



Swet Ganga Hydropower & Construction Limited

Dhumbarahi, KMC-4, Kathmandu, Nepal

Unaudited Financial Reports (Quarterly)

As on 4th Quarter (2080.03.31) of the Fiscal Year 2079/080

FOURTH QUARTER DISCLOSURE AS OF 2080.03.31
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 as on 31-03-2080	Un-Audited Previous Quarter Ending as on 30-12-2079	Audited Corresponding Previous Year Quarter Ending as on 31-03-2079
Assets			
Non-Current Assets			
Property Plant & Equipment	15,885,338	18,889,523	19,940,061
Intangible Assets	6,411,273,678	6,330,049,273	5,882,267,781
Intangible Assets Under Development	912,164		
Deferred Tax Assets	5,583,180	5,583,180	5,583,180
Current Assets			
Advance and Receivables	173,328,765	229,015,837	126,553,377
Inventories	313,542	698,186	-
Other Current Assets	11,880,523	17,031,711	1,905,500
Cash and cash equivalents	5,133,312	14,996,772	27,024,955
Current tax assets	903,806	773,524	3,651,698
Total Assets	6,625,214,307	6,617,038,006	6,066,926,552
Liabilities			
Non-Current Liabilities			
Borrowings	4,412,928,492	4,528,604,754	4,249,620,188
Other Financial Liabilities	357,025,112	347,860,930	363,768,102
Provisions	1,670,996	1,390,272	1,501,602
Current Liabilities			
Borrowings	516,268,319	298,909,107	169,850,998
Other Financial Liabilities	16,222,919	17,985,319	19,917,270
Other Liabilities	1,027,693	515,109	2,930,516
Total Liabilities	5,305,143,530	5,195,265,492	4,807,588,676
Equity			
Share Capital	1,593,000,000	1,593,000,000	1,365,997,500
Retained Earnings	(273,883,460)	(172,181,723)	(107,613,861)
Other Reserves	954,237	954,237	954,237
Total Equity	1,320,070,777	1,421,772,514	1,259,337,876
Total Liabilities and Equity	6,625,214,307	6,617,038,006	6,066,926,552

Statement of Profit or Loss	Un-audited Till This Quarter Ending	Un-audited till Previous Quarter Ending	Audited Corresponding till Previous Year Quarter Ending
Revenue (Construction)	419,861,047	419,861,047	1,720,461,472
Cost of Sales (Construction)	(419,861,047)	(419,861,047)	(1,720,461,472)
Revenue From Sale of Electricity	436,943,065	295,766,705	-
Plant operating expenses	(64,942,282)	(40,228,796)	-
Gross profit	372,000,784	255,537,909	-
Other Income	14,606,632	14,605,132	2,632,056
Administrative and Other operating expenses	(182,656,645)	(116,249,548)	(27,244,925)
Net operating profit	203,950,771	153,893,493	(24,612,869)
Financial Cost	(355,729,175)	(208,209,351)	-
Financial Income	1,543,421	688,979	842,188
Foreign exchange gain/(loss)	(6,143,712)	(1,050,080)	(14,615,285)
Profit/(Loss) before tax & bonus	(156,378,695)	(54,676,958)	(38,385,966)
Provision for Staff Bonus	-	-	-
Profit/(Loss) before tax	(156,378,695)	(54,676,958)	(38,385,966)
Income Tax Expense	(3,219,188)	(3,219,188)	(35,264)
Deferred Tax Income/(Expense)	-	-	4,373,285
Net Profit for the Year	(159,597,883)	(57,896,146)	(34,047,945)

Major Financial Highlights

Earnings Per Share (EPS)	-7.47	-3.67	-2.94
Current Ratio	0.36	0.83	0.83
Net worth Per Share	82.87	89.25	92.19
Return on Assets (ROA)	-2.41%	-0.87%	-0.56%
Market Value Per Share	262.7	369	-

Financial Statements

- The Unaudited financial statement for the fourth quarter have been published as a part of this report.
- Service concession arrangements of SGHCL includes Project Work in Progress of Lower Likhu Hydropower Project (28.1 MW). Service concession arrangements are amortized over the contractual period as per the Power Purchase Agreement (PPA) of SGHCL. As per Generation License, life of Lower Likhu Hydropower Project 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 based on written down value as per the provisions of Income Tax Act, 2058.
- The financial cost includes interest paid on long term loan and working capital loan amounting NPR 349,853,452.
- The Construction revenue and Construction cost as per IFRIC-12 is NPR 419,861,047 booked till construction period.
- The previous quarter figures have been regrouped and reclassified wherever necessary.
- Intangible Assets under Development includes the cost incurred till date for development of Cascade project.

Management Analysis

- Lower Likhu Hydropower Plant has evacuated its power on the basis of dispatch availability in the 4th quarter of the fiscal year 2079/080. The company has achieved commercial operation on 19th Kartik 2079.
- Till the end of Ashadh 2080, Lower Likhu Hydropower Project has generated income of NPR 436,943,065 from Sale of Electricity.

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.	369.9	411.6	-
Minimum price NPR.	262.7	324	-
Closing price NPR.	262.7	369	-
Total Turnover NPR.	240,873,369.30	384,994,496.90	-
Total Transactions	10,974	18,313	-
No. of transaction Day	57	56	-
Total traded volume	819,838	1,022,147	-

Problems & Challenges

Internal Challenges

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

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.
- Pandemics such as Covid-19, dengue, etc.

Strategies

- Implementation of HR optimization plan.
- Lobbying with government agencies for investment friendly environment.
- Fund management and strategic investment as per the project investment plan.
- Adequate insurance policies against the loss due to natural disaster.
- Maintenance of stock of spare parts & equipment.

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 Executive Director of this Company, take the responsibility for the accuracy of the information and details mentioned in this report for the period up to the fourth quarter of F.Y 2079/080, 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.