

Unaudited Financial Reports (Quarterly)

As at 2nd Quarter (2079.09.30) of the Fiscal Year 2079/80

Particulars	This Quarter Ending	Previous Quarter Ending	Corresponding Previous Quarter Ending
	as on 30.09.2079	as on 31.06.2079	as on 30.09.2078
Assets			
Non Current Assets			
Intangible Assets	2,774,067,363	2,802,589,020	2,876,782,470
Work in Progress	-	10,327,362	145,635,732
Property Plant & Equipment-Other	1,676,495	1,539,523	1,595,050
	2,775,743,858	2,814,455,905	3,024,013,253
Current Assets			
Commercial & Other Receivables	50,129,249	111,549,640	84,019,794
Cash & Bank	5,939,124	3,943,497	4,746,985
Advance & Deposits	6,500,979	6,419,149	13,330,952
Inventory	23,412,318	23,133,958	25,822,754
	85,981,670	145,046,244	127,920,485
Total Assets	2,861,725,528	2,959,502,149	3,151,933,739
Equity & Liabilities			
Equity			
Share Capital	1,100,000,000	1,100,000,000	1,100,000,000
Reserve & Surplus	(122,104,468)	(190,413,020)	(121,500,976)
Other Equity	(42,413)	(42,413)	(42,413)
	977,853,119	909,544,567	978,456,611
Other Funds & Liabilities			
Deferred Income	22,448,736	22,825,950	23,957,590
Deferred Tax	-	84,750,740	78,162,280
Secured Loan	1,454,110,855	1,490,801,208	1,572,365,567
	1,476,559,591	1,598,377,897	1,674,485,436
Current Liabilities & Provisions			
Commercial & Other Payables	32,698,761	29,472,232	95,747,883
Short Term Loan	374,425,449	422,013,149	403,055,201
Provisions	188,607	94,303	188,607
	407,312,817	451,579,684	498,991,691
Total Liabilities	2,861,725,528	2,959,502,149	3,151,933,739
	This Quarter Ending Poush End 2079	Previous Quarter Ending Ashwin End 2079	Corresponding Quarter Ending Poush End 2078
Operating Income			
Electricity Sale to NEA -UMHEP	152,887,667	100,815,207	152,822,190
Electricity Sale to NEA -UMCHEP	94,476,328	58,886,852	91,672,110
Total Operating Income	247,363,995	159,702,059	244,494,300
Operating Expenses			
Power Plant Expenses - UMHEP	4,805,144	3,628,558	5,496,798
Power Plant Expenses - UMCHEP	2,764,576	1,986,843	2,296,277
Total Operating Expenses	7,569,720	5,615,401	7,793,075
Gross Operating Profit	239,794,274	154,086,658	236,701,225
Administrative and Other Expenses			
Employee Expenses	12,303,850	7,265,080	10,901,603
Administrative Expenses	13,539,642	11,766,047	12,019,429
Interest on Loan	104,375,392	49,498,025	74,307,339
Depreciation	58,537,255	29,158,272	58,316,544
Total Administrative & Other Expenses	188,756,139	97,687,423	155,544,915
Income from Other Sources			
Deferred Income	754,427	377,214	754,427
Total Income From Other Sources	754,427	377,214	754,427
Profit (Loss) before Employees Bonus and Tax	51,792,562	56,776,449	81,910,737
Provision for Employee's Bonus			
Provision for Corporate Tax	188,607	94,303	188,607
Deferred Tax Expenses /(Income)	-	1,555,014	5,030,881
Net Profit (Loss) after Tax	51,603,955	55,127,131	76,691,249
Profit brought forward from last Year	(173,708,423)	(245,540,151)	(198,192,225)
Balance Transferred to Balance Sheet	(122,104,468)	(190,413,020)	(121,500,976)

Notes: The above mentioned figures are subject to change during statutory audit of the books of accounts. Previous period figures have been reclassified/adjusted whenever considered necessary.

SECOND QUARTER DISCLOSURE AS OF 2079.09.30

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.
- The company is in tax holiday due to which company has decided to reverse DTL amount from retained earnings.
- Income tax provision on deferred income (income from transmission line sharing) has been accounted @ 25%.
- Major Financial Highlights**

Earnings Per Share (EPS) Annualized	9.38	Net-worth Per Share	88.90
Current Ratio	0.21	Market Value Per Share	260

2. Management Analysis

- Upper Mai and Upper Mai Cascade plants are evacuating its power on the basis of dispatch availability.
- Revenue from sales of electricity has increased by 1.17% and total operating expenses also increased by 1.31% compared to corresponding previous year quarter ending.
- Employee expenses and administrative expenses has increased by 12.86% and 12.65% respectively compared to corresponding previous year quarter ending.
- Interest expenses has increased by 40.46% compared to corresponding previous year quarter ending due to the increase in interest rate which affect the net profit of the company.

3. Legal Proceedings

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

4. Analysis of Company's Share Transaction

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

Maximum Price NPR.	270	Minimum Price NPR.	173	Closing Price NPR	260
No. of Transaction Day	52	Total Traded Volume	8,25,363	Turnover NPR.	18,53,91,988

5. 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.

6. 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.

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 2079/80, hereby declare that the information and details provided in this report are true, based on facts, and complete to the best of my knowledge.