



Panchakanya Mai Hydropower Limited

Lalitpur Metropolitan City - 3
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Unaudited Financial Reports (Quarterly) As at 2nd Quarter (2076.09.29) of the Fiscal Year 2076/77

Particulars	This Quarter Ending	1st Quarter Ending	Corresponding Previous Year Quarter Ending
	as on 29.09.2076	as on 30.06.2076	as on 30.09.2075
Assets			
Non Current Assets			
Property Plant & Equipment-UMHEP	2,004,877,610	2,023,736,597	2,073,836,028
Property Plant & Equipment-UMCHEP	1,100,755,563	1,110,762,432	1,140,804,972
Property Plant & Equipment-Other	3,373,795	3,621,732	6,515,256
	3,109,006,967	3,138,120,760	3,221,156,256
Current Assets			
Commercial & Other Receivables	41,563,408	102,945,569	40,478,536
Cash & Bank	1,576,438	3,301,123	969,136
Advance & Deposits	7,060,912	7,175,722	8,325,109
Inventory	14,305,406	14,305,406	13,036,823
	64,506,165	127,727,820	62,809,603
Total Assets	3,173,513,132	3,265,848,580	3,283,965,859
Equity & Liabilities			
Equity			
Share Capital	1,100,000,000	1,100,000,000	1,100,000,000
Reserve & Surplus	(115,864,551)	(100,093,378)	(74,224,800)
	984,135,449	999,906,622	1,025,775,200
Other Funds & Liabilities			
Deferred Income	26,975,298	27,352,512	28,629,442
Deferred Tax	39,080,695	34,499,090	47,769,774
Secured Loan	1,723,281,092	1,787,022,732	1,907,778,270
Unsecured Loan	-	-	-
	1,789,337,084	1,848,874,333	1,984,177,486
Current Liabilities & Provisions			
Commercial & Other Payables	21,423,300	53,544,630	38,322,557
Short Term Loan	377,452,880	362,452,880	234,453,480
Provisions	1,164,419	1,070,115	1,237,137
	400,040,599	417,067,625	274,013,174
Total Liabilities	3,173,513,132	3,265,848,580	3,283,965,859
Particulars	This Quarter Ending Poush End 2076	Previous Quarter Ending Ashwin End 2076	Previous Quarter Ending Poush End 2075
Operating Income			
Electricity Sale to NEA -UMHEP	150,265,223	98,630,715	140,973,320
Electricity Sale to NEA -UMCHEP	89,578,896	54,696,781	79,824,945
Total Operating Income	239,844,119	153,327,497	220,798,265
Operating Expenses			
Power Plant Expenses - UMHEP	10,264,170	2,325,194	2,996,170
Power Plant Expenses - UMCHEP	4,215,409	1,130,502	1,661,064
Total Operating Expenses	14,479,579	3,455,695	4,657,233
Gross Operating Profit	225,364,539	149,871,801	216,141,031
Administrative and Other Expenses			
Employee Expenses	4,513,578	3,124,336	6,880,137
Administrative Expenses	17,009,847	12,158,139	25,214,316
Interest on Loan	108,588,544	57,021,571	115,801,057
Depreciation	58,314,586	29,157,293	59,591,063
Loss on Sale of Assets	-	-	-
Total Administrative & Other Expenses	188,426,555	101,461,339	207,486,572
Income from Other Sources			
Other Income			2,243,016
Deferred Income	754,427	377,214	609,137
Gain on Sale of Assets	-	-	-
Total Income From Other Sources	754,427	377,214	2,852,153
Profit (Loss) before Employees Bonus and Tax	37,692,411	48,787,676	11,506,612
Provision for Employee's Bonus	-	-	-
Provision for Corporate Tax	188,607	94,303	713,038
Deferred Tax Expenses /(Income)	9,163,210	4,581,605	-
Net Profit (Loss) after Tax	28,340,594	44,111,767	10,793,574
	(144,205,145)	(144,205,145)	(85,018,374)
Balance Transferred to Balance Sheet	(115,864,551)	(100,093,378)	(74,224,800)

SECOND QUARTER DISCLOSURE AS OF 2076.09.29 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 first 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)	2.58	Net-worth Per Share	89.47
Current Ratio	0.16	Market Value Per Share	95.00

- 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

- PMHL shares were actively traded during second quarter.
- The major highlights of share transactions during the quarter are as follows:
Maximum price NPR. 95, Minimum price NPR. 77, closing price NPR. 95, No. of transaction Day: 52, Total traded volume. 14,410 and Turnover NPR. 1,221,940.00.

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 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 second quarter of F.Y 2076/077, hereby declare that the information and details provided in this report are true, based on facts, and complete to the best of my knowledge.