	44
Finance Costs	80,080,842	53,064,966	86,350,456
Profit before taxes	**8,652,424**	**26,658,625**	**30,451,021**
Income Tax Expenses	-	-	-
Current Tax	-	-	-
Deffered Tax Credit/Charge	-	-	-
Profit for the Year	**8,652,424**	**26,658,625**	**30,451,021**
Other Comprehensive Income			
Other Comprehensive Income not to be reclassified to profit or loss in subsequents periods			
i. Re-Measurement (losses)/ Gains on Post Employment Defined Benefit Plans			
ii. Equity Instruments through Other Comprehensive Income			
iii. Tax Relating items that will not to be classified to Profit or Loss			
Other Comprehensive Gain/ (Loss) for the Year (Net of Tax)			
Total Comprehensive Gain/ (Loss) for the Year (Net of Tax)	8,652,424	26,658,625	30,451,021
Major Financial Highlights			
Earning per share - Annualized (in Rs.)	1.44	Net Worth Per Share	71.25
Current Ratio	0.98	Market Value Per Share	225.00

THIRD QUARTER DISCLOSURE AS OF 30th CHAITRA, 2079 (13th APRIL, 2023) AS PER SECURITIES REGISTRATION AND ISSUANCE REGULATION

1. FINANCIAL STATEMENTS

- The unaudited financial statements for the Third quarter and financial ratios have been published along with this report.
- Special Refinance Loan of amount Rs. 20 crore has expired from Magh 2079, which was provided by NRB for a period of one year.
- The company will depreciate all the investments made on civil works, electricity generation, transmission or distribution within remaining license period.
  In case of other fixed assets, depreciation has been calculated based on Written Down Value (WDV).
- Trade receivables include Rs. 5,55,88,410 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 was not received since Mangsir 2071 and the company had filed a writ petition at Patan High Court against concerned government authorities for posted rate receivables. After the honourable High Court had made decision in favour of company, Rs. 105,016,971 has been received from Ministry of Energy, Water Resources and Irrigation till fourth quarter of FY 2076/77 and additional Rs. 97,66,849 is received for second quarter of FY 2077/78. Remaining amount is expected to be received during FY 2079/080.
- 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 get 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. 1.44	Market Value Per Share	Rs. 225
Current Ratio	0.98	Price Earning Ratio	156.03
Net worth Per Share	Rs. 71.25		

Financial Analysis

- Total Revenue up to third quarter has been decreased by Rs. 19.27 million as compared to total revenue up to third quarter of FY 2078.079 due to decrease in hydrology and negligible rainfall during this quarter, machinery breakdown and the production restriction imposed by NEA during first quarter.
- Administrative & General Expenses for third quarter has been increased by Rs.1.12 million as compared to Administrative & General Expenses for the third quarter of FY 2078.079 due to staff cost increment.
- Generation and Distribution expenses for third quarter have been increased by Rs. 8.83 million as compared to Generation and Distribution Expenses for the third quarter of FY 2078.079 due to maintenance cost of turbine.
- Finance Cost for the third quarter has been decreased by Rs. 6.27 million as compared to Finance cost for the third quarter of FY 2078.079 due to special refinance loan till Magh 079 and increase in payment of principal portion.
- Other Income for the third quarter has been increased by Rs. 1.11 million as compared to third quarter of FY 2078.079. Other income is received from Insurance claim on Machinery breakdown on FY 2079/80.

3 LEGAL PROCEEDINGS

- Regarding payment dispute of Ankhu Khola Jalvidhyut Company Limited and Ramechhap Sherpa Construction Pvt. Ltd. (Civil Contractor of the Ankhu Khola Hydropower Project) the proceedings is being carried on at Patan 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:- Rs. 262	Minimum Price:- Rs. 210.10	Total Turnover:- 869,312,885.70
Closing Price:- Rs. 225	Transaction Day:- 56	
No. of transaction:- 16,551	Transaction volume:- 3,652,266.00	

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 payment by the government authorities for the payment such as posted rate, Rs. 50 Lakhs per MW of Grant etc.
- High rate of interest charged by banks and financial institutions for long term projects such as hydropower.
- 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 FY 2079.2080, 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.