



Balephi Hydropower Ltd.

Teku-12, Kathmandu

Unaudited Financial Statement for the 2nd Quarter

on Poush 29, 2080 (14 Jan, 2024)

Amount in NRs

Particulars	As at Poush 29, 2080 (Current Quarter)	As at Ashoj 30, 2080 (Previous Quarter)	As at Poush 29, 2079 (Previous Year Quarter)
Assets			
Non-Current Assets			
Property, Plant & Equipment, (Net)	3,423,529	1,866,088	113,779,805
Intangible Assets (Hydropower Project Assets)	8,438,112,506	8,545,977,566	8,454,454,940
Total Non-Current Assets	8,441,536,035	8,547,843,654	8,568,234,745
Current Assets			
Cash & Cash Equivalents	4,030,676	49,510,424	11,297,621
Trade Receivables	160,966,092	112,581,581	157,676,004
Advances & Deposits	33,746,912	58,811,655	37,013,238
Total Current Assets	198,743,680	220,903,660	205,986,863
Total Assets	8,640,279,715	8,768,747,314	8,774,221,608
Equity & Liabilities			
Equity			
Share Capital	1,827,970,000	1,827,970,000	1,827,970,000
Reserve & Surplus	(602,989,212)	(435,702,760)	(196,503,655)
Total Equity	1,224,980,788	1,392,267,240	1,631,466,345
Non Current Liabilities			
Long Term Borrowings	6,714,302,751	6,632,306,250	6,429,256,130
Other Non-Current Liabilities	306,446,860	306,446,860	-
Total Non Current Liabilities	7,020,749,611	6,938,753,110	6,429,256,130
Current Liabilities			
Sundry Creditors	63,662,029	102,076,720	472,194,156
Short Term Borrowings	230,713,746	321,039,680	52,921,302
Other Payables	100,173,540	14,610,564	188,383,675
Total Current Liabilities	394,549,315	437,726,964	713,499,133
Total Equity & Liabilities	8,640,279,715	8,768,747,314	8,774,221,608

Income Statement for the Period ended 29 Posuh, 2080 (14 Jan, 2024)

Particulars	Upto Poush end (This Quarter)	Upto Ashoj end (Previous Quarter)	Upto Poush, 2079 (Unaudited)
Revenue From Power Sales	494,729,196	255,295,152	157,676,004
Cost of Sales	(80,514,821)	(46,711,438)	(3,753,520)
Gross Profit	414,214,375	208,583,714	153,922,484
Repair and Maintenance Expenses	(15,081,692)	(4,814,326)	-
Administration Expenses	(4,373,189)	(3,491,089)	(2,934,705)
Profit Before Interest & Depreciation	394,759,494	200,278,299	150,987,779
Finance Cost	(403,409,665)	(203,365,387)	(114,273,831)
Depreciation and Amortisation	(158,636,281)	(78,609,314)	(139,334,223)
Profit / (Loss) Before Tax	(167,286,452)	(81,696,402)	(102,620,275)
Income Taxes	-	-	-
Profit / (Loss) After Tax	(167,286,452)	(81,696,402)	(102,620,275)

NOTES:

1. Financial Statements

- The financial statement for the Second qtr has been published as a part of this report
- 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.
- Annualized earning per share for current year is-18.3, net worth per share is 67.01 and total assets per share is 472.67

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 49,47,29,196 has been generated in revenue upto Posuh 29. Cost of sales upto this quarter consists of 3,78,18,412.37 charged by NEA as a penalty for Short supply charged by NEA has been expensed on prudent basis during upto this quarter. 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 the ERC. The decision to enhance capital and issue right shares at a ratio of 1:1 has been passed through the AGM and is under process for final approval by ERC, 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
330	195	303	49	7,322	556,680	155,571,299

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 report for the period up to the second quarter of FY 2080/81. I, 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 the information necessary for taking informed decision by the investors are not concealed.