

Unaudited Financial Reports (Quarterly) As at 2nd Quarter (2080.09.29) of the Fiscal Year 2080/81

Other Funds & Liabilities	This Quarter Ending as on 29.09.2080	Previous Quarter Ending as on 30.06.2080	Corresponding Previous Year Quarter Ending as on 30.09.2079
Assets			
Non Current Assets			
Intangible Assets	2,668,751,828	2,695,548,768	2,774,067,363
Property Plant & Equipment-Other	2,202,328	2,046,350	1,676,495
	2,670,954,155	2,697,595,118	2,775,743,858
Current Assets			
Commercial & Other Receivables	45,167,612	107,362,870	50,129,249
Cash & Bank	15,753,542	8,600,050	5,939,124
Advance & Deposits	6,080,188	10,491,123	6,500,979
Inventory	25,628,899	25,628,899	23,412,318
	92,630,242	152,082,943	85,981,670
Total Assets	2,763,584,397	2,849,678,061	2,861,725,528
Equity & Liabilities			
Equity			
Share Capital	1,100,000,000	1,100,000,000	1,100,000,000
Reserve & Surplus	(131,683,160)	(121,375,156)	(122,146,881)
	968,316,840	978,624,844	977,853,119
Other Funds & Liabilities			
Deferred Income	20,939,882	21,317,096	22,448,736
Secured Loan	1,339,191,904	1,382,982,106	1,454,110,855
Unsecured Loan			
	1,360,131,786	1,404,299,202	1,476,559,591
Current Liabilities & Provisions			
Commercial & Other Payables	71,447,165	67,206,832	32,698,761
Short Term Loan	363,500,000	399,452,880	374,425,449
Provisions	188,607	94,303	188,607
	435,135,771	466,754,015	407,312,817
Total Liabilities	2,763,584,397	2,849,678,061	2,861,725,528
Particulars	This Quarter Ending Poush End 2080	Previous Quarter Ending Ashwin End 2080	Corresponding Previous Year Quarter Ending Poush End 2079
Operating Income			
Electricity Sale to NEA -UMHEP	152,317,235	104,354,406	152,887,667
Electricity Sale to NEA -UMCHEP	91,820,984	59,189,083	94,476,328
Total Operating Income	244,138,219	163,543,489	247,363,995
Operating Expenses			
Power Plant Expenses - UMHEP	15,310,861	6,779,874	17,754,139
Power Plant Expenses - UMCHEP	12,381,294	7,886,798	10,860,721
Total Operating Expenses	27,692,155	14,666,672	28,614,859
Gross Operating Profit	216,446,063	148,876,817	218,749,135
Administrative and Other Expenses			
Employee Expenses	2,258,425	1,173,150	2,355,319
Administrative Expenses	2,332,478	1,109,733	2,443,034
Interest on Loan	101,891,180	53,060,198	104,375,392
Depreciation	56,174,657	29,205,928	58,537,255
Total Administrative & Other Expenses	162,656,739	84,549,008	167,711,000
Income from Other Sources			
Other 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	54,543,751	64,705,022	51,792,562
Provision for Employee's Bonus	-	-	-
Provision for Corporate Tax	188,607	94,303	188,607
Net Profit (Loss) after Tax	54,355,144	64,610,718	51,603,955
Profit brought forward from last Year	(186,038,304)	(185,985,875)	(173,750,836)
Balance Transferred to Balance Sheet	(131,683,160)	(121,375,156)	(122,146,881)

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 2080.09.29 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	9.88	Net-worth Per Share	88.03
Current Ratio	0.21	Market Value Per Share	260

- 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 1.30% due to decreasing water discharge and total operating expenses decreased by 3.22% compared to corresponding previous year quarter ending.
- Employee expenses has decreased by 4.11% and administrative expenses also decreased by 4.53% compared to corresponding previous year quarter ending.
- Interest expenses has decreased by 2.38% compared to corresponding previous year quarter ending.

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

Maximum Price NPR.	260	Minimum Price NPR.	165	Closing Price NPR	260
No. of Transaction Day	49	Total Traded Volume	10,17,524	Turnover NPR.	22,81,03,781

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 second quarter of FY 2080/81, hereby declare that the information and details provided in this report are true, based on facts, and complete to the best of my knowledge.