

समाचारपत्र

Sanima Middle Tamor Hydropower Limited

Dhumbarahi, KMC-4, Kathmandu, Nepal

Unaudited Financial Reports (Quarterly)

As on 1st Quarter (2080.06.30) of the Fiscal Year 2080/081

FIRST QUARTER DISCLOSURE AS OF 2080.06.30
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 30-06-2080	Un-Audited Previous Quarter Ending As on 31-03-2080	Audited Corresponding Previous Year Quarter Ending As on 30-06-2079
Assets			
Non-Current Assets			
Property Plant & Equipment	64,347,317	66,232,110	63,265,016
Intangible Assets	10,765,205,459	10,110,951,089	7,212,662,230
Deferred Tax Assets	188,199	188,199	670,290
Current Assets			
Cash and cash equivalents	287,375,256	605,184,486	264,366,028
Other Financial Assets	445,933,444	329,255,247	671,673,721
Other Current Assets	30,434,618	33,966,014	2,569,601
Current tax assets	3,542,680	3,323,055	2,614,349
Total Assets	11,597,026,972	11,149,100,200	8,217,821,235
Liabilities			
Non-Current Liabilities			
Borrowings	7,526,582,770	7,125,152,564	5,055,376,329
Other Financial Liabilities (Retention)	643,526,381	630,867,179	501,162,971
Provisions	1,732,476	1,736,821	1,305,272
Deferred Tax Liabilities	-	-	-
Other Non Current Liabilities	-	-	-
Current Liabilities			
Current Borrowings	100,000,000	-	85,232,600
Other Financial Liabilities	71,759,519	133,532,621	120,469,400
Other Current Liabilities	5,454,875	889,760	1,032,645
Total Liabilities	8,349,056,021	7,892,178,945	5,764,579,217
Equity			
Share Capital	3,332,500,000	3,332,500,000	2,499,375,000
Less Calls In Arrears	(3,000)	(3,000)	-
Net Share Capital	3,332,497,000	3,332,497,000	2,499,375,000
Retained Earnings	(85,091,587)	(76,141,284)	(46,698,520)
Other Reserves	565,538	565,538	565,538
Total Equity	3,247,970,952	3,256,921,255	2,453,242,018
Total Liabilities and Equity	11,597,026,972	11,149,100,200	8,217,821,235
Statement of Profit or Loss			
	As on 30-06-2080	As on 31-03-2080	As on 30-06-2079
Revenue (Construction)	654,254,370	3,703,984,103	837,261,702
Cost of Sales (Construction)	(654,254,370)	(3,703,984,103)	(837,261,702)
Revenue From Sale of Electricity	-	-	-
Plant operating expenses	-	-	-
Gross profit	-	-	-
Other Income	-	394,100	-
Administrative and Other operating expenses	9,297,994	30,833,793	7,788,013
Net operating profit/(Loss)	(9,297,994)	(30,439,693)	(7,788,013)
Financial costs	-	-	-
Financial income	1,464,165	5,568,154	844,287
Foreign exchange gain/(loss)	(1,116,474)	(4,715,193)	-
Profit/(Loss) before tax & bonus	(8,950,303)	(29,586,732)	(6,943,726)
Provision for Staff Bonus	-	-	-
Profit/(Loss) before tax	(8,950,303)	(29,586,732)	(6,943,726)
Income Tax Expense	-	-	-
Deferred Tax Income/(Expense)	-	(482,091)	-
Net Profit/(Net Loss)	(8,950,303)	(30,068,823)	(6,943,726)
Major Financial Highlights			
Earnings Per Share (EPS)	(0.27)	(1.09)	(0.28)
Current Ratio	9.94	7.23	4.55
Net worth Per Share	97.46	97.73	98.15
Return on Assets (ROA)	(0.08%)	(0.27%)	(0.08%)
Market Value Per Share	238	285	N/A
P/E Ratio	(886.15)	(262.21)	N/A

Financial Statements

- The Unaudited financial statement for the first quarter have been published as a part of this report.
- The Construction Revenue and Construction Cost for the reporting period as per IFRIC-12 is NPR 654,254,370 /-
- Service concession arrangement of Sanima Middle Tamor Hydropower Limited (SMTHL) includes Project Work in Progress of Middle Tamor Hydropower Project (73 MW). Service Concession arrangements are amortized over the contractual period of 30 years from the commercial operation date or as per the term of Generation License of SMTHL, whichever is lower. As per Generation License, the life of Middle Tamor Hydropower Project is up to 2110/02/21 B.S. The total Intangible Assets (Service Concession Arrangements) as on Ashoj End 2080 is NPR. 10,765,205,459 /-
- The Middle Tamor Hydropower Project is under Construction and total physical progress till Ashoj End 2080 is about 94%.
- Previous quarter figures has been rearranged and regrouped whenever necessary.

Management Analysis

- The Company has incurred NPR 9,297,994 /- as administrative and other operating expenses for the quarter.
- The Company has earned NPR 1,464,165 /- as financial income during the reporting period.

Legal Proceedings

- During the reporting 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.	297.00	336	-
Minimum price NPR.	230.50	258	-
Closing price NPR.	238.00	285	-
Total Turnover NPR.	224,516,145	750,412,192	-
Total Transactions	31,591	64,086	-
No. of transaction Day	61	62	-
Total traded volume	861,809	2,508,019	-

Problems & Challenges

Internal Challenges

- Retention of skilled human resources.
- Maintaining high level of 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 against USD.
- Increasing trend of interest rate on loan.
- Lack of domestic suppliers for construction materials, equipment and spare parts and difficulties in logistics management.
- Delay in completion of required transmission network to be constructed by the government agencies.
- Natural disaster such as flood, earthquake, landslides, etc.
- Climatic changes and extreme hydrological fluctuations.
- Geological risks.
- Pandemics such as Covid-19, dengue, etc.

Strategies

- Mobilize all required resources efficiently for the completion of remaining construction works to commission the project at the earliest.
- Optimization of qualified human resources.
- Lobbying with government agencies for investment friendly environment.
- Effective fund management and strategic investment, as per the project investment plan.
- Adequate insurance policies against potential losses due to natural disasters and normal business risks.
- Maintenance of required equipment and machineries, and arrangement of multiple suppliers for smooth supply of spare parts and construction materials.

Corporate Governance

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

Declaration

I, the Chief Executive Officer of this Company, take the responsibility for the accuracy of the information and details mentioned in this report for the period up to the First Quarter of FY 2080/081. I 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 any information necessary for taking informed decision by the investors are not concealed.

Please contact at 01-4372828/4373030 for any further inquiry about the Company.