



Sanima Mai Hydropower Ltd.

Shankha Park - 4, Kathmandu, Nepal

Unaudited Financial Reports (Quarterly)

As at 2nd Quarter (2073.09.29) of the Fiscal Year 2073/074

Particulars	(Unaudited) This Quarter Ending	(Unaudited) Previous Quarter Ending	(Unaudited) Corresponding Previous Year Quarter Ending
	as on 29-09-2073	as on 30-06-2073	as on 30-09-2072
Capital & Liabilities	Nrs.	Nrs.	Nrs.
Equity Holders' Fund			
Share Capital	1,055,000,000.00	1,055,000,000.00	1,055,000,000.00
Retained Earning	263,416,578.84	179,361,020.46	19,353,222.67
Total Equity Holders' Fund	1,318,416,578.84	1,234,361,020.46	1,074,353,222.67
Secured loan			
Consortium Term Loan from Banks	3,112,209,979.51	3,154,973,909.52	2,925,934,274.23
Bridge Gap Loan	79,440,000.00	79,440,000.00	127,700,000.00
Sub Total	3,191,649,979.51	3,234,413,909.52	3,053,634,274.23
Total	4,510,066,558.35	4,468,774,929.98	4,127,987,496.90
Assets			
Non-Current Assets			
Properties, Plant and Equipments	4,466,692,909.62	4,466,174,477.12	3,019,661,179.24
Less: Accumulated Depreciation	(209,617,842.25)	(172,428,307.82)	(74,521,024.64)
Sub Total	4,257,075,067.37	4,293,746,169.30	2,945,140,154.60
Capital Work In Progress(CWIP)			
Work in Progress at Site	9,416,637.32	9,416,637.32	1,262,874,406.04
Net Non Current Assets	4,266,491,704.69	4,303,162,806.62	4,208,014,560.64
Investments at cost	7,000,000.00	7,000,000.00	-
Current assets			
Cash and Bank balances	147,912,036.59	62,221,768.64	39,868,839.90
Loans, advances and deposits	20,253,277.25	25,832,743.10	287,553,390.95
Advance to associate Company	20,216,297.49	216,297.49	2,560,141.00
Trade Debtors -NEA	216,326,807.70	271,737,419.99	-
Stock	3,534,314.13	1,702,954.89	-
Advance Tax	4,779,791.44	4,721,593.19	4,639,978.80
Total Current Assets	413,022,524.60	366,432,777.30	334,622,350.65
Less: Current Liabilities & Provisions			
Sundry Creditors and Payables	179,449,012.09	209,980,221.51	225,899,638.44
Provisions	720,232.18	1,603,950.98	187,804,469.10
Withholding Tax Payable	289,326.67	282,564.79	945,306.85
Total Current Liabilities & Provisions	180,458,570.94	211,866,737.28	414,649,414.39
Net Current Assets	232,563,953.66	154,566,040.02	(80,027,063.74)
Other Assets			
Deferred Expenditure on Govt Transmission line	4,010,900.00	4,046,083.34	-
Total	4,510,066,558.35	4,468,774,929.98	4,127,987,496.90

Particulars	(Unaudited) This Quarter Ending	Unaudited Previous Quarter Ending	(Unaudited) Corresponding Previous Year Quarter Ending
	as on 29-09-2073	as on 30-06-2073	as on 30-09-2072
	Nrs.	Nrs.	Nrs.
Income from sale of electricity	506,388,741.97	300,362,629.74	174,133,020.00
Income From Interest	550,788.53	162,801.63	526,352.71
Other Income	400,500.00	-	1,332.27
Total Income	507,340,030.50	300,525,431.37	174,660,704.98
Less:			
Administrative Expenses	(8,105,140.48)	(4,925,516.20)	(7,851,439.00)
Plant Operation and Site Expense	(37,933,901.39)	(20,665,290.87)	(26,859,254.40)
Financial Charges	(130,799,956.24)	(67,373,424.81)	(96,950,027.14)
Depreciation Charge	(74,370,436.95)	(37,180,902.52)	(62,271,711.19)
Write-off of Transmission Line	(70,366.67)	(35,183.33)	-
Contribution Exp.	-	-	-
Total Expenses	(251,279,801.73)	(130,180,317.73)	(193,932,431.73)
Profit/(Loss) from Operations	256,060,228.77	170,345,113.64	(19,271,726.75)
Foreign Exchange fluctuation Gain/(Loss)	(1,659,556.75)	-	-
Net Profit/(Loss)	254,400,672.02	170,345,113.64	(19,271,726.75)
Staff Bonus Provision	-	-	-
Net Profit Before Tax	254,400,672.02	170,345,113.64	(19,271,726.75)
Provision for Income Tax	-	-	-
Net Profit after tax of the year	254,400,672.02	170,345,113.64	(19,271,726.75)
Profit brought forward from last year	9,015,906.82	9,015,906.82	38,624,949.42
Dividend proposed			
Profit/(Loss) transfer to balance sheet	263,416,578.84	179,361,020.46	19,353,222.67

If the statutory and supervising authority notifies to change the Un-Audited Financial Statements, the final figures may change accordingly.

SECOND QUARTER DISCLOSURE AS OF 2073.09.29
AS PER SECURITIES REGISTRATION AND ISSUANCE REGULATION
ANNEXURE-14 (RELATED TO SUB REGULATION 2 OF REGULATION 22)

1. Financial Statements

- The unaudited financial statements for second quarter have been published along with this report.
- Pursuant to Life of the project, the company has deducted depreciation at 3.33% so that all the investments made on electricity generation, transmission or distribution is paid back in average of 30 years. In case of other Fixed Assets, depreciation has been calculated based on Written Down Value as per the Provisions of the Income Tax Act, 2058.
- Till the end of Poush 2073, Mai Khola Hydropower Project (22 MW) has generated the invoice of NPR. 390,076,912.43 and Mai Cascade Hydropower Project (7 MW) has generated the invoice of NPR. 116,311,829.54. Besides this, interest on deposit is also reported as revenue/Income.
- As per Budget for F/Y 2071-72, Under topic "Urjauiyalo Nepal Sambhridha Nepal" point 61 'For Projects completed and connected to National Grid by 2079-80, Lump sum amount of Nrs.50 lakhs/MW to be provided as Government Grant. Additional 10% will be provided to those projects which will be completed and connected to National Grid by 2074-75.' Mai Hydropower Plant (22MW) and Mai Cascade hydropower plant (7MW) have been completed and connected to National Grid on 2071-11-14 and on 2072-10-29 respectively, but this income has not been included in Revenue/Income as it is not received yet.

Major Financial Highlights

Earnings Per Share (EPS)	24.11	Net-worth Per Share	124.97
Current Ratio	2.29	Market Value Per Share	788.00

Management Analysis

During the construction phase the company has matched the entire requirement and now the project is evacuating its power on the basis of dispatch availability.

2. Legal Proceedings

- During the period there are no legal cases against the Company and from the company.

Analysis of Company's Share Transaction

- SMHL shares were actively traded during second quarter.
- The major highlights of Share transactions during the quarter are as follows:
Maximum price NPR. 983, Minimum price NPR. 722, closing price NPR. 788, No. of transaction Day: 57, Total Transactions: 1436, Total traded volume: 263,087 and Turnover NPR. 226,374,640.00

3. Problems & Challenges

Internal Risk

- Retention of skilled human resource
- To maintain the operational efficiency.

External Risk

- Lack of political commitment in development of hydroelectric projects.
- Fluctuating cost of capital and devaluating local currency.
- Delay of statutory approvals.
- Loss due to natural disaster - Earthquake etc.

4. Corporate Governance

Board of Directors, Audit Committee, other Committees and Management Team are committed for strengthening good corporate governance within the company. Sanima Mai has written manual, policies, rules & guidelines for proper functioning of the operation of the company.

5. Declaration

I the Chief Executive Officer of this Company, take the responsibility of accuracy of the information and details mentioned in this report for the period up to second quarter of F.Y 2073/074, 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.