



## Balephi Hydropower Ltd.

Durbarmarg-1, Kathmandu

### Unaudited Financial Statement for the 3<sup>rd</sup> Quarter

on Chaitra 30, 2080 (12 April, 2024)

Amount in NRs

Particulars	As at Chaitra 30, 2080 (Current Quarter)	As at Poush 29, 2080 (Previous Quarter)	As at Chaitra 30, 2079 (Previous Year)
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipment, (Net)	5,301,803	3,423,529	105,652,675
Intangible Assets (Hydropower Project Assets)	8,349,239,672	8,438,112,506	8,534,841,263
<b>Total Non-Current Assets</b>	<b>8,354,541,475</b>	<b>8,441,536,035</b>	<b>8,640,493,938</b>
<b>Current Assets</b>			
Cash & Cash Equivalents	3,554,650	4,030,676	12,030,997
Trade Receivables	128,490,370	160,966,092	61,562,928
Advances & Deposits	49,587,068	20,738,238	4,041,848
<b>Total Current Assets</b>	<b>181,632,088</b>	<b>185,735,006</b>	<b>77,635,773</b>
<b>Total Assets</b>	<b>8,536,173,563</b>	<b>8,627,271,042</b>	<b>8,718,129,711</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	(704,222,494)	(615,997,886)	(330,253,841)
<b>Total Equity</b>	<b>1,123,747,506</b>	<b>1,211,972,114</b>	<b>1,497,716,159</b>
<b>Non Current Liabilities</b>			
Long Term Borrowings	6,703,587,751	6,714,302,751	6,564,745,440
Other Non-Current Liabilities	306,446,860	306,446,860	255,141,997
<b>Total Non Current Liabilities</b>	<b>7,010,034,612</b>	<b>7,020,749,612</b>	<b>6,819,887,437</b>
<b>Current Liabilities</b>			
Sundry Creditors	6,697,050	63,662,029	168,930,728
Short Term Borrowings	279,152,302	230,713,746	181,677,182
Other Payables	116,542,094	100,173,540	49,918,205
<b>Total Current Liabilities</b>	<b>402,391,446</b>	<b>394,549,316</b>	<b>400,526,115</b>
<b>Total Equity &amp; Liabilities</b>	<b>8,536,173,563</b>	<b>8,627,271,042</b>	<b>8,718,129,711</b>

### Income Statement for the Period ended 30 Chaitra, 2080 (12 Apr, 2024)

Particulars	Upto Chaitra end (This Quarter)	Upto Poush end (Previous Quarter)	Upto Chaitra end (Previous year)
Revenue From Power Sales	699,048,641	494,729,196	255,295,152
Cost of Sales	(100,825,041)	(80,514,821)	(46,711,438)
<b>Gross Profit</b>	<b>598,223,600</b>	<b>414,214,375</b>	<b>208,583,714</b>
Repair and Maintenance Expenses	(19,754,757)	(15,081,692)	(4,814,326)
Administration Expenses	(26,058,720)	(17,381,863)	(3,491,089)
<b>Profit Before Interest &amp; Depreciation</b>	<b>552,410,124</b>	<b>381,750,820</b>	<b>200,278,299</b>
Finance Cost	(579,545,071)	(403,409,665)	(203,365,387)
Depreciation and Amortisation	(241,384,787)	(158,636,281)	(78,609,314)
<b>Profit / (Loss) Before Tax</b>	<b>(268,519,734)</b>	<b>(180,295,126)</b>	<b>(81,696,402)</b>
Income Taxes			-
<b>Profit / (Loss) After Tax</b>	<b>(268,519,734)</b>	<b>(180,295,126)</b>	<b>(81,696,402)</b>

#### Notes:

##### 1. Financial Statements

- The financial statement for the third 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 Upper Balephi Hydropower Project is up to 2108/04/11.
- Annualized earning per share for current year is -19.58, net worth per share is 61.48 and total assets per share is 466.98
- Insurance premium (Rs. 1,30,08,674) paid during previous quarter was mistakenly recorded as advance instead of expense under administrative expenses which has been corrected now.

##### 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 69,90,48,640.64 has been generated in revenue upto Chaitra 30. 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 final 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 approval by SEBON, 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 and by 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
394	290	350	58	13,864	1,483,097	518,018,651

##### 5. 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.

##### 6. Declaration

- I, the chairman of this company take responsibility for the accuracy of the information and