

Unaudited Financial Reports (Quarterly)

As at 2nd Quarter (2078.09.30) of the Fiscal Year 2078/79

Particulars	This Quarter Ending as on 30.09.2078	Previous Quarter Ending as on 31.06.2078	Corresponding Previous Quarter Ending as on 29.09.2077
Assets			
Non Current Assets			
Property Plant & Equipment-UMHEP	1,854,862,152	1,950,402,236	1,929,267,663
WIP-UMHEP	145,635,732	145,635,732	-
Property Plant & Equipment-UMCHEP	1,021,920,318	1,072,029,338	1,060,728,088
Property Plant & Equipment-Other	1,595,050	1,734,660	2,447,294
	3,024,013,253	3,169,801,967	2,992,443,044
Current Assets			
Commercial & Other Receivables	84,019,794	104,107,317	35,324,222
Cash & Bank	4,746,985	1,894,911	12,797,980
Advance & Deposits	13,330,952	8,301,396	22,444,478
Inventory	25,822,754	25,100,876	19,268,247
	127,920,485	139,404,500	89,834,927
Total Assets	3,151,933,739	3,309,206,467	3,082,277,971
Equity & Liabilities			
Equity			
Share Capital	1,100,000,000	1,100,000,000	1,100,000,000
Reserve & Surplus	(121,500,976)	(7,720,645)	(226,952,094)
Other Equity	(42,413)	(42,413)	(42,413)
	978,456,611	1,092,236,942	873,005,493
Other Funds & Liabilities			
Deferred Income	23,957,590	24,334,803	25,466,443
Deferred Tax	78,162,280	63,670,851	53,274,786
Secured Loan	1,572,365,567	1,572,367,755	1,678,891,347
Unsecured Loan			
	1,674,485,436	1,660,373,409	1,757,632,576
Current Liabilities & Provisions			
Commercial & Other Payables	95,747,883	62,720,210	72,250,952
Short Term Loan	403,055,201	493,781,603	378,684,443
Provisions	188,607	94,304	704,508
	498,991,691	556,596,117	451,639,903
Total Liabilities	3,151,933,739	3,309,206,467	3,082,277,971
Particulars	This Quarter Ending Ashwin End	Previous Quarter Ending Ashadh End	Corresponding Previous Quarter Ending Ashwin End
Operating Income			
Electricity Sale to NEA -UMHEP	152,822,190	100,696,991	80,015,562
Electricity Sale to NEA -UMCHEP	91,672,110	56,464,687	90,337,152
Total Operating Income	244,494,300	157,161,678	170,352,715
Operating Expenses			
Power Plant Expenses - UMHEP	5,496,798	5,009,348	3,440,500
Power Plant Expenses - UMCHEP	2,296,277	1,941,202	3,626,909
Total Operating Expenses	7,793,075	6,950,550	7,067,410
Gross Operating Profit	236,701,225	150,211,128	163,285,305
Administrative and Other Expenses			
Employee Expenses	10,901,603	6,368,659	8,207,759
Administrative Expenses	12,019,429	4,216,681	25,440,566
Interest on Loan	74,307,339	43,834,932	95,113,210
Depreciation	58,316,544	29,160,918	58,321,836
Total Administrative & Other Expenses	155,544,915	83,581,190	187,083,371
Income from Other Sources			
Other Income			
Deferred Income	754,427	377,214	754,428
Total Income From Other Sources	754,427	377,214	754,428
Profit (Loss) before Employees Bonus and Tax	81,910,737	67,007,151	(23,043,638)
Provision for Employee's Bonus	-	-	-
Provision for Corporate Tax	188,607	94,304	188,607
Deferred Tax Expenses /(Income)	5,030,881	3,153,516	5,030,881
Net Profit (Loss) after Tax	76,691,249	63,759,332	(28,263,126)
Profit brought forward from last Year	(198,192,225)	(71,479,977)	(198,688,968)
Balance Transferred to Balance Sheet	(121,500,976)	(7,720,645)	(226,952,094)

SECOND QUARTER DISCLOSURE AS OF 2078.09.30

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 second 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.

• Major Financial Highlights

Earnings Per Share (EPS)	6.97	Net-worth Per Share	88.95
Current Ratio	0.26	Market Value Per Share	393

• Management Analysis

During the construction phase, the company had matched the entire requirements and presently the project is evacuating its power on the basis of dispatch availability.

2. Legal Proceedings

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

3. Analysis of Company's Share Transaction

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

Maximum Price NPR.	393	Minimum Price NPR.	269	Closing Price NPR	290
No. of Transaction Day	59	Total Traded Volume	20,97,066	Turnover NPR.	73,34,64,520.7

4. Problems & Challenges

Internal Risk

- Retention of skilled human resources.
- 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.

5. 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 manuals, policies, rules & regulations for proper functioning the company.

6. Miscellaneous

Generation of Upper Mai and Upper Mai Cascade Power Plant stopped from Kartik 11, 2078 to Mangsir 26,2078 due to the Transmission Tower No. 26 Collapse by heavy rain fall in the month Kartik.

7. 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 2078/079, hereby declare that the information and details provided in this report are true, based on facts, and complete to the best of my knowledge.