



Swet Ganga Hydropower & Construction Limited

Dhumbarahi, KMC-4, Kathmandu, Nepal

Unaudited Financial Reports (Quarterly)

As on 4th Quarter (2081.03.31) of the Fiscal Year 2080/081

FOURTH QUARTER DISCLOSURE AS OF 2081.03.31 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	Un-Audited Previous Quarter Ending	Audited Corresponding Previous Year Quarter Ending
Assets			
Non-Current Assets			
Property Plant & Equipment	16,511,462	16,569,889	18,164,823
Intangible Assets	6,250,732,345	6,304,639,744	6,415,201,530
Intangible Assets Under Development	4,684,104	4,684,104	912,164
Deferred Tax Assets	-	-	-
Current Assets			
Advance and Receivables	180,476,714	137,128,333	169,765,271
Inventories	395,575	528,099	288,727
Other Current Assets	11,839,993	16,467,674	11,880,523
Cash and Cash Equivalents	3,293,996	6,865,477	4,716,810
Current Tax Assets	538,900	538,191	471,336
Total Assets	6,468,473,088	6,487,421,511	6,621,401,183
Liabilities			
Non-Current Liabilities			
Borrowings	4,705,649,954	4,745,157,954	4,412,931,954
Other Financial Liabilities	169,350,348	164,036,792	183,384,678
Provisions	1,991,337	1,701,829	1,796,042
Current Liabilities			
Borrowings	343,968,925	320,772,673	516,268,363
Other Financial Liabilities	98,781,585	21,030,596	189,762,819
Other Liabilities	1,166,114	1,536,854	1,198,121
Total Liabilities	5,320,908,263	5,254,236,697	5,305,341,977
Equity			
Share Capital	1,593,000,000	1,593,000,000	1,593,000,000
Retained Earnings	(446,793,709)	(361,173,721)	(278,299,329)
Other Reserves	1,358,535	1,358,535	1,358,535
Total Equity	1,147,564,826	1,233,184,814	1,316,059,206
Total Liabilities and Equity	6,468,473,088	6,487,421,511	6,621,401,183
Statement of Profit or Loss	Un-Audited This Quarter Ending	Un-Audited Previous Quarter Ending	Audited Corresponding Previous Year Quarter Ending
Revenue (Construction)	68,999,382	62,063,424	682,893,982
Cost of Sales (Construction)	(68,999,382)	(62,063,424)	(682,893,982)
Revenue From Sale of Electricity	747,200,927	597,656,434	436,718,001
Plant Operating Expenses	(84,722,185)	(62,622,193)	(64,521,377)
Gross profit	662,478,742	535,034,241	372,196,624
Other Income	532,985	-	14,606,632
Administrative and Other Operating Expenses	(266,962,697)	(193,927,332)	(178,962,377)
Net operating profit	396,049,030	341,106,909	207,840,879
Financial Costs	(562,616,085)	(423,205,804)	(358,019,502)
Financial Income	1,519,066	1,338,582	1,543,421
Foreign Exchange Gain/(Loss)	(2,787,207)	(2,114,079)	(6,143,712)
Profit/(Loss) before tax & bonus	(167,835,196)	(82,874,392)	(154,778,914)
Provision for Staff Bonus	-	-	-
Profit/(Loss) before tax	(167,835,196)	(82,874,392)	(154,778,914)
Income Tax Expense	-	-	(9,466,625)
Net Profit for the Year	(167,835,196)	(82,874,392)	(164,245,538)
Major Financial Highlights			
Earnings Per Share (EPS)	(10.54)	(5.20)	(10.02)
Return on Assets (ROA)	(2.59%)	(1.28%)	(2.41%)
Net worth Per Share	72.04	77.41	82.87
Current Ratio	0.44	0.47	0.36
P/E Ratio	(34.93)	(60.43)	(26.22)
Market Value Per Share	368.00	314.40	262.70

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 Tallo Likhu Jalvidhyut Aayojana (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 Tallo Likhu Jalvidhyut 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.
- The financial cost includes interest paid on long term loan and working capital loan amounting NPR 557,037,719 up to 4th quarter 2081.
- The Construction revenue and Construction cost as per IFRIC-12 is NPR 68,999,382 booked till construction period.

Management Analysis

- Tallo Likhu Jalvidhyut Aayojana has evacuated its power on the basis of dispatch availability in the 4th quarter of the fiscal year 2080/081. The company has achieved commercial operation on 19th Kartik 2079.
- Till the end of Asadh 2081, Tallo Likhu Jalvidhyut Aayojana has generated income of NPR 747,200,927 from Sale of Electricity. The revenue from the sale of electricity has increased from last year's corresponding figures by 71% since the plant has generated electricity throughout this Fiscal Year while the plant generated the electricity from COD date i.e, 19th Kartik, 2079 in last FY (284 days).
- The Administrative and other operating expenses has increased from last year's corresponding figures by 46% since the amortization of project assets has been charged of full year during this FY while in last FY it was only taken from COD Date i.e, 19th Kartik, 2079 (284 days).
- The Finance cost has increased from last year's corresponding figures by 58% since the finance cost during this year is full year while the last year's finance cost was incurred only from COD Date i.e, 19th Kartik, 2079. (284 days).

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.	391	363	369.9
Minimum Price NPR.	308.10	295.2	262.7
Closing Price NPR.	368	314.4	262.7
Total Turnover NPR.	475,269,015.10	512,233,120.1	240,873,369.30
Total Transactions	12,711	16,013	10,974
No. of Transaction Day	61	58	57
Total Traded volume	1,140,169	1,567,518	819,838

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

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 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 FY 2080/081, 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.