

Unaudited Financial Reports (Quarterly)

As at 1st Quarter (2077.06.30) of the Fiscal Year 2077/78

Particulars	This Quarter Ending	Previous Quarter Ending	Corresponding Previous Year Quarter Ending
	as on 30.06.2077	as on 31.03.2077	as on 30.06.2076
Assets			
Non Current Assets			
Property Plant & Equipment-UMHEP	1,948,170,150	1,967,072,636	2,023,736,597
Property Plant & Equipment-UMCHEP	1,070,734,957	1,080,741,825	1,110,762,432
Property Plant & Equipment-Other	2,698,856	2,892,419	3,621,732
	3,021,603,963	3,050,706,881	3,138,120,760
Current Assets			
Commercial & Other Receivables	79,898,548	70,555,268	102,945,569
Cash & Bank	563,018	1,108,857	3,301,123
Advance & Deposits	5,418,993	6,857,132	7,175,722
Inventory	20,343,260	14,305,406	14,305,406
	106,223,819	92,826,662	127,727,820
Total Assets	3,127,827,782	3,143,533,543	3,265,848,580
Equity & Liabilities			
Equity			
Share Capital	1,100,000,000	1,100,000,000	1,100,000,000
Reserve & Surplus	(154,519,389)	(184,559,324)	(96,625,677)
	945,480,611	915,440,676	1,003,374,323
Other Funds & Liabilities			
Deferred Income	25,843,658	26,220,871	27,352,512
Deferred Tax	50,759,346	48,243,905	34,499,090
Secured Loan	1,678,890,442	1,705,137,245	1,787,022,732
Unsecured Loan	-	-	-
	1,755,493,445	1,779,602,021	1,848,874,333
Current Liabilities & Provisions			
Commercial & Other Payables	69,391,166	71,998,728	50,076,930
Short Term Loan	356,991,042	376,114,904	362,452,880
Provisions	471,517	377,214	1,070,115
	426,853,725	448,490,846	413,599,925
Total Liabilities	3,127,827,782	3,143,533,543	3,265,848,580
Particulars	This Quarter Ending Ashwin End 2077	Previous Quarter Ending Ashadh End 2077	Corresponding Quarter Ending Ashwin End 2077
Operating Income			
Electricity Sale to NEA -UMHEP	80,015,562	225,993,053	98,630,715
Electricity Sale to NEA -UMCHEP	55,012,931	143,725,307	54,696,781
Total Operating Income	135,028,493	369,718,360	153,327,497
Operating Expenses			
Power Plant Expenses - UMHEP	3,116,164	13,339,604	2,325,194
Power Plant Expenses - UMCHEP	2,696,308	6,473,699	1,130,502
Total Operating Expenses	5,812,473	19,813,303	3,455,695
Gross Operating Profit	129,216,020	349,905,057	149,871,801
Administrative and Other Expenses			
Employee Expenses	2,988,978	5,904,687	3,124,336
Administrative Expenses	9,960,774	28,787,982	12,158,139
Interest on Loan	54,832,885	221,742,614	53,553,871
Depreciation	29,160,918	116,629,173	29,157,293
Loss on Sale of Assets	-	-	-
Total Administrative & Other Expenses	96,943,555	373,064,455	97,993,638
Income from Other Sources			
Other Income			
Deferred Income	377,214	1,508,854	377,214
Gain on Sale of Assets	-	-	-
Total Income From Other Sources	377,214	1,508,854	377,214
Profit (Loss) before Employees Bonus and Tax	32,649,679	(21,650,544)	52,255,376
Provision for Employee's Bonus			
Provision for Corporate Tax	94,303	377,214	94,303
Deferred Tax Expenses/(Income)	2,515,440	18,326,421	4,581,605
Net Profit (Loss) after Tax	30,039,935	(40,354,179)	47,579,468
Profit brought forward from last Year	(184,559,324)	(144,205,145)	(144,205,145)
Balance Transferred to Balance Sheet	(154,519,389)	(184,559,324)	(96,625,677)

FIRST QUARTER DISCLOSURE AS OF 2077.06.30

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 fourth quarter have been published along with this report.
- Pursuant to Life of the Project, the company has deducted depreciation on Upper Mai HEP at 3.44% and Upper Mai Cascade at 3.33% so that all the investment 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 Provision of the Income Tax Act, 2058.
- As per Budget for F/Y 2071-72, Under topic "Ujyalo 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 project which will be completed and connected to National Grid by 2074-75.' However, we have not received any amount till date. If received, it will improve the company cash-flow and will impact profitability.

Major Financial Highlights

Earnings Per Share (EPS)	2.73	Net-worth Per Share	85.95
Current Ratio	0.25	Market Value Per Share	140

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

- PMHL shares were actively traded during first quarter (until the lock-down).
- The major highlights of share transactions during the quarter are as follows:

Maximum Price NPR.	168	Minimum Price NPR.	70	Closing Price NPR	140
No. of Transaction Day	63	Total Traded Volume	6,08,363	Turnover NPR.	7,81,36,623

3. Problems & Challenges

Internal Risk

- Retention of skilled human resource
- To maintain the operational efficiency.
- To manage the fund for bank installment during dry season.

External Risk

- Lack of political commitment in development of hydroelectric projects.
- Fluctuation of water flow.
- Possibility of flood in monsoon season in the rivers at power-plant locations.
- Loss due to natural disaster – Earthquake, Landslide etc.

4. Corporate Governance

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

5. Declaration

I the Director of this Company, take the responsibility of accuracy of the information and details mentioned in this report for the period up to first quarter of FY 2077/078, hereby declare that the information and details provided in this report are true, based on facts, and complete to the best of my knowledge.