

Unaudited Financial Reports (Quarterly)

As at 3rd Quarter (2075.12.30) of the Fiscal Year 2075/76

Particulars	This Quarter Ending as on 30.12.2075	Previous Quarter Ending as on 30.09.2075	Corresponding Previous Year Quarter Ending as on. 30.12.2074
Assets			
Non Current Assets			
Property Plant & Equipment-UMHEP	2,054,280,309	2,073,836,028	2,154,777,740
Property Plant & Equipment-UMCHEP	1,130,796,885	1,140,804,972	1,141,112,927
Property Plant & Equipment-Other	6,283,531	6,515,256	4,836,510
	3,191,360,725	3,221,156,256	3,300,727,177
Current Assets			
Commercial & Other Receivables	29,933,289	40,478,536	16,078,182
Cash & Bank	2,252,116	969,136	26,934,917
Advance & Deposits	8,312,634	8,325,109	6,927,126
Closing Stock	13,036,823	13,036,823	-
	53,534,862	62,809,603	49,940,225
Total Assets	3,244,895,587	3,283,965,859	3,350,667,402
Equity & Liabilities			
Equity	975,380,350	1,025,775,200	1,030,807,836
Share Capital	1,100,000,000	1,100,000,000	990,000,000
Reserve & Surplus	(124,619,650)	(74,224,800)	40,807,836
	975,380,350	1,025,775,200	1,030,807,836
Other Funds & Liabilities			
Deferred Income	28,324,873	28,629,442	-
Deferred Tax	47,769,774	47,769,774	-
Secured Loan	1,868,095,007	1,907,778,270	1,989,017,780
Unsecured Loan	-	-	-
	1,944,189,654	1,984,177,486	1,989,017,780
Current Liabilities & Provisions			
Commercial & Other Payables	77,687,784	38,322,557	64,281,753
Short Term Loan	246,324,521	234,453,480	266,224,750
Provisions	1,313,279	1,237,137	335,283
	325,325,584	274,013,174	330,841,786
Total Liabilities	3,244,895,587	3,283,965,859	3,350,667,402
Particulars	This Quarter Ending Chaitra End 2075	Previous Quarter Ending Poush End 2075	Corresponding Previous Year Quarter Ending
Operating Income			
Electricity Sale to NEA -UMHEP	166,521,846	140,973,320	176,038,991
Electricity Sale to NEA -UMCHEP	100,857,012	79,824,945	97,416,340
Total Operating Income	267,378,858	220,798,265	273,455,331
Operating Expenses			
Power Plant Expenses - UMHEP	4,176,889	2,996,170	5,122,124
Power Plant Expenses - UMCHEP	2,392,153	1,661,064	13,874,635
Total Operating Expenses	6,569,042	4,657,233	18,996,759
Gross Operating Profit	260,809,817	216,141,031	254,458,572
Administrative and Other Expenses			
Administrative Expenses	39,620,055	32,094,452	54,185,387
Interest on Loan	173,771,986	115,801,057	122,041,057
Depreciation	89,386,594	59,591,063	59,390,207
Loss on Sale of Assets	-	-	-
Total Administrative & Other Expenses	302,778,634	207,486,572	235,616,651
Income from Other Sources			
Interest Income	-	-	-
Other Income	2,243,016	2,243,016	-
Deferred Income	913,706	609,137	-
Gain on Sale of Assets	-	-	-
Total Income From Other Sources	3,156,722	2,852,153	-
Profit (Loss) before Employees Bonus and Tax	(38,812,096)	11,506,612	18,841,921
Provision for Employee's Bonus	-	-	-
Provision for Corporate Tax	789,180	713,038	-
Deferred Tax Expenses/(Income)	-	-	-
Net Profit (Loss) after Tax	(39,601,276)	10,793,574	18,841,921
Profit brought forward from last Year	(85,018,374)	(85,018,374)	21,965,916
Balance Transferred to Balance Sheet	(124,619,650)	(74,224,800)	40,807,837

THIRD QUARTER DISCLOSURE AS OF 2075.12.30 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 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.
- 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.'

Major Financial Highlights

Earnings Per Share (EPS)	(3.60)	Net-worth Per Share	88.67
Current Ratio	0.16	Market Value Per Share	111.00

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 third quarter.
- The major highlights of Share transactions during the quarter are as follows:
Maximum price NPR. 120, Minimum price NPR. 103, closing price NPR. 111, No. of transaction Day: 60, T Total traded volume. 94,834 and Turnover NPR. 10,283,760.00.

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 Executive 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 F.Y 2075/076, hereby declare that the information and details provided in this report are true, based on facts, and complete to the best of my knowledge.