



**BALEPHI**  
HYDROPOWER LTD.

## Balephi Hydropower Ltd.

Teku-12, Kathmandu

### Unaudited Financial Statement for the 1<sup>st</sup> Quarter

on Ashwin 30, 2080 (17 Oct, 2023)

Particulars	Amount in NRs		
	As at Ashwin 30, 2080 (Current Quarter)	As at Ashadh 31, 2080 (Previous Quarter)	As at Ashwin 31, 2079 (Previous year Quarter)
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipment, (Net)	1,866,088	88,577,665	130,034,063
Capital Work in Progress	-	-	7,991,175,307
Intangible Assets(Hydropower Project Assets)	8,545,977,567	8,708,841,615	-
<b>Total Non-Current Assets</b>	<b>8,547,843,655</b>	<b>8,797,419,280</b>	<b>8,121,209,370</b>
<b>Current Assets</b>			
Cash & Cash Equivalents	49,510,424	6,043,338	3,582,215
Trade Receivables	112,581,581	167,639,712	-
Advances & Deposits	58,811,655	38,044,338	362,710,976
<b>Total Current Assets</b>	<b>220,903,660</b>	<b>211,727,388</b>	<b>366,293,191</b>
<b>Total Assets</b>	<b>8,768,747,314</b>	<b>9,009,146,668</b>	<b>8,487,502,562</b>
<b>Equity &amp; Liabilities</b>			
<b>Equity</b>			
Share Capital	1,827,970,000	1,827,970,000	1,827,970,000
Reserve & Surplus	(435,702,760)	(139,732,641)	(93,883,380)
<b>Total Equity</b>	<b>1,392,267,240</b>	<b>1,688,237,359</b>	<b>1,734,086,620</b>
<b>Non Current Liabilities</b>			
Long Term Borrowings	6,632,306,250	6,654,454,185	5,191,553,797
Other Non-Current Liabilities	306,446,860	306,446,860	43,358,793
<b>Total Non Current Liabilities</b>	<b>6,938,753,110</b>	<b>6,960,901,045</b>	<b>5,234,912,590</b>
<b>Current Liabilities</b>			
Sundry Creditors	102,076,720	105,769,773	417,332,332
Short Term Borrowings	321,039,680	225,277,872	900,425,865
Other Payables	14,610,564	28,960,619	200,745,154
<b>Total Current Liabilities</b>	<b>437,726,964</b>	<b>360,008,264</b>	<b>1,518,503,352</b>
<b>Total Equity &amp; Liabilities</b>	<b>8,768,747,314</b>	<b>9,009,146,668</b>	<b>8,487,502,562</b>

### Income Statement for the Period ended 30 Ashwin, 2080 (17 Oct, 2023)

Particulars	Upto Ashwin end(Current Quarter)	Upto Ashadh end(Previous Quarter)	Upto Ashwin end(Previous year Quarter)
Revenue From Power Sales	255,295,152	568,923,384	-
Cost of Sales	(46,711,438)	(64,729,891)	-
<b>Gross Profit</b>	<b>208,583,714</b>	<b>504,193,493</b>	<b>-</b>
Other Income	-	8,500,000	-
Administration Expenses	(3,491,089)	(9,400,565)	(141,270)
Repair and Maintenance Expenses	(4,814,326)	-	-
<b>Profit Before Interest &amp; Depreciation</b>	<b>200,278,299</b>	<b>503,292,928</b>	<b>(141,270)</b>
Finance Cost	(203,365,387)	(329,737,938)	-
Depreciation and Amortisation	(78,609,313)	(214,144,173)	(101,791)
<b>Profit / (Loss) Before Tax</b>	<b>(81,696,402)</b>	<b>(40,589,183)</b>	<b>(243,061)</b>
Income Taxes	-	-	-
<b>Profit / (Loss) After Tax</b>	<b>(81,696,402)</b>	<b>(40,589,183)</b>	<b>(243,061)</b>

#### Notes:

##### 1. Financial Statements

- The financial statement for the first qtr has been published as a part of this report
- The construction of the hydropower project(36MW Upper Balephi A) being developed by company has been completed on 6th mangshir 2079 and all the cost attributable to the project construction upto that date has been capitalized.
- Expenditures of administrative nature and other expenses incurred after that date has been expensed on Profit and Loss account.
- Hydropower project assets are amortized over the remaining contractual period as per the power Purchase Agreement (PPA) of BHL. As per Generation License, life of Balephi Hydropower Project is up to 2108/04/11.
- Per share income during the current qtr is -4.47, net worth per share is 76.16 and total assets per share is 479.70
- Other Income consist of income generated for sharing of Transmission Line with other hydropower

##### 2. Management Analysis

###### Any change in the stock, income and liquidity during the quarter and reason for change, if any:

- Stocks are kept sufficient for the normal and efficient operation of the plant. Total of 25,52,95,152 has been generated in revenue upto Ashwin 30. Cost of sales during this qtr consists of 3,78,18,412.37 penalty for short supply charged by NEA has been expensed on prudent basis during 1st qtr. An application for the refund of the same has been submitted to NEA and the application is under review. Liquidity has been maintained sufficient for the day to day operation of the company.

###### Management analysis on upcoming business plan

- Currently, the management does not intend to invest in other companies or projects.

###### Analytical statement on the possible effect on company's profitability, stock and cash flow based on past experiences

- The company plans to issue right shares for which preliminary approval has been granted by ERC and decision to enhance capital and issue right shares at the ratio of 1:1 has been passed through AGM, which is expected to ease the cash flow of the company.

##### 3. Legal Processing

- During the period no legal cases were raised or pending against the company and from the company.

##### 4. Share Transaction of the Company

- During the quarter share of the company has been actively traded under script name "BHL". Share prices has been determined by the open market operation.

Maximum Price	Minimum Price	Closing Price	Transaction days	Total Transaction	Traded Volume	Turnover
275	192.7	210	61	6,822	309,456	71,423,987

##### 6. Problem & Challenges

###### Internal Challenges

- Retention of skilled human resources.
- To maintain operational efficiency.

###### External Challenges

- Frequent changes in Interest Rate.
- Loss due to a natural disaster -flood, earthquake, drought, force majeure issue, etc
- Lack of domestic suppliers and vendors for hydropower equipment and spare parts.

##### 7. Declaration

I, the chairman of this company take responsibility for the accuracy of the information and details mentioned in this