



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 2nd Quarter (2079.09.30) of Fiscal year 2079/080

Particulars	This Quarter Ending As on 30-09-2079	Previous Quarter Ending As on 31-06-2079	Corresponding Previous Year Quarter Ending As on 30-09-2078
Assets	Nrs.	Nrs.	Nrs.
Non-Current Assets	1,807,568,367	1,814,564,953	1,830,239,107
Property, Plant & Equipment	1,807,568,367	1,814,564,953	1,830,239,107
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	1,814,168,367	1,821,164,953	1,836,839,107
Current Assets			
Inventories	-	-	-
Financial Assets			
Trade Receivables	100,510,248	124,417,974	103,371,936
Cash & Cash Equivalents	6,577,935	3,775,832	14,720,566
Other Current Assets	8,594,880	10,172,049	9,956,260
Total Current Assets	115,683,062	138,365,855	128,048,762
Assets Held for Sale	-	-	-
Total Assets	1,929,851,429	1,959,530,808	1,964,887,869
Equity & Liabilities			
Equity			
Equity Share Capital	800,000,000	800,000,000	800,000,000
Other Equity	(212,031,267)	(219,447,775)	(225,580,501)
Total Equity	587,968,733	580,552,225	574,419,499
Non-Current Liabilities			
Financial Liabilities			
Borrowing	1,235,770,818	1,262,304,874	1,294,229,419
Deffered Tax	-	-	-
Total Non-Current Liabilities	1,235,770,818	1,262,304,874	1,294,229,419
Current Liabilities			
Financial Liabilities			
Borrowings	56,000,000	52,000,000	40,000,000
Trade Payables	4,912,667	5,135,124	5,126,826
Other Financial Liabilities	45,111,114	59,513,961	51,082,785
Current tax Liabilities (Net)	-	-	-
Provisions	-	-	-
Other Liabilities	88,097	24,624	29,340
Total Current Liabilities	106,111,879	116,673,709	96,238,951
Total Liabilities	1,341,882,697	1,378,978,583	1,390,468,370
Total Equity & Liabilities	1,929,851,429	1,959,530,808	1,964,887,869
Particulars	This Quarter Ending As on 30-09-2079	Previous Quarter Ending As on 31-06-2079	Corresponding Previous Year Quarter Ending As on 30-09-2078
Revenue	122,326,871	70,623,025	136,576,070
Cost of Sales			
Generation & Distribution Expenses	25,204,339	15,416,381	21,877,948
Gross Profit	97,122,532	55,206,644	114,698,122
Depreciation	14,052,558	7,025,122	14,069,563
Other Income	1,755,988	1,738,776	443,251
Administrative & General Expenses	5,102,386	3,331,326	3,896,571
Gain/(loss) on sale of Non-Current Assets Held for Sale	-	-	-
Profit from Operation	79,723,576	46,588,972	97,175,239
Finance Income	15	-	30
Finance Costs	53,064,966	27,346,855	59,400,169
Profit before taxes	26,658,625	19,242,117	37,775,099
Income Tax Expenses	-	-	-
Current Tax	-	-	-
Deffered Tax Credit/Charge	-	-	-
Profit for the Year	26,658,625	19,242,117	37,775,099
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)	26,658,625	19,242,117	37,775,099
Major Financial Highlights			
Earning per share - Annualized (in Rs.)	6.66	Net Worth Per Share	73.50
Current Ratio	1.09	Market Value Per Share	226.00

SECOND QUARTER DISCLOSURE AS OF 30th POUSH, 2079 (14th January, 2023) AS PER SECURITIES REGISTRATION AND ISSUANCE REGULATION

1. FINANCIAL STATEMENTS

- The unaudited financial statements for the Second quarter and financial ratios have been published along with this report.
- Special Refinance Loan of amount Rs. 20 crore has been obtained since Falgun 2078 from 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. 6.66	Market Value Per Share	Rs. 226
Current Ratio	1.09	Price Earning Ratio	33.91
Net worth Per Share	Rs. 73.50		

Financial Analysis

- Total Revenue up to second quarter has been decreased by Rs. 14.24 million as compared to total revenue up to second quarter of FY 2078.079 due to decrease in hydrology and no rainfall during this quarter, machinery breakdown and the production restriction imposed by NEA during first quarter.
- Administrative & General Expenses for Second quarter has been increased by Rs.1.20 million as compared to Administrative & General Expenses for the second quarter of FY 2078.079 due to staff cost increment.
- Generation and Distribution expenses for second quarter have been increased by Rs.3.32 million as compared to Generation and Distribution Expenses for the second quarter of FY 2078.079 due to maintenance cost of turbine.
- Finance Cost for the second quarter has been decreased by Rs 6.33 million as compared to Finance cost for the second quarter of FY 2078.079 due to special refinance loan and increase in payment of principal portion.
- Other Income for the second quarter has been increased by Rs. 1.31 million as compared to second 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 second quarter.
- The major highlights of share transaction during the quarter are as follows:-

Maximum Price:- Rs. 259	Minimum Price:- Rs. 159.8	Total Turnover:- 43,37,00,846.90
Closing Price:- Rs. 226	Transaction Day:- 52	
No. of transaction:- 11,380	Transaction volume:- 21,65,223.00	

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 second 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.