



कम्पनी ऐन २०६३ अन्तर्गत स्थापित (शेयरमा सिमित दायित्व भाएका)

आंखुखोला जलविद्युत कम्पनी लिमिटेड

का.म.न.पा. बडा नं. २९, अनामनगर, काठमाण्डौ
फोन नं. : ०१-४१०२५९५ फ्याक्स नं. : ०१-४१०२५९५
Email: info@aankhukhohydro.com.np, Website: aankhukhohydro.com.np

Unaudited Financial Results (Quarterly)

As at Second Quarter 29-09-2076 of the Fiscal Year 2076/2077

Particulars	This Quarter Ending As on 29-09-2076	Previous Quarter Ending As on 31-06-2076	Corresponding Previous Year Quarter Ending As on 30-09-2075
	Nrs.	Nrs.	Nrs.
Assets			
Non-Current Assets	1,913,003,794	1,933,238,926	1,993,807,222
Property, Plant & Equipment	1,913,003,794	1,933,238,926	1,993,807,222
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	1,919,603,794	1,939,838,926	2,000,407,222
Current Assets			
Inventories	-	-	-
Financial Assets	206,461,827	213,580,388	171,099,133
Trade Receivables	197,838,585	200,034,431	158,906,130
Cash & Cash Equivalents	225,739	325,585	2,144,114
Other Current Assets	8,397,504	13,220,372	10,048,889
Total Current Assets	206,461,827	213,580,388	171,099,133
Assets Held for Sale	-	-	-
Total Assets	2,126,065,621	2,153,419,314	2,171,506,354
Equity & Liabilities			
Equity			
Equity Share Capital	800,000,000	800,000,000	800,000,000
Other Equity	(221,682,731)	(212,528,118)	(185,725,551)
Total Equity	578,317,269	587,471,882	614,274,449
Non-Current Liabilities			
Financial Liabilities			
Borrowing	1,204,921,634	1,224,187,532	1,227,782,532
Deffered Tax	-	-	-
Total Non-Current Liabilities	1,204,921,634	1,224,187,532	1,227,782,532
Current Liabilities			
Financial Liabilities			
Borrowings	197,600,000	198,600,000	199,552,053
Trade Payables	6,179,688	3,914,999	5,867,991
Other Financial Liabilities	138,915,013	139,171,461	123,973,465
Current tax Liabilities (Net)	-	-	-
Provisions	-	-	-
Other Liabilities	132,017	73,441	55,863
Total Current Liabilities	342,826,718	341,759,900	329,449,373
Total Liabilities	1,547,748,351	1,565,947,432	1,557,231,905
Total Equity & Liabilities	2,126,065,621	2,153,419,314	2,171,506,354
Particulars	This Quarter Ending As on 29-09-2076	Previous Quarter Ending As on 31-06-2076	Corresponding Previous Year Quarter Ending As on 30-09-2075
Revenue	122,728,666	72,032,252	123,032,266
Cost of Sales			
Generation & Distribution Expenses	18,624,088	8,517,941	12,539,599
Gross Profit	104,104,579	63,514,311	110,492,667
Depreciation	41,022,180	20,162,625	40,484,712
Other Income	-	-	8,688,613
Administrative & General Expenses	4,627,434	2,660,732	6,556,732
Gain/(loss) on sale of Non-Current Assets Held for Sale	-	-	-
Profit from Operation	58,454,966	40,690,954	72,139,835
Finance Income	87	45	86
Finance Costs	67,609,665	32,052,162	70,130,738
Profit before taxes	(9,154,612)	8,638,837	2,009,182
Income Tax Expenses			
Current Tax	-	-	-
Deffered Tax Credit/Charge	-	-	-
Profit for the Year	(9,154,612)	8,638,837	2,009,182
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)	(9,154,612)	8,638,837	2,009,182
Major Financial Highlights			
Earning per share (in Rs.)	1.14	Net Worth Per Share	72.29
Current Ratio	0.60	Market Value Per Share	58.00

SECOND QUARTER DISCLOSURE AS OF 29th POUUSH 2076 (14th JANUARY 2020) 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 second 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).
- Till the end of Poush 2076, Ankhu Khola Hydropower Project (8.4 MW) has generated total revenue of NRs. 122,728,666 against total revenue of NRs. 123,032,266 on second quarter of FY 2075/76.
- Trade receivables include NRs. 15,40,71,643 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 had 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 third quarter of FY 2076/77.
- 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 NRs. 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 NRs. 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)	NRs. 1.14
Current Ratio	0.60
Net worth Per Share	NRs.72.29
Market Value Per Share	NRs. 58.00
Price Earning Ratio	-

Financial Analysis

- Total Revenue up to second quarter has been decreased by NRs. 0.3 million as compared to total revenue up to second quarter of FY 2075/76.
- Administrative & General Expenses for the second quarter has been decreased by NRs. 1.9 Million as compared to Administrative & General Expenses for the second quarter of FY 2075/76.
- Generation and Distribution expenses up to second quarter have been increased by NRs. 6.08 Million because of plant maintenance cost and short supply penalty for the month of Bhadra 2076.
- Finance Expenses for the second quarter has been decreased by NRs. 2.5 Million as compared to Finance Expenses for the second quarter of FY 2075/76.

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 Jalabidhyut 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 - NRS. 62	Minimum Price - NRS.52
Closing Price - NRS.58	No. of Transaction Day - 58
Total Transaction - 1,127	Total Traded Volume- 32,932
Total Turnover NRS. - 18,77,926	

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, NRs. 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 2076/77, 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.