



# Swet Ganga Hydropower & Construction Limited

Dhumbarahi, KMC-4, Kathmandu, Nepal

## Unaudited Financial Reports (Quarterly)

As on 4th Quarter (2082.03.32) of the Fiscal Year 2081/082

### FOURTH QUARTER DISCLOSURE AS OF 2082.03.32 AS PER SECURITIES REGISTRATION AND ISSUANCE REGULATION ANNEXURE-14 (RELATED TO SUB REGULATION 1 OF REGULATION 26)

Statement of Financial Position	Un-Audited This Quarter Ending	Un-Audited Previous Quarter Ending	Audited Corresponding Previous Year Quarter Ending
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property Plant & Equipment	19,154,034	18,413,451	16,352,642
Intangible Assets	6,017,636,097	6,077,717,042	6,250,732,345
Intangible Assets Under Development	9,593,502	8,768,628	4,684,104
Right of Use Asset	8,667,702	-	-
<b>Current Assets</b>			
Advance and Receivables	164,550,108	137,515,391	179,985,180
Inventories	5,710,050	6,653,454	11,839,993
Other Current Assets	11,316,249	15,783,729	395,575
Cash and Cash Equivalents	2,175,601	20,851,020	3,247,582
Current Tax Assets	463,692	463,306	462,072
<b>Total Assets</b>	<b>6,239,267,034</b>	<b>6,286,166,022</b>	<b>6,467,699,492</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Borrowings	4,497,298,036	4,520,647,263	4,650,006,884
Other Financial Liabilities	112,118,629	103,475,309	99,905,405
Provisions	1,183,368	2,294,300	1,821,799
<b>Current Liabilities</b>			
Borrowings	405,531,513	422,422,577	437,235,464
Other Financial Liabilities	77,885,278	18,559,871	127,592,526
Other Liabilities	214,693	217,339	656,633
<b>Total Liabilities</b>	<b>5,094,231,517</b>	<b>5,067,616,659</b>	<b>5,317,218,711</b>
<b>Equity</b>			
Share Capital	1,593,000,000	1,593,000,000	1,593,000,000
Less: Calls in Arrears	(94,000)	-	-
Net Share Capital	1,592,906,000	1,593,000,000	1,593,000,000
Retained Earnings	(450,485,818)	(376,627,748)	(444,696,329)
Other Reserves	2,615,335	2,177,111	2,177,111
<b>Total Equity</b>	<b>1,145,035,517</b>	<b>1,218,549,363</b>	<b>1,150,480,782</b>
<b>Total Liabilities and Equity</b>	<b>6,239,267,034</b>	<b>6,286,166,022</b>	<b>6,467,699,492</b>
<b>Statement of Profit or Loss</b>	<b>Un-Audited This Quarter Ending</b>	<b>Un-Audited Previous Quarter Ending</b>	<b>Audited Corresponding Previous Year Quarter Ending</b>
Revenue (Construction)	467,594	-	68,999,382
Cost of Sales (Construction)	(467,594)	-	(68,999,382)
Revenue From Sale of Electricity	786,630,609	657,413,018	747,200,927
Plant Operating Expenses	(101,089,499)	(65,951,948)	(85,170,160)
<b>Gross profit</b>	<b>685,541,109</b>	<b>591,461,070</b>	<b>662,030,767</b>
Other Income	28,500	-	532,985
Administrative and Other Operating Expenses	(263,431,578)	(194,582,283)	(267,540,835)
<b>Net operating profit</b>	<b>422,138,031</b>	<b>396,878,787</b>	<b>395,022,917</b>
Financial Costs	(422,850,108)	(321,837,945)	(559,823,527)
Financial Income	900,970	651,708	1,519,066
Foreign Exchange Gain/(Loss)	(5,287,115)	(5,529,441)	(2,799,446)
<b>Profit/(Loss) before tax &amp; bonus</b>	<b>(5,098,222)</b>	<b>70,163,109</b>	<b>(166,080,989)</b>
Provision for Staff Bonus	-	(1,403,262)	-
<b>Profit/(Loss) before tax</b>	<b>(5,098,222)</b>	<b>68,759,847</b>	<b>(166,080,989)</b>
Income Tax Expense	(691,266)	(691,266)	-
Net Profit for the Year	(5,789,488)	68,068,581	(166,080,989)
<b>Major Financial Highlights</b>			
Earnings Per Share (EPS)	(0.36)	4.27	(10.43)
Return on Assets (ROA)	-0.09%	1.08%	-2.57%
Net worth Per Share	71.88	76.49	72.22
Current Ratio	0.38	0.41	0.35
P/E Ratio	(1091.80)	118.64	(35.30)
Market Value Per Share	396.82	506.51	368.00

#### Financial Statements

- The Unaudited financial statement for the fourth quarter have been published as a part of this report.
- Service concession arrangements of Swet Ganga Hydropower & Construction Ltd. (SGHCL) includes Project Work in Progress of Tallo Likhu Jalavidyut Aayojana (28.1 MW). Service concession arrangements are amortized over the contractual period as per the Power Purchase Agreement (PPA) of Tallo Likhu Jalavidyut Aayojana. As per Generation License, life of Tallo Likhu Jalavidyut Aayojana is up to 2108/12/27. Pursuant to the life of the project, the company has amortized the intangible assets. In case of Property Plant & Equipment, depreciation has been calculated on written down value based upon useful life of assets.
- Total disqualified local shares of 1,070 was reallocated during the period to qualifying Local shareholders. Out of which Calls in Arrears remains of 940 shares.
- The financial cost includes interest paid on long term loan and working capital loan amounting NPR 416,756,314 up to 4th quarter 2081-082.

#### Management Analysis

- Till the end of Asadh 2082, Tallo Likhu Jalavidyut Aayojana has generated income of NPR 786,630,609 from Sale of Electricity. The revenue from the sale of electricity has increased from last year's corresponding figures by 5%.
- The Administrative and other operating expenses has decreased from last year's corresponding figures by 2%.
- The Finance cost has decreased from last year's corresponding figures by 24% since the rate of Interest has decreased and principal amount is being repaid.

#### Legal Proceedings

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

#### Analysis of Company's Share Transaction

- The major highlights of Share transactions during the quarter are as follows:

Particulars	This Quarter Ending	Previous Quarter Ending	Corresponding Previous Year Quarter Ending
Maximum Price NPR.	520	649.50	391
Minimum Price NPR.	390	484.00	308.10
Closing Price NPR.	396.82	506.51	368.00
Total Turnover NPR.	354,709,590.60	1,212,142,809.30	475,269,015.10
Total Transactions	7,329	16,836	12,711
No. of Transaction Day	63	56	61
Total Traded volume	802,744	2,115,746	1,140,169

#### Problems & Challenges

##### Internal Challenges

- Retention of skilled human resources.

##### External Challenges

- Delay of statutory approvals & inconsistent regulatory and policy level commitment from the government regulatory agencies in the development of hydroelectric projects.
- Fluctuating cost of capital and devaluation of local currency.
- Natural disaster such as flood, earthquake, drought, etc.
- Lack of domestic suppliers for hydropower equipment and spare parts.
- Climatic Changes & Hydrological Risk.

##### Strategies

- Fund management and strategic investment as per the project investment plan.
- Maintaining adequate stock of spare parts & equipment.
- Timely supervision, inspection & maintenance of project assets.
- Adequate insurance policies against the loss due to natural disaster and force majeure.
- Lobbying with government agencies for investment friendly environment.
- Implementation of HR optimization plan.

##### Corporate Governance

The Board of Directors, Audit Committee, other Committees, and Management Team are committed to strengthening good corporate governance within the company. Swet Ganga Hydropower & Construction Ltd. has written manuals, policies, rules & guidelines for the proper functioning of the operation of the company.

##### Declaration

I, the General Manager of this Company, take the responsibility for the accuracy of the information and details mentioned in this report for the period of Fourth Quarter of FY 2081/082, 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.

Please contact on (977-01)4372828/4373030 for further inquiry about the company.