



# Sanima Middle Tamor Hydropower 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>As on 32-03-2082</b>	<b>As on 31-12-2081</b>	<b>As on 31-03-2081</b>
Non-Current Assets			
Property Plant & Equipment	61,474,456	57,391,515	58,219,210
Intangible Assets	13,186,425,773	12,869,699,184	12,983,187,415
Capital CWIP			1,146,222
Deferred Tax Assets			
Current Assets			
Inventories	21,059,620	23,759,816	
Cash and cash equivalents	266,175,012	471,069,704	157,178,191
Other Financial Assets	615,784,041	501,577,465	503,976,654
Other Current Assets	53,223,413	13,968,563	38,005,694
Current tax assets	4,462,646	4,256,371	3,917,503
ROU Assets	8,727,485		
<b>Total Assets</b>	<b>14,217,332,446</b>	<b>13,941,722,619</b>	<b>13,745,630,889</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Borrowings (Long Term Loan)	9,285,018,353	9,658,528,353	8,990,761,774
Other Financial Liabilities (Retention)	595,865,885	660,525,492	643,272,358
Provisions	1,762,470	1,502,009	2,400,412
Deferred Tax Liabilities			-
Other Non-Current Liabilities	9,340,287		-
<b>Current Liabilities</b>			
Current Borrowings	371,000,000	25,560,000	737,000,000
Other Financial Liabilities	273,005,822	115,985,277	87,652,174
Other Current Liabilities	14,795,823	8,231,336	24,626,995
<b>Total Liabilities</b>	<b>10,550,744,625</b>	<b>10,470,332,467</b>	<b>10,485,713,713</b>
<b>Equity</b>			
Share Capital	3,332,500,000	3,332,500,000	3,332,500,000
Less Calls In Arrears	(3,000)	(3,000)	(3,000)
<b>Net Share Capital</b>	<b>3,332,497,000</b>	<b>3,332,497,000</b>	<b>3,332,497,000</b>
Retained Earnings	332,524,676	138,401,858	(73,043,796)
Other Reserves	1,522,130	491,294	463,973
<b>Total Equity</b>	<b>3,666,587,822</b>	<b>3,471,390,152</b>	<b>3,259,917,177</b>
<b>Total Liabilities and Equity</b>	<b>14,217,332,446</b>	<b>13,941,722,619</b>	<b>13,745,630,889</b>
Statement of Profit or Loss	Un-Audited This Quarter Ending	Un-Audited Previous Quarter Ending	Audited Corresponding Previous Year Quarter Ending
	2081.04.01 to 2082.03.32	2081.04.01 to 2081.12.31	2080.04.01 to 2081.03.31
Revenue (Construction)	661,088,767	227,165,543	2,956,483,363
Cost of Sales (Construction)	(661,088,767)	(227,165,543)	(2,956,483,363)
Revenue From Sale of Electricity	1,973,130,412	1,380,340,209	352,470,471
Plant operating expenses	(261,209,049)	(174,871,506)	(46,398,386)
<b>Gross profit</b>	<b>1,711,921,363</b>	<b>1,205,468,703</b>	<b>306,072,086</b>
Other Income		-	5,080,530
Administration Expenses	(39,987,804)	(29,242,258)	(30,599,207)
Amortization and Depreciation	(469,014,889)	(348,664,890)	(99,539,273)
<b>Net operating profit/(Loss)</b>	<b>1,202,918,669</b>	<b>827,561,555</b>	<b>181,014,136</b>
Financial costs	(778,769,570)	(601,215,004)	(175,296,679)
Financial income	3,634,034	2,258,864	3,962,987
Foreign exchange gain/(loss)	(9,671,306)	(10,620,205)	(6,948,313)
<b>Profit/(Loss) before tax &amp; bonus</b>	<b>418,111,828</b>	<b>217,985,210</b>	<b>2,732,131</b>
Provision for Staff Bonus	(8,362,237)	(4,359,704)	(54,643)
Provision for CSR	(4,181,118)	(2,179,852)	(27,321)
<b>Profit/(Loss) before tax</b>	<b>405,568,473</b>	<b>211,445,654</b>	<b>2,650,167</b>
Income Tax Expense			
Deferred Tax Income/(Expense)		-	(575,133)
<b>Net Profit/(Loss)</b>	<b>405,568,473</b>	<b>211,445,654</b>	<b>2,075,034</b>
Major Financial Highlights			
Period	2081.04.01 to 2082.03.32	2081.04.01 to 2081.12.31	2080.04.01 to 2081.03.31
<b>Earnings Per Share (EPS)</b>	<b>12.17</b>	<b>6.34</b>	<b>0.06</b>
<b>Current Ratio (CR)</b>	<b>2.49</b>	<b>30.03</b>	<b>0.92</b>
<b>Net Worth Per Share</b>	<b>110.03</b>	<b>104.17</b>	<b>97.82</b>
Return on Assets (ROA)	2.85%	1.52%	0.02%
Market Value Per Share as on reporting date.	517.53	524.75	450.00
P/E Ratio	42.52	82.70	7,226.99

#### Financial Statements

- The Unaudited financial statements for the fourth 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. 661,088,767/-
- Service concession arrangement of Sanima Middle Tamor Hydropower Limited (SMTHL) includes Project Work in Progress of Middle Tamor Hydropower Project (MTHP - 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 net of amortization as on 32 Asadh 2082 is NPR. 13,186,425,773 /-
- Previous quarter figures has been rearranged and regrouped whenever necessary.

#### Management Analysis

- The Company has incurred NPR 39,987,804/- as administrative expenses during the reporting period and NPR. 469,014,889/-as amortization of project assets and depreciation of fixed assets
- The Company has generated an amount of NPR 1,973,130,412 as a sale of electricity and incurred NPR. 261,209,049 as plant operating expenses during this period. Among such expenses NPR.39,462,608.24 is charged as Generation Royalty, NPR 36,979,394.69 as Plant Insurance expense, NPR. 23,837,942.06 as Consultancy expenses NPR. 62,299,539.17 as Repair & Maintenance, NPR. 51,067,492.09 as Plant Operating Staff Cost and remaining expense includes administrative and office operating expenses of site which amounts to NPR. 47,562,073
- The Company has earned NPR 3,634,034 /- 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 reporting period are as follows:

Particulars	This Quarter Ending	Previous Quarter Ending	Corresponding Previous Year Quarter Ending
Maximum price NPR.	571.00	637.00	463.00
Minimum price NPR.	481.20	495.00	348.00
Closing price NPR.	517.53	524.75	450.00
Total Turnover NPR.	964,042,868.80	2,470,918,303.70	897,586,228.80
Total Transactions	15,401	27,913	20,362
No. of transaction Day	63	56	61
Total traded volume (Nos)	1,847,590	4,288,108	2,219,001

#### Problems & Challenges

##### Internal Challenges

- Finding skilled human resources in required number and their retention.
- Availability of suitable modern equipment for effective operation maintenance.
- 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 operation and maintenance of hydroelectric projects.
- Devaluation of local currency against USD.
- Volatility in Interest rate may impact on profitability.
- Problem to get appropriate insurances policies for hydroelectric projects in Nepal.
- Natural disaster such as flood, earthquake, landslides, etc.
- Climatic changes and extreme hydrological fluctuations.
- Geological risks.
- Challenges to evacuate full generation due to load dispatch instruction and outages of NEA transmission system.

##### Strategies

- Mobilize available resources for effective operation and maintenance of the plant to maximize the generation.
- Effective fund management 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 operation & maintenance materials.
- Proper strategies and planning for effective operation and maintenance of the power plant.

#### Corporate Governance

The Board of Directors, Audit Committee, other Committees, and Management Team are committed to strengthening good corporate governance within the Company. SMTHL has written manuals, policies, rules & guidelines for the proper 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 up to the Fourth Quarter of FY 2081/082. 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.