

Unaudited Financial Reports (Quarterly)

As at 3rd Quarter (2078.12.30) of the Fiscal Year 2078/79

Particulars	This Quarter Ending	Previous Quarter Ending	Corresponding Previous Quarter Ending
	as on 30.12.2078	as on 30.09.2078	as on 31.12.2077
Assets			
Non Current Assets			
Intangible Assets	2,848,254,214	2,876,782,470	2,961,086,395
WIP-UMHEP	145,635,732	145,635,732	-
Property Plant & Equipment-Other	965,035	1,595,050	2,210,818
	2,994,854,981	3,024,013,253	2,963,297,213
Current Assets			
Commercial & Other Receivables	72,600,988	84,019,794	87,325,018
Cash & Bank	7,201,953	4,746,985	949,239
Advance & Deposits	17,605,183	13,330,952	40,327,073
Inventory	25,715,400	25,822,754	19,268,247
	123,123,524	127,920,485	147,869,577
Total Assets	3,117,978,506	3,151,933,739	3,111,166,791
Equity & Liabilities			
Equity			
Share Capital	1,100,000,000	1,100,000,000	1,100,000,000
Reserve & Surplus	(153,515,475)	(121,500,976)	(211,414,006)
Other Equity	(42,413)	(42,413)	(42,413)
	946,442,112	978,456,611	888,543,581
Other Funds & Liabilities			
Deferred Income	23,580,377	23,957,590	25,089,229
Deferred Tax	80,102,192	78,162,280	68,063,656
Secured Loan	1,544,952,334	1,572,365,567	1,651,108,852
	1,648,634,902	1,674,485,436	1,744,261,737
Current Liabilities & Provisions			
Commercial & Other Payables	95,748,659	95,747,883	63,479,896
Short Term Loan	426,869,922	403,055,201	414,424,608
Provisions	282,910	188,607	456,968
	522,901,491	498,991,691	478,361,472
Total Liabilities	3,117,978,506	3,151,933,739	3,111,166,791
Particulars	This Quarter Ending Chaitra End 2078	Previous Quarter Ending Poush End 2078	Corresponding Quarter Ending Chaitra End 2077
Operating Income			
Electricity Sale to NEA -UMHEP	183,420,229	152,822,190	155,015,562
Electricity Sale to NEA -UMCHEP	116,406,420	91,672,110	111,214,675
Total Operating Income	299,826,649	244,494,300	266,230,237
Operating Expenses			
Power Plant Expenses - UMHEP	5,812,995	5,496,798	4,452,011
Power Plant Expenses - UMCHEP	3,358,930	2,296,277	3,730,868
Total Operating Expenses	9,171,925	7,793,075	8,182,879
Gross Operating Profit	290,654,724	236,701,225	258,047,358
Administrative and Other Expenses			
Employee Expenses	15,530,663	10,901,603	4,890,684
Administrative Expenses	19,845,374	12,019,429	41,421,732
Interest on Loan	116,186,589	74,307,339	130,276,267
Depreciation	87,474,816	58,316,544	87,492,396
Loss on Sale of Assets	-	-	-
Total Administrative & Other Expenses	239,037,442	155,544,915	264,081,078
Income from Other Sources			
Other Income			
Deferred Income	1,131,641	754,427	1,131,642
Gain on Sale of Assets	-	-	696,231
Total Income From Other Sources	1,131,641	754,427	1,827,873
Profit (Loss) before Employees Bonus and Tax	52,748,923	81,910,737	(4,205,847)
Provision for Employee's Bonus	-	-	-
Provision for Corporate Tax	282,910	188,607	456,968
Deferred Tax Expenses/(Income)	6,968,228	5,030,881	7,546,321
Net Profit (Loss) after Tax	45,497,785	76,691,249	(12,209,136)
Profit brought forward from last Year	(199,013,259)	(198,192,225)	(199,204,869)
Balance Transferred to Balance Sheet	(153,515,475)	(121,500,976)	(211,414,006)

THIRD QUARTER DISCLOSURE AS OF 2078.12.30 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 third 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) Annualized	5.51	Net-worth Per Share	86.04
Current Ratio	0.24	Market Value Per Share	282

• 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 third quarter.
- The major highlights of share transactions during the quarter are as follows:

Maximum Price NPR.	398	Minimum Price NPR.	280	Closing Price NPR.	282
No. of Transaction Day	58	Total Traded Volume	14,11,604	Turnover NPR.	52,03,43,928

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. 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 third quarter of FY 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.