

Unaudited Financial Reports (Quarterly)

As at 3rd Quarter (2079.12.30) of the Fiscal Year 2079/80

Particulars	This Quarter Ending as on 30.12.2079	Previous Quarter Ending as on 30.09.2079	Corresponding Previous Quarter Ending as on 30.12.2078
Assets			
Non Current Assets			
Intangible Assets	2,745,031,939	2,774,067,363	2,848,254,214
WIP-UMHEP	-	-	145,635,732
Property Plant & Equipment-Other	1,640,637	1,676,495	965,035
	2,746,672,576	2,775,743,858	2,994,854,981
Current Assets			
Commercial & Other Receivables	32,154,743	50,129,249	72,600,988
Cash & Bank	6,553,361	5,939,124	7,201,953
Advance & Deposits	11,778,069	6,500,979	17,605,183
Inventory	23,455,782	23,412,318	25,715,400
	73,941,954	85,981,670	123,123,524
Total Assets	2,820,614,530	2,861,725,528	3,117,978,506
Equity & Liabilities			
Equity			
Share Capital	1,100,000,000	1,100,000,000	1,100,000,000
Reserve & Surplus	(162,237,071)	(122,146,881)	(153,557,888)
	937,762,929	977,853,119	946,442,112
Other Funds & Liabilities			
Deferred Income	22,071,523	22,448,736	23,580,377
Deferred Tax	-	-	80,102,192
Secured Loan	1,427,329,891	1,454,110,855	1,544,952,334
	1,449,401,414	1,476,559,591	1,648,634,902
Current Liabilities & Provisions			
Commercial & Other Payables	39,321,970	32,698,761	95,748,659
Short Term Loan	393,845,307	374,425,449	426,869,922
Provisions	282,910	188,607	282,911
	433,450,187	407,312,817	522,901,491
Total Liabilities	2,820,614,530	2,861,725,528	3,117,978,506
Particulars	This Quarter Ending Chaitra End 2079	Previous Quarter Ending Poush End 2079	Corresponding Quarter Ending Chaitra End 2078
Operating Income			
Electricity Sale to NEA -UMHEP	180,583,654	152,887,667	183,420,229
Electricity Sale to NEA -UMCHEP	118,042,070	94,476,328	116,406,420
Total Operating Income	298,625,725	247,363,995	299,826,649
Operating Expenses			
Power Plant Expenses - UMHEP	5,469,357	4,805,144	5,812,995
Power Plant Expenses - UMCHEP	3,303,857	2,764,576	3,358,930
Total Operating Expenses	8,773,214	7,569,720	9,171,925
Gross Operating Profit	289,852,511	239,794,274	290,654,724
Administrative and Other Expenses			
Employee Expenses	17,083,137	12,303,850	15,530,663
Administrative Expenses	17,610,470	13,539,642	19,845,374
Interest on Loan	156,687,986	104,375,392	116,186,589
Depreciation	87,805,883	58,537,255	87,474,816
Total Administrative & Other Expenses	279,187,476	188,756,139	239,037,442
Income from Other Sources			
Other Income			
Deferred Income	1,131,641	754,427	1,131,641
Gain on Sale of Assets	-	-	-
Total Income From Other Sources	1,131,641	754,427	1,131,641
Profit (Loss) before Employees Bonus and Tax	11,796,675	51,792,562	52,748,923
Provision for Employee's Bonus	-	-	-
Provision for Corporate Tax	282,910	188,607	282,910
Deferred Tax Expenses /(Income)	-	-	6,968,228
Net Profit (Loss) after Tax	11,513,765	51,603,955	45,497,785
Profit brought forward from last Year	(173,750,836)	(173,750,836)	(199,055,672)
Balance Transferred to Balance Sheet	(162,237,071)	(122,146,881)	(153,557,888)

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.

THIRD QUARTER DISCLOSURE AS OF 2079.12.30 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.
- 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	1.40	Net-worth Per Share	85.25
Current Ratio	0.17	Market Value Per Share	242

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 decreased by 0.40% and total operating expenses also decreased by 4.34% compared to corresponding previous year quarter ending.
- Employee expenses has increased by 10.00% and administrative expenses has decreased by 12.65% compared to corresponding previous year quarter ending.
- Interest expenses has increased by 34.86% compared to corresponding previous year quarter ending due to the increase in interest rate which affect the net profit of the company.

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

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

Maximum Price NPR.	280	Minimum Price NPR.	229	Closing Price NPR	242
No. of Transaction Day	56	Total Traded Volume	8,10,848	Turnover NPR.	21,24,26,734

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 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.