



# Nyadi Hydropower Limited

Buddha Nagar, Kathmandu, Nepal

## UNAUDITED STATEMENT OF FINANCIAL POSITION AS ON ASHWIN 30, 2081

Figures in NPR '000'

Particulars	This Quarter Ending (Ashwin End 2081)	Previous Quarter Ending (Ashad End 2081)	Corresponding Previous Year Quarter Ending (Ashwin End 2080)
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	6,503	6,875	7,384
Intangible Assets	5,714,516	5,773,435	5,901,727
Other Non Current Assets	119	85	661
<b>Total Non-Current Assets</b>	<b>5,721,138</b>	<b>5,780,395</b>	<b>5,909,772</b>
<b>Current Assets</b>			
Cash and Cash Equivalents	35,156	11,906	39,463
Bank Balance Other than Cash and Cash Equivalents	974	1,272	1,272
Other Financial Assets	143,714	136,124	94,587
Other Current Assets	13,574	16,608	19,364
<b>Total Current Assets</b>	<b>193,418</b>	<b>165,910</b>	<b>154,687</b>
<b>Total Assets</b>	<b>5,914,556</b>	<b>5,946,305</b>	<b>6,064,459</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	1,500,000	1,500,000	1,500,000
Other Equity	(543,372)	(509,729)	(415,881)
<b>Total Equity</b>	<b>956,628</b>	<b>990,271</b>	<b>1,084,119</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Borrowings	4,480,008	4,462,960	4,497,404
Other Financial Liabilities	126,781	183,346	190,253
Provisions	2,539	2,162	1,807
<b>Total Non-Current Liabilities</b>	<b>4,609,328</b>	<b>4,648,468</b>	<b>4,689,463</b>
<b>Current Liabilities</b>			
Borrowings	250,000	250,000	250,000
Trade Payables	864	393	624
Provisions	60,721	50,811	-
Other Financial Liabilities	-	-	39,011
Other Current Liabilities	37,015	6,362	1,242
<b>Total Current Liabilities</b>	<b>348,600</b>	<b>307,566</b>	<b>290,877</b>
<b>Total Liabilities</b>	<b>4,957,928</b>	<b>4,956,034</b>	<b>4,980,340</b>
<b>Total Equity and Liabilities</b>	<b>5,914,556</b>	<b>5,946,305</b>	<b>6,064,459</b>

## UNAUDITED STATEMENT OF PROFIT & LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED ASHWIN 30, 2081

Figures in NPR '000'

Particulars	This Quarter Ending (Ashwin End 2081)	Previous Quarter Ending (Ashad End 2081)	Corresponding Previous Year Quarter Ending (Ashwin End 2080)
Revenue from Operations	211,904	592,046	130,851
Project Operating Expenses	(69,076)	(264,143)	(60,893)
<b>Gross profit</b>	<b>142,828</b>	<b>327,903</b>	<b>69,958</b>
Other Income	28	78	-
Administrative and Other Operating Expenses	(8,216)	(37,122)	(9,002)
<b>Net Operating Profit</b>	<b>134,640</b>	<b>290,859</b>	<b>60,957</b>
Finance Cost	(142,443)	(457,911)	(94,850)
Finance Income	228	379	159
<b>Profit / (Loss) before Tax &amp; Bonus</b>	<b>(7,575)</b>	<b>(166,673)</b>	<b>(33,734)</b>
Provision for Staff Bonus	-	-	-
Provision for Reserves	-	-	-
<b>Profit / (Loss) before Tax</b>	<b>(7,575)</b>	<b>(166,673)</b>	<b>(33,734)</b>
<b>Income Tax Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Profit for the year</b>	<b>(7,575)</b>	<b>(166,673)</b>	<b>(33,734)</b>
<b>Other Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Gain/(Loss), Net of Tax</b>	<b>(7,575)</b>	<b>(166,673)</b>	<b>(33,734)</b>

## FIRST QUARTER DISCLOSURE AS OF ASHWIN 30, 2081 AS PER SECURITIES REGISTRATION AND ISSUANCE REGULATION Annexure -14 (Related to Sub-Regulation 1 of Regulation 26)

### 1. FINANCIAL STATEMENTS

- The Unaudited Financial Statements for the first quarter and key financial ratios have been published along with this report.
- Transactions with related parties: Business Transactions were conducted with related parties at arm's length in line with section 93(3c) of the Company Act, 2063. NHL has been availing promoter's loan and rental and other associated facilities from Butwal Power Company Limited and using various consultancy service as an when needed from Hydro Consult Engineering Ltd.

#### Key Financial Indicators

Period	Earning per share	Net Worth Per Share	Current Ratio	Price Earning Ratio	Return on Assets
This Quarter End	(0.51)	63.78	0.55	(160.39)	-0.13%
Previous Quarter End	(11.11)	66.02	0.54	(31.50)	-2.80%
Corresponding Previous Year Quarter End	(2.25)	72.27	0.53	(25.90)	-2.23%

### 2. MANAGEMENT ANALYSIS

- "Any changes in the Stock, Income and Liquidity during the quarter and the reason for change, if any":** Stock/spare parts of the power plants equipments has been maintained at a sufficient level as provided by the Contractor as per the terms of the EPC Contract. Finance cost on Term Loan of the project do have serious impact on the company's profitability as it covers a majority portion of company's expense. Similarly, amortization of Intangible Assets during the period also affects the profitability of the company.
- "Statement of Management Analysis on the Company's upcoming Business Plans":** The Company has not any such plan for other project developments other than for effective/efficient operation of the project rather than lobbying for the construction of 132 kV Tarikuna substation and reversal of "Take and Pay" clause to "Take and Pay" with Nepal Electricity Authority.
- "Analytical Statement on the possible effect on Company's Profitability, Stock and Cash Flows based on the past experience.":** Due to the contingency plan with NEA i.e. Sale of energy on "Take and Pay Basis", NEA has not taken full generation of the project during the last quarter and the company has to abide with the dispatch instruction from Load Dispatch Centre, NEA. This has made a serious impact on current financial year's profitability.

### 3. LEGAL PROCEEDINGS

- Case filed by or filed against the Company during the quarter, if any: None
- Case filed by or filed against the Company or its Promoter or Director for violation of the prevailing regulation or committing the criminal offense, if any: None
- Case filed against the Promoter or Director on Financial crime, if any: None

### 4. ANALYSIS OF COMPANY'S SHARE TRANSACTIONS

- NHL shares were actively traded during this quarter.
- The major highlights of share transactions during the quarter are as follows:
- Maximum Price - NPR 436.40 ; Minimum Price - NPR 283.30 ; Closing Price - NPR 324.00 ; No. of Transaction Days - 56 ; Total Transactions - 18,134 ; Total Traded Volume - 1,525,375 and Total Traded Value- NPR. 560,540,580.40

### 5. PROBLEMS AND CHALLENGES

#### Internal

- Optimization and Retention of skilled human resources;
- Fund Management problem due to liquidity problem in financial market resulting increase in finance cost
- Managing the operational efficiency of the project

#### External

- Impact of Global Warming and Climate change effects and the amount of rain/snow fall in the project catchment area.
- Foreign Exchange Risk exposures in payment to contractors due to fluctuation of currency in the International Foreign Exchange Markets;
- Delay in construction of Tarikuna Substation & 132 kV Transmission Line by Nepal Electricity Authority and the financial impact to project due to Line loss and Generation loss for the evacuation of energy generated from the project as per the Contingency plan with NEA.

#### Strategies

- To maximize generation of powerplant with at least maintaining the contract energy of Power Purchase Agreement.
- To operate the powerplant efficiently and effectively.

### 6 CORPORATE GOVERNANCE

Board of Directors, Project Steering Committee, Audit Committee, Other Committees and Management Team are committed towards strengthening good corporate governance within the company. NHL has written manual, policies, rules & guidelines for proper functioning of the operation of the company.

### 7. DECLARATION OF CHIEF EXECUTIVE OFFICER ON TRUTH, TACTFULNESS

I, the Chief Executive Officer of this Company, take the responsibility of accuracy of the information and details mentioned in this report for the first quarter of FY 2081/82, 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.